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# Congressional Record

# PROCEEDINGS AND DEBATES

OF THE

## FIRST SESSION OF THE SEVENTY-FOURTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

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## VOLUME 79—PART 1

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# Congressional Record

## SEVENTY-FOURTH CONGRESS, FIRST SESSION

## SENATE

### THURSDAY, JANUARY 3, 1935

The 3d of January being the day prescribed by the Constitution of the United States (as amended by the twentieth amendment) for the annual meeting of Congress, the first session of the Seventy-fourth Congress commenced this day.

The Senate assembled in its Chamber at the Capitol.

JOHN N. GARNER, of Texas, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., of the city of Washington, offered the following

PRAYER

O Thou who art holy above the awfulness of sin, yet ever merciful, we acknowledge our transgressions and our sin is ever before us. Grant to us in this hour of wordless longing the vision of Thy glory, the sense of Thy presence, and the leading of Thy love, that human hearts may apprehend Thee everywhere and faith be deepened with the weight and woe of years.

Guide Thou this Nation by the sweet compulsions of Thy will into the deeper life, this suffering human life, wherein the Christ still lives and breathes and holds His way divine, that in the highway thronged with men and in each quiet corner we all may find His image and be conformed thereto.

And we humbly beseech Thee to bless our President, refresh him with Thy spirit day by day, in body and soul, for the great work to which he has been called, and give him wisdom and strength to know and to do Thy will.

Upon our Vice President, the Members of the Congress, and all in authority do Thou bestow the abundance of Thy grace, and may every Member of the Senate, in the exacting days that lie ahead, be found too strong for fear, too noble for anger, too great for worry, with ready hands of helpfulness, scarred in helping others, knowing the lowly ways of suffering and pain through which alone man's spirit climbs those shining heights, white with the presence of the living God. Grant this for the sake of Him who is ever the human shadow of Thine infinite love, Jesus Christ our Lord. Amen.

CREDENTIALS

The VICE PRESIDENT. The Chair lays before the Senate the credentials of a number of Senators-elect which have been sent to the desk, and, without objection, the credentials will be read and placed on file.

The Chief Clerk (John C. Crockett) proceeded to read the certificate of election of KEY PITTMAN, elected a Senator from the State of Nevada.

Mr. ROBINSON. Mr. President, I suggest that credentials found to be in due and usual form by the Secretary be not read but be printed in the RECORD and placed on file.

The VICE PRESIDENT. Is there objection to the request? The Chair hears none, and it is so ordered.

The credentials of Senators-elect laid before the Senate by the Vice President and ordered to be placed on file and to be printed in the RECORD, are as follows:

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that at a general election held in the State of Nevada on Tuesday, the 6th day of November 1934, KEY PITTMAN was duly elected by the qualified electors of the State of Nevada a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935, having received the highest number of votes cast for said office at said election, as appears by the certificate of the duly constituted and qualified board of canvassers now on file in the office of the secretary of state at Carson City, Nev.

Witness: His Excellency our Lieutenant and Acting Governor, Morley Griswold, and the great seal of the State of Nevada hereto affixed at Carson City, this 18th day of December, A. D. 1934.

MORLEY GRISWOLD,
*Lieutenant and Acting Governor.*

By the Lieutenant and Acting Governor:
[SEAL] W. G. GREATHOUSE,
*Secretary of State.*

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TENNESSEE EXECUTIVE CHAMBER,
*Nashville, December 10, 1934.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 NATHAN L. BACHMAN was duly chosen by the qualified electors of the State of Tennessee a Senator from said State to fill the vacancy in the term ending January 3, 1937, caused by the resignation of the Honorable Cordell Hull.

Witness: His Excellency our Governor, Hill McAlister, and our seal hereto affixed at Nashville this 10th day of December, A. D. 1934.

HILL MCALISTER, *Governor.*

By the Governor:
[SEAL] E. N. HASTON,
*Secretary of State.*

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IN THE NAME AND BY THE AUTHORITY OF THE STATE OF MONTANA.

*To all to whom these presents shall come, greeting:*

Know ye that I, F. H. Cooney, Governor of the State of Montana, do hereby certify that at a general election held in the State of Montana on the 6th day of November, A. D. 1934, pursuant to section 531 of the revised codes of the said State, BURTON K. WHEELER was duly elected to the office of Senator in Congress in and for the State of Montana, he having received the highest number of votes for said office as appears from a certified copy of the abstract of votes cast at said election now on file in my office.

And by virtue of the power vested in me by the constitution, and in pursuance of the laws, I do hereby commission him, the said BURTON K. WHEELER, to be Senator in Congress, hereby authorizing and empowering him to execute and discharge all and singular the duties appertaining to said office, and enjoy all the privileges and immunities thereof for a period of 6 years, beginning January 3, 1935.

In testimony whereof I have hereunto subscribed my hand and caused the great seal of the State of Montana to be affixed at Helena, Mont., the 4th day of December, A. D. 1934, and in the one hundred and fifty-ninth year of the independence of the United States.

F. H. COONEY.

By the Governor:
[SEAL] SAM W. MITCHELL,
*Secretary of State.*

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EXECUTIVE DEPARTMENT,
STATE OF CALIFORNIA.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 HIRAM W. JOHNSON was duly chosen by the qualified electors of the State of California a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Frank F. Merriam, and our seal, hereto affixed, at Sacramento, Calif., this 15th day of December, A. D. 1934.

FRANK F. MERRIAM, *Governor.*

By the Governor:
Attest:
[SEAL] FRANK C. JORDAN,
*Secretary of State.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 RUSH DEW HOLT was duly chosen by the qualified electors of the State of West Virginia a Senator from said State to represent said State in the Senate of the United States for the term of 6 years beginning on the 3d day of January, 1935.

Witness: His Excellency our Governor, H. G. Kump, and our seal, hereto affixed, at Charleston, this 3d day of December, A. D. 1934.

H. G. KUMP, *Governor.*

By the Governor:
[SEAL] WM. G. O'BRIEN,
*Secretary of State.*

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To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 JAMES E. MURRAY was duly chosen by the qualified electors of the State of Montana a Senator from said State to fill the vacancy in the term ending January 3, 1937, caused by the death of Thomas J. Walsh.

Witness: His Excellency our Governor, F. H. Cooney, and our seal hereto affixed at Helena, Mont., this the 12th day of December, A. D. 1934.

F. H. COONEY, *Governor.*

By the Governor:
[SEAL] SAM W. MITCHELL,
*Secretary of State.*
By CLIFFORD P. WALKER,
*Deputy.*

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STATE OF MINNESOTA, EXECUTIVE DEPARTMENT,
*St. Paul.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 HENRIK SHIPSTEAD was duly chosen by the qualified electors of the State of Minnesota a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Floyd B. Olson, and our seal hereto affixed at St. Paul, Minn., this 30th day of November, A. D. 1934.

FLOYD B. OLSON, *Governor.*

By the Governor:
[SEAL] MIKE HOLM, *Secretary of State.*

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TENNESSEE, EXECUTIVE CHAMBER,
*Nashville, November 23, 1934.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 KENNETH D. MCKELLAR was duly chosen by the qualified electors of the State of Tennessee a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Hill McAlister, and our seal hereto affixed at Nashville this 23d day of November, A. D. 1934.

HILL MCALISTER, *Governor.*

By the Governor:
[SEAL] E. N. HASTON,
*Secretary of State.*

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STATE OF NEBRASKA,
DEPARTMENT OF STATE.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 RICHARD C. HUNTER was duly chosen by the qualified electors of the State of Nebraska Senator from said State to represent said State in the Senate of the United States (for short term) from the 7th of November 1934 until January 3, 1935.

Witness: His Excellency our Governor, Charles W. Bryan, and our seal hereto affixed at Lincoln this 30th day of November, A. D. 1934.

CHARLES W. BRYAN, *Governor.*

By the Governor:
Attest:
[SEAL] HARRY R. SWANSON,
*Secretary of State.*

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EXECUTIVE OFFICE,
*Santa Fe, N. Mex.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 BRONSON CUTTING was duly chosen by the qualified electors of the State of New Mexico a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Done at the executive office this the 31st day of December, A. D. 1934.

Witness my hand and the great seal of the State of New Mexico.

A. W. HOCKENHULL, *Governor.*

Attest:
[SEAL] MRS. MARGUERITE P. BACA,
*Secretary of State.*

The VICE PRESIDENT laid before the Senate a telegram from the Governor of New Mexico certifying to the election of CARL A. HATCH, of New Mexico, as a Senator from that State, which was ordered to be placed on file and to be printed in the RECORD, as follows:

SANTA FE, N. MEX., *January 2, 1935.*

The PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 CARL A. HATCH was duly chosen by the qualified electors of the State of New Mexico a Senator from said State to fill the vacancy in the term ending January 3, 1937, caused by the resignation of Sam G. Bratton.

Done at the executive office this the 2d day of January 1935.

Witness my hand and the great seal of the State of New Mexico.

CLYDE TINGLEY,
*Governor of New Mexico.*

Attest:
ELIZABETH F. GONZALES,
*Secretary of State.*

Certificate follows by air mail.

CLYDE TINGLEY, *Governor.*

Mr. GLASS presented the credentials of HARRY F. BYRD, of Virginia, which were ordered to be placed on file and to be printed in the RECORD, as follows:

COMMONWEALTH OF VIRGINIA.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 HARRY F. BYRD was duly chosen by the qualified electors of the State of Virginia a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, George C. Peery, and our seal hereto affixed at Richmond this 26th day of November, A. D. 1934.

GEO. C. PEERY, *Governor.*

By the Governor:
[SEAL] PETER SAUNDERS,
*Secretary of the Commonwealth.*

Mr. HAYDEN presented the credentials of HENRY F. ASHURST, of Arizona, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
*State of Arizona.*

I, James H. Kerby, secretary of state, do hereby certify that on the 6th day of November 1934 HENRY F. ASHURST, who was Democratic nominee for the office of United States Senator, was duly chosen by the qualified electors of the State of Arizona a Senator from said State to represent said State in the Senate of the United States for the term of 6 years beginning on the 3d day of January 1935, all of which is shown by the records on file in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 26th day of November, A. D. 1934.

[SEAL] JAMES H. KERBY,
*Secretary of State.*

Mr. DUFFY presented the credentials of ROBERT M. LA FOLLETTE, JR., of Wisconsin, which were ordered to be placed on file and to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA,
THE STATE OF WISCONSIN,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

I, Albert G. Schmedeman, Governor of the State of Wisconsin, do hereby certify that ROBERT M. LA FOLLETTE, Jr., Maple Bluff, post office route 1, Madison, Wis., was, on the 6th day of November, A. D. 1934, duly elected a United States Senator for the State of Wisconsin, to hold office from the 3d day of January, A. D. 1935, for the full term of 6 years, ending on the 3d day of January, A. D. 1941, as appears from the official canvass of the votes given at a general election held on the day and year first above written, and that he was so elected in accordance with the laws of the State of Wisconsin.

In testimony whereof I have hereunto set my hand and caused the great seal of the State of Wisconsin to be affixed, at the capitol, in the city of Madison, this 1st day of December, A. D. 1934.

A. G. SCHMEDEMAN, *Governor.*

By the Governor:
[SEAL] THEODORE DAMMANN,
*Secretary of State.*

Mr. LONERGAN presented the credentials of FRANCIS T. MALONEY, of Connecticut, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF CONNECTICUT,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 FRANCIS T. MALONEY was duly chosen by the qualified electors of the State of Connecticut a Senator from said State to represent said State

in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Wilbur L. Cross, and our seal hereto affixed at Hartford this 30th day of November, A. D. 1934.

WILBUR L. CROSS, *Governor.*

By the Governor:
[SEAL] JOHN A. DANAHER,
*Secretary of State.*

Mr. THOMAS of Utah presented the credentials of WILLIAM H. KING, of Utah, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF UTAH,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 WILLIAM H. KING was duly chosen by the qualified electors of the State of Utah a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Henry H. Blood, and our seal hereto affixed at Salt Lake City this 26th day of November, A. D. 1934.

HENRY H. BLOOD, *Governor.*

By the Governor:
[SEAL] M. H. WELLING,
*Secretary of State.*

Mr. CLARK presented the credentials of HARRY S. TRUMAN, of Missouri, which were ordered to be placed on file and to be printed in the RECORD, as follows:

EXECUTIVE OFFICE, STATE OF MISSOURI,
*Jefferson City.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 HARRY S. TRUMAN was duly chosen by the qualified electors of the State of Missouri a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Guy B. Park, and our seal hereto affixed at Jefferson City this 4th day of December, A. D. 1934.

GUY B. PARK, *Governor.*

By the Governor:
[SEAL] DWIGHT H. BROWN,
*Secretary of State.*

Mr. COOLIDGE presented the credentials of DAVID I. WALSH, of Massachusetts, which were ordered to be placed on file and to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES, GREETING:

This is to certify that on the 6th day of November, A. D. 1934 DAVID I. WALSH was duly chosen by the qualified voters of said Commonwealth a Senator to represent said Commonwealth of Massachusetts in the Senate of the United States for the term of 6 years, commencing on the 3d day of January, A. D. 1935.

Witness: His Excellency, Joseph B. Ely, our Governor, and our great seal, hereunto affixed, at Boston this 5th day of December, A. D. 1934, and of the independence of the United States of America the one hundred and fifty-ninth.

JOSEPH B. ELY, *Governor.*

By His Excellency the Governor:
[SEAL] F. W. COOK,
*Secretary of the Commonwealth.*

Mr. HARRISON presented the credentials of THEODORE G. BILBO, of Mississippi, which were ordered to be placed on file and to be printed in the RECORD, as follows:

MISSISSIPPI EXECUTIVE DEPARTMENT,
*Jackson.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 THEODORE G. BILBO was duly chosen by the qualified electors of the State of Mississippi a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Sennett Conner, and our seal hereto affixed at Jackson, Miss., this 20th day of November, A. D. 1934.

SENNETT CONNER, *Governor.*

By the Governor:
[SEAL] WALKER WOOD,
*Secretary of State.*

Mr. BAILEY. Mr. President, I present the credentials of the Senator-elect from Maryland, GEORGE L. RADCLIFFE.

The VICE PRESIDENT. The credentials will be received, placed on file, and printed in the RECORD.

The credentials are as follows:

THE STATE OF MARYLAND,
EXECUTIVE DEPARTMENT.

I, Albert C. Ritchie, Governor of the State of Maryland, and having control of the great seal thereof, do hereby certify that on the 6th day of November 1934 GEORGE L. RADCLIFFE was duly chosen by the qualified electors of the State of Maryland a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

In testimony whereof I have hereunto set my hand and have caused to be hereto affixed the great seal of the State of Maryland at Annapolis, Md., this 3d day of December, A. D. 1934.

ALBERT C. RITCHIE.

By the Governor:
[SEAL] DAVID C. WINEBRENNER, 3D,
*Secretary of State.*

Mr. WAGNER presented the credentials of ROYAL S. COPELAND, of New York, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF NEW YORK,
EXECUTIVE CHAMBER.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 ROYAL S. COPELAND was duly chosen by the qualified electors of the State of New York a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Herbert H. Lehman, and our seal hereto affixed at Albany this 10th day of December, A. D. 1934.

HERBERT H. LEHMAN, *Governor.*

By the Governor:
[SEAL] EDWARD J. FLYNN,
*Secretary of State.*

Mr. SHEPPARD presented the credentials of TOM CONNALLY, of Texas, which were ordered to be placed on file and to be printed in the RECORD, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 TOM CONNALLY was duly chosen by the qualified electors of the State of Texas a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: Her Excellency our Governor, Miriam A. Ferguson, and our seal hereto affixed at Austin this 6th day of December, A. D. 1934.

MIRIAM A. FERGUSON, *Governor.*

By the Governor:
[SEAL] W. W. HEATH,
*Secretary of State.*

Mr. FLETCHER presented the credentials of PARK TRAMMELL, of Florida, which were ordered to be placed on file and to be printed in the RECORD, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November, A. D. 1934, PARK TRAMMELL was duly chosen by the qualified electors of the State of Florida a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, David Sholtz, and our seal hereto affixed at Tallahassee this 16th day of November, A. D. 1934.

DAVID SHOLTZ, *Governor.*

By the Governor:
[SEAL] R. A. GRAY, *Secretary of State.*

Mr. BULKLEY presented the credentials of VIC DONAHEY, of Ohio, which were ordered to be placed on file and to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA,
STATE OF OHIO,
OFFICE OF THE SECRETARY OF STATE.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 VIC DONAHEY was duly chosen by the qualified electors of the State of Ohio a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, George White, and our seal hereto affixed at Columbus, Ohio, this 1st day of December, A. D. 1934.

GEORGE WHITE, *Governor.*

By the Governor:
[SEAL] GEORGE S. MYERS,
*Secretary of State.*

Mr. COUZENS presented the credentials of ARTHUR H. VANDENBERG, of Michigan, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF MICHIGAN,
EXECUTIVE OFFICE,
*Lansing, November 30, 1934.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 ARTHUR H. VANDENBERG was duly chosen by the qualified electors of the State of Michigan a Senator from said State to represent said

State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, William A. Comstock, and our seal hereto affixed at the city of Lansing, State of Michigan, this 30th day of November, A. D. 1934.

WILLIAM A. COMSTOCK, *Governor.*

By the Governor:
[SEAL] CLARKE W. BROWN,
*Secretary of State.*

Mr. NORRIS presented the credentials of EDWARD R. BURKE, of Nebraska, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF NEBRASKA,
DEPARTMENT OF STATE.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934, EDWARD R. BURKE was duly chosen by the qualified electors of the State of Nebraska a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Charles W. Bryan and our seal hereto affixed at Lincoln, Nebr., this 30th day of November, A. D. 1934.

CHARLES W. BRYAN, *Governor.*

By the Governor:
[SEAL] HARRY R. SWANSON,
*Secretary of State.*

Mr. METCALF presented the credentials of PETER G. GERRY, of Rhode Island, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS,
EXECUTIVE CHAMBER,
*Providence, December 22, 1934.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934, PETER G. GERRY, of Warwick, R. I., was duly chosen by the qualified electors of the State of Rhode Island a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Theodore Francis Green, and our seal hereto affixed at Providence, R. I., this 22d day of December, A. D. 1934.

THEODORE FRANCIS GREEN,
*Governor.*

By the Governor:
[SEAL] LOUIS W. CAFFELLI,
*Secretary of State.*

Mr. NYE presented the credentials of LYNN J. FRAZIER, of North Dakota, which were ordered to be placed on file and to be printed in the RECORD, as follows:

UNITED STATES OF AMERICA,
EXECUTIVE DEPARTMENT,
STATE OF NORTH DAKOTA.

*To all to whom these presents shall come:*

This is to certify that on the 6th day of November, A. D. 1934, LYNN J. FRAZIER was duly chosen by the qualified electors of the State of North Dakota a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January, A. D. 1935.

Witness: His excellency, our Acting Governor, Ole H. Olson, and our seal hereto affixed at Bismarck, this 8th day of December, A. D. 1934.

OLE H. OLSON.

By the Acting Governor:
Attest:
[SEAL] ROBERT BYRNE, *Secretary of State.*

Mr. BARBOUR presented the credentials of A. HARRY MOORE, of New Jersey, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF NEW JERSEY.

CERTIFICATE OF ELECTION

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on November 6, 1934, A. HARRY MOORE was duly chosen by the qualified electors of the State of New Jersey, a Senator from the said State, to represent the said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

In testimony whereof the great seal of the State is hereunto affixed.

Witness the hand of His Excellency, our Governor, A. Harry Moore, at Trenton, this 4th day of December, A. D. 1934.

A. HARRY MOORE, *Governor.*

By the Governor:
Attest:
[SEAL] THOMAS A. MATHIS,
*Secretary of State.*

Mr. BONE presented the credentials of LEWIS B. SCHWELLENBACH, of Washington, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF WASHINGTON,
EXECUTIVE DEPARTMENT, OLYMPIA.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934, LEWIS B. SCHWELLENBACH was duly chosen by the qualified electors of the State of Washington a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

In witness whereof I have hereunto set my hand and caused the seal of the State of Washington to be affixed, at Olympia, this 3d day of December, A. D. 1934.

CLARENCE D. MARTIN, *Governor.*

By the Governor:
[SEAL] ERNEST N. HUTCHINSON,
*Secretary of State.*

Mr. VAN NUYS presented the credentials of SHERMAN MINTON, of Indiana, which were ordered to be placed on file and to be printed in the RECORD, as follows:

THE STATE OF INDIANA,
EXECUTIVE DEPARTMENT.

*To all to whom these presents shall come, greeting:*

Whereas it has been certified to me by the proper authority that at a general election held on the first Tuesday after the first Monday in November 1934, the same being the 6th day of said month, SHERMAN MINTON was duly elected to the office of United States Senator from the State of Indiana.

Therefore, know ye that in the name and by the authority of the State aforesaid I do hereby certify that the said SHERMAN MINTON was duly elected at said general election a United States Senator in the Congress of the United States from the State of Indiana for the term of 6 years, commencing on the 3d day of January 1935.

In witness whereof I have hereunto set my hand and caused to be affixed the seal of the State, at the city of Indianapolis, this 27th day of November, A. D. 1934, the one hundred eighteenth year of the State and of the independence of the United States the one hundred fifty-ninth.

PAUL V. McNUTT.

By the Governor:
[SEAL] FRANK MAYR, Jr.,
*Secretary of State.*

Mr. WHITE presented the credentials of FREDERICK HALE, of Maine, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF MAINE.

*To all who shall see these presents, greeting:*

Know ye, that FREDERICK HALE, of Portland, in the County of Cumberland, on the 10th day of September, A. D. 1934, was chosen by the electors of this State a United States Senator to represent the State of Maine in the United States Senate for the term of 6 years, beginning on the 3d day of January 1935.

In testimony whereof I have caused the seal of the State to be hereunto affixed.

Given under my hand at Augusta the 21st day of November, A. D. 1934, and in the one hundred and fifty-ninth year of the independence of the United States of America.

LOUIS J. BRANN, *Governor.*

By the Governor:
[SEAL] ROBINSON C. TOBEY,
*Secretary of State.*

Mr. HASTINGS presented the credentials of JOHN G. TOWNSEND, of Delaware, which were ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF DELAWARE, EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934, JOHN G. TOWNSEND, Jr., was duly chosen by the qualified electors of the State of Delaware a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

In witness whereof I, C. D. Buck, Governor of the State of Delaware, have hereunto set my hand and caused the great seal of said State to be hereunto affixed this 15th day of November, A. D. 1934, and of the independence of the United States of America, the one hundred and fifty-ninth.

C. D. BUCK.

By the Governor:
[SEAL] CHARLES D. GRANTLAND,
*Secretary of State.*

Mr. DAVIS presented the credentials of JOSEPH F. GUFFEY, of Pennsylvania, which were ordered to be placed on file and to be printed in the RECORD, as follows:

IN THE NAME AND BY AUTHORITY OF THE
COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 JOSEPH F. GUFFEY was duly chosen by the qualified electors of the State of Pennsylvania a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Gifford Pinchot, and our seal hereto affixed at Harrisburg, Pa., this 6th day of December, A. D. 1934.

GIFFORD PINCHOT.

By the Governor:
[SEAL] JOHN J. OWENS,
*Secretary of the Commonwealth.*

Mr. CAREY presented the credentials of JOSEPH C. O'MAHONEY, of Wyoming, for both the short and long terms, which were ordered to be placed on file and to be printed in the RECORD, as follows:

THE STATE OF WYOMING,
EXECUTIVE DEPARTMENT,
*Cheyenne, November 23, 1934.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 JOSEPH C. O'MAHONEY was duly chosen by the qualified electors of the State of Wyoming a Senator from said State to represent said State in the Senate of the United States for the unexpired portion of the term of Hon. John B. Kendrick, deceased, said term ending at noon on the 3d day of January 1935.

Witness: His Excellency our Governor, Leslie A. Miller, and our seal hereto affixed at Cheyenne, Wyo., this 23d day of November, A. D. 1934.

LESLIE A. MILLER, *Governor.*

By the Governor:
[SEAL] A. M. CLARK,
*Secretary of State.*

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THE STATE OF WYOMING,
EXECUTIVE DEPARTMENT,
*Cheyenne, November 23, 1934.*

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 JOSEPH C. O'MAHONEY was duly chosen by the qualified electors of the State of Wyoming a Senator from said State to represent said State in the Senate of the United States for a term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Leslie A. Miller, and our seal, hereto affixed, at Cheyenne, Wyo., this 23d day of November, A. D. 1934.

LESLIE A. MILLER, *Governor.*

By the Governor:
[SEAL] A. M. CLARK,
*Secretary of State.*

Mr. McNARY. Mr. President, under the statute of the State of Vermont, the canvassing board cannot convene until the 9th of January, as authorized by the legislature. In lieu of the usual credentials, therefore, I offer a certificate of the Secretary of State and the Governor of the State of Vermont showing the election, precinct by precinct and poll by poll, of WARREN R. AUSTIN as Senator from the State of Vermont. When the certificate shall be issued and received, I will offer it for filing in the Senate.

Mr. ROBINSON. Mr. President, I understand there are a number of precedents for the request of the Senator from Oregon, and also that no question has arisen or has been suggested to the Senate as to the election of the Senator from Vermont. I therefore make no objection.

The VICE PRESIDENT. Without objection, the certificate will be received and filed.

### ADMINISTRATION OF OATH

The VICE PRESIDENT. As is the custom, the clerk will call the names of the newly elected Senators; and as their names are called, they will present themselves at the desk and take the oath of office.

Mr. BACHMAN. Mr. President, the Senator-elect from Tennessee [Mr. MCKELLAR], being a member of the special committee appointed at the last session to investigate conditions in the Philippine Islands, is necessarily absent from the country, performing that service for the Senate. In consequence, he is unable to be present and take the oath of office made necessary by his reelection. His credentials have been received and are now on file.

The VICE PRESIDENT. The clerk will proceed to call the names of the newly elected Senators.

The legislative clerk (Emery L. Frazier) called the names of Mr. ASHURST, Mr. AUSTIN, Mr. BACHMAN, and Mr. BILBO.

These Senators, escorted by Mr. HAYDEN, Mr. MCNARY, Mr. ROBINSON, and Mr. HARRISON, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. BURKE, Mr. BYRD, Mr. CONNALLY, and Mr. COPELAND.

These Senators, escorted by Mr. NORRIS, Mr. GLASS, Mr. SHEPPARD, and Mr. WAGNER, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. CUTTING, Mr. DONAHEY, Mr. FRAZIER, and Mr. GERRY.

These Senators, escorted by Mr. HATCH, Mr. BULKLEY, Mr. NYE, and Mr. METCALF, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. GUFFEY, Mr. HALE, Mr. JOHNSON, and Mr. KING.

These Senators, escorted by Mr. DAVIS, Mr. WHITE, Mr. MCNARY, and Mr. THOMAS of Utah, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. LA FOLLETTE, Mr. MALONEY, Mr. MINTON, and Mr. HATCH.

These Senators, escorted by Mr. DUFFY, Mr. LONERGAN, Mr. VAN NUYS, and Mr. CUTTING, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. MOORE, Mr. MURRAY, Mr. O'MAHONEY, and Mr. PITTMAN.

These Senators, escorted by Mr. BARBOUR, Mr. ROBINSON, Mr. CAREY, and Mr. ASHURST, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. RADCLIFFE, Mr. SCHWELLENBACH, Mr. SHIPSTEAD, Mr. TOWNSEND, and Mr. TRAMMELL.

The Senators, escorted by Mr. BAILEY, Mr. BONE, Mr. SCHALL, Mr. HASTINGS, and Mr. FLETCHER, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

The legislative clerk called the names of Mr. TRUMAN, Mr. VANDENBERG, Mr. WALSH, and Mr. WHEELER.

These Senators, escorted by Mr. CLARK, Mr. COUZENS, Mr. COOLIDGE, and Mr. MURRAY, respectively, advanced to the Vice President's desk, and the oath of office prescribed by law was administered to them by the Vice President.

#### LIST OF SENATORS, BY STATES

*Alabama.*—Hugo L. Black and John H. Bankhead.
*Arizona.*—Henry F. Ashurst and Carl Hayden.
*Arkansas.*—Joseph T. Robinson and Mrs. Hattie W. Caraway.
*California.*—Hiram W. Johnson and William Gibbs McAdoo.
*Colorado.*—Edward P. Costigan and Alva B. Adams.
*Connecticut.*—Augustine Lonergan and Francis T. Maloney.
*Delaware.*—Daniel O. Hastings and John G. Townsend, Jr.
*Florida.*—Duncan U. Fletcher and Park Trammell.
*Georgia.*—Walter F. George and Richard B. Russell, Jr.
*Idaho.*—William E. Borah and James P. Pope.
*Illinois.*—J. Hamilton Lewis and William H. Dieterich.
*Indiana.*—Frederick Van Nuys and Sherman Minton.
*Iowa.*—L. J. Dickinson and Louis Murphy.
*Kansas.*—Arthur Capper and George McGill.
*Kentucky.*—Alben W. Barkley and M. M. Logan.
*Louisiana.*—Huey P. Long and John H. Overton.
*Maine.*—Frederick Hale and Wallace H. White, Jr.
*Maryland.*—Millard E. Tydings and George L. Radcliffe.
*Massachusetts.*—David I. Walsh and Marcus A. Coolidge.
*Michigan.*—James Couzens and Arthur H. Vandenberg.
*Minnesota.*—Henrik Shipstead and Thomas D. Schall.
*Mississippi.*—Pat Harrison and Theodore G. Bilbo.
*Missouri.*—Bennett Champ Clark and Harry S. Truman.
*Montana.*—Burton K. Wheeler and James E. Murray.
*Nebraska.*—George W. Norris and Edward R. Burke.
*Nevada.*—Key Pittman and Patrick McCarran.
*New Hampshire.*—Henry W. Keyes and Fred H. Brown.
*New Jersey.*—W. Warren Barbour and A. Harry Moore.
*New Mexico.*—Bronson Cutting and Carl A. Hatch.

*New York.*—Royal S. Copeland and Robert F. Wagner.
*North Carolina.*—Josiah William Bailey and Robert R. Reynolds.
*North Dakota.*—Lynn J. Frazier and Gerald P. Nye.
*Ohio.*—Robert J. Bulkley and A. V. Donahey.
*Oklahoma.*—Elmer Thomas and Thomas P. Gore.
*Oregon.*—Charles L. McNary and Frederick Steiwer.
*Pennsylvania.*—James J. Davis and Joseph F. Guffey.
*Rhode Island.*—Jesse H. Metcalf and Peter G. Gerry.
*South Carolina.*—Ellison D. Smith and James F. Byrnes.
*South Dakota.*—Peter Norbeck and W. J. Bulow.
*Tennessee.*—Kenneth McKellar[1] and Nathan L. Bachman.
*Texas.*—Morris Sheppard and Tom Connally.
*Utah.*—William H. King and Elbert D. Thomas.
*Vermont.*—Warren R. Austin and Ernest W. Gibson.
*Virginia.*—Carter Glass and Harry Flood Byrd.
*Washington.*—Homer T. Bone and Lewis B. Schwellenbach.
*West Virginia.*—M. M. Neely and Rush D. Holt.[1]
*Wisconsin.*—Robert M. La Follette, Jr., and F. Ryan Duffy.
*Wyoming.*—Robert D. Carey and Joseph C. O'Mahoney.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Hayden | Reynolds |
| Ashurst | Coolidge | Johnson | Robinson |
| Austin | Copeland | Keyes | Russell |
| Bachman | Costigan | King | Schall |
| Bailey | Couzens | La Follette | Schwellenbach |
| Bankhead | Cutting | Lewis | Sheppard |
| Barbour | Davis | Logan | Shipstead |
| Barkley | Dickinson | Lonergan | Smith |
| Bilbo | Dieterich | Maloney | Steiwer |
| Black | Donahey | McGill | Thomas, Okla. |
| Bone | Duffy | McNary | Thomas, Utah |
| Borah | Fletcher | Metcalf | Townsend |
| Brown | Frazier | Minton | Trammell |
| Bulkley | George | Moore | Truman |
| Bulow | Gerry | Murray | Vandenberg |
| Burke | Glass | Neely | Van Nuys |
| Byrd | Gore | Norris | Wagner |
| Byrnes | Guffey | Nye | Walsh |
| Capper | Hale | O'Mahoney | Wheeler |
| Caraway | Harrison | Pittman | White |
| Carey | Hastings | Pope | |
| Clark | Hatch | Radcliffe | |

Mr. AUSTIN. I announce the necessary absence of my colleague [Mr. GIBSON] on Senate business in the Philippine Islands.

Mr. McNARY. The Senator from South Dakota [Mr. NORBECK] is unavoidably absent. I will let this announcement stand for the week.

Mr. LEWIS. I beg to announce the absence of the Senator from Nevada [Mr. MCCARRAN] because of illness, and the absence of the Senator from Louisiana [Mr. OVERTON], occasioned by a temporary illness.

I also beg to announce the absence of the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], and the Senator from Tennessee [Mr. MCKELLAR], occasioned by being on a governmental mission to the Philippine Islands.

I desire further to announce that the Senator from Iowa [Mr. MURPHY] is detained by important matters in his State.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

NOTIFICATION TO THE PRESIDENT

Mr. ROBINSON submitted the following resolution (S. Res. 1), which was read, considered by unanimous consent, and agreed to:

*Resolved*, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The Vice President appointed Mr. ROBINSON and Mr. MCNARY the committee on the part of the Senate.

[1] Oath not administered.

NOTIFICATION TO THE HOUSE

Mr. McNARY submitted the following resolution (S. Res. 2), which was read, considered by unanimous consent, and agreed to:

*Resolved*, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

HOUR OF DAILY MEETING

Mr. ROBINSON submitted the following resolution (S. Res. 3), which was read, considered by unanimous consent, and agreed to:

*Resolved*, That the hour of daily meeting of the Senate be 12 o'clock meridian unless otherwise ordered.

TELEGRAM FROM SENATOR LONG

Mr. WHEELER. I send to the desk a telegram which I have just received from the Senator from Louisiana [Mr. LONG], and ask that it may be read.

The VICE PRESIDENT. Without objection, the telegram will be read.

The legislative clerk read as follows:

NEW ORLEANS, LA., *January 3, 1935.*

United States Senator BURTON K. WHEELER,
*Senate Office Building:*

Please announce or have announced for me in the Senate that on Monday, or on the first day that the Senate is in session next week, as soon as I can obtain the floor I shall speak on the propositions heretofore mentioned in the public press with which I am identified.

HUEY P. LONG,
*United States Senator.*

RECESS

Mr. ROBINSON. Mr. President, I am advised that it is necessary to consider at some time during this afternoon a concurrent resolution arranging for a joint session of the two Houses, to be held in the Hall of the House of Representatives tomorrow on the occasion when the President will deliver his annual message to the Congress. For that reason I am about to move that the Senate take a recess until 2 o'clock this afternoon; and I will state that it is not expected that other business than the concurrent resolution referred to will be considered today.

I move that the Senate take a recess until 2 o'clock.

The motion was agreed to; and (at 12 o'clock and 35 minutes p. m.) the Senate took a recess until 2 o'clock p. m.

At the expiration of the recess the Senate reassembled, and the Vice President resumed the chair.

Mr. ROBINSON. Mr. President, the message which I had anticipated would be sent over from the other House has not as yet reached the Senate. I, therefore, ask that the Senate stand in recess subject to the call of the Chair.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate thereupon took a recess subject to the call of the Vice President.

At 2 o'clock and 30 minutes p. m. the Senate reassembled at the call of the Vice President.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, informed the Senate that a quorum of the House of Representatives had assembled; that JOSEPH W. BYRNS, a Representative from the State of Tennessee, had been elected Speaker; that South Trimble, a citizen of the State of Kentucky, had been elected Clerk; and that the House is ready for business.

The message also informed the Senate that a committee of three members had been appointed by the Speaker on the part of the House of Representatives, to join with the committee on the part of the Senate, to notify the President of the United States that a quorum of each House had assembled and that Congress was ready to receive any communication that he might be pleased to make, and that the Speaker had appointed Mr. TAYLOR of Colorado, Mr. DOUGHTON, and Mr. SNELL the members of the committee on the part of the House of Representatives.

The message announced that the House had agreed to a concurrent resolution (H. Con. Res. 1) providing that the two Houses of Congress assemble in the Hall of the House

of Representatives on Friday, the 4th day of January 1935, at 12:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them, in which it requested the concurrence of the Senate.

NOTIFICATION TO THE PRESIDENT

Mr. ROBINSON and Mr. McNARY advanced in the center aisle, and

Mr. ROBINSON said: Mr. President, the committee of the Senate, acting in conjunction with a similar committee of the House, under the instructions of this honorable body and of the House, beg leave to report that in accordance with the resolution they have advised the President that the Senate is now in session and ready to receive any communication he may desire to make. They report also that the President expects to communicate with the Senate and House of Representatives in joint session tomorrow at 12:30 o'clock p. m.

JOINT MEETING OF THE TWO HOUSES

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution from the House of Representatives, which will be read.

The concurrent resolution (H. Con. Res. 1) was read, considered by unanimous consent, and agreed to, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress assemble in the Hall of the House of Representatives on Friday, the 4th day of January 1935, at 12:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 2 o'clock and 34 minutes p. m.) the Senate took a recess until tomorrow, Friday, January 4, 1935, at 12 o'clock meridian.

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# HOUSE OF REPRESENTATIVES

## THURSDAY, JANUARY 3, 1935

This being the day fixed by the twentieth amendment of the Constitution for the annual meeting of the Congress of the United States, the Members-elect of the House of Representatives of the Seventy-fourth Congress met in their Hall, and at 12 o'clock noon were called to order by the Hon. South Trimble, Clerk of the last House.

The Rev. James Shera Montgomery, D. D., Chaplain of the last House, offered the following

PRAYER

Great and marvelous are Thy works, Lord God Almighty! Let Thy work appear unto Thy servant and Thy glory unto their children. We would be still and know that Thou art God! We most humbly acknowledge our sins. Forgive and teach us that every renunciation brings us nearer the height of upright and heroic living. Strengthen us with that fortitude of soul that persists through difficulty and sorrow. The years gone by are ours by inheritance; the fruits of the present depend upon us. Lay Thy hand upon us that the welfare of our country may be held in the folds of every conscience, and lead us to carry our load of obligations to the altar of the Lord. Heavenly Father, inspire this Congress to ever safeguard the rights and contentment of our fellow citizens until the waste places of our land shall blossom as the rose. Unite us in a fellowship of cooperation for the common good and help us to act nobly in all the intricate relationships of life.

O Father of infinite mercy, we wait in this sacred stillness with urgent breath as we pray for our President. O abide with him, sustain him with good health, and crown him with wisdom divine. We bear upon our lips a prayer for our Speaker and all other Members of this Chamber, that each succeeding day they may have Thy unerring guidance. Bless the officers and the employees with glad and untroubled hearts. O Thou who "art the ancient of days", hear, Oh, hear us. This ageless world with its mutilated hopes is in pieces internationally, economically, and racially. We beseech Thee to direct us to be its good friend by lifting the bogs of human misery and looking forward to the final victory of good over evil. Let religious and civic liberty become coextensive with man everywhere. O God of love, may happiness stand as a vestal virgin upon all our thresholds of all our homes, and may all hearts echo with heavenly music. We pray in the name of the world's Savior, whose crown mocks all the diadems of time. Amen.

REPRESENTATIVES-ELECT

The CLERK. Members-elect, we are standing on the threshold of an incoming Congress. We are erecting today a new milestone in the annals of the political history of this Nation.

This is the first time in 146 years that an old Congress dies and a new one is born on the 3d day of January.

Since the birth of the First Congress in 1789 this historical event has taken place every 2 years on the 4th day of March.

Today we inaugurate the first session of the Seventy-fourth Congress, convened under the provision of the twentieth amendment of the Constitution of the United States.

From the days of the Continental Congresses to the present time, the Clerk of the outgoing Congress is authorized and directed by law to prepare the official roll of Members to the incoming Congress, call the House to order, and preside over its deliberations until the Speaker is elected.

The official roll of the Seventy-fourth Congress has been prepared, with the result that out of a total Membership of 435, 434 have properly filed duly authenticated credentials, in accordance with the law of their respective States and the United States, leaving one vacancy caused by the death of Hon. Frederick Landis, of the Second District of Indiana.

The first procedure now in order is to call the official roll of the House by States to ascertain if there be a quorum present.

The Clerk called the roll, and the following Members-elect answered to their names:

[Roll No. 1]

| | | | |
|---|---|---|---|
| | | ALABAMA | |
| McDuffie | Steagall | Starnes | Carmichael |
| Hill | Hobbs | Oliver | Huddleston |
| | | ARKANSAS | |
| Driver | Fuller | Terry | Parks |
| Miller | Cravens | McClellan | |
| | | CALIFORNIA | |
| Lea | Carter | McGroarty | Dockweiler |
| Englebright | Tolan | Hoeppel | Colden |
| Buck | McGrath | Kramer | Scott |
| Kahn | Gearhart | Ford | Collins |
| Welch | Stubbs | Costello | Burnham |
| | | COLORADO | |
| Lewis | Cummings | Martin | Taylor |
| | | CONNECTICUT | |
| Kopplemann | Shanley | Smith | Citron |
| Higgins | Merritt | | |
| | | DELAWARE | |
| | | Stewart | |
| | | FLORIDA | |
| Peterson | Caldwell | Wilcox | Sears |
| Green | | | |
| | | GEORGIA | |
| Peterson | Owen | Tarver | Whelchel |
| Cox | Ramspeck | Deen | Brown |
| Castellow | Vinson | | |
| | | IDAHO | |
| | White | Clark | |
| | | ILLINOIS | |
| Mitchell | Kocialkowski | Adair | Schaefer |
| McKeough | McAndrews | Dirksen | Arnold |
| Kelly | Church | Arends | Parsons |
| Beam | Reed | Meeks | Keller |
| Sabath | Buckbee | Dobbins | Brennan |
| O'Brien | Allen | Lucas | Igoe |
| Schuetz | Thompson | Mason | |
| | | INDIANA | |
| Schulte | Griswold | Boehne | Larrabee |
| Pettengill | Jenckes | Crowe | Ludlow |
| Farley | Greenwood | Gray | |

IOWA

| | | | |
|---|---|---|---|
| Eicher | Biermann | Utterback | Gilchrist |
| Jacobsen | Thurston | Wearin | Gillette |
| Gwynne | | | |

KANSAS

| | | | |
|---|---|---|---|
| Lambertson | Patterson | Houston | Hope |
| Guyer | Carpenter | Carlson | |

KENTUCKY

| | | | |
|---|---|---|---|
| Gregory | Carden | Chapman | Vinson |
| Cary | Spence | May | Robsion |
| O'Neal | | | |

LOUISIANA

| | | | |
|---|---|---|---|
| Fernandez | Montet | Wilson | DeRouen |
| Maloney | Sandlin | Sanders | Dear |

MAINE

| | | |
|---|---|---|
| Hamlin | Moran | Brewster |

MARYLAND

| | | | |
|---|---|---|---|
| Goldsborough | Palmisano | Gambrill | Lewis |
| Cole | Kennedy | | |

MASSACHUSETTS

| | | | |
|---|---|---|---|
| Treadway | Rogers | Russell | Wigglesworth |
| Granfield | Andrew | Tinkham | Martin |
| Casey | Connery | Higgins | Gifford |
| Holmes | Healey | McCormack | |

MICHIGAN

| | | | |
|---|---|---|---|
| Sadowski | Blackney | Woodruff | Dingell |
| Michener | Wolcott | Brown | Lesinski |
| Hoffman | Crawford | Hook | Dondero |
| Mapes | Engel | Rabaut | |

MINNESOTA

| | | | |
|---|---|---|---|
| Andresen | Maas | Knutson | Pittenger |
| Ryan | Christianson | Kvale | Buckler |
| Lundeen | | | |

MISSISSIPPI

| | | | |
|---|---|---|---|
| Rankin | Whittington | Dunn | McGehee |
| Doxey | Ford | Colmer | |

MISSOURI

| | | | |
|---|---|---|---|
| Romjue | Shannon | Williams | Hennings |
| Nelson | Wood | Cannon | Claiborne |
| Duncan | Short | Zimmerman | Cochran |
| Bell | | | |

MONTANA

| | | |
|---|---|---|
| | Monaghan | Ayers |

NEBRASKA

| | | | |
|---|---|---|---|
| Luckey | Stefan | Binderup | Coffee |
| McLaughlin | | | |

NEVADA

Scrugham

NEW HAMPSHIRE

| | |
|---|---|
| Rogers | Tobey |

NEW JERSEY

| | | | |
|---|---|---|---|
| Wolverton | Eaton | Kenney | Lehlbach |
| Bacharach | McLean | Hartley | Norton |
| Sutphin | Perkins | Cavicchia | Hart |
| Powers | | | |

NEW MEXICO

Dempsey

NEW YORK

| | | | |
|---|---|---|---|
| Bacon | Dickstein | Fitzpatrick | Hancock |
| Brunner | Sullivan | Millard | Taber |
| Pfeifer | Sirovich | Fish | Cole |
| Cullen | Boylan | Goodwin | Duffy |
| Evans | O'Connor | Corning | Wadsworth |
| Somers | Peyser | Thomas | Andrews |
| Delaney | Kennedy | Crowther | Beiter |
| Tonry | Bloom | Snell | Mead |
| Rudd | Marcantonio | Culkin | Reed |
| Celler | Gavagan | Sisson | Merritt |
| O'Leary | Buckley | Lord | O'Day |

NORTH CAROLINA

| | | | |
|---|---|---|---|
| Warren | Cooley | Clark | Bulwinkle |
| Kerr | Hancock | Lambeth | Weaver |
| Barden | Umstead | Doughton | |

NORTH DAKOTA

| | |
|---|---|
| Burdick | Lemke |

OHIO

| | | | |
|---|---|---|---|
| Hollister | Fletcher | Secrest | Crosser |
| Hess | Jenkins | Thom | Bolton |
| Harlan | Underwood | Ashbrook | Young |
| Kloeb | Lamneck | Imhoff | Truax |
| Kniffin | Fiesinger | Cooper | |
| Polk | Harter | Sweeney | |

OKLAHOMA

| | | | |
|---|---|---|---|
| Disney | Gassaway | Johnson | Ferguson |
| Nichols | Lee | Massingale | Rogers |
| Cartwright | | | |

OREGON

| | | |
|---|---|---|
| Mott | Pierce | Ekwall |

PENNSYLVANIA

| | | | |
|---|---|---|---|
| Ransley | Kinzer | Doutrich | Berlin |
| Wilson | Boland | Driscoll | Crosby |
| Fenerty | Turpin | Walter | Brooks |
| Daly | Gildea | Haines | Quinn |
| Dorsey | Richardson | Gingery | Moritz |
| Stack | Dietrich | Snyder | Ellenbogen |
| Darrow | Rich | Faddis | Dunn |
| Wolfenden | Ditter | Eckert | |
| Frey | Focht | Gray | |

RHODE ISLAND

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| Condon | O'Connell |

SOUTH CAROLINA

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|---|---|---|
| McMillan | Taylor | Richards | Gasque |
| Fulmer | McSwain | | |

SOUTH DAKOTA

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|---|---|
| Hildebrandt | Werner |

TENNESSEE

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|---|---|---|---|
| Reece | Mitchell | Turner | Cooper |
| Taylor | Byrns | Pearson | Chandler |
| McReynolds | | | |

TEXAS

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|---|---|---|---|
| Patman | Patton | McFarlane | Mahon |
| Dies | Eagle | Kleberg | Maverick |
| Sanders | Mansfield | West | South |
| Rayburn | Buchanan | Thomason | |
| Sumners | Cross | Blanton | |
| Johnson | Lanham | Jones | |

UTAH

| | |
|---|---|
| Murdock | Robinson |

VERMONT

Plumley

VIRGINIA

| | | | |
|---|---|---|---|
| Bland | Drewry | Woodrum | Smith |
| Darden | Burch | Robertson | Flannagan |
| Montague | | | |

WASHINGTON

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| Zioncheck | Smith | Hill, Samuel B. | Lloyd |
| Wallgren | Hill, Knute | | |

WEST VIRGINIA

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|---|---|---|---|
| Ramsay | Edmiston | Kee | Smith |
| Randolph | Johnson | | |

WISCONSIN

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|---|---|---|---|
| Amlie | Cannon | Boileau | Hull |
| Sauthoff | O'Malley | Schneider | Gehrmann |
| Withrow | Reilly | | |

WYOMING

Greever

The CLERK. The roll call discloses the presence of 425 Members. A quorum is present.

The Clerk will state that credentials regular in form have been filed showing the election of ANTHONY J. DIMOND as Delegate from the Territory of Alaska, and of SAMUEL W. KING as Delegate from the Territory of Hawaii. The Clerk has received several communications relative to the latter certificate, which will be transmitted to the House for its information.

Two Resident Commissioners to the United States from the Philippine Islands are elected by the Philippine Legislature triennially. A certificate certifying to the election of FRANCISCO A. DELGADO and of PEDRO GUEVARA is on file, showing their election as Resident Commissioners from the Philippine Islands for the term of 3 years beginning January 3, 1935.

ELECTION OF SPEAKER

The next business in order is the election of the Speaker. Nominations will now be received.

Mr. TAYLOR of Colorado. Mr. Clerk, as chairman of the Democratic caucus of the Seventy-fourth Congress, I am directed by the unanimous vote of the caucus to present as the candidate for the office of Speaker of the House of Representatives of the Seventy-fourth Congress the name of Hon. JOSEPH W. BYRNS, of Tennessee. [Applause.]

The CLERK. Are there further nominations?

Mr. LEHLBACH. Mr. Clerk, by direction and authority of the Republican conference, representing the minority of the Membership of the Seventy-fourth Congress, I nominate as Speaker of the House of Representatives of the Seventy-fourth Congress Hon. BERTRAND H. SNELL, a Representative of the State of New York. [Applause.]

The CLERK. Are there further nominations?

Mr. BOILEAU. Mr. Clerk, by direction and authority of the Progressive conference, I have the honor to nominate as Speaker of the House of Representatives during the continuance of the Seventy-fourth Congress, Hon. GEORGE J. SCHNEIDER, a Representative from the State of Wisconsin. [Applause.]

Hon. JOSEPH W. BYRNS, a Representative-elect from the State of Tennessee, and Hon. BERTRAND H. SNELL, a Representative-elect from the State of New York and Hon. GEORGE J. SCHNEIDER, a Representative-elect from the State of Wisconsin have been placed in nomination.

The CLERK. Are there further nominations? There being no further nominations, the Clerk appoints the gentlewoman from New York, Mrs. O'DAY: the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from California, Mr. BURNHAM; the gentleman from Illinois, Mr. DIRKSEN; and the gentleman from Wisconsin, Mr. SAUTHOFF to act as tellers. They will please come forward and take their seats at the desk. The roll will now be called, and those responding will indicate by surname the nominee of their choice.

The tellers having taken their places, the House proceeded to vote viva voce for Speaker. The following is the vote in detail:

[Roll No. 2]

BYRNS

| | | | |
|---|---|---|---|
| Adair | Dickstein | Igoe | O'Brien |
| Arnold | Dies | Imhoff | O'Connell |
| Ashbrook | Dietrich | Jacobsen | O'Connor |
| Ayers | Dingell | Jenckes, Ind. | O'Day |
| Barden | Disney | Johnson, Okla. | O'Leary |
| Beam | Dobbins | Johnson, Tex. | Oliver |
| Beiter | Dockweiler | Johnson, W. Va. | O'Malley |
| Bell | Dorsey | Jones | O'Neal |
| Berlin | Doughton | Kee | Owen |
| Biermann | Doxey | Keller | Palmisano |
| Binderup | Drewry | Kelly | Parks |
| Bland | Driscoll | Kennedy, Md. | Parsons |
| Blanton | Driver | Kennedy, N. Y. | Patman |
| Bloom | Duffy, N. Y. | Kenney | Patterson |
| Boehne | Duncan | Kerr | Patton |
| Boland | Dunn, Miss. | Kleberg | Pearson |
| Boylan | Dunn, Pa. | Kloeb | Peterson, Fla. |
| Brennan | Eagle | Kniffin | Peterson, Ga. |
| Brooks | Eckert | Kocialkowski | Pettengill |
| Brown, Ga. | Edmiston | Kopplemann | Peyser |
| Brown, Mich. | Eicher | Kramer | Pfeifer |
| Brunner | Ellenbogen | Lambeth | Pierce |
| Buchanan | Evans | Lamneck | Polk |
| Buck | Faddis | Lanham | Quinn |
| Buckley, N. Y. | Farley | Larrabee | Rabaut |
| Bulwinkle | Ferguson | Lea, Calif. | Ramsay |
| Burch | Fernandez | Lee, Okla. | Ramspeck |
| Caldwell | Fiesinger | Lesinski | Randolph |
| Cannon, Mo. | Fitzpatrick | Lewis, Colo. | Rankin |
| Cannon, Wis. | Flannagan | Lewis, Md. | Rayburn |
| Carden | Fletcher | Lloyd | Reilly |
| Carmichael | Ford, Calif. | Lucas | Richards |
| Carpenter | Ford, Miss. | Luckey | Richardson |
| Cartwright | Frey | Ludlow | Robertson |
| Cary | Fuller | McAndrews | Robinson, Utah |
| Casey | Fulmer | McClellan | Rogers, N. H. |
| Castellow | Gambrill | McCormack | Rogers, Okla. |
| Celler | Gasque | McDuffie | Romjue |
| Chandler | Gassaway | McFarlane | Rudd |
| Chapman | Gavagan | McGehee | Russell |
| Citron | Gildea | McGrath | Ryan |
| Claiborne | Gillette | McGroarty | Sabath |
| Clark, Idaho | Gingery | McKeough | Sadowski |
| Clark, N. C. | Goldsborough | McLaughlin | Sanders, La. |
| Cochran | Granfield | McMillan | Sanders, Tex. |
| Coffee | Gray, Ind. | McReynolds | Sandlin |
| Colden | Gray, Pa. | McSwain | Schaefer |
| Cole, Md. | Green | Mahon | Schuetz |
| Colmer | Greenwood | Maloney | Schulte |
| Condon | Greever | Mansfield | Scott |
| Connery | Gregory | Martin, Colo. | Scrugham |
| Cooley | Griswold | Mason | Sears |
| Cooper, Tenn. | Haines | Massingale | Secrest |
| Corning | Hamlin | Maverick | Shanley |
| Costello | Hancock, N. C. | May | Shannon |
| Cox | Harlan | Mead | Sirovich |
| Cravens | Hart | Meeks | Sisson |
| Crosby | Harter | Merritt, N. Y. | Smith, Conn. |
| Cross, Tex. | Healey | Miller | Smith, Va. |
| Crosser, Ohio | Hennings | Mitchell, Ill. | Smith, Wash. |
| Crowe | Higgins, Mass. | Mitchell, Tenn. | Smith, W. Va. |
| Cullen | Hildebrandt | Monaghan | Snyder |
| Cummings | Hill, Ala. | Montague | Somers, N. Y. |
| Daly | Hill, Knute | Montet | South |
| Darden | Hill, Samuel B. | Moran | Spence |
| Dear | Hobbs | Moritz | Stack |
| Deen | Hoeppel | Murdock | Starnes |
| Delaney | Hook | Nelson | Steagall |
| Dempsey | Houston | Nichols | Stubbs |
| DeRouen | Huddleston | Norton | Sullivan |
| Sumners, Tex. | Tolan | Walter | Williams |
| Sutphin | Tonry | Warren | Wilson, La. |
| Sweeney | Truax | Wearin | Wood |
| Tarver | Turner | Weaver | Woodrum |
| Taylor, Colo. | Umstead | Werner | Young |
| Taylor, S. C. | Underwood | West | Zimmerman |
| Terry | Utterback | Whelchel | Zioncheck |
| Thom | Vinson, Ga. | White | |
| Thomason | Vinson, Ky. | Whittington | |
| Thompson | Wallgren | Wilcox | |

SNELL

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|---|---|---|---|
| Allen | Dirksen | Hope | Reed, Ill. |
| Andresen | Ditter | Jenkins, Ohio | Reed, N. Y. |
| Andrew, Mass. | Dondero | Kahn | Rich |
| Andrews, N. Y. | Doutrich | Kimball | Robsion, Ky. |
| Arends | Eaton | Kinzer | Rogers, Mass. |
| Bacharach | Ekwall | Knutson | Short |
| Bacon | Engel | Lambertson | Stefan |
| Blackney | Englebright | Lehlbach | Stewart |
| Bolton | Fenerty | Lord | Taber |
| Brewster | Fish | McLean | Taylor, Tenn. |
| Buckbee | Focht | Maas | Thomas |
| Burnham | Gearhart | Mapes | Thurston |
| Carlson | Gifford | Marcantonio | Tinkham |
| Carter | Gilchrist | Martin, Mass. | Tobey |
| Cavicchia | Goodwin | Merritt, Conn. | Treadway |
| Christianson | Guyer | Michener | Turpin |
| Church | Gwynne | Millard | Wadsworth |
| Cole, N. Y. | Hancock, N. Y. | Mott | Wigglesworth |
| Collins | Hartley | Perkins | Wilson, Pa. |
| Cooper, Ohio | Hess | Pittenger | Wolcott |
| Crawford | Higgins, Conn. | Plumley | Wolfenden |
| Crowther | Hoffman | Powers | Wolverton |
| Culkin | Hollister | Ransley | Woodruff |
| Darrow | Holmes | Reece | |

SCHNEIDER

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|---|---|---|---|
| Amlie | Gehrmann | Kvale | Sauthoff |
| Boileau | Hull | Lundeen | Withrow |
| Buckler, Minn. | | | |

LAMBERTSON

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|---|---|
| Burdick | Lemke |

ANSWERED "PRESENT"

| | | |
|---|---|---|
| Schneider | Snell | Welch |

The CLERK. The tellers agree in their tally. The total number of votes cast is 426, of which Hon. JOSEPH W. BYRNS has received 317, Hon. BERTRAND H. SNELL 95, Hon. GEORGE J. SCHNEIDER 9, and Hon. W. P. LAMBERTSON 2. Three Members have voted "present." Therefore Hon. JOSEPH W. BYRNS, a Representative-elect from the State of Tennessee, having received a majority of all of the votes cast, is duly elected Speaker of the House of Representatives for the Seventy-fourth Congress. [Applause.]

The gentleman from New York, Mr. SNELL, the gentleman from Wisconsin, Mr. SCHNEIDER, the gentleman from Pennsylvania, Mr. BOLAND, the gentleman from Ohio, Mr. CROSSER, and the gentlewoman from Massachusetts, Mrs. ROGERS, will please notify Mr. BYRNS of his election and conduct him to the chair.

The Clerk designates the gentleman from Illinois, Mr. SABATH, the Member longest in continuous service in the House, to administer the oath of office to the Speaker-elect, as prescribed by law.

PRESENTATION OF THE SPEAKER-ELECT

The committee appointed by the Clerk escorted Mr. BYRNS to the chair.

Mr. SNELL. Members of the Seventy-fourth Congress, for the third successive time it has been my privilege to present to the Members of this House my successful rival for the office of Speaker of the House of Representatives. [Laughter.] You know there is an old saying, "Three times and out." When I looked over our number, I am not exactly sure when that "out" is going to come, but it will not always be thus. I was here myself when the Republicans had nearly as large a majority as the Democrats have at the present time.

Yet there is a silver lining to every cloud, and the silver lining at this time to me is that each time I presented to you not only a very warm and close personal friend but a man who was well qualified to fill the exalted position of Speaker of this House. [Applause.] Your present choice is no exception. Mr. BYRNS comes to this position well qualified and by every rule of the game is richly entitled to the honor you have so generously conferred upon him. His party loyalty, his ability, his successful leadership of the majority in the last House, his long experience in handling

legislative matters well qualify him to assume the duties and responsibilities of the great office of Speaker.

Mr. BYRNS, I consider that you are exceptionally well fitted to fill this position, and I know that I speak the minds and will of your colleagues in the House, Republicans as well as Democrats, when I say that we believe you will perform these duties with fairness and justice to all, with great honor to yourself and to the party you represent. You have well performed every duty assigned you and are about to receive the fruition of long and faithful service, and I sincerely congratulate you upon reaching the goal of your ambition. I now present you the gavel; and to the Members of the Seventy-fourth Congress I am very pleased to present your Speaker-elect, Hon. JOSEPH W. BYRNS, of Tennessee. [Applause.]

The SPEAKER-ELECT. Ladies and gentlemen of the House of Representatives, I appreciate, more than I can possibly express, the very complimentary remarks of the minority leader. BERT SNELL and I have served in Congress together for many years. I am also happy to say that during all those years we have been close personal friends, glad to work and cooperate with each other whenever the question of party fealty was not involved.

For the past 2 years we have been sitting upon opposite sides of the aisle, as the leaders of our respective parties. Our service in that capacity was always cordial and friendly, and I think I may say, cooperative. I always found that BERT SNELL was ready to cooperate in every way he could when it did not interfere with his allegiance to the party of which he is one of the shining ornaments. [Applause.]

You know, my friends, BERT SNELL'S word is his bond. There is no more dependable man in this Chamber than he, and I am happy to number him among my close personal and intimate friends. [Applause.]

A sense of humility at the size of the job that is ahead of me must merge with my expression of appreciation at the honor of having been chosen to preside over the greatest legislative body on earth.

It is a man-sized job that my Democratic friends and colleagues have given me. I thank them most heartily for their generous support. It is gratifying beyond words that they have such confidence in me, and as I assume this position I can only say that I shall try with all that is in me to live up to what they believe me to be. [Applause.]

Also, I wish to thank the minority party who have voted for their nominee, the distinguished statesman and splendid gentleman, BERT SNELL—whom I am proud to call "friend"—for the evidence of their good will and cordial friendship.

A former distinguished Speaker of the House said on a similar occasion that the functions and duties of the Speakership divide into two general classes, parliamentary and political. I agree. The parliamentary side involves the maintenance of order and, even more important, preservation of the dignity and honor of the House itself and the rights and privileges of the Members. All that can be accomplished by a fair and impartial discharge of the powers of the Speaker.

The political side, naturally, involves party service. I subscribe to the policies, platform, and principles of my party. I shall endeavor, so far as I properly can, to assist in the enactment of legislation in accordance with those principles and policies.

But I have been in a minority, too. I understand its problems. And while I help the majority carry out its plans, I shall be equally insistent upon preserving fully the right of the minority to debate and record openly its position on all public questions. [Applause.]

This session of Congress will be historically important. Yet I have no doubt that the House will measure up to the responsibility resting upon it.

The House is closer to the people and more responsive to their will than any other branch of our Government. Because it is so representative of the wishes of the people, we should see that it becomes a dominant factor in legislation. I shall, as your Speaker, devote my earnest efforts to that end. [Applause.]

We live in a progressive age. Time does not march backward. We must march forward with time. We have done so in the last few years. We must continue to do so if our country is to maintain its present proud place at the head of the nations of the world.

There doubtless will be times when some of us disagree as to the proper path. I feel sure, though, that finally we shall all head in the same direction and do so willingly without bitterness or recriminations.

I earnestly ask that you, my old friends with whom I have served so long, and you, my new friends who have helped me to this high position, join with me in preserving the dignity and prestige of the House to which I pledge myself. [Applause.]

I am now ready to take the oath of office, and I shall ask the distinguished dean of the House, Hon. A. J. SABATH, of Illinois, to administer the oath.

Mr. SABATH then administered the oath of office to the Speaker-elect.

SWEARING IN OF THE MEMBERS

The SPEAKER. Some years ago a precedent which had theretofore existed of having the oath administered to Members by States was discontinued and the precedent set whereby all Members took the oath of office at one and the same time. In order to avoid confusion the Chair thinks it best to follow the latter precedent, and the Chair asks each Member of the House and each Delegate to rise in his place while the Chair administers the oath of office.

The Members-elect and Delegates arose and the Speaker administered the oath of office.

ELECTION OF OFFICERS

The SPEAKER. The next business before the House is the election of officers.

Mr. TAYLOR of Colorado. Mr. Speaker, I present the following resolution for immediate consideration, as directed by the Democratic caucus.

The Clerk read as follows:

House Resolution 13

*Resolved*, That South Trimble, of the State of Kentucky, be, and he is hereby, chosen Clerk of the House of Representatives;

That Kenneth Romney, of the State of Montana, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That Joseph J. Sinnott, of the State of Virginia, be, and he is hereby, chosen Doorkeeper of the House of Representatives;

That Finis E. Scott, of the State of Tennessee, be, and he is hereby, chosen Postmaster of the House of Representatives; and

That Rev. James Shera Montgomery, D. D., of the District of Columbia, be, and he is hereby, chosen Chaplain of the House of Representatives.

Mr. LEHLBACH. Mr. Speaker, as chairman of the Republican conference, I am directed to offer a substitute for the resolution just offered by the gentleman from Colorado, and upon that I ask for a division of the resolution just read in order that the name of the Reverend James Shera Montgomery as Chaplain may be voted upon separately.

I send the following resolution to the Clerk's desk.

The Clerk read as follows:

*Resolved*, That William Tyler Page, of the State of Maryland, be, and he is hereby, chosen Clerk of the House of Representatives;

That Joseph G. Rodgers, of the State of Pennsylvania, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That Bert W. Kennedy, of the State of Michigan, be, and he is hereby, chosen Doorkeeper of the House of Representatives;

That Frank W. Collier, of the State of Wisconsin, be, and he is hereby, chosen Postmaster of the House of Representatives.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. LESINSKI. Mr. Speaker, I object.

Mr. LEHLBACH. Mr. Speaker, I did not submit a unanimous-consent request. I demanded a division of the question as a parliamentary right.

The SPEAKER. The Chair thought there would be no objection. The gentleman from New Jersey asked for a division of the resolution, and, of course, is entitled to it.

The question is on the election of Rev. James Shera Montgomery as Chaplain of the House of Representatives.

The question was taken, and the Reverend James Shera Montgomery was elected Chaplain of the House of Representatives for the Seventy-fourth Congress.

The SPEAKER. The question is on the substitute resolution offered by the gentleman from New Jersey.

The substitute resolution was rejected.

The SPEAKER. The question now recurs on the resolution offered by the gentleman from Colorado.

The resolution was agreed to.

Mr. South Trimble, Mr. Kenneth Romney, Mr. Joseph J. Sinnott, Mr. Finis E. Scott, and the Reverend James Shera Montgomery, D. D., appeared at the bar of the House, and the oath of office was administered to them by the Speaker.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. TAYLOR of Colorado. Mr. Speaker, I offer a resolution for immediate consideration.

The Clerk read as follows:

House Resolution 14

*Resolved,* That a committee of three Members be appointed by the Speaker on the part of the House of Representatives to join with the committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that Congress is ready to receive any communication that he may be pleased to make.

Mr. TAYLOR of Colorado. Mr. Speaker, I may say for the information of the House that the reason I am acting in this capacity is because our majority leader, the gentleman from Alabama [Mr. BANKHEAD] is ill and unable to be present today.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following committee:

The gentleman from Colorado, Mr. TAYLOR, the gentleman from North Carolina, Mr. DOUGHTON, and the gentleman from New York, Mr. SNELL.

NOTIFICATION OF THE SENATE OF THE ORGANIZATION OF THE HOUSE

Mr. DOUGHTON. Mr. Speaker, I offer the following resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 15

*Resolved,* That a message be sent to the Senate to inform that body that a quorum of the House of Representatives has assembled; that JOSEPH W. BYRNS, a Representative from the State of Tennessee, has been elected Speaker; that South Trimble, a citizen of the State of Kentucky, has been elected Clerk; and that the House is ready for business.

The resolution was agreed to.

NOTIFICATION OF PRESIDENT OF THE UNITED STATES OF ORGANIZATION OF THE HOUSE

Mr. BUCHANAN. Mr. Speaker, I offer the following resolution for immediate consideration.

The Clerk read as follows:

House Resolution 16

*Resolved,* That the Clerk be instructed to inform the President of the United States that the House of Representatives has elected JOSEPH W. BYRNS, a Representative from the State of Tennessee, Speaker, and South Trimble, a citizen of the State of Kentucky, Clerk, of the House of Representatives of the Seventy-fourth Congress.

The resolution was agreed to.

PERMISSION FOR THE HOUSE TO RECESS

Mr. TAYLOR of Colorado. Mr. Speaker, I submit the following unanimous-consent request and ask that it may be read by the Clerk.

The Clerk read as follows:

Mr. TAYLOR of Colorado presents the following unanimous-consent request:

"That notwithstanding the rules of the House, it may be in order during the balance of this week to move that the House take a recess."

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

RULES OF THE HOUSE

Mr. O'CONNOR. Mr. Speaker, I offer the following resolution for immediate consideration.

The Clerk read as follows:

House Resolution 17

*Resolved,* That the rules of the Seventy-third Congress be, and they are hereby, adopted as the rules of the Seventy-fourth Congress, including therein the following amendment, to wit:

That the last sentence of the first paragraph of section 4 of rule XXVII be amended to read as follows:

"When a majority of the total Membership of the House shall have signed the motion, it shall be entered on the Journal, printed with the signatures thereto in the CONGRESSIONAL RECORD, and referred to the Calendar of Motions to Discharge Committees."

Mr. RANSLEY. Will the gentleman from New York yield?

Mr. O'CONNOR. How much time will the gentleman be able to get along with—and I mean the very minimum?

Mr. RANSLEY. I would say 30 minutes. I want a division of time.

Mr. O'CONNOR. Mr. Speaker, I yield the gentleman from Pennsylvania [Mr. RANSLEY] 30 minutes, but I want it understood that I yield no time for amendment.

Mr. SNELL. Will the gentleman yield for a question?

Mr. O'CONNOR. I yield to the gentleman from New York.

Mr. SNELL. Will an opportunity be given to offer an amendment to this rule?

Mr. O'CONNOR. As far as I am concerned, no.

Mr. SNELL. We just wanted to know; that is all.

Mr. FISH rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. FISH. A parliamentary inquiry.

The SPEAKER. Does the gentleman from New York [Mr. O'CONNOR] yield for a parliamentary inquiry?

Mr. O'CONNOR. I yield.

Mr. FISH. Mr. Speaker, this is a parliamentary inquiry addressed to the Chair.

Mr. O'CONNOR. I yield to the gentleman from New York [Mr. FISH].

Mr. FISH. This is addressed to the Chair. I would like to know whether an amendment will be in order?

Mr. O'CONNOR. Mr. Speaker, I do not yield if the gentleman is going to attempt to upset the rules of the House. The gentleman cannot submit a parliamentary inquiry unless I yield to him for that purpose. I stated I would yield, but I want the gentleman to know that I am yielding to him.

The SPEAKER. The gentleman from New York [Mr. FISH] will state his parliamentary inquiry.

Mr. FISH. The gentleman from New York wants to know whether the Chair will recognize the gentleman to offer an amendment to this rule.

The SPEAKER. If the previous question is not ordered, the Chair will recognize any gentleman who has an amendment to offer which is germane.

Mr. O'CONNOR. Mr. Speaker, I can assure the House this is not the most pleasant duty which could evolve upon me on the opening day of the Seventy-fourth Congress, but by reason of my membership on the Rules Committee it is a duty I have to perform, and I do it with reluctance.

To some of you new Members I might state in advance that the Rules Committee is an arm of the leadership of this House. It is sometimes called an "arm" of the administration in power in the Nation. Some people have also referred to it as the "political committee", or the committee which shapes or brings before the House the policies of the leadership of the House and the administration.

I expect before this Congress is over we will hear a lot of talk about gag rules alleged to have been brought in by the Rules Committee. Of course, this particular resolution is not in that category. This is not a gag rule of any kind.

We are merely asking that the rules of the Seventy-third Congress be adopted as the rules of this Congress with one exception, for the moment, and that is in reference to the so-called "discharge rule." For years there has been a great

deal of discussion about this discharge rule. To my mind too much emphasis has been laid on both sides of the question. In my own personal opinion too much importance is attached to it. Any time 145 men sincerely and honestly and without playing politics want consideration of a measure by this House they will get it, and I have never seen it to fail. The proponents of the change of the rule, so that it shall require a majority on a petition, feel that very often "the 145 rule" furnishes a method for political use or a means of putting the Membership "on the spot", as it is colloquially stated. When this rule was changed a few years ago that danger was observed by some Members at that time. Let us be fair about the matter. What is the history of this rule? A few Congresses ago there was a great urge throughout the Nation carried by some of the leading newspapers, particularly one chain of newspapers, that it should be made possible in the House of Representatives to get a vote on the prohibition question, either on a repeal resolution or on a beer bill. The demand grew up throughout the Nation, not from inside this House but from outside the House, that there should be a vote on both questions. There was a yielding to that demand in this House, and "the 145 rule" was passed. Substantially every Republican then opposed the rule. It was passed, however, frankly for the purpose of that vote, and, of course, its passage for that purpose accomplished nothing, because no repeal of the eighteenth amendment and no beer bill ever passed this House by reason of any petition lodged here, and no petition lodged here has ever been effective to make any one bill a law. As far as I recall, only one bill against which a petition was lodged ever passed this House even and went to the other body.

I know the possible reply to the historical explanation. Some people will say: "Well, some of you were very selfish when you advocated the "145 discharge rule" for certain purposes only." Incidentally, as I recall, everybody who favored prohibition voted against the enactment of the "145 discharge rule."

The Democratic Party in this House has 322 Members. I believe the minority will concede that the majority is entitled to function, and we claim the majority must function. The responsibility for the success of this Congress depends upon the majority. It depends upon the Democratic majority. It does not depend upon any 145 men on either or both sides. It depends upon the overwhelming majority of the Membership of this House, and it cannot function without the overwhelming majority of the Democrats of this House, which is easily more than 145.

Mr. McFARLANE. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman for a brief question.

Mr. McFARLANE. If this change as proposed is made, does it not mean a bill has to be passed before it can even be considered, if a majority is required?

Mr. O'CONNOR. That is not necessarily so. The discharge rule as it exists today and as it will exist if this change is adopted by the House provides that after the bill is in a committee and the committee has had 30 days to consider it, and the committee refuses to report, a petition may be lodged at the Clerk's desk to bring out the bill. Surely the House wants their committees to consider the numerous bills, and I do not believe there is a Member of this House who wants a bill to come to the House before a committee has had time to consider the bill.

I am sure no one can justly say that 30 days is too long a time to give a committee to consider a bill, with the enormous business that is before the committees.

Mr. O'MALLEY. Will the gentleman yield again?

Mr. O'CONNOR. I am going to yield the gentleman 2 minutes. Cannot the gentleman make the statement in his own time?

Mr. O'MALLEY. The gentleman has not been very generous in yielding me only 2 minutes, and for that reason I am trying to cut in now.

Under the proposed change, 218 Members are necessary before the House can consider a bill under this rule. Therefore, it means that a majority have actually voted to pass the bill before they can get it up for consideration, because we may assume that everybody who signs the petition will vote for it.

Mr. O'CONNOR. Let me tell my good Democratic friend, who has a great deal of interest in many so-called "progressive" measures, for which I admire him, that whenever 145 Democrats honestly want consideration of a measure in this House I am sure they are going to get it.

Mr. O'MALLEY. How about the bonus bill? They did not get that until they got in a petition.

Mr. O'CONNOR. The gentleman did not get the effect of my statement.

Mr. SNELL. Will the gentleman yield for a question?

Mr. O'CONNOR. Yes.

Mr. SNELL. If I understand the gentleman correctly, he means to state to the House that you have entirely changed your position in regard to the rule since you came into a majority in the House.

Mr. O'CONNOR. Like the gentleman himself.

Mr. SNELL. That statement is correct, is it not?

Mr. O'CONNOR. Like the gentleman himself; yes.

Mr. SNELL. Did the gentleman take the position when he was in the minority in the House that the majority was entitled to function and that it ought to function?

Mr. O'CONNOR. I am sure I took that position.

Mr. SNELL. But did the gentleman vote that way?

Mr. O'CONNOR. No; no more than the gentleman himself voted that way.

Mr. SNELL. Yes; I did. That is where the gentleman is mistaken.

Mr. O'CONNOR. When the gentleman from New York was in the majority he was for the "218 rule"; and now, being in the minority, he is for the "145 rule."

Mr. TRUAX. Will the gentleman from New York yield?

Mr. O'CONNOR. For a brief question.

Mr. TRUAX. The gentleman states that when 145 Members——

Mr. O'CONNOR. I did not state that.

Mr. TRUAX. I beg the gentleman's pardon; I thought the gentleman said that 145 Members, when they honestly wanted consideration of a bill, can get such consideration, and I would like to ask the gentleman how, if this rule is repealed or amended.

Mr. O'CONNOR. I did not state that, I may say to the gentleman from Ohio.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. TRUAX. What did the gentleman state?

Mr. O'CONNOR. If the gentleman will read the CONGRESSIONAL RECORD in the morning [laughter]——

Mr. TRUAX. What did the gentleman state?

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. MICHENER. For the information of the gentleman who just arose, the gentleman from New York stated that when 145 Democrats wanted the consideration of a bill, they would get it; but when a minority of 145 in the House wanted such consideration they should not have it; is not that correct?

Mr. O'CONNOR. I stand by my statement. [Laughter and applause.]

I believe, Mr. Speaker, that the majority of this House honestly believes that we can function better with a discharge rule which requires the signatures of 218 Members than the present discharge rule of 145 Members.

Mr. DUNN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. DUNN of Pennsylvania. Does not the gentleman believe that the number of 145 is really more democratic than 218?

Mr. O'CONNOR. One hundred and forty-five is one-third of the House as compared with a majority of the House. If there were 145 Members who, it could be shown to me, were really sincere in signing such a petition and were not trying to play politics or were not trying to endanger the

safety of the election of Members, I would be for the "145 rule"; but I have lived with this rule for many years, and I know the sinister motives sometimes behind these petitions.

Mr. O'MALLEY. What is the gentleman's test for sincerity as to those who sign these petitions?

Mr. O'CONNOR. His party affiliation might have something to do with it.

Mr. Speaker, I reserve the balance of my time.

REPORT OF COMMITTEE TO NOTIFY PRESIDENT

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to submit a report from the committee that was appointed to wait upon the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the report, as follows:

Mr. Speaker, your committee appointed on the part of the House to join a committee on the part of the Senate to wait on the President of the United States and notify him that a quorum of the two Houses is assembled, and that Congress is ready to receive any communication that he may be pleased to make, performed that duty. The President asked us to report that he will be pleased to deliver in person his message tomorrow, at 12:30 p. m., to a joint session of the two Houses.

JOINT SESSION

Mr. TAYLOR of Colorado. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. TAYLOR of Colorado. To offer a resolution.

The SPEAKER. Does the gentleman from New York yield to the gentleman from Colorado for that purpose?

Mr. O'CONNOR. I do.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Concurrent Resolution 1

*Resolved by the House of Representatives (the Senate concurring)*, That the two Houses of Congress assemble in the Hall of the House of Representatives on Friday, the 4th day of January, 1935, at 12:30 o'clock in the afternoon, for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The resolution was agreed to.

ELECTION OF MEMBERS TO THE WAYS AND MEANS COMMITTEE

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to offer another resolution.

The SPEAKER. Does the gentleman from New York yield to the gentleman from Colorado for that purpose?

Mr. O'CONNOR. I do.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 18

*Resolved*, That the following Members be, and they are hereby, elected members of the standing committee of the House of Representatives on Ways and Means, to wit:

Robert L. Doughton, of North Carolina, chairman; Samuel B. Hill, of Washington; Thomas H. Cullen, of New York; Christopher D. Sullivan, of New York; Morgan G. Sanders, of Texas; John W. McCormack, of Massachusetts; David J. Lewis, of Maryland; Fred M. Vinson, of Kentucky; Jere Cooper, of Tennessee; John W. Boehne, Jr., of Indiana; Claude A. Fuller, of Arkansas; Wesley E. Disney, of Oklahoma; Arthur P. Lamneck, of Ohio; Frank H. Buck, of California; Richard M. Duncan, of Missouri; Chester Thompson, of Illinois; J. Twing Brooks, of Pennsylvania; and John D. Dingell, of Michigan.

The resolution was agreed to.

THE RULES

The SPEAKER. The gentleman from Pennsylvania [Mr. RANSLEY] has 30 minutes.

Mr. RANSLEY. Mr. Speaker, I yield myself 3 minutes. I am opposed to any drastic change being made of the so-called "discharge rule." The rule as it stands today, requiring 145 of the membership of this House to sign on the dotted line so as to take from a committee a bill, has given to my mind general satisfaction.

It is now proposed to increase that number to 218, which means an absolute majority, not of the Members present when the matter is to be considered, but a majority of the Membership of the entire House.

I sincerely hope that the Members will vote this attempted violent change down, so that we can function under the so-called "145 discharge rule." If the House agrees to increase the number to 218, it will utterly destroy the recall rule, because we never will be able to operate under it. [Applause.]

I now yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN.]

Mr. MARTIN of Massachusetts. Mr. Speaker, I have no misgivings as to the result of the resolution which is now pending. Yet I feel it is my duty to express my opposition at this time. I realize full well a Democratic caucus has made it Democratic doctrine to adopt an effective gag rule. The rights of the minority, which have prevailed for several years, are to be taken away, and the majority achieves its objects through brute strength. I believe it is complimentary to the Republicans of this House, who are outnumbered by 3 to 1, when the Democratic leadership comes here and through this rule, in effect, says drastic measures must be adopted so that the Republicans will not annoy us with our legislative program. Think of it, 102 being able to block the will of over 300. This to my mind is a reflection on the Democratic leadership. But, really, I believe, upon reflection, that perhaps, after all, the Democratic leadership is playing a little joke on its own membership. Under past conditions the discharge rule required 145 signatures. Obviously the Republicans could not exercise the rule, there being only 102 of us, unless there were a strong similar sentiment on the Democratic side of the aisle. So I am inclined to believe the leadership is really afraid of its ability to control its own membership. Those of you who are liberal Democrats might well think that over. The Chairman of the Committee on Rules himself, for whom I have the greatest respect and in whom I have the fullest confidence, stands here in this forum and says if he were not the Chairman of the Committee on Rules he would not be urging the resolution. Those of you who are independently minded, those of you who do not occupy such a high position, can properly join with us Republicans who want to see the rights of the minority protected and permit an opportunity for a fair consideration of legislation.

The distinguished Speaker, who has just been exalted to his high office—a man whom we Republicans hold in high esteem—admonishes you in his acceptance speech not to go backward. I say without hesitation we are taking a backward step today if we increase the number required to discharge the committee from 145 to 218. My Democratic friends, you may do this in a spirit of loyalty to your party; you may do it on the opening day when you are fresh from the election, and your Democracy is more uppermost than it will be in a few weeks, but I ask you to hesitate now and think well of the step that you are taking. Unless I am greatly mistaken, the time will come when a good many of you who are going to vote for this resolution today will wish many times you could recall the vote. So I appeal to all who are liberal and who believe in a square deal to express yourself in the opposition. You Democrats who have gone about the country in past campaigns and told the people the Democratic Party is the liberal party should realize now is the time, here is the moment, for you to demonstrate your loyalty to liberalness and vote down this previous question. If we can vote down the previous question, then we will offer an amendment reducing the number to 145 and will have retained a liberal rule. The call is for those who, perhaps, being liberals, should demonstrate liberalness in their vote.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. O'CONNOR. The gentleman would not have to vote down the previous question to reduce the number to 145, because it will remain at 145.

Mr. MARTIN of Massachusetts. I accept the correction of the gentleman. I have not seen the resolution because we have made a departure here today in bringing in a

change in the rules without the committee's having an opportunity to consider the change.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield? The gentleman knows that the custom of this Congress is, on the first day for some individual Member, usually a member of the Committee on Rules, to offer a resolution just as I have today.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. RANSLEY. Mr. Speaker, I yield the gentleman from Massachusetts 1 minute more.

Mr. MARTIN of Massachusetts. The gentleman understands thoroughly that on the opening day of the session of Congress we ordinarily adopt the rules of the preceding Congress. If there are to be any amendments, we consider them in due form as the session proceeds. That has been the custom in the past, and it ought to be the custom now. I am sorry that the progressive Democrat from New York, who has always been for progressive legislation——

Mr. O'CONNOR. And who still is——

Mr. MARTIN of Massachusetts. Should come here now and take what is certainly a backward step.

Mr. O'CONNOR. The gentleman can find precedents where, on the first day of Congress, such a motion as I have offered prevailed and certain amendments to the rules were adopted. I think this is one of the most progressive movements that can be made.

Mr. MARTIN of Massachusetts. I do not believe that the gentleman really thinks that.

The SPEAKER. The time of the gentleman from Massachusetts has again expired.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker, I was one of those who favored a discharge rule of 145 signatures until I saw it in action and saw that its chief purpose was to clog the program without obtaining results. The gentleman from Massachusetts [Mr. MARTIN] seems to be somewhat distressed about the rights of the minority. After all, legislative bodies like this proceed with the power of the majority. There never has been such a task laid before a majority party as the task that was inherited at the beginning of this administration from the former administration, in the way of a legislative program. The present administration has developed speed in the enactment of legislation to take care of this difficult situation. We feel that all of these barriers, all of these obstacles that can be thrown in the way, merely delay without having any adequate or valuable results.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. Yes.

Mr. KELLER. The gentleman said that the only effect of this "145 rule" has been to delay. I wish the gentleman would give a specific instance of that, because I am not aware of any such result.

Mr. GREENWOOD. It serves to bring out, without due consideration by a committee, legislation which in no way has been perfected; and it has been my information, and I think I am correct in that, that not a single one of these bills that have been brought out by any motion signed by 145 has become a law.

Mr. McFARLANE. How about the liquor question?

Mr. GREENWOOD. That did not become a law when it was brought out under the motion to discharge. It became a law at a later date.

Mr. O'MALLEY. It became a law because the issue was forced to the floor after the committee had stifled it for years.

Mr. GREENWOOD. Oh, it was forced to an issue in this House by the country and not by the discharge rule at all.

Mr. KELLER. What about the Patman bill in regard to the soldiers' bonus?

Mr. GREENWOOD. I do not remember just exactly how that came up; but I think if the gentleman will consult the RECORD, he will find that it did not reach a favorable result on that petition.

Mr. KELLER. We voted on it and passed it by a huge majority in this House.

Mr. GREENWOOD. There is no desire on the part of the House or the majority to delay legislation, but the desire is for it to be considered in the proper way by a committee. Generally, bills that come out are of a peculiar character that appeal to some particular group. By signing that petition and bringing pressure from back home upon the Members, they hope to get results prematurely. I am in favor of following the historical method of letting the committee give full consideration to every bill and then bring it out with either its approval or disapproval, so that the House can consider it in that manner.

Mr. CONNERY. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. CONNERY. The Member who is interested in filing a petition always waits until the committee has had the bill before it for 30 days. It took 5 months to get the Patman bill on the floor of this House, even with the 145-signature provision.

Mr. GREENWOOD. With the volume of business we have today, 30 days is not a proper length of time for a committee to consider a particular bill which this gentleman or that gentleman or some other gentleman may have a particular desire to be enacted.

Mr. CONNERY. It is the hearings that are asked. When hearings are refused, that is when a Member files a petition. Nobody ever rushed a committee without asking the committee to hold hearings. They wait until the committee refuses to hold hearings.

Mr. GREENWOOD. We understand that procedure, and this amendment will change it from 145 to 218, a majority; and I believe in the majority having control at all times, but I do not believe in 145 forcing action upon the majority.

Mr. KELLER. Will the gentleman yield further?

Mr. GREENWOOD. I yield.

Mr. KELLER. As a matter of fact, if the rule would require 218 signatures, there must be a majority of this House already convinced of the righteousness of a bill before that bill can be brought to the floor of the House for consideration.

The SPEAKER. The time of the gentleman from Indiana [Mr. GREENWOOD] has expired.

Mr. O'CONNOR. I yield the gentleman 1 additional minute.

Mr. GREENWOOD. The gentleman assumes that because a Member signs a petition, therefore he favors the bill to which the petition refers in the particular form in which it is to come out. As a matter of fact, he might sign a petition forcing consideration of a particular bill because he wanted to vote against it. At least, let us have a majority sign the petition whether they are for it or against it. Then let the House, after a majority have signed such petition, consider the bill on its merits.

Mr. DIRKSEN. Will the gentleman yield?

Mr. GREENWOOD. I yield.

Mr. DIRKSEN. The discharge rule goes to the initiation. It does not go to clogging or affecting the majority processes in the House.

Mr. GREENWOOD. Initiation; but the majority is left to consider it. I am in favor of the majority having the power to initiate, and not the minority.

The SPEAKER. The time of the gentleman from Indiana [Mr. GREENWOOD] has again expired.

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, certainly the proposed amendment of the discharge rule is not for the purpose of having committees give due and thorough consideration to legislation, because in the last Congress some of the most important bills were passed without consideration by any committee, and with a typewritten bill and two carbon copies present in the House this was all the House had to con-

sider before it voted on its final passage. So that argument that it is to give an opportunity for due and deliberate consideration is out.

Mr. KNUTSON. Will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. KNUTSON. What opportunity will the Membership have to vote on certain measures that they are pledged to vote on but which will not be permitted to be brought to the floor of this House if the number required to discharge a committee is increased to 218?

Mr. LEHLBACH. There will be no opportunity. I have no intention of discussing the merits of the majority rule or the "145 rule." What I wish to say, in the few brief moments allotted to me, is to point out the significance of this amendment that is proposed at this time to be adopted under this procedure, which is without precedent, on the first day of the session, and before a Rules Committee has been elected. It has been the invariable procedure to adopt the rules of the last Congress; and if changes were to be made, they were reported subsequently by the Rules Committee when organized. Never has a rule of any importance ever been amended in this fashion.

The Republicans have 102 Members in this House. Therefore, the "145 rule" is not sought to be abrogated in order to protect anybody against the machinations of the Republicans. The purpose of the rule is directed to the Democratic membership of this House. For weeks the papers throughout the country have discussed the question, Will this new Congress, with an overwhelming Democratic majority, do as its leaders tell it? It has been intimated that the majority would do as it was told in every particular, because it was said in the papers that the majority would be ridden with choke bit, whip, and spur. The very first step in order to make that possible, in order to make the individual members of the majority amenable to such riding, is to ask you to take away the chance on your own motion to inaugurate consideration of any bit of legislation. Now you are about to show the country that you are going to do in every respect just exactly what you are told.

You are going to make it possible that the leaders may enforce your obedience to every command they issue by voting away your own right to protect yourself. Now, go ahead and do it. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. WARREN].

Mr. WARREN. Mr. Speaker, after his long and memorable fight, extending over a period of 20 years, to amend the rules of the House, when success came to his efforts, John Quincy Adams recorded in his diary:

Blessed, oh, blessed be this day.

I wish to congratulate the new leadership that has been set up in this body today upon taking this proposition in hand and wiping out of the rules something that ought never to have been there. It has been used as a weapon to club and to sandbag and to beat on the head and to intimidate Members of this House. It has been an abomination. It stands as an ever-present and constant threat to constituted leadership and to party responsibility.

We are going to repeal it today, I may say to my friend the gentleman from New Jersey, who just preceded me, not through the might of any powerful majority, but we are going to repeal it because we Democrats have made up our minds to return to orderly procedure and to proper functioning of a party majority. [Applause.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, this proposed rule violates the very essence and cornerstone of liberalism. Liberalism means the right to govern yourself, to think, to act, and to vote for yourself as an elected Representative of the people back home. There are any number of Democrats who pledged themselves in the last election and the election prior to that to vote to reform and liberalize the rules so that legislation could be brought upon the floor and considered on its merits by the Members.

As Al Smith says, "Let us look at the record." The record will be made this afternoon whether the Democratic Party actually stands for liberalism and believes in permitting the consideration of important bills through a workable discharge rule to which many Members have pledged themselves to their electorate or whether the Rules Committee is to become the master of the House. And I say to the Republicans, the Republican record for liberalism likewise will be made this afternoon. There has been a great deal of talk to the effect that the Republican Party should liberalize and humanize its policies. Some people have said that this should be done by the National Committee. The record of the Republican Party will be formulated and shaped and made by the votes of the Republican Members of the House of Representatives and of the Republican Senators at the other end of the Capitol, and not by any members of the National Committee. The responsibility is ours, and we cannot shirk it. For good or bad, the test begins today. We must stand for liberalism or against it. The final record will speak for itself. The Democrats propose by this rule to take from the Members of the House the right to legislate—the very right, the very reason, for which they were sent to this body by their constituents. You propose by your own vote—and everybody knows how the vote is going to come out—you propose to say to your constituents that you are not competent or able to legislate on the floor of the House of Representatives; that you will from now on be rubber stamps; and that you will jump through the hoop at the crack of the lash of the Postmaster General, or of the "brain trust", or of anyone else who assumes to speak for the President.

The question before the House is not merely that of the rules of the House, but the real question before the House is that of the restoration of our representative form of government; nothing less and nothing more.

No wonder the members of the Rules Committee from the Democratic side of the House want the new Members, the liberal-minded Democrats, to vote for this rule, which turns the actual legislative power over to the Rules Committee. When the proposed rule is adopted, you might as well write above the door of the Committee on Rules, "Abandon hope, all ye who enter here." You are abdicating your powers to a hard-boiled Rules Committee, and you do not seem to know what you are doing, and then it will be too late. Already we as a Congress have gone too far in abdicating our powers and surrendering our privileges to the Chief Executive. [Applause.] In spite of the advice of the Speaker that we must march forward with the times, you propose to write into the rules of this House a reactionary proposal, an unworkable rule, a fraudulent measure, a political trick which every older Member knows it to be. Its purpose is to prevent liberal Republicans and Democrats from carrying out their pledges to pass adequate old-age pension legislation, unemployment insurance, and other social-reform measures. It will be completely unworkable, and it will not be used once in the coming session of Congress. I ask you to vote down this resolution, in order to restore representative government in the House of Representatives. [Applause.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, this rule was adopted by the House during the Seventy-second Congress. I recall that during the early days of that session I made my first acquaintance with the gentleman from New York [Mr. O'CONNOR]. I was very pleased at that time to see that he was using this particular discharge rule for the purpose of furthering the so-called "Hull-O'Connor beer bill." At that time it served a good purpose. It has served a good purpose since then in bringing onto the floor of the House liberal and progressive legislation, legislation of national im-

portance, legislation that has been advocated by a large percentage of the people of this country. I do not recall of one instance during the last two Congresses during which time this rule has been in effect, that after the 145 names have been signed to the petition the bill failed to receive the approval of a majority of the Members of the House. I believe this shows conclusively that unless we have a discharge rule which permits of the bringing of a bill onto the floor of the House by 145 Members that we will be unable to get consideration of legislation even though a majority of the Members of the House approve it, for it is one thing to get votes, but quite another thing to get signatures.

Gentlemen have said that this rule has been used to put Members on the spot. I maintain that there is no Member of this House who should not be willing to express his views by his recorded vote. [Applause.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. HOLLISTER].

Mr. HOLLISTER. Mr. Speaker, with a word of history let me couple a word of warning. A little more than 3 years ago all the Members who are now sitting here on my right and who were then Members of Congress voted to liberalize the rules by changing the requirements of the discharge rule from a majority to 145 Members. Their minds are not so short that they have forgotten that fact in the time which has since elapsed. Various things, however, have occurred in the meanwhile. The majority party has found that it has been very much bothered by the discharge rule, but not by those on the other side of the aisle. The chief trouble which the majority party has suffered under the present discharge rule was caused by their very own Members. On repeated occasions they have freed the hands of their own leaders and discharged committees which they controlled overwhelmingly.

So much for the word of history, and now for the word of warning. It has been stated generally that a movement is on foot to fill the committees with large numbers of the majority party and to cut down the minority to a very small representation. Does it not occur to those in power in the majority party that they might again find a danger in numbers? That they will frequently be embarrassed by Members of their own party because of their overrepresentation on various committees?

Might I not in the short time allotted to me suggest to those who are now in control that they ask themselves whether, before the present Congress has finished its sessions, they may not need the help of the other side of the aisle to cooperate in enacting sound legislation or in controlling dangerous measures? You have the power to take away a large part, even all, of our committee assignments, but experience has usually proved that it does not pay to be too grasping. Cooperation in committee work is to be desired. Is it wise to fail to take advantage of the experience and ability of the members of the minority party? Short-sightedness now may lead to disaster later.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, I think the only point in changing this rule from 145 to 218 is that the great masses of the American people who want labor legislation, who want to see the soldiers' bonus paid, and who want to see employment insurance are going to be blocked in their effort to get this legislation through the present Congress. [Applause.] There is no need fooling ourselves on this side. With 102 Republicans and a majority of 300 on the Democratic side there is no question of majority rule. The only result of the passage of this resolution changing the rule from 145 to 218 names will be that progressive legislation on the Democratic side will be hamstrung, and Democratic Members are going to be prevented from getting that legislation through.

It would be much easier for anyone who has been here any length of time, as I have been, to vote for the "218 rule" because that means that all you need to do is to come on the floor of the House and sign on the dotted line when the leaders and the Rules Committee tell you what you may do and what you may not do. However, I am one of those who does not believe that that is representative government by the American people. [Applause.] I do not believe that your George Washingtons, your Patrick Henrys, your Samuel Adamses, your Thomas Jeffersons, and the writers of the Constitution of the United States intended that the Congress, which the Speaker referred to as the "greatest legislative body in the world", should be under the domination of 1, 2, 3, 4, or 5 men. That is why they defeated the rule of Cannonism. This amendment here today is an approach back to the days of Cannonism.

Mr. McFARLANE. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Texas.

Mr. McFARLANE. I wonder if our leaders can explain why it was in the Seventy-second Congress they were advocating the adoption of the "145 names rule" that they now ask to be repealed?

Mr. CONNERY. That is a question for themselves to answer.

Mr. KNUTSON. That is a political question.

Mr. CONNERY. The very distinguished gentleman from Georgia [Mr. CRISP] 12 years ago gave on the floor of this House one of the most wonderful arguments in favor of the "145 rule" I have ever heard, and his whole argument was predicated on the premise that no chairman should be allowed to put a bill in his pocket and leave it there and no committee of the Congress of the United States should be allowed to stifle legislation when the country was clamoring for legislation beneficial to the great masses of the American people.

Mr. O'CONNOR. Will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from New York.

Mr. O'CONNOR. In reference to putting bills in pockets and committees not functioning, may I say those matters were taken care of at that time by other amendments to the rule.

Mr. CONNERY. By the Longworth decision saying that a committee could force its chairman to call a meeting?

Mr. O'CONNOR. And the other rule allowing the privilege to a member of the Rules Committee to call up a rule if the chairman would not do so. Those amendments take care of the phases involved and have nothing to do with this discharge rule.

Mr. CONNERY. May I say to the distinguished gentleman from New York that theoretically the idea is beautiful that 218, a majority of the House, may do anything they want to do. As I say, theoretically it is beautiful, but practically we know what happened to the soldiers' bonus when it took 5 months to get it on the floor of the House even under the "145 rule." We know what happened under the gag rules brought in by the Rules Committee, on divisions of the House, and all the parliamentary tricks that were used to stifle the wishes of the American people.

The gentleman from New York talks about being put on the spot. You do not have to be put on the spot, and, furthermore, I think every Member of Congress should be willing to be put on the spot at any time; he should be willing to let his constituents know by roll-call votes, petitions, or otherwise just how he feels and votes on any legislation.

[Here the gavel fell.]

Mr. CONNERY. Will the gentleman yield me one-half minute?

Mr. O'CONNOR. I yield the gentleman from Massachusetts an additional half minute.

Mr. CONNERY. Mr. Speaker, I merely want to take the half minute to say that under the rules those who are opposed to changing this rule—those who favor the "145 rule"—will vote down the previous question on the resolution before us, because that then leaves the matter open to amendment and we can go back to the "145 rule" and protect the rights of the people.

Mr. RANSLEY. Mr. Speaker, I yield the balance of my time to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, I should dislike to have anyone arrive at an estimate of the character of the House of Representatives from a study of the history of this discharge rule alone. The action of the House on it has been characterized by an utter lack of principle and an attempt to take advantage of the political exigencies as they were thought to exist at the time. Those who have read the history of the discharge rule know that it was originally adopted in 1910 for the purpose of taking away from the Speaker some of his power to recognize the individual Members of the House of Representatives to bring up legislation as he saw fit and to prevent the Members from bringing up any legislation that he did not want to have brought up. The rule as originally adopted authorized any Member to file a discharge motion, have the motion put on the Discharge Calendar, and then to bring it up on suspension days.

The Member who had filed the motion was permitted, upon suspension days, to move to discharge the committee from the consideration of the bill, provided his motion received a second by a majority of the House. As originally provided in the rule, this motion was in order on discharge days before the Speaker was allowed to recognize Members to move to suspend the rules.

The rule was adopted originally in a Republican Congress, but it received almost the unanimous support of both sides of the aisle. Later, when the Democrats came into power, in 1912, the rule was changed so as to permit the Speaker to recognize Members to move to suspend the rules before he was required to recognize anyone to move to discharge a committee, which had the effect, as a matter of fact, of preventing absolutely the recognition or right of a Member to move to discharge a committee. This was in a Democratic House. I was here several years under that rule and never saw a Member recognized by the Speaker to move to discharge a committee because he saw to it that enough Members were recognized to suspend the rules to consume all the time on suspension days, and when the time had been consumed a motion to adjourn was made by the majority leader and carried by the majority party.

Then, later, the rule was amended to permit a vote upon the motion to discharge a committee upon the signing of a petition by 150 Members and still later the rule was amended to require 218 Members to sign the petition before the discharge motion could be voted upon, the same as is proposed here today, and 3 years ago, upon the urge of people who wanted to vote upon the prohibition question, the rule was changed to 145.

It is probably fair to say that neither party in the House of Representatives has been consistent in its attitude toward the rule. Both parties are equally at fault in this respect, but it is safe to assume that this amendment is not brought up at this time for the purpose of protecting the minority party in the House. It is really a confession of a lack of confidence by the majority in itself. It is not proposed in order to protect the majority party against the minority party. There are only 102 Members on this side of the aisle and there are over 300 on that side. The purpose, as the gentleman from Massachusetts [Mr. CONNERY] has well pointed out, is to prevent consideration by this Congress of certain legislation relating to unemployment, to limitation of hours of labor, to old-age pensions, and of the Lemke bill and other bills of that nature. There is no need of anybody fooling himself. Its purpose is directly contrary to the sentiment quoted by our distinguished Speaker this morning from the statement of a former distinguished Republican Speaker, wherein he said that it was the right of the minority to record itself openly at all times on important matters, and it is not a very long step from a denial of the right to vote to a denial of the freedom of speech.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. KNUTSON. Shortly after election the press announced that one of the first things the majority would do would be to bring in a new rule requiring 218 signatures on a motion to discharge a committee in order to prevent action on the Frazier bill, the Lemke bill, and several other measures that the majority of the House Membership is in favor of having considered in this Congress.

Mr. MAPES. There is not any question about the purpose. Of course, like all law, parliamentary rules are for the purpose of protecting the minority and for giving the minority an opportunity to express itself, and the majority in this body intends, on the first day of the session, to change this rule back to a number which will prevent the minority from having an opportunity to express itself upon any important legislation by a vote of the House, and puts the control of legislation and of the House back exactly where the gentleman from Massachusetts [Mr. CONNERY] said it would be put—in the hands of the Speaker and two or three other members of the majority party who occupy key positions on that side of the House. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. O'MALLEY].

Mr. O'MALLEY. Mr. Speaker, I only got a very short time from the gentleman from New York [Mr. O'CONNOR], whose own argument was not very enthusiastic for this particular change. The only thing I can do is to recall the words that the "Old Guard dies but never surrenders."

Two years ago we defeated an attempt to change this rule. When the number under this rule was originally reduced, it was reduced by Democrats to 145 for the purpose of liberalizing the rules of the House so that progressive legislation, stifled in the committee, could get to the floor. Now, as Democrats, are we going to step backward on a proposition that we have supported for more than three sessions of Congress?

I want to read what a distinguished Member of this House, the dean of the House, said in the Seventy-second Congress—and I am referring to the Honorable A. J. SABATH, of Illinois—when he spoke in favor of reducing this rule to its present number of 145 Members:

> After 22 years, thanks to the Democratic majority, we again have a chance and an opportunity to liberalize the rules and to relieve the Membership from the extremely restrictive and established rulings which have been in effect the last 10 years of Republican rule.

We are going to give the country a real laugh when we tell them that we have to gag ourselves because we are afraid of a little minority over there of 102 Members. We cannot get away with it, because it is nothing but buck passing, and there is not a new Member in this House who can go back home and explain to his constituents, "I voted to give away all my power to the committees and the reason I could not pass the bill I promised you I would fight for is because I gagged myself by voting to destroy the liberal discharge rule put into effect by the great Democratic liberals of past Congresses." [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 1 minute to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Speaker and gentlemen of the House, I am opposed to this amendment of the rule. The Democrats have fought to secure this rule, and if there is anything that is dear to the hearts of the organized groups of this country, organized labor, organized veterans, organized farmers, it is this vehicle for getting before the House legislation for consideration.

When I came to Congress I imagined that the executive branch of the Government exercised 1 veto power over the legislative branch, but when I got here I found there were 3. The first is that a bill referred to the committee is sent down to some department of the executive branch for a report. If they report adversely, it is not considered by the committee. Then I found that the bill has to pass the Rules Committee, and if the Rules Committee refuses to approve it, your bill is dead. If you are fortunate enough to get through these committees and get your bill passed by Congress, the President still has the power to veto the measure and nullify the legislation.

Mr. Speaker, I am opposed to changing this rule on which our people must rely in many cases to get constructive legislation considered by the Members of the House. [Applause.]

Mr O.'CONNOR. Mr. Speaker, I yield half a minute to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Speaker and Members of the House, I am opposed to changing this rule from 145 to 218, because I want it to be understood that I am a real Democrat, and being Democratic, I am opposed to this change. What I mean by being a real Democrat is a person who, regardless of his party affiliation, will vote for legislation which he believes to be progressive and humane. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I understand that I am obligated to vote for the amendment to the rule which I have offered unless I made definite specific pledges in my campaign that I was against such an amendment to the rules. That is the one thing, as I understand, that would excuse me from voting for the amendment. I now move the previous question.

Mr. CONNERY and Mr. KELLER demanded the yeas and nays.

The yeas and nays were ordered.

Mr. CULLEN. Mr. Speaker, there is some confusion in regard to this vote. We are voting on the previous question?

The SPEAKER. The question is on ordering the previous question.

Mr. CONNERY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CONNERY. Those who are in favor of the "145 rule" vote "no" on this vote?

The SPEAKER. That is not a proper parliamentary inquiry. The question is on ordering the previous question.

Mr. BLANTON. But it is parliamentary to state that this motion for the previous question is made by our acting Democratic floor leader.

The SPEAKER. The Chair does not think that is proper, either. The Clerk will call the roll.

The question was taken; and there were—yeas 245, nays 170, not voting 11, as follows:

[Roll No. 3]

YEAS—245

| | | | |
|---|---|---|---|
| Adair | Crowe | Healey | Nelson |
| Andrew, Mass. | Crowther | Hennings | Nichols |
| Andrews, N. Y. | Cullen | Hill, Ala. | Norton |
| Arnold | Cummings | Hobbs | O'Brien |
| Ashbrook | Daly | Houston | O'Connell |
| Barden | Darden | Huddleston | O'Connor |
| Beam | Deen | Igoe | O'Day |
| Bell | Delaney | Imhoff | O'Leary |
| Berlin | Dempsey | Jenckes, Ind. | Oliver |
| Biermann | Dickstein | Johnson, Okla. | O'Neal |
| Bland | Dies | Johnson, Tex. | Owen |
| Blanton | Disney | Johnson, W. Va. | Palmisano |
| Bloom | Dobbins | Jones | Parks |
| Boehne | Dockweiler | Kee | Parsons |
| Boland | Dorsey | Kelly | Patman |
| Boylan | Doughton | Kennedy, Md. | Patton |
| Brennan | Doxey | Kerr | Pearson |
| Brooks | Drewry | Kleberg | Perkins |
| Brown, Ga. | Driscoll | Kloeb | Peterson, Fla. |
| Brown, Mich. | Driver | Kocialkowski | Peterson, Ga. |
| Brunner | Duffy, N. Y. | Kopplemann | Pettengill |
| Buchanan | Duncan | Kramer | Peyser |
| Buck | Eagle | Lambeth | Pfeifer |
| Buckley, N. Y. | Eckert | Lamneck | Pierce |
| Bulwinkle | Edmiston | Lanham | Plumley |
| Burch | Faddis | Larrabee | Polk |
| Caldwell | Farley | Lea, Calif. | Quinn |
| Cannon, Mo. | Fernandez | Lewis, Colo. | Ramspeck |
| Carden | Fiesinger | Lewis, Md. | Randolph |
| Carmichael | Fitzpatrick | Lloyd | Rayburn |
| Cartwright | Flannagan | Lucas | Reed, N. Y. |
| Cary | Ford, Calif. | Ludlow | Reilly |
| Casey | Ford, Miss. | McAndrews | Rich |
| Castellow | Frey | McCormack | Richards |
| Celler | Fuller | McDuffie | Richardson |
| Chandler | Gasque | McGrath | Robertson |
| Chapman | Gassaway | McKeough | Robinson, Utah |
| Citron | Gavagan | McLaughlin | Rogers, N. H. |
| Claiborne | Gildea | McMillan | Romjue |
| Clark, Idaho | Gingery | McReynolds | Rudd |
| Clark, N. C. | Granfield | Mahon | Russell |
| Cochran | Green | Maloney | Ryan |
| Coffee | Greenwood | Mansfield | Sabath |
| Cole, Md. | Greever | Mason | Sanders, La. |
| Colmer | Gregory | Maverick | Sanders, Tex. |
| Cooley | Haines | Meeks | Sandlin |
| Cooper, Tenn. | Hamlin | Merritt, N. Y. | Schaefer |
| Corning | Hancock, N. C. | Mitchell, Ill. | Schuetz |
| Cox | Harlan | Mitchell, Tenn. | Schulte |
| Crosby | Hart | Montague | Sears |
| Cross, Tex. | Harter | Montet | Secrest |
| Shanley | Steagall | Tonry | Whittington |
| Sisson | Sullivan | Turner | Wilcox |
| Smith, Conn. | Sumners, Tex. | Umstead | Williams |
| Smith, Va. | Taber | Utterback | Wilson, La. |
| Smith, W. Va. | Tarver | Vinson, Ga. | Woodrum |
| Snyder | Taylor, Colo. | Wadsworth | Young |
| Somers, N. Y. | Taylor, S. C. | Walter | Zimmerman |
| South | Terry | Warren | The Speaker |
| Spence | Thom | Weaver | |
| Stack | Thompson | West | |
| Starnes | Tolan | Whelchel | |

NAYS—170

| | | | |
|---|---|---|---|
| Allen | Eicher | Kinzer | Rogers, Mass. |
| Amlie | Ekwall | Kniffin | Rogers, Okla. |
| Andresen | Ellenbogen | Knutson | Sadowski |
| Arends | Engel | Kvale | Sauthoff |
| Ayers | Englebright | Lambertson | Schneider |
| Bacharach | Fenerty | Lee, Okla. | Scott |
| Bacon | Ferguson | Lehlbach | Scrugham |
| Beiter | Fish | Lemke | Shannon |
| Binderup | Fletcher | Lesinski | Short |
| Blackney | Fulmer | Lord | Sirovich |
| Boileau | Gearhart | Luckey | Smith, Wash. |
| Bolton | Gehrmann | Lundeen | Snell |
| Brewster | Gifford | McClellan | Stefan |
| Buckbee | Gilchrist | McFarlane | Stewart |
| Buckler, Minn. | Gillette | McGehee | Sutphin |
| Burdick | Goldsborough | McGroarty | Sweeney |
| Burnham | Goodwin | McLean | Taylor, Tenn. |
| Cannon, Wis. | Gray, Ind. | Maas | Thomas |
| Carlson | Gray, Pa. | Mapes | Thomason |
| Carpenter | Griswold | Marcantonio | Thurston |
| Carter | Guyer | Martin, Colo. | Tinkham |
| Cavicchia | Gwynne | Martin, Mass. | Tobey |
| Christianson | Hancock, N. Y. | Massingale | Treadway |
| Church | Hartley | May | Truax |
| Colden | Hess | Mead | Turpin |
| Cole, N. Y. | Higgins, Conn. | Merritt, Conn. | Underwood |
| Collins | Higgins, Mass. | Michener | Vinson, Ky. |
| Condon | Hildebrandt | Millard | Wallgren |
| Connery | Hill, Knute | Miller | Wearin |
| Cooper, Ohio | Hill, Samuel B. | Monaghan | Welch |
| Costello | Hoeppel | Moran | Werner |
| Cravens | Hoffman | Moritz | White |
| Crawford | Hollister | Mott | Wigglesworth |
| Crosser, Ohio | Holmes | Murdock | Wilson, Pa. |
| Culkin | Hook | O'Malley | Withrow |
| Darrow | Hope | Patterson | Wolcott |
| Dingell | Hull | Pittenger | Wolfenden |
| Dirksen | Jacobsen | Powers | Wolverton |
| Ditter | Jenkins, Ohio | Rabaut | Wood |
| Dondero | Kahn | Rankin | Woodruff |
| Doutrich | Keller | Ransley | Zioncheck |
| Dunn, Pa. | Kenney | Reed, Ill. | |
| Eaton | Kimball | Robsion, Ky. | |

NOT VOTING—11

| | | | |
|---|---|---|---|
| Dear | Dunn, Miss. | Kennedy, N. Y. | Reece |
| DeRouen | Evans | McSwain | Stubbs |
| Dietrich | Gambrill | Ramsay | |

So the previous question was ordered.

The Clerk announced the following general pairs:

Mr. DeRouen with Mr. Reece.
Mr. Gambrill with Mr. Evans.
Mr. Dunn with Mr. Stubbs.
Mr. Kennedy of New York with Mr. Ramsay.

The SPEAKER. Call my name.

The Clerk called the name of Mr. BYRNS, and he answered "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on the adoption of the resolution.

Mr. MARTIN of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 245, nays 166, not voting 15, as follows:

[Roll No. 4]

YEAS—245

| | | | |
|---|---|---|---|
| Adair | Brown, Ga. | Chapman | Cummings |
| Andrew, Mass. | Brown, Mich. | Citron | Daly |
| Andrews, N. Y. | Brunner | Claiborne | Darden |
| Arnold | Buchanan | Clark, Idaho | Deen |
| Ashbrook | Buck | Clark, N. C. | Delaney |
| Barden | Buckley, N. Y. | Cochran | Dempsey |
| Beam | Bulwinkle | Coffee | Dickstein |
| Bell | Burch | Cole, Md. | Dies |
| Berlin | Caldwell | Colmer | Dietrich |
| Biermann | Cannon, Mo. | Cooley | Disney |
| Bland | Carden | Cooper, Tenn. | Dobbins |
| Blanton | Carmichael | Corning | Dockweiler |
| Bloom | Cartwright | Cox | Dorsey |
| Boehne | Cary | Crosby | Doughton |
| Boland | Casey | Cross, Tex. | Doxey |
| Boylan | Castellow | Crowe | Drewry |
| Brennan | Celler | Crowther | Driscoll |
| Brooks | Chandler | Cullen | Driver |

| | | | |
|---|---|---|---|
| Duffy, N. Y. | Johnson, W. Va. | O'Connor | Shanley |
| Duncan | Jones | O'Day | Sisson |
| Dunn, Miss. | Kee | Oliver | Smith, Conn. |
| Eagle | Kennedy, Md. | O'Neal | Smith, Va. |
| Eckert | Kleberg | Owen | Smith, W. Va. |
| Edmiston | Kloeb | Palmisano | Snyder |
| Faddis | Kocialkowski | Parks | Somers, N. Y. |
| Farley | Kopplemann | Parsons | South |
| Fernandez | Kramer | Patman | Spence |
| Fiesinger | Lambeth | Patton | Stack |
| Fitzpatrick | Lamneck | Pearson | Starnes |
| Flannagan | Lanham | Perkins | Steagall |
| Ford, Calif. | Larrabee | Peterson, Fla. | Sullivan |
| Ford, Miss. | Lea, Calif. | Peterson, Ga. | Sumners, Tex. |
| Frey | Lewis, Colo. | Pettengill | Taber |
| Fuller | Lloyd | Peyser | Tarver |
| Fulmer | Lucas | Pfeifer | Taylor, Colo. |
| Gasque | Ludlow | Pierce | Taylor, S. C. |
| Gassaway | McAndrews | Plumley | Terry |
| Gavagan | McCormack | Polk | Thom |
| Gildea | McDuffie | Quinn | Thompson |
| Gingery | McGrath | Ramspeck | Tolan |
| Granfield | McKeough | Randolph | Tonry |
| Green | McLaughlin | Rayburn | Turner |
| Greenwood | McLean | Reed, N. Y. | Umstead |
| Greever | McMillan | Reilly | Utterback |
| Gregory | McReynolds | Rich | Vinson, Ga. |
| Haines | McSwain | Richards | Wadsworth |
| Hamlin | Mahon | Richardson | Walter |
| Hancock, N. C. | Maloney | Robertson | Warren |
| Harlan | Mansfield | Robinson, Utah | Weaver |
| Hart | Mason | Rogers, N. H. | West |
| Harter | Maverick | Romjue | Whelchel |
| Healey | Meeks | Rudd | Whittington |
| Hennings | Merritt, Conn. | Russell | Wilcox |
| Hill, Ala. | Merritt, N. Y. | Ryan | Williams |
| Hobbs | Mitchell, Ill. | Sabath | Wilson, La. |
| Houston | Mitchell, Tenn. | Sanders, La. | Woodrum |
| Huddleston | Montague | Sanders, Tex. | Young |
| Igoe | Montet | Sandlin | Zimmerman |
| Imhoff | Nelson | Schaefer | The Speaker |
| Jenckes, Ind. | Norton | Schuetz | |
| Johnson, Okla. | O'Brien | Sears | |
| Johnson, Tex. | O'Connell | Secrest | |

NAYS—166

| | | | |
|---|---|---|---|
| Allen | Eaton | Kinzer | Rogers, Okla. |
| Amlie | Eicher | Kniffin | Sadowski |
| Andresen | Ekwall | Knutson | Sauthoff |
| Arends | Ellenbogen | Kvale | Schneider |
| Ayers | Engel | Lambertson | Scott |
| Bacharach | Englebright | Lee, Okla. | Scrugham |
| Bacon | Fenerty | Lehlbach | Shannon |
| Beiter | Ferguson | Lemke | Short |
| Binderup | Fish | Lesinski | Sirovich |
| Blackney | Fletcher | Lord | Smith, Wash. |
| Bolleau | Gearhart | Luckey | Snell |
| Bolton | Gehrmann | Lundeen | Stefan |
| Brewster | Gifford | McClellan | Stewart |
| Buckbee | Gilchrist | McFarlane | Sutphin |
| Buckler, Minn. | Gillette | McGehee | Sweeney |
| Burdick | Goldsborough | McGroarty | Taylor, Tenn. |
| Burnham | Goodwin | Maas | Thomas |
| Cannon, Wis. | Gray, Ind. | Mapes | Thomason |
| Carlson | Gray, Pa. | Marcantonio | Thurston |
| Carpenter | Guyer | Martin, Colo. | Tinkham |
| Carter | Gwynne | Martin, Mass. | Tobey |
| Cavicchia | Hancock, N. Y. | Massingale | Treadway |
| Christianson | Hartley | May | Truax |
| Church | Hess | Mead | Turpin |
| Colden | Higgins, Conn. | Michener | Underwood |
| Cole, N. Y. | Higgins, Mass. | Millard | Vinson, Ky. |
| Collins | Hildebrandt | Miller | Wallgren |
| Condon | Hill, Knute | Monaghan | Wearin |
| Connery | Hill, Samuel B. | Moran | Welch |
| Cooper, Ohio | Hoeppel | Moritz | Werner |
| Costello | Hoffman | Mott | White |
| Cravens | Hollister | Murdock | Wigglesworth |
| Crawford | Holmes | O'Malley | Wilson, Pa. |
| Crosser, Ohio | Hook | Patterson | Withrow |
| Culkin | Hope | Pittenger | Wolcott |
| Darrow | Hull | Powers | Wolfenden |
| Dingell | Jacobsen | Rabaut | Wolverton |
| Dirksen | Jenkins, Ohio | Rankin | Wood |
| Ditter | Kahn | Ransley | Woodruff |
| Dondero | Keller | Reed, Ill. | Zioncheck |
| Doutrich | Kenney | Robsion, Ky. | |
| Dunn, Pa. | Kimball | Rogers, Mass. | |

NOT VOTING—15

| | | | |
|---|---|---|---|
| Dear | Griswold | Lewis, Md. | Reece |
| DeRouen | Kelly | Nichols | Schulte |
| Evans | Kennedy, N. Y. | O'Leary | Stubbs |
| Gambrill | Kerr | Ramsay | |

So the resolution was agreed to.

The Clerk announced the following additional pairs:

Mr. DeRouen with Mr. Reece.
Mr. Gambrill with Mr. Evans.
Mr. Kennedy of New York with Mr. Ramsay.
Mrs. Greenway with Mr. Luckey.
Mr. Griswold with Mr. Daly.
Mr. Kerr with Mr. Dempsey.
Mr. Dear with Mr. Stubbs.
Mr. Nichols with Mr. Schulte.
Mr. Kelly with Mr. O'Leary.

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BYRNS, and he answered "yea."

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

### SWEARING IN OF MEMBERS

Mr. FOCHT. Mr. Speaker, I was temporarily absent from the Chamber when the oath of office was administered. I desire to be sworn in.

The SPEAKER. If there is any other Member who has not taken the oath of office, he will please step forward.

Mr. FOCHT and Mr. DUFFEY of Ohio appeared at the bar of the House and took the oath of office.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed the following resolutions:

Senate Resolution 1

*Resolved*, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

In compliance with the foregoing the Vice President appointed Mr. ROBINSON and Mr. MCNARY as members of the committee on the part of the Senate.

*Resolved*, That the Secretary notify the House of Representatives.

Senate Resolution 2

*Resolved*, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

The message also announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

Concurrent resolution (H. Con. Res. 1) providing for a joint session of the two Houses of Congress on Friday, January 4, 1935, to receive a message from the President of the United States.

### PUBLIC HEARINGS—COMMITTEE ON APPROPRIATIONS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BUCHANAN. Mr. Speaker, I just wish to make a little statement to the Members of this House. I want to give notice that the departmental hearings on the independent offices appropriation bill, the District of Columbia appropriation bill, the Treasury and Post Office Department appropriation bill, and the State, Justice, Commerce, and Labor Departments bill have been completed. The committee will proceed to mark up those bills as soon as we are given a legal standing by the House as a committee. Therefore, if any gentleman upon the floor of this House desires to appear before any of those committees to present any viewpoint which he desires on appropriations for these regular activities, I am giving notice that you must do that between now and next Tuesday. Otherwise the bills will be reported to the House, the independent offices appropriation bill may be reported on Monday, so that hereafter no Member can claim that he has not had an opportunity to be heard before this committee or the subcommittees in charge of the bills. [Applause.]

### PERMISSION TO ADDRESS THE HOUSE

Mr. GOLDSBOROUGH. Mr. Speaker, on next Monday, after matters on the Speaker's table are disposed of and the Budget message read, I ask unanimous consent to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Maryland [Mr. GOLDSBOROUGH]?

There was no objection.

### COTTON

Mr. EAGLE. Mr. Speaker, I ask unanimous consent to insert in the RECORD a copy of a letter I have written to a constituent of mine upon the important subject of the cotton industry.

The SPEAKER. The gentleman from Texas asks unanimous consent to insert in the RECORD the letter to which he refers. Is there objection?

There was no objection.

Mr. EAGLE. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following letter written by me to a constituent upon the important subject of the cotton industry.

HOUSTON, TEX., *December 13, 1934.*

Mr. W. T. NEBLETT,
*Anderson, Tex.*

DEAR MR. NEBLETT: Referring to your letter to me on the important subject of cotton, in which you discuss the effect of the A. A. A. and the Bankhead bill upon the welfare of yourself as a cotton farmer and its effect upon small cotton farmers and also upon tenant farmers, and in which you give a statement of facts and of your views generally on that subject:

I replied, briefly acknowledging your letter, and now take the time to reply at some greater length. Of course, I realize that that is the most vast problem affecting the cotton-producing States; and, therefore, that within the compass of a letter no satisfactory statement, analysis, argument, or conclusion can be made. I also realize that when the word "cotton" is used anywhere in the South one can start an argument at any time, because no two cotton farmers agree and no two persons in any branch of the cotton industry agree as to what is best to be done either by persons of one group or of all groups or by the Government concerning cotton; and, therefore, that even if a public man should be wise enough to understand this mighty problem in all its branches, and courageous enough to state his program, and fortunate enough to put a wise program through, there would still be multitudes who would differ and argue and criticize. Such is the very nature of public matters as well as of private concerns. And I sometimes think that is best, because it compels people to think and to act. Where public discussion is active, there is a chance of progress and the correction of public and private evils; but where there is universal acquiescence, there is generally stagnation. It is in this spirit, and recognizing these facts, that I try to find the truth and assert it and act on it and live by it; and it is in that spirit that I now write to you.

(1) When President Roosevelt assumed the Presidency on March 4, 1933, what was the actual condition of the cotton farmers in the Cotton Belt? They were entirely broke financially and utterly discouraged in their hearts. The price of cotton to the producer was about 5½ cents a pound. There was a very heavy carry-over, and they were preparing to plant an extra large acreage in 1933, and, of course, the effect would have been a vast crop at so poor a price as hardly to justify the picking. They were all in debt for their accounts, for their taxes, and nearly all in debt for interest on debts against their farms, and most of them had past-due notes on their farms. It was a perfect picture of despair. Persons in private and in business relations had so conducted the cotton business that it had brought the ruination of the producers. That meant that unless the Congress of the United States, backed by the President, were able and willing to devise a plan to aid the cotton producer, he was ruined, in turn the South was ruined, and in turn the Nation could not get out of that awful depression.

(2) The first thing the Congress did was to come to the aid of the bankers. Congress met on March 9, 1933, and on March 9 we made nearly all paper in national banks eligible for rediscounts, so as to give them the power to take notes in their vaults down to the Federal Reserve banks and bring back Federal Reserve bank notes in their place, and in that way we made the banks safe. We later had the Reconstruction Finance Corporation buy much of their long-time paper, and later their preferred stock, and later we guaranteed the public their deposits in the banks, so that taken altogether we first and foremost saved the banks from ruin and collapse, knowing if they were entirely ruined the country would be entirely ruined. In the same way we saved the building and loan associations. In the same way we saved many of the great railroad companies. In the same way we saved the trust companies. In the same way we saved the insurance companies. The tariff laws already, in effect, saved the manufacturers from competition against the rest of the world, and we aided big business in all proper ways so that there would not be a complete break-down of the American system of business. And every bit of that had directly the effect of putting the wealth and resources and earning power of all of the American people back of those big interests so as to help sustain them from complete collapse.

(3) Then the Congress and the administration turned their attention, for the first time since this Nation was established, to the work of saving the producers from total collapse, after they had already been ruined by Hoover's "rugged individualism." It turned out to be "ragged individualism." We knew that the producers bear the burden of feeding and clothing the Nation, and that they fight the Nation's battles in time of war and they support the Nation in time of peace. Aside from humanitarian sentiments, mere common sense dictated that if the producer could not protect and save himself, at least his Government ought to devise plans to restore him and his business to normal condition if possible and as soon as possible. Thus the A. A. A. Act was passed. It was conceived in haste, written in haste, debated in haste, passed in haste, and administered in haste. Naturally it was and is imperfect. But when a Nation has been for 12 long years hastening to the precipice of ruin, do people expect, in the midst of that kind of a stress and strain, with a great many almost equally important subjects pressing and demanding attention, that a Congress of men mostly new to the work, elected in a political revolution, to be 100 percent perfect in their work? If so, they expect more than they themselves could perform under similar conditions. We did the best we could. We had a thousand differences to compose. We had sectional antagonisms. We had class distinctions and enmities. We had political bitter fights. We had no united backing in our several constituencies for any one of us on any question that came up. The Nation was in such sore distress and in such spirit of revolt that it could not unite by public opinion back of any suggestion or plan any statesman devised. I make this outline merely that you may know the conditions that have confronted Congress in the enactment of the A. A. A. and the Bankhead bill.

(4) The device adopted by the A. A. A. was for the voluntary limitation of the cotton yield for 1933. This was accomplished by the payment of rentals to prevent planting, by payments for plow-up of quantities already planted, and by inducing the price to be fixed at around 12 cents per pound by action of the Government in first lending 10 cents and later 12 cents per pound on the crop of 1933. The net result of such law and its administration was to raise the price to the producer from about 5½ cents to about 12 cents per pound. For the first time since the depression began, the cotton farmer could pay his accounts, his taxes, his notes at the bank, the interest on his land notes, and some or most of the notes due on his land, and hold up his head, because hope had come into his heart. Naturally, in a law and its administration affecting 2,000,000 cotton farmers in the South, some were injured and displeased, while the great multitude were benefited and pleased.

(5) Then came along the year 1934. I am writing this letter from memory and without notes or data; but I think I am accurate when I say that to make the crop in 1933, a total of 3,000 units (tons, I think) of fertilizers were purchased and used. But the farmers of the South were so pleased with 12-cent cotton that they made up their minds to make a real crop in 1934, and therefore by February 1934 had actually ordered 175,000 such units of fertilizers. Of course, that was mostly States other than Texas, because our lands are richer. But we in Congress knew from reports all over the South that there would likely be 40,000,000 acres planted in the year 1934 and the production vastly increased by the Southeastern States farmers having bought nearly 60 times as much fertilizer as the year before. We in Congress knew that under those conditions, considering the carry-over from 1933 and the increase in acreage planted planned by the farmers in 1934 and the additional fertilization that there would be such a vast crop at the end of the growing season in 1934 that it would not be worth picking, with the result that our Texas cotton farmers of every class would sink even deeper into despair than they were on March 4, 1933, when we took hold to try to help all of the American people.

(6) Under these conditions the Bankhead bill was conceived and prepared, reported favorably by committee, passed through the House and Senate, and approved by the President. While the A. A. A. contemplated a voluntary reduction of output for 1933, we had come to realize that that program alone would not work for the year 1934, for the reasons above stated; and therefore it was a question of whether to do nothing more and watch the ruin of the South and then try to help a wrecked condition by donations and gratuities, or whether to try to help our cotton producers save themselves by taxing all cotton raised in excess of 10,400,000 bales, which would be about the right amount, considering the carry-over and considering domestic consumption and usual foreign demand so as to go out of the cotton season of 1934–35 with a final carry-over not too heavy to break prices for the 1935 crop.

(7) Neither I, as your Representative, nor, as I believe, any other Congressman from the South, thought of the A. A. A. or of the Bankhead bill as a permanent legislative policy and program but only as an emergency policy and program because of the terrible conditions and awful emergency confronting the cotton producer and everybody else in Texas and the rest of the South and the rest of the country. Indeed, in the very body of the Bankhead bill we put a limitation on its life; and, for the first time I know of in legislative history, provided a sort of referendum so that two-thirds of the cotton producers must approve it before it is carried forward again. Even, however, if all cotton producers approve it, it dies by the very terms of the bill itself in the early future. Bear in mind, therefore, that it is not what is properly called permanent legislation. That is a matter yet in the future and yet to be determined and enacted, or not enacted, by Congress.

(8) Now, it is one thing to legislate for the producer of cotton to the injury of everybody else handling and interested in cotton and another thing still to correct any injustices or inequities to the ginners, the transportation agencies, the compressors, the warehousemen, the merchants, and any and all of the vast number of laborers and clerks and persons engaged in the final disposition of the cotton after it leaves the producer. There is much objection to the A. A. A. and the Bankhead bill (a) by numbers of tenant farmers and small farmers and other classes of farmers themselves who seem to imagine that they could have obtained this same 14 cents a pound this year, 1934, which they have received for the present crop, if they had been allowed to raise two or three times as much; and if they will only reflect, they must realize that if they had raised more this year, 1934, added to the

carry-over from 1933 and added to the diminishing export market, it would have rendered the price so low as hardly to justify the picking; and (b) by ginners who would like to gin more at so much per bale, by the transportation agencies which would like to haul more at so much per bale, by the compressors which would like to compress more at so much per bale, by the warehouses that would like to warehouse more at so much per bale, and by the cotton merchants whose foreign markets have been greatly crippled because our Government, by the above laws and policies, has pegged this year's price at around 14 cents, which makes it impossible for them successfully to compete with cheaper cotton raised elsewhere in the world and offered successfully in competition in the cotton-purchasing centers of the world, as well as also the innumerable laborers, employees, and clerks threatened with loss of employment by continuance of the program of 1933 and 1934.

(9) Mr. Neblett, there is not just one class of people to be considered when Government tries to help the cotton producer. It is indispensably necessary to that producer that these other agencies above mentioned are allowed to live and make a fair profit in order to purchase this cotton from the producer and move it to ultimate market. The ginner is indispensable, and so also are the transportations to port and to mill in the United States, and so also are the compressors and the warehousemen, and so also are the cotton merchants and all those they employ. All alike are in the same boat and are engaged in the noblest enterprise this glorious land we call the South can possibly engage in. We must not sacrifice the farmers, and neither must we sacrifice any of these other agencies, because each alike is necessary to the other, and all alike are necessary to Texas, to the South, and to the entire country. This cotton crop in the South is a monopoly of soil and climate. Nowhere else in the world do soil and climate conspire to make a perfect fiber, one of the indispensable necessities of modern civilization. It is the cash crop of 2,000,000 farmers, and on their shoulders rides the population of the entire South. It has been that way for 75 or more years. Every other enterprise in America is organized and has common understandings and working agreements and production quotas except alone the cotton farmers. He is 2,000,000 strong and scattered in every country hamlet in a territory 2,000 miles long and 400 or 500 miles broad. He cannot organize. He has tried and failed. It is impossible. Unless Government steps in and helps him, he is destined to be the "hewer of wood and drawer of water" to the end of time, while producing a fiber indispensably necessary to mankind and the handling of which creates literally billions of value and profit. For the first time since this Government was established, it undertook by the A. A. A. in 1933 and the Bankhead bill in 1934 to do for the producer what the same Government has always been doing for the manufacturer. For what the farmer buys last year and this year he pays the same price he did when his cotton was 21 cents a pound. Why? Because the manufacturers of what he buys are few in number and agree to limit output to suit market, whereas the farmers are so many and so scattered that he cannot agree and limit his output to suit market. The result is he overproduces. The cheaper the price, the more he produces to get volume at small price to make enough for accounts, interest, taxes, etc. It is a hopeless situation unless the Government takes the same forethought for the producer of cotton that it takes for the manufacturer through tariff and by the other forms of benefits mentioned in the early part of this letter.

(10) Never again should the hand of Government be taken from under the cotton producer and him turned loose without suitable Government aid to overproduce and compete with himself and glut the market and so wreck himself and remain in poverty, while others who have fattened off him in the past make all the profits out of the crop he produces. Always the Congress have given to the manufacturers of cotton goods in this country a tariff to protect them from the competition of foreign manufacturers of the same raw product who could make it cheaper with cheaper labor; and if we are to continue that protection to the manufacturer, it is nothing but right that the section which produces cotton should have a compensating benefit. Then the blessing of this best national asset will be distributed justly and make for universal prosperity, instead of continuing to center all the wealth up North and East.

(11) No man ever lived who has, his whole life and now, believed more than I in the right of each person to personal liberty of conduct and of vocation, and therefore nothing but this depression emergency and the above sort of reflections could have induced me to aid, as I did, in the passage of the A. A. A. Act and in the framing and presenting and passage of the Bankhead bill. But I am glad I did it. Its benefits are already manifest in every community in the South.

(12) However, while we must retain those advantages to the producer secured by the above process, we must correct the injustices inflicted upon the other classes engaged in the cotton business. The serious question is, How can that be done? As I have intended ever since the summer of 1934, when I matured my own thought about it, I now intend to try with all my energy to secure the adoption by Congress at the forthcoming session of a plan to pay a bounty to the producer for each pound of cotton he raises that is manufactured and sold in the American market and turn him loose free to raise as much or as little as he may desire over and above that amount, without taxation or interference of any sort, this latter portion to be sold by him at the price of the world market.

Briefly to explain this proposal, let me say that the American demand is about 6,000,000 bales per year. The Government guaranteeing what is known as the parity price for that 6,000,000-bale portion of the annual crop, it would have the effect of pegging at about 16 or 17 cents the price of that 6,000,000 bales. Then the cotton producer can raise no more if that is his wish; but if he wishes to raise more, let him raise any amount he wants to, but that will not be pegged at any price by the Government but will be sold at the world price. By the term "parity price" is meant this: Taking the years 1909 to the outbreak of the war in 1914 as a basis, when the price the farmer received per pound for his cotton was fair when considered in relation to what he paid for what he had to purchase, then they take into consideration what are now the prices of what he must buy and they raise his sales price of cotton up, so that a pound of his cotton will buy for his family as much now as a pound of his cotton would have bought for what he needed in the years 1909–14. Under this plan if, therefore, the farmer should raise a 15,000,000-bale crop, 6,000,000 bales of that he would get parity price or around 16 or 17 cents. If the world market was as much as 16 or 17 cents, then the Government would lose nothing; but if the world price that year were, say, 9 cents, then the United States Treasury would pay the producer 8 or 9 cents per pound on that portion of his crop domestically consumed. The rest of the crop above such 6,000,000 bales that he may choose to produce in perfect freedom from restraint or taxation of any kind by the Government would be sold on the world market at whatever it would bring, and that would be so much extra profit and benefit to the producer and everybody else down the line. That would restore full prosperity to the cotton picker, to the cotton farmer, to the ginners, to the transportation agencies, to the compressors, to the warehousemen, to the cotton merchants and their employees, to the shipping companies, to the ports, and all labor and services along the way. At the same time the farmer will be sitting on top of the world on account of the Government's pegging the price of the 6,000,000 bales at parity, that is, at around 16 or 17 cents a pound. My own opinion is that this is a sound solution. In this way there will cease to be angers and antagonisms and hatreds of the farmers toward those who buy their cotton too cheaply to suit the producer, and in this way each and every branch of the great cotton industry will be working in harmony and to a common end of making the South the richest land in the world, just as it now is the richest producer of a raw product in the world and yet saves too little of net wealth from its production, handling, and sale.

(13) I anticipate that you will say this is a bounty, a gratuity, a bonus. If you say that, I agree with you that it is, and I tell you that that is exactly what I am trying to do and shall try to persuade the Congress to do. Since the Government has always granted bounties to big organizations that exploit or serve the unorganized public, why is it such a terrible crime if, for once, the same Government pays out equivalent blessings to those who make normal, national life possible—that is, the producer of raw materials? The shipping is supported by bounty. Most of the railroads were built by the bounty of Nation or State through land grants. The tariff is nothing but a bounty thrown to the rich manufacturer. The permission to issue bank notes based on United States bonds, to be lent out to the people for interest while at the same time drawing interest on the bonds themselves, is nothing in the world but a bounty granted by the Government to the banks in order to help them succeed and do a useful public function. The Air Mail Service is almost exclusively performed because the Government grants a bounty to the companies carrying the mails, and the same is true with the vast amounts, considering the weight of mail, carried by the railroads. When gentlemen rise up to denounce Government favors when they are to apply to poor and distressed and scattered and helpless people, I invite their attention to the fact that I have never heard a single one of them denounce these Government bounties to the banks, to the railroads, the steamship companies, the manufacturers—to organized wealth, to put it plainly.

(14) The South buys $1,000,000,000 of food manufactured in the North each year and vast supplies of every sort that the North manufactures and sells to the South. Let the producer of cotton be again wrecked, and that destroys American business very largely; keep him prosperous by the above plan, and at the same time restore prosperity to other handlers of cotton who have been injured by the year or two we have been lifting the farmer out of despair, and we restore American trade in every way. I love very dearly the theory and the practice of individual liberty, but I love equally well the theory of "equal and exact justice to all and special privileges to none." It is not possible to speedily destroy special gratuities and bounties existing by law so long that they have grown mildewed; and therefore I have no abhorrence whatever in using the same basis of bounty to bless our people, because I know that in thus blessing them we are blessing the whole country.

(15) The Congress is a strange place. Men come from every section and of every race and creed and condition of constituencies. It will remain a mystery to me to the end of my life how we succeeded in doing by the A. A. A. and the Bankhead bill what we did for the cotton producer. The new Congress contains 83 men who never served there before, and for the first time the Democratic membership from the South are in the minority. We may, or we may not, be able to persuade our Democratic brethren and our Republican friends in the Congress to join with us in this inspiring enterprise I have pictured to you as my purpose.

But, as we succeeded in the other instance, I have hope we may succeed in this instance with this plan. If we do, never again will there be broken hearts and ruined fortunes and wrecked hopes in the homes of the yeomanry who produce the South's monopoly of cotton as an indispensable factor in southern and in national prosperity. But we will by this plan correct injuries to the other elements in the cotton business necessary to its successful conduct and will have made the South what it seems to be nature destined it for, not only the fairest but the richest, the most prosperous, and the happiest portion of the globe.

With kind regards and every good wish,

Sincerely your friend,

JOE H. EAGLE.

UN-AMERICAN ACTIVITIES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 19.

The Clerk read the resolution as follows:

*Resolved*, That the Special Committee on Un-American Activities, appointed by the Speaker to conduct certain investigations under authority of House Resolution 198 of the Seventy-third Congress, is hereby granted additional time until February 4, 1935, to prepare and file its report and recommendations for legislation with the House. Any unexpended balance of the total amount authorized for the use of said special committee under House Resolution 199 and House Resolution 424 of the Seventy-third Congress is hereby continued available until said date.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. SNELL. Reserving the right to object, in order to ask the gentleman a question, as I understand the situation there is no more testimony to be taken, but this resolution simply grants an extension of time to make out the report which the committee has not been able to make up to the present time?

Mr. McCORMACK. Exactly. We have been conducting public hearings up until last Saturday. The purpose of this resolution is exactly as the gentleman from New York [Mr. SNELL] states.

Mr. FISH. Reserving the right to object, would it not be in order, under this extension of time, for the gentleman's committee to hold further hearings, if found necessary?

Mr. McCORMACK. No, no. The purpose is simply to extend the time that we might make the report, and to use any unexpended appropriated balance for that purpose. What the full committee will do with reference to its recommendations to the House is a matter that will be incorporated in the report.

Mr. FISH. What is the latest date upon which the report may be submitted?

Mr. McCORMACK. According to this resolution it would be at any time up until February 4.

Mr. BLANTON. Reserving the right to object, Mr. Speaker, is it contemplated that there will be any employment of additional personnel?

Mr. McCORMACK. No. As a matter of fact, there has been a curtailment.

Mr. BLANTON. There will not be asked any additional sums other than that which has already been appropriated?

Mr. McCORMACK. I assure the gentleman from Texas [Mr. BLANTON] that there will not be any additional sums asked on the resolution under which the committee is functioning.

Mr. O'MALLEY. Reserving the right to object, is it going to be possible for the Members of this House to get copies of the transcript of testimony before this committee, both the executive and public hearings?

Mr. McCORMACK. Well, of course, the gentleman knows that executive hearings are not for the public.

Mr. O'MALLEY. I am talking about Members of the House and not the public. Is it possible to obtain a transcript of the executive hearings?

Mr. McCORMACK. I do not want to pass upon that question.

Mr. O'MALLEY. Well, I want to know. I have tried to get a transcript of some of these executive hearings and have been unable to do so.

Mr. BLANTON. I will ask the gentleman from Massachusetts, with his permission, if it is not a fact that, during the history of this Government, any Member of Congress can see the papers in the various departments, that are not made public, if he requests to see them?

Mr. McCORMACK. Exactly.

Mr. BLANTON. Any Member of Congress could see papers in the gentleman's committee if he requested to see them. That has always been the practice.

Mr. McCORMACK. Any Member of the House who is interested and, naturally, I would assume that the information they obtain would, in turn, be treated as confidential by them.

Mr. BLANTON. Certainly, under their oaths as Representatives.

Mr. O'MALLEY. I have tried to get a copy of the transcripts of the executive sessions and have not been able to do so.

Mr. McCORMACK. The gentleman has not tried with me.

Mr. O'MALLEY. I will try with the gentleman, if he assures me that I can see them.

Mr. McCORMACK. I am always glad to see the gentleman on any occasion.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

FULL CASH PAYMENT ADJUSTED-SERVICE CERTIFICATES AS PROVIDED IN H. R. 1

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to insert therein a copy of a bill I have introduced today.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. PATMAN]?

There was no objection.

Mr. PATMAN. Mr. Speaker, the following is a copy of the bill that I introduced today providing for full and immediate cash payment of the adjusted-service certificates:

A bill to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency

*Be it enacted, etc.*, That title V of the World War Adjusted Compensation Act, as amended, is amended by adding at the end thereof three new sections, to read as follows:

"PAYMENT OF CERTIFICATES BEFORE MATURITY

"SEC. 509. (a) The Administrator of Veterans' Affairs is authorized and directed to pay to any veteran to whom an adjusted-service certificate has been issued, upon application by him and surrender of the certificate and all rights thereunder (with or without the consent of the beneficiary thereof), the amount of the face value of the certificate as computed in accordance with section 501.

"(b) No payment shall be made under this section until the certificate is in the possession of the Veterans' Administration, nor until all obligations for which the certificate was held as security have been paid or otherwise discharged.

"(c) If at the time of application to the Administrator of Veterans' Affairs for payment under this section the principal and interest on or in respect of any loan upon the certificate have not been paid in full by the veterans (whether or not the loan has matured), then, on request of the veteran, the Administrator shall (1) pay or otherwise discharge such unpaid principal and so much of such unpaid interest (accrued or to accrue) as is necessary to make the certificate available for payment under this section, and (2) deduct from the amount of the face value of the certificate the amount of such principal and so much of such interest, if any, as accrued prior to October 1, 1931.

"(d) Upon payment under this section the certificate and all rights thereunder shall be canceled.

"(e) A veteran may receive the benefits of this section by application therefor, filed with the Administrator of Veterans' Affairs. Such application may be made and filed at any time before the maturity of the certificate, (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making or filing of a personal application, then by such representative of the veteran and in such manner as may be by regulations prescribed. An application made by a person other than a representative authorized by such regulations, or not filed on or before the maturity of the certificate, shall be held void.

"(f) If the veteran dies after the application is made and before it is filed, it may be filed by any person. If the veteran dies after the application is made, it shall be valid if the Administrator of Veterans' Affairs finds that it bears the bona fide signature of the applicant, discloses an intention to claim the benefit of this section on behalf of the veteran, and is filed before the maturity of the certificate, whether or not the veteran is alive at the time it is filed. If the death occurs after the application is made but before the negotiation of the check in payment, payment shall be made to the estate of the veteran irrespective of any beneficiary

designation, if the application is filed (1) before the death occurs, or (2) after the death occurs, but before the mailing of the check in payment to the beneficiary under section 501.

"(g) Where the records of the Veterans' Administration show that an application, disclosing an intention to claim the benefits of this section, has been filed before the maturity of the certificate, and the application cannot be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when originally filed.

"SEC. 510. If, at the time this section takes effect, a veteran entitled to receive an adjusted-service certificate has not made application therefor, he shall be entitled, upon application made under section 302, to receive at his option either the certificate under section 501 or payment of the amount of the face value thereof under section 509.

"SEC. 511. The Administrator of Veterans' Affairs, in the exercise of his powers to make regulations for payment under section 509, shall to the fullest extent practicable provide a method by which veterans may present their applications and receive payment in close proximity to the place of their residence.

"SEC. 2. (a) Payment of the face value of adjusted-service certificates under section 509 or section 510 of the World War Adjusted Compensation Act, as amended, shall be made in United States notes not bearing interest. The Secretary of the Treasury is hereby authorized and directed to issue such notes in such amount as may be required to make such payment, and of the same wording, form, size, and denominations as United States notes issued under existing law, except that the wording thereon shall conform to the provisions of this act. The Administrator of Veterans' Affairs and the Secretary of the Treasury are hereby authorized and directed jointly to prescribe rules and regulations for the delivery of such notes in payment under section 509 or section 510 of the World War Adjusted Compensation Act, as amended.

"(b) United States notes issued pursuant to the provisions of this act shall be lawful money of the United States and shall be fixed by law. Such notes shall be legal tender in payment of all debts and dues, public and private, and shall be receivable for customs, taxes, and all public dues, and when so received shall be reissued. Such notes, when held by any national banking association or Federal Reserve bank, may be counted as a part of its lawful reserve. The provisions of sections 1 and 2 of the act of March 14, 1900, as amended (U. S. C., title 31, secs. 314 and 408), and section 26 of the Federal Reserve Act, as amended (U. S. C., title 31, sec. 409), are hereby made applicable to such notes in the same manner and to the same extent as such provisions shall apply at the time of the enactment of this act or in the future to United States notes.

"SEC. 3. (a) Whenever the index number of the wholesale all-commodity prices rise above the index number of such prices for the years 1921 and 1929, as computed by the Bureau of Labor Statistics of the Department of Labor, notwithstanding any provisions of law to the contrary, the following methods for contracting the issues of currency in the United States may be in force and effect, in the manner and to the extent prescribed in subsection (b) of this section:

"(1) Termination of the issuance and reissuance of national-bank circulating notes and the retirement of such notes secured by direct obligations of the United States.

"(2) Termination of the issuance and reissuance of national-bank circulating notes and the retirement of such notes from circulation as rapidly as practicable

"(3) Termination of the issuance and reissuance of Federal Reserve notes secured only by gold or gold certificates.

"(4) Termination of the issuance and reissuance of Federal Reserve notes secured by notes, drafts, bills of exchange, acceptances, or bankers' acceptances which are not issued in direct benefit of commerce, industry, or agriculture.

"(b) Any such method of contracting currency issues may be applicable when the Secretary of the Treasury finds that its application is necessary in order to maintain the index number of wholesale all-commodity prices at the approximate level of the index number of such prices for the years 1921 to 1929, or to prevent undue expansion of the currency, and issues an order setting forth such finding. Each such order shall prescribe such rules and regulations as are necessary and appropriate to carry out the provisions of this section with respect to the method of contraction made applicable in the order. The Secretary may make such methods applicable in the order in which they are set forth in subsection (a) of this section or in any order he chooses. When any such order is issued with respect to Federal Reserve notes, the Federal Reserve Board shall take such action as may be necessary to facilitate the enforcement of the order.

"SEC. 4. Section 505 (authorizing annual appropriations ending with the year 1946 for the payment of adjusted-service certificates of the World War Adjusted Compensation Act, as amended, except the first sentence thereof) is hereby repealed. Amounts in the adjusted-service certificate fund are hereby authorized to be made available for the expenses of printing and engraving United States notes issued under this act for paying fractional parts of a dollar which cannot be paid in United States notes issued under the provisions of this act and for paying the principal and interest on or in respect of loans pursuant to the provisions of subsection (c) of section 509 of the World War Adjusted Compensation Act, as amended.

"SEC. 5. This act may be cited as the 'Adjusted Compensation Act, 1933.'"

FULL PAYMENT WITHOUT INTEREST DEDUCTION

It will be noted that the veterans are to be paid the full face value of their adjusted-service certificates without deduction of interest after October 1, 1931; and the payment is to be made in United States notes or Treasury notes, as they are often called, and are not to be retired. That in the event there is danger of undue expansion of the currency, the Secretary of the Treasury may cause to be withdrawn from circulation sufficient money that has been issued to the national banks and Federal Reserve banks, to prevent it.

ARGUMENT NO. I FOR FULL PAYMENT

If the average veteran who was entitled to a $460 credit is now permitted to receive that $460 as of June 5, 1918, a date which represents the half-way period between the beginning and ending of the average man's service, with 6-percent interest compounded annually from that time, he was entitled to receive $1,000 on October 1, 1931, which is the face value of his adjusted-service certificate. It will be noted that in this illustration the $60 was not deducted and the 25-percent increase for waiting was not allowed or considered. The average veteran was entitled to a credit of $460 is the reason this amount is given in the illustration.

ARGUMENT NO. II FOR FULL PAYMENT

If a veteran representing the average who was entitled to a credit of $460 for adjusted pay is paid that sum at this time by the Government, as of the time he rendered the service, and he is given the part of the 25-percent increase for waiting that 16½ years bear to 20 years, and he is allowed 6 percent simple interest from that time, the same rate that the Government allowed others on contracts growing out of the war, he is entitled to receive, as of December 5, 1934, the sum of $1,104.29, which is $104.29 more than the face value of his adjusted-service certificate. It will be noticed that the $60 was not deducted and a proportionate part of the 25-percent increase is allowed in this computation, but the interest rate is 6 percent simple interest, the same rate that was allowed income-tax payers, war contractors, and others. It is 16½ years from June 5, 1918, to December 5, 1934.

ARGUMENT NO. III FOR FULL PAYMENT

If the average veteran who was entitled to $460 credit for adjusted pay has deducted from the amount $60, but is given credit for the proportionate part of the 25-percent increase for waiting that 16½ years bear to 20 years, and is allowed 6 percent simple interest from the time he rendered the services, he is entitled to receive, as of December 5, 1934, $960.01. Remember this computation excludes the $60, allowing a part of the 25-percent increase, which Congress said was right, and allows 6 percent simple interest.

FALLACIOUS ARGUMENTS

No informed person will contend either of the following:

First, that it was right for the Government to deduct from the amount due each veteran the $60. It was not right, but was wrong, made an Indian giver out of the Government, and discriminated against the veteran who had served throughout the war in favor of those who served only a short time, and high ranking officers who received enormous salaries, in addition to allowances and assistance of orderlies, who were enlisted men. Second, that the Government has ever allowed the veteran anything as compensation in the form of interest for the period of time from the date his service was rendered until January 1, 1925. In fact, the final draft of the legislation in 1924 was hurriedly agreed upon and injustices and inequalities that were expected and were caused thereby should be hastily corrected.

NO BONUS

House bill 1 is often referred to as the "bonus bill." I have never used the word "bonus" in connection with the proposal and never expect to. I am hopeful that the veterans will refrain from using the word "bonus" and instead use the phrase "adjusted-service certificates."

DEBT CONFESSED

A congressional committee, after a thorough and exhaustive investigation, decided that the veterans who served dur-

ing the World War did not receive fair compensation for their services; that each veteran should be allowed another dollar for every day he served in America and $1.25 a day extra for each day served overseas. In arriving at this amount the lowest paid laborer was used as a yardstick and not the wages of from $8 to $30 a day paid in the shipyards. The sensible way to have paid it would have been in cash at the time, but the then Secretary of the Treasury, Mr. Andrew W. Mellon, predicted that there was going to be a huge deficit at the end of the fiscal year and it would disrupt the finances of the Government to make such an enormous payment. Mr. Mellon's view prevailed and, instead of veterans being paid in cash, they were given an I O U postdated check, or tombstone certificate, payable January 1, 1945. It was later discovered that the Secretary of the Treasury's estimate concerning the deficit was wrong by approximately $1,000,000,000. The discovery that it was wrong did not help the veterans; it was too late, as intended.

HEARING EXPECTED SOON

At an early date a hearing on this bill before the Ways and Means Committee is expected. I am assured by the leaders of the House that no effort will be made to prevent consideration of this bill, but, on the other hand, an effort will be made to expedite its consideration in the House of Representatives. In the near future I hope to have an opportunity to discuss every question involved in this legislation on the floor of the House.

$163,000 DAILY INTEREST

Veterans are paying $163,000 daily to the banks and to the Government in compound interest on loans made to them on their adjusted-service certificates. An old Negro said, "Compound interest is dat intrust which you cain't never pay."

The beneficiary of the average veteran who dies this year will receive approximately $400 after the loan and interest are paid. The beneficiary of the average veteran who dies in 1944 will receive $68.50. On an average, 80 veterans are dying each day; therefore, approximately $32,000 is paid to the beneficiaries of these veterans each day. It is unfair for the Government to require 3,000,000 veterans to lose the remainder due on their adjusted-service certificates by compelling them to pay compound interest to the banks and to the Government in order to permit the beneficiaries of less than one-half million of these veterans to receive benefits from the certificates instead of permitting the veterans themselves to collect the remainder due. Less than 500,000 are expected to die before 1945.

AGAINST VETERANS' INTEREST

A prominent gentleman informed me a few days ago that from the standpoint of the veterans' welfare the certificates should not be paid now, stating that if the payments were made, a large percentage of the veterans would merely use the money to keep off the relief rolls, thereby saving the Government that much money by using their own funds. The answer to that is: The veterans should prefer using their money, and I am sure they do, in a way that will prevent them from being compelled to accept relief rather than have the Government and the banks consume the remainder due through the payment of compound interest.

HOW AVERAGE CERTIFICATE ARRIVED AT

Each veteran was allowed $1 a day extra for each day he served in the United States and $1.25 a day extra for each day he served overseas, with a limitation of $500 for home service and $625 for service overseas. John Doe, a veteran, was entitled to a credit of $460—$210 for 210 days' home service and $250 for $200 days' service overseas. The first $60 was deducted, reducing his credit to $400. Since he was being given a certificate due in the future, 20 years from date, the Government increased the amount of his credit by 25 percent for waiting, making the credit $500. He was then given a certificate for an amount equal to the $500 credit with 4-percent interest, compounded annually, for the 20 years, which amounted to $1,000. His certificate was dated January 1, 1925, and made payable January 1, 1945, or at death. This illustration represents the average veteran's service certificate.

OTHERS RECEIVED ADJUSTED PAY

Seven thousand war contractors received adjusted pay amounting to billions, directly and indirectly, after the war was over; many of them had invalid and illegal contracts which were validated by Congress. They were paid in cash. The railroad owners received a guaranteed return during the war equal to the average return 3 years prior to America's entrance into the war, which was the most prosperous period of railroading in the United States; in addition, they were given $3,000,000 a day extra pay for the next 6 months after being released from Government operation. Their adjustments in pay amounted to between one and two billion dollars; they were paid in cash. There were about 500,000 Federal civilian employees during the war, all of them receiving $2,500 a year or less had their pay adjusted, and the average received $1,000 extra pay. It was paid in cash. Many soldiers worked on the public roads in America during the war, side by side with civilians who were receiving $8 a day; these soldiers received an adjustment of $7 a day, representing the difference between their soldier pay of $1 a day and the $8 a day drawn by the civilians. They were paid in cash after the war. Foreign countries, our allies during the war, were loaned billions of dollars by our Government after the war was over. They used a part of this money to pay their own veterans adjusted compensation and bonuses aggregating as high, in some instances, as $7,290 each.

DEBT REALLY PAST DUE

The debt is really past due now, although payable in 1945. The adjusted-service certificate gives the veteran the $1 a day for home service and the $1.25 a day for service overseas as of January 1, 1925, thereby depriving the holder of approximately 7 years' interest. If one is entitled to a certain amount daily or monthly over a period of time, the interest should be computed by allowing full interest from a date representing a time halfway between the beginning and ending of the period, about June 5, 1918.

TAX REFUNDS AND 6-PERCENT INTEREST

When the war was over applications for tax refunds were filed by individuals and corporations, many of them claiming that they had paid too much income taxes during the war and others claiming that they failed to deduct a sufficient amount for depreciation of their facilities used in war services. These claims were made, although they had made and sworn to the income-tax returns themselves. The Secretary of the Treasury refunded to large income-tax payers more than three thousand million, or $3,000,000,000, from the year 1922 to the year 1929, inclusive, an amount more than sufficient to pay the remainder of the adjusted-service certificates in full. Much of this money was refunded or given back to them on the theory that the taxpayers did not charge off a sufficient amount for depreciation in value of their properties during the war from 1917–19. A large part of it was refunded in plain violation of the law. A large number of the beneficiaries of these large gifts were war profiteers and should have been convicted of treason for dissipating and plundering our resources during the war. When each refund was paid the Treasury also paid the one receiving it 6-percent interest from the year it was claimed the deduction should have been made. On one refund to the United States Steel Corporation of $15,736,595.72 interest amounting to more than $10,099,765 was paid. Mr. Andrew Mellon, while Secretary of the Treasury, made large refunds to himself and to his companies, and in each case allowed 6 percent interest from the year he claims the credits should have been given and not from 1925, the date of the adjusted-service certificates, or 7 years later. Those who are so loud in their denunciation of the proposal to pay the veterans this honest debt have been just as silent as the tomb while these war profiteers were wrongfully getting billions of dollars from the Treasury.

One receiving a tax refund in 1925 for an alleged overpayment in 1918 was paid 6-percent interest from 1918 on the amount of the payment. There is no reason why the veterans should not be paid from the time they rendered their services until 1925, the date of the certificates.

AMOUNT VETERANS IN EACH STATE WILL RECEIVE

If H. R. 1 becomes a law it will be a long step in a direction of stopping the issuance of more tax-exempt interest-bearing bonds. Not another dollar's worth of them should ever be issued. There is no difference between many of the Government obligations that are deposited by banks as collateral security for the issuance of money and the adjusted-service certificates, a Government obligation held by the veterans. They are both made payable in 1945. They are both backed by the credit of this Nation. They are both obligations of this Nation. Money purchased one, services the other. If it is fair for the bank, it is fair for the veterans. In our plan, if there is too much money in circulation, the banks will be required to return their currency, or part of it, and receive their bonds in exchange, thereby taking a certain amount of money out of circulation.

If this bill is enacted into law, the veterans in the following-named States will receive the amounts indicated:

| | | |
|---|---|---|
| Alabama | ( 50,867) | $26,888,528.74 |
| Arizona | ( 10,870) | 6,668,187.11 |
| Arkansas | ( 43,849) | 21,993,238.27 |
| California | (200,424) | 122,833,011.86 |
| Colorado | ( 34,259) | 19,362,059.24 |
| Connecticut | ( 44,043) | 26,914,018.40 |
| Delaware | ( 4,884) | 3,527,070.50 |
| District of Columbia | ( 28,281) | 16,278,716.59 |
| Florida | ( 39,535) | 21,921,858.79 |
| Georgia | ( 58,583) | 32,262,946.70 |
| Idaho | ( 13,575) | 7,411,798.86 |
| Illinois | (253,343) | 141,472,289.16 |
| Indiana | ( 95,587) | 50,730,624.28 |
| Iowa | ( 79,814) | 41,019,480.37 |
| Kansas | ( 57,114) | 31,436,036.43 |
| Kentucky | ( 63,696) | 34,261,787.60 |
| Louisiana | ( 53,885) | 27,849,762.05 |
| Maine | ( 21,412) | 12,121,627.12 |
| Maryland | ( 48,424) | 27,931,248.31 |
| Massachusetts | (137,113) | 83,147,947.57 |
| Michigan | (134,009) | 77,476,794.12 |
| Minnesota | ( 85,532) | 52,789,520.36 |
| Mississippi | ( 36,802) | 19,308,411.76 |
| Missouri | (111,706) | 60,820,922.70 |
| Montana | ( 18,106) | 10,281,687.92 |
| Nebraska | ( 40,233) | 21,802,190.95 |
| Nevada | ( 3,066) | 1,771,846.11 |
| New Hampshire | ( 12,370) | 7,298,113.14 |
| New Jersey | (116,440) | 69,579,645.59 |
| New Mexico | ( 10,101) | 5,810,422.87 |
| New York | (377,182) | 221,373,728.68 |
| North Carolina | ( 63,926) | 34,622,162.80 |
| North Dakota | ( 16,174) | 8,762,475.18 |
| Ohio | (182,692) | 106,061,344.03 |
| Oklahoma | ( 67,181) | 35,202,766.82 |
| Oregon | ( 35,376) | 20,679,034.90 |
| Pennsylvania | (259,931) | 155,594,459.25 |
| Rhode Island | ( 20,789) | 12,356,383.60 |
| South Carolina | ( 35,747) | 21,533,112.98 |
| South Dakota | ( 22,713) | 11,757,600.97 |
| Tennessee | ( 59,009) | 32,497,536.52 |
| Texas | (148,771) | 83,696,221.25 |
| Utah | ( 14,387) | 8,035,096.92 |
| Vermont | ( 8,243) | 5,042,465.50 |
| Virginia | ( 63,132) | 36,811,791.20 |
| Washington | ( 56,335) | 34,079,306.15 |
| West Virginia | ( 43,294) | 23,345,392.42 |
| Wisconsin | ( 88,036) | 47,177,680.61 |
| Wyoming | ( 11,177) | 6,329,955.57 |

The figures in parentheses represent the number of veterans holding certificates and the other figures represent the total amount that will be paid to them after deducting all prior loans and interest before October 1, 1931.

There are 3,531,800 veterans of the World War who hold adjusted-service certificates as of December 1, 1934. The aggregate face or maturity value of these certificates is $3,485,650,000, or an average of $959.88 each. After the 50 percent loan act was passed, veterans who were entitled to certificates of small amounts applied for them, which caused the amount of the average certificate to be reduced.

It is estimated that 49,806 of these veterans reside in Philippine Islands, Puerto Rico, Hawaii, Canal Zone, Canada, Cuba, Mexico, and other places outside of the limits of the United States.

Three million thirty-eight thousand five hundred of the 3,531,800 veterans holding certificates have borrowed $1,465,000,000 on their certificates, not including interest after October 1, 1931.

After deducting all prior loans, with interest to October 1, 1931, there is estimated to be a remainder due to the 3,531,800 veterans in the sum of $2,015,162,456.76, which includes the amount due the ones who have not negotiated loans on their certificates; interest on loans prior to October 1, 1931, amounts to a comparatively small sum.

QUESTIONS AND ANSWERS

Q. Are we asking for a revision of the contract?—A. Yes; in order that another part of the contract, the legislative intent, may be carried out. Congress contemplated that the veterans should be paid the adjusted pay as of the time the services were rendered and not 7 years later without interest. The report of the Committee on Ways and Means of the House reporting the adjusted-compensation legislation in the year 1924 states two objects they had in mind, as follows:

> That it should represent an amount approximately equal to the difference between what the soldier received and what he should have received. That it should confer substantial benefits upon the soldiers.

The first object is not carried out by paying the veterans the amount representing that difference 7 years later. The second object is not carried out if the money is paid in dribs and a large part of the principal consumed by the payment of compound interest on loans.

Q. Have others ever asked the Government for a revision of contracts?—A. Yes; the foreign countries that borrowed billions from us asked for a revision of their contracts. In the revision that was granted them they were given more than $10,000,000,000 by our Government. Hundreds of thousands of income-tax payers have asked the Government to revise their income-tax returns and allow them credits, refunds, and abatements. This has been done and more than $3,000,000,000 refunded in that manner. The income-tax returns were prepared wholly by the ones wanting the refunds, yet they asked for a revision and got it. The foreign countries asking for a revision of their contracts were parties to the contracts and had a voice in their making. The veteran had no other alternative than to accept the adjusted-service certificate in the form in which it was offered to him. He did not make it out and agree to it like the income-tax payers or the foreign countries.

Q. What is our plan?—A. It is to have the Government convert the veterans' adjusted-service certificates—which are noncirculating Government obligations—into United States notes—Government circulating obligations.

Q. Will not the plan involve the issuance of fiat or printing-press money, and will it not be unbridled inflation?—A. No; it will be the same kind of money as all other paper money now in circulation which together represents about 90 percent of our circulating medium at this time. The bill to pay these certificates has a provision against unbridled inflation and provides for controlled expansion of the currency. According to the terms of the bill, if there should be danger of unbridled inflation, the Government will be privileged to withdraw from Federal Reserve banks and national banks a sufficient amount of the currency issued to them in return for Government bonds to prevent such inflation. Personally, I expect the money issued to the veterans to remain in circulation. No one will be paying interest on it. Someone is paying interest on money issued by banks every day it is outstanding. We have $8,000,000,000 in gold. This is sufficient for the issuance of $20,000,000,000 on the basis of a 40-percent gold reserve. We only have about $5,000,000,000 in circulation now. Therefore, we could go back on the gold standard and still be able to issue additional money to the amount of $15,000,000,000. No logical reason can be given why this money should not be issued.

Q. Is there a precedent for issuing such money?—A. Either of the 12 Federal Reserve banks can obtain money from the Bureau of Engraving and Printing by making deposits of United States Government obligations. They can deposit a million dollars in Government bonds and receive a million dollars in new money. The only cost to such Federal Reserve bank is the cost of printing, which is about 27 cents a thousand dollars. National banks are permitted to the extent of their capital stock to deposit with the Treasurer of the United States direct obligations of the Government and receive in return national-bank currency greenbacks. Such banks must deposit 5 percent of the money in a retirement fund. While the banks, both national and Federal Reserve, obtain the use of the money, they also get interest on the bonds deposited.

Q. Compare our plan with the plan used by the national banks and Federal Reserve banks to obtain money from the Government on Government obligations.—A. The veteran has a Government obligation payable January 1, 1945. We are asking that he be permitted to deposit that obligation and receive new money in return for the remainder due in the same way and manner that national banks and Federal Reserve banks are permitted to deposit Government obligations, payable in 1945, and receive new money in return for them. In each case a Government obligation payable in the future is deposited to authorize the issuance of money. In each case a noncirculating Government obligation, or Government bond, is converted into a circulating obligation, money. The veteran will not continue to draw interest on the deposited obligation until it is payable. In the case of a veteran, the total indebtedness of the Nation will not be increased. In the case of the banks, the total indebtedness of the Nation is increased. In other words, if the Government issues a thousand-dollar bond and sells it to a bank, that is one obligation. If the Government accepts the deposit of that thousand-dollar bond and issues a thousand dollars in new currency to the owner, that is an additional Government obligation, as the Government guarantees to pay both the money and the bond. In neither case will there be a specific gold reserve set aside as a fractional coverage to redeem the paper money. However, we have ample gold for that purpose. The Bureau of Engraving and Printing is running every working day and often overtime in order to print money to replace worn-out bills and new money for the national banks and Federal Reserve banks; it has 4,500 employees and prints a billion new bills a year; it turns out about four tons of new paper money a day. There are 500 bills to the pound, whether they are $1 bills or $10,000 bills. The money to be issued to the veterans will be the same kind of money. The money issued to the banks is sound. Therefore, the money issued to the veterans will be sound. It costs the Government tens of millions of dollars a year to pay interest on the Government bonds which the banks deposit to secure the paper money they obtain from the Government. Since the War between the States, we have had outstanding in this Nation $346,000,000 in United States notes. This is a free medium of exchange and no one is paying interest on it. The fact that the people have not had to pay interest on that paper money has saved them an outlay through the years of more than $11,000,000,000 on the basis of 5-percent compound interest annually.

FEDERAL RESERVE BANKS

We have 12 Federal Reserve banks in this Nation. Each of these banks has an official that is authorized by the United States Government to cause to be printed and delivered to it new money, paper currency, produced by the Bureau of Printing and Engraving in Washington. In order to get this money the bank deposits with itself a Government obligation, which may be payable January 1, 1945, or any other date, as collateral security for the issuance of the money. While the bank uses the money it continues to get interest on the bonds. It pays on the average of 27 cents a thousand dollars for the cost of printing the money. They eat their cake and keep it, too. Approximately three and one-half billion dollars have been issued to Federal Reserve banks in this way.

EAT THEIR CAKE AND KEEP IT, TOO

National banks of the country have deposited approximately a billion dollars in United States Government bonds, many of them payable January 1, 1945, and have received approximately a billion dollars in new money in return. Each of these banks can use that money as a reserve and lend $10 in credits on every one of these dollars that it has in its vaults or with the Reserve bank. These national banks continue to get interest on the bonds while they are using the money. They eat their cake and keep more cake than they have eaten.

FAIR FOR BANKS, FAIR FOR VETERANS

No person can possibly give a logical reason why it is not right for a veteran to deposit his Government obligation, which is payable January 1, 1945, and receive new money in return for it, and at the same time contend that it is fair and right for banks to deposit Government obligations payable January 1, 1945, and receive new money in return for them. If it is right for the banks, it is right for the veterans. If the money issued to the banks is good money, and it is, the money issued to the veterans will be good money.

The greenbacks, about which the bankers, deflationists, and tories try to frighten the people, have saved the taxpayers of our country $12,223,477,500 up to November 30, 1934. These calculations are based on an interest rate of 5 percent, compounded. We have $346,000,000 of this new money in circulation now. It is good money; no one refuses to take it.

ENORMOUS INTEREST BURDEN

The outstanding Government interest-bearing obligations on November 30, 1934, were $26,780,967,700. The average rate of interest on the obligations is 3 percent. The compound interest on this sum to 1965 is $38,194,924,859.09, and we will still owe the principal. During the next 60 years, or up to 1995, these interest-bearing outstanding Government obligations will crush our people with the unthinkable sum of $130,904,032,500.32, at 3 percent compound interest, and we will still owe the principal of $26,760,967,700.

I can personally guarantee that these calculations are correct and can be verified through the Treasury of the United States. These interest-bearing, tax-exempt obligations should be gradually retired and relieve us and our children from this impossible interest and tax burden. The payment of the adjusted-service certificates in new money is a long step in that direction.

H. R. 1 provides that the veterans be given the same opportunity to get money from the Government on Government obligations as is now provided by law for the banks. If there is danger of inflation after this money is paid, H. R. 1 provides that the Secretary of the Treasury may withdraw a certain amount of money to prevent unbridled inflation. According to H. R. 1, however, the Secretary of the Treasury cannot withdraw any of the money we propose to issue, as we expect it to remain in permanent circulation, as no one will be paying interest on that money while it is outstanding, but the Secretary of the Treasury will be allowed to require Federal Reserve banks or national banks to return a part of their money and receive back their Government bonds which they have deposited to secure it. In other words, in actual practice the Secretary of the Treasury could take bankers' money out of circulation while veterans' money is being put into circulation. This is a complete answer to any charge of unbridled inflation.

RESULTS IF BILL ENACTED

If this bill is enacted into law it will result in the following:

First. It will save the Government more than a billion dollars, or $112,000,000 a year for 12 years.

Second. It will save the Government more than $10,000,000 in administration expenses of the Adjusted Compensation Act between now and 1945.

Third. It will pay a debt heretofore confessed by the Government to the veterans for services rendered. It is no bonus. The term "bonus" is a misnomer.

Fourth. It will be granting to the veterans the right to deposit a Government obligation and receive in return there-

for new currency, the same right that is now enjoyed by Federal Reserve banks and all national banks.

Fifth. It will prevent the veterans from losing a valuable equity by releasing them from the payment of compound interest on their loans. Veterans who have borrowed 50 percent under the present law will have very little remaining in 1945. It is not right for the Government and the banks to consume these valuable equities by requiring the veterans to pay compound interest on their own money.

Sixth. It will require no bond issue, no increase in taxes, no additional interest payment by the Government. The debt must be paid sometime. Everybody will be helped if it is paid now.

Seventh. It will partly restore to Congress its constitutional duty to issue money and deprive a few privileged bankers of a monopoly on the Government's credit.

Purchasing power must be placed in the hands of the masses. In this way it can be distributed quickly without the possibility of graft or favoritism. It is the best plan that has been proposed to be used as a vehicle to convey additional money into the hands of those who will buy goods.

A PROPOSED DEPARTMENT OF GOOD WORKS—RECOVERY OF MORAL VALUES ESSENTIAL TO NATIONAL RECOVERY

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, on Sunday, October 28, 1934, at a meeting characterized by splendid religious enthusiasm, the twenty-fifth anniversary of the Rumanian Orthodox Christian Church of Indianapolis, Ind., was celebrated with appropriate ceremonies. At the request of some friends and by permission of the House, I herewith insert in the CONGRESSIONAL RECORD the address I delivered on that occasion, which I believe is pertinent to the present distress of the country and to national recovery. It is as follows:

Mr. Lupear, Governor McNutt, ladies, and gentlemen, in Washington City we have been living for many months in an atmosphere of amazing new creations. New bureaus and agencies and commissions have been springing up like mushrooms on every hand, representing the results of social and economic planning on an unprecedented scale. With my mind filled and thrilled with these adventures in temporal government, it has occurred to me that all of us might profit if we would add to the social and economic planning some spiritual planning.

The human mind is so created that it operates most efficiently when charted by an orderly course; and when we are so busily engaged in founding new establishments of government, I think it would be well for America if each of us would create in his own being a spiritual department—a department of good works, if you please—to be devoted not to business recovery, as is the aim of all the new Washington bureaus, but to a recovery of the spiritual values. I am one of those who believe that the low estate into which we as a nation have fallen, with suffering and misery unprecedented and unspeakable, is largely due to a growing indifference to the things of the spirit. We have wandered far from God, and it is high time we should retrace our footsteps to the throne of grace.

STRENGTHENING OF MORAL RESERVES NEEDED

America's greatest need today is the strengthening of its moral reserves. If everyone of us would shape his course of action by the precepts of Christianity, how simple government would become! No longer would it be necessary to enforce justice between man and man by the strong arm of government, and we could do away with most of our boards and bureaus. The decrees of justice would be engraven on men's hearts, and no enforcement officer would be needed save the silent monitor called conscience.

As rational human beings, conscientiously seeking to do our full duty as members of society and living in hope that our acts in this world will entitle us to immortality beyond the grave, we should order our lives on lines of practical idealism. No admonition contained in the Holy Scriptures is more potent or more pregnant with meaning than the command that we should prove our faith by our works.

There exists in our society—in every society of humans, in fact—a certain large percentage of persons of the most benevolent disposition, who are saturated with good purposes, who think only the most sublimated thoughts and radiate only good will toward all mankind—and do nothing. They live in an aura of friendliness, harbor no evil designs, and seem to think that they will glide right into heaven on a wave of good intentions. They are like the community busybody who worked himself into a lather of perspiration making a long speech in behalf of the submerged tenth and wound up his perfervid exhortation by shouting:

"I move that we give three cheers for the poor!"

The road to hell is paved with good intentions; but when good intentions are harnessed to good works, there is no limit to the sublimity and grandeur of achievement that may be expected. Let us then make practical idealism our guiding star; and if we do that, we will live a life in harmony with the preachments of our Savior.

CHRIST A PRACTICAL IDEALIST

For Jesus Christ was a practical idealist. His heart bled for the poor; but unlike the visionary philanthropist referred to, He was not content to give three cheers for the poor and then rest. He was a workingman. He was one of the busiest men that ever trod this planet. Day and night He went about trying to do good. His life is, or should be, a shining example to those who imagine that the barge that is carrying them on toward the heaven of their dreams is propelled by sentiment alone—sentiment without works. The life of a true Christian is never soft and easy. The real Christian puts himself in the place of the poor and unfortunate, those who are suffering and distressed, disconsolate and downcast in spirit, and he does by them as he would that others would do unto him if he were in their situation. He makes sacrifices, undergoes hardships and privations; his soul is seared with the scars of many conflicts in behalf of humanity, but he goes on and on undaunted and unafraid. Usually such a character does not loom up in his true proportions until he has crossed the boundaries of eternity. Then, and not until then, does the world begin to appraise him at his true value, realizing at last that neither time nor tide, nor things past nor present, nor things to come, of whatever moment, may dim or tarnish the unfading splendor of his life of service.

TEMPLE OF THE SOUL

I would establish the spiritual department of good works, of which I speak, in the inner temple of every living soul. I would make it a sanctuary of sanctuaries and would illumine it with the beacon light of reason and of faith. Over the portal I would place the ever-inspiring motto, "Thou shalt love thy neighbor as thyself." On the wall of the sanctuary, where the eyes of the spirit would never cease to look upon it, would be that other motto, so dear to the heart of every true Christian:

"Whatsoever ye would that men should do unto you, do ye even so unto them."

Among the mural adornments of this temple of the soul I would place a picture of the Good Samaritan helping the stranger out of the ditch and caring for his wounds, a perfect example of Christian service, and a picture of Lazarus pleading for crumbs from the rich man's table—the most impressive of all reminders in sacred literature that God expects us to be kind to the poorest and humblest of His representatives on earth and will hold us to the strictest accountability if we are not.

I should like to make my department of good works the biggest thing in my life, and I pray that I may have the vision, the strength of character, and the will to do so. I should like to make it a place where goodness would pour out incessantly to all who are weary and heavy-laden. I should like to think that it may be the instrumentality to strike the shackles of sensuality from my soul and liberate my spirit from the slavery of selfishness. I should like for it to stand for the dignity of childhood and for the right of the little ones to proper living conditions and the opportunity to grow and bloom into perfect manhood and womanhood.

In arranging the daily program of our department of good works we should try to see how many good acts we can perform every day, such acts as Christ would be doing if He were on earth. A fair way to decide upon the quality of a contemplated act, whether it is appropriate or permissible, would be to ask oneself the question, "If Christ were here, would I be willing to be found doing it in His presence?"

OUR GOLD AND FRANKINCENSE AND MYRRH

If you ask me what should be the guiding principle of this department of good works—a department that has no existence in the world of tangible things, but which, if we so will, may have a very real and controlling existence in the realm of the spirit—my reply will be:

"Read the parable of the Good Samaritan, and you will find the answer. When we show loving kindness toward the poorest of God's creatures, we do the will of Jesus. By that good act we pay our homage to His name. We lay at His feet our gold and frankincense and myrrh."

The poor we have always with us. In the byways are the sick and hungry and those who are starving for the spiritual things of life. Let us seek them out and help them, doing for them the best we can, nor ever counting the cost. Though we may be reduced to rags by this life of service and self-denial, we will wear the livery of the King of Kings and we will enjoy the highest privilege given to mortals—the privilege of helping others. If we go looking for opportunities to render loving service, we will find them all around us. We can do nothing better, we can do nothing finer, we can do nothing grander, than to help our fellow mortals over the rough places of life. That is what Jesus of Nazareth did; that is what all the saints of all the ages have done; that, as I conceive it, is Christianity, and there is no more beautiful, no sweeter philosophy of life than is contained in the quaint old phrase:

"Do all the good you can, in all the ways you can, to all the people you can, just as long as you can."

If we strive to be what the Bible calls "doers of the word", if we seek sincerely and systematically to fill our days with good deeds, we shall discover never-ending variation and enjoyment in our work, and we shall find that the maintenance of our spiritual

department of good works will become a constantly easier task as benefaction becomes our fixed and dominating impulse.

MOST MAJESTIC CHARACTER

And in all our lives of service until the end comes and we fall asleep we should keep in the foreground of our minds the Great Exemplar of Good Works, the sweetest and most majestic character of all the ages, whose life from the manger to the cross is a rainbow of hope for all the human race. We need to think of Him to enrich our spirituality and to lead the way to the only life of real happiness, which is a life of service to others.

There is in our city of Indianapolis a wonderful painting of the Savior by Titian, owned by an Indianapolis man, which portrays with touching pathos the agony of the cross. In that picture the genius of the great artist has epitomized with a mastery that goes straight as an arrow to the human heart the sacrifices of the Son of Man for the remission of sins. I wish that every day of our lives all of us could see that picture for the memories it recalls, for the sense of duty it inspires. We need to be sobered and seasoned in ways of right living by a comprehension of the Savior's unfathomable love and the suffering endured by that great human God in order that you and I, and whosoever will, may find the way through service to eternal life.

GOLD IN IDAHO

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker and Members of the House, it is apparent that the people in charge of the department of government dealing with Federal-owned lands of my State, Idaho, are not familiar with its record of production of precious metals, particularly gold, and the importance to the administrative program of recovery of assisting in the development of the mining industry of the Northwest. We have the statement of the Director of the Bureau of Mines that there is in Idaho the greatest undeveloped gold area in the United States. In support of this statement I include herewith a letter from Mr. Reuben McGregor, a mining engineer, who has intimate knowledge of the gold resources of central Idaho.

ELK CITY, IDAHO, *November 30, 1934.*

Congressman COMPTON I. WHITE,
*Clarks Fork, Idaho.*

FRIEND COMPTON: I have your letter of November 11 asking for reliable information of placer gold production of the State of Idaho.

I would advise that you get this information from the United States Geological Survey and check it with the estimate from the United States Treasury Department. From time to time the United States Geological Survey has sent trained men to this State to gather this information, and they arrived on the ground 20 to 70 years after the ground was washed, looked the situation over, and made a conservative guess, which is authority on the subject, and I would advise that you get this information from the United States Geological Survey and use no other.

Some 25 years ago I made a map of the Salmon River region, marked the old placer camps on the map, with production in placer gold as related in old histories of the State. Of some of the southern camps I got the estimates of gold production from State Mine Inspector Robert Bell. Take Florence, for instance; I was well acquainted with Mr. Wallace Scott, of Grangeville, Idaho. Mr. Scott went to Florence in 1861, ran a store there during the big production, made enough money to open a store in Grangeville and start the First National Bank, of which he was president. He was a solid citizen and a very reliable old gentleman. He told me that Florence produced $82,000,000 in placer gold. I was in Florence in 1898, was acquainted with John Clark, who still at that date had a store in Florence that was run continuously from the sixties. Clark was Wells Fargo express office, and I went through the old express books; and while I have forgotten the amount of gold handled by the express company, I remember that the amount was so large that I have always believed that Mr. Wallace Scott's estimate is near correct. Many of the miners took their gold with them, and the express company took all the gold to Lewiston or Walla Walla, then down the river by boat to Portland, then by boat to San Francisco and the mint. No record was kept. I surmise that the sun-baked native sons of California, who are always on the job, credited all this Idaho gold to California's production and that a great amount of the gold in the golden sunshine of California came from Idaho. Florence for size was the richest placer ground ever found—only 6 feet to bedrock—a poor man's camp. Many of the miners went East, bought farms, married, and raised big families on Florence gold. Boise Basin is several times the size in area of Florence. The oldtimers—and I have known several—always claimed that Boise Basin produced 200 million in placer gold. There is no reliable record of the production. Hordes from China washed the ground after the whites. Some of the China gold went to the San Francisco Mint, some to China; no record kept. The big production of Idaho placer gold in 1861, 1862, 1863, 1864, going into the coffers of the North was a big factor, if not a deciding factor, in the winning of the Civil War.

Maj. Evan W. Kelly is making good on the promise to build the truck road from Elk City to Red River Valley. His engineer, Bert Harrin, has finished the survey, and it will make a good road, maximum grade 5 percent, 6 miles from Elk City to Red River Valley. When this is finished next summer, it will eliminate 6 miles of the worst road between here and Dixie. The road up Crooked River from the highway to Orogrande is broken through, and cars can go that way now, but it is not finished but will be in the early summer.

I am hoping that the Bureau of Public Roads will finish the highway, the remaining 3 miles to Elk City, and grade the main street for 2,000 feet, 50 feet wide, next summer. The State is plowing off the snow on the highway this winter to Red River bridge 3 miles out from Elk City. Mining men with small cars will be able to drive to within 3 miles all winter. This remaining 3 miles of highway should be finished next summer, so that mining men can drive to our town next winter. The road program is coming along fast, thanks to you, and all mines will be on a good road in the near future. Don't forget our 3 miles of highway to be built by the Bureau of Public Roads next summer and that 2,000 feet, 50 feet wide, up Main Street, Elk City.

Yours truly,

REUBEN MCGREGOR.

FEDERAL DEPOSIT INSURANCE AS IT AFFECTS THE BANKING SITUATION IN THE UNITED STATES

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks, and to include therein a radio address I delivered before the Pittsburgh Rotary Club, Wednesday, December 5, 1934 on the subject of deposit insurance.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, under leave to extend my remarks, I include the following address:

Members of the Pittsburgh Rotary Club and fellow rotarians, to speak to a representative group of business men who esteem "service above self" is a decided pleasure.

In a world which at times seems all too selfish, it is refreshing to reflect that the Rotary Club is a conspicuous example of enlightened unselfishness. That so many leading Pittsburgh business men have affiliated with an organization dedicated to high standards of business ethics and to the promotion of international friendship and good will indicates that they possess a high sense of civic duty.

My purpose today is to tell you something about Federal deposit insurance—a development which has had far-reaching beneficial effects upon the banking situation in the United States.

All of you, I am quite sure, remember only too vividly the banking holiday of March 1933. At that time every single bank throughout the country was closed; business was nearly at a standstill, and, worst of all, fear held the Nation in its grip. You will remember, too, the courageous manner in which President Roosevelt handled this delicate situation. He told the people that, as banks were licensed to reopen, they could have confidence in such institutions. They took him at his word, and today most of the scars left by last year's general banking holocaust have been obliterated.

However, something more was needed. The people realized that even though banks which were allowed to reopen must be in sound condition, this was not enough. They knew that sound banks could become unsound; that once strong institutions could weaken and finally collapse.

Therefore they wanted complete assurance that when they deposited funds in a bank, such money would always be available to them on call.

This assurance was given to them on January 1, 1934, when Federal deposit insurance became effective.

Today there are more than 14,000 banks located in every section of the United States which are members of the insurance fund administered by the Federal Deposit Insurance Corporation, Washington, D. C. Every single depositor in every single one of these banks is protected up to a maximum of $5,000.

Pennsylvania leads the Nation in the number of insured banks with 1,054, no other State having as many as 1,000. The institutions which are insured represent 96 percent of the licensed commercial banks in Pennsylvania, which indicates that the bankers of this Commonwealth have welcomed the protection afforded by Federal deposit insurance.

Even should one of these 14,000 insured banks fail—and, of course, the law of averages decrees that some of them must close—each depositor will be protected against loss up to the committed liability.

Some of the favorable effects of this protection, to mention a few, have been: (1) A tremendous decrease in the number of bank failures; (2) increases in deposits, partially as a result of the return of hoarded funds from hiding; (3) a complete absence of runs; and (4) a return of public confidence in banks.

During the first 10 months of 1934, which were also the first 10 months of operation of Federal deposit insurance, only six insured banks containing aggregate deposits of $1,510,034 closed their doors.

The few closings and the comparatively negligible amount of funds involved constituted a happy contrast with the appalling records of former years.

For instance, throughout the 12 years, 1921–32, the number of bank failures in the United States during the first 10 months alone of such years was 8,317, involving deposits of $3,518,040,000

In other words, during the first 10 months of 1934 an insured bank closed, on the average, every 1,224 hours, while the average amount of deposits in such closed institutions was $251,672, whereas during the first 10 months of the 12 years ending with 1932 a bank failed, on the average, every 11 hours, while the average amount of deposits in such failed institution was $422,993.

Surely you must admit that it is worth while that, as a result of Federal deposit insurance, a bank did not close every 11 hours during the first 10 months of 1934, and that therefore depositors did not lose $3,518,040,000 during those 10 months.

It is a well-known fact that many of the 8,317 banks which failed during the first 10 months of the years 1921–32 were "rumored to death." Previous to the inauguration of Federal deposit insurance it was frequently all too easy to start a run on a bank. At times merely a careless word would bring a crowd of depositors to a banking institution, all of them demanding their savings at the same time. As the word of the run spread, more and more people would flock to the bank. On occasions such sudden and unexpected runs caused sound and solvent banks to close their doors.

But today even the vicious cannot start a bank run for the public refuses to heed rumors or gossip about insured banks, knowing that Federal deposit insurance is giving them complete protection.

In the years prior to 1934 the closing of a bank was a major catastrophe for hundreds of people, many of them those who were least able to take a loss. Even when an institution closed, not because of insolvency but as a result of adverse rumors, there always ensued long, dreary delays before depositors would receive even a portion of their savings from the receiver.

Happily, that is not the case today. When an insured bank closes its doors, the Federal Deposit Insurance Corporation promptly steps in and begins reimbursing depositors. Some of you here, I am sure, can testify as to the speed and efficiency with which depositors were paid off when one of your local institutions closed its doors. Officials of the Federal Deposit Insurance Corporation began reimbursing depositors in the insured Pittsburgh bank which closed less than 48 hours after the Pennsylvania secretary of banking took possession of the institution for the purpose of liquidating it.

The same procedure was followed in other cities. Officials of the Federal Deposit Insurance Corporation have but one main objective—the protection of the bank depositors of the Nation. When an insured bank fails, they do not quibble, nor do they procrastinate. Rather, they bend their efforts to the repayment of depositors in the shortest possible time, in order that people may not be inconvenienced nor business adversely affected by the closing of an insured bank.

All of you have probably read reports in recent months telling of huge gains in bank deposits. For instance, the aggregate deposits in the 1,054 insured Pennsylvania banks increased by more than $350,000,000 between December 30, 1933, and June 30, 1934. Similar gains were reported in other States. Higher deposit totals, which have been largely due to Federal deposit insurance, tend to permit banks to loan more freely, which, in turn, hastens recovery and promotes employment.

People have heard so much about the protection of Federal deposit insurance that some few of them believe that all banks throughout the United States are insured.

Unfortunately, this is not correct.

While some 90 percent of the licensed institutions are affording their depositors this protection, there are banks which are not insured.

When an uninsured bank fails, as you can readily appreciate, depositors will, of course, receive nothing from the Federal Deposit Insurance Corporation; whereas depositors in a bank which is insured are safeguarded up to a maximum of $5,000.

In order that the public might be able to tell at a glance whether a bank is insured or not, the Federal Deposit Insurance Corporation has ruled that institutions affiliated with it must display a sign over every window where deposits are received, pointing out that each depositor is protected up to a limit of $5,000.

Before opening an account with a new bank, well-informed depositors always look for this sign of safety.

As members of a service organization, any one of you here may be asked at any time how to distinguish an insured from a noninsured bank. There is a simple answer which you can give to this question. Just tell the questioner to put the following query to his banker:

"Are funds deposited in your institution protected by Federal deposit insurance?"

If the answer is in the affirmative, the depositor can dismiss from his mind all fear as to the safety of his funds.

Like the members of a Rotary Club, the thousands of bankers who have endorsed the principles of Federal deposit insurance—which has as its primary function the protection of the average depositor against loss—believe in "service above self."

Surely such an attitude is deserving of our highest praise.

### EXTENSION OF REMARKS

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein certain letters which I wrote to the Home Owners' Loan Corporation and replies thereto.

Mr. SNELL. Mr. Speaker, I must object to the inclusion of any extraneous or outside matter at the present time.

Mr. ELLENBOGEN. Mr. Speaker, if the gentleman will yield to me for a moment, I may say that these are letters written to the Board of the Home Owners' Loan Corporation and replies thereto.

Mr. McLEAN. Mr. Speaker, I object.

### THE 30-HOUR-WORKWEEK BILL—FOR THE RELIEF OF UNEMPLOYMENT

Mr. CONNERY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to insert therein a copy of a bill which I introduced today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Speaker, there has been so much misunderstanding throughout the country of the purposes of the 30-hour-workweek bills reported by the Committee on Labor of the House to the House that I would like to say a word in reference to the bill which I have introduced in the House today. The purpose of the bill is to provide for a 30-hour workweek, a 6-hour day, and a 5-day week.

In general, the provisions of this bill extend to all forms of employment and to all employees in trades or industries engaged in producing, transporting, or distributing goods or services in or affecting interstate commerce, but does not apply to agricultural workers or to persons employed in domestic services or to employees subject to the Railway Labor Act.

Under the provisions of this bill no person shall be permitted to work more than 30 hours in any one week, 6 hours in any day, or 5 days in 1 week by any single employer, unless that employer, having assented to and complying fully with the requirements of a code of fair competition or agreement approved by the President under the provisions of the National Industrial Recovery Act, shall have been duly granted an exemption by the President or his designated agent. Any exemption granted under the provisions of this bill shall be made only upon the finding that conditions, such as an inadequate supply of labor or circumstances determined to be beyond the employer's control (in accordance with regulations prescribed by the President) in a specified industry or locality, make it impossible for the employer to comply with the provisions of the act. Further, no modification shall be granted for a period exceeding 90 days at one time, and no worker shall be permitted to work more than an average of 40 hours per week during the period of modification, unless such a limitation of hours will result in diminishing, instead of increasing, the total volume of employment.

Another very important feature of the bill is that section which empowers the President to impose an embargo, tax, or quota system on imports from any foreign country which, by long hours and cheap wages, can undersell the goods produced in the United States. This provision is highly essential in order that American industries be properly safeguarded and protected against the unfair competition resulting from low-cost imports of any foreign country. Any violation of the requirements of this act shall be a misdemeanor, and, upon conviction, the offender shall be fined not more than $500 for each offense. The President is authorized to exercise any and all powers conferred upon him in the National Industrial Recovery Act for the purposes of carrying out the provisions of this act. The act shall take effect 90 days after its enactment.

Mr. Speaker, it is admitted that among the many proposals suggested and tried for the relief of unemployment, the most substantial gains in employment have been effected through the reduction of hours of labor in the administration of the codes for the various industries. The theory of creating additional employment through the reduction of working hours has been proved successful by test, and in my opinion the establishment of the 30-hour workweek will stimulate em-

ployment throughout the United States and open up work opportunities to millions of those who are now hopelessly awaiting a solution of the unemployment problem. I am inserting herewith a copy of this bill—H. R. 2746—for the information of the Members of Congress.

A bill to provide for a 30-hour workweek to relieve unemployment, and for other purposes

*Be it enacted, etc.*, That it is hereby declared that a national emergency, resulting from the unemployment of millions of willing workers, has imposed upon State and Federal Governments a burden of unemployment relief and has interfered with the free flow of interstate commerce to such an extent that action to spread employment uniformly so far as possible has become essential.

SEC. 2. During the period of this national emergency no employee shall be required or permitted by an employer subject to this act to work more than 30 hours in 1 week, 5 days in 1 week, or 6 hours in 1 day by any single employer, or through employment by more than 1 employer; except under the circumstances and in the manner hereinafter provided.

SEC. 3. Modification of the requirements of section 2 of this act may be granted to employers who have assented to and are complying fully with the requirements of a code of fair competion or agreement approved by the President under the provisions of the National Industrial Recovery Act, upon a petition for such an exemption duly filed with the President or any agent or agency designated by the President for that purpose: *Provided, however*, That such exemption shall be granted only upon a finding that conditions, such as an inadequate supply of labor or other conditions determined to be beyond the employer's control (in accordance with regulations prescribed by the President), exist in a specified industry or locality which make compliance with said requirements impossible without reducing the total volume of employment or restricting commerce or discriminating unfairly against individual employers or groups of employers: *And provided further*, That no modification shall be granted for a period exceeding 90 days at one time, and no modification shall permit a worker to be employed for more than an average of 40 hours per week during the period of modification, unless such a limitation of hours will result in diminishing, instead of increasing, the total volume of employment.

SEC. 4. (a) Every modification granted under section 3 of this act shall be made subject to the condition that the employer shall agree so to adjust rates of compensation that the average weekly earnings of employees for the hours of work reduced, as herein authorized or required, shall not be less than their average weekly earnings under the hours of work prevailing prior to such reduction, and such adjusted rates shall be applied to employment for any portion of the maximum hours of work so authorized or required.

(b) Any employer not conforming hours of work to the standards herein provided, or adjusting rates of compensation for the 30-hour week or any modification thereof, as hereinbefore provided, shall not be entitled to the exemption from the provisions of the antitrust laws of the United States, which is provided in section 5 of the National Industrial Recovery Act.

(c) The President is authorized, through such agencies as he may establish, to determine finally whether an employer has adopted and applied fair measures for the adjustment of rates of compensation in conformity with the requirements of this act.

(d) On his own motion, or if any labor organization, or any trade or industrial organization, association, or group, which has complied with the provisions of this act, shall make complaint to the President that any article or articles are being imported into the United States in substantial quantities or increasing ratio to domestic production of any competitive article or articles on such terms or under such conditions as to render ineffective or seriously to endanger any of the provisions of this act, the President shall, in order to effectuate the policy of this act, direct that the article or articles concerned shall be permitted entry into the United States only upon such terms and conditions and subject to the payment of such fees and to such limitations in the total quantity which may be imported (in the course of any specified period or periods) as he shall find it necessary to prescribe in order that the entry thereof shall not render or tend to render ineffective any of the provisions of this act. In order to enforce any limitations imposed on the total quantity of imports, in any specified period or periods, of any article or articles under this subsection, the President may forbid the importation of such article or articles unless the importer shall have first obtained from the Secretary of the Treasury a license pursuant to such regulations as the President may prescribe. Upon information of any action by the President under this subsection, the Secretary of the Treasury shall, through the proper officers, permit entry of the article or articles specified only upon such terms and conditions and subject to such fees, to such limitations in the quantity which may be imported, and to such requirements of license as the President shall have directed. The decision of the President as to facts shall be conclusive. Any condition or limitation of entry under this subsection shall continue in effect until the President shall find and inform the Secretary of the Treasury that the conditions which led to the imposition of such condition or limitation upon entry no longer exists.

SEC. 5. The requirements of this act shall extend to all forms of employment and to all employers in trades or industries engaged in producing, transporting, or distributing goods or services in or affecting interstate commerce; but shall not apply to agricultural workers or to persons employed in domestic service or to employees subject to the Railway Labor Act.

SEC. 6. Any violation of the requirements of this act shall be a misdemeanor, and upon conviction thereof an offender shall be fined not more than $500 for each offense, and each day such violation continues shall be deemed a separate offense.

SEC. 7. The President is authorized to exercise any and all of the powers conferred upon him in the National Industrial Recovery Act for the purpose of carrying out the provisions of this act, including the power to declare the end of the period of national emergency herein defined.

SEC. 8. This act shall take effect 90 days after its enactment.

LIBERALIZATION OF THE REPUBLICAN PARTY

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my remarks on the liberalization of the Republican Party and also on the subject of adjusted-service certificates.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, under leave to extend my remarks, I desire to insert in the CONGRESSIONAL RECORD a radio address on the future of the Republican Party, delivered by me over the Columbia Broadcasting System on Thursday evening, November 22, 1934:

The unmistakable mandate of the recent election is that the Republican Party must humanize and liberalize its policies and leadership and make a direct appeal to the younger element by giving them real representation in party councils.

The Old Guard Senators were slaughtered at the polls because they refused to recognize the new economic conditions that prevail throughout the country and were either unable or unwilling to help solve them on forward-looking and liberal principles. There is an ancient saying that the Old Guard dies but never surrenders. Whether that be true or not the Old Guard, the reactionaries and Bourbons of the Republican Party met their Waterloo on November 6.

The immediate question now is what must be done to revive and reorganize the Republican Party in order to restore public confidence in its principles and policies.

The more liberal-minded States of the Middle West and Far West, hitherto strongholds of Republicanism, have been drifting away from their political moorings.

A liberalized Republican Party must come out squarely for a parity for farm prices, which is impossible under the N. R. A., and insist on an equilibrium between the products of the farm, the factory, and the mines. We cannot have a prosperous America without fair prices for our agricultural products, and prosperous American farms depend on the cost of production plus a reasonable profit to the farmer.

I have scarcely met anyone who does not agree that the Republican Party must be liberalized in policies and leadership; even former conservatives recognize the handwriting on the wall and are seeking front-row seats on the bandwagon. It will not require a major operation to have the former reactionary leadership move into a back seat. No ultraconservative has to be read out of the party. There is no need or room for personal attacks or impugning the motives of the Old Guard leaders. But if the old Bourbon leaders refuse to see the light—and none are so blind as they that will not see—then a major operation may be necessary, and they will have to be thrown out, lock, stock, and barrel.

I do not advocate or anticipate the necessity of such drastic treatment except as a last resort. Selfish interests, greed, and domination by wealth and special privilege, wherever it exists, must give way to a liberalized Republican Party before we can hope to regain the confidence of the people.

The only chance for the Republican Party is manifestly to come out openly and boldly for progressive principles within the compass of the Federal Constitution, steering clear of socialism, communism, Government ownership, regimentation, collectivism, and a huge superbureaucracy at Washington. Our appeal must be made equally to Jeffersonian Democrats and Abraham Lincoln Republicans to uphold and defend the fundamental American principles of Government, advocated by both Jefferson and Lincoln. The average voter, the plain people, of whom Abraham Lincoln said, "God must have loved them because he made so many of them", have no confidence, no faith, or sympathy in the old leaders of the Republican Party. The domination of the party by the extreme reactionaries and ultraconservative leaders is a thing of the past, and any attempt to revive Old Guard leadership or any element of special privilege that has exploited the party in the past means sounding the death knell of the Republican Party.

The party of Abraham Lincoln and Theodore Roosevelt, however, cannot and will not be silent while fundamental American principles and the very framework of our representative form of government are being undermined and gradually destroyed by the "brain trust" and other near-socialists at Washington.

There is no party today to speak for Jeffersonian principles except a liberalized Republican Party that will not pussyfoot and

compromise with unsound, socialistic, and destructive features of the new deal which affect the welfare, the interests, and the daily lives of every citizen in the Nation, and will not tolerate the weakening of our constitutional and representative form of government. The United States Treasury for the first time in history has become part and parcel of the Democratic campaign funds, and such political methods are hard to beat.

For well over a hundred years Jeffersonian Democrats have battled for their principles without fear or favor until the advent of this administration and its socialistic and Santa Claus policies. Jeffersonian Democrats for all these years have boldly proclaimed their political creed which stood for the rights and liberties of the individual citizen under the Constitution, for economy, for State rights, against the centralization and concentration of power in the hands of the Federal Government, and the use of such concentrated power by the Federal Government to interfere with business or the rights and liberties of the individual. Every principle of Jeffersonian Democrats has been repudiated by the administration at Washington and trampled under foot by the "brain trust."

Abraham Lincoln once said he had obtained all of his political principles from Thomas Jefferson and the Declaration of Independence. The first two Republican platforms quote the Declaration of Independence.

Let us reaffirm the early principles of the Republican Party when it stood squarely for human rights as being superior to property rights and as Lincoln said labor is prior to capital. Let us build a bridge so that millions of deceived, disgruntled, and disgusted Jeffersonian Democrats may cross over to a liberalized Republican Party in 1936 and help elect a Republican President and oust the socialistic Democratic administration at Washington.

The Republican Party is not dead, nor is it dying, nor has it any intention of giving up the ghost. It is true that there are many defeatists within its ranks that cannot stand affliction and defeat. The storms of adversity like those of the ocean call for a high degree of courage, fortitude, and steadfastness. Adversity compels us to study and meet face to face problems that have to do with the very existence of our party.

I have no patience with those Republicans of little faith who are thrown into despair by defeat or suggest a coalition with the present administration. This is not the time for compromise with our sound party principles, which are more needed today than ever before. We are the party of opposition, the minority party, and we have a definite duty to expose and oppose all unsound, unworkable, and socialistic legislation. There never was a time in the last 80 years, except during the Civil War, when there was more need and reason for the existence of the Republican Party under sound and liberal leadership. It is beginning to become more and more apparent that it will be only through the sound principles of the party that business confidence can be restored and American wage earners put back to work. What are these principles? A firm belief in the private ownership of property and our industrial system based on private initiative and reasonable profit that has made for the wealth and the greatness of our country, and under which American labor has been the best paid, the best housed, the best fed, the best clothed, and the most contented and freest on earth. We stand, as we have always stood, for sound money, the sanctity of contracts, the protective tariff, national economy, a policy of abundance as opposed to restriction, want, and scarcity, and for the rights and liberties of the individual under the Federal Constitution.

I am not one of those who believe in harping on the Constitution. As Senator BORAH properly said, the people cannot eat the Constitution. The Republican Party understands that hunger is not debatable. We insist that no American citizen be permitted to starve or go without proper clothing, fuel, or housing. The protection of its citizens is the reason for the existence of Government, and is above and beyond the Constitution. It is unthinkable that in a land such as ours, that formerly produced an overabundance of foodstuff, clothing, and fuel, any citizen should be allowed to starve or freeze in this emergency.

I plead for a sympathetic consideration by the American people and the enactment by Congress of adequate security insurance for our wage earners, and thereby help eliminate the economic fear and dread from off the backs and minds of American labor.

A constructive program of industrial-security insurance should be adopted in order to provide our wage earners with adequate health, life, retirement, and unemployment insurance. Let us strive for a more equitable distribution of wealth and to establish human rights on a parity with property rights in the United States of America.

The biggest tragedy of the depression has been the forced letting out of faithful employees through no fault of their own on a day's notice, who have labored 20 or 30 years or more, often in the same firm, in building up the wealth and prosperity of the Nation, without any retirement pay to maintain their home and family. Such a situation must not be permitted to exist under our economic system in the future. It is not right, fair, or just to American wage earners in the greatest and richest industrial nation in the entire history of the world.

A liberalized Republican Party will stand without compromise for the famous slogan of Theodore Roosevelt, "A square deal for both capital and labor", and not a new deal based on unsound and unworkable socialistic experiments that destroy business confidence and increase unemployment. The attitude of the Republican Party toward private property is the same today as it was in 1864 when Lincoln spoke the following words before the Workingmen's Association of New York:

"Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself and thus for example assure that his own shall be safe from violence when built."

We believe in the sanctity of private property and oppose the extension of Government ownership and the creation of a gigantic and tyrannical bureaucracy at Washington, regimenting the daily lives of 125,000,000 free Americans. We do, however, favor and urge effective, rigid, and drastic regulation of public utilities and interstate electrical power under the Federal Power Commission to protect and safeguard the interest of the public.

In the words of Theodore Roosevelt, we demand that big business give the people a square deal; in return we must insist that when anyone engaged in big business honestly endeavors to do right that he shall himself be given a square deal.

Ours is a business country, and what is lacking is business confidence, owing to fear and uncertainties which hang like a black cloud over American business, small and large. There can be no employment of labor or return to prosperity until confidence is restored, and that can only be done on sound American principles based upon the experience and wisdom of the past.

All the administration has offered so far is Government ownership, State socialism, and general impoverishment such as exists in Soviet Russia in return for the destruction of American liberties. There are over 10,000,000 unemployed, more than at any time in our history, and 4,000,000 more on the Government pay roll; and it is estimated that there will be 20,000,000 receiving Federal relief this winter, and all this after 20 months of a socialistic Democratic administration at a cost of $15,000,000,000. And the worst is that the unemployment has been increasing every hour of the day since last May, all due to the incapacity of the present administration to govern within the bounds of reason and moderation.

The Republican Party to regain ascendancy must convince the average man and woman that it is not under reactionary or corporate control—that corporations and utility companies no longer count in its councils. While we must protect the rights of property in all just dealings, we must be free from any banking or utility control, and they must be administered for the good of the people.

"Victory is won by those who believe in winning. They conquer who believe they can." For once and for all let Republicans stop whimpering and apologizing; we have nothing to apologize for; we are still the party of sound principles, confidence, and prosperity in America. Twelve million Americans voted for these principles on last election day. If the present administration fails to solve the unemployment situation in the next 20 months, a liberal Republican will be elected by a large majority who can on sound and liberal principles within the confines of the Constitution.

The true epic of our times is not Upton Sinclair's California dreams and visions, but the right of free, self-respecting American labor to have a steady job and to earn high wages to support and educate his family and maintain his home without need of charity, dole, or public relief.

Let us reaffirm our faith in the early principles of our party as enunciated by Lincoln, in which human rights were the cornerstones and reinforced by the square deal of Theodore Roosevelt.

I know not what course others may take, but as for me—I give my heart, my hand, and my voice toward the rebuilding of a liberalized Republican Party that will serve the best interests and welfare of all the American people.

In the language of Daniel Webster, "Let our object be our country, our whole country, and nothing but our country"; and in the words of Lincoln, "Let us highly resolve that a government of the people, by the people, for the people shall not perish from this earth."

### AN ANSWER TO THE PRESIDENT'S LETTER ON ADJUSTED-SERVICE CERTIFICATES

Mr. FISH. Mr. Speaker, under leave to extend my remarks, I am inserting in the RECORD a letter from myself to former United States Senator Rice W. Means, now editor of the National Tribune, the largest veterans' newspaper in the country.

WASHINGTON, D. C., *January 1, 1935.*

Hon. RICE W. MEANS,
*National Tribune, Washington, D. C.*

DEAR COLONEL MEANS: The President has again taken upon himself to tell the World War veterans that they are not entitled to the payment of the adjusted-service certificates before they mature in 1945, or to any other consideration. He went into great details regarding the original reason, purpose, and value of these certificates and makes out his case on the exact terms of the contract. It seems to me that the only contract that is sacred and the only one under the administration that must be kept to the last pound of flesh is that made with the World War veterans.

I do not question the President's right to oppose the so-called "bonus", but his tone and meticulous attitude toward World War veterans is aggravating and contrary to American traditions. There has been no misrepresentation of fact, and World War veterans understand both the merits and demerits of the controversy. When the President speaks of the fact that no obligation is yet due and stresses the terms of the contract, I am reminded of the pledges contained in the Democratic platform to cut governmental expenditures 25 percent, balance the Budget, reduce the number of commissions and Federal employees, and to preserve

sound money at all hazards, and later on the repudiation of the gold clause.

I led the fight against the bonus in the last Congress because I was fearful that it would shove us off the gold standard, cause uncontrolled inflation, and increase unemployment. What has happened since? The President has deliberately taken us off the gold standard, has refused to balance the Budget, and the number of unemployed in his administration of less than 2 years has increased from 10 million to 12 million.

In view of the fact that the dollar has been debased to 59 cents by the President, and the cost of living has been increased at least 20 percent by acts of Congress and the "brain trust", I favor the immediate elimination of all interest payments on the loans made by veterans on the adjusted-service certificates, and unless this is done there will be practically nothing left by 1945 of the face value of the certificates payable at that time.

I have already offered a compromise plan of liquidating the adjusted-service certificates by making 20-percent payments beginning on July 1, 1935. This would obviate the evils of inflation and produce approximately $100 a year to the average World War veteran for the next 5 years. It would also be a direct relief measure, as over 90 percent of the World War veterans are in need or in debt. It does seem that in view of the direct gifts and subsidies to the farmers and other groups and the practical cancelation of the war debts by this administration that at least the World War veterans were entitled to some consideration in these days of depression and unemployment.

I take this occasion to state that the reason for the original Adjusted Service Certificates Act, with which the President had nothing to do and which I voted for, was an effort on the part of a grateful Republic to partially equalize the pay of our war veterans in view of the enormous wages paid our civilian population and civilian public officials, including The Assistant Secretary of the Navy during the war. It was nothing but a simple act of justice consistent with American practice since the foundation of the Republic and approved by George Washington on numerous occasions. The veterans had a right to believe, which they did on their return after the war, without a job, that they had been unfairly treated and discriminated against.

I urge the immediate enactment of the universal-draft bill so that in case of another war all wealth, industry, labor, and manpower will be drafted equally and that profit will be eliminated from future wars.

Bonus or no bonus, I am on the side of the American Legion, Veterans of Foreign Wars, Disabled American Veterans, and United Spanish War Veterans as constituting the greatest force in the United States for the maintenance of our free American institutions as against communism, socialism, and subversive radicalism of every kind.

With kind personal regards and best wishes for the New Year, I am,

Very sincerely yours,

HAMILTON FISH, Jr.

THE GENTLEMAN FROM TENNESSEE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an address by the gentleman from Tennessee, Mr. MCREYNOLDS.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, the proceedings of the party caucus are frequently more interesting and of greater historical importance than much of the business of the House itself.

A signal instance is the address of Hon. SAM D. MCREYNOLDS, delivered in the Democratic caucus of January 2, placing in nomination as a candidate for Speaker of the House of Representatives the distinguished gentleman from Tennessee, Hon. JOSEPH W. BYRNS.

Under leave granted to extend my remarks in the RECORD, I include this notable address, as follows:

Mr. Chairman and members of this Democratic caucus, the speakership of the House is the most powerful and most important of any place connected with the national legislative body. This country has been very fortunate in the character and competency of the men occupying this position, and to my mind one of the great reasons is that it has always been the custom to promote the majority leader to that of the speakership whenever a vacancy occurs. The majority leader of either party has to earn that position by his ability, his character, and by his familiarity with the rules and regulations which, to a great extent, has been acquired during his long service in this House.

It has been practically a hundred years since the State of Tennessee has been honored with a Speaker of the National House of Representatives. James K. Polk, who afterward became President, was Speaker of the Twenty-fourth Congress, and he came from Nashville, Tenn. During this same time there was another great Tennessean from this same city who was President of the United States; a man of courage and love for the common people, and "the chief apostle of Democracy", and one who will live forever in the minds and hearts of the American people. I refer to Andrew Jackson. His old home, called "The Hermitage", is only a few miles out from Nashville, Tenn., and is still preserved in memory of this great man; it is the "shrine of democracy", which people by the thousands visit yearly.

I come now to place before this caucus another man from this same State, same city, and same congressional district, as a candidate for your Speaker, the Honorable JOE BYRNS. He was born and raised in this district, under these environments, and practically under the shadows of the Hermitage. His district is known as the Hermitage district. As a young man he was a lawyer of outstanding ability, and just prior to being elected to Congress, he was Speaker of the House of Representatives of the State of Tennessee. The reputation that he gained while in that position to a great extent was responsible for his election to Congress. He has been elected to the Congress for 14 consecutive terms without any formal opposition since his first race. The reason for this is that his people recognize his ability and standing and the services that he renders. He served on the Appropriations Committee of this House for 22 years. For many years he was ranking Democrat on that committee, and many of us present remember that it was always his analysis made of a Republican administration that we used in our campaigns. During the Seventy-second Congress he was chairman of that most important committee, and his record was such that it reflected honor upon this House and the Government which he represented. Two years ago he was elected your Democratic leader, and no one could have performed the duties intrusted to him with a better record than he has. There has never been a peace-time Congress wherein more important and far-reaching questions were before this body, and JOE BYRNS, our majority leader, stood 100 percent behind our President. I am sure that the Membership of this House feel that he is entitled to this promotion of Speaker, and furthermore, he is going to be promoted.

He has been fighting the battles of democracy some 40 years and has been very effective for the good of his party. Some 12 years ago, when we had a Republican Governor and our election was on, we called JOE BYRNS back to manage this campaign, which he did most successfully. For the past 6 years he has been Chairman of the Democratic Congressional Committee and materially aided in electing a Democratic Congress. If there is such a thing as a man earning recognition from his own political party by the efforts and money that he has put forth for that party, then JOE BYRNS is one of those men.

May I adopt the words of our deceased Speaker, Mr. Rainey, whom we all loved, and who nominated JOE BYRNS for majority leader 2 years ago, in which he stated, "He is the Abe Lincoln of Democracy."

He is ideally fitted for the speakership; calm, judicially posed; a trained parliamentarian; a thorough understanding of the procedure in the House; a broad statesman, and a thorough Democrat, both personally and politically. No judge on the bench would be fairer in his rulings or more considerate of the feelings and rights of every Member of this body than would he. I have known him for many years, and I know his family. His home life is ideal, and his good wife is capable of gracing any occasion.

The same State, the same congressional district, and city that gave this country Andrew Jackson and James K. Polk now give us JOE BYRNS.

ROLL CALL NO. 3

Mr. DIETRICH. Mr. Speaker, I was present on roll call no. 3, but did not hear my name. Mr. Speaker, I ask unanimous consent that I may be recorded as voting "yea" on that roll call.

Mr. SNELL. Mr. Speaker, I do not think we want to open up a thing of this nature at this time. Should we do so, then every Member absent at the time of a roll call could come here later and record his vote. It has been against the policy of the House. For this reason, I object.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I desire to give notice to the majority Members of the House that it is my purpose to call together at 10 o'clock tomorrow morning the majority members of the Committees on Ways and Means as a committee on committees of the majority for the purpose of filling committee vacancies. We shall consider first the filling of vacancies on the Committee on Appropriations.

Any Member desiring to have his name considered for this assignment will please make it known to the committee before 10 o'clock tomorrow morning.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. KNUTSON. I take it that it will not be necessary for the minority Members to be present?

Mr. DOUGHTON. That is a matter for them to worry about.

HOUR OF MEETING

Mr. O'CONNOR. Mr. Speaker, I offer the following resolution and move its adoption.

The Clerk read as follows:

House Resolution 20

*Resolved*, That until otherwise ordered, the daily hour of meeting of the House of Representatives shall be at 12 o'clock meridian.

The resolution was agreed to.

PRINTING AND BINDING FOR STANDING COMMITTEES

Mr. LAMBETH. Mr. Speaker, I offer the following resolution for immediate consideration.

The Clerk read as follows:

House Resolution 21

*Resolved*, That the standing committees of the House of Representatives and the floor leaders are hereby authorized to have such printing and binding done as may be actually necessary for the transaction of their official business during the Seventy-fourth Congress.

The resolution was agreed to.

ADVANCING TIME OF THE GENERAL ELECTION

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SUMNERS of Texas. Mr. Speaker, I call attention to a bill which I have today introduced proposing that the general election be moved up 1 month. This seems to be necessary because of what we know as the "lame duck" amendment. The effect of the twentieth amendment to the Constitution and subsequent legislation is to leave but 41 days between the time of the election of the electors and the meeting of the electors, which is clearly too short a time to canvass the returns and to have any opportunity properly to settle any election contest with regard to the electors. I am advised that it cannot be done in 41 days under the laws of any of the States.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. O'CONNOR. While the gentleman is working on the "lame duck" amendment, will he not also attempt to correct certain other errors which may be grievous? For instance, there are but 5 days between the time the Electoral College meets here and the time the President is supposed to take office. We may sometime find ourselves without a President.

Also, the new Members coming here this year did not have a place to sit down because the old Members were not out of their offices. In my estimation, the first thing that should be done is to fix the date that Congress shall meet far enough beyond the 1st of January, and far enough beyond the end of the term of the old Members, so that the new Members will have offices at their disposal.

It seems also that nobody thought of the fact that the 3d of January comes only 48 hours after New Year's Day.

I think the astute Chairman of the Judiciary Committee can do a good job correcting the flaws in this amendment to the Constitution.

Mr. SUMNERS of Texas. The matter to which I have referred, of course, does not have to do with a constitutional amendment. The bill would go to the Committee on the Election of President, Vice President, and Representatives in Congress. My purpose in making this announcement now is to ask the Members, if they feel so inclined, to take the trouble to look over the bill and see if there is any better way in which to meet the situation. I see no way of handling it except to move up the time for the general election. I shall appreciate any thought and study that may be given to this.

Mr. O'CONNOR. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. O'CONNOR. As I said, Mr. Speaker, we are going to have a "lame duck" President under the present Constitution for at least 17 days. I do not believe that will be any more harmful than it was harmful to have "lame duck" Members of Congress.

I never saw any of them do anything different than during the time they were real Members of Congress. What would be wrong with moving that 30 days in the other direction, even though we have a "lame duck" President for 47 days and have a new Congress in 40 days ahead of the change of Presidents?

Mr. EATON. Will the gentleman yield?

Mr. SUMNERS of Texas. May I just conclude my statement first? I should like for the Members to think this matter over; and if there are any further suggestions than those incorporated in the bill, let me have them. May I say further that nearly all of the legislatures are meeting in January; and if anything is to be done about the matter, it ought to be done as early as possible.

I yield to the gentleman from New Jersey.

Mr. EATON. Having mutilated the Constitution by this change, would it not be a good thing to bring a bill in here putting the Constitution back the way it was originally, so that it will work?

[Here the gavel fell.]

STATEHOOD OF PUERTO RICO

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and to include therein a copy of a bill which I have introduced.

The SPEAKER. Is there objection?

There was no objection.

Mr. IGLESIAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following bill, H. R. 1394, to enable the people of Puerto Rico to form a constitution and State government and to be admitted into the Union of the United States of America on an equal footing with the States.

When General Miles landed in Puerto Rico in 1898, he met a hearty welcome from the entire population of the island who for a long time had felt the highest regard for the United States. The change of sovereignty was considered by all a most fortunate event in the history of the island, and, when, later on, in the year 1917, President Wilson signed the law which made Puerto Ricans citizens of the United States, the honor was accepted without reservations and with full recognition of the responsibilities, duties, and rights which it bestowed upon us. The loyality and sincerity of purpose of the people of Puerto Rico are far above any possible question. We have done our duty, and played our part in the sorrows and happiness of the Nation.

Puerto Rico has a population of 1,543,193 people according to the official census of 1930, or 449 inhabitants to the square mile, as compared with 40 persons per square mile on the mainland.

The population of Puerto Rico in 1930 exceeded the combined population of Nevada, Wyoming, New Mexico, Arizona, and Vermont, judging from the latest figures released by the Census Bureau. These five States together have a total population less than Puerto Rico. I desire that you bear in mind that Puerto Rico, not having a vote in Congress, cannot exercise the great influence which may be exercised by the representatives of the several States of the Union.

The influence of the people of the United States in the destiny of Puerto Rico has been, is, and will ever be uplifting, and the extension of the Constitution to the island represented a positive guaranty to the individual citizen of all national economic and social legislation and of all the political liberties convenient and favorable to the enjoyment of the people's rights.

We reject all formulas of a colonial government. We consider this formula disgraceful and not compatible with the civil dignity of our Nation, and, therefore, we proclaim the permanent union of the people of Puerto Rico on an equal footing with the people of the United States to maintain and consecrate economically, socially, politically, and industrially a democratic community with the same rights and duties as any State of our Nation. "We want, and are willing, to be recognized as an integral part of the States, and lead our future in that line."

Congress, as contemplated in the treaty of peace, granted American citizenship to the people of Puerto Rico and, under the Jones Act, created a political body and a civil government, composed of American citizens in Puerto Rico, owing allegiance and entitled to the protection of the United States. The island has now over 1,543,913 American citizens, and, for nearly three generations, our men, women, and children and the children of our children have been born under the American flag, and have been taught the American ideals of government in the forum in our courts, in our schools, in our entire civil life.

A resolution, adopted by the Legislature of Puerto Rico April 15, 1934, signed both by the president of the senate, Hon. Rafael Martinez Nadal, and by the speaker of the house, Hon. Miguel A. Garcia Mendez, in part is as follows:

*Resolved* by the Legislature of Puerto Rico—

SECTION 1. That the people of Puerto Rico desire that Puerto Rico become a State and be admitted to the Union under the same conditions as the States which integrate same.

SEC. 2. To request from the Congress of the United States of America, as it is hereby requested, legislation authorizing the people of Puerto Rico to frame its own State constitution in order to submit it for the approval of the Congress of the United Sates of America after it is ratified by the electoral body of Puero Rico to which it shall be submitted through a plebiscite for such purpose, the result of which shall be certified by the executive secretary of Puerto Rico; and the Governor of Puerto Rico shall give notice thereof to the President of the United States for the proper purposes.

Consequently, the bill H. R. 1394 was introduced, whose provisions are as follows:

[H. R. 1394. In the House of Representatives, 74th Cong., 1st sess.]

A bill to enable the people of Puerto Rico to form a constitution and State government and be admitted into the Union on an equal footing with the States

Whereas it has been the intention of the United States of America to prepare the people of Puerto Rico for statehood as is evidenced by the several acts of Congress applicable to Puerto Rico and more specially by the act of Congress approved March 2, 1917, granting United States citizenship to the people of Puerto Rico, the first step toward that end; and

Whereas, by concurrent resolution of the Legislature of Puerto Rico, approved April 15, 1934, it declared that the final status of Puerto Rico should be statehood and that the people of Puerto Rico desire that Puerto Rico become a State, forming a part of and associated with the federation of the United States of America; and

Whereas, by virtue of said resolution, the people of Puerto Rico desire to petition the Congress of the United States of America for legislation authorizing the people of Puerto Rico to adopt their own State constitution for its approval by the Congress of the United States of America: Therefore

*Be it enacted, etc.*, That the inhabitants of all that part of the area of the United States now constituting the Territory of Puerto Rico, as at present described, may become the State of Puerto Rico as hereinafter provided.

SEC. 2. All citizens of the United States who have the qualifications of voters for representatives of the insular Legislature of Puerto Rico are hereby authorized to vote for and choose delegates to form a convention in said Territory. Such delegates shall possess the qualifications of such electors; and the aforesaid convention shall consist of 39 delegates apportioned among the several representative districts within the limits of the proposed State as follows: One delegate for each of the 35 representative districts and 4 delegates at large to be chosen by said 35 representative districts.

The Governor of said Territory shall, within 30 days after the approval of this act, issue a proclamation ordering an election of the delegates as aforesaid in said Territory to be held at a time to be designated in the proclamation within 6 months after the approval of this act, which proclamation shall be issued at least 30 days prior to the time of holding said election of delegates. The election for delegates shall be conducted, the returns made, the result ascertained, and the certificates of persons elected to such convention issued, in the same manner as is prescribed by the laws of said Territory regulating elections therein of members of the legislature. Persons possessing the qualifications entitling them to vote on the ratification or rejection of the constitution may do so under such rules or regulations as said convention may prescribe, not in conflict with this act.

SEC. 3. The delegates to the convention thus elected shall meet at the seat of the government of said Territory on the second Tuesday after their election, excluding the day of election in case such day shall be Tuesday, but they shall not receive compensation for more than 60 days of service, and, after organization, shall declare on behalf of the people of said proposed State that they adopt the Constitution of the United States, whereupon the said convention shall be, and is hereby, authorized to form a constitution and State government for said proposed State.

The constitution shall be republican in form, and make no distinction in civil or political rights on account of race or color, and shall not be repugnant to the Constitution of the United States and the principles of the Declaration of Independence. And said convention shall provide, by ordinance, irrevocable without the consent of the United States and the people of said State—

First. That perfect toleration of religious sentiment shall be secured, and that no inhabitant of said State shall ever be molested in person or property on account of his or her mode of religious worship.

Second. The State of Puerto Rico shall retain all the public property, vacant and unappropriated lands lying within its limits now ceded, transferred, and in possession of the United States, except such as are in the possession of and used by a department of the United States, and may dispose of the same as the said State may direct.

Third. That the debts and liabilities of said Territory of Puerto Rico shall be assumed and paid by said State and all debts and assets owed to said Territory of Puerto Rico shall be assumed and collected by said State.

Fourth. That provision shall be made for the establishment and maintenance of a system of public schools, which shall be open to all the children of said State and free from sectarian control.

SEC. 4. In case a constitution and State government shall be formed in compliance with the provisions of this act, the convention forming the same shall provide by ordinance for submitting said constitution to the people of said State for its ratification or rejection, at an election to be held at a date to be fixed by said convention, which shall be not more than 60 days from the date of its adjournment, at which election the qualified voters of said proposed State shall vote directly for or against the proposed constitution, and for or against any provisions separately submitted. The return of said election shall be made to the secretary of Puerto Rico, who shall cause the same to be canvassed, and if a majority of the votes cast on that question shall be for the constitution, the Governor of the Territory of Puerto Rico shall certify the result to the President of the United States, together with a statement of the votes cast thereon, and upon separate articles or propositions, and a copy of said constitution, articles, propositions, and ordinances. If the constitution and government of said proposed State are republican in form, and if all the provisions of this act have been complied with in the formation thereof, it shall be the duty of the President of the United States to issue his proclamation announcing the result of said election, and thereupon the proposed State of Puerto Rico shall be deemed admitted by Congress into the Union, under and by virtue of this act, on an equal footing with the rest of the 48 States from and after the date of said proclamation.

SEC. 5. The sum of $200,000, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, for defraying the expenses of the elections provided for in this act and of the convention, and for the payment of the members thereof, under the same rules and regulations and at the same rates as are now provided by law for the payment of the Territorial Legislature of the Territory of Puerto Rico, and the disbursements of the money appropriated by this section shall be made by the secretary of the Territory of Puerto Rico.

SEC. 6. Until the next general census, or until otherwise provided by law, said State shall be entitled to two Representatives in the House of Representatives of the United States, which Representatives, the two Senators of the United States, together with the Governor and other officers provided for in said constitution, shall be elected on the day of the election for the adoption of the constitution; and until said State officers are elected and qualified under the provisions of the constitution, and the State is admitted into the Union, the territorial officers shall continue to discharge the duties of the respective offices in said Territory.

SEC. 7. Said State when admitted as aforesaid shall constitute one judicial district, to be known as the "District of Puerto Rico." The District Courts for the District of Puerto Rico shall be held one term at San Juan and one term at Ponce each year, and special terms may be held at such times and places in said district as the said judges may deem expedient. And the said district shall, for judicial purposes, until otherwise provided, be attached to the first judicial circuit. There shall be appointed for said district two district judges, one United States attorney, and one United States marshal. There shall be appointed two clerks for said district, who shall keep their offices at San Juan and Ponce, respectively. The regular term of said court shall be held at the place designated in this act, at San Juan on the first Monday in January and at Ponce on the first Monday in March in each year, and one grand jury shall be summoned in each year in each of said district courts. The district court for said district, and the judges thereof, respectively, shall possess the same powers and jurisdiction and perform the same duties required to be performed by other district courts and judges of district courts of the United States and shall be governed by the same laws and regulations. The marshal, district attorney, clerks, and stenographers of the district courts of said district, and all other officers and persons performing duties in the administration of justice therein, shall severally possess the powers and perform the duties lawfully required to be performed by similar officers in other districts of the United States, and shall, for the services they may perform, receive the fees and compensation now allowed by law to officers performing similar service for the United States in other districts of the United States.

SEC. 8. The laws in force in the Territory of Puerto Rico, as far as applicable, shall extend over and apply to said State until changed by the legislature thereof.

SEC. 9. All appeals or writs of error taken from the Supreme Court of the Territory of Puerto Rico to the Supreme Court of the United States or the United States Circuit Court of Appeals for the First Circuit, previous to the final admission of such State, shall be prosecuted to final determination as though this act had not been passed. And all cases in which final judgment has been rendered in such Territorial appellate courts which appeals or writs or error might be had except for the admission of such State may still be sued out, taken, and prosecuted to the Supreme Court of the United States or the United States Circuit Court of Appeals under the provisions of existing laws, and there held and determined in like manner, and in either case the Supreme Court of the United States, or the United States Circuit Court of Appeals, in the event of reversal shall remand the said cause to either the State supreme court or other final appellate court of said State, or the United States district court for said State, as the case may require: *Provided*, That the time allowed by existing law for appeals and writs of error from appellate courts of said Territory shall not be enlarged hereby, and all appeals and writs of error not sued out from the final judgments of said courts at the time of the admission of such State shall be taken within 6 months from such time.

SEC. 10. All causes pending in the Supreme Court of the Territory of Puerto Rico and in the United States courts arising under the Constitution, laws, or treaties of the United States or affecting ambassadors, ministers, or consuls of the United States or of any other country or State, or of admiralty or of maritime jurisdiction, or in which the United States may be a party, or between citizens of the same State claiming lands under grants from different States; and in all cases where there is a controversy between citizens of said Territory prior to admission and citizens of different States, or between citizens of different States, or between a citizen of any State and citizens or subjects of any foreign state or country, and in which cases of diversity of citizenship there shall be more than $2,000 in controversy exclusive of interest and costs, shall be transferred to the proper United States district court for final disposition: *Provided*, That said transfer shall not be made in any case where the United States is not a party except on application of one of the parties in court in which the cause is pending, at or before the second term of such court, after the admission of said State, supported by oath, showing that the case is one which may be so transferred the proceedings to affect such transfer, except as to time and parties, to be the same as are now provided by law for the removal of causes from State court to a district court of the United States; and in causes transferred from the appellate courts of said Territory the district court of the United States in such State shall first determine such appellate matters as the successor of and with all the power of said territorial appellate courts, and shall thereafter proceed under its original jurisdiction of such causes. All final judgments and decrees rendered in such district court in such transferred cases may be reviewed by the Supreme Court of the United States or by the United States Circuit Court of Appeals in the same manner as is now provided by law with reference to existing United States district courts.

SEC. 11. All cases pending in the Supreme Court of said Territory of Puerto Rico not transferred to the United States district court in said State of Puerto Rico shall be proceeded with, held, and determined by the supreme or other final appellate court of such State as the successor of said territorial supreme court and appellate court subject to the same right to review upon appeal or error to the Supreme Court of the United States or by the Circuit Court of Appeals of the United States not allowed from the supreme or appellate courts of a State under existing laws. Jurisdiction of all cases pending in the courts of original jurisdiction in said Territory not transferred to the United States district court shall devolve upon and be exercised by the courts of original jurisdiction created by said State.

SEC. 12. The supreme court or other court of last resort of said State shall be deemed to be successor of said territorial appellate courts and shall take and possess any and all jurisdiction as such, not herein otherwise specifically provided for, and shall receive and retain the custody of all books, dockets, records, and files, not transferred to other courts, as herein provided subject to the duty for furnishing transcripts of all book entries in any specific case transferred to complete the record thereof.

SEC. 13. The courts of original jurisdiction of such State shall be deemed to be the successor of all courts of no original jurisdiction of said Territory and as such, shall take and retain custody of all records, dockets, journals, and files of such courts except in causes transferred therefrom, as herein provided; the files and papers in such transferred cases shall be transferred to the United States Distict Court, together with a transcript of all book entries to complete the record in such particular case so transferred.

SEC. 14. All cases pending in the insular district courts of the Territory of Puerto Rico at the time said Territory becomes a State not transferred to the United States District Court in the State of Puerto Rico shall be proceeded with, held, and determined by the courts of said State, the successors of said insular district courts of the Territory of Puerto Rico with the right to prosecute appeals or writs of error to the supreme court of said State, and also with the same right to prosecute appeals or writs of error from the final determination in said cause made by the Supreme Court of said State of Puerto Rico to the Supreme Court of the United States, as now provided by law for appeals and writs of error from the supreme court of a State to the Supreme Court of the United States.

SEC. 15. The constitutional convention shall by ordinance provide for the election of officers for a full State government, including members of the legislature, two United States Senators, and two Representatives in Congress. Such State government shall remain in abeyance until the State shall be admitted into the Union and the election for State officers held as provided for in this act. The Governor and secretary of said State shall certify the election of the Senators and Representatives in the manner required by law; and the said Senators and Representatives shall be entitled to be admitted to seats in Congress and to all the rights and privileges of Senators and Representatives of other States in Congress of the United States. And the officers of the State government formed in pursuance of said constitution, as provided by said constitutional convention, shall proceed to exercise all the functions of such State officers; and all the laws in force in the Territory of Puerto Rico at the time of admission of said State into the Union shall be in force throughout said State, except as modified or changed by this act or by the constitution of the State, and the laws of the United States not locally inapplicable shall have the same force and effect within said State as elsewhere within the United States.

SEC. 16. All acts or parts of acts in conflict with the provisions of this act, whether passed by the legislature of said Territory or by Congress, are hereby repealed.

I want to express some thought regarding the progress made by the Americanization of Puerto Rico from a general economic, political, and administrative point of view. During the autonomous regime granted Puerto Rico by Spain in 1897 the island had as income for itself the royal tariffs, taxes on personal cedulas, disembarkment of voyagers, ecclesiastic bills, payments of periodicals, cedulas on privileges, and taxes on raffles and lotteries. The different classes of general taxes and others which were paid to the insular public treasury reached 29 divisions and numerous subdivisions.

The total budget of income during the Spanish autonomous regime reached the sum of $3,536,342.19. This total income of the insular treasury was spent in a great part for soldiers and marines, clergy, construction and repair of churches, and pensions up to the sum of $2,174,879.13. The other expenditures of the Government, such as public education, public works, sanitation, and justice, were assigned $1,361,963.06.

In those days we spent on public education, from funds of the State, $30,000, and the municipalities spent in education, through the Paulist Fathers, Jesuits, and Sisters of the Sacred Heart, $99,255. There were only 22,265 children in the schools throughout the island. The benefit of superior studies was granted to only 55 students every year. Under our present American regime there are more than 220,000 children in the schools, and they are not restricted from reaching superior grades. More than $4,000,000 from a budget of over $10,000,000 are assigned for schools and teachers.

Under the first year of our American regime the construction of the first buildings for public schools was ordered. We have already organized an army of 4,000 teachers who teach English and Spanish, and we use at present more than 2,000 buildings, constructed for graded and high schools, which are the property of the insular government.

When the old regime was changed for the American regime there were 157.12 miles of constructed roads. From June 30, 1900, to June 30, 1931, 1,859 kilometers of insular roads have been constructed and also numerous bridges and buildings at great cost.

Sanitation was organized for the first time in the island during the present regime, and the installation of a modern system of public-health service was inaugurated.

The insular government is composed at present of the following employees in the public service, including the Governor, the legislature, and the departments, who receive the following compensation: 6,011 Puerto Rican-American employees, $6,579,748; and 233 continental Americans, $409,585.75. Of this total of employees over 4,000 are school teachers and over 800 are police.

The judiciary of Puerto Rico has only four continental Americans—3 serving as judges and one as the attorney general. The police has only three continental Americans, and the executive government has three, including the Governor. The other continental Americans are mostly teachers

and professors and scientific men from the Federal Departments.

In a series of decisions known as "the insular cases" the Supreme Court of the United States has clarified the present status of the people of Puerto Rico. We are an organized but not an incorporated Territory.

We hope that at the earliest opportunity, in considering the economic reconstruction of Puerto Rico, Congress will make a declaration that the ultimate political status of the island will be to organize the people of Puerto Rico as a State of the Union. Having defined this objective, Congress should give Puerto Rico economic cooperation by extending to the island all national measures with ample freedom of action to work out a program and reach the goal by the efforts of its own people. The words of hope and action of President Roosevelt should embrace Puerto Rico as an integral part of our Nation, and, I believe, he has this thought in mind.

The concentration of land into large holdings is partly responsible for a peculiar and deplorable condition with respect to the production of food crops. In the midst of a land, fertile enough to provide the most nutritive and fresh foods, the Puerto Rican is largely dependent on imported foodstuffs from the United States.

Puerto Rico stands today as the first best buyer of United States goods in all Latin America and the eighth of all the European nations. The fact that Puerto Rico has bought, and is continuing to buy, millions upon millions of dollars' worth of goods from continental United States is vitally interesting. It is estimated that Puerto Rico has purchased $2,000,000,000 worth of commodities from the mainland in the last 30 years.

In accordance with the last report of the Governor of Puerto Rico for the fiscal year 1933–34, the following enlightening statement was made with regard to its commerce:

Statistically the island had a good trade year with an external commerce of approximately $150,000,000, an increase of $19,500,000 from the previous year, while the apparent favorable balance of trade was $22,000,000. Of total exports to the United States, valued at $83,000,000, sugar shipments accounted for $54,267,000, while approximately 20 percent of the sugar crop remained in the island unsold. Island imports from the United States increased $8,600,000 over the previous year and totaled $57,500,000. During the year 2,834 ships entered island ports.

In view of the fact that agriculture is Puerto Rico's most important industry, the report on this subject has special interest. While there has been considerable recovery from the destructive hurricane of 1932, the Governor finds that other forces have held back agricultural progress except in sugar and tobacco. Sugar production increased almost 275,000 tons over the previous year, while the tobacco crop of 25,000,000 pounds showed a gain of approximately 7,000,000 pounds over the curtailed crop of 1933.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. GRIFFIN (at the request of Mr. FITZPATRICK), indefinitely, on account of illness.

### FREDERICK LANDIS

Mr. SNELL. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read the resolution, as follows:

House Resolution 22

*Resolved*, That the House has heard with profound sorrow of the death of Hon. FREDERICK LANDIS, a Representative-elect from the State of Indiana.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

### CORRECTION

Mr. MARTIN of Massachusetts rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. MARTIN of Massachusetts. For the purpose of correcting the RECORD.

Mr. Speaker, the Clerk tells me I am not recorded as voting on the adoption of the previous question this afternoon. I was here and voted "no." I ask unanimous consent to have the RECORD and the Journal corrected accordingly.

Mr. BLOOM. Mr. Speaker, reserving the right to object, that is the same request that was made by a gentleman on this side, and the gentleman from New York objected.

Mr. SNELL. No; it was not.

Mr. BLOOM. The gentleman stated that he was on the floor here and did not hear his name called.

Mr. MARTIN of Massachusetts. I was present and voted. If there is any error, it is on the part of the Clerk.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

### HENRY T. RAINEY

Mr. SABATH. Mr. Speaker, within a very few days after the Seventy-third Congress adjourned the Nation learned with sorrow of the death of a most beloved citizen of the State of Illinois. He was a great statesman and the Speaker of the House of Representatives. I therefore offer a resolution, which I send to the Clerk's desk and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 23

*Resolved*, That the House has learned with profound sensibility and sorrow of the death of HENRY T. RAINEY, Speaker of the House of Representatives of the Seventy-third Congress.

*Resolved*, That in the death of the Hon. HENRY T. RAINEY the United States has sustained an irreparable loss.

*Resolved*, That this House, of which he was a distinguished Member and leader, unite in honoring his sterling character, the ability, probity, and patriotic motives which illustrated his public career and the grace and dignity which marked his intercourse with his fellow citizens.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

### RECESS

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and accordingly (at 4 o'clock and 32 minutes p. m.), pursuant to the order heretofore made, the House stood in recess until tomorrow, Friday, January 4, 1935, at 12 o'clock noon.

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## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of War, transmitting, pursuant to section 1 of the River and Harbor Act approved January 21, 1927, and section 2 of the River and Harbor Act approved July 3, 1930, a letter from the Acting Chief of Engineers, United States Army, dated November 14, 1934, submitting a report, together with accompanying papers and illustrations, containing a general plan for the improvement of Altamaha, Oconee, and Ocmulgee Rivers, Ga., for the purposes of navigation and efficient development of water power, the control of floods, and the needs of irrigation (H. Doc. No. 68); to the Committee on Rivers and Harbors and ordered to be printed, with nine illustrations.

2. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated August 27, 1934, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Inland Waterway from Beaufort to Jacksonville, N. C., and New River to Jacksonville, N. C., with a view to providing suitable depth for navigation, authorized by the River and Harbor Act approved July 3, 1930 (H. Doc. No. 67); to the Committee on Rivers and Harbors and ordered to be printed, with four illustrations.

3. A letter from the Secretary of War, transmitting, pursuant to section 1 of the River and Harbor Act approved January 21, 1927, a letter from the Chief of Engineers, United States Army, dated November 14, 1934, submitting a report, together with accompanying papers and illustrations, containing a general plan for the improvement of Alabama-Coosa branch of the Mobile River system, for the purposes of navigation and efficient development of water power, the control of floods, and the needs of irrigation (H. Doc. No.

66); to the Committee on Rivers and Harbors and ordered to be printed, with 11 illustrations.

4. A letter from the Secretary of War, transmitting, pursuant to section 1 of the River and Harbor Act approved January 21, 1927, a letter from the Acting Chief of Engineers, United States Army, dated November 12, 1934, submitting a report, together with accompanying papers and illustrations, containing a general plan for the improvement of Roanoke River, Va. and N. C., for the purposes of navigation and efficient development of its water power, the control of floods, and the needs of irrigation (H. Doc. No. 65); to the Committee on Rivers and Harbors and ordered to be printed, with 27 illustrations.

5. A letter from the Secretary of War, transmitting, pursuant to section 1 of the River and Harbor Act approved January 21, 1927, a letter from the Chief of Engineers, United States Army, dated November 9, 1934, submitting a report, together with accompanying papers and illustrations, containing a general plan for the improvement of Savannah River, Ga., S. C., and N. C., for the purposes of navigation and efficient development of water power, the control of floods, and the needs of irrigation (H. Doc. No. 64); to the Committee on Rivers and Harbors and ordered to be printed, with eight illustrations.

6. A letter from the national chairman of Disabled American Veterans of the World War, transmitting the minutes of the Fourteenth National Convention of the Disabled American Veterans; to the Committee on World War Veterans' Legislation and ordered to be printed.

7. A letter from the Secretary of War, transmitting draft of a bill for the relief of Alfred W. Kliefoth, now first secretary, American Legation, Vienna, Austria; to the Committee on Claims.

8. A letter rom the Secretary of War, transmitting draft of a bill for the relief of the Jay Street Terminal, New York; to the Committee on Claims.

9. A letter from the Secretary of War, transmitting draft of a bill to authorize credit in disbursing officers' accounts, covering shipment of privately owned automobiles from October 12, 1927, to October 10, 1929; to the Committee on Military Affairs.

10. A letter from the Secretary of War, transmitting draft of a bill to reimburse officers, enlisted men, and civilian employees of the Army and their families and dependents, or their legal representatives, for losses sustained as a result of the hurricance which occurred in Texas on August 16, 17, and 18, 1915; to the Committee on Claims.

11. A letter from the Secretary of War, transmitting draft of a bill for the relief of certain disbursing officers of the Army for the settlement of individual claims approved by the War Department; to the Committee on Claims.

12. A letter from the Acting Secretary of War, transmitting list of transfers of jurisdictions over public land in the District of Columbia; to the Committee on Public Buildings and Grounds.

13. A letter from the Secretary of War, transmitting draft of a bill to authorize the settlement of certain specified claims of military personnel for damages to and loss of private property incident to the training, practice, operation, and maintenance of the Army; to the Committee on Claims.

14. A letter from the Secretary of War, transmitting draft of a bill to authorize the settlement of certain specified claims of military personnel for damages to and loss of private property incident to the training, practice, operation, and maintenance of the Army; to the Committee on Claims.

15. A letter from the Secretary of War, transmitting draft of a bill to authorize the settlement of certain specified claims of military personnel for damages to and loss of property incident to the training, practice, operation, and maintenance of the Army; to the Committee on Claims.

16. A letter from the Secretary of War, transmitting draft of a bill for the relief of the Western Electric Co., Inc.; to the Committee on Claims.

17. A letter from the Secretary of War, transmitting draft of a bill to authorize the settlement of certain claims against the War Department; to the Committee on Claims.

18. A letter from the Secretary of War, transmitting draft of a bill for the relief of certain disbursing officers of the Army and for the settlement of an individual claim approved by the War Department; to the Committee on Claims.

19. A letter from the Secretary of War, transmitting draft of a bill to authorize credit under accounts of certain disbursing officers of the Army for the settlement of individual claims approved by the War Department; to the Committee on Claims.

20. A letter from the Secretary of War, transmitting draft of a bill to authorize credit under accounts of certain disbursing officers of the Army for the settlement of individual claims approved by the War Department; to the Committee on Claims.

21. A letter from the chairman of the Textile Foundation, transmitting the annual report of the Textile Foundation for the fiscal year ending December 31, 1933; to the Committee on Interstate and Foreign Commerce.

22. A letter from the Secretary of the Interior, transmitting the report of the Superintendent of St. Elizabeths Hospital showing in detail the expenditures of the hospital for the fiscal year ended June 30, 1934; to the Committee on Expenditures in the Executive Departments.

23. A letter from the Assistant Secretary of Commerce, transmitting part 2 of the annual report of the Commissioner of Lighthouses for the fiscal year ended June 30, 1934; to the Committee on Interstate and Foreign Commerce.

24. A letter from the chairman and secretary of the Reconstruction Finance Corporation, transmitting the report of the Corporation covering its operations for the third quarter of 1934, and for the period from the organization of the Corporation on February 2, 1932, to September 30, 1934, inclusive; to the Committee on Banking and Currency and ordered to be printed.

25. A letter from the Acting Secretary of War, transmitting letter from the Chief of Ordnance, United States Army, dated October 18, 1934, forwarding statements of the cost of manufacture at the armory and arsenals therein named, for the fiscal year ended June 30, 1934; to the Committee on Expenditures in the Executive Departments.

26. A letter from the Secretary of War, transmitting an audited report of the proceedings and expenditures of the American National Red Cross for the fiscal year ended June 30, 1934; to the Committee on Military Affairs.

27. A letter from the Public Printer, transmitting report as to the disposition and sale of certain useless papers; to the Committee on Disposition of Useless Executive Papers.

28. A letter from the Acting Public Printer, transmitting request for authority to dispose of certain useless executive papers which have no permanent value nor historical interest; to the Committee on Disposition of Useless Executive Papers.

29. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to amend section 702 of the Merchant Marine Act, 1928, relating to requisitioning of ships in time of national emergency declared by the President; to the Committee on Merchant Marine, Radio, and Fisheries.

30. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to authorize the Secretary of the Navy to dispose of a Government-owned right-of-way and electric-power transmission line in Anne Arundel County, Md.; to the Committee on Naval Affairs.

31. A letter from the Secretary of the Navy, transmitting draft of a bill to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934; to the Committee on Naval Affairs.

32. A letter from the Secretary of Commerce, transmitting copy of annual report for the fiscal year 1934; to the Committee on Interstate and Foreign Commerce.

33. A letter from the Acting Secretary of the Treasury, transmitting draft of a proposed bill for the purpose of relieving a disallowance made by the General Accounting Office in the account of Special Disbursing Agent George W.

Miller, United States Coast Guard; to the Committee on Claims.

34. A letter from the Secretary of the Interior, transmitting report of approval of a unit plan of development and operation for the Round Mountain oil and gas field, Kern County, Calif.; to the Committee on the Public Lands.

35. A letter from the Secretary of War, transmitting copy of the Sixth Annual Report of the Puerto Rican Hurricane Relief Commission; to the Committee on Insular Affairs and ordered to be printed.

36. A letter from the president of the commission on licensure, Healing Arts Practice Act, District of Columbia, transmitting report showing the activities of the commission for the fiscal year ended June 30, 1934; to the Committee on the District of Columbia.

37. A letter from the Secretary of Commerce, transmitting report of claims arbitrated or settled between October 15, 1933, and October 15, 1934, by the United States Shipping Board and the United States Shipping Board Merchant Fleet Corporation; to the Committee on Merchant Marine, Radio, and Fisheries.

38. A letter from the Secretary of the Navy, transmitting report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department during the fiscal year ended June 30, 1934; to the Committee on Expenditures in the Executive Departments.

39. A letter from the Secretary of the Navy, transmitting draft of a proposed bill authorizing the assignment of two officers on the active list of the United States Marine Corps not below the rank of colonel to duty as assistants to the Major General Commandant of the Marine Corps; to the Committee on Naval Affairs.

40. A letter from the Secretary of the Interior, transmitting list of reimbursable charges existing as debts against individual Indians or tribes of Indians that have been canceled during the fiscal year 1934; to the Committee on Indian Affairs.

41. A letter from the Secretary of the Navy, transmitting draft of a proposed bill authorizing members of the naval service to whom a commemorative or special medal has been awarded to wear in lieu thereof a miniature facsimile of such medal and a ribbon symbolic of the award; to the Committee on Naval Affairs.

42. A joint letter from the Acting Secretary of War and the Secretary of the Navy, transmitting draft of a proposed bill to prohibit the making of photographs, sketches, or maps of vital military and naval defensive installations and equipment, and for other purposes, and a confidential letter on air-space reservations, dated October 3, 1933, which was prepared for the consideration of the Army and Navy Joint Board; to the Committee on Military Affairs.

43. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to amend the act entitled "An act to amend an act entitled 'An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department, approved February 24, 1923' approved April 21, 1928", so as to include the Navy; to the Committee on Military Affairs.

44. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to amend section 2 of the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to prohibit persons who have been subsequently separated from the service under other than honorable conditions from bearing the official title and upon occasions of ceremony wearing the uniform of the highest grade held by them during their war service; to the Committee on Military Affairs.

45. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize certain officers of the Navy and Marine Corps to administer oaths; to the Committee on Naval Affairs.

46. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend section 1860 of the Revised Statutes, as amended, to permit retired officers and enlisted men of the Army, Navy, and Marine Corps to hold civil office in any Territory of the United States; to the Committee on Military Affairs.

47. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the removal of civil or criminal prosecutions from a State court to the United States district court in certain cases; to the Committee on the Judiciary.

48. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill authorizing certain officials under the Naval Establishment to administer oaths; to the Committee on Naval Affairs.

49. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to amend paragraph 1 of section 22 of the Interstate Commerce Act, as amended, by providing for the carrying of officers and enlisted men of the military and naval services while on leave of absence or furlough at own expense at reduced rates; to the Committee on Interstate and Foreign Commerce.

50. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend section 4 of the Marine Corps Personnel Act of May 29, 1934; to the Committee on Naval Affairs.

51. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to relinquish an easement for a water main at Pearl Harbor, Hawaii; to the Committee on Naval Affairs.

52. A letter from the Secretary of War, transmitting copy of Concurrent Resolution No. 6, Tenth Philippine Legislature, first session, expressing the condolence of the Philippine Legislature upon the death of the Honorable Henry T. Rainey; to the Committee on Memorials.

53. A letter from the Secretary of the Interior, transmitting a statement of the fiscal affairs of all Indian tribes for whose benefit expenditures from public or tribal funds were made during the fiscal year ended June 30, 1934; to the Committee on Indian Affairs.

54. A letter from the Secretary of War, transmitting a copy of a resolution of condolence, no. 13, passed by the Constitutional Convention of the Philippine Islands upon the death of the Honorable Henry T. Rainey; to the Committee on Memorials.

55. A letter from the Acting Secretary of War, transmitting a draft of a proposed bill to repeal a portion of section 12 of the act approved May 18, 1917 (40 Stat. 82); to the Committee on Military Affairs.

56. A letter from the Secretary of the Interior, transmitting two copies of engineering report on plans and cost estimates of the first unit, Gila Valley project, Arizona, December 1934; to the Committee on Irrigation and Reclamation.

57. A letter from the Secretary of War, transmitting 583 reports of inspections of disbursements made by officers of the Army, which inspections were made by the Inspector General's Department during the fiscal year ended June 30, 1934; to the Committee on Expenditures in the Executive Departments.

58. A letter from the Secretary of War, transmitting a draft of a proposed bill to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War; to the Committee on Claims.

59. A letter from the Secretary of the Interior, transmitting a statement that a unit plan of development and operation for the Middle Dome Kettleman Hills oil and gas field, Kings County, Calif., was approved on September 30, 1933, and certifying that certain leases listed shall continue in force beyond the 20-year period specified in each lease and until the termination of said unit plan; to the Committee on the Public Lands.

60. A letter from the Secretary of Commerce, transmitting a summary of reports, with a brief statement of the action of the Department of Commerce, in respect to accidents sus-

tained or caused by barges while in tow through the open sea during the fiscal year 1934; to the Committee on Merchant Marine, Radio, and Fisheries.

61. A letter from the Secretary of the Interior, transmitting a report of the War Minerals Relief Commission covering the period December 1, 1933, to November 30, 1934, inclusive; to the Committee on Expenditures in the Executive Departments.

62. A letter from the Secretary of the Navy, transmitting a draft for a proposed bill to provide for the better administration of justice in the Navy; to the Committee on Naval Affairs.

63. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend section 109 of the United States Criminal Code so as to except officers of the United States Naval and Marine Corps Reserve not on active duty from certain of its provisions; to the Committee on the Judiciary.

64. A letter from the Secretary of the Navy, transmitting draft of a proposed bill authorizing the President to present the Distinguished Flying Cross to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force; to the Committee on Military Affairs.

65. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend article 6 of the Articles for the Government of the Navy authorizing trial by court martial of any person in the naval service charged with the crime of murder committed without the geographical limits of the States of the Union and the District of Columbia; to the Committee on Naval Affairs.

66. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill authorizing the transfer of certain lands near Vallejo, Calif., from the United States Housing Corporation to the Navy Department for naval purposes; to the Committee on Naval Affairs.

67. A letter from the Chief Clerk of the Court of Claims of the United States, transmitting a report of the statement of all judgments rendered by the Court of Claims for the year ended December 1, 1934, together with the accompanying data relative to each case; to the Committee on Claims.

68. A letter from the Secretary of Commerce, transmitting a report to the effect that in accordance with the recommendation of the Joint Committee on Disposition of Useless Executive Papers, contained in House Report No. 1728, Seventy-third Congress, second session, papers described therein, weighing approximately 77,637 pounds, have been sold, and that the revenue derived therefrom amounted to $198.57; to the Committee on Disposition of Useless Executive Papers.

69. A letter from the legislative representative of the Veterans of Foreign Wars of the United States, transmitting the proceedings of the Thirty-fifth National Encampment of the Veterans of Foreign Wars of the United States, held at Louisville, Ky., September 30 to October 5, 1934; to the Committee on Military Affairs and ordered to be printed, with illustrations.

70. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 31, 1934, submitting a report, together with accompanying papers, on a preliminary examination and survey of vicinity of Royal River, Maine, authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

71. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 31, 1934, submitting a report, together with accompanying papers, on a preliminary examination of Rye Harbor, N. H., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

72. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 29, 1934, submitting a report, together with accompanying papers, on a preliminary examination of channel from Pensacola Bay into Bayou Chico, Fla., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

73. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 27, 1934, submitting a report, together with accompanying papers, on a preliminary examination of Sparkill Creek, N. Y., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

74. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 20, 1934, submitting a report, together with accompanying papers, on a preliminary examination and survey of intracoastal waterway from Corpus Christi, Tex., to the Rio Grande, authorized by the River and Harbor Acts approved January 21, 1927, and July 3, 1930; to the Committee on Rivers and Harbors.

75. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 22, 1934, submitting a report, together with accompanying papers, on a preliminary examination of Clearwater Harbor, Fla., including Big Pass and Little Pass, authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

76. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1935, submitting a report, together with accompanying papers, on a preliminary examination and survey of Tangier Sound, Va., with a view to securing a channel to the foot of county road on the south end of Tangier Island, authorized by the River and Harbor Act approved January 21, 1927; to the Committee on Rivers and Harbors.

77. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1935, submitting a report, together with accompanying papers and illustrations, on a preliminary examination of Wohoa Bay and Pleasant River, Addison, Washington County, Maine, authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

78. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated January 3, 1935, submitting a report, together with accompanying papers, on a preliminary examination of Big Sunflower River, Miss., authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

79. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 20, 1934, submitting a report, together with accompanying papers, on a preliminary examination and survey of Missouri River from its mouth to the mouth of the Yellowstone River, authorized by the River and Harbor Acts approved January 21, 1927, and July 3, 1930; to the Committee on Rivers and Harbors.

80. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 22, 1934, submitting a report, together with accompanying papers and illustrations, on a preliminary examination of Cromline Creek, N. Y., with a view to the control of its floods, authorized by the Flood Control Act approved June 26, 1934; to the Committee on Flood Control.

81. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 26, 1934, submitting a report, together with accompanying papers, on a preliminary examination of Edisto River and its branches, South and North Edisto, S. C., with a view to control of its floods, authorized by act of Congress approved June 14, 1932; to the Committee on Flood Control.

82. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 21, 1934, submitting a report, together with accompanying papers, on a preliminary examination of

Cache River, Ark., authorized by the River and Harbor Act approved January 21, 1927; to the Committee on Rivers and Harbors.

83. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 22, 1934, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of the locks at Lake Drummond, Norfolk County, Va., with a view to their renewal, authorized by the River and Harbor Act approved July 3, 1930; to the Committee on Rivers and Harbors.

84. A letter from the Chairman of the United States Tariff Commission, transmitting the Eighteenth Annual Report of the United States Tariff Commission (H. Doc. No. 19); to the Committee on Ways and Means and ordered to be printed.

85. A letter from the Clerk of the House of Representatives, United States Congress, transmitting a list of reports to be made to Congress by public officers during the Seventy-fourth Congress (H. Doc. No. 77); to the Committee on Accounts and ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN: A bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency; to the Committee on Ways and Means.

By Mr. LUDLOW: A bill (H. R. 2) to create a Federal Industrial Commission to aid in the stabilization of employment in industry, agriculture, and commerce, and for other purposes; to the Committee on Labor.

By Mr. McSWAIN: A bill (H. R. 3) to prevent profiteering in time of war and to equalize the burdens of war, and thus to promote the national defense; to the Committee on Military Affairs.

By Mr. SABATH: A bill (H. R. 4) to authorize the acquisition of land for a mail-service airport in the city of Chicago; to the Committee on Public Buildings and Grounds.

By Mr. GAVAGAN: A bill (H. R. 5) to assure to persons within the jurisdiction of every State the equal protection of the laws and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. RUDD: A bill (H. R. 6) to authorize the construction and use of underground pneumatic-tube service; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: A bill (H. R. 7) to remove the limitation on the filling of the vacancy in the office of United States district judge for the district of Massachusetts; to the Committee on the Judiciary.

By Mr. SABATH: A bill (H. R. 8) to provide revenue from the short sales of shares of stock, grain, wheat, cotton, or other allied agricultural commodities; to the Committee on Ways and Means.

By Mr. CELLER: A bill (H. R. 9) to provide for the payment to veterans of the present value of their adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 10) to provide for the establishment of unemployment and social insurance, and for other purposes; to the Committee on Labor.

By Mr. FULMER: A bill (H. R. 11) to provide emergency relief with respect to certain business property mortgage indebtedness, through the Reconstruction Finance Corporation; to the Committee on Banking and Currency.

Also, a bill (H. R. 12) to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.; to the Committee on the Judiciary.

Also, a bill (H. R. 13) to provide for research work in connection with the utilization of agricultural products other than forest products, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 14) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 15) to provide for the construction of works for flood control and improvement of navigation in the Congaree, Santee, and Cooper River Basins; to the Committee on Flood Control.

Also, a bill (H. R. 16) to provide for cooperation with the several States in the care, treatment, education, vocational guidance and placement, and physical rehabilitation of crippled children, and for other purposes; to the Committee on Education.

Also, a bill (H. R. 17) to amend the Tariff Act of 1922; to the Committee on Ways and Means.

Also, a bill (H. R. 18) to provide loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 19) to prohibit the sending of unsolicited merchandise through the mails; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 20) to regulate interstate shipments of cotton, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 21) to establish and maintain a pecan experiment station at or near the city of Orangeburg, S. C.; to the Committee on Agriculture.

Also, a bill (H. R. 22) to establish, maintain, and operate a reforesting station for pine and other timber trees in the Second Congressional District of South Carolina; to the Committee on Agriculture.

By Mr. GRANFIELD: A bill (H. R. 23) providing that 100 percent of the annual gross receipts, including money-order fees, be credited for the annual classification of post offices; to the Committee on the Post Office and Post Roads.

By Mr. HUDDLESTON: A bill (H. R. 24) to prevent frauds in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 25) to prevent frauds in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KENNEY: A bill (H. R. 26) to authorize the raising of funds by lottery for the purpose of providing additional means of defraying the cost of government, including expenditures authorized for veterans and their dependents, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 27) to provide for the establishment of a national monument on the site of Camp Merritt, N. J.; to the Committee on the Public Lands.

Also, a bill (H. R. 28) to prohibit Federal courts from taking jurisdiction of suits to restrain the assessment or collection of State taxes, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 29) to amend the laws relating to proctors' and marshals' fees and bonds and stipulations in suits in admiralty; to the Committee on the Judiciary.

Also, a bill (H. R. 30) to amend the Reconstruction Finance Corporation Act so as to provide further protection for loans made thereunder; to the Committee on Banking and Currency.

Also, a bill (H. R. 31) to provide for the creation of a commission to examine into and report the clear height above the water of the bridge authorized to be constructed over the Hudson River from Fifty-seventh Street, New York, to New Jersey; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 32) to regulate fares and tolls on certain bridges in the case of pedestrians and motor-bus passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK: A bill (H. R. 33) to reduce the internal-revenue tax on certain distilled spirits; to the Committee on Ways and Means.

Also, a bill (H. R. 34) to authorize and empower the Federal Emergency Administrator for Public Works to make loans to veterans' organizations for the construction or

repair of quarters for local posts or units; to the Committee on Ways and Means.

Also, a bill (H. R. 35) to establish boards in the Navy and Marine Corps for hearing and passing upon petitions for correction of records of persons discharged under other than honorable conditions; to the Committee on Naval Affairs.

Also, a bill (H. R. 36) to establish a board in the Army for hearing and passing upon petitions for correction of records of persons discharged under other than honorable conditions; to the Committee on Military Affairs.

By Mr. MARTIN of Colorado: A bill (H. R. 37) for the exchange of lands adjacent to national forests in Colorado; to the Committee on the Public Lands.

Also, a bill (H. R. 38) to add certain lands to the Rio Grande National Forest, Colo.; to the Committee on the Public Lands.

Also, a bill (H. R. 39) to provide for the payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. MILLARD: A bill (H. R. 40) to provide for the use of nonscattering safety glass in motor vehicles owned by the United States or the District of Columbia; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 41) to prevent desecration of the flag and insignia of the United States and to provide punishment therefor; to the Committee on the Judiciary.

Also, a bill (H. R. 42) to amend the law relating to the naturalization of children of naturalized citizens; to the Committee on Immigration and Naturalization.

By Mr. RUDD: A bill (H. R. 43) granting hospital treatment to postal employees suffering from tuberculosis, nervous diseases, or kindred occupational ailments in Government-owned hospitals; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 44) granting annual and sick leave to postal employees; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 45) to provide study periods for post-office clerks, terminal and transfer clerks; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 46) granting leave of absence to postal employees on account of death in family; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 47) granting holidays to postal employees in States where holidays are a State law; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 48) for postal employees' longevity; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 49) to amend the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes"; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 50) to amend an act entitled "An act to limit the immigration of aliens into the United States, and for other purposes"; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 51) to amend the World War Veterans' Act granting compensation to certain widows, minor children, and helpless children of such soldiers and sailors of the World War, and for other purposes; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 52) to purchase a site for the erection of a post-office building in the section of the Borough of Queens, city of New York, N. Y., known and designated as "Richmond Hill"; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 53) to purchase a site for the erection of a post-office building in the section of the Borough of Queens, city of New York, N. Y., known and designated as "Woodhaven"; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 54) to purchase a site for the erection of a post-office building in the section of the Borough of Queens, city of New York, N. Y., known and designated as "South Ozone Park"; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 55) to amend the Radio Act of 1927, approved February 23, 1927, as amended; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 56) to provide for the applicability to certain classes of persons of the provisions of articles 3 and 4 of the War Risk Insurance Act, as amended, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. TARVER: A bill (H. R. 57) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 58) to create a national memorial park at and in the vicinity of New Echota, in the State of Georgia, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 59) to create a national memorial military park at and in the vicinity of Kennesaw Mountain, in the State of Georgia, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 60) to authorize the disposal of surplus personal property, including buildings, of the emergency conservation work; to the Committee on the Public Lands.

Also, a bill (H. R. 61) to provide for the commemoration of the Battles of Dalton, Cassville, New Hope Church, Resaca, and Ringgold, in the State of Georgia, and for the erection of markers along the route followed by armies in Georgia during the War between the States; to the Committee on Military Affairs.

Also, a bill (H. R. 62) to provide for the paving of the Government road, known as the "Glass Mill Road", commencing in the city of Chickamauga, Ga., and extending to Stotts Mill, constituting an approach road to Chickamauga and Chattanooga National Military Park; to the Committee on Roads.

Also, a bill (H. R. 63) to provide for the paving of the Government road, known as the "Stephens Gap Road", commencing in the city of Chickamauga, Ga., and extending to Stephens Gap, constituting an approach road to Chickamauga and Chattanooga National Military Park; to the Committee on Roads.

Also, a bill (H. R. 64) to provide for the extension of Federal aid in highway construction to rural free-delivery routes and star-mail routes which do not constitute portions of Federal or State highway systems designated under existing laws to receive Federal aid as primary (or interstate) or secondary (or intercounty) routes, and providing for the expenditure of such sums of money as may be appropriated hereunder; to the Committee on Roads.

By Mr. BLAND: A bill (H. R. 65) to provide for the establishment of a Coast Guard station on the coast of Virginia, at or near the north end of Hog Island, Northampton County; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 66) requiring proposals for motor-propelled trucks, tractor and cargo equipment to be submitted to the War Department in complete units and also on chassis and bodies separately; to the Committee on Military Affairs.

Also, a bill (H. R. 67) to repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American vessels; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 68) providing for loans or advances by the Reconstruction Finance Corporation, through its regional credit corporations, to farm mortgagors to enable them to lower the rate of interest on their farm-mortgage loans and to secure the postponement of the foreclosure of farm mortgages for a period of 2 years, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 69) to prohibit the importation of pulpwood, wood pulp, or any wood susceptible of use in

manufacturing paper; to the Committee on Ways and Means.

Also, a bill (H. R. 70) to prohibit the importation of fish and fish products; to the Committee on Ways and Means.

Also, a bill (H. R. 71) amending the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

Also, a bill (H. R. 72) to provide for the addition or additions of certain lands to the Colonial National Monument in the State of Virginia; to the Committee on the Public Lands.

Also, a bill (H. R. 73) to provide for the erection of a post-office building at Phoebus, Va.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 74) to provide for the erection of a post office and Coast Guard building at Chincoteague Island, Va.; to the Committee on Public Buildings and Grounds.

By Mr. CORNING: A bill (H. R. 75) authorizing the Secretary of the Treasury to convey certain land to the city of Albany, N. Y., for a public park or other municipal purposes; to the Committee on Public Buildings and Grounds.

By Mr. FULMER: A bill (H. R. 76) authorizing and directing the Secretary of Agriculture to establish and maintain a tobacco experiment and demonstration station in Sumter County, S. C.; to the Committee on Agriculture.

Also, a bill (H. R. 77) to limit the purchases of the Post Office Department to articles of the growth, production, and manufacture of the United States; to the Committee on the Post Office and Post Roads.

By Mr. GRANFIELD: A bill (H. R. 78) providing for a regular and fixed annual salary for substitute employees in the United States Postal Service; to the Committee on the Civil Service.

By Mr. LUDLOW: A bill (H. R. 79) to restore the 2-cent postage rate on first-class mail; to the Committee on Ways and Means.

Also, a bill (H. R. 80) to authorize the Reconstruction Finance Corporation to make loans to aid in the operation and maintenance of institutions for religious instruction and worship, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 81) to authorize retirement promotion of officers of the Army, Navy, Marine Corps, and Coast Guard in recognition of service in World War, Spanish-American War, Philippine Insurrection, and Boxer Rebellion; to the Committee on Military Affairs.

Also, a bill (H. R. 82) to authorize Members of Congress to procure Government publications of the Superintendent of Documents for free public distribution, and for other purposes; to the Committee on Printing.

Also, a bill (H. R. 83) to provide for the conservation and settlement of estates of absentees and absconders in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 84) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920, and acts in amendment thereof, approved July 3, 1926, and May 29, 1930; to the Committee on the Civil Service.

By Mr. MAY: A bill (H. R. 85) to authorize the Government to buy suitable idle productive lands, divide the same into small tracts, establish homes thereon for those without living income, and to aid in financing home owners in establishing themselves thereon, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 86) to provide for an additional district judge for the eastern and western districts of Kentucky, and to amend section 83 of the Judicial Code, as amended; to the Committee on the Judiciary.

Also, a bill (H. R. 87) to establish the Breaks of Sandy National Park in Virginia and Kentucky; to the Committee on the Public Lands.

By Mr. MEAD: A bill (H. R. 88) to authorize the delivery of surplus forfeited vessels of the Treasury Department to the Boy Scouts of America for use in sea-scout training; to the Committee on the Judiciary.

Also, a bill (H. R. 89) to provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 90) to amend section 4 of the United States Grain Standards Act of 1916 as relating to the use of the official grain standards of the United States on grain moved in interstate commerce from shipping points to destination points without official grade determination; to the Committee on Agriculture.

By Mr. MORAN: A bill (H. R. 91) holding members of the telephone operating units, Signal Corps, American Expeditionary Forces, to have served in the military service of the United States; to the Committee on Military Affairs.

By Mr. RAMSAY: A bill (H. R. 92) authorizing the Veterans' Administration to furnish flags for burial purposes of soldiers, sailors, and marines; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 93) giving the consent of the United States for the bringing of certain suits in the Supreme Court of the United States, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 94) to equalize the purchasing power of the American dollar, when the same comes in competition with inflated foreign moneys, and to fix duties on imports; to the Committee on Ways and Means.

Also, a bill (H. R. 95) to amend section 201 (a) of the Emergency Relief and Construction Act of 1932 so that the Reconstruction Finance Corporation may loan money to States, municipalities, etc., for the purchase of bridges, and to operate and free the same from collection of tolls; to the Committee on Banking and Currency.

By Mr. SMITH of Washington: A bill (H. R. 96) to amend an act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine", approved August 2, 1886, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. GRISWOLD: A bill (H. R. 97) to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. SMITH of Washington: A bill (H. R. 98) to promote the health of the people of the United States and to encourage the dairy industry in the interest of the general welfare; to the Committee on Agriculture.

Also, a bill (H. R. 99) to reenact provisions of law relating to disability compensation for World War veterans, and for other purposes; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 100) to reenact provisions of law relating to pensions for Spanish-American War veterans, and for other purposes; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 101) to provide for the construction of a post-office and Federal building at Aberdeen, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 102) to provide for the construction of a post-office building at Shelton, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 103) to provide for the construction of a post-office building at Centralia, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 104) to provide for the construction of a post-office and Federal building at Vancouver, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 105) to subject certain Federal and State and other securities to income taxation; to the Committee on Ways and Means.

By Mr. SNELL: A bill (H. R. 106) to provide for an increase of the fees of United States commissioners, the consolidation of same, and to require the payment of those fees by the defendants in certain criminal cases, and for other purposes; to the Committee on the Judiciary.

By Mr. WOLFENDEN: A bill (H. R. 107) to provide for the repair of breaks in the banks of the Delaware River in Tinicum Township, Delaware County, Pa.; to the Committee on Flood Control.

By Mr. BURCH: A bill (H. R. 108) to amend the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes", approved August 25, 1919, as amended by act of March 6, 1920; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 109) to provide for the acquisition by the United States of Red Hill, the estate of Patrick Henry; to the Committee on the Public Lands.

Also, a bill (H. R. 110) to legalize a bridge (known as "Union Street Bridge") across the Dan River at Danville, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND: A bill (H. R. 111) to amend section 702 of the Merchant Marine Act, 1928, relating to requisitioning of ships in time of national emergency declared by the President; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 112) to amend section 8 of the act of June 19, 1886, as amended by section 2 of the act of February 17, 1898 (U. S. C., title 46, sec. 289); to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 113) to amend section 1 (a) of the act of March 2, 1929, entitled "An act to establish load lines for American vessels, and for other purposes"; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 114) to establish fish sanctuaries in the United States; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 115) to amend section 27 of the Merchant Marine Act, 1920; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 116) amending section 23 of the Merchant Marine Act of 1920; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 117) to amend section 14 of the Shipping Act, 1916, as amended by section 20 of the Merchant Marine Act, 1920; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 118) for the relief of persons engaged in the fishing industry; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 119) to amend section 4548 (U. S. C., title 46, sec. 605) of the Revised Statutes of the United States; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. BLOOM: A bill (H. R. 120) to amend the naturalizations laws in respect of residence requirements, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 121) to provide for the cooperation by the Federal Government with the several States and Territories and the District of Columbia in meeting the crisis in kindergarten education; to the Committee on Education.

Also, a bill (H. R. 122) authorizing the payment of an indemnity to the Spanish Government on account of the death of Juan Neira, a Spanish subject, killed at Savannah, Ga., by a United States truck; to the Committee on Foreign Affairs.

Also, a bill (H. R. 123) to give certain civil-service employees of the War Department credit, under the Retirement Act of May 22, 1920, and such act as amended, for service rendered as telephone operators between March 1, 1918, and August 15, 1925, inclusive; to the Committee on the Civil Service.

By Mr. CELLER: A bill (H. R. 124) amending the Civil Service Retirement Act; to the Committee on the Civil Service.

Also, a bill (H. R. 125) making income from United States securities subject to the income-tax laws of the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 126) to establish a 30-hour work week in all branches of the United States Government service; to the Committee on the Civil Service.

Also, a bill (H. R. 127) to amend section 304 (a) of the Tariff Act of 1930; to the Committee on Ways and Means.

Also, a bill (H. R. 128) to amend the act of March 2, 1929 (45 Stat., ch. 536); to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 129) to create a Negro Industrial Commission; to the Committee on the Judiciary.

Also, a bill (H. R. 130) to establish a fish-cultural station on Long Island Sound at Montauk Point; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 131) to provide for the immediate payment of the face value of their adjusted-service certificates to veterans who are unemployed and in need; to the Committee on Ways and Means.

Also, a bill (H. R. 132) to amend Public Law No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government", and Public Law No. 78, Seventy-third Congress, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1934, and for other purposes"; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 133) to authorize the Secretary of War and the Secretary of the Navy to furnish a firing squad to fire the customary salute for any ex-service man; to the Committee on Military Affairs.

Also, a bill (H. R. 134) to establish uniform requirements affecting Government contracts, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 135) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920; to the Committee on the Civil Service.

Also, a bill (H. R. 136) repealing section 213 of the Legislative Appropriation Act for the fiscal year ending June 30, 1933, relating to the dismissal and appointment of married persons; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 137) to provide for the appointment of three additional district judges in the United States District Court for the Southern District of New York; to the Committee on the Judiciary.

Also, a bill (H. R. 138) to provide for the appointment of an additional district judge in the United States District Court for the Eastern District of New York; to the Committee on the Judiciary.

Also, a bill (H. R. 139) to provide for the creation of a permanent judgeship in the United States District Court for the Eastern District of New York in lieu of the position held by the incumbent under temporary appointment during his lifetime; to the Committee on the Judiciary.

Also, a bill (H. R. 140) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920; to the Committee on the Civil Service.

Also, a bill (H. R. 141) to secure compensation to certain World War veterans at a cumulative degree of disability, where such disability originated prior to the World War while such World War veteran was in active military or naval service in line of duty; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 142) to prevent obstruction and burdens upon interstate trade and commerce in copyrighted motion-picture films and to prevent the restraint upon the free competition in the production, distribution, and exhibition of copyrighted motion-picture films, and to prevent the further monopolization of the business of producing, distributing, and exhibiting copyrighted motion pictures by prohibiting blind booking and block booking of copyrighted motion-picture films and by prohibiting the arbitrary allocation of such films by distributors to theaters in which they

or other distributors have an interest, direct or indirect, and by prohibiting the arbitrary refusal to book or sell such films to exhibitors in which they have no such interest; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 143) repealing the act of July 31, 1912, prohibiting the importation and the interstate transportation of films or other pictorial representations of prize fights, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 144) to amend the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 145) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

Also, a bill (H. R. 146) to provide for the naturalization of certain veterans of the World War; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 147) to renew appointments to regular positions in the Government service; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 148) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. COCHRAN: A bill (H. R. 149) to amend section 64 of the bankruptcy law of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 150) authorizing the Reconstruction Finance Corporation to make loans to certain hospitals; to the Committee on Banking and Currency.

Also, a bill (H. R. 151) authorizing the Comptroller General of the United States to allow credit in the accounts of disbursing officers for overpayments of wages on Civil Works Administration projects and waiving recovery of such overpayments; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 152) to authorize the Reconstruction Finance Corporation to make loans to aid in the operation and maintenance of institutions for religious instruction and worship, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 153) to provide for the use of the U. S. S. *Olympia* as a memorial to the men and women who served the United States in the War with Spain; to the Committee on Naval Affairs.

Also, a bill (H. R. 154) to punish fourth-class postmasters who inflate their cancelations by mailing or causing to be mailed at their offices matter which would not have been so mailed but for the extra compensation accruing to the postmaster; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 155) to exempt the real property of the American War Mothers from taxation; to the Committee on the Judiciary.

By Mr. DIMOND: A bill (H. R. 156) to extend the facilities of the Public Health Service to seamen on Government vessels not in the Military or Naval Establishments; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 157) to amend section 5296 of the Revised Statutes of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 158) to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 159) to amend section 6 of an act of Congress entitled "An act for the protection of the fisheries of Alaska, and for other purposes", approved June 6, 1924; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 160) authorizing the survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska; to the Committee on Roads.

Also, a bill (H. R. 161) transferring the jurisdiction, supervision, administration, and control over the salmon and other fisheries of Alaska, except the fur-seal and sea-otter fisheries, from the Department of Commerce to the Territory of Alaska, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 162) to extend the provisions of an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920, and acts amendatory thereof, to employees of the Alaska Railroad; to the Committee on the Civil Service.

Also, a bill (H. R. 163) extending the legislative power of the Legislature of the Territory of Alaska to include the game laws and laws relating to fur-bearing animals applicable to Alaska, and transferring the jurisdiction, supervision, administration, and control of the game and fur-bearing animals of Alaska from the Department of Agriculture to the Territory of Alaska, and for other purposes; to the Committee on the Territories.

Also, a bill (H. R. 164) to grant 160 acres of land or one placer or lode mining claim in the Territory of Alaska to the surviving residents, or the widow and minor children of deceased residents of Alaska who served in the World War; to the Committee on the Public Lands.

Also, a bill (H. R. 165) to amend an act entitled "An act to amend the act of Congress approved March 4, 1915 (38 Stat. L. 1214–1215), being an act to reserve lands of the Territory of Alaska for educational uses, and for other purposes"; to the Committee on the Public Lands.

Also, a bill (H. R. 166) to provide for appeal or writ of error from final judgments or decisions of the District Court for Alaska to the United States Circuit Court of Appeals; to the Committee on the Judiciary.

Also, a bill (H. R. 167) to authorize the conveyance by the United States to the city of Nome, Alaska, of certain land situated therein; to the Committee on Public Buildings and Grounds.

By Mr. GRISWOLD: A bill (H. R. 168) authorizing employees of the Veterans' Administration to accept or reject quarters furnished by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 169) to limit the car length of trains which may be operated upon railroads by common carriers engaged in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDSBOROUGH: A bill (H. R. 170) to establish the Federal Monetary Authority and to control the currency of the United States; to the Committee on Banking and Currency.

By Mr. MALONEY: A bill (H. R. 171) providing for a site and public building for a post office at Gretna, parish of Jefferson, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 172) to prohibit a maximum age limit on eligibility to appointment in the classified civil service; to the Committee on the Civil Service.

By Mr. O'MALLEY: A bill (H. R. 173) to provide counsel for the defense and prosecution of rights of indigent patentees, and for other purposes; to the Committee on Patents.

By Mr. REECE: A bill (H. R. 174) amending Public Law No. 2, Seventy-third Congress, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 175) to allow credit to homestead settlers and entrymen for certain military service; to the Committee on the Public Lands.

Also, a bill (H. R. 176) authorizing an appropriation with which to pay part of the cost of paving and curbing an approach to the Veterans' Administration facility where the approach abuts on the grounds of the facility; to the Committee on Military Affairs.

By Mr. SABATH: A bill (H. R. 177) declaring the act of September 19, 1890 (26 Stat., ch. 907, sec. 7), and the act of March 3, 1899 (30 Stat., ch. 425, sec. 9), and all acts amendatory of either thereof, shall not hereafter apply to a portion

of the West Fork of the South Branch of the Chicago River in Cook County, Ill., and for other purposes; to the Committee on Rivers and Harbors.

By Mr. SHANNON: A bill (H. R. 178) to establish a holiday to be known as "Jefferson's Birthday"; to the Committee on the District of Columbia.

By Mr. SMITH of Washington: A bill (H. R. 179) to provide for the construction of a post-office building at Stevenson, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. SNYDER: A bill (H. R. 180) prescribing tolls to be paid for the use of locks on all rivers in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMASON: A bill (H. R. 181) to provide for reimbursement of one-half of the loss and expense paid or borne by cotton growers in fumigating lint cotton and sterilizing cottonseed produced during the years 1921 and through 1932 in regulated or restricted cotton-growing zones or areas in compliance with regulations promulgated and enforced in such zones or areas by the Secretary of Agriculture or by duly constituted authority of the State in which produced to prevent the spread of pink boll worm; to the Committee on Claims.

By Mr. TREADWAY: A bill (H. R. 182) to discontinue rental and benefit payments and processing taxes under the Agricultural Adjustment Act; to the Committee on Agriculture.

By Mr. BRUNNER: A bill (H. R. 183) to increase by $3,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

Also, a bill (H. R. 184) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. BEITER: A bill (H. R. 185) to provide for the establishment of a system of unemployment insurance, and for other purposes; to the Committee on Labor.

Also, a bill (H. R. 186) to increase by $1,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. BLAND: A bill (H. R. 187) amending title II, section 202 (b) of the World War Adjusted Compensation Act, as amended (U. S. C., Supp. VII, title 38, sec. 613); to the Committee on Ways and Means.

By Mr. BROWN of Michigan: A bill (H. R. 188) granting the consent of Congress to the State of Michigan, by and through the Mackinac Straits Bridge Authority, its successors and assigns, to construct, maintain, and operate a toll bridge or series of bridges across the Straits of Mackinac at or near a point between St. Ignace, Mich., and the Lower Peninsula of Michigan; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 189) to amend the Reconstruction Finance Corporation Act so as to extend the provisions thereof to private corporations to aid in constructing and maintaining facilities for the marketing, storing, warehousing, and/or processing of forest products; to the Committee on Banking and Currency.

Also, a bill (H. R. 190) granting authority to the Secretary of War to license the use of a certain parcel of land situated in Fort Brady Military Reservation to Ira D. MacLachlan Post No. 3, the American Legion, for 15 years; to the Committee on Military Affairs.

By Mr. BUCK: A bill (H. R. 191) to amend the Revenue Act of 1918, as amended; to the Committee on Ways and Means.

By Mr. BUCKBEE: A bill (H. R. 192) to provide for the payment of old-age pensions, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 193) to provide for loans to manufacturing, industrial, commercial, and mercantile establishments; to the Committee on Banking and Currency.

Also, a bill (H. R. 194) to repeal section 7 of the Postal Act approved May 29, 1928; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 195) to increase the balance to the credit of any one person in a Postal Savings depository from $2,500 to $5,000; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 196) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

Also, a bill (H. R. 197) to prohibit untrue, deceptive, or misleading advertising through the use of the mails or in interstate or foreign commerce; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 198) granting the consent of Congress to the State of Illinois to construct a free highway bridge across Rock River at Rockford, in Winnebago County, State of Illinois; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 199) to provide for the improvement of the Illinois and Mississippi Canal, Ill., and Rock River, Ill. and Wis.; to the Committee on Rivers and Harbors.

By Mr. SHANNON: A bill (H. R. 200) to provide for the establishment and maintenance of a procedure for cost accounting and cost reporting for Federal agencies; to the Committee on Expenditures in the Executive Departments.

By Mr. BUCKBEE: A bill (H. R. 1375) providing for the purchase of a site and the erection thereon of a public building at South Beloit, in the State of Illinois; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 1376) providing for the purchase of a site and the erection thereon of a public building at Marseilles, in the State of Illinois; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 1377) to raise revenue, protect American labor, and assist the American farmer by providing for the use in motor fuels of alcohol manufactured from agricultural products grown upon the farm in the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 1378) to authorize the county farm-debt adjustment committee to scale down the loans on farm lands to the amount which may be obtained by loan from the Federal land banks, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 1379) to amend the act approved June 25, 1910, entitled "An act to establish postal-savings depositories for depositing savings at interest with the security of the Government for repayment thereof, and for other purposes"; to the Committee on the Post Office and Post Roads.

By Mr. CARTER: A bill (H. R. 1380) placing certain positions in the Postal Service in the competitive classified service; to the Committee on the Civil Service.

Also, a bill (H. R. 1381) to amend Public Law No. 249, Seventy-first Congress, entitled "An act to authorize the Secretary of the Navy to dispose of material no longer needed by the Navy"; to the Committee on Naval Affairs.

Also, a bill (H. R. 1382) to provide that in making awards under contracts for the construction of vessels in private shipyards, bids shall be accepted from shipyards located on the Pacific coast under certain conditions; to the Committee on Naval Affairs.

Also, a bill (H. R. 1383) to amend section 30, title III, veterans' provisions of Public Law No. 141, Seventy-third Congress, to give the benefits thereof to veterans who enlisted in the United States forces after August 12, 1898, and who served in Cuba; to the Committee on Pensions.

By Mr. DIMOND: A bill (H. R. 1384) to raise revenue by taxing certain wood pulp and pulpwood and manufactured products thereof; to the Committee on Ways and Means.

Also, a bill (H. R. 1385) to authorize the entry of fur-farming homesteads on the public lands of Alaska; to the Committee on the Public Lands.

By Mr. DOXEY: A bill (H. R. 1386) to amend section 36 of the Emergency Farm Mortgage Act of 1933 and amendments thereto; to the Committee on Agriculture.

By Mr. FITZPATRICK: A bill (H. R. 1387) authorizing the President of the United States to extend the time for awarding decorations to participants of the World War; to the Committee on Military Affairs.

Also, a bill (H. R. 1388) to amend an act of Congress approved March 4, 1927, as amended by the act of May 23, 1928; to the Committee on Military Affairs.

By Mr. FULMER: A bill (H. R. 1389) authorizing employees of the Veterans' Administration to accept or reject quarters furnished by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. IGLESIAS: A bill (H. R. 1390) to amend the Revenue Act of 1926, as amended, to exempt persons traveling between Puerto Rico and the continental United States from the payment of a stamp tax on steamship tickets; to the Committee on Ways and Means.

Also, a bill (H. R. 1391) to authorize and direct the United States Commissioner of Fisheries to undertake fish-cultural and related activities in Puerto Rico, making appropriations therefor, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 1392) to extend the provisions of certain laws to the island of Puerto Rico; to the Committee on Insular Affairs.

Also, a bill (H. R. 1393) to amend an act entitled "An act to provide a civil government for Puerto Rico, and for other purposes", approved March 2, 1917; to the Committee on Insular Affairs.

Also, a bill (H. R. 1394) to enable the people of Puerto Rico to form a constitution and State government and be admitted into the Union on an equal footing with the States; to the Committee on the Territories.

By Mr. LEA of California: A bill (H. R. 1395) to provide funds for cooperation with the public-school board at Covelo, Calif., in the construction of public-school buildings to be available to Indian children of the Round Valley Reservation, Calif.; to the Committee on Indian Affairs.

Also, a bill (H. R. 1396) to provide for the selection of certain islands, rocks, and pinnacles situated in the Pacific Ocean, for the use of the California State park system; to the Committee on the Public Lands.

Also, a bill (H. R. 1397) to withdraw certain public lands from settlement and entry; to the Committee on the Public Lands.

Also, a bill (H. R. 1398) to provide for the establishment of a Coast Guard station at or near Crescent City, Calif.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 1399) to provide for the measurement of vessels using the Panama Canal, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. LESINSKI: A bill (H. R. 1400) to authorize the Home Owners' Loan Corporation to issue $2,000,000,000 of additional bonds; to the Committee on Banking and Currency.

By Mr. LEWIS of Maryland: A bill (H. R. 1401) to authorize the erection of a tablet in the Washington Monument in honor of those who served in the armed forces of the United States during the World War; to the Committee on the Library.

Also, a bill (H. R. 1402) to authorize the Secretary of the Treasury to provide for the sale of annuities to citizens of the United States in order to promote thrift, to provide ways and means for raising capital funds for necessary permanent improvements and additions to the property of the United States, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 1403) to provide for publicity of executive and administrative rules, regulations, and orders; to the Committee on the Judiciary.

By Mr. LUNDEEN: A bill (H. R. 1404) granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine insurrection, and the China Relief Expedition, and their widows and dependents, and for other purposes; to the Committee on Pensions.

By Mr. McCORMACK: A bill (H. R. 1405) to increase by $1,500,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. McSWAIN: A bill (H. R. 1406) to provide for the closing of Military Road in the State of Virginia, and to promote national defense by establishing a public airport at or near Washington, D. C.; to the Committee on Military Affairs.

By Mr. MASSINGALE: A bill (H. R. 1407) to secure to the farmers a price for agricultural products of not less than the cost of production thereof, including a reasonable profit, and for other purposes; to the Committee on Agriculture.

By Mr. MONTAGUE: A bill (H. R. 1408) authorizing and directing the Director of the Census to publish the names of the heads of families as returned by each Federal census from 1800 to 1840, inclusive; to the Committee on the Census.

Also, a bill (H. R. 1409) to provide for the extension and completion of the United States Capitol; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 1410) to provide that the heads of the executive departments may occupy seats on the floor of the Senate and the House of Representatives; to the Committee on Rules.

Also, a bill (H. R. 1411) to foster American industry, promote education, and facilitate pursuit of the avocation of philately; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 1412) to provide for the acquisition by the United States of the Studley estate where Patrick Henry was born; to the Committee on the Public Lands.

Also, a bill (H. R. 1413) to provide monuments to mark the birthplaces of deceased Presidents of the United States; to the Committee on the Library.

Also, a bill (H. R. 1414) to provide for the appointment of an additional district judge for the eastern district of Virginia; to the Committee on the Judiciary.

Also, a bill (H. R. 1415) to provide for the establishment of the Richmond National Battlefield Park in the State of Virginia, and for other purposes; to the Committee on the Public Lands.

By Mr. MOTT: A bill (H. R. 1416) authorizing an appropriation for the further development of the submarine and destroyer base at Tongue Point, Oreg.; to the Committee on Naval Affairs.

Also, a bill (H. R. 1417) to amend section 3 of the act of July 13, 1926 (44 Stat. 915), entitled "An act for the relief of certain counties in the States of Oregon and Washington, within whose boundaries the revested Oregon & California Railroad Co. grant lands are located"; to the Committee on the Public Lands.

Also, a bill (H. R. 1418) to authorize an extension of exchange authority and addition of public lands to the Willamette National Forest in the State of Oregon; to the Committee on Agriculture.

By Mr. PETERSON of Florida: A bill (H. R. 1419) to provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean fruit fly by the Department of Agriculture; to the Committee on Agriculture.

By Mr. REECE: A bill (H. R. 1420) to provide for the acquisition of the Andrew Johnson homestead, Greeneville, Tenn., as a national shrine; to the Committee on the Public Lands.

By Mr. SUTPHIN: A bill (H. R. 1421) to provide that no interest shall be charged on loans secured by adjusted-service certificates and that interest paid on such loans shall be refunded by the Veterans' Administration; to the Committee on Ways and Means.

Also, a bill (H. R. 1422) to amend the act entitled "An act for the relief of soldiers who were discharged from the Army during the World War because of misrepresentation of age", approved March 2, 1929; to the Committee on Military Affairs.

By Mr. TAYLOR of Colorado: A bill (H. R. 1423) to further extend the operation of the act entitled "An act to further extend the operation of the act entitled 'An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law', approved April 1, 1932", approved March 27, 1934; to the Committee on Irrigation and Reclamation.

By Mr. TREADWAY: A bill (H. R. 1424) imposing a manufacturers' excise tax to provide revenue, equalize taxation, promote the general welfare, and for other purposes; to the Committee on Ways and Means.

By Mr. WOODRUFF: A bill (H. R. 1425) to amend title III of the National Prohibition Act, as amended and supplemented (relating to industrial alcohol), with respect to the issuance of tax-free alcohol to clinics; to the Committee on Ways and Means.

By Mr. AYERS: A bill (H. R. 1426) to increase by $2,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. DOCKWEILER: A bill (H. R. 1427) to repeal certain taxes on coconut oil, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 1428) to provide an increase of certain veterans' widows' compensation, and for other purposes; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 1429) to remit interest on moneys borrowed on adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 1430) to authorize the issuance of a medal to members of the Army of Occupation of Germany; to the Committee on Military Affairs.

By Mr. CARTWRIGHT: A bill (H. R. 1431) to make it unlawful to use the mails to solicit insurance against any perils, or to collect premiums on insurance, in any State without complying with the laws of such State by appointing an agent upon whom service of summons may be made; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 1432) for the utilization of the recreational areas of the United States by a national parkway on a 200-foot right-of-way connecting the national parks; to the Committee on Roads.

By Mr. ANDREWS of New York: A bill (H. R. 1985) to amend section 4 of the United States Grain Standards Act of 1916 as relating to the use of the official grain standards of the United States on grain moved in interstate commerce from shipping points to destination points without official grade determination; to the Committee on Agriculture.

By Mr. AYERS: A bill (H. R. 1986) providing for the suspension of annual assessment work on mining claims held by location in the United States and Alaska; to the Committee on Mines and Mining.

By Mr. BACHARACH: A bill (H. R. 1987) authorizing the Beach Erosion Board to consider and recommend certain public works for the improvement and protection of the beaches along the shores of the United States; to the Committee on Rivers and Harbors.

By Mr. BACON: A bill (H. R. 1988) to require contractors and subcontractors engaged on public works of the United States to give certain preferences in the employment of labor; to the Committee on Labor.

Also, a bill (H. R. 1989) to provide for the regulation of common carriers by motor vehicle in the same manner as common carriers by railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND: A bill (H. R. 1990) authorizing hospitalization for retired or disabled seamen; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 1991) authorizing the use of condemned Government vessels for breakwater purposes; to the Committee on Naval Affairs.

By Mr. BOLAND: A bill (H. R. 1992) to authorize the Home Owners' Loan Corporation to issue an additional $1,500,000,000 of bonds to enable the Corporation to continue to relieve home owners; to the Committee on Banking and Currency.

By Mr. BURCH: A bill (H. R. 1993) giving superintendents at classified post-office stations credit for substitutes serving under them; to the Committee on the Post Office and Post Roads.

By Mr. BURNHAM: A bill (H. R. 1994) to provide for the selection of certain lands in the State of California for the use of the California State park system; to the Committee on the Public Lands.

Also, a bill (H. R. 1995) to provide for the selection of certain lands in the State of California for the use of the California State park system; to the Committee on the Public Lands.

Also, a bill (H. R. 1996) authorizing the Secretary of War to set apart as a national cemetery certain lands of the United States military reservation of Fort Rosecrans, Calif.; to the Committee on Military Affairs.

Also, a bill (H. R. 1997) to amend Public Law No. 425, Seventy-second Congress, providing for the selection of certain lands in the State of California for the use of the California State park system, approved March 3, 1933; to the Committee on the Public Lands.

By Mr. PIERCE: A bill (H. R. 1998) to extend the provisions of the Forest Exchange Act to lands adjacent to the national forests in the State of Oregon; to the Committee on the Public Lands.

Also, a bill (H. R. 1999) to amend the law relating to mining claims on the public lands; to the Committee on Mines and Mining.

Also, a bill (H. R. 2000) to amend sections 211, 245, and 312 of the Criminal Code, as amended; to the Committee on the Judiciary.

Also, a bill (H. R. 2001) for the purpose of providing for sanitary inspection of the manufacture of oleomargarine and for taxation of oleomargarine containing foreign-produced ingredients; to the Committee on Agriculture.

Also, a bill (H. R. 2002) to establish a bimetallic system of currency, employing gold and silver, to fix the relative value of gold and silver, to provide for the free coinage of silver as well as gold, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. CARPENTER: A bill (H. R. 2003) to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to $7,500 per annum; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2004) to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to $8,500 per annum; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2005) to reduce the mileage of Senators, Representatives, and Delegates to 10 cents a mile; to the Committee on Expenditures in the Executive Departments.

By Mr. CARY: A bill (H. R. 2006) to provide for the commemoration of the death of Granville Allen, first blood shed on the soil of the State of Kentucky in the Civil War; to the Committee on Military Affairs.

Also, a bill (H. R. 2007) to authorize the transfer of certain lands in Hopkins County, Ky., to the city of Dawson Springs, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. DIES: A bill (H. R. 2008) to further restrict immigration into the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2009) to provide that the standard silver dollar shall be the unit of value and that all currencies of the United States shall be redeemable in the standard silver dollar, and directing the Secretary of the Treasury to acquire such silver as may be deemed sufficient to secure the prompt and certain redemption of all currencies of the United States, and repealing all inconsistent laws, and for other purposes; to the Committee on Coinage, Weights, and Measures.

Also, a bill (H. R. 2010) to provide for the exclusion and expulsion of alien Communists; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2011) to reduce the weight of the gold dollar from $15^{5}/_{21}$ grains nine-tenths fine to $12^{9}/_{10}$ grains nine-tenths fine, and to reduce the weight of the silver dollar from 412½ grains troy of standard silver to 206¼ grains troy of standard silver, and to provide for proportionate reduction in the weight of the half dollar, the quarter dollar, and the dime; and to require the Secretary of the Treasury to issue silver certificates against all silver in the Treasury not held for redemption and deliver such certificates to the Secretary of Agriculture, to be deposited by such Secretary in a domestic allotment fund; and to cover into the Treasury the increase in value of the gold held by the United States as a result of this reduction in the weight of the gold dollar; and to encourage the sale of American agricultural and industrial surpluses abroad, to give producers of cotton, wheat, and rice a tariff benefit, to provide for the payment of industrial and agricultural surplus products in silver, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. DOBBINS: A bill (H. R. 2012) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto for the Air Corps Technical School at Chanute Field, Ill.; to the Committee on Military Affairs.

By Mr. EATON: A bill (H. R. 2013) to amend the provisions in the act approved March 3, 1931, governing the computation of commissioned service of Naval Academy graduates who have been retired for age or service ineligibility for promotion; to the Committee on Naval Affairs.

Also, a bill (H. R. 2014) to provide sick leave with pay for civilian employees of the United States Government; to the Committee on the Civil Service.

By Mr. GIFFORD: A bill (H. R. 2015) for a Coast Guard station at the eastern entrance to Cape Cod Canal, Mass.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2016) to liberalize the retirement law for members of the former Life Saving Service; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDSBOROUGH: A bill (H. R. 2017) to amend the Perishable Agricultural Commodities Act, 1930, so as to suppress unfair and fraudulent practices in the marketing of floricultural products in interstate and foreign commerce; to the Committee on Agriculture.

By Mr. GRIFFIN: A bill (H. R. 2018) providing for medals of honor and awards to Government employees for distinguished service in science or for voluntary risk of life and health beyond the ordinary risks of duty; to the Committee on the Library.

Also, a bill (H. R. 2019) to amend the World War Adjusted Compensation Act, as amended, and to provide for immediate payment, to all veterans desiring same, of the adjusted compensation in the said act of May 17–19, 1924 (Public, No. 120, 68th Cong.), with interest from November 11, 1918; to the Committee on Ways and Means.

Also, a bill (H. R. 2020) making the 11th day of November in each and every year a legal public holiday; to the Committee on the Judiciary.

Also, a bill (H. R. 2021) to provide that religious views or philosophical opinions against war shall not debar aliens, otherwise qualified, from citizenship; to the Committee on Immigration and Naturalization.

By Mr. GRISWOLD: A bill (H. R. 2022) to promote the safety of employees and travelers upon railroads by compelling common carriers by railroad engaged in interstate and foreign commerce to man locomotives, trains, and other self-propelled engines or machines with competent employees; to provide the least number of men that may be employed on locomotives, trains, and other self-propelled engines or machines; to provide qualifications for certain employees; and providing a penalty for the violation thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. GUYER: A bill (H. R. 2023) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

Also, a bill (H. R. 2024) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899; to the Committee on War Claims.

Also, a bill (H. R. 2025) to require the employment of American citizens on observation cars, club cars, and sleeping cars used by railroads in interstate commerce; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2026) to amend section 3 of the act entitled "An act for the retirement of employees of the classified civil service, and for other purposes", approved May 22, 1920, and acts in amendment thereof, to extend benefits of retirement legislation to employees of the clerk of the United States Court of Appeals for the District of Columbia and of the Clerk of the Supreme Court of the District of Columbia; to the Committee on the Civil Service.

By Mr. HARLAN: A bill (H. R. 2027) to provide additional compensation to World War veterans for the loss of use of an eye in active service in line of duty in the World War; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2028) to provide for the settlement of claims against the United States on account of property damage or loss, personal injury or death; to the Committee on Claims.

By Mr. HARTER: A bill (H. R. 2029) to increase the aggregate amount of bonds which the Home Owners' Loan Corporation may issue to $4,500,000,000, and for other purposes; to the Committee on Banking and Currency.

By Mr. KNUTE HILL: A bill (H. R. 2030) authorizing the States of Washington and Idaho to construct, maintain, and operate a free highway bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho; to the Committee on Interstate and Foreign Commerce.

By Mrs. KAHN: A bill (H. R. 2031) granting a special pension to officers and enlisted men who received the medal granted to those who participated in the Battle of Manila Bay, May 1, 1898; to the Committee on Pensions.

Also, a bill (H. R. 2032) granting travel pay and other allowances to certain soldiers of the Spanish-American War and the Philippine Insurrection who were discharged in the Philippines; to the Committee on War Claims.

By Mr. KNUTSON: A bill (H. R. 2033) to collect additional tonnage dues from vessels of foreign nations that default in their debts to the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 2034) to provide for a statement of indebtedness of foreign countries to the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 2035) granting an additional pension of $25 per month to all widows who are now or who may hereafter become, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person; to the Committee on Pensions.

Also, a bill (H. R. 2036) to place an embargo on rye; to the Committee on Ways and Means.

Also, a bill (H. R. 2037) to impose a tax on food products containing imported organic fats and oils; to the Committee on Ways and Means.

Also, a bill (H. R. 2038) to direct the distribution of the interest and principal of the permanent fund of the Chippewa Indians of Minnesota in accordance with the true purpose and intent of the agreements made pursuant to the act of January 14, 1889; to the Committee on Indian Affairs.

Also, a bill (H. R. 2039) to guard and protect the people of the United States against famine and shortage of food; to provide for the purchase and safe-keeping by the Government of stocks of wheat, rye, corn, oats, and barley for use and consumption in times of economic distress due to shortage of food supplies; and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 2040) to provide for more expeditious settlement of money claims against the United States, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 2041) to cancel all interest charges upon loans made upon adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 2042) to authorize the erection of a tablet to commemorate the discovery of the headwaters of the Mississippi River; to the Committee on Military Affairs.

Also, a bill (H. R. 2043) relative to the securities of foreign governments which have defaulted in their contract obligations to the United States; to the Committee on Foreign Affairs.

Also, a bill (H. R. 2044) to stabilize the values of the imports from countries changing their monetary standards, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 2045) to set aside certain lands for the Leech Lake Band of Chippewa Indians in the State of Minnesota; to the Committee on Indian Affairs.

Also, a bill (H. R. 2046) to compensate the Chippewa Indians of Minnesota for lands set aside by treaties for their future homes and later patented to the State of Minnesota under the Swamp Land Act; to the Committee on Indian Affairs.

Also, a bill (H. R. 2047) to authorize owners of resort property to secure from the home-loan banks loans secured by mortgages and to authorize such banks to lend to members on the security of such mortgages; to the Committee on Banking and Currency.

Also, a bill (H. R. 2048) providing for payment of $50 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

Also, a bill (H. R. 2049) to amend an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat. L. 555); to the Committee on Indian Affairs.

Also, a bill (H. R. 2050) to authorize the Reconstruction Finance Corporation to make loans to public-school districts to aid in the maintenance of public schools, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 2051) to levy additional tariffs on imports from certain countries which are in default on war debts to the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 2052) relating to the appointment of a district judge of the District Court of the United States for the State of Minnesota, and to amend the act of March 2, 1925 (ch. 297, 43 Stat. L. 1098); to the Committee on the Judiciary.

Also, a bill (H. R. 2053) to regulate the level of water in certain reservoirs at the headwaters of the Mississippi River; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2054) prohibiting the use of the words "Army" or "Navy", or both, in the name of a store or company engaged in mercantile business; to the Committee on the Judiciary.

Also, a bill (H. R. 2055) authorizing persons, firms, corporations, associations, or societies to file bills of interpleader, or bills in the nature of interpleader; to the Committee on the Judiciary.

Also, a bill (H. R. 2056) to authorize the purchase of lands for use by Chippewa Indians of Minnesota as camp sites when harvesting wild rice, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 2057) authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 2058) to prohibit exportation of arms and munitions of war and giving financial aid to any foreign country not adhering to a code of warfare agreed to by the United States; to the Committee on Foreign Affairs.

Also, a bill (H. R. 2059) to prohibit the sale or offer for sale, for domestic consumption or use, of oleomargarine containing less than 75 percent of animal fat; to the Committee on Agriculture.

Also, a bill (H. R. 2060) to provide relief with respect to agricultural indebtedness, to provide for the refinancing thereof, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 2061) to revise the laws and regulations relating to pensions and other allowances for veterans and their dependents, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 2062) to authorize the conveyance by the United States to the State of Minnesota for certain lands in Morrison County, Minn.; to the Committee on the Public Lands.

By Mr. LANHAM: A bill (H. R. 2063) to authorize a special rate of postage on periodicals when sent by public libraries; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2064) to provide for the appointment of one additional district judge for the northern district of Texas; to the Committee on the Judiciary.

Also, a bill (H. R. 2065) to provide that in certain cases loans to veterans upon adjusted-service certificates shall be considered partial payments, and for other purposes; to the Committee on Ways and Means.

By Mr. LEMKE: A bill (H. R. 2066) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve banking system, and creating a Board of Agriculture to supervise the same; to the Committee on Agriculture.

By Mr. SUMNERS of Texas: A bill (H. R. 2067) to change the time of the appointment of Presidential electors; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. TAYLOR of Tennessee: A bill (H. R. 2068) for the protection of subcontractors, labor, and materials employed in Public Works; to the Committee on the Judiciary.

Also, a bill (H. R. 2069) granting a pension to widows and dependent children of World War veterans; to the Committee on Pensions.

Also, a bill (H. R. 2070) requiring naturalization of certain aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2071) to amend Public Law No. 2, Seventy-third Congress, entitled "An act to maintain the credit of the United States Government"; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2072) to provide for the acquisition by the United States of the Grand Caverns in Knox County, Tenn.; to the Committee on the Public Lands.

Also, a bill (H. R. 2073) providing for loans or advances by the Reconstruction Finance Corporation for the purpose of securing the postponement of the foreclosure of certain mortgages for a period of 2 years, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 2074) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, as amended, and for other purposes; to the Committee on Roads.

By Mr. TREADWAY: A bill (H. R. 2075) relating to the taxation of community-property income; to the Committee on Ways and Means.

By Mr. VINSON of Georgia: A bill (H. R. 2076) to increase by $1,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

Also, a bill (H. R. 2077) to amend section 5 of the act of March 2, 1919, generally known as the "war minerals relief statutes"; to the Committee on Mines and Mining.

Also, a bill (H. R. 2078) to exempt a limited quantity of cotton produced by small producers from the cotton-ginning tax; to the Committee on Agriculture.

Also, a bill (H. R. 2079) to amend the United States Cotton Futures Act of August 11, 1916, as amended, to provide for the prevention and removal of obstructions and burdens

upon interstate commerce in cotton by further regulating transactions on cotton-futures exchanges, and for other purposes; to the Committee on Agriculture.

By Mr. WILSON of Louisiana: A bill (H. R. 2080) to provide for the commemoration of Fort Miro, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 2081) to provide for the commemoration of Fort Beauregard, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. ASHBROOK: A bill (H. R. 2731) to increase employment in the agricultural areas and to improve the rural post roads of the Nation not included in the Federal-aid or State highway systems, and to create the Administration of Rural Post Roads to supervise such activities and to make possible the extension and more economic distribution of the United States mail, and also the extension and improvement of school-bus routes for the transportation of school children in rural communities, and to make appropriations therefor, and for other purposes; to the Committee on Roads.

By Mr. BACHARACH: A bill (H. R. 2732) to authorize production credit associations to make loans to commercial fishermen; to the Committee on Agriculture.

By Mr. BLANTON: A bill (H. R. 2733) to provide for the suspension of immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2734) to abolish police trial boards in the District of Columbia, to establish a discipline board for the investigation of the conduct of officers and members of the Metropolitan Police force, and to provide for their suspension and removal, to amend and repeal certain laws relating thereto, and for other purposes; to the Committee on the District of Columbia.

By Mr. BOYLAN: A bill (H. R. 2735) to restore, as of January 1, 1935, Government salaries and other benefits reduced by the Economy Act; to the Committee on Expenditures in the Executive Departments.

By Mr. BUCHANAN: A bill (H. R. 2736) to provide for the classification of cotton by grade and staple for producers, to furnish farmers timely information on market supply, demand, location, conditions, and market prices for cotton, and for other purposes; to the Committee on Agriculture.

By Mr. CALDWELL: A bill (H. R. 2737) extending and continuing to January 12, 1936, the provisions of the act entitled "An act authorizing the Secretary of the Interior to determine and confirm by patent in the nature of a deed of quitclaim the title to lots in the city of Pensacola, Fla.", approved January 12, 1925; to the Committee on the Public Lands.

Also, a bill (H. R. 2738) to authorize the Secretary of the Navy to proceed with certain public works at the naval air station, Pensacola, Fla.; to the Committee on Naval Affairs.

By Mr. CANNON of Wisconsin: A bill (H. R. 2739) to extend further time for naturalization to alien veterans of the World War under the act approved May 25, 1932 (47 Stat. 165), to extend the same privileges to certain veterans of countries allied with the United States during the World War, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2740) to amend the Home Owners' Loan Act of 1933, approved June 13, 1933; to the Committee on Banking and Currency.

By Mr. CHAPMAN: A bill (H. R. 2741) authorizing the erection of a memorial to Col. Richard M. Johnson and his regiment in Scott County, Ky.; to the Committee on Military Affairs.

By Mr. COCHRAN: A bill (H. R. 2742) to increase by $3,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. COLLINS: A bill (H. R. 2743) to amend the Revenue Act of 1934 by adding an additional title relating to the taxation of incomes in time of war; to the Committee on Ways and Means.

By Mr. CONDON: A bill (H. R. 2744) authorizing the Reconstruction Finance Corporation to make a loan for the construction and operation of airships in overseas trade, and for other purposes; to the Committee on Banking and Currency.

By Mr. CONNERY: A bill (H. R. 2745) to provide for the employment of American citizens in skilled positions on the Panama Canal; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2746) to provide for a 30-hour week to relieve unemployment, and for other purposes; to the Committee on Labor.

By Mr. CROSS of Texas: A bill (H. R. 2747) broadening the monetary base by the use of silver, devaluing the gold dollar, and stabilizing the purchasing power of the dollar on the wholesale commodity price level of 1926, and for other purposes; to the Committee on Banking and Currency.

By Mr. CROSSER of Ohio: A bill (H. R. 2748) to promote the safety of employees and travelers on railroads by requiring common carriers engaged in interstate commerce to install, inspect, test, repair, and maintain block-signal systems, interlocking, highway grade-crossing protective devices, automatic train stop, train control, cab signal devices, and other appliances, methods, and systems intended to promote the safety of railroad operation; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2749) to establish a 6-hour day for employees of carriers engaged in interstate and foreign commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DEEN: A bill (H. R. 2750) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 2751) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture.

By Mr. DICKSTEIN: A bill (H. R. 2752) to provide for additional compensation to jurors in criminal cases; to the Committee on the Judiciary.

Also, a bill (H. R. 2753) to declare citizenship forfeited in the case of any naturalized citizen who left the United States for the purpose of voting in the plebescite in the Saar region in Germany and who did vote during said plebescite in the Saar region in Germany; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2754) for the relief of employees of the United States Government who are engaged in the enforcing of the United States Criminal Code; to the Committee on the Judiciary.

By Mr. DIMOND: A bill (H. R. 2755) to provide more effectively for the national defense by augmenting the military garrison and establishing military utilities in Alaska; to the Committee on Military Affairs.

Also, a bill (H. R. 2756) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have or claim to have against the United States, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 2757) to amend section 42 of the act of Congress entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended; to the Committee on the Judiciary.

By Mr. DINGELL: A bill (H. R. 2758) to give veterans of war service in the Spanish-American War, Boxer Rebellion, the Philippine Insurrection, and the World War, their widows and/or wives, and/or dependent children of disabled veterans, who themselves are not qualified, preferences in the Government and District of Columbia civil service; to the Committee on the Civil Service.

Also, a bill (H. R. 2759) to provide that mothers of deceased World War veterans who did not make the pilgrimage to cemeteries of Europe shall receive a sum equivalent to the average cost per person of such pilgrimages; to the Committee on Military Affairs.

Also, a bill (H. R. 2760) to amend the Reconstruction Finance Corporation Act, as amended, to provide for loans to nonprofit benevolent charitable corporations; to the Committee on Banking and Currency.

Also, a bill (H. R. 2761) to provide for the appointment of an additional district judge for the eastern district of Michigan; to the Committee on the Judiciary.

Also, a bill (H. R. 2762) extending the classified civil service to include special-delivery messengers; to the Committee on the Civil Service.

By Mr. DISNEY: A bill (H. R. 2763) to compel Government departments and officials to give full faith and credit to the decrees, judgments, etc., of State courts of record; to the Committee on the Judiciary.

By Mr. DONDERO: A bill (H. R. 2764) to provide for an additional $2,000,000,000 of bonds to be issued by the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. ELLENBOGEN: A bill (H. R. 2765) to amend the Home Owners' Loan Act of 1933, as amended, by giving to the Home Owners' Loan Corporation power to issue an additional $2,500,000,000 of bonds, and for other purposes; to the Committee on Banking and Currency.

By Mr. ENGLEBRIGHT: A bill (H. R. 2766) granting to the Water Project Authority of the State of California, a body politic and corporate of said State, certain lands, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 2767) authorizing appropriations for the construction and maintenance of improvements necessary for protection of the national forests from fire, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 2768) to aid in the establishment of State parks; to the Committee on the Public Lands.

Also, a bill (H. R. 2769) to authorize the issuance of patent for lands containing gold-bearing gravels, at depth, which are overlaid by volcanic lava; to the Committee on the Public Lands.

Also, a bill (H. R. 2770) to enable the Secretary of Agriculture to control emergency insect infestations on the national forests; to the Committee on Agriculture.

Also, a bill (H. R. 2771) to provide for the destruction and eradication of predatory animals in the State of California; to the Committee on Agriculture.

Also, a bill (H. R. 2772) making the 9th day of September of each year a holiday for Federal employees in the State of California; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2773) to authorize the erection of a United States veterans' hospital in the inland region of the State of California; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2774) to amend an act entitled "An act making an appropriation for the survey of public lands lying within the limits of land grants, to provide for the forfeiture to the United States of unsurveyed land grants to railroads, and for other purposes", approved June 25, 1910; to the Committee on the Public Lands.

Also, a bill (H. R. 2775) to authorize an appropriation for the benefit of the Indians of California to be reimbursed from any award made to such Indians under the act of May 18, 1928, as amended, and for other purposes; to the Committee on Indian Affairs.

By Mr. FORD of California: A bill (H. R. 2776) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

Also, a bill (H. R. 2777) to authorize the Reconstruction Finance Corporation to finance certain self-liquidating Public Works projects; to the Committee on Banking and Currency.

By Mr. FLANNAGAN: A bill (H. R. 2778) to establish and promote the use of standards of classification for tobacco, to provide and maintain an official inspection service for tobacco, and for other purposes; to the Committee on Agriculture.

By Mr. GASQUE: A bill (H. R. 2779) to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at Conway, S. C.; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDSBOROUGH: A bill (H. R. 2780) to establish the Bank of the United States, to reduce the cost of the United States Government financing, to insure a steady reduction in the amount of the United States debt, and to pay the losses of depositors in closed banks; to the Committee on Banking and Currency.

By Mr. GRANFIELD: A bill (H. R. 2781) to allocate sums to enable the construction of a bridge as a memorial to Calvin Coolidge; to the Committee on Ways and Means.

Also, a bill (H. R. 2782) to allocate sums to enable the construction of a bridge as a memorial to Calvin Coolidge; to the Committee on Ways and Means.

Also, a bill (H. R. 2783) to authorize the construction of a bridge as a memorial to Calvin Coolidge; to the Committee on Ways and Means.

Also, a bill (H. R. 2784) to authorize the construction of a bridge as a memorial to Calvin Coolidge; to the Committee on Ways and Means.

By Mr. GREEN: A bill (H. R. 2785) to provide for the construction of a canal across northern Florida connecting the waters of the Atlantic Ocean and the Gulf of Mexico; to the Committee on Rivers and Harbors.

By Mr. GRISWOLD: A bill (H. R. 2786) to repeal Government wage cuts as of January 1, 1935, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. HANCOCK of North Carolina: A bill (H. R. 2787) to increase the authorized bond issue of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. HESS: A bill (H. R. 2788) to reduce the internal-revenue tax on beer and other malt liquors; to the Committee on Ways and Means.

By Mr. HIGGINS of Connecticut: A bill (H. R. 2789) to require contractors on public-building projects to perform a part of the work on each contract themselves, to name their subcontractors, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. KNUTE HILL: A bill (H. R. 2790) to improve the navigability of the Columbia River and its tributaries; to provide for the flood control of the Columbia River and its tributaries; to provide for reforestation and the use of marginal lands in the Columbia River Basin; to provide for the agricultural and industrial development of the Columbia River Basin; to provide for the irrigation of lands in the Columbia River Basin; to provide for the development of electrical power in the Columbia River Basin; and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. HOPE: A bill (H. R. 2791) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. HOEPPEL: A bill (H. R. 2792) to protect American labor, to reduce crime, to lessen the danger of foreign entanglements, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2793) to amend the provisions of laws relating to appointment of postmasters; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2794) to adjust the rate of pension to soldiers of the Indian wars who served 90 days or more in active service against hostile Indians, and for other purposes; to the Committee on Pensions.

By Mr. JOHNSON of Texas: A bill (H. R. 2795) for the prevention and removal of obstructions and burdens upon interstate commerce in cotton, by regulating transactions on cotton-futures exchanges, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 2796) to amend the Tariff Act of 1922; to the Committee on Ways and Means.

Also, a bill (H. R. 2797) to amend the World War Adjusted Compensation Act; to the Committee on Ways and Means.

Also, a bill (H. R. 2798) to restore the 2-cent rate of postage on first-class mail matter; to the Committee on Ways and Means.

Also, a bill (H. R. 2799) to authorize the acceptance by the Treasury of silver bullion and the issuance therefor of silver certificates for the purpose of expanding the currency and elevating the price level, and for other purposes; to the Committee on Coinage, Weights, and Measures.

Also, a bill (H. R. 2800) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, for the purpose of requiring the use of a domestic product, and for other purposes; to the Committee on Agriculture.

By Mr. JONES: A bill (H. R. 2801) to amend the act of March 3, 1927, authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton; to the Committee on Agriculture.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 2802) to protect labor in its old age by providing for old-age and disability pensions, and for other purposes; to the Committee on Ways and Means.

By Mr. KENNEY: A bill (H. R. 2803) to provide for $2,000,000,000 of additional bonds to be issued by the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. KNIFFIN: A bill (H. R. 2804) to provide further for the national security and defense; to the Committee on Military Affairs.

By Mr. KVALE: A bill (H. R. 2805) to amend sections 11 and 12 of the Immigration Act of 1924, as amended; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 2806) placing certain positions in the Postal Service in the competitive classified service; to the Committee on the Civil Service.

Also, a bill (H. R. 2807) relating to annual leave of employees in the Government Printing Office; to the Committee on Printing.

Also, a bill (H. R. 2808) to abolish capital punishment in the District of Columbia; to the Committee on the District of Columbia.

Also, a bill (H. R. 2809) to provide for the commemoration of the Battle of Birch Coulee, in the State of Minnesota; to the Committee on Military Affairs.

Also, a bill (H. R. 2810) to assist by loans any person holding an honorable discharge from the military forces of the United States of America during the period of the World War; to the Committee on Ways and Means.

Also, a bill (H. R. 2811) to repeal section 2 of Public Act No. 242, Sixty-fourth Congress, being an act making appropriations for the support of the Army, and approved August 29, 1916, and relating to the establishing of a Council of National Defense; to the Committee on Military Affairs.

Also, a bill (H. R. 2812) to prevent the use of Federal official patronage in elections and prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends; to the Committee on the Judiciary.

Also, a bill (H. R. 2813) to extend the privileges of compensation and hospitalization to certain American citizens; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2814) to extend the Federal Corrupt Practices Act to primary elections of Senators and Representatives; to the Committee on the Judiciary.

Also, a bill (H. R. 2815) to amend section 20 of the act of June 10, 1922, as amended by the act of July 2, 1926; to the Committee on Military Affairs.

Also, a bill (H. R. 2816) to promote employment of adult labor by preventing interstate commerce in the products of child labor, and for other purposes; to the Committee on Labor.

By Mr. LAMNECK: A bill (H. R. 2817) to change the designation of "laborer" to "operative" in the Postal Service; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2818) to provide for the promotion of watchmen, messengers, and laborers employed in the Post Office Department; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2819) to provide time credits for substitute laborers in the post office when appointed as regular laborer; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2820) to increase by $3,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. LUDLOW: A bill (H. R. 2821) to prohibit certain allocations of funds which increase the expenditures of executive agencies beyond authorizations by Congress; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2822) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

Also, a bill (H. R. 2823) providing for the cancelation of interest on loans to veterans on their adjusted-service certificates; to the Committee on World War Veterans' Legislation.

By Mr. LUNDEEN: A bill (H. R. 2824) to restore benefits for veterans of the World War, and for other purposes; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2825) to repeal the Economy Act approved March 20, 1933, and for other purposes; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2826) to restore benefits for veterans of the Civil War and the Indian Wars, and for other purposes; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2827) to provide for the establishment of unemployment, old-age, and social insurance, and for other purposes; to the Committee on Labor.

Also, a bill (H. R. 2828) to restore benefits for veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection, and for other purposes; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2829) to provide for controlled expansion of the currency, the immediate payment to veterans of the face value of their adjusted-service certificates, and the cancelation of interest on loans secured by such certificates; to the Committee on Ways and Means.

By Mr. McCORMACK: A bill (H. R. 2830) to provide more effectively for the national defense by increasing the efficiency of the Air Corps of the Army of the United States; to the Committee on Military Affairs.

Also, a bill (H. R. 2831) to provide for the construction of two vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2832) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. McLEOD: A bill (H. R. 2833) to amend section 400 of title 18, United States Code; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2834) to eliminate certain discriminations in the existing revenue laws pertaining to temporary dealers in beer and other malt liquors; to the Committee on Ways and Means.

Also, a bill (H. R. 2835) to reimburse officers, nurses, and civilian employees of the United States Public Health Service and inmates of the United States Public Health Service Hospital at Corpus Christi, Tex., for losses sustained as the result of a storm which occurred in Texas on September 14, 1919; to the Committee on Claims.

Also, a bill (H. R. 2836) to designate the city of Detroit, Mich., as a port of entry for antiques; to the Committee on Ways and Means.

Also, a bill (H. R. 2837) to confer additional jurisdiction on the United States Board of Tax Appeals, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 2838) to provide for payment of interest on certain war-risk insurance claims; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2839) to provide for the appointment of Army field clerks and field clerks, Quartermaster Corps, as warrant officers, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2840) to amend title 5 of the United States Code by adding thereto, immediately after chapter 15, a new chapter creating the Department of Aeronautics; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2841) to amend sections 1 and 2, title 5, of the United States Code; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2842) declaring November 11 a legal public holiday, to be known as "Armistice Day"; to the Committee on the Judiciary.

Also, a bill (H. R. 2843) to provide for an additional district judge for the eastern district of Michigan; to the Committee on the Judiciary.

Also, a bill (H. R. 2844) to make unlawful transportation in interstate or foreign commerce of a stolen airplane or other aircraft by amendment of the National Motor Vehicle Theft Act; to the Committee on the Judiciary.

Also, a bill (H. R. 2845) to provide for appointments to the Post Office Department and the Postal Service solely on the basis of efficiency and merit, to extend the civil-service system, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2846) to amend section 3 of Public Act No. 362, Seventy-third Congress, so as to direct the Reconstruction Finance Corporation to make loans on or purchase the assets of closed banks, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 2847) to eliminate receiverships of closed banks, increase employment and purchasing power through replacement in circulation of funds now frozen in assets of closed banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. McSWAIN: A bill (H. R. 2848) to make unlawful the obtaining of employment or anything of value by means of any representation of ability to influence actions of executive or legislative agencies and officials; to the Committee on the Judiciary.

By Mr. MAPES: A bill (H. R. 2849) to increase by $1,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. MARTIN of Colorado: A bill (H. R. 2850) for the construction of Caddoa Dam on the Arkansas River in the State of Colorado; to the Committee on Rivers and Harbors.

By Mr. MILLER: A bill (H. R. 2851) to provide for a minimum allotment of 5 bales of cotton under Public Act No. 169, of the Seventy-third Congress, second session, approved April 21, 1934, to each grower of cotton, who is the head of a family, and to exempt same from taxation under said act, and for other purposes; to the Committee on Agriculture.

By Mr. MOTT: A bill (H. R. 2852) relating to the Oregon-Washington Bridge Board of Trustees; to the Committee on Interstate and Foreign Commerce.

By Mr. MURDOCK: A bill (H. R. 2853) to provide for the establishment and maintenance, under the Bureau of Mines, of a research station at Salt Lake City, Utah; to the Committee on Mines and Mining.

Also, a bill (H. R. 2854) to grant the right to cut timber in national forests for the construction of a railroad from Craig, Colo., or from Springville, Utah, to Ouray, Utah, or to a point on Green River near Ouray, Utah, or from Craig, Colo., to Springville, Utah; to the Committee on the Public Lands.

By Mrs. NORTON: A bill (H. R. 2855) to provide additional compensation under the Employees' Compensation Act for dependents of agents of the Department of Justice who lose their lives in the performance of duty; to the Committee on the Judiciary.

By Mr. ROGERS of Oklahoma: A bill (H. R. 2856) to provide old-age compensation for the citizens of the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 2857) to amend an act entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes", approved March 3, 1927; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 2858) to provide for the establishment of a school for the training of policemen and policewomen within the District of Columbia; to the Committee on the District of Columbia.

By Mr. SABATH: A bill (H. R. 2859) to provide for the establishment of unemployment and social insurance, and for other purposes; to the Committee on Labor.

By Mr. SEARS: A bill (H. R. 2860) to provide for the issuance of veterans' Treasury notes in payment of the face value of adjusted-service certificates to veterans; to the Committee on Ways and Means.

By Mr. SECREST: A bill (H. R. 2861) to authorize the further improvement of Rural Free Delivery mail roads and to aid in relieving unemployment throughout the country, and for other purposes; to the Committee on Roads.

By Mr. STEAGALL: A bill (H. R. 2862) to increase by $1,000,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. SUTPHIN: A bill (H. R. 2863) to require that the officers and crew of every vessel of the United States shall be citizens of the United States; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. SWEENEY: A bill (H. R. 2864) to promote substitute clerks and carriers; to the Committee on the Post Office and Post Roads.

By Mr. TAYLOR of Tennessee: A bill (H. R. 2865) to amend an act known as the "Tennessee Valley Authority Act of 1933" so as to provide that the Tennessee Valley Authority reimburse certain counties on account of loss of taxable values and keep equalized the county indebtedness therein; to the Committee on Military Affairs.

Also, a bill (H. R. 2866) to make it a crime to advocate, abet, encourage, or otherwise promote the overthrow or the destruction of the Government of the United States by force or violence, and for other purposes; to the Committee on the Judiciary.

By Mr. TERRY: A bill (H. R. 2867) to aid in keeping elementary schools operating by authorizing loans through the Reconstruction Finance Corporation for emergency aid in refinancing obligations of badly distressed school districts which, due to drouth, flood, fire, depression, or other acts of nature beyond control, find that 30 percent or more of their legal income is being demanded for debt services and other fixed charges, thereby leaving them unable to operate their schools; to the Committee on Banking and Currency.

Also, a bill (H. R. 2868) to provide for cooperation by the Federal Government with the several States and Territories and the District of Columbia in meeting the crisis in public education; to the Committee on Education.

Also, a bill (H. R. 2869) to provide further for the national defense; to the Committee on Military Affairs.

By Mr. THOMASON: A bill (H. R. 2870) amending section 62 of chapter 3, title 45, of the Code of Laws of the United States of America; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2871) to provide further for the national defense; to the Committee on Military Affairs.

By Mr. WERNER: A bill (H. R. 2872) to repeal section 2 of chapter 333, Forty-fifth Statutes; to the Committee on the Judiciary.

By Mr. WHITE: A bill (H. R. 2873) authorizing the adjustment of existing contracts for the sale of timber on the national forests, and for other purposes; to the Committee on Agriculture.

By Mr. WILLIAMS: A bill (H. R. 2874) granting the consent of Congress to the State highway commission to construct, maintain, and operate a free highway bridge across Eleven Points River, in section 17, township 23 north, range 2 west, approximately 12 miles east of Alton, on route no. 42, Oregon County, Mo.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 2875) amending the first sentence of section 4 (c) of the Home Owners' Loan Act of 1933, as amended; to the Committee on Banking and Currency.

By Mr. WILSON of Louisiana: A bill (H. R. 2876) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended; to the Committee on Flood Control.

By Mr. WOODRUFF: A bill (H. R. 2877) to legalize a pier along the west coast of Lake Huron, Mich., at Greenbush, Mich.; to the Committee on Rivers and Harbors.

By Mr. YOUNG: A bill (H. R. 2878) to release veterans from the liability to pay interest on loans secured by adjusted-service certificates, to provide for the refund of interest paid on such loans, and for other purposes; to the Committee on Ways and Means.

By Mr. KENNEY: Resolution (H. Res. 1) requesting the Commissioner of Education to study the desirability of introducing courses in aviation in public schools; to the Committee on Education.

By Mr. FULMER: Resolution (H. Res. 2) providing for the printing of 2,000 copies of the soil survey for certain counties in South Carolina; to the Committee on Printing.

By Mr. CELLER: Resolution (H. Res. 3) protesting Nazi anti-Semitism; to the Committee on Foreign Affairs.

Also, resolution (H. Res. 4) requesting the Department of State to call on the German Government to cease denying the fundamental and inalienable rights of those who may be resident in Germany; to the Committee on Foreign Affairs.

By Mr. LAMNECK: Resolution (H. Res. 5) providing for the appointment of a select committee authorized and directed to investigate the distribution of appointments of present officers and employees in the executive branch of the Government, whether under civil service or otherwise; to the Committee on Rules.

By Mr. MONTAGUE: Resolution (H. Res. 6) to provide for the printing of certain historical statements relative to the Seven Days' Battles near Richmond, Va., June 25 to July 1, 1862; to the Committee on Printing.

By Mr. DOCKWEILER: Resolution (H. Res. 7) to provide for the appointment of a special committee to investigate the military defenses and the condition thereof on the Pacific coast; to the Committee on Rules.

By Mr. BLAND: Resolution (H. Res. 8) regarding the consideration of legislation by the House of Representatives; to the Committee on Rules.

Also, resolution (H. Res. 9) regarding correction in the case of error of reference of bills, resolutions, and memorials; to the Committee on Rules.

Also, resolution (H. Res. 10) regarding the transfer of jurisdiction of any subject of legislation; to the Committee on Rules.

Also, resolution (H. Res. 11) amending clause 9 of rule X and clause 9 of rule XI; to the Committee on Rules.

By Mr. VINSON of Georgia: Resolution (H. Res. 12) to create a select committee to conduct an investigation of the discrimination against southern shippers; to the Committee on Rules.

By Mr. LUDLOW: Joint resolution (H. J. Res. 1) proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. HESS: Joint resolution (H. J. Res. 2) to authorize the Attorney General of the United States to transfer certain documents to the Library of Congress; to the Committee on the Library.

By Mr. KENNEY: Joint resolution (H. J. Res. 3) memorializing the States of the Union to require the taking of an oath of allegiance to the Constitution of the United States by all teachers of the public schools and other institutions of learning, and for other purposes; to the Committee on Education.

By Mr. TARVER: Joint resolution (H. J. Res. 4) proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 5) directing and authorizing the Postmaster General to have prepared and issued a postage stamp commemorating the services of the late Thomas E. Watson in the origination of the Rural Free Delivery Service; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: Joint resolution (H. J. Res. 6) to provide for the naming of the Veterans' Administration facility at Bedford, Mass.; to the Committee on World War Veterans' Legislation.

By Mr. LAMNECK: Joint resolution (H. J. Res. 7) providing for payment of compensation for services to members of local draft boards who served also as clerks of their respective boards; to the Committee on Military Affairs.

By Mr. FIESINGER: Joint resolution (H. J. Res. 10) authorizing and requesting the President of the United States to issue annually a proclamation setting apart the month of September of each year as safety month; to the Committee on the Judiciary.

By Mr. BLOOM: Joint resolution (H. J. Res. 11) authorizing the Postmaster General to make a just and equitable compensation for the past use in the Postal Service of a certain invention and device for the postmarking of mail packages and for the more permanent cancelation of postage stamps during the time the said device was in use by the Post Office Department, not exceeding or going beyond the life of the letters patent thereon; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 12) for the participation of the United States in a universal and international exhibition at Brussels, Belgium, in 1935; to the Committee on Foreign Affairs.

By Mr. O'MALLEY: Joint resolution (H. J. Res. 13) proposing an amendment to the Constitution of the United States granting power to the Congress in time of war to take property for military and nonmilitary purposes without payment of profit when conscripting persons for military or nonmilitary purposes; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 14) proposing an amendment to the Income Tax Act of 1932 providing for an emergency surtax of 50 percent on the net income of all foreign subsidiaries of American corporations, individuals, partnerships, or manufacturers; to the Committee on Ways and Means.

By Mr. BURDICK: Joint resolution (H. J. Res. 15) cancelation of feed and seed loans; to the Committee on Agriculture.

By Mr. DIMOND: Joint resolution (H. J. Res. 16) authorizing a preliminary examination or survey of a ship canal across Prince of Wales Island, Alaska; to the Committee on Rivers and Harbors.

By Mr. SABATH: Joint resolution (H. J. Res. 17) to provide for the acquisition by the Government of the United States of the canal now owned by the Sanitary District of Chicago, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. CELLER: Joint resolution (H. J. Res. 18) directing the Comptroller General of the United States to correct an error made in the adjustment of the account between the State of New York and the United States adjusted under the authority contained in the act of February 24, 1905 (33 Stat. L. 777), and appropriated for in the Deficiency Act of February 27, 1906; to the Committee on the Judiciary.

By Mr. BLAND: Joint resolution (H. J. Res. 19) requiring 50 percent of the cargo imported and exported under trade agreements between the United States and foreign nations to be carried in vessels of the United States; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. CHAPMAN: Joint resolution (H. J. Res. 20) to provide for the erection of a tablet in the Arlington Memorial Amphitheater; to the Committee on Military Affairs.

By Mr. GREENWOOD: Joint resolution (H. J. Res. 22) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty, but whose induction into the service was not, through no fault of their own, formally completed on or prior to November 30, 1918; to the Committee on Military Affairs.

By Mr. BROWN of Michigan: Joint resolution (H. J. Res. 23) directing the President to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. BUCKBEE: Joint resolution (H. J. Res. 24) providing for the sale of postage stamps at places other than the post office or its branches, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 25) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SAUTHOFF: Joint resolution (H. J. Res. 26) requesting the President to proclaim October 9 as Leif Erickson Day; to the Committee on the Judiciary.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 27) providing for extension of cooperative work of the Geological Survey to Puerto Rico; to the Committee on Insular Affairs.

By Mr. KNUTSON: Joint resolution (H. J. Res. 28) stating whether coastwise traffic should be subjected to governmental regulation under the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. DOBBINS: Joint resolution (H. J. Res. 29) proposing an amendment to the Constitution of the United States empowering Congress to provide for the payment of pensions to superannuated citizens; to the Committee on the Judiciary.

By Mr. VINSON of Georgia: Joint resolution (H. J. Res. 30) to prohibit limitations on the establishment of certain industries; to the Committee on Ways and Means.

Also, joint resolution (H. J. Res. 31) to create a commission to study and report on the feasibility of constructing the Nicaragua Canal; to the Committee on Interstate and Foreign Commerce.

Also, joint resolution (H. J. Res. 32) proposing an amendment to the Constitution of the United States providing for a term of 4 years for Representatives in Congress; to the Committee on Election of the President, Vice President, and Representatives in Congress.

By Mr. GRIFFIN: Joint resolution (H. J. Res. 33) proposing an amendment to the Constitution of the United States giving the House of Representatives coordinate power in the ratification of treaties; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 34) proposing an amendment to the Constitution of the United States requiring submission of constitutional amendments to the direct vote of the people; to the Committee on the Judiciary.

By Mr. ROBERTSON: Resolution (H. Res. 24) to create a Committee on Wildlife; to the Committee on Rules.

By Mr. McGRATH: Resolution (H. Res. 25) to investigate the awards for naval construction authorized by the Seventy-third Congress; to the Committee on Rules.

By Mr. McLEOD: Resolution (H. Res. 26) electing a standing Committee on Aeronautics; to the Committee on Rules.

By Mr. KVALE: Resolution (H. Res. 27) to request the Secretary of the Treasury to advise the House of Representatives on what authority certain national banking associations are permitted to establish branch banks in the State of Minnesota; to the Committee on Banking and Currency.

By Mr. TINKHAM: Joint resolution (H. J. Res. 41) to provide for the withdrawal of membership of the United States in the International Labor Organization; to the Committee on Foreign Affairs.

By Mr. KNIFFIN: Joint resolution (H. J. Res. 42) to provide for the designation of a highway from Sault Sainte Marie, Mich., to Fort Myers, Fla., as a memorial to the late President and Chief Justice, William Howard Taft; to the Committee on Roads.

By Mr. McCORMACK: Joint resolution (H. J. Res. 43) to authorize the several States to negotiate compacts or agreements to promote greater uniformity in the laws of such States affecting labor and industries; to the Committee on the Judiciary.

By Mr. McGRATH: Joint resolution (H. J. Res. 44) to authorize and direct the Secretary of the Navy to investigate the feasibility of acquiring by purchase or condemnation the Hunters Point Works, Union Plant (also known as "Hunters Point Dry Docks"), now owned or controlled by the Bethlehem Shipbuilding Corporation, Ltd., and the Union Iron Works, owned or controlled by the Bethlehem Shipbuilding Corporation, Ltd., both located on San Francisco Bay, in the city and county of San Francisco, State of California, or any other shipbuilding plant or plants on the Pacific coast which may seem to him suitable for Government operations, and to report his findings to the Congress; to the Committee on Naval Affairs.

By Mr. HOEPPEL: Joint resolution (H. J. Res. 45) to authorize a survey of the displacement of man power by machinery with a view to formulating legislation to diminish such displacement and the harmful social and economic consequences therof, and thus to reduce unemployment and insure speedy economic recovery through a more equitable distribution of national income; to the Committee on Labor.

By Mr. ELLENBOGEN: Joint resolution (H. J. Res. 46) to direct the Home Owners' Loan Corporation to resume action on all applications already received and on which action was suspended on November 16, 1934, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMITH of Virginia: Joint resolution (H. J. Res. 47) authorizing the President to present in the name of Congress a Medal of Honor to James A. Austin; to the Committee on Military Affairs.

By Mr. CROSSER of Ohio: Joint resolution (H. J. Res. 48) proposing to amend the Constitution of the United States to authorize the Congress to reduce the daily period of time for which contracts of employment may be lawfully made; to the Committee on the Judiciary.

By Mr. MAPES: Joint resolution (H. J. Res. 49) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. DUNCAN: Joint resolution (H. J. Res. 50) proposing an amendment to the Constitution of the United States fixing the terms of office of Representatives in Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. DEEN: Joint resolution (H. J. Res. 51) proposing an amendment to the Constitution of the United States providing for a term of 4 years for Representatives in Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. CELLER: Joint resolution (H. J. Res. 52) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 53) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. KVALE: Joint resolution (H. J. Res. 54) to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery; to the Committee on Interstate and Foreign Commerce.

Also, joint resolution (H. J. Res. 55) proposing an amendment to the Constitution of the United States conferring

upon the Congress power to regulate the production and marketing of commodities and to prescribe minimum wages and maximum hours of labor during an emergency; to the Committee on the Judiciary.

By Mr. O'MALLEY: Joint resolution (H. J. Res. 56) proposing an amendment to the Constitution of the United States granting power to the Congress of the United States to levy and collect a tax on the income of securities issued by or under the authority of any State, and granting power to the several States to levy and collect a tax on the income of securities issued by or under the authority of the United States; to the Committee on the Judiciary.

By Mr. CHRISTIANSON: Joint resolution (H. J. Res. 57) proposing an amendment to the Constitution of the United States empowering the United States and the several States to lay and collect taxes upon income derived from certain securities; to the Committee on the Judiciary.

By Mr. TINKHAM: Concurrent resolution (H. Con. Res. 2) that the diplomatic recognition by the Government of the United States of America of the Union of Soviet Socialist Republics should be withdrawn; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the State of Louisiana; to the Committee on Agriculture.

Also, memorial of the State of Louisiana; to the Committee on Agriculture.

Also, memorial of the State of Arizona; to the Committee on Agriculture.

Also, memorial of the State of Arizona; to the Committee on Banking and Currency.

Also, memorial of the State of New Jersey; to the Committee on the Civil Service.

Also, memorial of the State of Louisiana; to the Committee on World War Veterans' Legislation.

Also, memorial of the State of Louisiana; to the Committee on Agriculture.

Also, memorial of the State of Louisiana; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the State of Arizona; to the Committee on Ways and Means.

Also, memorial of the State of Arizona; to the Committee on Ways and Means.

Also, memorial of the State of Arizona; to the Committee on Rivers and Harbors.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARDEN: A bill (H. R. 201) granting an increase of pension to Sallie Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 202) granting an increase of pension to Margaret A. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 203) granting an increase of pension to Winnie Hazard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 204) granting an increase of pension to Martha R. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 205) granting an increase of pension to Martha J. Blacketer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 206) granting an increase of pension to Mariah Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 207) granting a pension to Mattie L. Stults; to the Committee on Invalid Pensions.

Also, a bill (H. R. 208) granting a pension to Mary E. Sutherland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 209) granting a pension to Warren A. Purcell; to the Committee on Pensions.

Also, a bill (H. R. 210) granting a pension to Nancy A. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 211) granting a pension to William B. Priddy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 212) granting a pension to Coleman C. Poynter; to the Committee on Pensions.

Also, a bill (H. R. 213) granting a pension to Arthur Pate; to the Committee on Invalid Pensions.

Also, a bill (H. R. 214) granting a pension to Simpson Pennington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 215) granting a pension to Julia Lyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 216) granting a pension to Mary J. Logsdon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 217) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 218) granting a pension to Nancy Ann Laird; to the Committee on Invalid Pensions.

Also, a bill (H. R. 219) granting a pension to Jim Merideth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 220) granting a pension to George Merideth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 221) granting a pension to Martha Kasinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 222) granting a pension to Louisa F. Mansfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 223) granting a pension to Gorda James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 224) granting a pension to William H. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 225) granting a pension to E. V. Farrell; to the Committee on Pensions.

Also, a bill (H. R. 226) granting a pension to Isaphaine Hufft; to the Committee on Invalid Pensions.

Also, a bill (H. R. 227) granting a pension to Mattie Bumgardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 228) granting a pension to Alwilda Brooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 229) granting a pension to Maxie Compton; to the Committee on Pensions.

Also, a bill (H. R. 230) granting a pension to Alfred Daugherty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 231) for the relief of Thomas M. Bardin; to the Committee on Military Affairs.

Also, a bill (H. R. 232) granting a pension to Cynthia Ann Fightmaster; to the Committee on Invalid Pensions.

By Mr. CARMICHAEL: A bill (H. R. 233) for the relief of Susan Lawrence Davis; to the Committee on Claims.

By Mr. CROWTHER: A bill (H. R. 234) to restore to active duty Lyman S. Frasier, a major on the retired list of the United States Army; to the Committee on Military Affairs.

By Mr. FULMER: A bill (H. R. 235) granting a pension to Arthur D. Morgan; to the Committee on Pensions.

Also, a bill (H. R. 236) granting a pension to J. M. Fogle; to the Committee on Pensions.

Also, a bill (H. R. 237) for the relief of the Rowesville Oil Co.; to the Committee on Claims.

Also, a bill (H. R. 238) granting a pension to Hugo W. Weathers; to the Committee on Pensions.

Also, a bill (H. R. 239) for the relief of the Ladies' Ursuline Community of Columbia, at Columbia, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 240) for the relief of Capt. Alexander C. Doyle; to the Committee on Military Affairs.

Also, a bill (H. R. 241) for the relief of Richard A. Chavis; to the Committee on Military Affairs.

Also, a bill (H. R. 242) for the relief of the Washington Street Methodist Episcopal Church South, of Columbia, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 243) granting a pension to Maggie R. Cooper; to the Committee on Pensions.

Also, a bill (H. R. 244) for the relief of the trustees of St. Stephen's Church, of the Evangelical Lutheran Synod of South Carolina, of Lexington, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 245) to place David H. Owens on the retired list of the United States Marine Corps; to the Committee on Naval Affairs.

Also, a bill (H. R. 246) to correct the naval record of Decatur M. Bronson; to the Committee on Naval Affairs.

Also, a bill (H. R. 247) granting a pension to Ella Elizabeth Ayers; to the Committee on Pensions.

Also, a bill (H. R. 248) for the relief of David W. Shuler; to the Committee on Military Affairs.

Also, a bill (H. R. 249) for the relief of Leonard Theodore Boice; to the Committee on Military Affairs.

Also, a bill (H. R. 250) for the relief of Olin J. Salley; to the Committee on Claims.

Also, a bill (H. R. 251) granting a pension to Walter T. Reckling; to the Committee on Pensions.

Also, a bill (H. R. 252) for the relief of Lona Etheredge; to the Committee on Claims.

Also, a bill (H. R. 253) for the relief of Agnes E. Craig; to the Committee on Claims.

Also, a bill (H. R. 254) for the relief of the Farmers' Storage & Fertilizer Co., of Aiken, S. C.; to the Committee on Claims.

Also, a bill (H. R. 255) to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina; to the Committee on Military Affairs.

Also, a bill (H. R. 256) to provide for the commemoration of the Battle of Clouds Creek, in the State of South Carolina; to the Committee on Military Affairs.

Also, a bill (H. R. 257) granting a pension to Joseph M. Caughman; to the Committee on Pensions.

Also, a bill (H. R. 258) for the relief of Emma B. Hine; to the Committee on Claims.

Also, a bill (H. R. 259) for the relief of C. O. Meyer; to the Committee on Claims.

Also, a bill (H. R. 260) for the relief of Harry Lee Shaw; to the Committee on Military Affairs.

By Mr. GRANFIELD: A bill (H. R. 261) to authorize the Secretary of War to convey to the International Young Men's Christian Association College and to the trustees of the Gunn Realty Trust all right, title, and interest of the United States in and to certain lands in Hampden County, Mass.; to the Committee on Military Affairs.

Also, a bill (H. R. 262) authorizing the President to order Charles Southgate, Jr., before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 263) granting a pension to Mary R. Currier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 264) granting a pension to Ellen Scully; to the Committee on Pensions.

Also, a bill (H. R. 265) granting a pension to Angele Dragon; to the Committee on Pensions.

Also, a bill (H. R. 266) for the relief of Clara Easter; to the Committee on Claims.

Also, a bill (H. R. 267) for the relief of Myles McDonagh; to the Committee on Military Affairs.

Also, a bill (H. R. 268) for the relief of John E. Springer; to the Committee on the Civil Service.

Also, a bill (H. R. 269) for the relief of Edward H. Baines; to the Committee on the Civil Service.

Also, a bill (H. R. 270) for the relief of George A. G. Dearborn; to the Committee on Naval Affairs.

Also, a bill (H. R. 271) for the relief of Robert Francis Connell; to the Committee on Naval Affairs.

By Mr. HESS: A bill (H. R. 272) granting a pension to Mary Yeager; to the Committee on Pensions.

Also, a bill (H. R. 273) granting a pension to Lena K. Moran; to the Committee on Pensions.

Also, a bill (H. R. 274) granting a pension to Matilda Arleth; to the Committee on Pensions.

Also, a bill (H. R. 275) granting a pension to Clara M. Britt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 276) granting a pension to Ida L. Budd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 277) granting a pension to Emma Burdge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 278) granting a pension to Abaline Merrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 279) granting a pension to Estella Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 280) granting a pension to Fred Bert Stegeman; to the Committee on Pensions.

Also, a bill (H. R. 281) granting a pension to Florence Tebbenhoff; to the Committee on Pensions.

Also, a bill (H. R. 282) granting a pension to Irene Wilkins; to the Committee on Pensions.

Also, a bill (H. R. 283) granting a pension to John Westerkamp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 284) for the relief of John N. Brooks; to the Committee on Claims.

Also, a bill (H. R. 285) for the relief of Elizabeth M. Halpin; to the Committee on Claims.

Also, a bill (H. R. 286) for the relief of the heirs of the late Hugh McGlincey; to the Committee on Claims.

Also, a bill (H. R. 287) for the relief of Joseph Lawrence Rusche; to the Committee on Naval Affairs.

Also, a bill (H. R. 288) granting an increase of pension to Maggie Burke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 289) granting an increase of pension to Safrona Elliott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 290) granting an increase of pension to Martha J. Crets; to the Committee on Invalid Pensions.

Also, a bill (H. R. 291) granting an increase of pension to Mary Diker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 292) granting an increase of pension to Sarah A. Burd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 293) to correct the military record of Clifford Brenner; to the Committee on Military Affairs.

Also, a bill (H. R. 294) granting an increase of pension to Rebecca L. Beach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 295) granting an increase of pension to Susan F. Behymer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 296) granting a pension to Rowena Grice; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 297) for the relief of William C. Reese; to the Committee on Claims.

Also, a bill (H. R. 298) for the relief of Jack Page; to the Committee on Military Affairs.

Also, a bill (H. R. 299) for the relief of Basil W. McGinnis; to the Committee on Claims.

Also, a bill (H. R. 300) for the relief of F. P. Bolack; to the Committee on Claims.

Also, a bill (H. R. 301) granting a pension to Nellie Meigs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 302) granting a pension to Frances E. Baldwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 303) to authorize William W. Hicks, major, United States Army, to accept certain decorations conferred upon him by the President of the Austrian Republic and the President of the Czechoslovak Republic; to the Committee on Foreign Affairs.

Also, a bill (H. R. 304) granting a pension to Charlotte Dean; to the Committee on Pensions.

By Mr. MERRITT of Connecticut: A bill (H. R. 305) granting a pension to Mary A. Jennings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 306) granting a pension to Lydia M. Richards; to the Committee on Pensions.

Also, a bill (H. R. 307) for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.; to the Committee on Claims.

Also, a bill (H. R. 308) for the relief of Francis M. Johnston; to the Committee on Claims.

Also, a bill (H. R. 309) for the relief of William Larson; to the Committee on Naval Affairs.

Also, a bill (H. R. 310) for the relief of Howard F. Cunningham; to the Committee on Military Affairs.

Also, a bill (H. R. 311) for the relief of Joseph B. Murphy; to the Committee on Naval Affairs.

Also, a bill (H. R. 312) for the relief of Henry H. Payne; to the Committee on Military Affairs.

Also, a bill (H. R. 313) for the relief of Jean Anthony King; to the Committee on Naval Affairs.

Also, a bill (H. R. 314) granting a pension to Thomas J. Barbour; to the Committee on Pensions.

Also, a bill (H. R. 315) granting a pension to Gertrude S. Sharpe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 316) granting a pension to Irene R. Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 317) granting a pension to Veronica Zolyomy; to the Committee on Pensions.

By Mr. MILLARD: A bill (H. R. 318) for the relief of Arthur Van Gestel, alias Arthur Goodsell; to the Committee on Military Affairs.

Also, a bill (H. R. 319) for the relief of Zinsser & Co.; to the Committee on Military Affairs.

Also, a bill (H. R. 320) for the relief of Elsey M. Doying; to the Committee on Claims.

Also, a bill (H. R. 321) granting a pension to Elizabeth H. Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 322) to authorize the presentation of the Distinguished Service Cross to William A. Sullivan; to the Committee on Military Affairs.

Also, a bill (H. R. 323) granting an increase of pension to Miranda C. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 324) for the relief of Hyman E. Shulman; to the Committee on Claims.

Also, a bill (H. R. 325) for the relief of William Ropes; to the Committee on Claims.

By Mr. RUDD: A bill (H. R. 326) granting an increase of pension to Alice A. Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 327) for the relief of Stephen Schmeiser, Sr.; to the Committee on Claims.

Also, a bill (H. R. 328) for the relief of Joseph A. McCarthy; to the Committee on Claims.

Also, a bill (H. R. 329) for the relief of Thomas F. Kenney; to the Committee on Claims.

Also, a bill (H. R. 330) for the relief of Sophie de Sota; to the Committee on Foreign Affairs.

Also, a bill (H. R. 331) for the relief of George Migliorino; to the Committee on Naval Affairs.

Also, a bill (H. R. 332) for the relief of George French; to the Committee on Naval Affairs.

Also, a bill (H. R. 333) for the relief of Adolph Schnepf; to the Committee on Naval Affairs.

Also, a bill (H. R. 334) for the relief of Emil John Geiser; to the Committee on Naval Affairs.

Also, a bill (H. R. 335) for the relief of George Henry Purnhagen, deceased; to the Committee on Naval Affairs.

Also, a bill (H. R. 336) for the relief of Arthur J. L. Hock; to the Committee on Naval Affairs.

Also, a bill (H. R. 337) for the relief of Thomas J. Healy; to the Committee on Military Affairs.

Also, a bill (H. R. 338) granting a pension to Julia J. Godley; to the Committee on Pensions.

Also, a bill (H. R. 339) granting a pension to Margaret T. McLaughlin; to the Committee on Invalid Pensions.

By Mr. SABATH: A bill (H. R. 340) for the relief of Louis Zagata; to the Committee on Claims.

Also, a bill (H. R. 341) for the relief of Joseph Schoenbach; to the Committee on Claims.

Also, a bill (H. R. 342) for the relief of John Boska; to the Committee on Military Affairs.

Also, a bill (H. R. 343) for the relief of the legal heirs of the late William Hushka; to the Committee on Claims.

Also, a bill (H. R. 344) for the relief of Anna Kotjek; to the Committee on Claims.

Also, a bill (H. R. 345) for the relief of Tony Krenc; to the Committee on Claims.

Also, a bill (H. R. 346) for the relief of Joseph Sustowski; to the Committee on Claims.

Also, a bill (H. R. 347) for the relief of Josephine Matson; to the Committee on Claims.

Also, a bill (H. R. 348) for the relief of the legal representatives of the late Alvina Schallhorn; to the Committee on Claims.

Also, a bill (H. R. 349) granting a pension to Joseph Kotrsal; to the Committee on Pensions.

Also, a bill (H. R. 350) for the relief of Florenz Gutierrez; to the Committee on Claims.

By Mr. SNELL: A bill (H. R. 351) for the relief of Jane B. Smith and Dora D. Smith; to the Committee on Claims.

Also, a bill (H. R. 352) for the relief of John Martin; to the Committee on Military Affairs.

Also, a bill (H. R. 353) granting an increase of pension to Ida M. Lent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 354) granting an increase of pension to Sarah Ann McNiece; to the Committee on Pensions.

Also, a bill (H. R. 355) granting an increase of pension to Ellen Morrell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 356) granting an increase of pension to Rose Ann Richards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 357) granting an increase of pension to Laura C. Rock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 358) granting an increase of pension to Laura M. Shipman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 359) granting an increase of pension to Abigail Stone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 360) granting an increase of pension to Clara F. Tower; to the Committee on Invalid Pensions.

Also, a bill (H. R. 361) granting an increase of pension to Sarah E. Bradley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 362) granting an increase of pension to Sarah A. Bulluck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 363) granting an increase of pension to Alzina DeGroff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 364) granting an increase of pension to Hattie G. Dyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 365) granting an increase of pension to Agnes C. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 366) granting an increase of pension to Mariah C. Kent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 367) granting an increase of pension to Margaret V. Besa; to the Committee on Invalid Pensions.

Also, a bill (H. R. 368) granting an increase of pension to Ruth Irene Barney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 369) granting a pension to Emma B. Rowe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 370) granting a pension to Sarah E. Sutton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 371) granting a pension to Ellen D. Keck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 372) granting a pension to Clementine N. Riderick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 373) for the relief of Alex Terlizzi; to the Committee on Claims.

Also, a bill (H. R. 374) for the relief of Elizabeth Taylor; to the Committee on Military Affairs.

Also, a bill (H. R. 375) for the relief of A. W. Duckett & Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 376) for the relief of Lillian M. Lanphear; to the Committee on Claims.

Also, a bill (H. R. 377) for the relief of Elizabeth Lizette; to the Committee on Military Affairs.

Also, a bill (H. R. 378) for the relief of Gerald Mackey; to the Committee on Claims.

Also, a bill (H. R. 379) granting a pension to Jennie S. Bogardus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 380) for the relief of Melissa Switzer; to the Committee on Military Affairs.

Also, a bill (H. R. 381) granting insurance to Lydia C. Spry; to the Committee on Claims.

By Mr. ARNOLD: A bill (H. R. 382) granting a pension to Lavinia McDonald Beard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 383) granting a pension to Harriet Ann Irvin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 384) granting an increase of pension to Eliza Peddicord; to the Committee on Invalid Pensions.

Also, a bill (H. R. 385) granting an increase of pension to Harriet E. Tally; to the Committee on Invalid Pensions.

Also, a bill (H. R. 386) granting an increase of pension to Delilah Rice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 387) granting an increase of pension to Maria J. Harner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 388) granting an increase of pension to Viola A. Shaw; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 389) to compensate Prince William County, Va., and York County, Va., for certain of their public roads and highways seized by the United States for the use of a permanent Marine Corps post at Quantico, Va., and a Navy mine depot at or near Yorktown, Va.; to the Committee on Claims.

Also, a bill (H. R. 390) providing for preliminary examination and survey of waters connecting Cherrystone Channel with Cape Charles, Va., with a view to establishing a harbor of refuge at Cape Charles, Va., with a minimum depth of 10 feet; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 391) for a preliminary examination and survey of Chincoteague Bay with a view to establishing a harbor of refuge at Greenbackville and Franklin City, Accomac County, Va., and protection of adjoining shore from storm depredation; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 392) to provide for an examination and survey of the waters and channels between the Chesapeake Bay and Chincoteague Bay in the State of Virginia lying between the mainland and the islands along the coast with a view to providing an inland waterway from the Chesapeake Bay to Chincoteague Bay; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 393) for preliminary examination and survey of Occupacia Creek, Essex County, Va., and channel connecting the same with the Rappahannock River; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 394) to authorize and direct the appointment of Levin Milton Price as a first lieutenant, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 395) for the relief of the heirs of Thomas G. Wright; to the Committee on War Claims.

Also, a bill (H. R. 396) for the relief of the Virginia Engineering Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 397) for the relief of Robbie Coates; to the Committee on Claims.

Also, a bill (H. R. 398) for the relief of James E. Haynes; to the Committee on Claims.

Also, a bill (H. R. 399) for the relief of A. F. Amory; to the Committee on the Judiciary.

Also, a bill (H. R. 400) for the relief of John Fox; to the Committee on Military Affairs.

Also, a bill (H. R. 401) for the relief of James T. Moore; to the Committee on Military Affairs.

Also, a bill (H. R. 402) for the relief of the Union Shipping & Trading Co., Ltd.; to the Committee on War Claims.

Also, a bill (H. R. 403) granting a pension to Grace A. Coates; to the Committee on Pensions.

Also, a bill (H. R. 404) granting a pension to Annie Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 405) granting a pension to Julius Hampton, Jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 406) granting a pension to Laura E. Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 407) granting a pension to Barbara Oertel; to the Committee on Pensions.

Also, a bill (H. R. 408) granting a pension to Neva Dobbins; to the Committee on Pensions.

Also, a bill (H. R. 409) granting an increase of pension to Emily Semple Wood; to the Committee on Pensions.

Also, a bill (H. R. 410) granting a pension to Daniel Pierce; to the Committee on Pensions.

Also, a bill (H. R. 411) to provide for a survey of Winter Harbor, Mathews County, Va., with a view to its improvement for sanitary reasons; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 412) to confer jurisdiction upon the Court of Claims to hear and determine the claim of the legal representatives of Henry H. Sibley, deceased; to the Committee on War Claims.

Also, a bill (H. R. 413) for preliminary examination and survey of Onancock River, Accomac County, Va., and enlarging the harbor at Onancock, Va.; to the Committee on Rivers and Harbors.

By Mr. BURCH: A bill (H. R. 414) for the relief of the heirs of Reuben Ragland; to the Committee on Claims.

Also, a bill (H. R. 415) granting a pension to Keith B. Wilborn; to the Committee on Pensions.

By Mr. CORNING: A bill (H. R. 416) granting an increase of pension to Catherine Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 417) for the relief of William P. Brady; to the Committee on Military Affairs.

Also, a bill (H. R. 418) for the relief of Charles Harvey Hole; to the Committee on Naval Affairs.

Also, a bill (H. R. 419) for the relief of Ruth Relyea; to the Committee on Claims.

Also, a bill (H. R. 420) for the relief of Bruno Tarzio; to the Committee on Claims.

Also, a bill (H. R. 421) granting a pension to Agnes B. Flynn; to the Committee on Pensions.

Also, a bill (H. R. 422) for the relief of Edward Beebe, otherwise known as John Doyle; to the Committee on Military Affairs.

Also, a bill (H. R. 423) granting an increase of pension to Ada Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 424) granting an increase of pension to Melissa Fitch; to the Committee on Invalid Pensions.

By Mr. DONDERO: A bill (H. R. 425) to clear the military record of Albert Esten Martin; to the Committee on Military Affairs.

By Mr. DUFFEY of Ohio: A bill (H. R. 426) for the relief of Jacob Santavy; to the Committee on Claims.

Also, a bill (H. R. 427) for the relief of Justin G. Ballou; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 428) granting a pension to Marie Brown; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 429) granting an increase of pension to Willis E. Van Vranken; to the Committee on Pensions.

Also, a bill (H. R. 430) granting an increase of pension to George Webb, Jr.; to the Committee on Pensions.

Also, a bill (H. R. 431) granting a pension to William A. Symington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 432) granting a pension to Addaline Collins; to the Committee on Pensions.

Also, a bill (H. R. 433) granting a pension to Ella Burlingham; to the Committee on Pensions.

Also, a bill (H. R. 434) for the relief of Victor B. Tate; to the Committee on Claims.

Also, a bill (H. R. 435) for the relief of Arthur A. Rohe; to the Committee on Naval Affairs.

Also, a bill (H. R. 436) for the relief of Collin B. Myatt; to the Committee on Naval Affairs.

Also, a bill (H. R. 437) for the relief of Thomas Spence; to the Committee on Military Affairs.

Also, a bill (H. R. 438) for the relief of Sylvester P. Hill; to the Committee on Military Affairs.

Also, a bill (H. R. 439) granting an increase of pension to Helen Burchett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 440) granting an increase of pension to Rose R. Corner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 441) granting an increase of pension to Susanah S. Dellinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 442) granting an increase of pension to Martha A. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 443) granting an increase of pension to Ellen L. W. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 444) granting an increase of pension to Ella M. Tansey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 445) granting an increase of pension to Sarah Jane Wiegel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 446) granting a pension to Lizzie E. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 447) granting a pension to Stella Coffield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 448) granting a pension to Peter Cuddy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 449) granting a pension to Agnes Baker Currey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 450) granting a pension to Rosa M. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 451) granting a pension to Sadie Hainline; to the Committee on Invalid Pensions.

Also, a bill (H. R. 452) granting a pension to Alvesta Otto; to the Committee on Invalid Pensions.

Also, a bill (H. R. 453) for the relief of John Alexander Harmon; to the Committee on Military Affairs.

By Mr. JENKINS of Ohio: A bill (H. R. 454) granting an increase of pension to Nancy South; to the Committee on Invalid Pensions.

Also, a bill (H. R. 455) granting an increase of pension to Rachel Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 456) granting an increase of pension to Mary E. Pickens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 457) granting an increase of pension to Elizabeth R. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 458) granting an increase of pension to Caroline Lowery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 459) granting an increase of pension to Catherine Ribel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 460) granting an increase of pension to California Farmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 461) granting an increase of pension to Mary L. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 462) granting an increase of pension to Mary M. Folden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 463) granting an increase of pension to Addie C. Fenwick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 464) granting an increase of pension to Caroline Rupe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 465) granting an increase of pension to Julina Crabtree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 466) granting an increase of pension to Dorinda Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 467) granting an increase of pension to Elizabeth Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 468) granting an increase of pension to Jennie S. Duncan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 469) granting an increase of pension to Sarah A. Fox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 470) granting an increase of pension to Mary Entsminger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 471) granting an increase of pension to Melissa Endicott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 472) granting an increase of pension to Mary Conaway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 473) granting an increase of pension to Sarah J. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 474) granting a pension to Dora B. Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 475) granting an increase of pension to Annie Levering; to the Committee on Invalid Pensions.

Also, a bill (H. R. 476) granting a pension to Michael Thomas Tippie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 477) granting a pension to Samuel Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 478) granting a pension to Alice Shoemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 479) granting a pension to Mary Virginia Salisbury; to the Committee on Invalid Pensions.

Also, a bill (H. R. 480) granting a pension to Sarah S. Shumate; to the Committee on Invalid Pensions.

Also, a bill (H. R. 481) granting a pension to Sarah Shoemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 482) granting a pension to Lucy C. Montgomery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 483) granting a pension to Jennie Jackson Tewksbury; to the Committee on Invalid Pensions.

Also, a bill (H. R. 484) granting a pension to Harriett A. Litten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 485) granting a pension to Priscilla Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 486) granting a pension to Anna Lesser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 487) granting a pension to Minnie B. Leonard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 488) granting a pension to Everett Horton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 489) granting a pension to Sarah J. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 490) granting a pension to Jennie Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 491) granting a pension to Leslie D. Hood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 492) granting a pension to Paul Chick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 493) granting a pension to Lewis Congrove; to the Committee on Invalid Pensions.

Also, a bill (H. R. 494) granting a pension to Ella Carl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 495) granting a pension to Clarisa Burnett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 496) granting a pension to Wilson Branch Cook; to the Committee on Pensions.

Also, a bill (H. R. 497) granting a pension to William Long; to the Committee on Pensions.

Also, a bill (H. R. 498) to confer jurisdiction on the Court of Claims of the United States to hear and determine the claim of Marion L. French; to the Committee on Claims.

Also, a bill (H. R. 499) granting a pension to William Patterson; to the Committee on Pensions.

Also, a bill (H. R. 500) granting a pension to Thomas A. O'Leary; to the Committee on Pensions.

Also, a bill (H. R. 501) granting a pension to Charles Younger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 502) granting an increase of pension to Rachel L. Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 503) granting an increase of pension to Kate Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 504) granting an increase of pension to Sophie M. Swigert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 505) granting an increase of pension to Violet S. Woodward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 506) granting an increase of pension to Mary C. Keneff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 507) granting an increase of pension to Sarah A. Howell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 508) granting an increase of pension to Hattie Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 509) granting an increase of pension to Lucinda A. Hulbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 510) granting an increase of pension to Eliza Laird; to the Committee on Invalid Pensions.

Also, a bill (H. R. 511) granting an increase of pension to Phebe A. Fife; to the Committee on Invalid Pensions.

Also, a bill (H. R. 512) granting an increase of pension to Mary E. Gramm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 513) granting an increase of pension to Mary E. Derry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 514) granting an increase of pension to Amy F. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 515) granting an increase of pension to Caroline Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 516) granting an increase of pension to Sarah A. Daugherty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 517) granting an increase of pension to Miram Colby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 518) granting an increase of pension to Mary E. DeWitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 519) granting an increase of pension to Margaret E. Chambers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 520) granting an increase of pension to Elizabeth Board; to the Committee on Invalid Pensions.

Also, a bill (H. R. 521) granting an increase of pension to Adabelle Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 522) granting an increase of pension to Maria S. Carsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 523) granting an increase of pension to Henrietta H. Eator; to the Committee on Invalid Pensions.

Also, a bill (H. R. 524) granting an increase of pension to Jane Cooper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 525) granting an increase of pension to Mary C. Arthur; to the Committee on Invalid Pensions.

Also, a bill (H. R. 526) granting an increase of pension to Eva Barlow; to the Committee on Invalid Pensions.

By Mr. KEE: A bill (H. R. 527) for the relief of F. M. Peters and J. T. Akers; to the Committee on Claims.

Also, a bill (H. R. 528) granting a pension to Marion Litton; to the Committee on Pensions.

By Mr. KENNEY: A bill (H. R. 529) granting compensation to George S. Conway, Jr.; to the Committee on Claims.

Also, a bill (H. R. 530) granting compensation to the estate of Thomas Peraglia, deceased; to the Committee on Claims.

Also, a bill (H. R. 531) granting compensation to Walter F. Northrop; to the Committee on Claims.

Also, a bill (H. R. 532) to provide for a preliminary examination and survey of a waterway to connect the Hudson and Hackensack Rivers; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 533) for the relief of Wenzel A. Klinger; to the Committee on Claims.

Also, a bill (H. R. 534) for the relief of Maj. Cris Miles Burlingame; to the Committee on Military Affairs.

Also, a bill (H. R. 535) for the relief of Leonard Delillo; to the Committee on Naval Affairs.

Also, a bill (H. R. 536) granting compensation to Mae Schichtel; to the Committee on Claims.

By Mr. KLOEB: A bill (H. R. 537) granting a pension to Chester E. Stevenson; to the Committee on Pensions.

By Mr. LAMNECK: A bill (H. R. 538) to authorize the appointment of Ralph H. Bogle, Jr., as a second lieutenant, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 539) extending the benefits of the Emergency Officers' Retirement Act to Lem C. Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 540) granting a pension to Alonzo Edward Davis; to the Committee on Pensions.

Also, a bill (H. R. 541) granting a pension to Fred F. Counts; to the Committee on Pensions.

Also, a bill (H. R. 542) granting a pension to Ralph E. Henson; to the Committee on Pensions.

Also, a bill (H. R. 543) granting a pension to Elizabeth Heintze; to the Committee on Pensions.

Also, a bill (H. R. 544) granting a pension to Della Leach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 545) granting a pension to Alfrettia Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 546) granting a pension to Alice M. Stites; to the Committee on Invalid Pensions.

Also, a bill (H. R. 547) granting a pension to Emma Fishinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 548) granting an increase of pension to Caroline Engelhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 549) granting an increase of pension to Decimay Ely; to the Committee on Invalid Pensions.

Also, a bill (H. R. 550) granting an increase of pension to Matilda P. Dawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 551) granting an increase of pension to Elizabeth Denham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 552) granting an increase of pension to Elizabeth Cooley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 553) granting an increase of pension to Caroline Collier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 554) granting an increase of pension to Ella V. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 555) granting an increase of pension to L. Belle Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 556) granting an increase of pension to Virginia Bower; to the Committee on Invalid Pensions.

Also, a bill (H. R. 557) granting an increase of pension to Susan Buckingham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 558) granting an increase of pension to Sarah J. Blair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 559) granting an increase of pension to Martha R. Bebb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 560) granting an increase of pension to Fannie Bastle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 561) granting an increase of pension to Adelia Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 562) granting an increase of pension to Rachel L. Engle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 563) granting an increase of pension to Jane A. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 564) granting an increase of pension to Elizabeth E. Franks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 565) granting an increase of pension to Frances E. Foster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 566) granting an increase of pension to Mary Elizabeth Gibbons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 567) granting an increase of pension to Emmeline B. Gilpin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 568) granting an increase of pension to Columbia Hankins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 569) granting an increase of pension to Martha E. Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 570) granting an increase of pension to Mary Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 571) granting an increase of pension to Matilda Kennedy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 572) granting an increase of pension to Eleonore Kopp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 573) granting an increase of pension to Julia A. Love; to the Committee on Invalid Pensions.

Also, a bill (H. R. 574) granting an increase of pension to Miami Leeper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 575) granting an increase of pension to Sarah C. Lines; to the Committee on Invalid Pensions.

Also, a bill (H. R. 576) granting an increase of pension to Annie I. McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 577) granting an increase of pension to Anna W. McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 578) granting an increase of pension to Sarah J. Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 579) granting an increase of pension to Mary A. Pocock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 580) granting an increase of pension to Sarah Jane Plummer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 581) granting an increase of pension to Mary C. Reichard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 582) granting an increase of pension to Tabitha Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 583) granting an increase of pension to Kate Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 584) granting an increase of pension to Mary Schutte; to the Committee on Invalid Pensions.

Also, a bill (H. R. 585) granting an increase of pension to Charles Fuhr; to the Committee on Pensions.

Also, a bill (H. R. 586) granting an increase of pension to George E. Partee; to the Committee on Pensions.

Also, a bill (H. R. 587) awarding the Distinguished Service Cross to Joseph Tibe; to the Committee on Military Affairs.

Also, a bill (H. R. 588) for the relief of Alex Lindsay; to the Committee on Military Affairs.

Also, a bill (H. R. 589) for the relief of Ollie V. Ross; to the Committee on Military Affairs.

Also, a bill (H. R. 590) for the relief of Albert G. Dawson; to the Committee on Military Affairs.

Also, a bill (H. R. 591) for the relief of James W. Currie; to the Committee on Military Affairs.

Also, a bill (H. R. 592) for the relief of Frederick Glad Corcoran; to the Committee on Naval Affairs.

Also, a bill (H. R. 593) for the relief of Fred C. Blenkner; to the Committee on Claims.

Also, a bill (H. R. 594) for the relief of Roy Beck; to the Committee on Military Affairs.

Also, a bill (H. R. 595) for the relief of Elmer Getrue; to the Committee on Claims.

Also, a bill (H. R. 596) for the relief of Ollie L. Brixner; to the Committee on Military Affairs.

Also, a bill (H. R. 597) for the relief of George W. Allison; to the Committee on Claims.

Also, a bill (H. R. 598) for the relief of Lawrence Fisher; to the Committee on Military Affairs.

Also, a bill (H. R. 599) for the relief of Harry R. Walters; to the Committee on Military Affairs.

Also, a bill (H. R. 600) for the relief of Frank Raymond West; to the Committee on Naval Affairs.

Also, a bill (H. R. 601) for the relief of Ribble Johnson; to the Committee on Claims.

Also, a bill (H. R. 602) for the relief of H. E. Kraner; to the Committee on Claims.

Also, a bill (H. R. 603) for the relief of William J. Lucks; to the Committee on Claims.

Also, a bill (H. R. 604) for the relief of Thomas Stokes; to the Committee on Military Affairs.

Also, a bill (H. R. 605) for the relief of Joseph Maier; to the Committee on Claims.

Also, a bill (H. R. 606) for the relief of Jesse M. Miller; to the Committee on Military Affairs.

Also, a bill (H. R. 607) for the relief of Florence Overly; to the Committee on Claims.

Also, a bill (H. R. 608) for the relief of Dorothy Marie O'Higgins; to the Committee on Claims.

Also, a bill (H. R. 609) for the relief of Newton C. Stalnaker; to the Committee on Military Affairs.

Also, a bill (H. R. 610) for the relief of Matt E. Saylor; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 611) for the relief of Edwina R. Munchhof; to the Committee on War Claims.

Also, a bill (H. R. 612) for the relief of Margaret Dunn; to the Committee on Claims.

Also, a bill (H. R. 613) for the relief of Harlie O. Hacker; to the Committee on Military Affairs.

Also, a bill (H. R. 614) for the relief of Louis W. Heagy, Jr.; to the Committee on Claims.

Also, a bill (H. R. 615) for the relief of Meta De Rene McLoskey; to the Committee on War Claims.

Also, a bill (H. R. 616) for the relief of Homer J. Williamson; to the Committee on Claims.

Also, a bill (H. R. 617) to correct the military record of Lake B. Morrison; to the Committee on Military Affairs.

Also, a bill (H. R. 618) to change the records of the War Department in the case of Thomas J. Parrott; to the Committee on Military Affairs.

Also, a bill (H. R. 619) providing for the payment of the findings reported by the Court of Claims in favor of Timothy C. Harrington for extra time; to the Committee on Claims.

Also, a bill (H. R. 620) to refund the duty on a carillon of 63 bells imported for the Scottish Rite Temple, Indianapolis, Ind.; to the Committee on Claims.

Also, a bill (H. R. 621) granting a pension to John O. Allen; to the Committee on Pensions.

Also, a bill (H. R. 622) granting a pension to Stanley B. Astry; to the Committee on Pensions.

Also, a bill (H. R. 623) granting a pension to Mary S. Carter; to the Committee on Pensions.

Also, a bill (H. R. 624) granting a pension to Lawrence O. Darnell; to the Committee on Pensions.

Also, a bill (H. R. 625) granting a pension to Callie J. Feaster; to the Committee on Pensions.

Also, a bill (H. R. 626) granting a pension to Louis C. McKnight; to the Committee on Pensions.

Also, a bill (H. R. 627) granting a pension to Albert Porteus; to the Committee on Pensions.

Also, a bill (H. R. 628) granting a pension to Harry Slavin; to the Committee on Pensions.

Also, a bill (H. R. 629) granting a pension to Emma E. Smith; to the Committee on Pensions.

Also, a bill (H. R. 630) granting a pension to Pearl Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 631) granting a pension to Florence Wernsing; to the Committee on Pensions.

Also, a bill (H. R. 632) granting a pension to Flora Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 633) granting a pension to Anna Brock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 634) granting a pension to Carrie J. Dahn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 635) granting a pension to Annie Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 636) granting a pension to James Henry Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 637) granting an increase of pension to Belle Armel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 638) granting an increase of pension to Minnie Crum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 639) granting an increase of pension to Sally J. Hendrix; to the Committee on Invalid Pensions.

Also, a bill (H. R. 640) granting an increase of pension to Eulise Hubbard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 641) granting an increase of pension to Sophia Huber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 642) granting an increase of pension to Josephine Layton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 643) granting an increase of pension to Florence S. McGinnis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 644) granting an increase of pension to Hannah Sims; to the Committee on Invalid Pensions.

Also, a bill (H. R. 645) granting an increase of pension to Sarah E. Spangler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 646) granting an increase of pension to Laura A. Stahlnacker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 647) granting an increase of pension to Clara L. Waggoner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 648) granting an increase of pension to Eliza A. Washington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 649) granting an increase of pension to Rebecca A. Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 650) granting an increase of pension to Nellie B. Hughett; to the Committee on Pensions.

Also, a bill (H. R. 651) granting a pension to Lottie Denny; to the Committee on Invalid Pensions.

Also, a bill (H. R. 652) granting a pension to Jane Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 653) for the relief of George R. Brown; to the Committee on Claims.

Also, a bill (H. R. 654) for the relief of Chester A. Green; to the Committee on Military Affairs.

Also, a bill (H. R. 655) granting an increase of pension to David E. Lunsford; to the Committee on Pensions.

Also, a bill (H. R. 656) granting a pension to Joseph F. Murphy; to the Committee on Pensions.

Also, a bill (H. R. 657) authorizing the Secretary of War to award a Distinguished Service Medal to Joseph A. Minturn; to the Committee on Military Affairs.

Also, a bill (H. R. 658) for the relief of H. A. Wilson, W. B. Conner, and Charles E. Hilliard; to the Committee on Claims.

By Mr. McCORMACK: A bill (H. R. 659) for the relief of Thomas J. Duffy; to the Committee on Military Affairs.

Also, a bill (H. R. 660) for the relief of George Luftman; to the Committee on Military Affairs.

Also, a bill (H. R. 661) for the relief of Thomas Kirwan; to the Committee on Military Affairs.

Also, a bill (H. R. 662) for the relief of George C. Cummings; to the Committee on Military Affairs.

Also, a bill (H. R. 663) for the relief of James Conley; to the Committee on Military Affairs.

Also, a bill (H. R. 664) for the relief of William F. Curley; to the Committee on Military Affairs.

Also, a bill (H. R. 665) for the relief of Teresa Cowley; to the Committee on Claims.

Also, a bill (H. R. 666) for the relief of Mrs. A. H. Lawson; to the Committee on Claims.

Also, a bill (H. R. 667) for the relief of Walter E. Patten; to the Committee on Military Affairs.

Also, a bill (H. R. 668) for the relief of Charles S. Perkins; to the Committee on Military Affairs.

Also, a bill (H. R. 669) for the relief of Clarence Herbert Peltier; to the Committee on the Judiciary.

Also, a bill (H. R. 670) conferring jurisdiction in the Court of Claims to hear and determine the claim of George B. Gates; to the Committee on Claims.

Also, a bill (H. R. 671) for the relief of John Gibbon; to the Committee on the Civil Service.

Also, a bill (H. R. 672) for the relief of Joseph Peter Joyce; to the Committee on Naval Affairs.

Also, a bill (H. R. 673) for the relief of John P. Hurley; to the Committee on Naval Affairs.

Also, a bill (H. R. 674) for the relief of Charles J. La-Farge; to the Committee on Naval Affairs.

Also, a bill (H. R. 675) for the relief of Charles McCarren; to the Committee on Naval Affairs.

Also, a bill (H. R. 676) for the relief of William Martin; to the Committee on Naval Affairs.

Also, a bill (H. R. 677) for the relief of Charles F. Hult; to the Committee on Naval Affairs.

Also, a bill (H. R. 678) for the relief of Ralph M. George; to the Committee on Naval Affairs.

Also, a bill (H. R. 679) for the relief of William Fisher; to the Committee on Naval Affairs.

Also, a bill (H. R. 680) for the relief of John William Ford; to the Committee on Naval Affairs.

Also, a bill (H. R. 681) for the relief of James Philip Coyle; to the Committee on Naval Affairs.

Also, a bill (H. R. 682) for the relief of Walter M. Cass; to the Committee on Naval Affairs.

Also, a bill (H. R. 683) for the relief of Charles Eben Stewart; to the Committee on Naval Affairs.

Also, a bill (H. R. 684) for the relief of Edward F. Shea; to the Committee on Naval Affairs.

Also, a bill (H. R. 685) for the relief of the estate of Emil Hoyer, deceased; to the Committee on Claims.

Also, a bill (H. R. 686) for the relief of John Collins; to the Committee on Claims.

Also, a bill (H. R. 687) granting a pension to Theresa G. Noonan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 688) granting a pension to Emeline M. Salstrom; to the Committee on Pensions.

Also, a bill (H. R. 689) granting a pension to Edmund Burns; to the Committee on Pensions.

Also, a bill (H. R. 690) granting a pension to Timothy Vaughan; to the Committee on Pensions.

Also, a bill (H. R. 691) for the relief of Joseph Thomas Croke; to the Committee on Naval Affairs.

Also, a bill (H. R. 692) for the relief of Lawrence Rooney; to the Committee on Naval Affairs.

Also, a bill (H. R. 693) for the relief of John Neilson; to the Committee on Naval Affairs.

Also, a bill (H. R. 694) for the relief of Francis Louis Nourse; to the Committee on Naval Affairs.

Also, a bill (H. R. 695) for the relief of John E. Ziniti; to the Committee on Naval Affairs.

Also, a bill (H. R. 696) for the relief of James Francis O'Brien; to the Committee on Naval Affairs.

Also, a bill (H. R. 697) for the relief of William Walter Shyne; to the Committee on Naval Affairs.

Also, a bill (H. R. 698) for the relief of Albert Edward Vincent; to the Committee on Naval Affairs.

By Mr. McREYNOLDS: A bill (H. R. 699) granting a pension to Bell D. Qualls; to the Committee on Invalid Pensions.

Also, a bill (H. R. 700) granting a pension to Christine Francis Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 701) granting a pension to Sallie Jordan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 702) granting a pension to Mariah Jenkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 703) granting a pension to Editha Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 704) for the relief of Thelbert Davis; to the Committee on Claims.

By Mr. MAY: A bill (H. R. 705) granting an increase of pension to John S. Cisco; to the Committee on Pensions.

Also, a bill (H. R. 706) granting an increase of pension to Sarah E. May; to the Committee on Invalid Pensions.

Also, a bill (H. R. 707) granting an increase of pension to Shiloh Sally; to the Committee on Pensions.

Also, a bill (H. R. 708) granting an increase of pension to William Sally; to the Committee on Pensions.

Also, a bill (H. R. 709) for the relief of Elijah Fuller; to the Committee on Military Affairs.

Also, a bill (H. R. 710) for the relief of Chick Patrick; to the Committee on War Claims.

Also, a bill (H. R. 711) for the relief of W. D. Blair; to the Committee on Claims.

Also, a bill (H. R. 712) for the relief of W. G. Tackett; to the Committee on Claims.

Also, a bill (H. R. 713) granting a pension to Granville Pearl Cornett; to the Committee on Pensions.

Also, a bill (H. R. 714) granting a pension to John Brown; to the Committee on Pensions.

Also, a bill (H. R. 715) granting a pension to Chester Cornett; to the Committee on Pensions.

Also, a bill (H. R. 716) granting a pension to Bascom Prater; to the Committee on Pensions.

Also, a bill (H. R. 717) granting a pension to Colonel L. Stacy; to the Committee on Pensions.

Also, a bill (H. R. 718) granting a pension to Andrew J. Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 719) granting a pension to Sarah Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 720) granting a pension to Remine Combs; to the Committee on Pensions.

Also, a bill (H. R. 721) granting a pension to Melissa Powers; to the Committee on Pensions.

Also, a bill (H. R. 722) granting a pension to Green Morris; to the Committee on Pensions.

Also, a bill (H. R. 723) granting a pension to Emily Jane Poe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 724) granting a pension to Elijah Bolin; to the Committee on Pensions.

Also, a bill (H. R. 725) granting a pension to Isaac Eversole; to the Committee on Pensions.

Also, a bill (H. R. 726) granting a pension to William R. Hunter; to the Committee on Pensions.

Also, a bill (H. R. 727) granting a pension to Margaret Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 728) granting a pension to Dennis S. Smith; to the Committee on Pensions.

Also, a bill (H. R. 729) granting a pension to Jason B. Craft; to the Committee on Pensions.

Also, a bill (H. R. 730) granting a pension to Troy Hill; to the Committee on Pensions.

Also, a bill (H. R. 731) granting a pension to William Patrick; to the Committee on Pensions.

Also, a bill (H. R. 732) granting a pension to James I. Barnett; to the Committee on Pensions.

Also, a bill (H. R. 733) granting a pension to Benjamen F. Kelly; to the Committee on Pensions.

Also, a bill (H. R. 734) granting a pension to Silas E. Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 735) granting a pension to George W. Brown; to the Committee on Pensions.

Also, a bill (H. R. 736) granting a pension to Hobart Estep; to the Committee on Pensions.

Also, a bill (H. R. 737) granting a pension to Theodore Fields; to the Committee on Pensions.

Also, a bill (H. R. 738) granting a pension to Stephen Hays; to the Committee on Pensions.

Also, a bill (H. R. 739) granting a pension to John Stacy; to the Committee on Pensions.

Also, a bill (H. R. 740) granting a pension to Samuel S. Miller; to the Committee on Pensions.

Also, a bill (H. R. 741) granting a pension to Billie Allen; to the Committee on Pensions.

Also, a bill (H. R. 742) granting a pension to Elbert Newberry; to the Committee on Pensions.

Also, a bill (H. R. 743) granting a pension to Leonard Stanley; to the Committee on Pensions.

Also, a bill (H. R. 744) granting a pension to Walter B. Ward; to the Committee on Pensions.

Also, a bill (H. R. 745) granting a pension to Silas Fields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 746) granting a pension to Buck Combs; to the Committee on Pensions.

Also, a bill (H. R. 747) granting a pension to George W. Kinney; to the Committee on Pensions.

Also, a bill (H. R. 748) granting a pension to George Brewer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 749) granting a pension to Lucinda McDaniel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 750) granting a pension to John Haners; to the Committee on Pensions.

Also, a bill (H. R. 751) granting a pension to Navar Combs; to the Committee on Pensions.

Also, a bill (H. R. 752) granting a pension to Leck Williams; to the Committee on Pensions.

Also, a bill (H. R. 753) granting a pension to Polly Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 754) granting a pension to Paris May; to the Committee on Pensions.

Also, a bill (H. R. 755) to provide for the refund and repayment to A. L. Martin, former postmaster of Drift, Floyd County, Ky., of funds heretofore twice paid by him to the Government; to the Committee on Claims.

Also, a bill (H. R. 756) granting a pension to Emaline Gambrel; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 757) for the relief of Leonard Gospodarski; to the Committee on Claims.

Also, a bill (H. R. 758) for the relief of Francesca Incardone Iacona; to the Committee on Claims.

Also, a bill (H. R. 759) for the relief of Mary Czap; to the Committee on Claims.

Also, a bill (H. R. 760) for the relief of John L. Hoffman; to the Committee on Claims.

Also, a bill (H. R. 761) for the relief of Nick Gruich; to the Committee on Claims.

Also, a bill (H. R. 762) for the relief of Stanislaus Lipowicz; to the Committee on Claims.

Also, a bill (H. R. 763) granting an increase of pension to Eliza Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 764) granting a pension to Elizabeth Henning; to the Committee on Pensions.

Also, a bill (H. R. 765) to authorize the appointment of Capt. Byron B. Daggett, retired, to the grade of major, retired, in the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 766) for the relief of Frank Mackowiak; to the Committee on Military Affairs.

Also, a bill (H. R. 767) for the relief of John Heinzenberger; to the Committee on Military Affairs.

Also, a bill (H. R. 768) for the relief of the widow and children of Samuel F. Freiert, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 769) granting a Medal of Honor to Frank J. Barcsykowski; to the Committee on Naval Affairs.

Also, a bill (H. R. 770) for the relief of Joseph M. Haska; to the Committee on Naval Affairs.

Also, a bill (H. R. 771) for the relief of Joseph George Fimbel; to the Committee on Naval Affairs.

Also, a bill (H. R. 772) for the relief of Leonard F. Westphal; to the Committee on Naval Affairs.

Also, a bill (H. R. 773) for the relief of Peter S. Klaskala; to the Committee on Naval Affairs.

Also, a bill (H. R. 774) for the relief of Edward Henry Condon; to the Committee on Naval Affairs.

Also, a bill (H. R. 775) for the relief of Joseph Leroy Everett; to the Committee on Naval Affairs.

Also, a bill (H. R. 776) for the relief of Lt. Emmet P. Forrestel; to the Committee on Naval Affairs.

Also, a bill (H. R. 777) for the relief of Edward Raymond Naiderek; to the Committee on Naval Affairs.

Also, a bill (H. R. 778) for the relief of Burton Bowen; to the Committee on Naval Affairs.

Also, a bill (H. R. 779) for the relief of Howard W. Chadderdon; to the Committee on Naval Affairs.

Also, a bill (H. R. 780) for the relief of Raymond C. Bogart; to the Committee on Naval Affairs.

Also, a bill (H. R. 781) for the relief of Henry C. Zeller and Edward G. Zeller with respect to the maintenance of suit against the United States for the recovery of any income tax paid to the United States for the fiscal year beginning October 1, 1916, and ending September 30, 1917, in excess of the amount of tax lawfully due for such period; to the Committee on Claims.

Also, a bill (H. R. 782) for the relief of William Harnick; to the Committee on Naval Affairs.

Also, a bill (H. R. 783) to ratify certain leases with the Seneca Nation of Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 784) to ratify certain leases with the Seneca Nation of Indians; to the Committee on Indian Affairs.

By Mr. MILLARD: A bill (H. R. 785) for the relief of Bertram Lee Schoonmaker; to the Committee on War Claims.

Also, a bill (H. R. 786) for the relief of Bertram Lee Schoonmaker; to the Committee on World War Veterans' Legislation.

By Mr. RAMSAY: A bill (H. R. 787) to restore to the Neill Grocery Co. of Wheeling, W. Va., the sum of $900, the amount of counsel fee paid by said Neill Grocery Co. in an action brought against them August 10, 1917; to the Committee on Claims.

Also, a bill (H. R. 788) granting a pension to Henry Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 789) granting a pension to Rosylena Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 790) for the relief of Francis L. Sexton; to the Committee on Military Affairs.

By Mr. SMITH of Washington: A bill (H. R. 791) granting a pension to Lucy Lesher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 792) for the relief of Martin L. Sowders; to the Committee on Military Affairs.

Also, a bill (H. R. 793) for the relief of Christina Englund; to the Committee on Claims.

Also, a bill (H. R. 794) to authorize the presentation to Harry W. Deegan of a Distinguished Service Cross; to the Committee on Military Affairs.

Also, a bill (H. R. 795) for the relief of John E. Holle; to the Committee on Military Affairs.

Also, a bill (H. R. 796) for the relief of A. E. Clark; to the Committee on Claims.

Also, a bill (H. R. 797) for the relief of Samuel Poston; to the Committee on Military Affairs.

Also, a bill (H. R. 798) granting a pension to Adam Johnson; to the Committee on Pensions.

Also, a bill (H. R. 799) granting a pension to Albert L. McGoffin; to the Committee on Pensions.

Also, a bill (H. R. 800) for the relief of Emanuel Wallin; to the Committee on the Public Lands.

Also, a bill (H. R. 801) providing for a survey of Elokomin Slough, sometimes known as "Cathlamet Slough", near the city of Cathlamet, Wash.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 802) for the relief of Carl F. Hickman; to the Committee on Military Affairs.

Also, a bill (H. R. 803) providing for a survey of the Columbia River and Vancouver Lake, at Vancouver, Wash.; to the Committee on Rivers and Harbors.

By Mr. SNELL: A bill (H. R. 804) granting an increase of pension to Deborah Pond; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 805) for the relief of Luther M. Turpin and Amanda Turpin; to the Committee on Claims.

Also, a bill (H. R. 806) granting a pension to Mary F. Shields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 807) granting an increase of pension to John A. Petty; to the Committee on Pensions.

Also, a bill (H. R. 808) granting an increase of pension to Sarah A. Boman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 809) granting an increase of pension to Adelbert Carpenter; to the Committee on Pensions.

Also, a bill (H. R. 810) for the relief of Fred Epps; to the Committee on Claims.

Also, a bill (H. R. 811) for the relief of the estate of Ambrose R. Tracy and his children; to the Committee on Claims.

Also, a bill (H. R. 812) for the relief of Cora A. Bennett; to the Committee on Claims.

Also, a bill (H. R. 813) for the relief of R. A. Chambers; to the Committee on Claims.

Also, a bill (H. R. 814) for the relief of Ada T. Finley; to the Committee on Claims.

Also, a bill (H. R. 815) for the relief of St. James Episcopal Church, Marietta, Ga.; to the Committee on War Claims.

Also, a bill (H. R. 816) for the relief of Logan Mulvaney; to the Committee on Military Affairs.

Also, a bill (H. R. 817) for the relief of the trustees of Mizpah Methodist Church South, located near Kingston, Ga.; to the Committee on War Claims.

Also, a bill (H. R. 818) for the relief of John B. Russell; to the Committee on Claims.

Also, a bill (H. R. 819) for the relief of La Fayette Female Academy, at La Fayette, Ga.; to the Committee on War Claims.

Also, a bill (H. R. 820) for the relief of James A. Henderson; to the Committee on Claims.

Also, a bill (H. R. 821) granting a pension to Theodore V. Cowart; to the Committee on Pensions.

Also, a bill (H. R. 822) granting a pension to Sarah M. Emmerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 823) granting a pension to Julia Bush; to the Committee on Pensions.

Also, a bill (H. R. 824) granting a pension to Nola Forrester; to the Committee on Invalid Pensions.

Also, a bill (H. R. 825) granting a pension to Green Foster Alexander; to the Committee on Pensions.

Also, a bill (H. R. 826) granting a pension to Mary H. Auch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 827) granting a pension to John R. Longwith; to the Committee on Pensions.

Also, a bill (H. R. 828) granting a pension to Sidney C. Scoggins; to the Committee on Pensions.

Also, a bill (H. R. 829) granting 6 months' pay to Hester Hamilton; to the Committee on Military Affairs.

By Mr. UMSTEAD: A bill (H. R. 830) for the relief of Samuel Madison Strange; to the Committee on Claims.

By Mr. WOLFENDEN: A bill (H. R. 831) for the relief of the Valley Forge Military Academy, Inc.; to the Committee on Military Affairs.

Also, a bill (H. R. 832) for the relief of Wayne Smallwood Vetterlein; to the Committee on Claims.

Also, a bill (H. R. 833) for the relief of Cora G. Schrader; to the Committee on Claims.

Also, a bill (H. R. 834) for the relief of Stewart A. McDowell; to the Committee on Military Affairs.

Also, a bill (H. R. 835) for the relief of Edward P. O'Neal; to the Committee on Military Affairs.

Also, a bill (H. R. 836) for the relief of Israel P. Clifford; to the Committee on Military Affairs.

Also, a bill (H. R. 837) to authorize the appointment of Joseph W. Cavanagh, former lieutenant, Supply Corps, United States Navy, to such grade and rank on the active list, and for other purposes; to the Committee on Naval Affairs.

By Mr. SNELL: A bill (H. R. 838) for the allowance of certain claims for extra labor above the legal day of 8 hours at certain navy yards certified by the Court of Claims; to the Committee on Claims.

By Mr. ARNOLD: A bill (H. R. 839) for the relief of Frederick Leininger; to the Committee on Military Affairs.

Also, a bill (H. R. 840) granting an increase of pension to Sarah Raney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 841) granting an increase of pension to Jane Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 842) granting a pension to Nelle M. Jones; to the Committee on Pensions.

Also, a bill (H. R. 843) granting a pension to Sarah A. Ridens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 844) granting a pension to Laura M. Gillespie; to the Committee on Invalid Pensions.

By Mr. BERLIN: A bill (H. R. 845) for the relief of Herbert L. Stafford; to the Committee on Naval Affairs.

By Mr. BLAND: A bill (H. R. 846) for the relief of Elton Firth; to the Committee on Claims.

By Mr. BLOOM: A bill (H. R. 847) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, no. 25036, August 9, 1859; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 848) for the relief of Edward N. Sonnenberg; to the Committee on Claims.

Also, a bill (H. R. 849) for the relief of Harry Solomon; to the Committee on Military Affairs.

Also, a bill (H. R. 850) for the relief of the Washington Beef Co.; to the Committee on Claims.

Also, a bill (H. R. 851) for the relief of the heirs of the late Frank J. Simmons; to the Committee on War Claims.

Also, a bill (H. R. 852) for the relief of Jack L. Sollins; to the Committee on Military Affairs.

Also, a bill (H. R. 853) granting a pension to Maud King Priest; to the Committee on Invalid Pensions.

Also, a bill (H. R. 854) granting a pension to Sophie Pincus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 855) for the relief of David Schwartz; to the Committee on Naval Affairs.

Also, a bill (H. R. 856) for the relief of Joe Setton; to the Committee on Claims.

Also, a bill (H. R. 857) for the relief of Eugene McGirr and Rose McGirr; to the Committee on Claims.

Also, a bill (H. R. 858) for the relief of George C. Randall; to the Committee on Naval Affairs.

Also, a bill (H. R. 859) for the relief of Max Rauch; to the Committee on Claims.

Also, a bill (H. R. 860) for the relief of Helen Rauch; to the Committee on Claims.

Also, a bill (H. R. 861) to authorize the presentation of a Distinguished Service Cross to Ralph Ellsworth Ladue; to the Committee on Military Affairs.

Also, a bill (H. R. 862) renewing and extending patent no. 1175657; to the Committee on Patents.

Also, a bill (H. R. 863) for the relief of Flora Yost (Klinawski); to the Committee on Claims.

Also, a bill (H. R. 864) for the relief of Bernard Knopp; to the Committee on Claims.

Also, a bill (H. R. 865) for the relief of Ely Khmara; to the Committee on Claims.

Also, a bill (H. R. 866) for the relief of John Fleckstein; to the Committee on Claims.

Also, a bill (H. R. 867) for the relief of William Cunningham; to the Committee on Claims.

Also, a bill (H. R. 868) for the relief of Ernest Jacober, deceased; to the Committee on Naval Affairs.

Also, a bill (H. R. 869) for the relief of F. A. Brady, Inc.; to the Committee on War Claims.

Also, a bill (H. R. 870) for the relief of Ludwig Bahnweg; to the Committee on Claims.

Also, a bill (H. R. 871) authorizing the Secretary of War to award a Distinguished Service Cross to Henry M. Birdseye; to the Committee on Military Affairs.

Also, a bill (H. R. 872) to confer jurisdiction upon the United States District Court for the Southern District of New York to determine the claim of Harriet Ziegler; to the Committee on Claims.

By Mr. BOEHNE: A bill (H. R. 873) granting an increase of pension to Eudora Kightly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 874) granting an increase of pension to Kate Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 875) granting an increase of pension to Nancy A. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 876) granting an increase of pension to Amanda A. Sibrel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 877) granting an increase of pension to Dora Alice Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 878) granting an increase of pension to Minnie Wheeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 879) granting an increase of pension to Wilhelmina Tonnemacher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 880) granting an increase of pension to Susan A. Rice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 881) granting an increase of pension to Martha Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 882) granting an increase of pension to Mary Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 883) granting an increase of pension to Eunice T. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 884) granting an increase of pension to Rebecca Berry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 885) for the relief of Martin E. Crowe; to the Committee on Military Affairs.

Also, a bill (H. R. 886) for the relief of Hattie Stout Hood; to the Committee on Claims.

Also, a bill (H. R. 887) for the relief of William Pierce; to the Committee on Military Affairs.

Also, a bill (H. R. 888) for the relief of Alfred Harris; to the Committee on Claims.

Also, a bill (H. R. 889) for the relief of Henry D. Long; to the Committee on Claims.

Also, a bill (H. R. 890) for the relief of Oscar L. McCallen; to the Committee on Claims.

Also, a bill (H. R. 891) for the relief of John E. Sandage; to the Committee on Claims.

Also, a bill (H. R. 892) for the relief of Robert Denk; to the Committee on Claims.

Also, a bill (H. R. 893) granting a pension to George Ann Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 894) granting a pension to James P. Stallings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 895) granting a pension to George E. Hilgert; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 896) granting a pension to Josie Siessly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 897) granting a pension to Leroy Hollon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 898) granting a pension to Sallie Hutchens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 899) authorizing the payment of compensation to Laura Roush for the death of her husband, William C. Roush; to the Committee on Claims.

By Mr. CROWTHER: A bill (H. R. 900) for the relief of John T. Pierson; to the Committee on Military Affairs.

Also, a bill (H. R. 901) for the relief of Lee M. Allen; to the Committee on Military Affairs.

Also, a bill (H. R. 902) for the relief of Henry Charles Zadoorian; to the Committee on Naval Affairs.

Also, a bill (H. R. 903) for the relief of Dent, Allcroft & Co.; A. J. Baker Co., Inc.; and Horwitz & Arbib, Inc.; to the Committee on Claims.

Also, a bill (H. R. 904) for the relief of Richard Evans & Sons Co.; to the Committee on Claims.

Also, a bill (H. R. 905) for the relief of Cathrine E. Morris; to the Committee on Claims.

Also, a bill (H. R. 906) for the relief of LeRoy C. Sherman; to the Committee on Claims.

Also, a bill (H. R. 907) renewing and extending patent no. 1224108; to the Committee on Patents.

Also, a bill (H. R. 908) granting a pension to Anna T. Walsh; to the Committee on Pensions.

Also, a bill (H. R. 909) granting a pension to Rosella Milliman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 910) granting a pension to Elizabeth Johnson; to the Committee on Pensions.

Also, a bill (H. R. 911) granting an increase of pension to Emil Voris; to the Committee on Pensions.

Also, a bill (H. R. 912) granting an increase of pension to Annie Oathout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 913) granting an increase of pension to Nancy Hyson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 914) granting an increase of pension to Fannie Flansburg; to the Committee on Invalid Pensions.

By Mr. CELLER: A bill (H. R. 915) for the correction of the naval records of service of the officers and sailors who served during the War with Spain on the S. S. *St. Louis, Yale,* and *Harvard,* and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 916) for the relief of Franklin L. Hamm; to the Committee on Claims.

Also, a bill (H. R. 917) for the relief of the estate of Frederic W. Anderson; to the Committee on Claims.

Also, a bill (H. R. 918) for the relief of Flensburger Dampfercompagnie; to the Committee on Claims.

Also, a bill (H. R. 919) for the relief of Harold Goldstein; to the Committee on Claims.

Also, a bill (H. R. 920) for the relief of Leon Schulman; to the Committee on Claims.

Also, a bill (H. R. 921) for the relief of Edgar Sampson; to the Committee on Claims.

Also, a bill (H. R. 922) for the relief of Isadore Sisselman; to the Committee on Naval Affairs.

Also, a bill (H. R. 923) for the relief of Theresa M. Shea; to the Committee on Claims.

Also, a bill (H. R. 924) for the relief of Bernard Kinmeth; to the Committee on Claims.

Also, a bill (H. R. 925) for the relief of James E. Westcott; to the Committee on Military Affairs.

Also, a bill (H. R. 926) for the relief of Mildred E. Cameron; to the Committee on Claims.

Also, a bill (H. R. 927) to incorporate the Marine Corps League; to the Committee on the Judiciary.

Also, a bill (H. R. 928) to authorize the Comptroller General of the United States to settle and adjust the claim of the George A. Fuller Co.; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 929) granting a pension to Richard O'Hearn; to the Committee on Pensions.

Also, a bill (H. R. 930) granting a pension to Mary E. Peterson; to the Committee on Pensions.

Also, a bill (H. R. 931) granting a pension to Frank Raisle; to the Committee on Pensions.

Also, a bill (H. R. 932) granting a pension to Marguerite Thomas; to the Committee on Pensions.

Also, a bill (H. R. 933) granting a pension to Lou A. Strother; to the Committee on Invalid Pensions.

Also, a bill (H. R. 934) granting a pension to Elizabeth Vogler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 935) granting a pension to Alma Kash; to the Committee on Pensions.

Also, a bill (H. R. 936) granting a pension to Mariah Matilda Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 937) granting a pension to Robert L. Holbrook; to the Committee on Pensions.

Also, a bill (H. R. 938) granting an increase of pension to Brooklyn Hodges; to the Committee on Pensions.

Also, a bill (H. R. 939) granting a pension to Parish Graham; to the Committee on Pensions.

Also, a bill (H. R. 940) granting a pension to Nannie Floyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 941) granting a pension to Wade Golden; to the Committee on Pensions.

Also, a bill (H. R. 942) granting a pension to Emily Cecil; to the Committee on Pensions.

Also, a bill (H. R. 943) extending the provisions of an act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes', approved May 22, 1920, and acts in amendment thereof", to Joseph M. Tanner; to the Committee on the Civil Service.

Also, a bill (H. R. 944) granting a pension to Maggie Berry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 945) for the relief of R. L. Lake; to the Committee on Claims.

Also, a bill (H. R. 946) for the relief of John Larison; to the Committee on Military Affairs.

Also, a bill (H. R. 947) for the relief of Nannie Minish Massie; to the Committee on Claims.

Also, a bill (H. R. 948) for the relief of Henry T. Paton; to the Committee on Claims.

Also, a bill (H. R. 949) for the relief of Irvin Pendleton; to the Committee on Claims.

Also, a bill (H. R. 950) for the relief of Maggie Standeffer; to the Committee on Military Affairs.

Also, a bill (H. R. 951) for the relief of J. H. Trigg; to the Committee on Claims.

Also, a bill (H. R. 952) for the relief of Charles Wells; to the Committee on Military Affairs.

Also, a bill (H. R. 953) for the relief of James Warren; to the Committee on Military Affairs.

Also, a bill (H. R. 954) for the relief of the legal representatives of James H. Holaday; to the Committee on War Claims.

Also, a bill (H. R. 955) for the relief of Homer N. Horine; to the Committee on Military Affairs.

Also, a bill (H. R. 956) for the relief of John Bryson; to the Committee on Military Affairs.

Also, a bill (H. R. 957) granting an increase of pension to Pearl Plummer; to the Committee on Pensions.

Also, a bill (H. R. 958) granting an increase of pension to Mary Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 959) granting an increase of pension to George Ann Washington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 960) granting an increase of pension to Ellar Bales; to the Committee on Invalid Pensions.

Also, a bill (H. R. 961) granting an increase of pension to Terese B. Hall; to the Committee on Pensions.

By Mr. COCHRAN: A bill (H. R. 962) for the relief of Lester E. Upmeyer; to the Committee on Military Affairs.

Also, a bill (H. R. 963) for the relief of Wendell O. Young; to the Committee on Claims.

Also, a bill (H. R. 964) for the relief of Carrie Howard Steedman and Eugenia Howard Edmunds; to the Committee on Claims.

Also, a bill (H. R. 965) for the relief of Harry Pusateri (Puseateri); to the Committee on Military Affairs.

Also, a bill (H. R. 966) for the relief of Sylvester T. Moriarty; to the Committee on Naval Affairs.

Also, a bill (H. R. 967) for the relief of General Warehousing Co.; to the Committee on Claims.

Also, a bill (H. R. 968) for the relief of James P. Spelman; to the Committee on Claims.

Also, a bill (H. R. 969) for the relief of Julian Simon, Ira Simon, and Herbert Simon, doing business as J. Simon & Sons; to the Committee on Claims.

Also, a bill (H. R. 970) for the relief of the United States Bank of St. Louis, Mo.; to the Committee on Claims.

Also, a bill (H. R. 971) for the relief of the Tevis Motor Co.; to the Committee on Claims.

Also, a bill (H. R. 972) for the relief of John Costigan; to the Committee on Military Affairs.

Also, a bill (H. R. 973) for the relief of Capt. W. B. Finney; to the Committee on War Claims.

Also, a bill (H. R. 974) for the relief of Arthur H. Lorenzen; to the Committee on Claims.

Also, a bill (H. R. 975) for the relief of Oscar R. Witte; to the Committee on Claims.

Also, a bill (H. R. 976) for the relief of Julius Wurzburger; to the Committee on Military Affairs.

Also, a bill (H. R. 977) for the relief of Herman Schierhoff; to the Committee on Claims.

Also, a bill (H. R. 978) granting a pension to Emma Springer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 979) granting a pension to Gertrude Storck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 980) granting an increase of pension to Sarah A. Maack; to the Committee on Invalid Pensions.

Also, a bill (H. R. 981) granting an increase of pension to Margaret A. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 982) granting an increase of pension to Anna Barfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 983) granting an increase of pension to Margaret Holden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 984) to extend the benefits of the United States Employees' Compensation Act to R. W. Dickerson; to the Committee on Claims.

Also, a bill (H. R. 985) granting a pension to Fred Wellmann; to the Committee on Pensions.

Also, a bill (H. R. 986) granting a pension to Mary E. Ferris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 987) granting a pension to George Steingrabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 988) granting a pension to Mary Grieser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 989) granting a pension to Julia C. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 990) granting a pension to Sarah Stephenson; to the Committee on Invalid Pensions.

By Mr. DIMOND: A bill (H. R. 991) authorizing the Secretary of the Treasury to bestow a gold medal of honor, of such a design as he may approve, upon Chief Boatswain Thomas A. Ross, of the United States Coast Guard station, Nome, Alaska; to the Committee on Military Affairs.

Also, a bill (H. R. 992) to extend the provisions of the act of Congress approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties, and for other purposes", to John Erickson; to the Committee on Claims.

Also, a bill (H. R. 993) to extend the provisions of the act of Congress approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties, and for other purposes", to Frank A. Boyle; to the Committee on Claims.

Also, a bill (H. R. 994) granting an increase of pension to James C. Verdin; to the Committee on Pensions.

Also, a bill (H. R. 995) granting an increase of pension to James H. Anderson; to the Committee on Pensions.

Also, a bill (H. R. 996) for the relief of Joe Reno; to the Committee on Claims.

Also, a bill (H. R. 997) for the relief of Holy Cross Mission Hospital; to the Committee on Claims.

By Mr. FIESINGER: A bill (H. R. 998) granting a pension to Evaline Binkley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 999) granting a pension to Carolina Chance; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1000) granting a pension to Elizabeth Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1001) granting a pension to Grover Peoples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1002) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1003) granting a pension to Laura Slotterbeck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1004) granting a pension to Fannie Stults; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1005) granting a pension to Charles Lyons; to the Committee on Pensions.

Also, a bill (H. R. 1006) granting a pension to Arthur E. Rothgeb; to the Committee on Pensions.

Also, a bill (H. R. 1007) granting a pension to John Bettridge; to the Committee on Pensions.

Also, a bill (H. R. 1008) granting an increase of pension to Edith Stickels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1009) granting an increase of pension to Kate O'Connor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1010) granting an increase of pension to Pheba Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1011) granting an increase of pension to Delilah De Mars; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1012) granting an increase of pension to Peter McKittrick; to the Committee on Pensions.

Also, a bill (H. R. 1013) granting an increase of pension to Elizabeth P. Carman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1014) granting an increase of pension to Emma B. Call; to the Committee on Pensions.

Also, a bill (H. R. 1015) granting an increase of pension to Gertrude Crouse Kaup; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1016) granting an increase of pension to Lucretia C. Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1017) granting an increase of pension to Susan Low; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1018) granting an increase of pension to Louisa Morgan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1019) awarding a Medal of Honor to Henry G. Mehling; to the Committee on Naval Affairs.

Also, a bill (H. R. 1020) for the relief of Harold Hughes; to the Committee on Claims.

Also, a bill (H. R. 1021) for the relief of the estate of Frank P. Gibson; to the Committee on Claims.

Also, a bill (H. R. 1022) for the relief of Myrtle Campbell; to the Committee on Claims.

Also, a bill (H. R. 1023) for the relief of Nancy Finnigan, widow of John Finnigan, alias John Conney; to the Committee on Military Affairs.

Also, a bill (H. R. 1024) for the relief of Eva A. Cramer; to the Committee on Military Affairs.

Also, a bill (H. R. 1025) for the relief of Jennie Perin, widow of Christian B. Scott; to the Committee on Military Affairs.

Also, a bill (H. R. 1026) for the relief of Starr Truscott and John R. Dawson; to the Committee on Claims.

Also, a bill (H. R. 1027) for the relief of Albert Zimmer; to the Committee on Military Affairs.

By Mr. GRISWOLD: A bill (H. R. 1028) granting a pension to Margaret E. Stephens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1029) for the relief of Earl E. Troutwine; to the Committee on Military Affairs.

Also, a bill (H. R. 1030) for the relief of Arthur Smith; to the Committee on Claims.

Also, a bill (H. R. 1031) for the relief of Charles C. Schilling; to the Committee on Military Affairs.

Also, a bill (H. R. 1032) for the relief of Joe G. Baker; to the Committee on Claims.

By Mr. HARLAN: A bill (H. R. 1033) granting a pension to Jeanette McCool Zost; to the Committee on Pensions.

Also, a bill (H. R. 1034) granting a pension to Alice Cook; to the Committee on Pensions.

Also, a bill (H. R. 1035) granting a pension to Robert S. Kim; to the Committee on Pensions.

Also, a bill (H. R. 1036) granting a pension to James O. Freeman; to the Committee on Pensions.

Also, a bill (H. R. 1037) granting a pension to Joseph L. Kirk; to the Committee on Pensions.

Also, a bill (H. R. 1038) granting a pension to Nancy McCurdy; to the Committee on Pensions.

Also, a bill (H. R. 1039) granting a pension to Roy L. Glover; to the Committee on Pensions.

Also, a bill (H. R. 1040) granting a pension to Andrew Johnson; to the Committee on Pensions.

Also, a bill (H. R. 1041) granting a pension to Grace J. Turner; to the Committee on Pensions.

Also, a bill (H. R. 1042) granting a pension to Hattie E. Young; to the Committee on Pensions.

Also, a bill (H. R. 1043) granting a pension to Mary A. Stuck; to the Committee on Pensions.

Also, a bill (H. R. 1044) granting a pension to Henry Lewis; to the Committee on Pensions.

Also, a bill (H. R. 1045) granting a pension to Harry A. Nye; to the Committee on Pensions.

Also, a bill (H. R. 1046) granting a pension to James F. Deal; to the Committee on Pensions.

Also, a bill (H. R. 1047) granting a pension to James L. Mackley; to the Committee on Pensions.

Also, a bill (H. R. 1048) granting a pension to Joseph Erlacher; to the Committee on Pensions.

Also, a bill (H. R. 1049) granting a pension to Wheeler E. Adams; to the Committee on Pensions.

Also, a bill (H. R. 1050) granting a pension to Charles Odell; to the Committee on Pensions.

Also, a bill (H. R. 1051) granting a pension to Joseph Johnson; to the Committee on Pensions.

Also, a bill (H. R. 1052) granting a pension to Marion T. Winters; to the Committee on Pensions.

Also, a bill (H. R. 1053) granting a pension to Walter M. Davis; to the Committee on Pensions.

Also, a bill (H. R. 1054) granting a pension to Arthur L. Atkins; to the Committee on Pensions.

Also, a bill (H. R. 1055) granting a pension to John B. Dean; to the Committee on Pensions.

Also, a bill (H. R. 1056) granting a pension to Frank McKnight; to the Committee on Pensions.

Also, a bill (H. R. 1057) granting a pension to Michael R. Patchan; to the Committee on Pensions.

Also, a bill (H. R. 1058) granting a pension to John Allen; to the Committee on Pensions.

Also, a bill (H. R. 1059) granting a pension to Frank J. Perin; to the Committee on Pensions.

Also, a bill (H. R. 1060) granting a pension to Louis Goldstein; to the Committee on Pensions.

Also, a bill (H. R. 1061) granting a pension to Ida J. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1062) granting a pension to Millie Hudson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1063) granting a pension to Amanda Riddell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1064) granting a pension to Eliza Dawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1065) granting a pension to Jennie Schonacker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1066) granting a pension to Reuben Franklin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1067) for the relief of Lewis Corfman; to the Committee on Military Affairs.

Also, a bill (H. R. 1068) for the relief of James W. Gray; to the Committee on Military Affairs.

Also, a bill (H. R. 1069) for the relief of Charles J. Naudascher; to the Committee on Military Affairs.

Also, a bill (H. R. 1070) for the relief of Thomas T. Gessler; to the Committee on Naval Affairs.

Also, a bill (H. R. 1071) for the relief of Charles A. Thorne; to the Committee on Military Affairs.

Also, a bill (H. R. 1072) for the relief of George Dietrich; to the Committee on Military Affairs.

Also, a bill (H. R. 1073) for the relief of John F. Hatfield; to the Committee on Military Affairs.

Also, a bill (H. R. 1074) for the relief of Edward A. Burkett, to the Committee on Military Affairs.

Also, a bill (H. R. 1075) for the relief of James J. Haley; to the Committee on Military Affairs.

Also, a bill (H. R. 1076) for the relief of William W. Troy; to the Committee on Military Affairs.

Also, a bill (H. R. 1077) for the relief of Noah M. Banks; to the Committee on Military Affairs.

Also, a bill (H. R. 1078) for the relief of June Harvie; to the Committee on Military Affairs.

Also, a bill (H. R. 1079) for the relief of Garrett M. Martin; to the Committee on Military Affairs.

Also, a bill (H. R. 1080) to authorize the award of a decoration for distinguished service to Edward T. Banks; to the Committee on Military Affairs.

Also, a bill (H. R. 1081) granting an increase of pension to Jackson G. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 1082) granting an increase of pension to Hillary J. Howard; to the Committee on Pensions.

Also, a bill (H. R. 1083) granting an increase of pension to Moses Goldstein; to the Committee on Pensions.

Also, a bill (H. R. 1084) granting an increase of pension to Marion Thacker; to the Committee on Pensions.

Also, a bill (H. R. 1085) granting an increase of pension to Catharine H. Oxley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1086) granting an increase of pension to Susan E. Raser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1087) granting an increase of pension to Marion M. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1088) granting an increase of pension to Caroline Humbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1089) granting an increase of pension to Mary E. Lantz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1090) granting an increase of pension to Lavina E. Toby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1091) granting an increase of pension to Martha E. Emrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1092) granting an increase of pension to Susan A. Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1093) granting an increase of pension to Sallie King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1094) to declare Stephen W. Thompson to be the first American soldier to have brought down in combat a German airplane and to authorize the President to confer upon him a suitable decoration; to the Committee on Military Affairs.

By Mr. HOLLISTER: A bill (H. R. 1095) granting an increase of pension to Lulu H. Powers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1096) granting an increase of pension to Anna E. Kaney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1097) granting an increase of pension to Mary E. Hilles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1098) granting an increase of pension to Anna M. Parish; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1099) granting an increase of pension to Rebecca D. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1100) granting an increase of pension to Margaret Marshall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1101) for the relief of Leo B. Dreyfoos; to the Committee on Claims.

Also, a bill (H. R. 1102) for the relief of William Kemper; to the Committee on Claims.

Also, a bill (H. R. 1103) for the relief of E. B. Gray; to the Committee on Claims.

Also, a bill (H. R. 1104) for the relief of Sarah Daily; to the Committee on Claims.

Also, a bill (H. R. 1105) for the relief of Lucy Jane Ayer; to the Committee on Claims.

Also, a bill (H. R. 1106) for the relief of Sevellon Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 1107) granting a pension to Paul D. Bogle; to the Committee on Pensions.

Also, a bill (H. R. 1108) granting a pension to Josephine Ballmann; to the Committee on Pensions.

Also, a bill (H. R. 1109) granting a pension to Anna Wehner; to the Committee on Pensions.

Also, a bill (H. R. 1110) granting a pension to Myrtle De Witte; to the Committee on Pensions.

Also, a bill (H. R. 1111) granting a pension to Ada Ray Johnson; to the Committee on Pensions.

By Mr. McREYNOLDS: A bill (H. R. 1112) for the relief of Richard M. George; to the Committee on Claims.

By Mr. MALONEY: A bill (H. R. 1113) granting a pension to Edith Chambers Feehan; to the Committee on Pensions.

Also, a bill (H. R. 1114) granting a pension to Delia Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1115) providing for the examination and survey of Bayou Rigaud; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1116) to provide for survey of Bayou Sennette, in Jefferson Parish, La., with a view to maintaining an adequate channel of suitable width; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1117) for the relief of Thomas C. Smith and others; to the Committee on Claims.

By Mr. MORAN: A bill (H. R. 1118) granting a pension to Mary A. Hayes; to the Committee on Pensions.

By Mr. O'MALLEY: A bill (H. R. 1119) for the relief of Joseph W. Harley; to the Committee on Military Affairs.

By Mr. POLK: A bill (H. R. 1120) granting a pension to Hester A. Bradford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1121) granting a pension to Levi Copas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1122) granting a pension to Mary B. Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1123) granting a pension to Alverda J. Elmore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1124) granting a pension to Ivy Pitzer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1125) granting a pension to Flora A. Monroe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1126) for the relief of Lackey N. Hatcher; to the Committee on Military Affairs.

Also, a bill (H. R. 1127) granting a pension to Keziah Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1128) granting a pension to Pearl Wittenmyer; to the Committee on Pensions.

Also, a bill (H. R. 1129) for the relief of Jane H. Dickey; to the Committee on Military Affairs.

Also, a bill (H. R. 1130) granting a pension to Bertha T. Hastings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1131) granting a pension to Joseph M. Harr; to the Committee on Pensions.

Also, a bill (H. R. 1132) granting a pension to Cecil Mason; to the Committee on Pensions.

Also, a bill (H. R. 1133) granting a pension to Gus Brunner; to the Committee on Pensions.

Also, a bill (H. R. 1134) granting a pension to Samuel Evans; to the Committee on Pensions.

Also, a bill (H. R. 1135) granting an increase of pension to Ruth P. Shivers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1136) granting a pension to Annie Stouder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1137) granting an increase of pension to Eliza J. Robbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1138) granting an increase of pension to Mary J. Roush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1139) granting an increase of pension to Rebecca L. Richards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1140) granting an increase of pension to Emma S. Richards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1141) granting an increase of pension to Charlotte Livengood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1142) granting an increase of pension to Magdalena Meyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1143) granting an increase of pension to Eva H. Holter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1144) granting an increase of pension to Henrietta Kessinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1145) granting an increase of pension to Elizabeth J. Coburn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1146) granting an increase of pension to Mary C. Gilkison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1147) granting an increase of pension to Emma Boys; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1148) granting an increase of pension to Mary Clemons; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 1149) granting a pension to Sallie Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1150) granting a pension to Ezekiel Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1151) granting a pension to Lizzie May; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1152) granting a pension to Annie E. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1153) granting a pension to Mary E. Ringer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1154) granting a pension to Nora Henley Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1155) granting a pension to Martha Ann Gaby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1156) granting a pension to Reatha Reneau; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1157) granting a pension to Hattie Harvey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1158) granting a pension to George R. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1159) granting a pension to Herthe L. R. Whitney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1160) granting a pension to Lucy E. Huff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1161) granting a pension to Josie Bradley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1162) granting a pension to W. M. Sims; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1163) granting a pension to Charlie Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1164) granting a pension to Joke Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1165) granting a pension to Sarah L. Ellison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1166) granting a pension to Hattie Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1167) granting a pension to Mark Tipton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1168) granting a pension to Sallie Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1169) granting a pension to Robert N. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1170) granting a pension to Nancy J. Vesey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1171) granting a pension to James Oscar Donnelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1172) granting a pension to Mary E. Casey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1173) granting a pension to Martha Story; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1174) granting a pension to Laura Alice Donnelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1175) granting a pension to James Stout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1176) granting a pension to Margaret St. Clair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1177) granting a pension to Walter B. Shipley; to the Committee on Pensions.

Also, a bill (H. R. 1178) granting a pension to Nancy J. Clapp; to the Committee on Pensions.

Also, a bill (H. R. 1179) granting a pension to John M. Saylor; to the Committee on Pensions.

Also, a bill (H. R. 1180) granting a pension to Frank Wesley Carroll; to the Committee on Pensions.

Also, a bill (H. R. 1181) granting a pension to George C. Trent; to the Committee on Pensions.

Also, a bill (H. R. 1182) granting a pension to Wilburn G. Sparks; to the Committee on Pensions.

Also, a bill (H. R. 1183) granting a pension to Clyde Rains Winters; to the Committee on Pensions.

Also, a bill (H. R. 1184) granting a pension to George W. Trent; to the Committee on Pensions.

Also, a bill (H. R. 1185) granting a pension to Rissie Whitson; to the Committee on Pensions.

Also, a bill (H. R. 1186) granting a pension to Minnis Wilson; to the Committee on Pensions.

Also, a bill (H. R. 1187) granting a pension to Martin T. Atkins; to the Committee on Pensions.

Also, a bill (H. R. 1188) granting a pension to Margaret Williams; to the Committee on Pensions.

Also, a bill (H. R. 1189) granting a pension to Maude Brindle; to the Committee on Pensions.

Also, a bill (H. R. 1190) granting a pension to Oscar D. Blevins; to the Committee on Pensions.

Also, a bill (H. R. 1191) granting a pension to Aaron J. Blevins; to the Committee on Pensions.

Also, a bill (H. R. 1192) granting a pension to Harry G. Brockus; to the Committee on Pensions.

Also, a bill (H. R. 1193) granting a pension to Jane Drennon; to the Committee on Pensions.

Also, a bill (H. R. 1194) granting a pension to Mildred K. Brown; to the Committee on Pensions.

Also, a bill (H. R. 1195) granting a pension to Joseph Early; to the Committee on Pensions.

Also, a bill (H. R. 1196) granting a pension to James N. Dugger; to the Committee on Pensions.

Also, a bill (H. R. 1197) granting a pension to Lewis Frost; to the Committee on Pensions.

Also, a bill (H. R. 1198) granting a pension to Ernest Elmer Edwards; to the Committee on Pensions.

Also, a bill (H. R. 1199) granting a pension to Chanley C. Freeman; to the Committee on Pensions.

Also, a bill (H. R. 1200) granting a pension to Hiram P. Sloan; to the Committee on Pensions.

Also, a bill (H. R. 1201) granting a pension to Fannie Drain; to the Committee on Pensions.

Also, a bill (H. R. 1202) granting a pension to Leon J. Collins; to the Committee on Pensions.

Also, a bill (H. R. 1203) granting a pension to Russell M. Huff; to the Committee on Pensions.

Also, a bill (H. R. 1204) granting a pension to Patrick H. Henley; to the Committee on Pensions.

Also, a bill (H. R. 1205) granting a pension to Dessie M. Treadway; to the Committee on Pensions.

Also, a bill (H. R. 1206) granting a pension to Mary C. Adams; to the Committee on Pensions.

Also, a bill (H. R. 1207) granting a pension to Annie Hankal; to the Committee on Pensions.

Also, a bill (H. R. 1208) granting a pension to Sarah C. Hilton; to the Committee on Pensions.

Also, a bill (H. R. 1209) granting a pension to William McKinley Green; to the Committee on Pensions.

Also, a bill (H. R. 1210) granting a pension to David E. Goodwin; to the Committee on Pensions.

Also, a bill (H. R. 1211) granting a pension to Oscar K. Shell; to the Committee on Pensions.

Also, a bill (H. R. 1212) granting a pension to William B. Gordon; to the Committee on Pensions.

Also, a bill (H. R. 1213) granting a pension to Elmer J. Rush; to the Committee on Pensions.

Also, a bill (H. R. 1214) granting a pension to Julia A. S. Richardson; to the Committee on Pensions.

Also, a bill (H. R. 1215) granting a pension to Jonah C. Prather; to the Committee on Pensions.

Also, a bill (H. R. 1216) granting a pension to Robert Leigh Morris; to the Committee on Pensions.

Also, a bill (H. R. 1217) granting a pension to Mary A. Green; to the Committee on Pensions.

Also, a bill (H. R. 1218) granting a pension to Luther G. Martin; to the Committee on Pensions.

Also, a bill (H. R. 1219) granting a pension to Jackson McCoury; to the Committee on Pensions.

Also, a bill (H. R. 1220) granting a pension to Venia Moody; to the Committee on Pensions.

Also, a bill (H. R. 1221) granting a pension to John P. Gunter; to the Committee on Pensions.

Also, a bill (H. R. 1222) granting a pension to James A. G. Livingston; to the Committee on Pensions.

Also, a bill (H. R. 1223) granting a pension to Gideon H. Morgan; to the Committee on Pensions.

Also, a bill (H. R. 1224) granting a pension to George R. Miller; to the Committee on Pensions.

Also, a bill (H. R. 1225) granting a pension to Tanner S. Litton; to the Committee on Pensions.

Also, a bill (H. R. 1226) granting a pension to William H. Lacey; to the Committee on Pensions.

Also, a bill (H. R. 1227) granting a pension to Landon T. Lewis; to the Committee on Pensions.

Also, a bill (H. R. 1228) granting a pension to John F. Julian; to the Committee on Pensions.

Also, a bill (H. R. 1229) granting a pension to Paul Holcomb; to the Committee on Pensions.

Also, a bill (H. R. 1230) granting a pension to Charlie Jones; to the Committee on Pensions.

Also, a bill (H. R. 1231) granting a pension to Mahlon S. Jones; to the Committee on Pensions.

Also, a bill (H. R. 1232) granting a pension to John C. Jones; to the Committee on Pensions.

Also, a bill (H. R. 1233) granting a pension to Russell N. Jones; to the Committee on Pensions.

Also, a bill (H. R. 1234) granting an increase of pension to Mildred K. Brown; to the Committee on Pensions.

Also, a bill (H. R. 1235) granting an increase of pension to Sarah J. Lake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1236) granting an increase of pension to Sexton Pierce; to the Committee on Pensions.

Also, a bill (H. R. 1237) granting an increase of pension to Richard Gregg; to the Committee on Pensions.

Also, a bill (H. R. 1238) granting an increase of pension to John T. Hyder; to the Committee on Pensions.

Also, a bill (H. R. 1239) granting an increase of pension to Oscar Sheffield; to the Committee on Pensions.

Also, a bill (H. R. 1240) granting an increase of pension to Roe Simerly; to the Committee on Pensions.

Also, a bill (H. R. 1241) granting an increase of pension to Arthur Thornton; to the Committee on Pensions.

Also, a bill (H. R. 1242) granting an increase of pension to William Woodby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1243) reimbursing George Larkin; to the Committee on Claims.

Also, a bill (H. R. 1244) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Sarah Ann Medley; to the Committee on Claims.

Also, a bill (H. R. 1245) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Robert Judson McGarry; to the Committee on Claims.

Also, a bill (H. R. 1246) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Harwood; to the Committee on Claims.

Also, a bill (H. R. 1247) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Matilda Hoss; to the Committee on Claims.

Also, a bill (H. R. 1248) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Annie Hill Cease; to the Committee on Claims.

Also, a bill (H. R. 1249) to reinstate John H. Babb, Jr., as midshipman in the United States Naval Academy; to the Committee on Naval Affairs.

Also, a bill (H. R. 1250) to exclude from the Great Smoky Mountains National Park the lands of Charles Murphy and Horace Murphy; to the Committee on the Public Lands.

Also, a bill (H. R. 1251) to provide for the payment of the sums asserted by the claimant to be owed by the United States in case no. 13325, Congressional, Court of Claims of the United States, entitled "Emmetta Humphreys, administratrix de bonis non of John Sevier, Sr., and John Sevier, Jr., *v.* the United States"; to the Committee on Claims.

Also, a bill (H. R. 1252) for the relief of Odessa Mason; to the Committee on Claims.

Also, a bill (H. R. 1253) for the relief of J. W. Howell; to the Committee on Claims.

Also, a bill (H. R. 1254) for the relief of Kate Jennings; to the Committee on Claims.

Also, a bill (H. R. 1255) for the relief of Drew N. Keever; to the Committee on Claims.

Also, a bill (H. R. 1256) for the relief of the heirs of James Kirk; to the Committee on Claims.

Also, a bill (H. R. 1257) for the relief of David C. Lewis; to the Committee on Military Affairs.

Also, a bill (H. R. 1258) for the relief of E. R. Logwood; to the Committee on Claims.

Also, a bill (H. R. 1259) for the relief of George M. McNabb; to the Committee on Military Affairs.

Also, a bill (H. R. 1260) for the relief of Harry Gordon; to the Committee on Military Affairs.

Also, a bill (H. R. 1261) for the relief of Benjamin H. Pope; to the Committee on Naval Affairs.

Also, a bill (H. R. 1262) for the relief of Edward Ray; to the Committee on Naval Affairs.

Also, a bill (H. R. 1263) for the relief of George W. Richardson; to the Committee on Military Affairs.

Also, a bill (H. R. 1264) for the relief of Cecil E. Phipps; to the Committee on Claims.

Also, a bill (H. R. 1265) for the relief of N. N. Self; to the Committee on Claims.

Also, a bill (H. R. 1266) for the relief of Charles N. Gambreal; to the Committee on Military Affairs.

Also, a bill (H. R. 1267) for the relief of Prentice Mead Handlon; to the Committee on Military Affairs.

Also, a bill (H. R. 1268) for the relief of Frank E. Hankal; to the Committee on Military Affairs.

Also, a bill (H. R. 1269) for the relief of Garland Hartman; to the Committee on Military Affairs.

Also, a bill (H. R. 1270) for the relief of Jesse Alue Human; to the Committee on Naval Affairs.

Also, a bill (H. R. 1271) for the relief of Lawrence Hyder; to the Committee on Naval Affairs.

Also, a bill (H. R. 1272) for the relief of LeRoy B. Bible; to the Committee on Military Affairs.

Also, a bill (H. R. 1273) for the relief of Emily Coffee; to the Committee on Claims.

Also, a bill (H. R. 1274) for the relief of Lt. Col. Harry W. Stephenson, United States Army, retired; to the Committee on War Claims.

Also, a bill (H. R. 1275) for the relief of Earl F. Taylor; to the Committee on Military Affairs.

Also, a bill (H. R. 1276) for the relief of Charles C. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 1277) for the relief of Samuel G. White; to the Committee on Military Affairs.

Also, a bill (H. R. 1278) for the relief of Julia Wardrep; to the Committee on Claims.

Also, a bill (H. R. 1279) for the relief of Charles Whitaker; to the Committee on Claims.

Also, a bill (H. R. 1280) for the relief of Wallace Hensley Welch; to the Committee on Naval Affairs.

Also, a bill (H. R. 1281) for the relief of Wesley Willis; to the Committee on Military Affairs.

Also, a bill (H. R. 1282) for the relief of Charles Young; to the Committee on Military Affairs.

Also, a bill (H. R. 1283) for the relief of Thomas A. Angel; to the Committee on Military Affairs.

Also, a bill (H. R. 1284) for the relief of Marion C. Asbury; to the Committee on Military Affairs.

Also, a bill (H. R. 1285) for the relief of Dewey Bonine; to the Committee on Military Affairs.

Also, a bill (H. R. 1286) for the relief of James H. Bell (or James Bell); to the Committee on Military Affairs.

Also, a bill (H. R. 1287) for the relief of Rowland W. Davidson; to the Committee on Military Affairs.

Also, a bill (H. R. 1288) for the relief of Isaac M. Donnelly; to the Committee on Claims.

Also, a bill (H. R. 1289) for the relief of the heirs of Jesse Evans; to the Committee on War Claims.

Also, a bill (H. R. 1290) for the relief of Ruby L. Ford; to the Committee on Military Affairs.

By Mr. RICH: A bill (H. R. 1291) for the relief of the Muncy Valley Private Hospital; to the Committee on Claims.

Also, a bill (H. R. 1292) for the relief of Grace McClure; to the Committee on Claims.

Also, a bill (H. R. 1293) granting an increase of pension to Martin V. Stanton; to the Committee on Pensions.

Also, a bill (H. R. 1294) granting an increase of pension to Eva E. Mussina; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1295) granting an increase of pension to Mary A. Minihan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1296) to refund to Lewis H. Frantz income taxes erroneously and illegally collected; to the Committee on Claims.

Also, a bill (H. R. 1297) granting a pension to Hazel Stover; to the Committee on Pensions.

By Mr. SAUTHOFF: A bill (H. R. 1298) granting a pension to Hallie V. Weeks; to the Committee on Invalid Pensions.

By Mr. SHANNON: A bill (H. R. 1299) giving jurisdiction to the Court of Claims to hear and determine the claim of the Cherokee Fuel Co.; to the Committee on Claims.

Also, a bill (H. R. 1300) for the relief of Albert P. Dunbar; to the Committee on Military Affairs.

Also, a bill (H. R. 1301) for the relief of Charles Cubberly; to the Committee on Military Affairs.

Also, a bill (H. R. 1302) for the relief of Joseph W. Zorn; to the Committee on Military Affairs.

Also, a bill (H. R. 1303) for the relief of Clara Fitzgerald; to the Committee on Claims.

Also, a bill (H. R. 1304) for the relief of John F. Carlow; to the Committee on Military Affairs.

Also, a bill (H. R. 1305) for the relief of William George O'Neal; to the Committee on Naval Affairs.

Also, a bill (H. R. 1306) for the relief of Harry W. Hall; to the Committee on Military Affairs.

Also, a bill (H. R. 1307) for the relief of Helen Marie Lewis; to the Committee on Claims.

Also, a bill (H. R. 1308) for the relief of George W. Wormington; to the Committee on Military Affairs.

Also, a bill (H. R. 1309) for the relief of Hugh G. Morris; to the Committee on Military Affairs.

Also, a bill (H. R. 1310) for the relief of Mike Prkovich; to the Committee on Military Affairs.

Also, a bill (H. R. 1311) for the relief of Joseph W. Zorn; to the Committee on Military Affairs.

Also, a bill (H. R. 1312) for the relief of Carl A. Brazen; to the Committee on Military Affairs.

Also, a bill (H. R. 1313) for the relief of Dory Cleo Arnold; to the Committee on Naval Affairs.

Also, a bill (H. R. 1314) for the relief of George Mullens; to the Committee on Naval Affairs.

Also, a bill (H. R. 1315) for the relief of Thomas J. Gould; to the Committee on Claims.

Also, a bill (H. R. 1316) granting a pension to Levi Clark; to the Committee on Pensions.

Also, a bill (H. R. 1317) granting a pension to Belle Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1318) granting a pension to Charles Arthur Collins; to the Committee on Pensions.

Also, a bill (H. R. 1319) granting a pension to Cloe I. B. Wiggins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1320) granting a pension to Mary E. Harper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1321) granting a pension to Hattie M. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1322) granting a pension to George W. Wormington; to the Committee on Pensions.

Also, a bill (H. R. 1323) granting a pension to Jesse E. Lampkin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1324) granting a pension to Edward A. Price; to the Committee on Pensions.

Also, a bill (H. R. 1325) granting a pension to Mattie Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1326) granting a pension to Joseph Ladish; to the Committee on Pensions.

Also, a bill (H. R. 1327) granting a pension to Katie Cummings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1328) granting a pension to James Joseph Monahan; to the Committee on Pensions.

Also, a bill (H. R. 1329) granting an increase of pension to Mary F. Massey; to the Committee on Invalid Pensions.

By Mr. SMITH of Washington: A bill (H. R. 1330) for the relief of William Francis Kimsey; to the Committee on Naval Affairs.

By Mr. SNYDER: A bill (H. R. 1331) granting a pension to John E. Trimble; to the Committee on Pensions.

Also, a bill (H. R. 1332) granting a pension to Idella Wade; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1333) for the relief of Lawrence W. Muncey; to the Committee on Military Affairs.

Also, a bill (H. R. 1334) for the relief of Irene Dean; to the Committee on Claims.

Also, a bill (H. R. 1335) granting an increase of pension to Caroline Dugan; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 1336) granting an increase of pension to Clara Herr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1337) granting an increase of pension to Frances C. Gaskill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1338) granting a pension to Harriet H. Dutton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1339) granting a pension to Maude DeLay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1340) granting a pension to Ella Orr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1341) granting a pension to Susan Melugin; to the Committee on Pensions.

Also, a bill (H. R. 1342) granting a pension to Mary J. Waltenbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1343) granting a pension to H. Emma Streepy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1344) granting an increase of pension to Martha J. Wick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1345) granting an increase of pension to Sarah A. Teague; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1346) for the relief of J. P. Harris; to the Committee on Claims.

Also, a bill (H. R. 1347) for the relief of Henry Steffen; to the Committee on Claims.

Also, a bill (H. R. 1348) granting a pension to Ada E. Wheaton; to the Committee on Pensions.

Also, a bill (H. R. 1349) for the relief of John T. Clarkson; to the Committee on Claims.

Also, a bill (H. R. 1350) granting an increase of pension to Clarence W. Failor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1351) granting an increase of pension to Eliza C. Dunlap; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1352) granting an increase of pension to Elizabeth A. Crum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1353) granting an increase of pension to Eva P. Black; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1354) granting an increase of pension to Jane Battin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1355) granting an increase of pension to Harriet Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1356) granting an increase of pension to Sarah J. Pitman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1357) granting an increase of pension to Phoebe A. Jennings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1358) granting an increase of pension to Cordelia Hiatt; to the Committee on Invalid Pensions.

By Mr. TOBEY: A bill (H. R. 1359) for the relief of John H. Reardon, alias John Wilson; to the Committee on Military Affairs.

By Mr. THURSTON: A bill (H. R. 1360) for the relief of George D. Ellis; to the Committee on Naval Affairs.

By Mr. THOMASON: A bill (H. R. 1361) for the relief of Ellen Kline; to the Committee on Claims.

Also, a bill (H. R. 1362) for the relief of Ramey Bros., of El Paso, Tex.; to the Committee on Claims.

Also, a bill (H. R. 1363) for the relief of Petra M. Benavides; to the Committee on Claims.

Also, a bill (H. R. 1364) for the relief of Sarah A. Morris; to the Committee on Military Affairs.

Also, a bill (H. R. 1365) for the relief of E. G. Briseno; to the Committee on Claims.

Also, a bill (H. R. 1366) for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.; to the Committee on War Claims.

Also, a bill (H. R. 1367) for the relief of William A. McMahan; to the Committee on Claims.

Also, a bill (H. R. 1368) for the relief of Virden Thompson; to the Committee on Military Affairs.

Also, a bill (H. R. 1369) for the relief of R. L. Tankersley; to the Committee on Claims.

Also, a bill (H. R. 1370) for the relief of William M. Weaver; to the Committee on Military Affairs.

Also, a bill (H. R. 1371) to provide for the retirement of Maude L. Dally (Petty), disabled former Army nurse; to the Committee on Military Affairs.

Also, a bill (H. R. 1372) granting a pension to Mary Holmack; to the Committee on Pensions.

Also, a bill (H. R. 1373) granting a pension to Edmund W. King; to the Committee on Pensions.

Also, a bill (H. R. 1374) granting a pension to Charles E. Sloan; to the Committee on Pensions.

By Mr. ANDREWS of New York: A bill (H. R. 1433) to authorize the presentation to Robert O'Leary of a Distinguished Service Cross; to the Committee on Military Affairs.

Also, a bill (H. R. 1434) to authorize the presentation to Garnet C. Williams of a Distinguished Service Cross; to the Committee on Military Affairs.

Also, a bill (H. R. 1435) for the relief of Sarah L. Smith; to the Committee on Claims.

Also, a bill (H. R. 1436) for the relief of George Rounds; to the Committee on Claims.

Also, a bill (H. R. 1437) for the relief of August A. Carminati; to the Committee on War Claims.

Also, a bill (H. R. 1438) for the relief of Carrie McIntyre; to the Committee on Military Affairs.

Also, a bill (H. R. 1439) for the relief of William Hayes; to the Committee on Claims.

Also, a bill (H. R. 1440) for the relief of Arthur W. Bradshaw; to the Committee on Claims.

Also, a bill (H. R. 1441) for the relief of Charles Colver; to the Committee on Military Affairs.

Also, a bill (H. R. 1442) for the relief of Clifford N. Raymond; to the Committee on Military Affairs.

Also, a bill (H. R. 1443) for the relief of Charles E. Strouse; to the Committee on Naval Affairs.

Also, a bill (H. R. 1444) for the relief of William Arthur Hinds; to the Committee on Naval Affairs.

Also, a bill (H. R. 1445) for the relief of Edward J. LaRocque; to the Committee on Naval Affairs.

Also, a bill (H. R. 1446) for the relief of Harry Schrader; to the Committee on Naval Affairs.

Also, a bill (H. R. 1447) for the relief of Alford J. Farley; to the Committee on Military Affairs.

Also, a bill (H. R. 1448) for the relief of Raymond C. Warner; to the Committee on Military Affairs.

Also, a bill (H. R. 1449) granting an increase of pension to Margaret E. Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1450) granting a pension to Belle M. Harris; to the Committee on Pensions.

Also, a bill (H. R. 1451) granting an increase of pension to Anna Tucker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1452) granting a pension to Richard J. Walsh; to the Committee on Pensions.

Also, a bill (H. R. 1453) granting a pension to Barney Lucas; to the Committee on Pensions.

Also, a bill (H. R. 1454) for the relief of the J. N. Adam Memorial Hospital; to the Committee on Claims.

Also, a bill (H. R. 1455) for the relief of Frank L. Noon; to the Committee on Naval Affairs.

Also, a bill (H. R. 1456) to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to Mark D. Williams; to the Committee on Claims.

By Mr. ARNOLD: A bill (H. R. 1457) granting a pension to Mary Elizabeth Venus; to the Committee on Pensions.

Also, a bill (H. R. 1458) granting a pension to Mary Jane Trailor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1459) granting a pension to Louise Brassie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1460) granting an increase of pension to Tealie A. Bogard; to the Committee on Invalid Pensions.

By Mr. BEITER: A bill (H. R. 1461) for the relief of Louis Anastasia; to the Committee on Military Affairs.

Also, a bill (H. R. 1462) granting an increase of pension to Magdalena Emrich; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1463) granting a pension to George S. Harris; to the Committee on Pensions.

Also, a bill (H. R. 1464) to correct the military record of Edward Reidell; to the Committee on Military Affairs.

Also, a bill (H. R. 1465) granting an increase of pension to Frank A. Klein; to the Committee on Pensions.

Also, a bill (H. R. 1466) to correct the military record of George Willard Kanaly; to the Committee on Naval Affairs.

Also, a bill (H. R. 1467) granting a pension to Dorothy D. Grabenstatter; to the Committee on Pensions.

Also, a bill (H. R. 1468) for the relief of Chester H. Hepp; to the Committee on Naval Affairs.

Also, a bill (H. R. 1469) to correct the naval record of John H. Burd; to the Committee on Naval Affairs.

Also, a bill (H. R. 1470) for the relief of Carl A. Butler; to the Committee on Naval Affairs.

Also, a bill (H. R. 1471) for the relief of Felix Nowicki; to the Committee on Military Affairs.

Also, a bill (H. R. 1472) for the relief of Stephen Andrzejewski; to the Committee on Naval Affairs.

Also, a bill (H. R. 1473) granting a pension to William Riege; to the Committee on Pensions.

Also, a bill (H. R. 1474) for the relief of Teddy Stephen Ormsby; to the Committee on Naval Affairs.

Also, a bill (H. R. 1475) for the relief of James J. Serino; to the Committee on Military Affairs.

Also, a bill (H. R. 1476) to correct the military record of Casimer F. Brylski; to the Committee on Naval Affairs.

Also, a bill (H. R. 1477) for the relief of Walter A. Wettengel; to the Committee on Military Affairs.

Also, a bill (H. R. 1478) for the relief of General S. Thompson; to the Committee on Military Affairs.

Also, a bill (H. R. 1479) for the relief of Joseph Edward Zins; to the Committee on Naval Affairs.

Also, a bill (H. R. 1480) for the relief of Edgar L. Witmer; to the Committee on Naval Affairs.

By Mr. BLAND: A bill (H. R. 1481) for the relief of Roland P. Winstead; to the Committee on Claims.

By Mr. BOLTON: A bill (H. R. 1482) to reimburse Machinist Frank H. Howell, United States Navy, retired, for emergency medical services; to the Committee on Claims.

Also, a bill (H. R. 1483) to authorize the Secretary of Commerce to dispose of the lighthouse reservation in the village of Fairport, Ohio; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 1484) for the restitution of the postmaster at Cleveland, Ohio; to the Committee on Claims.

Also, a bill (H. R. 1485) to pay to the Printz-Biederman Co., of Cleveland, Ohio, the sum of $741.40, money paid as duty on merchandise imported under section 308 of the tariff act; to the Committee on Claims.

Also, a bill (H. R. 1486) for the relief of Kenneth M. Lowe; to the Committee on Military Affairs.

Also, a bill (H. R. 1487) for the relief of H. A. Taylor; to the Committee on Claims.

Also, a bill (H. R. 1488) for the relief of Rose Burke; to the Committee on Claims.

Also, a bill (H. R. 1489) granting a pension to Narcissus Ammons Griggs; to the Committee on Pensions.

Also, a bill (H. R. 1490) granting an increase of pension to Julia E. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1491) granting an increase of pension to Jane Wiley; to the Committee on Invalid Pensions.

By Mr. BROWN of Michigan: A bill (H. R. 1492) for the relief of Harbor Springs, Mich.; to the Committee on Claims.

Also, a bill (H. R. 1493) providing for the examination and survey of Crooked River, Mich.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1494) to authorize a preliminary examination and survey of Waiska River, Mich.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1495) for the relief of Louis Cadreau; to the Committee on Claims.

Also, a bill (H. R. 1496) for the relief of Bridget Patton; to the Committee on Claims.

Also, a bill (H. R. 1497) granting a pension to Florence L. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1498) granting a pension to Rosa Striebich; to the Committee on Invalid Pensions.

By Mr. BUCKBEE: A bill (H. R. 1499) granting a pension to Mary E. Todd; to the Committee on Pensions.

Also, a bill (H. R. 1500) granting a pension to Nora O. Smith; to the Committee on Pensions.

Also, a bill (H. R. 1501) granting an increase of pension to Francis Clyde Long; to the Committee on Pensions.

Also, a bill (H. R. 1502) granting an increase of pension to Earnest J. Wolter; to the Committee on Pensions.

Also, a bill (H. R. 1503) granting an increase of pension to Reikjel Knutson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1504) granting an increase of pension to Sarah Alice Belrose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1505) granting an increase of pension to Marguerite Eustis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1506) granting an increase of pension to Celesta G. Rock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1507) granting an increase of pension to Philura R. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1508) granting an increase of pension to Charity West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1509) for the relief of Jennie Shellcross; to the Committee on Claims.

Also, a bill (H. R. 1510) for the relief of Milton T. Cornish; to the Committee on Claims.

Also, a bill (H. R. 1511) for the relief of James Madison; to the Committee on Naval Affairs.

Also, a bill (H. R. 1512) for the relief of the heirs of Garrett Walsh, Sr.; to the Committee on Claims.

Also, a bill (H. R. 1513) for the relief of Gerhart W. Markel; to the Committee on Military Affairs.

Also, a bill (H. R. 1514) for the relief of George W. Churchill; to the Committee on Military Affairs.

Also, a bill (H. R. 1515) for the relief of James Prien; to the Committee on Military Affairs.

Also, a bill (H. R. 1516) for the relief of Gus Dolbeck; to the Committee on Claims.

Also, a bill (H. R. 1517) for the relief of John August Johnson; to the Committee on War Claims.

Also, a bill (H. R. 1518) for the relief of Charles Samuelson; to the Committee on War Claims.

Also, a bill (H. R. 1519) for the relief of the Ross P. Beckstrom Co.; to the Committee on War Claims.

Also, a bill (H. R. 1520) for the relief of Michael H. Lorden; to the Committee on War Claims.

Also, a bill (H. R. 1521) for the relief of Ida L. Funston; to the Committee on Claims.

Also, a bill (H. R. 1522) for the relief of Robert B. Marshall; to the Committee on Claims.

Also, a bill (H. R. 1523) granting a pension to Clara S. Hopple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1524) granting a pension to Beulah E. Nicholson; to the Committee on Pensions.

Also, a bill (H. R. 1525) granting a pension to Ellen Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1526) granting a pension to Eva Case; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1527) granting a pension to Anna Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1528) granting a pension to Nellie L. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1529) granting a pension to Ettie May Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1530) granting a pension to Martha Weiss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1531) granting an increase of pension to Mary A. Corwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1532) granting an increase of pension to Adda Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1533) granting an increase of pension to Emily S. Maxwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1534) granting an increase of pension to Mary E. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1535) granting an increase of pension to Agnes B. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1536) granting an increase of pension to Kate Lamb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1537) granting an increase of pension to Mary A. West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1538) granting an increase of pension to Anna Milholland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1539) authorizing the Secretary of War to award a Congressional Medal of Honor to John E. Andrew; to the Committee on Military Affairs.

By Mr. CARTER: A bill (H. R. 1540) for the relief of Lester I. Conrad; to the Committee on Claims.

Also, a bill (H. R. 1541) for the relief of Evelyn Jotter; to the Committee on Claims.

Also, a bill (H. R. 1542) to place Sprague B. Wyman on the retired list of the United States Army as a captain; to the Committee on Military Affairs.

Also, a bill (H. R. 1543) authorizing the appointment of Alexander L. Ford as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 1544) to authorize the appointment of James H. Larney a warrant officer, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 1545) for the relief of Clyde Irving Blake; to the Committee on Naval Affairs.

Also, a bill (H. R. 1546) for the relief of Joseph V. Higgins; to the Committee on the Civil Service.

Also, a bill (H. R. 1547) for the relief of Albert C. Moe; to the Committee on the Judiciary.

Also, a bill (H. R. 1548) for the relief of Wallace M. Jordan; to the Committee on Claims.

Also, a bill (H. R. 1549) for the relief of Joshua L. Bach; to the Committee on Claims.

Also, a bill (H. R. 1550) for the relief of Douglas B. Espy; to the Committee on Claims.

Also, a bill (H. R. 1551) for the relief of Arthur Richter; to the Committee on Claims.

Also, a bill (H. R. 1552) for the relief of Herbert A. Mackey; to the Committee on Claims.

Also, a bill (H. R. 1553) for the relief of Ethyl Grazer Smalley; to the Committee on Claims.

Also, a bill (H. R. 1554) for the relief of Hugh Callahan; to the Committee on Military Affairs.

Also, a bill (H. R. 1555) for the relief of Harold W. Cornwall, also recorded as Harry W. Cornwall; to the Committee on Naval Affairs.

Also, a bill (H. R. 1556) for the relief of certain ex-commissioned officers of the armed forces of the United States; to the Committee on Military Affairs.

Also, a bill (H. R. 1557) for the relief of Joseph H. Price; to the Committee on Military Affairs.

Also, a bill (H. R. 1558) for the relief of Eleanor K. Webber; to the Committee on Claims.

Also, a bill (H. R. 1559) for the relief of John N. Paulson; to the Committee on Claims.

Also, a bill (H. R. 1560) for the relief of Adolph Charles Parrott; to the Committee on Military Affairs.

Also, a bill (H. R. 1561) for the relief of Charles D. Barnes; to the Committee on Military Affairs.

Also, a bill (H. R. 1562) for the relief of Felix Medler; to the Committee on Military Affairs.

Also, a bill (H. R. 1563) for the relief of Benjamin F. Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 1564) for the relief of Edward Garlin; to the Committee on Military Affairs.

Also, a bill (H. R. 1565) for the relief of Frank R. Carpenter, alias Frank R. Carvin; to the Committee on Military Affairs.

Also, a bill (H. R. 1566) granting a pension to Della Rankin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1567) granting an increase of pension to John W. Redington; to the Committee on Pensions.

Also, a bill (H. R. 1568) granting a pension to Ulysses Samuel Main; to the Committee on Pensions.

Also, a bill (H. R. 1569) granting a pension to Ellen A. Van Hooser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1570) granting a pension to Maud E. Murphy; to the Committee on Pensions.

Also, a bill (H. R. 1571) granting a pension to Edward Myers; to the Committee on Pensions.

Also, a bill (H. R. 1572) for the relief of Melvin Lonzo Smith; to the Committee on War Claims.

Also, a bill (H. R. 1573) extending the benefits of the Emergency Officers' Retirement Act to Harry C. Boyden; to the Committee on War Claims.

Also, a bill (H. R. 1574) readmitting B. S. Mattu, sometimes known as "Bishen Singh Mattu", to the character and privileges of a citizen of the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 1575) to correct the military record of John S. Cannell, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 1576) conveying by quitclaim deed to the city of Oakland, Calif., a certain strip of land for street purposes; to the Committee on Public Buildings and Grounds.

By Mr. CARTWRIGHT: A bill (H. R. 1577) granting a pension to Georgia L. Spelce; to the Committee on Pensions.

Also, a bill (H. R. 1578) granting a pension to Elizabeth Frances Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1579) granting a pension to Sarah A. Morris; to the Committee on Pensions.

Also, a bill (H. R. 1580) granting an increase of pension to Johannah Sweet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1581) granting an increase of pension to Mary E. Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1582) for the relief of Phoebe Tedder; to the Committee on Military Affairs.

Also, a bill (H. R. 1583) for the relief of Albert D. Castleberry; to the Committee on Military Affairs.

Also, a bill (H. R. 1584) for the relief of Mrs. Otto H. Reed; to the Committee on Claims.

Also, a bill (H. R. 1585) for the relief of Sally Mattie Macready; to the Committee on Military Affairs.

Also, a bill (H. R. 1586) for the relief of Guy Swan; to the Committee on Naval Affairs.

Also, a bill (H. R. 1587) for the relief of the Woody Motor Co.; to the Committee on Claims.

By Mr. CARY: A bill (H. R. 1588) granting a pension to Belle Bratton Hood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1589) granting a pension to Llewellyn J. S. Judice; to the Committee on Pensions.

Also, a bill (H. R. 1590) granting a pension to Benjamin F. Norris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1591) granting a pension to Donnie E. Moreland; to the Committee on Pensions.

Also, a bill (H. R. 1592) granting a pension to Bettie Dillard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1593) granting a pension to Elizabeth Knight; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1594) granting a pension to Jamaica Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1595) granting a pension to Annie Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1596) granting a pension to Squire F. Ashley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1597) granting a pension to Vuna Flener; to the Committee on Pensions.

Also, a bill (H. R. 1598) granting a pension to Sylvia Abner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1599) granting a pension to Andrew J. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1600) granting a pension to Margaret Ragland; to the Committee on Pensions.

Also, a bill (H. R. 1601) granting a pension to Lucinda Bratcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1602) granting a pension to Sarah Ann B. Emry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1603) granting a pension to Luther Skaggs; to the Committee on Pensions.

Also, a bill (H. R. 1604) granting a pension to Malinda Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1605) granting a pension to Lee Rigsby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1606) for the relief of the heirs of Edmund P. Lee; to the Committee on War Claims.

Also, a bill (H. R. 1607) for the relief of O. D. Cardwell; to the Committee on Claims.

Also, a bill (H. R. 1608) for the relief of Mrs. Hugh A. Thomas; to the Committee on Claims.

Also, a bill (H. R. 1609) for the relief of R. A. Williams; to the Committee on Claims.

Also, a bill (H. R. 1610) for the relief of Charlie T. Annis; to the Committee on Military Affairs.

Also, a bill (H. R. 1611) making Henry B. Morehead eligible to receive the benefits of the Civil Service Retirement Act; to the Committee on the Civil Service.

Also, a bill (H. R. 1612) granting an increase of pension to Burley L. Van Fleet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1613) granting an increase of pension to William T. Conway; to the Committee on Pensions.

Also, a bill (H. R. 1614) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to J. P. Moseley; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 1615) for the relief of Forest Mobley; to the Committee on Naval Affairs.

Also, a bill (H. R. 1616) granting an increase of pension to Mary Newton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1617) granting a pension to Lucy Leach; to the Committee on Invalid Pensions.

By Mr. COLE of Maryland: A bill (H. R. 1618) for the relief of Anna McDonald; to the Committee on Claims.

Also, a bill (H. R. 1619) for the relief of Emil Gathmann; to the Committee on Claims.

Also, a bill (H. R. 1620) for the relief of Louis E. LeBrun; to the Committee on Naval Affairs.

By Mr. CRAVENS: A bill (H. R. 1621) granting a pension to Julia Pitts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1622) granting a pension to Theta B. Spring; to the Committee on Invalid Pensions.

By Mr. DIES: A bill (H. R. 1623) for the relief of the Texas Realty Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 1624) for the relief of Peter Sprinkle; to the Committee on Claims.

Also, a bill (H. R. 1625) for the relief of W. B. Terry; to the Committee on Claims.

Also, a bill (H. R. 1626) for the relief of Walter M. Rowlett; to the Committee on Military Affairs.

Also, a bill (H. R. 1627) granting a pension to Frank Mitchell; to the Committee on Pensions.

Also, a bill (H. R. 1628) granting an increase of pension to Frank E. Sullivan; to the Committee on Pensions.

Also, a bill (H. R. 1629) granting a pension to Samuel Harris; to the Committee on Pensions.

Also, a bill (H. R. 1630) granting a pension to George Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1631) for the relief of Amanda Allen Walker; to the Committee on Claims.

Also, a bill (H. R. 1632) for the relief of William Sterling; to the Committee on Military Affairs.

Also, a bill (H. R. 1633) for the relief of the heirs of William Wesley Turner, deceased; to the Committee on War Claims.

Also, a bill (H. R. 1634) to authorize the presentation of the Distinguished Service Cross to Robert H. Wyche; to the Committee on Military Affairs.

By Mr. DIMOND: A bill (H. R. 1635) for the relief of Duke E. Stubbs and Elizabeth S. Stubbs, husband and wife, both of McKinley Park, Alaska; to the Committee on Claims.

By Mr. DOCKWEILER: A bill (H. R. 1636) for the relief of William Cavalier; to the Committee on Military Affairs.

Also, a bill (H. R. 1637) for the relief of Harrison Brainard, alias Harry White; to the Committee on Military Affairs.

Also, a bill (H. R. 1638) for the relief of Josephus P. Rose; to the Committee on Military Affairs.

Also, a bill (H. R. 1639) for the relief of Thomas F. McVeigh; to the Committee on Military Affairs.

Also, a bill (H. R. 1640) for the relief of Joseph McRay; to the Committee on Military Affairs.

Also, a bill (H. R. 1641) for the relief of James D. Orr; to the Committee on Military Affairs.

Also, a bill (H. R. 1642) for the relief of Patrick H. H. Snodgrass; to the Committee on Military Affairs.

Also, a bill (H. R. 1643) for the relief of Clyde Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 1644) for the relief of Eugene F. Lawler; to the Committee on Military Affairs.

Also, a bill (H. R. 1645) for the relief of William Clair Wise; to the Committee on Military Affairs.

Also, a bill (H. R. 1646) for the relief of Arthur E. Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 1647) for the relief of John S. Barnes; to the Committee on Military Affairs.

Also, a bill (H. R. 1648) for the relief of Robert C. Nicholson; to the Committee on Military Affairs.

Also, a bill (H. R. 1649) for the relief of John Stiglitz; to the Committee on Military Affairs.

Also, a bill (H. R. 1650) for the relief of William Henry Amlaw; to the Committee on Military Affairs.

Also, a bill (H. R. 1651) for the relief of Walter Goulette; to the Committee on Military Affairs.

Also, a bill (H. R. 1652) for the relief of Webster Berry; to the Committee on Military Affairs.

Also, a bill (H. R. 1653) for the relief of Edwin G. Blanchard; to the Committee on Military Affairs.

Also, a bill (H. R. 1654) for the relief of Dee W. Minier; to the Committee on Military Affairs.

Also, a bill (H. R. 1655) for the relief of Carl Coss; to the Committee on Military Affairs.

Also, a bill (H. R. 1656) for the relief of William Cavanaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 1657) for the relief of Howard E. Miller; to the Committee on Naval Affairs.

Also, a bill (H. R. 1658) for the relief of Howard Anthony Berry; to the Committee on Naval Affairs.

Also, a bill (H. R. 1659) for the relief of Robert Edward Doherty; to the Committee on Naval Affairs.

Also, a bill (H. R. 1660) for the relief of William H. Rinehart; to the Committee on Naval Affairs.

Also, a bill (H. R. 1661) for the relief of Walter E. Sharon; to the Committee on Naval Affairs.

Also, a bill (H. R. 1662) granting a pension to Alice Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1663) granting a pension to Mary S. Spink; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1664) granting a pension to Cora B. Noyes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1665) granting an increase of pension to L. Georgia D. Crane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1666) granting a pension to Laura A. Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1667) granting a pension to Del V. Trisler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1668) granting a pension to Belle B. Craig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1669) granting a pension to Ella Schaeffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1670) granting a pension to Jessie F. Langridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1671) granting an increase of pension to Mont Graham; to the Committee on Pensions.

Also, a bill (H. R. 1672) granting a pension to Frederick Johnson; to the Committee on Pensions.

Also, a bill (H. R. 1673) granting a pension to Steve Hendrick; to the Committee on Pensions.

Also, a bill (H. R. 1674) granting a pension to Norman Stephens; to the Committee on Pensions.

Also, a bill (H. R. 1675) granting a pension to Albert M. Barden; to the Committee on Pensions.

Also, a bill (H. R. 1676) granting a pension to Beverly A. Foster; to the Committee on Pensions.

Also, a bill (H. R. 1677) granting a pension to Mae L. Armour; to the Committee on Pensions.

Also, a bill (H. R. 1678) granting a pension to Lloyd O. Taylor; to the Committee on Pensions.

Also, a bill (H. R. 1679) granting a pension to William Dunn; to the Committee on Pensions.

Also, a bill (H. R. 1680) granting a pension to Dorsey C. Blakeley; to the Committee on Pensions.

Also, a bill (H. R. 1681) granting a pension to William H. Neff; to the Committee on Pensions.

Also, a bill (H. R. 1682) granting a pension to Wesley B. Kingdon; to the Committee on Pensions.

Also, a bill (H. R. 1683) granting a pension to Cora E. Kuderski; to the Committee on Pensions.

Also, a bill (H. R. 1684) granting a pension to Jack A. Painter; to the Committee on Pensions.

Also, a bill (H. R. 1685) granting a pension to Mary P. Paul; to the Committee on Pensions.

Also, a bill (H. R. 1686) granting a pension to Margaret F. Prather; to the Committee on Pensions.

Also, a bill (H. R. 1687) granting an increase of pension to Arthur Plank; to the Committee on Pensions.

Also, a bill (H. R. 1688) granting a pension to George McMullen; to the Committee on Pensions.

Also, a bill (H. R. 1689) granting a pension to Julia C. Messamore; to the Committee on Pensions.

Also, a bill (H. R. 1690) granting a pension to Dillon N. Coulston; to the Committee on Pensions.

Also, a bill (H. R. 1691) granting a pension to Max Rapaport; to the Committee on Pensions.

Also, a bill (H. R. 1692) to establish a military record for Daniel P. Tafe; to the Committee on Military Affairs.

Also, a bill (H. R. 1693) to extend certain letters patent to the heirs of Oscar Morath; to the Committee on Patents.

Also, a bill (H. R. 1694) for the relief of Isabell Breault; to the Committee on Claims.

Also, a bill (H. R. 1695) for the relief of Margaret Grace; to the Committee on Claims.

Also, a bill (H. R. 1696) for the relief of Alice Shriner; to the Committee on Claims.

Also, a bill (H. R. 1697) for the relief of Andrew Campbell; to the Committee on Military Affairs.

Also, a bill (H. R. 1698) for the relief of Joseph Gottlieb; to the Committee on Claims.

Also, a bill (H. R. 1699) for the relief of Lena E. Allen; to the Committee on Claims.

Also, a bill (H. R. 1700) for the relief of Mr. and Mrs. G. G. Gross; to the Committee on Claims.

Also, a bill (H. R. 1701) for the relief of Harrison Ward; to the Committee on Claims.

Also, a bill (H. R. 1702) for the relief of the Hermosa-Redondo Hospital, C. Max Anderson, Julian O. Wilke, Curtis A. Wherry, Hollie B. Murray, Ruth M. Laird, Sigrid I. Olsen, and Stella S. Guy; to the Committee on Claims.

Also, a bill (H. R. 1703) for the relief of Cletus F. Hoban; to the Committee on Claims.

Also, a bill (H. R. 1704) for the relief of Jessie P. Bleakley; to the Committee on Claims.

By Mr. DOUTRICH: A bill (H. R. 1705) granting an increase of pension to Nannie J. Hood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1706) granting a pension to Nellie F. Ulman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1707) granting a pension to Lottie L. Stoner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1708) granting a pension to Cora I. Spangler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1709) granting an increase of pension to Catherine E. Ising; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1710) granting a pension to Catherine Gunderman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1711) granting an increase of pension to Elizabeth Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1712) granting an increase of pension to Sophia Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1713) granting an increase of pension to Sophia Rademaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1714) for the relief of Russell H. Lindsay; to the Committee on Naval Affairs.

Also, a bill (H. R. 1715) granting a pension to Clara Stevens; to the Committee on Pensions.

Also, a bill (H. R. 1716) granting a pension to Mary J. Glace; to the Committee on Pensions.

Also, a bill (H. R. 1717) granting a pension to Annie I. Ritz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1718) for the relief of Eleanor Freedman; to the Committee on Claims.

By Mr. FISH: A bill (H. R. 1719) granting an increase of pension to Emma Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1720) granting an increase of pension to Viola V. Buckley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1721) granting an increase of pension to Margaret E. Benjamin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1722) granting an increase of pension to Ellen V. Gillson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1723) granting an increase of pension to Minerva C. Bedford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1724) granting an increase of pension to Lizzie Odell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1725) granting an increase of pension to Clara A. DeKay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1726) granting an increase of pension to Anna N. Osterhout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1727) granting an increase of pension to Cornelia J. Osborn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1728) granting an increase of pension to Mary B. Ray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1729) granting an increase of pension to Adelaide L. Rapelye; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1730) granting an increase of pension to Agnes E. Silvernail; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1731) granting an increase of pension to Annie E. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1732) granting an increase of pension to Jennie Van Rensselaer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1733) granting an increase of pension to Emma Staples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1734) for the relief of A. R. Free; to the Committee on Claims.

Also, a bill (H. R. 1735) for the relief of Lt. Philip Egner; to the Committee on Military Affairs.

Also, a bill (H. R. 1736) for the relief of Charles A. Lewis; to the Committee on Claims.

Also, a bill (H. R. 1737) for the relief of Samuel Keller; to the Committee on Claims.

Also, a bill (H. R. 1738) for the relief of Harrison S. Holmes; to the Committee on Naval Affairs.

Also, a bill (H. R. 1739) for the relief of Frank Gedney; to the Committee on Claims.

Also, a bill (H. R. 1740) for the relief of Edward W. Dornberger; to the Committee on Claims.

Also, a bill (H. R. 1741) for the relief of Nicholas Amoroso; to the Committee on Claims.

Also, a bill (H. R. 1742) for the relief of Charles Wellesley Berrington; to the Committee on Naval Affairs.

Also, a bill (H. R. 1743) for the relief of Joseph E. Myers; to the Committee on Military Affairs.

Also, a bill (H. R. 1744) for the relief of Louise Odenwalder Regan; to the Committee on Military Affairs.

Also, a bill (H. R. 1745) for the relief of Albert Lawson Terwilliger; to the Committee on Military Affairs.

Also, a bill (H. R. 1746) for the relief of Nicholas Vuolo; to the Committee on Military Affairs.

Also, a bill (H. R. 1747) for the relief of Charles A. Manuel; to the Committee on Military Affairs.

Also, a bill (H. R. 1748) for the relief of William Henry Mantz; to the Committee on Naval Affairs.

Also, a bill (H. R. 1749) granting a pension to Anna McNamara; to the Committee on Pensions.

Also, a bill (H. R. 1750) granting a pension to Barbara C. Everett; to the Committee on Pensions.

Also, a bill (H. R. 1751) granting a pension to Hannah Fitzgerald; to the Committee on Pensions.

Also, a bill (H. R. 1752) granting a pension to Anna E. Cahill; to the Committee on Pensions.

Also, a bill (H. R. 1753) granting a pension to Sarah Doran; to the Committee on Pensions.

Also, a bill (H. R. 1754) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James M. Winter; to the Committee on Claims.

Also, a bill (H. R. 1755) granting insurance to Maybelle M. Hannan; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 1756) authorizing the President to order Ellis S. Hopewell before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list, with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 1757) to provide for the advancement on the retired list of the Army of Frederick J. J. Bryde; to the Committee on Military Affairs.

By Mr. FITZPATRICK: A bill (H. R. 1758) granting a pension to Ernestine W. Voss; to the Committee on Pensions.

Also, a bill (H. R. 1759) for the relief of Thomas G. Carlin; to the Committee on Military Affairs.

Also, a bill (H. R. 1760) for the relief of William C. Green; to the Committee on Naval Affairs.

Also, a bill (H. R. 1761) for the relief of Melville Johnson Parkhurst; to the Committee on Naval Affairs.

Also, a bill (H. R. 1762) for the relief of Patrick Charles O'Hara; to the Committee on Naval Affairs.

Also, a bill (H. R. 1763) for the relief of William Robert Gibson; to the Committee on Naval Affairs.

Also, a bill (H. R. 1764) granting a pension to Alice J. Monahan; to the Committee on Pensions.

Also, a bill (H. R. 1765) granting an increase of pension to Cora A. Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1766) for the relief of Bernard Rothstein; to the Committee on Naval Affairs.

Also, a bill (H. R. 1767) for the relief of the children of William Wheeler Hubbell and his wife, Elizabeth Remley Hubbell, both deceased; to the Committee on Claims.

Also, a bill (H. R. 1768) for the relief of Leonora Simons; to the Committee on Claims.

Also, a bill (H. R. 1769) granting a pension to Elizabeth Murray; to the Committee on Pensions.

Also, a bill (H. R. 1770) for the relief of Isadore Parnes; to the Committee on Military Affairs.

Also, a bill (H. R. 1771) for the relief of Pauline Fornabaio; to the Committee on Claims.

Also, a bill (H. R. 1772) for the relief of Fred Ernest Gross; to the Committee on Naval Affairs.

Also, a bill (H. R. 1773) for the relief of Arthur Hansel; to the Committee on Claims.

Also, a bill (H. R. 1774) for the correction of the naval record of officers and sailors who served on the *St. Louis*, the *Harvard*, and the *Yale* during the Spanish War; to the Committee on Naval Affairs.

Also, a bill (H. R. 1775) providing for a preliminary examination and survey for widening and deepening the channel between Travers Island and Glen Island (Long Island Sound), N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1776) for the relief of Herluf F. J. Ravn; to the Committee on Claims.

Also, a bill (H. R. 1777) granting an increase of pension to Clara W. Barrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1778) granting a pension to Harry Miller; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 1779) granting a pension to Nelle L. Axe; to the Committee on Pensions.

Also, a bill (H. R. 1780) granting a pension to Hattie McIntosh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1781) granting an increase of pension to Elizabeth J. Cunningham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1782) granting an increase of pension to Lucy A. Vandiver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1783) granting an increase of pension to Elizabeth M. Harrah; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1784) granting an increase of pension to Laura A. Stuffle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1785) granting an increase of pension to Clara Carnahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1786) granting an increase of pension to Mary J. Gwinn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1787) granting an increase of pension to Mary C. Hunter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1788) granting an increase of pension to Mary Gibson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1789) granting an increase of pension to Roy L. Colvin; to the Committee on Pensions.

Also, a bill (H. R. 1790) granting an increase of pension to Martha M. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1791) granting a pension to Hugh Alexander; to the Committee on Pensions.

Also, a bill (H. R. 1792) granting a pension to Bluford E. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 1793) granting a pension to Laura Belle Winters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1794) granting a pension to Luther Hudson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1795) granting a pension to Anna Fletcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1796) granting a pension to Verdie Osborn; to the Committee on Pensions.

Also, a bill (H. R. 1797) granting a pension to Orval Hunter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1798) granting a pension to Homer J. Walton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1799) granting a pension to Alice Chumbley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1800) granting a pension to Katie Glenn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1801) granting a pension to Charles W. Ringer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1802) granting a pension to Anna E. Cain; to the Committee on Pensions.

Also, a bill (H. R. 1803) granting a pension to Hattie Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1804) granting a pension to Albert Sanders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1805) granting an increase of pension to John Stringer; to the Committee on Pensions.

Also, a bill (H. R. 1806) granting a pension to Patrick Clements; to the Committee on Pensions.

Also, a bill (H. R. 1807) granting a pension to Albert Braun; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1808) granting a pension to Edward Butler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1809) granting a pension to Harry C. B. Frets; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1810) granting a pension to Amanda C. Bodenhamer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1811) granting an increase of pension to Joanna E. Vickers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1812) granting an increase of pension to Catherine Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1813) granting an increase of pension to Mary A. Swing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1814) granting an increase of pension to Belle Armel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1815) granting an increase of pension to Lucy E. Blevins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1816) granting an increase of pension to James B. Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1817) granting a pension to Ruth Kern; to the Committee on Pensions.

Also, a bill (H. R. 1818) granting a pension to Lome I. Sherwood; to the Committee on Pensions.

Also, a bill (H. R. 1819) granting an increase of pension to Clementine Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1820) granting an increase of pension to Louisa L. Kendall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1821) granting an increase of pension to Mary E. Whitlock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1822) granting an increase of pension to Emeline Kinneman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1823) granting an increase of pension to Mary E. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1824) granting an increase of pension to Nancy E. Bucher; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 1825) granting an increase of pension to Robert Goodman; to the Committee on Pensions.

By Mr. HOPE: A bill (H. R. 1826) granting an increase of pension to William H. Willard; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 1827) granting a pension to Thomas Michael Smith; to the Committee on Pensions.

By Mr. IGLESIAS: A bill (H. R. 1828) for the relief of María Miró Menéndez; to the Committee on Claims.

Also, a bill (H. R. 1829) for the relief of Carlota Ballesteros; to the Committee on Claims.

Also, a bill (H. R. 1830) for the relief of Julia Santiago; to the Committee on Claims.

By Mr. JENKINS of Ohio: A bill (H. R. 1831) for the relief of the Mohawk Coal Co.; to the Committee on Claims.

Also, a bill (H. R. 1832) granting a pension to Merrill T. Bryant; to the Committee on Pensions.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 1833) for the relief of Lettie Leverett; to the Committee on Claims.

Also, a bill (H. R. 1834) for the relief of Sgt. John F. Hartman; to the Committee on Military Affairs.

Also, a bill (H. R. 1835) to pay to W. H. Cornelius the sum of $800 for injuries sustained in a collision between his team and wagon and an automobile driven by Regular Army soldiers stationed at Fort Sill, Okla.; to the Committee on Claims.

Also, a bill (H. R. 1836) for the relief of Fanny M. Crosby; to the Committee on Claims.

Also, a bill (H. R. 1837) authorizing the appointment of William J. Schaal, Jr., as a captain, Field Artillery, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 1838) granting a pension to Henry S. Dyer; to the Committee on Pensions.

By Mr. KNUTSON: A bill (H. R. 1839) granting a pension to Mary E. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1840) granting a pension to Minnie McPhail; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1841) granting a pension to Jeanette Nelson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1842) granting a pension to Josephine Black; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1843) granting a pension to Carrie Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1844) granting an increase of pension to Cora A. Pattison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1845) granting an increase of pension to Katherine Barden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1846) for the relief of Daniel W. Seal; to the Committee on Military Affairs.

Also, a bill (H. R. 1847) for the relief of Joseph C. Bailey; to the Committee on Military Affairs.

Also, a bill (H. R. 1848) for the relief of the heirs of Jean Baptiste Faribault and Pelagie Faribault, his wife; to the Committee on Claims.

Also, a bill (H. R. 1849) for the relief of Herman H. Orth; to the Committee on Claims.

Also, a bill (H. R. 1850) for the relief of J. M. Lynch; to the Committee on Claims.

Also, a bill (H. R. 1851) to authorize the sale and conveyance by the Department of the Interior to C. M. Hanson, of Bricelyn, Minn., or his heirs, successors, or assigns, of approximately 1¾ acres of lot 2, section 33, township 43 north, range 27 west, in the county of Mille Lacs, Minn.; to the Committee on Indian Affairs.

Also, a bill (H. R. 1852) for the relief of the Cold Spring Brewing Co., of Cold Spring, Minn., a corporation; to the Committee on Claims.

Also, a bill (H. R. 1853) granting a pension to Mary Brown; to the Committee on Pensions.

Also, a bill (H. R. 1854) granting a pension to Henry Berndt; to the Committee on Pensions.

Also, a bill (H. R. 1855) granting a pension to Eric Kronberg; to the Committee on Pensions.

Also, a bill (H. R. 1856) granting a pension to Joseph R. Hills; to the Committee on Pensions.

Also, a bill (H. R. 1857) granting a pension to William C. Jones; to the Committee on Pensions.

Also, a bill (H. R. 1858) for the relief of Henry Fischer; to the Committee on War Claims.

By Mr. LEA of California: A bill (H. R. 1859) for the relief of Charles H. Brown, alias Harry Morgan; to the Committee on Military Affairs.

Also, a bill (H. R. 1860) to authorize the Secretary of War to donate two bronze cannon to Fort Humboldt Post, No. 212, American Legion, Eureka, Calif.; to the Committee on Military Affairs.

Also, a bill (H. R. 1861) granting an increase of pension to Eva J. Tucker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1862) granting a pension to Fordyce Tucker; to the Committee on Pensions.

Also, a bill (H. R. 1863) for the relief of Paul Little; to the Committee on Military Affairs.

Also, a bill (H. R. 1864) for the relief of Henry Dinucci; to the Committee on Claims.

Also, a bill (H. R. 1865) for the relief of Charles Beretta, Isidore J. Proulx, and John J. West; to the Committee on Claims.

Also, a bill (H. R. 1866) for the relief of Charles Walker; to the Committee on Military Affairs.

By Mr. LEWIS of Maryland: A bill (H. R. 1867) for the relief of Orville E. Clark; to the Committee on Military Affairs.

Also, a bill (H. R. 1868) for the relief of Mary E. Roney; to the Committee on Claims.

Also, a bill (H. R. 1869) for the relief of James T. Webster and Mary A. Webster; to the Committee on Claims.

By Mr. MERRITT of Connecticut: A bill (H. R. 1870) granting a pension to Mary E. Winslow; to the Committee on Pensions.

By Mr. MONTAGUE: A bill (H. R. 1871) for the relief of the Medical College of Virginia and others, of Richmond, Va.; to the Committee on Claims.

Also, a bill (H. R. 1872) for the relief of Roscoe McKinley Meadows; to the Committee on Naval Affairs.

Also, a bill (H. R. 1873) for the relief of John Worthington; to the Committee on Claims.

Also, a bill (H. R. 1874) to provide for the addition or additions of certain lands to the Colonial National Monument in the State of Virginia; to the Committee on the Public Lands.

Also, a bill (H. R. 1875) for the relief of the Butler Lumber Co., Inc., Richmond, Va.; to the Committee on Claims.

Also, a bill (H. R. 1876) for the relief of the trustees of Ivey Memorial Chapel, Chesterfield County, Va.; to the Committee on War Claims.



By Mr. MOTT: A bill (H. R. 1877) granting a pension to Rhoda H. Lozier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1878) granting an increase of pension to Ida M. Van Natta; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1879) for the relief of Jack Mattson; to the Committee on Claims.

Also, a bill (H. R. 1880) for the relief of Ivan H. McCormack; to the Committee on the Public Lands.

Also, a bill (H. R. 1881) for the relief of the estates of Edwin G. Scott, Clyde R. Dindinger, and Ralph R. Fraley; to the Committee on Claims.

Also, a bill (H. R. 1882) authorizing and directing the Secretary of the Treasury to reimburse Carrol D. Ward for the losses sustained by him by reason of the negligence of an employee of the Civilian Conservation Corps; to the Committee on Claims.

Also, a bill (H. R. 1883) for the relief of the port of Bay City, in Tillamook County, Oreg.; to the Committee on Claims.

Also, a bill (H. R. 1884) for the relief of Ida M. Mathison Holder; to the Committee on Pensions.

Also, a bill (H. R. 1885) for the relief of Alex Silvola; to the Committee on Claims.

Also, a bill (H. R. 1886) for the relief of Lincoln County, Oreg.; to the Committee on Claims.

Also, a bill (H. R. 1887) for the relief of the heirs of Hugh L. P. Chiene; to the Committee on Claims.

Also, a bill (H. R. 1888) granting a pension to Matilda E. A. Hornback; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1889) granting a pension to Lemuel T. Wilson; to the Committee on Pensions.

By Mr. PETERSON of Florida: A bill (H. R. 1890) for the relief of Reuben R. Sanchez; to the Committee on Claims.

Also, a bill (H. R. 1891) granting a pension to Benjamin Dobrosky; to the Committee on Pensions.

Also, a bill (H. R. 1892) granting a pension to Della Bond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1893) granting a pension to Frank H. Brown; to the Committee on Pensions.

Also, a bill (H. R. 1894) granting a pension to Margaret Haskin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1895) granting a pension to May Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1896) granting a pension to Lu M. Linscott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1897) granting a pension to Elise M. Lum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1898) granting a pension to Daisy Vredenburgh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1899) for the relief of C. Buck Turner; to the Committee on Military Affairs.

Also, a bill (H. R. 1900) granting a pension to Ida Miller; to the Committee on Pensions.

Also, a bill (H. R. 1901) granting a pension to Lura P. Markley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1902) granting a pension to Irene C. Flack; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1903) granting a pension to Emma M. Backus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1904) granting a pension to Leon L. Keen; to the Committee on Pensions.

Also, a bill (H. R. 1905) granting a pension to Sarah Hampton; to the Committee on Pensions.

Also, a bill (H. R. 1906) granting a pension to Lelia W. Church; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 1907) granting a pension to Wallace S. Hodge; to the Committee on Pensions.

Also, a bill (H. R. 1908) for the relief of M. F. Powers; to the Committee on Claims.

By Mr. SUTPHIN: A bill (H. R. 1909) providing for the examination and survey of the channel in Shrewsbury River, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1910) granting a pension to Carl J. Carlson; to the Committee on Pensions.

Also, a bill (H. R. 1911) granting an increase of pension to George M. Purdy; to the Committee on Pensions.

Also, a bill (H. R. 1912) for the relief of William J. Ryan, chaplain, United States Army; to the Committee on Claims.

Also, a bill (H. R. 1913) for the relief of James Luker, Sr.; to the Committee on Claims.

Also, a bill (H. R. 1914) for the relief of the dependents of Vincent A. Clayton; to the Committee on Claims.

By Mr. TARVER: A bill (H. R. 1915) for the relief of Henry O. Goddard; to the Committee on Claims.

By Mr. THOMAS: A bill (H. R. 1916) granting a pension to Sarah G. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1917) for the relief of Etta A. Shepard; to the Committee on Claims.

Also, a bill (H. R. 1918) for the relief of Delbert Miller; to the Committee on Claims.

Also, a bill (H. R. 1919) for the relief of Elsie Werger; to the Committee on Claims.

Also, a bill (H. R. 1920) for the relief of Carolyn E. Howe; to the Committee on Claims.

Also, a bill (H. R. 1921) for the relief of Charles H. Willett; to the Committee on Military Affairs.

Also, a bill (H. R. 1922) for the relief of John F. Poulson; to the Committee on Claims.

Also, a bill (H. R. 1923) granting an increase of pension to Flora M. Leake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1924) for the relief of Lydia M. White; to the Committee on Claims.

Also, a bill (H. R. 1925) granting an increase of pension to Ella S. T. Witbeck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1926) granting an increase of pension to Mary A. Richmond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1927) granting an increase of pension to Lizzie Rynders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1928) granting an increase of pension to Mary Maley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1929) granting a pension to James C. Riley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1930) granting an increase of pension to Mary Devine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1931) granting a pension to John Charles Inglee; to the Committee on Pensions.

Also, a bill (H. R. 1932) granting a pension to Luella Bresnahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1933) granting a pension to Catherine Woodstock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1934) granting a pension to Elizabeth E. De Silva; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1935) granting a pension to Corrie A. Chubb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1936) granting a pension to Mary Keegan; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 1937) granting a pension to Francis L. Mieir; to the Committee on Pensions.

Also, a bill (H. R. 1938) granting a pension to Alberta Belle Newman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1939) granting an increase of pension to Sarah M. McCullough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1940) for the relief of John M. Garrett; to the Committee on Claims.

By Mr. WIGGLESWORTH: A bill (H. R. 1941) for the relief of Patrick J. Cloherty; to the Committee on Military Affairs.

Also, a bill (H. R. 1942) for the relief of Walter B. Smith; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 1943) granting a pension to Mary Spear; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1944) granting a pension to Sarah M. H. Nickerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1945) granting a pension to Bertha L. Wade; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1946) granting a pension to Dora B. Mann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1947) granting an increase of pension to John J. Duffy; to the Committee on Pensions.

Also, a bill (H. R. 1948) granting a pension to Arlotta M. Perkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1949) granting an increase of pension to Jennie F. Seavey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1950) granting an increase of pension to Lizzie A. Whitten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1951) for the relief of John J. O'Connor; to the Committee on Military Affairs.

By Mr. WILCOX: A bill (H. R. 1952) for the relief of Harry Flanery; to the Committee on Military Affairs.

Also, a bill (H. R. 1953) for the relief of Andrew L. Johnson, father of Earl Johnson, a minor; to the Committee on Claims.

Also, a bill (H. R. 1954) for the relief of Jeter J. McGee; to the Committee on Claims.

Also, a bill (H. R. 1955) for the relief of Harry P. Leu; to the Committee on Claims.

Also, a bill (H. R. 1956) for the relief of Aurora Booth; to the Committee on Claims.

Also, a bill (H. R. 1957) for the relief of M. W. Hutchinson; to the Committee on Claims.

Also, a bill (H. R. 1958) for the relief of Walter J. Bryson Paving Co.; to the Committee on Claims.

Also, a bill (H. R. 1959) for the relief of William A. Somerville; to the Committee on Claims.

Also, a bill (H. R. 1960) for the relief of the legal representatives of the estate of Paul Arnau; to the Committee on Claims.

Also, a bill (H. R. 1961) for the relief of Frank Anderson; to the Committee on Claims.

Also, a bill (H. R. 1962) for the relief of Albert H. Jacobson; to the Committee on Claims.

Also, a bill (H. R. 1963) for the relief of Edgar H. Taber; to the Committee on Military Affairs.

Also, a bill (H. R. 1964) for the relief of Harry Burton-Lewis; to the Committee on Military Affairs.

Also, a bill (H. R. 1965) for the relief of William E. Fossett; to the Committee on Claims.

Also, a bill (H. R. 1966) for the relief of H. J. Klutho; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 1967) for the relief of Emma Retzer; to the Committee on War Claims.

Also, a bill (H. R. 1968) granting a pension to Susie McCoy Faus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1969) granting a pension to Emma Washburn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1970) for the relief of Ross P. Beckstrom Co.; to the Committee on War Claims.

Also, a bill (H. R. 1971) for the relief of Lloyd L. Warfield; to the Committee on War Claims.

Also, a bill (H. R. 1972) granting a pension to Lura L. Burroughs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1973) granting a pension to Hattie Yarwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1974) granting a pension to Emma T. Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1975) granting a pension to Bessie Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1976) granting a pension to Alta Manypenny; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1977) granting a pension to Mattie St. Clair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1978) granting a pension to Elizabeth Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1979) granting a pension to Minnie F. Leach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1980) granting a pension to Susie E. Payne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1981) granting a pension to Mabel L. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1982) granting a pension to Agnes Holbrook; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 1983) granting a pension to William Gage; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1984) granting a pension to Esther Critchell; to the Committee on Invalid Pensions.

By Mr. ANDREWS of New York: A bill (H. R. 2082) granting a pension to William Howard Kuhl; to the Committee on Pensions.

Also, a bill (H. R. 2083) for the relief of Victor J. Quillian; to the Committee on Naval Affairs.

Also, a bill (H. R. 2084) granting a pension to Frederick F. MacCleverty; to the Committee on Pensions.

By Mr. ARNOLD: A bill (H. R. 2085) granting an increase of pension to Mary James; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 2086) for the relief of Walter C. Holmes; to the Committee on Claims.

Also, a bill (H. R. 2087) for the relief of the Delaware Bay Shipbuilding Co.; to the Committee on Claims.

Also, a bill (H. R. 2088) for the relief of George E. Morrison; to the Committee on Naval Affairs.

Also, a bill (H. R. 2089) providing for the examination and survey of Menantico Creek, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2090) for a survey and examination of West Creek, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2091) providing for examination and survey with a view to building a canal across Cape May County, N. J., connecting the State inland waterway with Delaware Bay; to the Committee on Rivers and Harbors.

By Mr. BACON: A bill (H. R. 2092) providing for the examination and survey of Hashamomuck (Arshamomaque) Creek, Long Island, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2093) providing for the examination and survey of Moriches Inlet, Long Island, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2094) providing for the examination and survey of Nissequogue River, Long Island, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2095) providing for the examination and survey of Goldsmith Inlet, Long Island, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2096) granting a pension to Bertha M. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2097) providing for the examination and survey of Lake Montauk Harbor, Long Island, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2098) providing for the examination and survey of the Long Island Intercoastal Waterway from East Rockaway Inlet to Great Peconic Bay, N. Y.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2099) for the relief of Frank Fournier; to the Committee on Naval Affairs.

Also, a bill (H. R. 2100) for the relief of Franklin Scott Irby; to the Committee on Naval Affairs.

Also, a bill (H. R. 2101) for the relief of Malcolm P. Nash; to the Committee on Naval Affairs.

Also, a bill (H. R. 2102) for the relief of Francis Joseph Meade; to the Committee on Naval Affairs.

Also, a bill (H. R. 2103) for the relief of Matthew Grady; to the Committee on Military Affairs.

Also, a bill (H. R. 2104) for the relief of William T. Murphy; to the Committee on Military Affairs.

Also, a bill (H. R. 2105) for the relief of Nathaniel Monsell, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 2106) for the relief of John Kutil; to the Committee on Military Affairs.

Also, a bill (H. R. 2107) for the relief of Frank Kroegel, alias Francis Kroegel; to the Committee on Military Affairs.

Also, a bill (H. R. 2108) for the relief of the children of William Wheeler Hubbell and his wife, Elizabeth Catherine Hubbell, both deceased; to the Committee on Claims.

Also, a bill (H. R. 2109) authorizing the Secretary of the Treasury to pay certain claims the result of a fire in the Government ordnance plant at Baldwin, N. Y.; to the Committee on Claims.

Also, a bill (H. R. 2110) for the relief of W. A. Harriman; to the Committee on Claims.

Also, a bill (H. R. 2111) for the relief of David Myerle, as executor of the last will and testament of Phineas Burgess, deceased; to the Committee on Claims.

By Mr. BEITER: A bill (H. R. 2112) granting an increase of pension to Susan A. Pitts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2113) granting an increase of pension to Ida H. Rupert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2114) for the relief of Alfred A. Wittek; to the Committee on Naval Affairs.

By Mr. BLAND: A bill (H. R. 2115) for the relief of First Lt. R. G. Cuno; to the Committee on Claims.

Also, a bill (H. R. 2116) authorizing the Secretary of the Treasury to pay subcontractors for material and labor furnished in the construction of Government buildings at Fort Myer, Va.; to the Committee on Public Buildings and Grounds.

By Mr. BURNHAM: A bill (H. R. 2117) for the relief of Cora A. Snyder; to the Committee on Military Affairs.

Also, a bill (H. R. 2118) for the relief of John P. Seabrook; to the Committee on Naval Affairs.

Also, a bill (H. R. 2119) for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor; to the Committee on Claims.

Also, a bill (H. R. 2120) for the relief of Mr. and Mrs. Charles F. Carter, parents and guardians of Louise Marie Carter, a minor; to the Committee on Claims.

Also, a bill (H. R. 2121) for the relief of Jane Murrah; to the Committee on Claims.

Also, a bill (H. R. 2122) for the relief of William Seader; to the Committee on Claims.

Also, a bill (H. R. 2123) for the relief of Lee Acrey, also known as "Barnett Lee Acrey"; to the Committee on Military Affairs.

Also, a bill (H. R. 2124) for the relief of John E. Little; to the Committee on Military Affairs.

Also, a bill (H. R. 2125) for the relief of George William Henning; to the Committee on Claims.

Also, a bill (H. R. 2126) for the relief of Hugh G. Lisk; to the Committee on Claims.

Also, a bill (H. R. 2127) for the relief of George Hall; to the Committee on Military Affairs.

Also, a bill (H. R. 2128) for the relief of Rossetta Laws; to the Committee on Military Affairs.

Also, a bill (H. R. 2129) for the relief of Harry C. Bertolucci; to the Committee on Naval Affairs.

Also, a bill (H. R. 2130) for the relief of John M. McNulty; to the Committee on Naval Affairs.

Also, a bill (H. R. 2131) for the relief of the heirs of Facunda Gonzales; to the Committee on War Claims.

Also, a bill (H. R. 2132) to extend the benefit of the United States Employment Compensation Act to Frank A. Smith; to the Committee on Claims.

Also, a bill (H. R. 2133) granting a pension to Bergliot Work; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2134) granting 6 months' pay to Annie Bruce; to the Committee on Naval Affairs.

Also, a bill (H. R. 2135) granting an increase of pension to McLean W. Terry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2136) granting an increase of pension to Sarah M. Rust; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2137) granting a pension to Edward Lewis Searl, 3d; to the Committee on Pensions.

Also, a bill (H. R. 2138) granting a pension to Mary H. Wallace; to the Committee on Pensions.

Also, a bill (H. R. 2139) granting a pension to John Burton Hughes; to the Committee on Pensions.

Also, a bill (H. R. 2140) granting a pension to Emma Jones; to the Committee on Pensions.

Also, a bill (H. R. 2141) granting a pension to Freda Boy; to the Committee on Pensions.

Also, a bill (H. R. 2142) granting a pension to Robert Fuller; to the Committee on Pensions.

Also, a bill (H. R. 2143) granting a pension to Neville S. Tout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2144) granting a pension to Harriet A. Ward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2145) granting a pension to Lucy McManning; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2146) granting a pension to Clara H. Miller; to the Committee on Invalid Pensions.

By Mr. CARTER: A bill (H. R. 2147) authorizing the President of the United States to reappoint Robert W. Miller a first lieutenant of Cavalry, United States Army; to the Committee on Military Affairs.

By Mr. DELANEY: A bill (H. R. 2148) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claims of the Italian Star Line, Inc., against the United States; to the Committee on Claims.

Also, a bill (H. R. 2149) granting a pension to Annie J. Gonsalez; to the Committee on Pensions.

Also, a bill (H. R. 2150) for the relief of William Patrick Kelly; to the Committee on Naval Affairs.

Also, a bill (H. R. 2151) granting a pension to Mildred M. Tracy; to the Committee on Pensions.

Also, a bill (H. R. 2152) for the relief of Arthur C. Hunt; to the Committee on Naval Affairs.

Also, a bill (H. R. 2153) for the relief of Anthony J. De Amara; to the Committee on Naval Affairs.

Also, a bill (H. R. 2154) for the relief of the Mizrach Wine Co.; to the Committee on Claims.

Also, a bill (H. R. 2155) for the relief of Francisco M. Acayan; to the Committee on Claims.

Also, a bill (H. R. 2156) for the relief of Cecelia Callahan; to the Committee on Naval Affairs.

By Mr. DOBBINS: A bill (H. R. 2157) for the relief of Howard Donovan; to the Committee on Claims.

Also, a bill (H. R. 2158) for the relief of Herbert F. Wascher; to the Committee on Claims.

Also, a bill (H. R. 2159) granting a pension to William B. Fischer; to the Committee on Pensions.

Also, a bill (H. R. 2160) granting a pension to Catherine E. Burke; to the Committee on Pensions.

Also, a bill (H. R. 2161) granting a pension to Margaret Albritton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2162) for the relief of Arch Boyles; to the Committee on Military Affairs.

By Mr. EATON: A bill (H. R. 2163) for the relief of William Sulem; to the Committee on Claims.

Also, a bill (H. R. 2164) for the relief of George W. Stout; to the Committee on Claims.

By Mr. GIFFORD: A bill (H. R. 2165) for the relief of Charles A. Gettys; to the Committee on Naval Affairs.

Also, a bill (H. R. 2166) providing for an examination and survey of the harbor at Cuttyhunk, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2167) providing for an examination and survey of the shore at Gay Head, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2168) providing for an examination and survey of Rock Harbor, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2169) for the relief of Eldon F. Tripp; to the Committee on Naval Affairs.

Also, a bill (H. R. 2170) to amend the military record of Walter Gordon; to the Committee on Military Affairs.

Also, a bill (H. R. 2171) granting a pension to Michel Robitaille; to the Committee on Pensions.

Also, a bill (H. R. 2172) granting a pension to Agnes E. Barnhardt; to the Committee on Pensions.

Also, a bill (H. R. 2173) granting a pension to Margaret White; to the Committee on Pensions.

Also, a bill (H. R. 2174) granting a pension to Frank E. Rose, alias Frank E. Smith; to the Committee on Pensions.

Also, a bill (H. R. 2175) granting a pension to Mary Banks Fuller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2176) granting a pension to Fannie L. Leonard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2177) granting an increase of pension to George C. Dyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2178) granting an increase of pension to James S. Morton; to the Committee on Pensions.

Also, a bill (H. R. 2179) granting an increase of pension to George I. Luce; to the Committee on Pensions.

Also, a bill (H. R. 2180) granting an increase of pension to Bridget E. Williams; to the Committee on Pensions.

Also, a bill (H. R. 2181) granting an increase of pension to John Stoll; to the Committee on Pensions.

Also, a bill (H. R. 2182) for the relief of Mertis L. Foster; to the Committee on Claims.

Also, a bill (H. R. 2183) for the relief of the estate of Milton L. Baxter; to the Committee on Claims.

Also, a bill (H. R. 2184) for the relief of James Jorgenson; to the Committee on Claims.

Also, a bill (H. R. 2185) for the relief of the estate of Marcellino M. Gilmette; to the Committee on Claims.

Also, a bill (H. R. 2186) for the relief of John Kelly; to the Committee on Claims.

Also, a bill (H. R. 2187) for the relief of Alfred M. Hilton; to the Committee on Claims.

Also, a bill (H. R. 2188) for the relief of Nellie F. Sherman; to the Committee on Claims.

Also, a bill (H. R. 2189) for the relief of Julia M. Ryder; to the Committee on Claims.

Also, a bill (H. R. 2190) for the relief of Ralph C. Myrick; to the Committee on Military Affairs.

Also, a bill (H. R. 2191) for the relief of John Thomas Simpkin; to the Committee on Naval Affairs.

Also, a bill (H. R. 2192) for the relief of Harry B. Walmsley; to the Committee on Military Affairs.

Also, a bill (H. R. 2193) for the relief of Joseph Phaneuf; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 2194) granting a pension to Ida Sivin; to the Committee on Pensions.

Also, a bill (H. R. 2195) for the relief of George Price; to the Committee on Claims.

Also, a bill (H. R. 2196) for the relief of the estate of Bridget McGrane; to the Committee on Claims.

Also, a bill (H. R. 2197) for the relief of Gustav A. Ringelman; to the Committee on Naval Affairs.

Also, a bill (H. R. 2198) for the relief of Joseph McMullen; to the Committee on Naval Affairs.

Also, a bill (H. R. 2199) for the relief of Samuel David Singer; to the Committee on Naval Affairs.

Also, a bill (H. R. 2200) for the relief of John J. Coyne; to the Committee on Military Affairs.

Also, a bill (H. R. 2201) for the relief of Sidney Silverman; to the Committee on Military Affairs.

Also, a bill (H. R. 2202) for the relief of Aaron Cohen; to the Committee on Military Affairs.

Also, a bill (H. R. 2203) to provide for the honorary designation of St. Anns Churchyard, in the city of New York, as a national shrine, and for the erection of a monument or statue thereon to the memory of Gouverneur Morris; to the Committee on the Library.

By Mr. GOLDSBOROUGH: A bill (H. R. 2204) for the relief of Robert M. Kenton; to the Committee on Claims.

Also, a bill (H. R. 2205) for the relief of Zedic N. Draper; to the Committee on Military Affairs.

Also, a bill (H. R. 2206) granting a pension to Willie E. Watson; to the Committee on Pensions.

Also, a bill (H. R. 2207) granting a pension to Margaret R. Truitt; to the Committee on Pensions.

Also, a bill (H. R. 2208) granting a pension to Elizabeth B. Kemp; to the Committee on Pensions.

Also, a bill (H. R. 2209) granting an increase of pension to Alice M. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2210) granting a pension to Mary B. Sherwood; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 2211) for the relief of Samuel W. Carnes; to the Committee on Military Affairs.

Also, a bill (H. R. 2212) for the relief of the Smith-Leavitt Coal Co.; to the Committee on Claims.

Also, a bill (H. R. 2213) for the relief of the Charles P. Shipley Saddlery & Mercantile Co.; to the Committee on War Claims.

Also, a bill (H. R. 2214) for the relief of Florence L. Sheppard; to the Committee on Claims.

Also, a bill (H. R. 2215) for the relief of the Smith-Leavitt Coal Co.; to the Committee on Claims.

Also, a bill (H. R. 2216) for the relief of Frank Conlin; to the Committee on Claims.

Also, a bill (H. R. 2217) for the relief of Thomas J. Gould; to the Committee on Claims.

Also, a bill (H. R. 2218) granting an increase of pension to Hannah Byers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2219) granting an increase of pension to Victoria Gould; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2220) granting an increase of pension to Sierra Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2221) granting an increase of pension to Mary L. Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2222) granting an increase of pension to Mary J. McAlearney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2223) granting a pension to Mattie E. Fruit; to the Committee on Pensions.

Also, a bill (H. R. 2224) granting a pension to Frank C. Tyson; to the Committee on Pensions.

Also, a bill (H. R. 2225) granting a pension to Elmer B. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2226) granting a pension to Isadorah Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2227) granting a pension to Laura E. Rowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2228) granting a pension to Isabelle Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2229) granting a pension to Milton McNabb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2230) granting a pension to Nettie B. Protzman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2231) granting a pension to Ruth P. Kerns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2232) granting a pension to Willanna Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2233) granting a pension to Alice L. Calderhead; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2234) granting a pension to Mary J. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2235) granting a pension to Emma Zane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2236) granting a pension to Mary E. Adams; to the Committee on Invalid Pensions.

By Mr. HOLLISTER: A bill (H. R. 2237) granting a pension to Emma Ferris; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 2238) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Thomas P. McGinn, a former employee of the United States Mint at San Francisco, Calif.; to the Committee on Claims.

Also, a bill (H. R. 2239) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to John F. Considine, a former employee of the United States under the Reclamation Service, Department of the Interior, at Yuma, Ariz.; to the Committee on Claims.

Also, a bill (H. R. 2240) authorizing the President to appoint Capt. DeWitt Blamer, United States Navy, retired, a rear admiral on the retired list of the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 2241) to authorize the appointment of John J. Dean, Medical Corps, as warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2242) providing for the advancement of Michael Holub on the retired list of the Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2243) authorizing the appointment of John Rowland as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2244) to renew and extend certain letters patent to Rosa Schoenholz; to the Committee on Patents.

Also, a bill (H. R. 2245) to authorize the appointment of Bert J. Zimmerman as warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2246) to readjust the pay of certain warrant officers and retired enlisted men; to the Committee on Military Affairs.

Also, a bill (H. R. 2247) providing for the appointment of Roderick R. Strong as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2248) to authorize the presentation to Robert A. Roos of a Distinguished Service Medal; to the Committee on Military Affairs.

Also, a bill (H. R. 2249) granting an increase of pension to Ruby J. Fulton; to the Committee on Pensions.

Also, a bill (H. R. 2250) granting a pension to Frank E. Marks; to the Committee on Pensions.

Also, a bill (H. R. 2251) granting a pension to Lena Bidderman; to the Committee on Pensions.

Also, a bill (H. R. 2252) granting a pension to Guy G. LeMoyne; to the Committee on Pensions.

Also, a bill (H. R. 2253) granting a pension to Mort Wallace Mays; to the Committee on Pensions.

Also, a bill (H. R. 2254) granting a pension to Elmer R. Getchell; to the Committee on Pensions.

Also, a bill (H. R. 2255) granting a pension to Rosa Jacobi; to the Committee on Pensions.

Also, a bill (H. R. 2256) for the relief of U. R. Webb; to the Committee on Claims.

Also, a bill (H. R. 2257) for the relief of Adelaide A. Whiteman and her husband, William F. Whiteman; to the Committee on Claims.

Also, a bill (H. R. 2258) for the relief of Peter F. Ramm; to the Committee on Claims.

Also, a bill (H. R. 2259) for the relief of Addie I. Tryon and Lorin H. Tryon; to the Committee on Claims.

Also, a bill (H. R. 2260) for the relief of the McGilvray-Raymond Granite Co.; to the Committee on Claims.

Also, a bill (H. R. 2261) for the relief of Rosalie Rose; to the Committee on Claims.

Also, a bill (H. R. 2262) for the relief of William H. Locke; to the Committee on Claims.

Also, a bill (H. R. 2263) for the relief of Jacob Meyers; to the Committee on Claims.

Also, a bill (H. R. 2264) for the relief of Anthony W. Glynn; to the Committee on Claims.

Also, a bill (H. R. 2265) for the relief of William Lyons; to the Committee on Claims.

Also, a bill (H. R. 2266) for the relief of the legal representatives of Owen Thorne, deceased; to the Committee on Claims.

Also, a bill (H. R. 2267) for the relief of A. R. Fourmont; to the Committee on Claims.

Also, a bill (H. R. 2268) for the relief of Claud Granville Goings; to the Committee on Naval Affairs.

Also, a bill (H. R. 2269) for the relief of William M. Barrett; to the Committee on Naval Affairs.

Also, a bill (H. R. 2270) for the relief of Walter S. Dickinson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2271) for the relief of Emil Anderson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2272) for the relief of Nels D. Anderson; to the Committee on Claims.

Also, a bill (H. R. 2273) for the relief of the Jewish Committee for Personal Service; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2274) for the relief of Jessie Callihan; to the Committee on Claims.

Also, a bill (H. R. 2275) for the relief of Arthur H. Christern; to the Committee on Claims.

Also, a bill (H. R. 2276) for the relief of Patrick Reilly; to the Committee on Military Affairs.

Also, a bill (H. R. 2277) for the relief of Fred Peterson; to the Committee on Military Affairs.

Also, a bill (H. R. 2278) for the relief of Joseph Duncan Smedberg; to the Committee on Military Affairs.

Also, a bill (H. R. 2279) for the relief of Ronal Stern; to the Committee on Military Affairs.

Also, a bill (H. R. 2280) for the relief of James William Cole; to the Committee on Military Affairs.

Also, a bill (H. R. 2281) for the relief of Joseph L. Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 2282) for the relief of Thomas Mahoney; to the Committee on Naval Affairs.

Also, a bill (H. R. 2283) for the relief of Fred Floyd Ferguson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2284) for the relief of Patrick Joseph Pierson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2285) for the relief of Patrick O'Brien; to the Committee on Naval Affairs.

Also, a bill (H. R. 2286) for the relief of Edward Tumelty; to the Committee on Naval Affairs.

Also, a bill (H. R. 2287) for the relief of Theodore Reynders; to the Committee on Naval Affairs.

Also, a bill (H. R. 2288) for the relief of Louis Henry Brown; to the Committee on Naval Affairs.

Also, a bill (H. R. 2289) for the relief of Patrick Collum; to the Committee on Naval Affairs.

Also, a bill (H. R. 2290) for the relief of Iria T. Peck; to the Committee on Military Affairs.

Also, a bill (H. R. 2291) for the relief of Dave Price; to the Committee on Military Affairs.

Also, a bill (H. R. 2292) for the relief of Augustus Marcel, alias Thomas Burns; to the Committee on Military Affairs.

Also, a bill (H. R. 2293) for the relief of William Kelley; to the Committee on Military Affairs.

Also, a bill (H. R. 2294) for the relief of Thaddeus C. Knight; to the Committee on Military Affairs.

Also, a bill (H. R. 2295) for the relief of Abram L. Gerson (Abe A. Gerson); to the Committee on Military Affairs.

Also, a bill (H. R. 2296) for the relief of John W. Donegan; to the Committee on Military Affairs.

Also, a bill (H. R. 2297) for the relief of officers of the Army, Navy, and Marine Corps retired for wounds in battle; to the Committee on Military Affairs.

Also, a bill (H. R. 2298) granting a pension to Harriet I. Van Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2299) for the relief of George A. Dobbs; to the Committee on Military Affairs.

Also, a bill (H. R. 2300) for the relief of Walter Wiess; to the Committee on Military Affairs.

By Mr. LANHAM: A bill (H. R. 2301) granting a pension to Robert C. Wood; to the Committee on Pensions.

Also, a bill (H. R. 2302) for the relief of William P. Flynn; to the Committee on Military Affairs.

Also, a bill (H. R. 2303) for the relief of Harry W. Boyd; to the Committee on Military Affairs.

Also, a bill (H. R. 2304) for the relief of Virgil Buzard; to the Committee on Military Affairs.

Also, a bill (H. R. 2305) for the relief of John DuBois; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 2306) for the relief of Lee Cook; to the Committee on Military Affairs.

Also, a bill (H. R. 2307) for the relief of Stewart Lanier Cook; to the Committee on Military Affairs.

Also, a bill (H. R. 2308) for the relief of Fay A. Cushman; to the Committee on Military Affairs.

Also a bill (H. R. 2309) for the relief of William H. Estabrook; to the Committee on Military Affairs.

Also, a bill (H. R. 2310) for the relief of Samuel Hooper Lane, alias Samuel Foot; to the Committee on Military Affairs.

Also, a bill (H. R. 2311) to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker or Carlton C. Baker is one and the same person; to the Committee on Military Affairs.

Also, a bill (H. R. 2312) granting a pension to Mary G. Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2313) granting a pension to Orange A. Sink; to the Committee on Pensions.

Also, a bill (H. R. 2314) to provide for the advancement on the retired list of the Navy of George Dewey Hilding; to the Committee on Naval Affairs.

Also, a bill (H. R. 2315) for the relief of Anthony Peter De Young; to the Committee on Naval Affairs.

Also, a bill (H. R. 2316) for the relief of Homer P. Cota; to the Committee on Naval Affairs.

Also, a bill (H. R. 2317) for the relief of William Dean McCoy; to the Committee on Naval Affairs.

Also, a bill (H. R. 2318) for the relief of Ernest Eppinga; to the Committee on Naval Affairs.

By Mr. McREYNOLDS: A bill (H. R. 2319) for the relief of Oswald Orlando; to the Committee on Claims.

By Mr. MOTT: A bill (H. R. 2320) granting a pension to John R. Gamble; to the Committee on Pensions.

Also, a bill (H. R. 2321) authorizing a preliminary examination and survey of the Nehalem, Miami, Kilchis, Wilson, Trask, and Tillamook Rivers, tributaries to Tillamook Bay in Tillamook County, Oreg., with a view to the controlling of floods; to the Committee on Flood Control.

By Mr. PIERCE: A bill (H. R. 2322) for the relief of Fred Herrick; to the Committee on Claims.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 2323) for the relief of Dean Scott; to the Committee on Claims.

Also, a bill (H. R. 2324) for the relief of Manuel Gonsalves; to the Committee on Claims.

Also, a bill (H. R. 2325) for the relief of James P. Whalen; to the Committee on Claims.

Also, a bill (H. R. 2326) for the relief of Laban H. Davies; to the Committee on Claims.

Also, a bill (H. R. 2327) for the relief of Chellis T. Mooers; to the Committee on Claims.

Also, a bill (H. R. 2328) for the relief of Catherine Ward; to the Committee on Claims.

Also, a bill (H. R. 2329) for the relief of Joseph Edward Richards; to the Committee on Military Affairs.

Also, a bill (H. R. 2330) for the relief of Eugene Michael Doran; to the Committee on Naval Affairs.

Also, a bill (H. R. 2331) for the relief of Lt. Comdr. G. C. Manning; to the Committee on Naval Affairs.

Also, a bill (H. R. 2332) reviving and renewing patents nos. 955130 and 955131; to the Committee on Patents.

Also, a bill (H. R. 2333) to correct the naval record of Joseph Horace Albion Normandin; to the Committee on Naval Affairs.

By Mr. SHANNON: A bill (H. R. 2334) granting an increase of pension to Christine Hounshell; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 2335) for the relief of Cora Akins; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 2336) granting an increase of pension to Elizabeth Guy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2337) granting an increase of pension to Mary Jane Butler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2338) granting a pension to Sarah J. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2339) granting a pension to Susan Elizabeth Jeffers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2340) granting a pension to Hannah T. Heaton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2341) granting a pension to Luticia C. Anderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2342) granting a pension to Reatha Reneau; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2343) granting a pension to John J. Rosier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2344) granting a pension to Hettie Prewitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2345) granting a pension to Allie M. Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2346) granting a pension to Maggie Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2347) granting a pension to Ross Huston Horner; to the Committee on Pensions.

Also, a bill (H. R. 2348) granting a pension to Hiram M. Graves; to the Committee on Pensions.

Also, a bill (H. R. 2349) granting a pension to William R. Hunley; to the Committee on Pensions.

Also, a bill (H. R. 2350) granting a pension to Charles Farris; to the Committee on Pensions.

Also, a bill (H. R. 2351) granting an increase of pension to Mattie N. Seivers; to the Committee on Pensions.

Also, a bill (H. R. 2352) for the relief of Paul Burress; to the Committee on Claims.

Also, a bill (H. R. 2353) for the relief of the Yellow Drivurself Co.; to the Committee on Claims.

Also, a bill (H. R. 2354) for the relief of Thomas Green; to the Committee on Claims.

Also, a bill (H. R. 2355) for the relief of the Guamoco Mining Co.; to the Committee on Ways and Means.

Also, a bill (H. R. 2356) for the relief of Howard Hollis Hammack; to the Committee on Military Affairs.

Also, a bill (H. R. 2357) granting a pension to Martha Katherine Hazelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2358) granting an increase of pension to Mary Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2359) granting a pension to Louisa Weaver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2360) granting a pension to Zubie Owens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2361) granting a pension to Bertha Howard Woodward; to the Committee on Pensions.

Also, a bill (H. R. 2362) granting a pension to Spurgeon C. Portwood; to the Committee on Pensions.

Also, a bill (H. R. 2363) granting a pension to Jane Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2364) granting a pension to William D. Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2365) granting a pension to Clellia S. Irvin; to the Committee on Pensions.

Also, a bill (H. R. 2366) granting a pension to Belle Cannon; to the Committee on Pensions.

Also, a bill (H. R. 2367) granting a pension to Albert H. L. Wells; to the Committee on Pensions.

Also, a bill (H. R. 2368) granting a pension to Lakey Romines; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 2369) granting a pension to Barbara Kane; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 2370) granting an increase of pension to Lillie A. Athey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2371) granting an increase of pension to Melinda R. Probasco; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2372) granting an increase of pension to Mary E. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2373) granting an increase of pension to Mary A. Robison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2374) granting an increase of pension to Mary C. Abrams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2375) granting an increase of pension to Mary M. Adams; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 2376) for the relief of William F. Sponenberg; to the Committee on Military Affairs.

Also, a bill (H. R. 2377) for the relief of Irene K. Harkness; to the Committee on Military Affairs.

Also, a bill (H. R. 2378) granting a pension to Thomas R. Koch; to the Committee on Pensions.

Also, a bill (H. R. 2379) granting a pension to Gwilyn T. Lewis; to the Committee on Pensions.

Also, a bill (H. R. 2380) granting a pension to Mary Shoch; to the Committee on Pensions.

Also, a bill (H. R. 2381) granting a pension to Leander Simonson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2382) granting an increase of pension to Martha A. Blanchard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2383) granting an increase of pension to Jennie Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2384) granting an increase of pension to Margaret Zimmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2385) for the relief of Joseph R. Redlhammer; to the Committee on Claims.

Also, a bill (H. R. 2386) for the relief of the estate of Harry F. Stern; to the Committee on Claims.

Also, a bill (H. R. 2387) for the relief of Julia Miller; to the Committee on Claims.

Also, a bill (H. R. 2388) for the relief of Jacob H. Denke; to the Committee on Military Affairs.

Also, a bill (H. R. 2389) for the relief of John Kumple; to the Committee on Military Affairs.

Also, a bill (H. R. 2390) for the relief of George Subarton; to the Committee on Military Affairs.

Also, a bill (H. R. 2391) for the relief of Harold Heidel; to the Committee on Military Affairs.

Also, a bill (H. R. 2392) for the relief of George J. Redding; to the Committee on Military Affairs.

Also, a bill (H. R. 2393) for the relief of John P. Smith, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 2394) for the relief of David Hughes; to the Committee on Military Affairs.

Also, a bill (H. R. 2395) for the relief of David Guiney, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 2396) for the relief of John Buyarski; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 2397) granting a pension to Coile Lynch; to the Committee on Pensions.

Also, a bill (H. R. 2398) granting a pension to Mary Wyse Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2399) granting a pension to Lonie Pearson; to the Committee on Pensions.

Also, a bill (H. R. 2400) for the relief of Blanche Knight; to the Committee on Claims.

Also, a bill (H. R. 2401) for the relief of Claudius A. Beall, Jr.; to the Committee on Claims.

By Mr. WILSON of Louisiana: A bill (H. R. 2402) granting a pension to Robert Hutchison Owens; to the Committee on Pensions.

Also, a bill (H. R. 2403) granting a pension to J. B. Watson; to the Committee on Pensions.

Also, a bill (H. R. 2404) granting a pension to Eddie R. Guyon; to the Committee on Pensions.

Also, a bill (H. R. 2405) granting a pension to Mary Lou Wallace Paul; to the Committee on Pensions.

Also, a bill (H. R. 2406) to extend the measure of relief provided in the Employees' Compensation Act of September 7, 1916, to Dan O'Sullivan; to the Committee on Claims.

Also, a bill (H. R. 2407) granting an increase of pension to Kizy A. Butler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2408) granting a pension to Everett Hilliad Harvey; to the Committee on Pensions.

Also, a bill (H. R. 2409) for the relief of Charles J. Holstein; to the Committee on Claims.

Also, a bill (H. R. 2410) for the relief of Joseph W. Ludlum and the estate of Oliver Keith Ludlum; to the Committee on Claims.

Also, a bill (H. R. 2411) for the relief of E. F. Purvis; to the Committee on Claims.

By Mr. ANDREWS of New York: A bill (H. R. 2412) for the relief of the Eberhart Steel Products Co.; to the Committee on Claims.

Also, a bill (H. R. 2413) granting an increase of pension to Ada L. Willis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2414) for the relief of Allen F. Maclean; to the Committee on Military Affairs.

By Mr. BACHARACH: A bill (H. R. 2415) for the relief of the Standard Oil Co. for losses sustained by payment of discriminatory excess-tonnage taxes and light moneys; to the Committee on Claims.

By Mr. BLANTON: A bill (H. R. 2416) for the relief of Mollie J. Hill; to the Committee on Pensions.

Also, a bill (H. R. 2417) for the relief of Walter G. Harrell; to the Committee on Military Affairs.

By Mr. BLOOM: A bill (H. R. 2418) for the relief of Wilhemia Wilkie; to the Committee on Claims.

By Mr. BOYLAN: A bill (H. R. 2419) for the relief of Theodore Paul Harris; to the Committee on Naval Affairs.

By Mr. BROWN of Georgia: A bill (H. R. 2420) granting a pension to Hattie L. McDaniel; to the Committee on Pensions.

Also, a bill (H. R. 2421) for the relief of John R. Allgood; to the Committee on Claims.

Also, a bill (H. R. 2422) for the relief of James O. Greene and Mrs. Hollis S. Hogan; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2423) for the relief of the legal representatives of the estate of John H. Christy; to the Committee on Claims.

By Mr. CANNON of Wisconsin: A bill (H. R. 2424) for the relief of John Doherty; to the Committee on Indian Affairs.

Also, a bill (H. R. 2425) for the relief of George Morrison; to the Committee on Indian Affairs.

Also, a bill (H. R. 2426) for the relief of Bennie Morrison; to the Committee on Indian Affairs.

Also, a bill (H. R. 2427) for the relief of William Wichmann; to the Committee on Claims.

Also, a bill (H. R. 2428) for the relief of Lars W. Larson; to the Committee on Claims.

Also, a bill (H. R. 2429) granting a pension to Carl H. Ziebell; to the Committee on Pensions.

By Mr. CARDEN: A bill (H. R. 2430) for the relief of Henry H. Carr; Robert E. Wise, Stanley Wise Ellis, and Peyton L. Ellis; and Hilory Wise and Flora A. Wise; to the Committee on Claims.

By Mr. CALDWELL: A bill (H. R. 2431) for the relief of James R. Davis, Jr.; to the Committee on Military Affairs.

Also, a bill (H. R. 2432) for the relief of the Weis-Patterson Lumber Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 2433) granting a pension to Maggie Viola Haddon; to the Committee on Pensions.

Also, a bill (H. R. 2434) for the relief of certain residents of the village of Warrington, State of Florida; to the Committee on Naval Affairs.

Also, a bill (H. R. 2435) for the relief of the Citizens State Bank of Marianna, Fla.; to the Committee on Claims.

By Mr. CAVICCHIA: A bill (H. R. 2436) authorizing certain importers of sugar into the United States from the Argentine Republic during the year 1920 to submit claims to the Court of Claims; to the Committee on Claims.

Also, a bill (H. R. 2437) granting an increase of pension to Ella Hatfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2438) granting an increase of pension to Mary Agnes Drumgoold; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2439) authorizing adjustment of the claim of the Public Service Coordinated Transport of Newark, N. J.; to the Committee on War Claims.

Also, a bill (H. R. 2440) for the relief of Frederick H. Huff; to the Committee on Military Affairs.

Also, a bill (H. R. 2441) for the relief of David Levy; to the Committee on Naval Affairs.

Also, a bill (H. R. 2442) for the relief of Thomas A. McGurk; to the Committee on Military Affairs.

By Mr. CLARK of North Carolina: A bill (H. R. 2443) for the relief of Milton Hatch; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 2444) for the relief of Charles A. Cobb; to the Committee on Military Affairs.

Also, a bill (H. R. 2445) granting an increase of pension to Addie Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2446) for the relief of Henry Elias Stevens; to the Committee on Military Affairs.

Also, a bill (H. R. 2447) for the relief of Daniel G. Fleming, also known as "David Fleming"; to the Committee on Military Affairs.

Also, a bill (H. R. 2448) for the relief of Bessie L. Fenn; to the Committee on Claims.

By Mr. CRAWFORD: A bill (H. R. 2449) for the relief of Floyd L. Walter; to the Committee on Claims.

Also, a bill (H. R. 2450) granting a pension to Pearl Brentlinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2451) for the relief of the estate of George H. Mertz, deceased, of Saginaw, Mich.; to the Committee on Claims.

By Mr. CROSS of Texas: A bill (H. R. 2452) for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas; to the Committee on Claims.

Also, a bill (H. R. 2453) granting a pension to William Porter Bible; to the Committee on Pensions.

Also, a bill (H. R. 2454) granting a pension to J. A. Ross; to the Committee on Pensions.

Also, a bill (H. R. 2455) granting a pension to Mary Ann Wilkinson; to the Committee on Pensions.

Also, a bill (H. R. 2456) granting a pension to Edward Wright; to the Committee on Pensions.

Also, a bill (H. R. 2457) granting a pension to Annie Olena Nystel; to the Committee on Pensions.

Also, a bill (H. R. 2458) granting a pension to Lucy Mahala Tuggle; to the Committee on Pensions.

Also, a bill (H. R. 2459) granting a pension to Georgia L. Grubb; to the Committee on Pensions.

By Mr. CUMMINGS: A bill (H. R. 2460) granting a pension to Ethel R. Blake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2461) granting an increase of pension to Polly Tippetts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2462) granting a pension to Kate White; to the Committee on Pensions.

Also, a bill (H. R. 2463) granting a pension to Robert C. Humphrey; to the Committee on Pensions.

By Mr. DIMOND: A bill (H. R. 2464) for the relief of C. H. Hoogendorn; to the Committee on Claims.

Also, a bill (H. R. 2465) for the relief of Werner Ohls; to the Committee on Claims.

Also, a bill (H. R. 2466) for the relief of John E. Click; to the Committee on Claims.

Also, a bill (H. R. 2467) for the relief of Holy Cross Mission Hospital; to the Committee on Claims.

Also, a bill (H. R. 2468) authorizing the sale and lease of certain lands near Homer, Alaska, for use in connection with the Jesse Lee Home; to the Committee on the Public Lands.

By Mr. DINGELL: A bill (H. R. 2469) for the relief of Michael P. Lucas; to the Committee on Military Affairs.

Also, a bill (H. R. 2470) for the relief of Edward G. Vana; to the Committee on Military Affairs.

Also, a bill (H. R. 2471) authorizing the President of the United States to appoint Capt. Henry M. Tunis, Air Corps Reserve, a captain in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

Also, a bill (H. R. 2472) for the relief of Albert H. Schlieman; to the Committee on Military Affairs.

By Mr. DITTER: A bill (H. R. 2473) for the relief of William L. Jenkins; to the Committee on Claims.

By Mr. ENGLEBRIGHT: A bill (H. R. 2474) for the relief of Lew E. Wickes; to the Committee on Claims.

Also, a bill (H. R. 2475) granting an increase of pension to Tolbert Smith; to the Committee on Pensions.

Also, a bill (H. R. 2476) to grant a patent to Albert M. Johnson and Walter Scott; to the Committee on the Public Lands.

Also, a bill (H. R. 2477) for the relief of R. S. Brown; to the Committee on Claims.

Also, a bill (H. R. 2478) to correct the military record of Granville B. Bryant; to the Committee on Military Affairs.

Also, a bill (H. R. 2479) for the relief of Charles G. Johnson, State treasurer of the State of California; to the Committee on Claims.

Also, a bill (H. R. 2480) for the relief of Charles Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 2481) for the relief of Randall Corning Clapp; to the Committee on Naval Affairs.

Also, a bill (H. R. 2482) for the relief of Milton S. Merrill; to the Committee on Claims.

Also, a bill (H. R. 2483) granting an increase of pension to Sadie F. Hamaker; to the Committee on Pensions.

Also, a bill (H. R. 2484) granting a pension to Julie Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2485) for the relief of William Estes; to the Committee on Military Affairs.

Also, a bill (H. R. 2486) for the relief of J. A. Perry; to the Committee on Claims.

Also, a bill (H. R. 2487) for the relief of Bernard McShane; to the Committee on Claims.

Also, a bill (H. R. 2488) for the relief of Andrew M. Dunlop; to the Committee on Claims.

By Mr. FERNANDEZ: A bill (H. R. 2489) granting an honorable discharge to Joseph L. Galle; to the Committee on Military Affairs.

Also, a bill (H. R. 2490) for the relief of Mrs. T. E. Perin Buel; to the Committee on Claims.

Also, a bill (H. R. 2491) granting an honorable discharge to James F. Strode; to the Committee on Military Affairs.

Also, a bill (H. R. 2492) for the relief of Clayton M. Thomas; to the Committee on Military Affairs.

Also, a bill (H. R. 2493) for the settlement of claim of the heirs of Richard H. Mahan and Eliza J. Mahan, his wife, formerly Eliza J. Nicholls, arising out of the confiscation of cotton during the Civil War, and for other purposes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2494) for the relief of Victor J. Thiberville; to the Committee on Claims.

Also, a bill (H. R. 2495) for the relief of Thomas Berchel Burke; to the Committee on Claims.

Also, a bill (H. R. 2496) for the relief of Thomas J. Moran; to the Committee on Claims.

Also, a bill (H. R. 2497) for the relief of William H. Hildebrand; to the Committee on Claims.

Also, a bill (H. R. 2498) to provide for the examination and survey of certain waterways in the State of Louisiana, and for other purposes; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2499) to provide for the examination and survey of Bayou St. John in the State of Louisiana, and for other purposes; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2500) granting an increase of pension to Claudia V. Hester; to the Committee on Pensions.

Also, a bill (H. R. 2501) for the relief of Mrs. G. A. Brannan; to the Committee on War Claims.

Also, a bill (H. R. 2502) for the relief of Waldo L. Robichaux; to the Committee on Claims.

Also, a bill (H. R. 2503) for the relief of Thomas J. Bennett; to the Committee on Claims.

By Mr. FORD of California: A bill (H. R. 2504) for the relief of Leland Stanford Furbish; to the Committee on Naval Affairs.

By Mr. GOLDSBOROUGH: A bill (H. R. 2505) providing for an examination and survey of the Chesapeake and Delaware Canal at Chesapeake City, Md., with a view to providing a commercial and general anchorage basin; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2506) to provide for an examination and survey for the purpose of constructing a sea-level waterway between Great Choptank River and Little Choptank River, in Dorchester County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2507) to provide for the preliminary examination and survey of Black Walnut Harbor, Talbot County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2508) to provide for an examination and survey for the purpose of determining if street improvements in connection with changes in bridges under the Chesapeake and Delaware Canal project at Chesapeake City, Md., should be made; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2509) to provide for the examination and survey of Goose Creek, branch of Fishing Bay, Dorchester County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2510) to provide for the examination and survey of Farm Creek, at Toddville, Dorchester County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2511) to provide for the examination and survey of the head of North East River, Cecil County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2512) to provide for the examination and survey of the channel at the entrance of the Claiborne-Annapolis Ferry at Matapeake, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2513) to provide for the examination and survey of waterway from Little Annemessex River to Tangier Sound, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2514) to provide for the examination and survey of channel from George Island Landing, Md., to deep water in Chincoteague Bay; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2515) to provide for the examination and survey of the channel in Little Creek, a tributary of Eastern Bay, in Queen Annes County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2516) to provide for the examination and survey of the harbor at Rock Hall, Kent County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2517) to provide for the examination and survey of a channel at the mouth of McCreadys Creek, Elliott, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2518) to provide for examination and survey of channel connecting Plain Dealing Creek, a tributary of the Tred Avon River, and Oak Creek, a tributary of Miles River, Talbot County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2519) to provide for the examination and survey of the channel in the Southeast Branch of Fox Creek, a tributary of Honga River, Dorchester County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2520) to provide for the examination and survey of Little Island Creek, a tributary of the Greater Choptank River, Talbot County, Md.; to the Committee on Rivers and Harbors.

By Mr. GRANFIELD: A bill (H. R. 2521) granting a pension to Edward Mark Dunphy; to the Committee on Pensions.

Also, a bill (H. R. 2522) to provide for a preliminary examination of the Connecticut River, with a view to the control of its floods and prevention of erosion of its banks in the State of Massachusetts; to the Committee on Flood Control.

Also, a bill (H. R. 2523) for the relief of Walter C. Blake; to the Committee on Military Affairs.

By Mr. HAINES: A bill (H. R. 2524) granting an increase of pension to Mary J. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2525) reducing the rates of taxation on tobacco products; to the Committee on Ways and Means.

Also, a bill (H. R. 2526) for the relief of Powell & Goldstein, Inc.; to the Committee on Claims.

Also, a bill (H. R. 2527) for the relief of Mrs. Amber Walker; to the Committee on Claims.

Also, a bill (H. R. 2528) for the relief of Andrew Amsbaugher; to the Committee on Military Affairs.

Also, a bill (H. R. 2529) granting a pension to Mary Jane McGaulghlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2530) granting a pension to Israel E. Smith; to the Committee on Pensions.

Also, a bill (H. R. 2531) for the relief of Caroline H. Adams; to the Committee on Military Affairs.

Also, a bill (H. R. 2532) for the relief of Raymond A. Wolf; to the Committee on Military Affairs.

Also, a bill (H. R. 2533) granting an increase of pension to Mary E. Eberly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2534) granting an increase of pension to Emaline J. Strine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2535) granting an increase of pension to Margaret J. Miller; to the Committee on Invalid Pensions.

By Mr. HIGGINS of Connecticut: A bill (H. R. 2536) for the relief of James S. Cuff; to the Committee on Naval Affairs.

Also, a bill (H. R. 2537) granting an increase of pension to Augusta E. Cutler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2538) granting an increase of pension to Mary E. Cahoone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2539) granting an increase of pension to Hattie E. Chappell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2540) granting an increase of pension to Lucy A. Beckwith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2541) granting a pension to Alfarata Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2542) for the relief of Percy H. Loomis; to the Committee on Military Affairs.

Also, a bill (H. R. 2543) for the relief of Frank E. Hubbard; to the Committee on Military Affairs.

Also, a bill (H. R. 2544) for the relief of Henry Twogood; to the Committee on Military Affairs.

Also, a bill (H. R. 2545) for the relief of James J. Smith; to the Committee on Naval Affairs.

Also, a bill (H. R. 2546) granting an increase of pension to Ann Strait; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2547) granting an increase of pension to Martha M. Tryon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2548) for the relief of Anthony F. Wondrasek; to the Committee on Military Affairs.

Also, a bill (H. R. 2549) granting an increase of pension to Eliza W. Parkhurst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2550) for the relief of Thomas F. Gibbons; to the Committee on Military Affairs.

By Mr. HILDEBRANDT: A bill (H. R. 2551) for the relief of C. B. Dickinson; to the Committee on Claims.

Also, a bill (H. R. 2552) for the relief of John M. Green; to the Committee on Claims.

By Mr. HILL of Alabama: A bill (H. R. 2553) for the relief of Eva S. Brown; to the Committee on Claims.

Also, a bill (H. R. 2554) for the retirement of William J. Stannard, leader of the United States Army Band; to the Committee on Military Affairs.

By Mr. HOEPPEL: A bill (H. R. 2555) to extend to Sgt. Maj. Edmund S. Sayer, United States Marine Corps (retired), the benefits of the act of May 7, 1932, providing highest World War rank to retired enlisted men; to the Committee on Naval Affairs.

By Mr. HUDDLESTON: A bill (H. R. 2556) granting a pension to Mollie G. Tomlinson; to the Committee on Pensions.

Also, a bill (H. R. 2557) for the relief of Frederick E. Bengert; to the Committee on Claims.

By Mr. JOHNSON of Texas: A bill (H. R. 2558) granting a pension to Claudia E. J. Davenport; to the Committee on Pensions.

Also, a bill (H. R. 2559) to authorize the appointment of First Lt. Claude W. Shelton (retired) to the grade of captain (retired) in the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2560) for the relief of Etta Pippin; to the Committee on Claims.

Also, a bill (H. R. 2561) for the relief of J. Frank Williams; to the Committee on Claims.

Also, a bill (H. R. 2562) to authorize Martin C. Shallenberger, major, United States Army, to accept certain decoration from the French Government; to the Committee on Foreign Affairs.

Also, a bill (H. R. 2563) granting a pension to Mary Quirk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2564) granting relief to American civilian employees of the Navy stationed in the Philippine Islands; to the Committee on Naval Affairs.

Also, a bill (H. R. 2565) granting a pension to Louise E. Hervey; to the Committee on Pensions.

By Mr. KLOEB: A bill (H. R. 2566) for the relief of Percy C. Wright; to the Committee on Military Affairs.

By Mr. KNIFFIN: A bill (H. R. 2567) granting an increase of pension to Mary Buhrer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2568) granting a pension to Charles E. Morris; to the Committee on Pensions.

Also, a bill (H. R. 2569) for the relief of Dee Erick Treat; to the Committee on Foreign Affairs.

Also, a bill (H. R. 2570) granting an increase of pension to Eunice Palmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2571) granting an increase of pension to Ruma McLaughlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2572) granting a pension to Emma Adcock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2573) granting a pension to Clara A. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2574) granting an increase of pension to Charlotte Perry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2575) granting an increase of pension to Mary L. Pease; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2576) granting an increase of pension to Ella A. Stevens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2577) granting an increase of pension to Catherine J. Cupp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2578) granting an increase of pension to Harriet Deamer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2579) granting an increase of pension to Helen Ebright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2580) granting an increase of pension to Sarah M. Pennel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2581) granting a pension to Myrtle R. Oldfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2582) granting a pension to Clara Sill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2583) granting an increase of pension to Jennie Kohn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2584) granting an increase of pension to Nancy A. Welch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2585) granting a pension to Charles F. Boroff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2586) granting an increase of pension to Frances A. Kuder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2587) granting a pension to Sarah Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2588) granting a pension to Anson H. Longwith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2589) granting a pension to Clarence J. Ericson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2590) granting an increase of pension to Mary L. Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2591) to increase the statutory limit of expenditure for repairs or changes to naval vessels; to the Committee on Naval Affairs.

Also, a bill (H. R. 2592) granting an increase of pension to Melinda Mowers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2593) granting a pension to Josephine Hardesty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2594) granting a pension to Jeanne E. Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2595) granting an increase of pension to Martha M. Ely; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2596) granting an increase of pension to Mary Buhrer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2597) granting a pension to George W. Coleman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2598) granting a pension to Theresa Budai; to the Committee on Pensions.

Also, a bill (H. R. 2599) granting an increase of pension to Margaret I. Reider; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2600) granting an increase of pension to Abbie Davison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2601) granting an increase of pension to Catherine Brown; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 2602) for the relief of Charles L. Fremling; to the Committee on Military Affairs.

By Mr. KOCIALKOWSKI: A bill (H. R. 2603) for the relief of Anny Kotnyek; to the Committee on Claims.

Also, a bill (H. R. 2604) for the relief of Louis Zagata; to the Committee on Claims.

Also, a bill (H. R. 2605) for the relief of Lapido Notare; to the Committee on Claims.

Also, a bill (H. R. 2606) for the relief of the estate of Paul Kiehler; to the Committee on Claims.

Also, a bill (H. R. 2607) to correct the naval record of Walter C. Schalk; to the Committee on Naval Affairs.

By Mr. KVALE: A bill (H. R. 2608) for the relief of Maurice Phillips; to the Committee on War Claims.

Also, a bill (H. R. 2609) for the relief of Arthur W. DeFrate; to the Committee on Military Affairs.

Also, a bill (H. R. 2610) granting a pension to Mary C. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2611) for the relief of John E. Fondahl; to the Committee on Naval Affairs.

Also, a bill (H. R. 2612) granting a pension to Mary Tompkins; to the Committee on Pensions.

Also, a bill (H. R. 2613) for the relief of Oscar W. Behrens; to the Committee on Naval Affairs.

Also, a bill (H. R. 2614) for the relief of Charles Forsman; to the Committee on War Claims.

By Mr. LUDLOW: A bill (H. R. 2615) granting a pension to Mary Ellen Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2616) for the relief of Claribel Moore; to the Committee on War Claims.

Also, a bill (H. R. 2617) for the relief of the Nacional Destilerias Corporation; to the Committee on Claims.

Also, a bill (H. R. 2618) granting a pension to Louise Patterson; to the Committee on Pensions.

By Mr. McDUFFIE: A bill (H. R. 2619) for the relief of R. E. Sutton, Lula G. Sutton, Grace Sutton, and Mary Lou Drinkard; to the Committee on Claims.

Also, a bill (H. R. 2620) for the relief of Sadie Wilkinson; to the Committee on Claims.

Also, a bill (H. R. 2621) for the relief of Tom L. Griffith; to the Committee on Claims.

Also, a bill (H. R. 2622) for the relief of M. Waring Harrison; to the Committee on Claims.

Also, a bill (H. R. 2623) for the relief of J. W. Hearn, Jr.; to the Committee on Claims.

Also, a bill (H. R. 2624) for the relief of Harry L. Cleveland; to the Committee on Military Affairs.

Also, a bill (H. R. 2625) for the relief of Fred C. Smith; to the Committee on Military Affairs.

By Mr. McLEOD: A bill (H. R. 2626) to refund to the estate of Clinton G. Edgar income tax erroneously or illegally collected; to the Committee on Claims.

Also, a bill (H. R. 2627) for the relief of Raymond A. Dehetre; to the Committee on Military Affairs.

Also, a bill (H. R. 2628) for the relief of Edward H. Cotcher; to the Committee on Military Affairs.

Also, a bill (H. R. 2629) for the relief of Thomas J. DeManigold; to the Committee on Military Affairs.

Also, a bill (H. R. 2630) for the relief of Louis Norton; to the Committee on Military Affairs.

Also, a bill (H. R. 2631) for the relief of Dormitond Lazurka; to the Committee on Claims.

Also, a bill (H. R. 2632) to correct the enlistment records of certain veterans of the World War; to the Committee on Military Affairs.

Also, a bill (H. R. 2633) for the relief of Francis M. Dent; to the Committee on Claims.

Also, a bill (H. R. 2634) for the relief of J. G. Bayerline; to the Committee on Claims.

Also, a bill (H. R. 2635) granting an increase of pension to Gustav F. Breiter; to the Committee on Pensions.

Also, a bill (H. R. 2636) granting a pension to Anna W. Dennert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2637) granting a pension to Roxy A. Perry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2638) for the relief of James Leslie Passmore; to the Committee on War Claims.

Also, a bill (H. R. 2639) for the relief of Michael Francis Spillane; to the Committee on Naval Affairs.

Also, a bill (H. R. 2640) for the relief of Elmer Fritsch, Jr.; to the Committee on Naval Affairs.

Also, a bill (H. R. 2641) for the relief of Blanch Broomfield; to the Committee on Claims.

Also, a bill (H. R. 2642) for the relief of Edward Ray Sloan; to the Committee on Claims.

Also, a bill (H. R. 2643) for the relief of Purse Brothers; to the Committee on Claims.

Also, a bill (H. R. 2644) for the relief of Krikor Haroutunian; to the Committee on Claims.

Also, a bill (H. R. 2645) for the relief of Edmund Wydick and Peter Skladzien; to the Committee on Claims.

Also, a bill (H. R. 2646) granting an increase of pension to Philip Eichhorn; to the Committee on Pensions.

Also, a bill (H. R. 2647) for the relief of George Hamlin; to the Committee on Military Affairs.

Also, a bill (H. R. 2648) for the relief of William H. Shelby; to the Committee on Military Affairs.

Also, a bill (H. R. 2649) for the relief of Louis J. Rivard; to the Committee on Military Affairs.

Also, a bill (H. R. 2650) for the relief of Vincent J. Toole; to the Committee on Military Affairs.

Also, a bill (H. R. 2651) granting a pension to Ruth A. Martin; to the Committee on Pensions.

Also, a bill (H. R. 2652) granting a pension to Leon Lavigne; to the Committee on Pensions.

Also, a bill (H. R. 2653) granting a pension to Walter B. Stevens; to the Committee on Pensions.

Also, a bill (H. R. 2654) granting a pension to Matilda Winckler; to the Committee on Pensions.

Also, a bill (H. R. 2655) granting an increase of pension to Grace E. Grinsted; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2656) granting an increase of pension to Mary V. Calderwood; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 2657) granting a pension to James Thomas Moss; to the Committee on Pensions.

Also, a bill (H. R. 2658) for the relief of Frank L. Norris; to the Committee on Military Affairs.

Also, a bill (H. R. 2659) granting a pension to Dorace Ben Whitener; to the Committee on Pensions.

Also, a bill (H. R. 2660) granting an increase of pension to Edgar C. N. Waldrop; to the Committee on Pensions.

Also, a bill (H. R. 2661) granting a pension to Carl Max Pike; to the Committee on Pensions.

Also, a bill (H. R. 2662) for the relief of Marion E. Sams; to the Committee on Naval Affairs.

Also, a bill (H. R. 2663) for the relief of Mrs. William G. Sirrine; to the Committee on Claims.

By Mr. MARTIN of Massachusetts: A bill (H. R. 2664) for the relief of Francisco P. Lima; to the Committee on Naval Affairs.

Also, a bill (H. R. 2665) for the relief of George Henry Kelly; to the Committee on Naval Affairs.

Also, a bill (H. R. 2666) for the relief of Edward Theroult, alias Frank Gamashe; to the Committee on Military Affairs.

Also, a bill (H. R. 2667) providing for an examination and survey of Westport River, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2668) for the relief of Esther Fountain; to the Committee on Claims.

By Mr. MEAD: A bill (H. R. 2669) granting the Distinguished Service Medal to James Guinea; to the Committee on Military Affairs.

Also, a bill (H. R. 2670) granting the Distinguished Service Medal to Llewellyn E. Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 2671) for the relief of William J. Cotter; to the Committee on Military Affairs.

Also, a bill (H. R. 2672) for the relief of Jozef Siurtek; to the Committee on Claims.

Also, a bill (H. R. 2673) for the relief of Casimer Borowiak; to the Committee on Military Affairs.

Also, a bill (H. R. 2674) for the relief of G. Elias & Bro., Inc.; to the Committee on Claims.

Also, a bill (H. R. 2675) granting a pension to Fred W. Coleman; to the Committee on Military Affairs.

By Mr. MOTT: A bill (H. R. 2676) for the relief of Clatsop County, Oreg.; to the Committee on Claims.

By Mr. MURDOCK: A bill (H. R. 2677) for the relief of Frank Zabkar, whose name appears in the Army records as Frank Hope; to the Committee on Military Affairs.

By Mr. O'BRIEN: A bill (H. R. 2678) for the relief of Carl L. Bernau; to the Committee on Military Affairs.

Also, a bill (H. R. 2679) for the relief of Ladislav Cizek; to the Committee on Claims.

By Mr. OWEN: A bill (H. R. 2680) for the relief of Mary F. Crim; to the Committee on Claims.

Also, a bill (H. R. 2681) for the relief of Collier Manufacturing Co.; to the Committee on Claims.

By Mr. POWERS: A bill (H. R. 2682) for the relief of Edmund C. Hill; to the Committee on War Claims.

By Mr. ROBERTSON: A bill (H. R. 2683) for the relief of Henry Harrison Griffith; to the Committee on Claims.

By Mr. RUDD: A bill (H. R. 2684) for the relief of Harold Edward Rice; to the Committee on Naval Affairs.

By Mr. SMITH of Virginia: A bill (H. R. 2685) for the relief of Lawrence A. Jett; to the Committee on Claims.

Also, a bill (H. R. 2686) for the relief of J. W. Anderson; to the Committee on Claims.

Also, a bill (H. R. 2687) for the relief of William Randolph Grimes; to the Committee on Military Affairs.

Also, a bill (H. R. 2688) granting a pension to Ida B. Cutright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2689) to extend the benefits of the Employers' Liability Act of September 7, 1916, to Mary Ford Conrad; to the Committee on Claims.

Also, a bill (H. R. 2690) for the relief of John B. Grayson; to the Committee on Claims.

Also, a bill (H. R. 2691) to confer jurisdiction on the Court of Claims to hear and determine the claim of Mount Vernon, Alexandria & Washington Railroad Co., a corporation; to the Committee on Claims.

By Mr. SMITH of West Virginia: A bill (H. R. 2692) for the relief of G. T. Thayer; to the Committee on Claims.

Also, a bill (H. R. 2693) granting a pension to Julian D. Haynes; to the Committee on Pensions.

Also, a bill (H. R. 2694) for the relief of Harry V. Snyder; to the Committee on Claims.

Also, a bill (H. R. 2695) for the relief of Richard H. Bowman; to the Committee on Military Affairs.

Also, a bill (H. R. 2696) for the relief of William G. Hubbard, II, alias Andrew Palmer; to the Committee on Naval Affairs.

By Mr. SUTPHIN: A bill (H. R. 2697) authorizing preliminary examination and survey of the Delaware and Raritan Canal, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2698) for the relief of M. Brown and S. H. Brown for losses sustained on schooner *Ninnetta M. Porcella;* to the Committee on Claims.

Also, a bill (H. R. 2699) for the relief of the city of Perth Amboy, N. J.; to the Committee on Claims.

By Mr. SWEENEY: A bill (H. R. 2700) for the relief of Joseph Gebo; to the Committee on Military Affairs.

Also, a bill (H. R. 2701) to reimburse the estate of Mary Agnes Roden; to the Committee on Claims.

Also, a bill (H. R. 2702) for the relief of Emanuel Lieberman; to the Committee on Claims.

Also, a bill (H. R. 2703) granting a pension to Florence G. Schultz; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 2704) granting a pension to Luther J. Smith; to the Committee on Pensions.

Also, a bill (H. R. 2705) for the relief of Thomas H. Dolly; to the Committee on the Civil Service.

Also, a bill (H. R. 2706) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Velie Motors Corporations; to the Committee on War Claims.

Also, a bill (H. R. 2707) for the relief of Ben D. Showalter; to the Committee on Claims.

Also, a bill (H. R. 2708) for the relief of James M. Pace; to the Committee on Claims.

By Mr. TURPIN: A bill (H. R. 2709) granting a pension to Winfield H. Perrego; to the Committee on Invalid Pensions.

By Mr. WERNER: A bill (H. R. 2710) for the relief of George Francis Grundy; to the Committee on Naval Affairs.

By Mr. WILLIAMS: A bill (H. R. 2711) granting a pension to Ella Strutton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2712) granting an increase of pension to Jeritha Love Claxton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2713) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on War Claims.

Also, a bill (H. R. 2714) granting a pension to Ruah L. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2715) granting an increase of pension to Ida Nagel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2716) granting a pension to Frances E. Newton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2717) granting a pension to Annie Rhodes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2718) granting a pension to Frances E. Tucker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2719) granting a pension to Famie Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2720) granting a pension to Annie C. Linthicum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2721) granting a pension to Mary E. Mecomber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2722) granting a pension to Nancy V. Mosher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2723) granting a pension to James E. Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2724) granting a pension to Ona Gross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2725) granting a pension to Oscar James Callier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2726) granting a pension to Sarah K. Copeland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2727) granting a pension to Nan A. Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2728) granting a pension to Malisa Maze; to the Committee on Invalid Pensions.

By Mr. WOODRUM: A bill (H. R. 2729) granting a pension to Blanche F. O'Beirne; to the Committee on Pensions.

Also, a bill (H. R. 2730) for the relief of Thomas Harris McLaughlin; to the Committee on Claims.

By Mr. BLAND: Joint resolution (H. J. Res. 8) granting permission to Hugh S. Cumming, Surgeon General of the United States Public Health Service; John D. Long, Medical Director United States Public Health Service; and Clifford R. Eskey, surgeon, United States Public Health Service, to accept and wear certain decorations bestowed upon them by the Governments of Ecuador, Chile, and Cuba; to the Committee on Military Affairs.

By Mr. MILLARD: Joint resolution (H. J. Res. 9) to confer citizenship on T. C. Plowden-Wardlaw; to the Committee on Immigration and Naturalization.

By Mr. CELLER: Joint resolution (H. J. Res. 21) authorizing the President to present in the name of Congress a Medal of Honor to Walter Sweet; to the Committee on Naval Affairs.

By Mr. DIMOND: Joint resolution (H. J. Res. 35) authorizing a preliminary examination or survey of Juneau Harbor, Alaska; to the Committee on Rivers and Harbors.

Also, joint resolution (H. J. Res. 36) authorizing a preliminary examination or survey of Bethel Harbor, Alaska; to the Committee on Rivers and Harbors.

Also, joint resolution (H. J. Res. 37) authorizing a preliminary examination or survey of Haines Harbor, Alaska; to the Committee on Rivers and Harbors.

Also, joint resolution (H. J. Res. 38) authorizing a preliminary examination or survey of Metlakatla Harbor, Alaska; to the Committee on Rivers and Harbors.

Also, joint resolution (H. J. Res. 39) authorizing a preliminary examination or survey of Douglas Harbor, Alaska; to the Committee on Rivers and Harbors.

By Mr. CAVICCHIA: Joint resolution (H. J. Res. 40) granting permission to Col. Gerard McEntee, assistant chief of staff, Seventy-eighth Division, to accept the grade and decoration bestowed upon him by the King of Italy; to the Committee on Military Affairs.

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PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1. By Mr. BLAND: Petition of approximately 440 citizens of Virginia, favoring old-age pension legislation; to the Committee on Labor.

2. By Mr. CULLEN: Petition of the Lexington Post, No. 108, American Legion, New York City, endorsing the resolution for immediate payment of the bonus as voted upon by the national convention of the American Legion; to the Committee on World War Veterans' Legislation.

3. By Mr. HILDEBRANDT: Petition of Britton Legion Post, No. 80, Department of South Dakota, for the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

4. Also, petition of Sioux Falls Chapter, No. 1, of the Disabled American Veterans of the World War, going on record as protesting the appointment of Mr. Barney Baruch as committee member of so-called "To take the profit out of war committee"; to the Committee on Military Affairs.

5. Also, petition of American Legion Arthur Bunce Post, No. 221, Ashton, S. Dak., favoring the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

6. Also, petition of Sully Post, No. 79, of the American Legion at Onida, S. Dak., favoring the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

7. Also, petition of the commissioners of the city of Yankton, S. Dak., petitioning Congress to enact legislation authorizing hydroelectric development of the Missouri River and the allocation of funds necessary for the construction of a dam and an electric-power plant at Yankton, S. Dak.; to the Committee on Ways and Means.

8. By Mr. LANHAM: Petition of a number of citizens of Tarrant County, Tex., favoring the Townsend old-age revolving pension plan; to the Committee on Labor.

9. Also, petition of a number of citizens of Fort Worth, Tex., favoring the old-age pension plan; to the Committee on Labor.

10. By Mrs. ROGERS of Massachusetts: Petition of Municipal Light Department of Reading, Mass., urging legislation which will relieve municipalities from Federal taxation; to the Committee on Ways and Means.

11. By Mr. RUDD: Petition of National Association of Letter Carriers, favoring the repeal of the salary reduction; to the Committee on Appropriations.

12. Also, petition of Queens County committee of the American Legion, department of New York, favoring the continuation of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

13. Also, petition of Queens County committee, the American Legion, department of New York, favoring the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

14. Also, petition of the Jamaica Letter Carriers' Association, Edward J. Cantwell Branch, No. 562, Jamaica, Long Island, N. Y., favoring the immediate restoration of the 5-percent pay cut; to the Committee on Appropriations.

15. Also, petition of the American Veterans' Association, 420 Lexington Avenue, New York City, pertaining to desired veterans' legislation adopted at its third annual conference, held at the Hotel Commodore, New York City, on November 9 and 10, 1934; to the Committee on World War Veterans' Legislation.

16. By the SPEAKER: Petition of the city of Cleveland; to the Committee on Accounts.

17. Also, petition of the Daughters of the American Revolution; to the Committee on the Post Office and Post Roads.

18. Also, petition of the Atlantic Deeper Waterways Association; to the Committee on Rivers and Harbors.

19. Also, petition of the city of Cleveland; to the Committee on Banking and Currency.

20. Also, petition of the American Indian Federation; to the Committee on Indian Affairs.

21. Also, petition of the Filipino community; to the Committee on Insular Affairs.

22. Also, petition of Tow. Ks. Jozefa Poniatowskiego; to the Committee on Labor.

23. Also, petition of the National Slovak Society; to the Committee on Labor.

24. Also, petition of the city and county of San Francisco; to the Committee on Ways and Means.

25. Also, petition of the city of Seattle, Wash.; to the Committee on Public Buildings and Grounds.

26. Also, petition of the American Hotel Association; to the Committee on Banking and Currency.

27. Also, petition of citizens of closed banks in the city of Chicago; to the Committee on Banking and Currency.

28. Also, petition of Planning and Coordination Committee for the Petroleum Industry, Region District No. 1, West Virginia Petroleum Code Committee, Charleston, W. Va., asking abolishment of the Federal gasoline sales tax; to the Committee on Ways and Means.

29. Also, petition of the city of Asheville, N. C., requesting the Congress of the United States to investigate the activities of the bondholders committee and the noteholders committee of the city of Asheville, N. C.; to the Committee on the Judiciary.

30. Also, petition of the National Slovak Society of the United States of America, supporting unemployment insurance; to the Committee on Labor.

31. Also, petition of the American Association of Insurance General Agents; to the Committee on Expenditures in the Executive Departments.

32. Also, petition of the Board of Aldermen of the City of New York; to the Committee on Military Affairs.

33. Also, petition of the Baltimore Open Forum; to the Committee on Military Affairs.

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# SENATE

## FRIDAY, JANUARY 4, 1935

*(Legislative day of Thursday, Jan. 3, 1935)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On motion of Mr. ROBINSON, and by unanimous consent, the reading of the Journal for the calendar day Thursday, January 3, 1935, was dispensed with, and the Journal was approved.

### ORDER FOR RECESS TO MONDAY

Mr. ROBINSON. I ask unanimous consent that when the Senate concludes its labors today it take a recess until Monday next at 12 o'clock noon.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, communicated to the Senate the intelligence of the death of Hon. HENRY T. RAINEY, late Speaker of the House of Representatives of the Seventy-third Congress, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. FREDERICK LANDIS, late a Representative-elect from the State of Indiana, and transmitted the resolutions of the House thereon.

### THE LATE SPEAKER RAINEY, OF ILLINOIS

The VICE PRESIDENT laid before the Senate letters from the Secretary of War transmitting copies of resolutions of

condolence on the death of Hon. HENRY T. RAINEY, late Speaker of the House of Representatives, adopted by the Constitutional Convention of the Philippine Islands, the Tenth Philippine Legislature, and the Provincial Board of Ilocos Norte, P. I., which were ordered to lie on the table.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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| Adams | Connally | Hayden | Radcliffe |
| Ashurst | Coolidge | Johnson | Reynolds |
| Austin | Copeland | Keyes | Robinson |
| Bachman | Costigan | King | Russell |
| Bailey | Couzens | La Follette | Schall |
| Bankhead | Cutting | Lewis | Schwellenbach |
| Barbour | Davis | Logan | Sheppard |
| Barkley | Dickinson | Lonergan | Shipstead |
| Bilbo | Dieterich | Maloney | Smith |
| Black | Donahey | McGill | Steiwer |
| Bone | Duffy | McNary | Thomas, Okla. |
| Brown | Fletcher | Metcalf | Thomas, Utah |
| Bulkley | George | Minton | Townsend |
| Bulow | Gerry | Moore | Trammell |
| Burke | Glass | Murray | Truman |
| Byrd | Gore | Neely | Vandenberg |
| Byrnes | Guffey | Norris | Van Nuys |
| Capper | Hale | Nye | Wagner |
| Caraway | Harrison | O'Mahoney | Walsh |
| Carey | Hastings | Pittman | Wheeler |
| Clark | Hatch | Pope | White |

Mr. LEWIS. I announce the absence of the Senator from Louisiana [Mr. OVERTON] and the Senator from Nevada [Mr. MCCARRAN], occasioned by illness.

I am informed that the Senator from Louisiana [Mr. LONG] and the Senator from Iowa [Mr. MURPHY] are detained from the Senate on important public matters; and the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], and the Senator-elect from Tennessee [Mr. MCKELLAR] are absent on official business in the Philippine Islands. I ask to have this announcement stand in the RECORD for the day.

Mr. AUSTIN. I announce that my colleague [Mr. GIBSON] is necessarily absent on official business in the Philippine Islands. I should like to have this announcement stand for the day.

Mr. NORRIS. I desire to announce that the Senator from Idaho [Mr. BORAH] is necessarily detained from the Senate.

Mr. NYE. I desire to announce the unavoidable absence, on account of illness, of my colleague the senior Senator from North Dakota [Mr. FRAZIER].

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

JOINT MEETING OF THE TWO HOUSES

Mr. ROBINSON. Mr. President, I am advised that under the arrangements which have been effected it will probably be necessary for Senators to proceed to the Hall of the House of Representatives at about 12:15 o'clock. It is desired that the joint session be held promptly at 12:30. So I ask that the Senate stand in recess for a few minutes, subject to the call of the Vice President.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senate will stand in recess until 12:15 p. m.

At the expiration of the recess, the Senate reassembled.

The VICE PRESIDENT. The Senate will now proceed to the Hall of the House of Representatives for the joint session with the House to receive a message from the President of the United States.

The Senate, preceded by the Sergeant at Arms, the Vice President, and the Secretary, proceeded to the Hall of the House of Representatives.

ANNUAL MESSAGE OF THE PRESIDENT OF THE UNITED STATES

The annual message of the President of the United States, this day delivered by him to the joint meeting of the two Houses of Congress, is as follows:

Mr. President, Mr. Speaker, Members of the Senate and of the House of Representatives, the Constitution wisely provides that the Chief Executive shall report to the Congress on the state of the Union, for through you, the chosen legislative representatives, our citizens everywhere may fairly judge the progress of our governing. I am confident that today, in the light of the events of the past 2 years, you do not consider it merely a trite phrase when I tell you that I am truly glad to greet you and that I look forward to common counsel, to useful cooperation, and to genuine friendships between us.

We have undertaken a new order of things, yet we progress to it under the framework and in the spirit and intent of the American Constitution. We have proceeded throughout the Nation a measureable distance on the road toward this new order. Materially I can report to you substantial benefits to our agricultural population, increased industrial activity, and profits to our merchants. Of equal moment, there is evident a restoration of that spirit of confidence and faith which marks the American character. Let him who, for speculative profit or partisan purpose, without just warrant would seek to disturb or dispel this assurance, take heed before he assumes responsibility for any act which slows our onward steps.

Throughout the world change is the order of the day. In every nation economic problems, long in the making, have brought crises of many kinds for which the masters of old practice and theory were unprepared. In most nations social justice, no longer a distant ideal, has become a definite goal, and ancient governments are beginning to heed the call.

Thus, the American people do not stand alone in the world in their desire for change. We seek it through tested liberal traditions, through processes which retain all of the deep essentials of that republican form of representative government first given to a troubled world by the United States.

As the various parts in the program begun in the extraordinary session of the Seventy-third Congress shape themselves in practical administration, the unity of our program reveals itself to the Nation. The outlines of the new economic order, rising from the disintegration of the old, are apparent. We test what we have done as our measures take root in the living texture of life. We see where we have built wisely and where we can do still better.

The attempt to make a distinction between recovery and reform is a narrowly conceived effort to substitute the appearance of reality for reality itself. When a man is convalescing from illness, wisdom dictates not only cure of the symptoms but also removal of their cause.

It is important to recognize that while we seek to outlaw specific abuses the American objective of today has an infinitely deeper, finer, and more lasting purpose than mere repression. Thinking people in almost every country of the world have come to realize certain fundamental difficulties with which civilization must reckon. Rapid changes—the machine age, the advent of universal and rapid communication, and many other new factors—have brought new problems. Succeeding generations have attempted to keep pace by reforming in piecemeal fashion this or that attendant abuse. As a result, evils overlap and reform becomes confused and frustrated. We lose sight, from time to time, of our ultimate human objectives.

Let us, for a moment, strip from our simple purpose the confusion that results from a multiplicity of detail and from millions of written and spoken words.

We find our population suffering from old inequalities, little changed by past sporadic remedies. In spite of our efforts and in spite of our talk, we have not weeded out the overprivileged and we have not effectively lifted up the underprivileged. Both of these manifestations of injustice have retarded happiness. No wise man has any intention of destroying what is known as the "profit motive", because by the profit motive we mean the right by work to earn a decent livelihood for ourselves and for our families.

We have, however, a clear mandate from the people, that Americans must forswear that conception of the acquisition of wealth which, through excessive profits, creates undue private power over private affairs and, to our misfortune, over public affairs as well. In building toward this

end we do not destroy ambition, nor do we seek to divide our wealth into equal shares on stated occasions. We continue to recognize the greater ability of some to earn more than others. But we do assert that the ambition of the individual to obtain for him and his a proper security, a reasonable leisure, and a decent living throughout life is an ambition to be preferred to the appetite for great wealth and great power.

I recall to your attention my message to the Congress last June, in which I said "among our objectives I place the security of the men, women, and children of the Nation first." That remains our first and continuing task; and in a very real sense every major legislative enactment of this Congress should be a component part of it.

In defining immediate factors which enter into our quest, I have spoken to the Congress and the people of three great divisions:

First. The security of a livelihood through the better use of the national resources of the land in which we live.

Second. The security against the major hazards and vicissitudes of life.

Third. The security of decent homes.

I am now ready to submit to the Congress a broad program designed ultimately to establish all three of these factors of security—a program which because of many lost years will take many future years to fulfill.

A study of our national resources, more comprehensive than any previously made, shows the vast amount of necessary and practicable work which needs to be done for the development and preservation of our national wealth for the enjoyment and advantage of our people in generations to come. The sound use of land and water is far more comprehensive than the mere planting of trees, building of dams, distributing of electricity, or retirement of submarginal land. It recognizes that stranded populations, either in the country or the city, cannot have security under the conditions that now surround them.

To this end we are ready to begin to meet this problem—the intelligent care of population throughout our Nation in accordance with an intelligent distribution of the means of livelihood for that population. A definite program for putting people to work, of which I shall speak in a moment, is a component part of this greater program of security of livelihood through the better use of our national resources.

Closely related to the broad problem of livelihood is that of security against the major hazards of life. Here also a comprehensive survey of what has been attempted or accomplished in many nations and in many States proves to me that the time has come for action by the National Government. I shall send to you, in a few days, definite recommendations based on these studies. These recommendations will cover the broad subjects of unemployment insurance and old-age insurance, of benefits for children, for mothers, for the handicapped, for maternity care, and for other aspects of dependency and illness where a beginning can now be made.

The third factor—better homes for our people—has also been the subject of experimentation and study. Here, too, the first practical steps can be made through the proposals which I shall suggest in relation to giving work to the unemployed.

Whatever we plan and whatever we do should be in the light of these three clear objectives of security. We cannot afford to lose valuable time in haphazard public policies which cannot find a place in the broad outlines of these major purposes. In that spirit I come to an immediate issue made for us by hard and inescapable circumstance—the task of putting people to work. In the spring of 1933 the issue of destitution seemed to stand apart; today, in the light of our experience and our new national policy, we find we can put people to work in ways which conform to, initiate, and carry forward the broad principles of that policy.

The first objectives of emergency legislation of 1933 were to relieve destitution, to make it possible for industry to operate in a more rational and orderly fashion, and to put behind industrial recovery the impulse of large expenditures in Government undertakings. The purpose of the National Industrial Recovery Act to provide work for more people succeeded in a substantial manner within the first few months of its life, and the act has continued to maintain employment gains and greatly improved working conditions in industry.

The program of public works provided for in the recovery act launched the Federal Government into a task for which there was little time to make preparation and little American experience to follow. Great employment has been given and is being given by these works.

More than two billions of dollars have also been expended in direct relief to the destitute. Local agencies of necessity determined the recipients of this form of relief. With inevitable exceptions the funds were spent by them with reasonable efficiency, and as a result actual want of food and clothing in the great majority of cases has been overcome.

But the stark fact before us is that great numbers still remain unemployed.

A large proportion of these unemployed and their dependents have been forced on the relief rolls. The burden on the Federal Government has grown with great rapidity. We have here a human as well as an economic problem. When humane considerations are concerned Americans give them precedence. The lessons of history, confirmed by the evidence immediately before me, show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimical to the dictates of sound policy. It is in violation of the traditions of America. Work must be found for able-bodied but destitute workers.

The Federal Government must and shall quit this business of relief.

I am not willing that the vitality of our people be further sapped by the giving of cash, of market baskets, of a few hours of weekly work cutting grass, raking leaves, or picking up papers in the public parks. We must preserve not only the bodies of the unemployed from destitution but also their self-respect, their self-reliance, and courage and determination. This decision brings me to the problem of what the Government should do with approximately 5,000,000 unemployed now on the relief rolls.

About one million and a half of these belong to the group which in the past was dependent upon local welfare efforts. Most of them are unable for one reason or another to maintain themselves independently—for the most part, through no fault of their own. Such people, in the days before the great depression, were cared for by local efforts—by States, by counties, by towns, by cities, by churches, and by private welfare agencies. It is my thought that in the future they must be cared for as they were before. I stand ready through my own personal efforts, and through the public influence of the office that I hold, to help these local agencies to get the means necessary to assume this burden.

The security legislation which I shall propose to the Congress will, I am confident, be of assistance to local effort in the care of this type of cases. Local responsibility can and will be resumed, for, after all, common sense tells us that the wealth necessary for this task existed and still exists in the local community, and the dictates of sound administration require that this responsibility be in the first instance a local one.

There are however an additional three and one-half million employable people who are on relief. With them the problem is different and the responsibility is different. This group was the victim of a Nation-wide depression caused by conditions which were not local but national. The Federal Government is the only governmental agency with sufficient power and credit to meet this situation. We have assumed this task and we shall not shrink from it in the future. It is a duty dictated by every intelligent consideration of national policy to ask you to make it possible for the United States to give employment to all of these three and one-

half million employable people now on relief, pending their absorption in a rising tide of private employment.

It is my thought that, with the exception of certain of the normal public-building operations of the Government, all emergency public works shall be united in a single new and greatly enlarged plan.

With the establishment of this new system we can supersede the Federal Emergency Relief Administration with a coordinated authority which will be charged with the orderly liquidation of our present relief activities and the substitution of a national chart for the giving of work.

This new program of emergency public employment should be governed by a number of practical principles:

(1) All work undertaken should be useful, not just for a day or a year, but useful in the sense that it affords permanent improvement in living conditions or that it creates future new wealth for the Nation.

(2) Compensation on emergency public projects should be in the form of security payments, which should be larger than the amount now received as a relief dole, but at the same time not so large as to encourage the rejection of opportunities for private employment or the leaving of private employment to engage in Government work.

(3) Projects should be undertaken on which a large percentage of direct labor can be used.

(4) Preference should be given to those projects which will be self-liquidating in the sense that there is a reasonable expectation that the Government will get its money back at some future time.

(5) The projects undertaken should be selected and planned so as to compete as little as possible with private enterprises. This suggests that if it were not for the necessity of giving useful work to the unemployed now on relief, these projects in most instances would not now be undertaken.

(6) The planning of projects would seek to assure work during the coming fiscal year to the individuals now on relief or until such time as private employment is available. In order to make adjustment to increasing private employment, work should be planned with a view to tapering it off in proportion to the speed with which the emergency workers are offered positions with private employers.

(7) Effort should be made to locate projects where they will serve the greatest unemployment needs as shown by present relief rolls, and the broad program of the National Resources Board should be freely used for guidance in selection. Our ultimate objective being the enrichment of human lives, the Government has the primary duty to use its emergency expenditures as much as possible to serve those who cannot secure the advantages of private capital.

Ever since the adjournment of the Seventy-third Congress the administration has been studying from every angle the possibility and the practicability of new forms of employment. As a result of these studies I have arrived at certain very definite convictions as to the amount of money that will be necessary for the sort of public projects that I have described. I shall submit these figures in my Budget message. I assure you now they will be within the sound credit of the Government.

The work itself will cover a wide field, including clearance of slums, which for adequate reasons cannot be undertaken by private capital; in rural housing of several kinds, where, again, private capital is unable to function; in rural electrification; in the reforestation of the great watersheds of the Nation; in an intensified program to prevent soil erosion and to reclaim blighted areas; in improving existing road systems and in constructing national highways designed to handle modern traffic; in the elimination of grade crossings; in the extension and enlargement of the successful work of the Civilian Conservation Corps; in non-Federal work, mostly self-liquidating and highly useful to local divisions of government; and on many other projects which the Nation needs and cannot afford to neglect.

This is the method which I propose to you in order that we may better meet this present-day problem of unemployment. Its greatest advantage is that it fits logically and usefully into the long-range permanent policy of providing the three types of security which constitute as a whole an American plan for the betterment of the future of the American people.

I shall consult with you from time to time concerning other measures of national importance. Among the subjects that lie immediately before us are the consolidation of Federal regulatory administration over all forms of transportation, the renewal and clarification of the general purposes of the National Industrial Recovery Act, the strengthening of our facilities for the prevention, detection, and treatment of crime and criminals, the restoration of sound conditions in the public-utilities field through abolition of the evil features of holding companies, the gradual tapering off of the emergency credit activities of government, and improvement in our taxation forms and methods.

We have already begun to feel the bracing effect upon our economic system of a restored agriculture. The hundreds of millions of additional income that farmers are receiving is finding its way into the channels of trade. The farmers' share of the national income is slowly rising. The economic facts justify the wide-spread opinion of those engaged in agriculture that our provision for maintaining a balanced production give at this time the most adequate remedy for an old and vexing problem. For the present and especially in view of abnormal world conditions, agricultural adjustment with certain necessary improvements in methods should continue.

It seems appropriate to call attention at this time to the fine spirit shown during the past year by our public servants. I cannot praise too highly the cheerful work of the civil-service employees, and of those temporarily working for the Government. As for those thousands in our various public agencies spread throughout the country who, without compensation, agreed to take over heavy responsibilities in connection with our various loan agencies and particularly in direct relief work, I cannot say too much. I do not think any country could show a higher average of cheerful and even enthusiastic teamwork than has been shown by these men and women.

I cannot with candor tell you that general international relationships outside the borders of the United States are improved. On the surface of things many old jealousies are resurrected, old passions aroused; new strivings for armament and power, in more than one land, rear their ugly heads. I hope that calm counsel and constructive leadership will provide the steadying influence and the time necessary for the coming of new and more practical forms of representative government throughout the world wherein privilege and power will occupy a lesser place and world welfare a greater.

I believe, however, that our own peaceful and neighborly attitude toward other nations is coming to be understood and appreciated. The maintenance of international peace is a matter in which we are deeply and unselfishly concerned. Evidence of our persistent and undeniable desire to prevent armed conflict has recently been more than once afforded.

There is no ground for apprehension that our relations with any nation will be otherwise than peaceful. Nor is there ground for doubt that the people of most nations seek relief from the threat and burden attaching to the false theory that extravagant armament cannot be reduced and limited by international accord.

The ledger of the past year shows many more gains than losses. Let us not forget that, in addition to saving millions from utter destitution, child labor has been for the moment outlawed, thousands of homes saved to their owners, and most important of all, the morale of the Nation has been restored. Viewing the year 1934 as a whole, you and I can agree that we have a generous measure of reasons for giving thanks.

It is not empty optimism that moves me to a strong hope in the coming year. We can, if we will, make 1935 a genuine period of good feeling, sustained by a sense of purposeful progress. Beyond the material recovery, I sense a spiritual recovery as well. The people of America are turning as

never before to those permanent values that are not limited to the physical objectives of life. There are growing signs of this on every hand. In the face of these spiritual impulses we are sensible of the Divine Providence to which nations turn now, as always, for guidance and fostering care.

ORDER OF BUSINESS

The Senate, having returned to its Chamber (at 1 o'clock and 15 minutes p. m.), reassembled, and the Vice President took the chair.

Mr. ROBINSON. Mr. President, I see no reason why Senators should not be given the opportunity to introduce bills and present resolutions and other routine business if they so desire. I suggest that the usual order of business be followed.

The VICE PRESIDENT. In the absence of objection, it is so ordered.

THE MUNITIONS INDUSTRY

Mr. CLARK. Mr. President, I desire to give notice that on Monday next, as soon after the convening of the Senate as I can obtain recognition, I expect to address the Senate at length on the subject of the investigation of the munitions industry.

DIETETIC VALUE OF FLORIDA TROPICAL FRUITS (S. DOC. NO. 7)

Mr. FLETCHER. I ask unanimous consent that an article entitled "Priceless Dietetic Value of Florida Tropical Fruits Outlined", by Dr. John Harvey Kellogg, of Miami, Fla., be printed as a Senate document.

The VICE PRESIDENT. Without objection, it is so ordered.

NOBEL PEACE PRIZE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of State, transmitting copy of a circular issued by the Nobel Committee of the Norwegian Parliament furnishing information regarding the proposals of candidates for the Nobel Peace Prize for the year 1935, which, with accompanying paper, was referred to the Committee on Foreign Relations.

REPORT OF FEDERAL BUREAU OF NARCOTICS

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting, pursuant to law, copy of the annual report of the Federal Bureau of Narcotics for the calendar year ended December 31, 1933, which, with the accompanying report, was referred to the Committee on Finance.

CLAIM OF GEORGE W. MILLER

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation for the purpose of relieving a disallowance in the account of George W. Miller, United States Coast Guard, which, with the accompanying paper, was referred to the Committee on Claims.

REPORT OF NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War, transmitting, pursuant to law, the annual report of the activities of the National Board for the Promotion of Rifle Practice for the fiscal year 1934, which, with the accompanying report, was referred to the Committee on Military Affairs.

REPORT OF NATIONAL FOREST RESERVATION COMMISSION (S. DOC. NO. 8)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War, president of the National Forest Reservation Commission, transmitting, pursuant to law, the report of the Commission for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry and ordered to be printed with an illustration.

ANNUAL REPORT OF PUERTO RICAN HURRICANE RELIEF COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of War, chairman of the Puerto Rican Hurricane Relief Commission, transmitting, pursuant to law, the annual report of the Commission for the year ended September 30, 1934, which, with the accompanying report, was referred to the Committee on Appropriations.

COST OF AIR MAIL OPERATIONS BY ARMY AIR CORPS

The VICE PRESIDENT laid before the Senate a letter from the Postmaster General, transmitting, pursuant to law, a report showing the cost of Army Air Corps mail operations for the period February 12 to June 30, 1934, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

AIRCRAFT PURCHASED FOR NAVY (S. DOC. NO. 6)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Navy, transmitting, pursuant to law, a report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department during the fiscal year ended June 30, 1934, the prices paid therefor, and the reason for the award in each case, which, with the accompanying report, was referred to the Committee on Naval Affairs.

REPORT OF WAR MINERALS RELIEF COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a report of the administration of the War Minerals Relief Act, for the year ended November 30, 1934, which, with the accompanying report, was referred to the Committee on Mines and Mining.

CANCELATION OF INDIAN INDEBTEDNESS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a report of cancelations and adjustments of reimbursable charges of the United States existing as debts against individual Indians or tribes of Indians, which, with the accompanying papers, was referred to the Committee on Indian Affairs.

DEVELOPMENT OF OIL AND GAS POOLS

The VICE PRESIDENT laid before the Senate two letters from the Secretary of the Interior, transmitting, pursuant to law, information concerning the approval of unit plans of development for Round Mountain oil and gas field, Kern County, Calif., and Middle Dome Kettleman Hills oil and gas field, Kings County, Calif., which, with the accompanying reports, were referred to the Committee on Public Lands and Surveys.

LEASE OF OIL AND GAS LANDS, FORT MORGAN MILITARY RESERVATION, ALA.

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report concerning a lease issued to T. S. Stoneman, New Orleans, La., for the exploitation of oil, gas, and other minerals on the lands comprising the Fort Morgan Military Reservation, Ala., which, with the accompanying report, was referred to the Committee on Military Affairs.

REPORT OF ST. ELIZABETHS HOSPITAL

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a report of the superintendent of St. Elizabeths Hospital for the fiscal year ended June 30, 1934, showing in detail the receipts and expenditures for all purposes in connection with the institution, which, with the accompanying report, was referred to the Committee on the District of Columbia.

SETTLEMENT OF SHIPPING BOARD CLAIMS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting, pursuant to law, a report of claims arbitrated or settled by agreement from October 16, 1933, to October 15, 1934, by the United States Shipping Board Bureau and the United States Shipping Board Merchant Fleet Corporation, which, with the accompanying report, was referred to the Committee on Commerce.

ANNUAL REPORT OF THE PUBLIC PRINTER

The VICE PRESIDENT laid before the Senate a letter from the Public Printer, transmitting, pursuant to law, the annual report of the operations of the Government Printing Office for the fiscal year ended June 30, 1934, and the calendar year 1934, which, with the accompanying report, was referred to the Committee on Printing.

WASTE PAPER SALES, GOVERNMENT PRINTING OFFICE

The VICE PRESIDENT laid before the Senate a letter from the Public Printer, reporting the receipt of $125.81 as proceeds from the sale of useless papers in the Government Printing Office, which was referred to the Committee on Printing.

USELESS PAPERS IN THE GOVERNMENT PRINTING OFFICE

The VICE PRESIDENT laid before the Senate a letter from the Public Printer, transmitting, pursuant to law, a report of useless papers on the files of the Government Printing Office which are not needed in the transaction of current business and have no permanent value or historical interest, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. HAYDEN and Mr. VANDENBERG the committee on the part of the Senate.

REPORT OF TENNESSEE VALLEY AUTHORITY

The VICE PRESIDENT laid before the Senate a letter from the board of directors of the Tennessee Valley Authority, transmitting, pursuant to law, a report of the activities of the Authority for the period June 16, 1933, to June 30, 1934, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

JUDGMENTS OF COURT OF CLAIMS IN CONGRESSIONAL CASES

The VICE PRESIDENT laid before the Senate a letter from the Chief Clerk of the Court of Claims, transmitting a statement of judgments rendered by the Court of Claims in the cases of Midlothian Oil & Gin Co., Planters Cotton Oil Co., and Planters Chemical & Oil Co., referred to the court by resolution of the Senate on March 3, 1923, under the Judicial Code, which was referred to the Committee on Appropriations.

JUDGMENTS OF COURT OF CLAIMS (S. DOC. NO. 5)

The VICE PRESIDENT laid before the Senate a letter from the Chief Clerk of the Court of Claims, transmitting, pursuant to law, a statement of judgments rendered by the Court of Claims for the year ended December 31, 1934, the amount thereof, the parties in whose favor rendered, and a brief synopsis of the nature of the claims, which, with the accompanying statement, was referred to the Committee on Appropriations and ordered to be printed.

REPORT OF GORGAS MEMORIAL INSTITUTE

The VICE PRESIDENT laid before the Senate a letter from the president and chairman of the board of directors of the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., transmitting, pursuant to law, a report of the institute for the year ended October 31, 1934, which, with the accompanying report, was referred to the Committee on Interoceanic Canals.

HEALING ARTS PRACTICE IN THE DISTRICT OF COLUMBIA

The VICE PRESIDENT laid before the Senate a letter from the president of the Commission on Licensure, Healing Arts Practice Act, transmitting, pursuant to law, a report of the activities of the Commission for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORT OF TEXTILE FOUNDATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Textile Foundation, transmitting, pursuant to law, a report of the proceedings, activities, income, and expenditures of the corporation for the year ended December 31, 1933, which, with the accompanying report, was referred to the Committee on Commerce.

ANNUAL REPORT OF THE TARIFF COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Tariff Commission, transmitting, pursuant to law, the eighteenth annual report of the Commission for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Finance.

EXPORT AND IMPORT TRADE WITH CERTAIN COUNTRIES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Tariff Commission, transmitting, in further response to Senate Resolution 334, Seventy-second Congress, a report of tariff and trade restrictions imposed by certain foreign countries since 1922, which, with the accompanying papers, was referred to the Committee on Finance.

SYNTHETIC CAMPHOR

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the United States Tariff Commission, transmitting, for the information of the Senate, copy of a report made by the Commission with respect to synthetic camphor, conducted in accordance with a special provision in paragraph 51 of the Tariff Act of 1930, which, with the accompanying document, was referred to the Committee on Finance.

REPORTS OF INVESTIGATIONS BY TARIFF COMMISSION

The VICE PRESIDENT laid before the Senate 10 letters from the Chairman of the United States Tariff Commission, transmitting copies of report sent to the President by the Commission in investigations, for the purpose of section 336 of the Tariff Act of 1930, with the action of the President thereon, which, with the accompanying reports, were referred to the Committee on Finance, as follows:

1. A report of an investigation, pursuant to Senate Resolution 238 (72d Cong.), with respect to pins;
2. A report of an investigation, pursuant to Senate Resolution 361 (72d Cong.), with respect to cotton fish nets and netting;
3. A report of an investigation, pursuant to Senate Resolution 369 (72d Cong.), with respect to cut flowers;
4. A report of an investigation, pursuant to Senate Resolution 227 (72d Cong.), with respect to meat and food choppers;
5. A report of an investigation, instituted upon application received from interested parties, with respect to cotton ties of iron or steel;
6. A report of an investigation, pursuant to Senate Resolution 324 (71st Cong.) with respect to laminated products;
7. A report of an investigation, instituted upon application received from interested parties, with respect to candied, crystallized, or glace fruits;
8. A report of an investigation, instituted upon application received from interested parties, with respect to canned clams;
9. A report of an investigation, instituted pursuant to a letter received from President Hoover, dated October 24, 1932, with respect to tooth and other toilet brushes and backs and handles therefor; and
10. A report of an investigation, instituted pursuant to a letter received from President Hoover, dated October 24, 1932, with respect to grass and straw rugs.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Banking and Currency:

STATE OF ARIZONA,
ELEVENTH LEGISLATURE,
HOUSE OF REPRESENTATIVES,
THIRD SPECIAL SESSION.

House Memorial 3

*To the President and Congress of the United States of America:*

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

The operation of the Home Owners' Loan Corporation has been of inestimable value to the State of Arizona by helping worthy citizens to avoid the loss of their homes, relieving creditors of their

frozen assets, making possible the payment of delinquent taxes, creating employment and trade through the making of necessary repairs to home buildings, and stimulating many lines of industry. This activity of the Federal Government has proven to be a most constructive phase of the recovery program.

There are still many worthy Arizona home owners who require assistance of the sort which it is the function of the Home Owners' Loan Corporation to extend if their homes are to be saved. Some eleven hundred legitimate applications for loans have been filed with the local office of this Corporation but have received no consideration on account of the exhaustion of the funds provided for use by the Home Owners' Loan Corporation. Reports indicate that a similar condition exists in other States.

The situation is a critical one in this State, for private lending agencies have not yet seen fit to extend their operations to this field or to make loans on terms with which the distressed home owner can comply.

Wherefore your memorialist prays that legislation be enacted at the approaching session of the Congress extending the operation of the Home Owners' Loan Corporation and providing funds for the making of legitimate loans to worthy citizens whose homes are imperiled.

And your memorialist will ever pray.

Adopted by house December 4, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

He also laid before the Senate the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Foreign Relations:

STATE OF ARIZONA,
HOUSE OF REPRESENTATIVES,
ELEVENTH LEGISLATURE,
THIRD SPECIAL SESSION.

House Memorial 5

*To the President and the Congress of the United States of America:*

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

Development of the vast resources of this Nation's waterways, to the country's enrichment, is an outstanding feature of the national administration's policy which commends our unstinted praise as a permanent policy no less than as an effective means of giving work in the existing emergency to many thousands of unemployed men.

The development of the lower Colorado River through the dredging of a deep-water channel from the head of the Gulf of California to the city of Yuma is a project which, since the earliest days of Arizona's existence as a Territory, has commanded the interest and excited the imagination of engineers.

This mammoth project, which would give to Arizona a deep-sea port, would be of inestimable importance to the Southwest and to the Nation, giving life, as it would, to the industries and multiplying the commerce of one of the richest parts of the country, and during the period of its construction affording employment to an army of engineers, artisans, and laborers.

It would appear that there could be no more auspicious time than the present, when progressive policies distinguish the attitude of a liberal Mexican Government, to approach the subject of an understanding by which that nation would consent to or cooperate in the construction of this waterway—an understanding which would be in full sympathy with the spirit of the Gadsden treaty, signed December 30, 1853, which declares that "the vessels and citizens of the United States shall in all time have free and uninterrupted passage through the Gulf of California, to and from their possessions situated north of the boundary line of the two countries, it being understood that this passage is to be by navigation in the Gulf of California and the River Colorado."

Wherefore your memorialist prays that the subject of this mammoth development be given your earnest consideration, and that the Department of State be instructed to initiate negotiations with the Government of the Republic of Mexico looking to the consent of the said Government for the construction of the said project over Mexican territory, or to its actual cooperation in such construction.

And your memorialist will ever pray.

Adopted by house December 7, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Louisiana, which was referred to the Committee on Finance:

House Concurrent Resolution 19

A concurrent resolution memorializing the President and the Congress of the United States to provide additional trained nurses for the United States veterans' hospital at Camp Stafford, near Alexandria, La.

Whereas heretofore 37 trained nurses have been stationed at the United States veterans' hospital at Camp Stafford, near Alexandria, La.; and

Whereas even that number proved inadequate for the needs of the disabled veterans of the World War under treatment at said hospital, the patient population of which averages 427 to 439 disabled men, many of whom are bed-ridden and helpless, and all of them requiring constant care; and

Whereas due to the economy measures put into effect by Congress and the President, the number of trained nurses at the said veterans' hospital has been reduced to only 31, a totally inadequate force for the number of patients: Therefore,

SECTION 1. *Be it resolved by the House of Representatives of the Legislature of Louisiana (the senate concurring)*, That this legislature urgently requests the President and the Congress to forthwith provide a sufficient number of trained nurses to care for the unfortunate disabled veterans of the World War who are now, and who in the future may be, patients at the United States veterans' hospital at Camp Stafford, near Alexandria, La., and to maintain a sufficient force, of at least 41 trained nurses at said hospital.

SEC. 2. That certified copies of this resolution be transmitted by the clerk of the house of representatives to the President of the United States, to the President of the United States Senate, and to the Speaker of the House of Representatives of the Congress.

The VICE PRESIDENT also laid before the Senate the petitions of Mary F. Farnham, of Portland, Oreg., and sundry citizens of Detroit, Mich., praying for continuance of the investigation of munitions manufacturers, which were referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also laid before the Senate a resolution adopted by members of Palestine Lodge, No. 542, Independent Order of Odd Fellows, of Detroit, Mich., favoring the continuance of the investigation of munitions manufacturers, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also laid before the Senate a resolution adopted by the Vermont Democratic Convention, urging the administration of relief work in Vermont free from political considerations, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted at the reunion of the Second Oregon Volunteers of the War with Spain and Philippine Insurrection at Portland, Oreg., favoring the continuation of the guaranty of bank deposits by permanent law, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the Council of the City of Cleveland, Ohio, favoring the continuance of the Home Owners' Loan Corporation, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the City Council of Asheville, N. C., favoring an investigation of the activities of the bondholders and noteholders committees of the city of Asheville, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the American Hotel Association at New Orleans, La., favoring amendment of the National Housing Act so as to increase the amount of principal obligation under which a mortgage may be insured, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted by the Council of the City of Youngstown, Ohio, favoring allocation of funds for the improvement of Beaver and Mahoning Rivers in the State of Ohio, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the executive board of the Morro Castle Association, favoring an investigation of marine transportation and steamboat-inspection service of the Government, which was referred to the Committee on Commerce.

He also laid before the Senate the petition of August M. Berglund, of Lynwood, Calif., praying for the religious education of public-school children, which was referred to the Committee on Education and Labor.

He also laid before the Senate resolutions adopted by various branches of the National Slovak Society of the United States of America, favoring the establishment of unemployment insurance and old-age pensions, which were referred to the Committee on Education and Labor.

He also laid before the Senate resolutions adopted by the board of directors of the Independent Petroleum Associa-

tion of America at Oklahoma City, Okla., favoring the enactment of legislation providing for the further regulation and control of the oil industry, the continuation of the present excise taxes on imported crude petroleum and its products, and the specific increasing of the excise tax on crude, fuel, and gas oil, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted at Portland, Oreg., by the annual reunion of veterans of the Second Oregon Regiment of United States Volunteers of the War with Spain and Philippine Insurrection, favoring the enactment of legislation to tax present tax-exempt bonds and remonstrating against the cancelation of debts due from foreign governments, which were referred to the Committee on Finance.

He also laid before the Senate the memorial of Stanley Werner-Kuczynski, of New York City, N. Y., remonstrating against the recognition of Russia by the United States Government, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Unity Democratic League, of Brooklyn, N. Y., favoring an expression by this Government repudiating the attitude and conduct of Mexican officials toward freedom of worship, speech, assembly, education, and the press, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution adopted by the Merchants Committee of San Francisco, Calif., favoring the enactment of legislation to strengthen the immigration laws so as to prevent the spread of communism and seditious propaganda, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted at Cumberland, Md., by an assembly of station-tower employees of railroads serving Cumberland and vicinity, protesting against consolidations of railroads, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the board of directors of the Independent Petroleum Association of America, at Oklahoma City, Okla., favoring prosecution of producers of oil in excess of their allocation under Federal and State laws, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by delegates to the national convention of the Fraternal Order of Police at Uniontown, Pa., favoring the enactment of legislation making mandatory life sentences on criminals convicted of three or more felonies, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted by the Greater Miami (Fla.) Apartment House Association, favoring adequate national defense and a permanent air frontier defense base of adequate size at Chapman Field, Army Air Corps base near Miami, Fla., which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution adopted at Portland, Oreg., by the annual reunion of veterans of the Second Oregon Volunteer Infantry of the War with Spain and Philippine Insurrection, favoring the conscription of wealth, property, and labor in time of war, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution adopted by the Galveston (Tex.) Chapter, Reserve Officers' Association, favoring the retention of the present ratio in naval strength between the United States, Great Britain, and Japan, and the impregnable fortification of American Pacific possessions, particularly the Aleutian chain of islands, which was referred to the Committee on Naval Affairs.

He also laid before the Senate a petition of sundry citizens of Williams Bay, Wis., praying for the retention as postmaster at that place of Oscar M. Waterbury, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a telegram from Hilda Phelps Hammond, New Orleans, La., for and on behalf of the Women's Committee of Louisiana, relative to alleged denial of the opportunity to be heard and submit evidence in support of their charges concerning the election of Hon. JOHN H. OVERTON as Senator from Louisiana, which was referred to the Committee on Privileges and Elections.

He also laid before the Senate a resolution adopted by the Daytona Beach (Fla.) Chamber of Commerce, expressing faith in the President of the United States and his administration, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted at a mass meeting of Filipinos at Aala Park, Honolulu, T. H., favoring the absolute and complete independence in 1935 of the Philippine Islands and a reciprocity agreement to insure the economic structure of the islands, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a resolution adopted by the Alaska Territorial Chamber of Commerce, of Juneau, Alaska, favoring national defense and Air Mail Service for Alaska, which was referred to the Committee on Territories and Insular Affairs.

### EXPENSES OF SPECIAL COMMITTEE ON INVESTIGATION OF MUNITIONS INDUSTRY

Mr. NYE. From the committee named to investigate the munitions industry, I report a resolution for reference to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 8) reported by Mr. NYE from the Special Committee on Investigation of Munitions Industry was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

*Resolved*, That the special committee appointed by the Vice President, under authority of Senate Resolution 206, agreed to on April 12, 1934, to investigate the munitions industry hereby is authorized to expend from the contingent fund of the Senate $100,000 in addition to the amount heretofore authorized to be expended for the purposes set forth in said resolution.

### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CLARK:

A bill (S. 1) to provide for the establishment and maintenance of a procedure for cost accounting and cost reporting for Federal agencies; to the Committee on Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 2) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates and for controlled expansion of the currency; to the Committee on Finance.

By Mr. COPELAND, Mr. VANDENBERG, and Mr. MURPHY:

A bill (S. 3) to regulate commerce in firearms; and

A bill (S. 4) to prevent the promotion of frauds through interstate communication; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 5) to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drink, drugs, and cosmetics, and to regulate traffic therein; to prevent the false advertisement of food, drink, drugs, and cosmetics; and for other purposes; and

A bill (S. 6) to prohibit the transportation in interstate or foreign commerce and carriage through the mails of certain gambling devices, and for other purposes; to the Committee on Commerce.

A bill (S. 7) to increase the authorized bond issue of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 8) to permit the appointment of special agents of the Division of Investigation as State officers;

A bill (S. 9) to amend the act entitled "An act to extend the provisions of the National Motor Vehicle Theft Act to other stolen property", approved May 22, 1934 (U. S. C., title 18, secs. 413–419);

A bill (S. 10) to amend the penal laws of the United States; and

A bill (S. 11) to repeal section 389 of the United States Code, being section 239 of the United States Criminal Code; to the Committee on the Judiciary.

By Mr. COPELAND, Mr. VANDENBERG, and Mr. MURPHY:

A bill (S. 12) to amend the Packers and Stockyards Act; to the Committee on Agriculture and Forestry.

A bill (S. 13) to abolish the right of appeal in certain habeas corpus proceedings;

A bill (S. 14) authorizing the introduction in evidence in criminal cases of testimony taken at a preliminary hearing, and for other purposes;

A bill (S. 15) to amend the act entitled "An act making it unlawful for any person to flee from one State to another for the purpose of avoiding prosecution or the giving of testimony in certain cases", approved May 18, 1934;

A bill (S. 16) to establish a confidential relationship between guidance workers and pupils;

A bill (S. 17) making it a felony to willfully fail to appear after having been admitted to bail;

A bill (S. 18) to amend section 1015 of the Revised Statutes;

A bill (S. 19) to amend section 1016 of the Revised Statutes;

A bill (S. 20) to amend an act entitled "An act to make persons charged with crimes and offenses competent witnesses in United States and Territorial courts", approved March 16, 1878; and

A bill (S. 21) to regulate the defense of alibi in criminal cases; to the Committee on the Judiciary.

A bill (S. 22) to provide for the deportation of aliens convicted of certain crimes; to the Committee on Immigration.

By Mr. BULOW:

A bill (S. 23) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Finance.

(Senate bill 24 was introduced by Mr. COSTIGAN and Mr. WAGNER and appears under a separate heading.)

By Mr. COSTIGAN:

A bill (S. 25) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 26) to increase the authorized bond issue of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. BROWN:

A bill (S. 27) to limit the car length of trains which may be operated upon railroads by common carriers engaged in interstate and foreign commerce; to the Committee on Interstate Commerce.

By Mr. NEELY:

A bill (S. 28) for the relief of R. B. Miller; to the Committee on Claims.

A bill (S. 29) granting a pension to Jane Bollinger; to the Committee on Pensions.

By Mr. BARBOUR:

A bill (S. 30) to amend an act entitled "An act to authorize the United States Shipping Board to sell certain property of the United States situated in the city of Hoboken, N. J.", approved April 19, 1930; to the Committee on Commerce.

By Mr. COPELAND:

A bill (S. 31) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff; to the Committee on the District of Columbia.

A bill (S. 32) to establish a national military park to commemorate the campaign and Battles of Saratoga, in the State of New York; to the Committee on Public Lands and Surveys.

A bill (S. 33) to encourage travel to and within the United States by citizens of foreign countries, and for other purposes; and

A bill (S. 34) to amend section 2 of the act of February 13, 1893; to the Committee on Commerce.

A bill (S. 35) for the relief of the Sachs Mercantile Co., Inc.;

A bill (S. 36) authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors and materialmen for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.;

A bill (S. 37) authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors and materialmen for material and labor furnished in the construction of a post-office and courthouse building at Rutland, Vt.;

A bill (S. 38) for the relief of Winifred Meagher;

A bill (S. 39) for the relief of the estate of William Bardel;

A bill (S. 40) for the relief of the Telescope Folding Furniture Co., Inc.;

A bill (S. 41) for the relief of the Germania Catering Co., Inc.;

A bill (S. 42) for the relief of Emmett C. Noxon; and

A bill (S. 43) for the relief of Lucile A. Abbey; to the Committee on Claims.

A bill (S. 44) granting a pension to Elia Rodde;

A bill (S. 45) granting a pension to George S. Ward;

A bill (S. 46) granting an increase of pension to Helen K. Snowden;

A bill (S. 47) granting a pension to Joseph F. Sourek; and

A bill (S. 48) granting a pension to Carl M. Toepper; to the Committee on Pensions.

A bill (S. 49) for the relief of Harriet DeLarm;

A bill (S. 50) for the relief of William D. Grush; and

A bill (S. 51) for the relief of Frank Kroegel, alias Francis Kroegel; to the Committee on Military Affairs.

A bill (S. 52) for the relief of Albrecht Nest, apothecary of the Navy; and

A bill (S. 53) for the relief of Victor Oscar Gokey; to the Committee on Naval Affairs.

By Mr. CAREY:

A bill (S. 54) to amend section 25 of the Emergency Farm Mortgage Act of 1933, as amended; and

A bill (S. 55) authorizing loans by Federal land banks to incorporated associations and corporations in certain cases, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 56) for the relief of Patrick J. Mulcahey (with accompanying papers); to the Committee on Military Affairs.

By Mr. DUFFY:

A bill (S. 57) authorizing an increase in the amount of bonds of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 58) for the relief of James Gillespie; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 59) to promote the safety of employees and travelers upon railroads by compelling common carriers by railroad engaged in interstate and foreign commerce to man locomotives, trains, and other self-propelled engines or machines with competent employees, to provide the least number of men that may be employed on locomotives, trains, and other self-propelled engines or machines, to provide qualifications for certain employees, and providing a penalty for the violation thereof; to the Committee on Interstate Commerce.

A bill (S. 60) requiring national banks to obtain indemnity bonds from State-qualified bonding companies; to the Committee on the Judiciary.

A bill (S. 61) for the relief of John B. Canter; and

A bill (S. 62) for the relief of James Evans Monroe; to the Committee on Claims.

A bill (S. 63) granting a pension to Fred Hodgkiss;

A bill (S. 64) granting a pension to Anna Marie Flautt;

A bill (S. 65) granting an increase of pension to Blanche Welker;

A bill (S. 66) granting a pension to Joseph Wilfong;

A bill (S. 67) granting an increase of pension to Jess Musgrave;

A bill (S. 68) granting a pension to William Nire Metz; and

A bill (S. 69) granting a pension to Sarah A. Martin; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 70) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. NEELY:

A bill (S. 71) granting a pension to Columbus R. Fulks;

A bill (S. 72) granting an increase of pension to Anthony R. Backus;

A bill (S. 73) granting a pension to Ella A. Barker;

A bill (S. 74) granting a pension to Earl E. Bayles;

A bill (S. 75) granting a pension to James C. Blackwell; and

A bill (S. 76) granting a pension to Clarence R. Boyles; to the Committee on Pensions.

By Mr. McGILL:

A bill (S. 77) to protect labor in its old age; to the Committee on Pensions.

A bill (S. 78) relating to the qualifications of directors and other officials of the Federal land banks and other agricultural credit agencies; to the Committee on Banking and Currency.

A bill (S. 79) for the reinstatement of Harding Palmer in the United States Army; to the Committee on Military Affairs.

By Mr. GEORGE:

A bill (S. 80) authorizing an appropriation for the eradication and control of the screw worm; and

A bill (S. 81) to provide for the collection and publication of statistics of peanuts by the Department of Agriculture; to the Committee on Agriculture and Forestry.

A bill (S. 82) to authorize the disposal of surplus personal property, including buildings, of the emergency conservation work; to the Committee on Public Lands and Surveys.

A bill (S. 83) to provide for the establishment of a Coast Guard station on the coast of Georgia, at or near Sea Island Beach; to the Committee on Commerce.

A bill (S. 84) to amend section 61 of the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, relating to depositories for money of bankrupt estates; to the Committee on the Judiciary.

A bill (S. 85) for the relief of Homer H. Adams; and

A bill (S. 86) for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on Claims.

By Mr. BLACK:

A bill (S. 87) to prevent the shipment in interstate commerce of certain articles and commodities, in connection with which persons are employed more than 5 days per week or 6 hours per day, and prescribing certain conditions with respect to purchases and loans by the United States, and codes, agreements, and licenses under the National Industrial Recovery Act; to the Committee on the Judiciary.

By Mr. WAGNER:

A bill (S. 88) to amend the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

By Mr. ADAMS:

A bill (S. 89) to increase the authorized bond issue of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

By Mr. TRAMMELL:

A bill (S. 90) to provide for increasing the capital and bonds of the Home Owners' Loan Corporation for the purpose of making cash advances to home owners, and for other purposes; and

A bill (S. 91) authorizing the Reconstruction Finance Corporation to make loans to municipalities and political subdivisions of States to aid in refinancing their outstanding indebtedness; to the Committee on Banking and Currency.

A bill (S. 92) to prohibit the making of photographs, sketches, or maps of vital military and naval defensive installations and equipment, and for other purposes;

A bill (S. 93) to authorize certain officers of the Navy and Marine Corps to administer oaths;

A bill (S. 94) to authorize the Secretary of the Navy to proceed with certain public works at the naval air station, Pensacola, Fla.; and

A bill (S. 95) to provide for the carrying at reduced rates of officers and enlisted men of the military and naval forces while on leave of absence or furlough at their own expense; to the Committee on Naval Affairs.

A bill (S. 96) to provide for loans to farmers for crop production and harvesting until January 30, 1936, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 97) to provide for a customs examination building at Tampa, Fla.; to the Committee on Public Buildings and Grounds.

By Mr. SHIPSTEAD:

A bill (S. 98) to improve the navigability and to provide for the flood control of the upper Mississippi River, to provide for reforestation and the use of marginal lands in and for the agricultural and industrial development of the upper Mississippi River Basin, to provide for the restoration and preservation of the water level and for the development of electrical power in the upper Mississippi Basin, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. CAPPER:

A bill (S. 99) for the relief of William Schick; to the Committee on Claims.

A bill (S. 100) granting a pension to Belle McGary (with accompanying papers);

A bill (S. 101) granting a pension to Lucy W. Farwell (with accompanying papers);

A bill (S. 102) granting a pension to Lottie Flint (with accompanying papers);

A bill (S. 103) granting a pension to Sarah Hagar Lewis;

A bill (S. 104) granting a pension to Mary A. Beck;

A bill (S. 105) granting a pension to Mary E. Bordwell;

A bill (S. 106) granting an increase of pension to Lena Bradshaw;

A bill (S. 107) granting a pension to Earl Cline;

A bill (S. 108) granting an increase of pension to Mattie F. Colebaugh;

A bill (S. 109) granting an increase of pension to Elizabeth B. Craig;

A bill (S. 110) granting an increase of pension to John C. Denbo;

A bill (S. 111) granting a pension to Hulda Dodds;

A bill (S. 112) granting a pension to Eliza Ellis;

A bill (S. 113) granting a pension to William Edward Fugatt;

A bill (S. 114) granting a pension to George G. Gribben;

A bill (S. 115) granting a pension to Everett Goodwin;

A bill (S. 116) granting an increase of pension to Sarah J. Henderson;

A bill (S. 117) granting a pension to Allison J. Little;

A bill (S. 118) granting an increase of pension to Minnie Mahler;

A bill (S. 119) granting an increase of pension to Mary A. McNeil;

A bill (S. 120) granting an increase of pension to Jane A. McNelly;

A bill (S. 121) granting an increase of pension to Martha J. Morgan;

A bill (S. 122) granting an increase of pension to Hannah Morrison;

A bill (S. 123) granting an increase of pension to Mary L. Parker;

A bill (S. 124) granting an increase of pension to Mary A. Phillippi;

A bill (S. 125) granting an increase of pension to Sarah J. Pitts;

A bill (S. 126) granting a pension to Charles O. Puckett;

A bill (S. 127) granting a pension to Nancy Jane Ruffin;

A bill (S. 128) granting a pension to Hannah A. Smith;

A bill (S. 129) granting an increase of pension to Alice M. Strine;

A bill (S. 130) granting an increase of pension to Ellen M. Thomas;

A bill (S. 131) granting an increase of pension to Nancy J. Walker;

A bill (S. 132) granting a pension to Frank L. Wilkinson;

A bill (S. 133) granting an increase of pension to Terressa Willoughby;

A bill (S. 134) granting an increase of pension to Drusilla Wright;

A bill (S. 135) granting a pension to Alma Blanche Shipman;

A bill (S. 136) granting a pension to Clarence Edward Shipman;

A bill (S. 137) granting a pension to Lydia C. Wark;

A bill (S. 138) granting an increase of pension to Mary E. Cramer;

A bill (S. 139) granting an increase of pension to Eliza A. Perry;

A bill (S. 140) granting a pension to Claude A. Pomeroy; and

A bill (S. 141) granting a pension to Minnie O. Draper; to the Committee on Pensions.

By Mr. DAVIS:

A bill (S. 142) to permit radium to be accepted in payment of war debts due from Belgium, and to provide for the distribution of such radium; to the Committee on Finance.

By Mr. MALONEY:

A bill (S. 143) for the relief of Joseph H. Sheridan; to the Committee on Claims.

A bill (S. 144) for the relief of Austin L. Tierney; to the Committee on Naval Affairs.

A bill (S. 145) granting a pension to Ida D. Fletcher; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 146) to amend the Interstate Commerce Act to prohibit carriers from collecting a surcharge for the transportation of any person in parlor or sleeping cars; to the Committee on Interstate Commerce.

By Mr. WAGNER:

A bill (S. 147) to alter the amount apportioned to certain States for public employment offices affiliated with the United States Employment Service (with an accompanying paper); to the Committee on Education and Labor.

By Mr. HARRISON:

A bill (S. 148) for the relief of the estate of Donnie Wright; to the Committee on Claims.

A bill (S. 149) for the relief of Charles B. Arrington; to the Committee on Military Affairs.

By Mr. BARBOUR:

A bill (S. 150) for the relief of Cassie M. Lyne;

A bill (S. 151) for the relief of Frederick Conger Johnson;

A bill (S. 152) granting compensation to the estate of Thomas Peraglia, deceased;

A bill (S. 153) granting compensation to George S. Conway, Jr.;

A bill (S. 154) granting compensation to Walter F. Northrop;

A bill (S. 155) for the relief of John Henry Tackett; and

A bill (S. 156) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the city of Perth Amboy, N. J.; to the Committee on Claims.

A bill (S. 157) for the relief of Albert Anderson; to the Committee on Military Affairs.

A bill (S. 158) authorizing the President to present a medal in the name of Congress to John F. Jensen; and

A bill (S. 159) to amend the provision in the act approved March 3, 1931, governing the computation of commissioned service of Naval Academy graduates who have been retired for age or service ineligibility for promotion; to the Committee on Naval Affairs.

A bill (S. 160) granting a pension to Mary Merrill Scott; and

A bill (S. 161) granting a pension to Ada B. Nafew; to the Committee on Pensions.

By Mr. GORE:

A bill (S. 162) to provide for the method of measurement of vessels using the Panama Canal; to the Committee on Interoceanic Canals.

By Mr. DICKINSON:

A bill (S. 163) for the relief of John C. Harker;

A bill (S. 164) for the relief of Donald L. Bruner;

A bill (S. 165) for the relief of Robert McFarland;

A bill (S. 166) for the relief of Jack Doyle; and

A bill (S. 167) to amend the retirement laws affecting certain grades of Army officers; to the Committee on Military Affairs.

A bill (S. 168) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to James R. Kelly;

A bill (S. 169) for the relief of John F. Korbel;

A bill (S. 170) for the relief of Alva A. Murphy; and

A bill (S. 171) for the relief of Aileen Random Weber; to the Committee on Claims.

A bill (S. 172) granting a pension to Helen R. Benson;

A bill (S. 173) granting an increase of pension to Lydia J. Barton;

A bill (S. 174) granting a pension to Celia K. Crow;

A bill (S. 175) granting a pension to Charles T. Griggs;

A bill (S. 176) granting a pension to Margaret Ledgerwood;

A bill (S. 177) granting a pension to Anna Ross;

A bill (S. 178) granting a pension to Anna M. Shumaker;

A bill (S. 179) granting a pension to Elizabeth Spafford;

A bill (S. 180) granting a pension to Emily D. Spencer;

A bill (S. 181) granting a pension to Jemima E. Trowbridge;

A bill (S. 182) granting a pension to Mary S. Tuffree;

A bill (S. 183) granting a pension to Bridget Wagner;

A bill (S. 184) granting a pension to Pearl F. Warren;

A bill (S. 185) granting an increase of pension to Lizzie Wilford;

A bill (S. 186) granting a pension to Mary Jane Willey;

A bill (S. 187) granting a pension to Belle Harmon; and

A bill (S. 188) granting a pension to Elnora Shirk; to the Committee on Pensions.

By Mr. KEYES:

A bill (S. 189) for the relief of William Craig, chief pay clerk, retired; to the Committee on Naval Affairs.

A bill (S. 190) to provide for the extension and completion of the United States Capitol; to the Committee on Public Buildings and Grounds.

By Mr. LONERGAN:

A bill (S. 191) granting a pension to Louis Zeller;

A bill (S. 192) granting an increase of pension to George F. Smith; and

A bill (S. 193) granting a pension to Frank C. Comstock; to the Committee on Pensions.

A bill (S. 194) for the relief of Patrick Francis Shea;

A bill (S. 195) for the relief of John H. Hannigan;

A bill (S. 196) for the relief of James S. Cuff; and

A bill (S. 197) for the relief of Cedric W. Root; to the Committee on Naval Affairs.

A bill (S. 198) providing for the ratification of constitutional amendments by popular elections; and

A bill (S. 199) proposing an amendment to the Constitution of the United States relative to taxation of income derived from securities; to the Committee on the Judiciary.

A bill (S. 200) to permit the importation of goods made by indentured labor only to the extent necessary to supply American demands which cannot be met by American production, and for other purposes; and

A bill (S. 201) making income from United States securities subject to the income-tax laws of the United States; to the Committee on Finance.

A bill (S. 202) authorizing improvement of the Connecticut River between Saybrook and Hartford, Conn., for navigation purposes;

A bill (S. 203) to provide for a preliminary examination of the Connecticut River, with a view to the control of its

floods and prevention of erosion of its banks in the State of Connecticut, and for other purposes; and

A bill (S. 204) to provide for the construction of four vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Commerce.

A bill (S. 205) for the relief of Helen M. Crowley;

A bill (S. 206) for the relief of Francis M. Johnston;

A bill (S. 207) for the relief of Joseph H. Sheridan;

A bill (S. 208) for the relief of the Consolidated Ashcroft Hancock Co., Inc., Bridgeport, Conn.;

A bill (S. 209) for the relief of Carmine Sforza; and

A bill (S. 210) for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson; to the Committee on Claims.

A bill (S. 211) for the relief of John J. Moran; to the Committee on Post Offices and Post Roads.

By Mr. FRAZIER:

A bill (S. 212) to liquidate and refinance agricultural indebtedness at a reduced rate of interest by establishing an efficient credit system, through the use of the Farm Credit Administration, the Federal Reserve banking system, and creating a Board of Agriculture to supervise the same; to the Committee on Agriculture and Forestry.

By Mr. LOGAN:

A bill (S. 213) to amend section 113 of the Criminal Code of March 4, 1909, 35 Stat. 1109 (U. S. C., title 18, sec. 203), and for other purposes;

A bill (S. 214) to create the Federal Unemployment Insurance Corporation, prescribe its powers and duties, to establish a system of unemployment insurance, and for other purposes; and

A bill (S. 215) to establish uniform requirements affecting Government contracts, and for other purposes; to the Committee on the Judiciary.

A bill (S. 216) granting a pension to John S. Marcum;

A bill (S. 217) granting a pension to Alzurah Long;

A bill (S. 218) granting a pension to Green Isaacs;

A bill (S. 219) granting a pension to Winnie Hood;

A bill (S. 220) granting a pension to Maude Kinser Alexander;

A bill (S. 221) granting an increase of pension to Charles Steffey;

A bill (S. 222) granting an increase of pension to Mary E. Fowler;

A bill (S. 223) granting an increase of pension to William G. Patton;

A bill (S. 224) granting a pension to John M. Roundtree;

A bill (S. 225) granting a pension to Price V. Hendricks;

A bill (S. 226) granting a pension to Mary Burton;

A bill (S. 227) granting a pension to Roscoe Johnson;

A bill (S. 228) granting a pension to Squire O. Baker; and

A bill (S. 229) granting a pension to William Russell; to the Committee on Pensions.

A bill (S. 230) to amend the Tennessee Valley Authority Act of 1933 by including the Cumberland River and its basin within the provisions of the act, and for other purposes; to the Committee on Commerce.

A bill (S. 231) authorizing national banks to establish branch banks and to secure deposits; to the Committee on Banking and Currency.

A bill (S. 232) to amend the act of May 1924 relating to interest on loans made to veterans on adjusted-service certificates and for other purposes; to the Committee on Finance.

A bill (S. 233) for the relief of Polin A. McIntire;

A bill (S. 234) for the relief of James E. King;

A bill (S. 235) for the relief of J. U. Schickli & Bros.;

A bill (S. 236) for the relief of the heirs of Burton Stearns Adams, deceased;

A bill (S. 237) for the relief of the heirs of G. W. Roberts;

A bill (S. 238) for the relief of B. H. Hall;

A bill (S. 239) for the relief of the Barlow-Moore Tobacco Co.;

A bill (S. 240) for the relief of Robert Rodes; and

A bill (S. 241) for the relief of James Lowe; to the Committee on Claims.

A bill (S. 242) for the relief of Charles B. Arrington;

A bill (S. 243) for the relief of Curtis Jett;

A bill (S. 244) for the relief of Thomas Salleng;

A bill (S. 245) for the relief of Charles Wilson;

A bill (S. 246) for the relief of Elmer Blair; and

A bill (S. 247) for the relief of Homer H. Keffer; to the Committee on Military Affairs.

A bill (S. 248) for the relief of Luther Foster; and

A bill (S. 249) for the relief of James Earl Johnston; to the Committee on Naval Affairs.

By Mr. TOWNSEND:

A joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. COSTIGAN:

A joint resolution (S. J. Res. 2) proposing an amendment to the Constitution of the United States to permit the taxation of tax-exempt securities; and

A joint resolution (S. J. Res. 3) proposing an amendment to the Constitution of the United States empowering Congress to regulate hours and conditions of labor and to establish minimum wages in any employment, and to regulate production, industry, business, trade, and commerce to prevent unfair methods and practices therein; to the Committee on the Judiciary.

By Mr. NEELY:

A joint resolution (S. J. Res. 4) providing for the investigation, survey, and report of a continuous water line from the James River in Virginia to the New and Kanawha Rivers in West Virginia; to the Committee on Commerce.

By Mr. CAPPER:

A joint resolution (S. J. Res. 5) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. FRAZIER:

A resolution (S. J. Res. 6) proposing an amendment to the Constitution of the United States prohibiting war; to the Committee on the Judiciary.

By Mr. LOGAN:

A joint resolution (S. J. Res. 7) proposing an amendment to the Constitution of the United States giving the people of the United States the power to veto a declaration of war by Congress; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 8) appointing a commission to be known as the "Commission on the International Exposition of 1937 in Paris"; to the Committee on Foreign Relations.

### ANTILYNCHING LEGISLATION

Mr. COSTIGAN. Mr. President, I send to the desk for appropriate reference a bill that deals with lynching, and which is introduced jointly by the Senator from New York [Mr. WAGNER] and myself.

The bill (S. 24)—introduced by Mr. COSTIGAN and Mr. WAGNER—to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching, was read twice by its title and referred to the Committee on the Judiciary.

### INVESTIGATION OF ACTIVITIES OF FREIGHT ASSOCIATIONS

Mr. GEORGE submitted the following concurrent resolution (S. Con. Res. 1), which was referred to the Committee on Interstate Commerce:

*Resolved by the Senate (the House of Representatives concurring)*, That the Federal Trade Commission be, and the same is hereby, directed to make an investigation and study of the activities of the freight associations of the United States and of the action of the railroads in jointly prescribing rates through such associations, and report the results thereof to the Congress as soon as practicable, showing specifically the action of said associations, especially in making rates between different freight territories and reporting whether or not such activities violate the antitrust laws as applied to the act to regulate commerce in the Central Yellow Pine and Tift Lumber cases (10 I. C. C. 505, 548; 138 Fed. 753; 206 U. S. 441).

HEARINGS BEFORE COMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. GEORGE submitted the following resolution (S. Res. 4), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Privileges and Elections, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

INVESTIGATION OF RAILROAD FREIGHT RATES

Mr. GEORGE submitted the following resolution (S. Res. 5), which was referred to the Committee on Interstate Commerce:

Whereas it is alleged that the present rate system adopted by the rail carriers of the United States has resulted in higher rates per mile in some sections of the United States than others, notwithstanding efforts of Congress to make rail carriers a national system: Therefore, be it

*Resolved*, That the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, is authorized and directed to examine into the present railroad freight rates with a view to determining (1) the relative investment costs and the value fixed by the Interstate Commerce Commission of the properties of class I railroads in the United States, separating such values so as to show the same in the various freight territories of the country; (2) the cost of hauling freight, or the cost per car-mile of the movement of freight, as determined by the Federal Coordinator of Transportation or from other sources, in each of the several freight territories; (3) the effect of making rates throughout the country and regulating, if necessary, the needs of the different carriers as was done in the *New England Divisions case* (261 U. S. 184); and (4) the methods pursued by freight associations and railroads in jointly prescribing rates. The committee shall report to the Senate, as soon as practicable, the results of its investigation, together with its recommendations.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subp na or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

INVESTIGATION OF RELATIONSHIP OF FREIGHT RATES

Mr. GEORGE submitted the following resolution (S. Res. 6), which was referred to the Committee on Interstate Commerce:

*Resolved*, That the Interstate Commerce Commission be, and the same is hereby, requested to make an investigation and study of the relationship of rates in different parts of the United States and report the result thereof to the Congress of the United States as soon as practicable, showing:

First. The relative book value and value fixed by the Interstate Commerce Commission of the properties of class I railroads in the United States, separating such values so as to show the same in the three large freight territories of the country.

Second. The cost of hauling freight, so far as the records disclose, in each of the said several territories.

INVESTIGATION OF "MORRO CASTLE" DISASTER

Mr. WAGNER submitted the following resolution (S. Res. 7), which was referred to the Committee on Commerce:

Whereas on September 8, 1934, the steamship *Morro Castle*, within 6 hours of its scheduled arrival in the port of New York, was swept by fire at sea, with the loss of many lives; and

Whereas various investigations already held in connection with the *Morro Castle* disaster, when combined with the records of other recent maritime tragedies, create a prima facie case that remediable conditions exist which do not tend to produce the utmost practicable degree of safety from the perils encountered upon the sea; and

Whereas it is imperative that life and property be accorded the utmost attainable degree of safety from such perils: Therefore be it

*Resolved*, That the Committee on Commerce is authorized and directed (1) to collect, collate, coordinate, and make available to the Senate the results of (a) the inquiry into the *Morro Castle* disaster conducted by the Secretary of Commerce through the Steamboat Inspection Service of the Department of Commerce, (b) the inquiry into the *Morro Castle* disaster, and the actions taken in connection with or subsequent to such inquiry, by the United States attorney for the southern district of New York, and (c) such other inquiries into the *Morro Castle* disaster and other maritime tragedies as would, in the discretion of the committee, be helpful for the purposes of this resolution; (2) to make such further investigations of the *Morro Castle* disaster, including the rescue operations carried on in connection therewith, as the committee shall deem advisable and necessary for the purposes of this resolution; (3) to investigate the adequacy and enforcement of the present legal standards of safety of ship construction and operation; (4) to investigate the prevalent methods and practices in the complementing of sea-going vessels, including all conditions of employment; (5) to investigate the adequacy and efficiency of the Steamboat Inspection Service; (6) to investigate whether the laws governing liability for loss of life and property at sea, the laws and usages of salvage, and the laws, usages, and practices of the business of marine insurance tend to encourage the installation and utilization of such devices and the promotion of such practices as are conducive to safety and to a paramount concern at all times for the preservation of life; and (7) to make a preliminary report of the results of its investigations as soon as practicable, to make further reports from time to time, but at least once during each regular session of the Senate, until it has completed its investigations, and to submit a final report to the Senate together with its recommendations for necessary legislation.

For the purposes of this resolution the Committee on Commerce or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses until the final report is submitted, to employ such counsel, experts, and clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee incurred in the exercise of its privileges and duties under this resolution, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

HEARINGS BEFORE THE COMMITTEE ON MINES AND MINING

Mr. LOGAN submitted the following resolution (S. Res. 9), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Mines and Mining, or any subcommittee thereof, hereby is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

DEMOCRACY OF JEFFERSON AND ROOSEVELT—ADDRESS BY JUSTICE GLENN TERRELL

Mr. FLETCHER. Mr. President, I deem it appropriate at this time to present an address delivered by Justice Glenn Terrell, of the Supreme Court of Florida, on the subject of the Democracy of Jefferson and the New Deal or the Democracy of Roosevelt, and to ask to have it printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Aristotle classified governments as monarchies, aristocracies, and democracies; a monarchy importing absolute power in the king or queen, an aristocracy importing government by the privileged class or the well born, and a democracy or government by the people. None of these forms as observed by Aristotle had any such implications as they now have; neither has the method of the administration of their underlying principles been at any time static.

As a governmental concept, democracy has had many inflections and has experienced an unusual history. To the people of our country it is the flower of more than 1,000 years of striving on the part of Anglo-Saxons to establish and improve representative government. It emerged through the family, the tithing, the hundred, the town, the shire or county, the State, and the United States. In each of these political organizations, though sometimes suppressed, democracy was struggling for supremacy.

Law has been defined as a rule of reason whose object is the common good. It is promulgated by those who have the care of society. The great object of government is the order and well-being of society, and in its last analysis this object can be attained only when the multitude responds to the mandate of the law. Government, therefore, is nothing more than a means to an end, or the social control of individual conduct; the form it takes is not material if we may judge by the manner in which it has contributed to the happiness and good order of society. The tendency of enlightened society has been to democratize government regardless of the form it lives by.

At the time of the adoption of the Declaration of Independence only two theories of government were known to civilized man, that of divine right and the theory that all governments derive their just powers from the consent of the governed. The latter theory was adopted in this country as a democracy. In the various countries of Europe peoples equally as skilled in the art of government adopted the former theory under the name of monarchy. The democracy of Aristotle, of the Middle Ages, of the Reformation, and of modern Europe was different from ours and all differed as did the social and economic impulses of the period that gave them existence. A pure democracy was not practicable for us so we resorted to a republic, or that form of democracy administered through chosen representatives of the people. But change and adjustment have been one of the distinguishing characteristics of democratic government. If it did not, chameleonlike, readily adjust itself to the modes and aspirations of the races which adopt it, it could not survive the vicissitudes of a changing world.

The founders of our democracy were the ablest, best-equipped body that ever assembled in any country for a similar purpose. They were thoroughly schooled in governmental theory, ancient and modern. They were conversant with man's weakness to abuse power. They knew that democracies no less than monarchies had wrought their destruction through abuse of power. To the end that democracy in this country be defined, that it be not abused, that it be virile, strong, and eternal, it was incarnated in a written Constitution wherein its fundamental powers were delimited and safeguarded by a system of checks and balances. The powers of the National Government were in terms delegated and defined by section 8 of article I of the Constitution and the gist of the whole scheme as applied to the individual was embodied in a series of constitutional guaranties on which the entire fabric of our democratic civilization has been erected.

In what do these constitutional guaranties consist? Sanctity of contract, freedom of religion, freedom of speech, freedom of the press, the right to life, liberty, and property, trial by jury, and the right to the writ of habeas corpus. To these should be added the doctrine of implied powers and the welfare clause. On these fundamentals our system of democracy must stand or fall. While the Constitution contains about 3,500 words and can be read in less than 30 minutes, only a very slight percentage of its phraseology is of interest to the student of constitutional law and government. The great body of our constitutional law is embodied in the opinions of the Supreme Court arising from the due-process clause, the commerce clause, and the obligation-of-contracts clause.

On this structure was imposed the democracy and political philosophy of Jefferson and on it is now being constructed the new deal or the democracy of Roosevelt. It is charged of the latter on the one hand that it is unconstitutional, socialistic, paternalistic, and communistic, while on the other hand those equally as able and sincere justify and uphold it on humanitarian grounds, under the doctrine of implied powers and under the general-welfare clause of the Constitution. Certainly, as applied to the subjects and methods of administering there is a wide difference between the democracy of Jefferson and the democracy of Roosevelt, but are these differences more variant than the social and economic order they were conceived to serve; and if not, is the latter vulnerable to the criticism leveled against it? Whether or not the new deal is being administered in keeping with constitutional guaranties must be determined by present conditions and not by those which were dominant in times past. Let us distinguish for a moment.

Jefferson was a strict interpreter of constitutional doctrines and was much exercised about local autonomy. He was rigidly opposed to centralized power and was greatly concerned lest the power of the States be weakened to the advantage of the Central Government. The democracy of Jefferson was cast to the requirements of a pioneer civilization of less than 3,000,000 people living in 13 States along the Atlantic coast, east of the Appalachian Mountains. Agriculture and commerce were the sole occupations of the people, Jefferson's idea being that these should be fostered and that the growth of urban communities should be discouraged. Under the democracy of Jefferson all our values were expressed in real estate and police protection was the only service the Government attempted to furnish the people. The steam engine, the locomotive, and the telegraph had not arrived, and the dynamo, the motor car, airplane, the Diesel engine, and radio were undreamed of. New York and Philadelphia were not nearly so large as Jacksonville, and it took more weeks to journey from the former to the latter then than it now takes hours. The vast empire west of the Mississippi was unexplored and had yet to be acquired by our country. There were less than half a dozen colleges in the country, no public-school system, no industries, no technological progress being made in any line, and little effort being made to disseminate the arts and learning among the masses. It was, indeed, the day in which pioneering was to the fore and the day in which rugged individualism under an economic laissez-faire policy experienced its greater development. The democracy of Jefferson was a product of this order and his theory was that it could best accomplish its purpose by a federation of compact States; that the powers of Congress should be limited to those enumerated in section 8 of article I; and that nothing could be added by the doctrine of implied powers.

As against the agricultural era of Jefferson, the democracy of Roosevelt must respond to the governmental needs of a vast industrial urban country; a country of more than 100,000,000 people inhabiting 48 States expanding from the Atlantic to the Pacific; a country whose frontier has been pushed to the ultimate and vanished, where rural communities have grown into great cities, and where great industries like the textile, the automobile, the railroad, the petroleum, mining, and many others unheard of in the time of Jefferson now give employment to millions. Developments in science and education have made the luxuries of yesterday the necessities of today, the standard of living has been raised, the telegraph and the radio have made the civilized countries of the world our next-door neighbors, London and Hong Kong are closer to us than Washington was to our fathers, and the Government is literally furnishing dozens of services to the citizen unheard of in the time of Jefferson.

The great problem of the democracy of Jefferson was that of political organization, blazing trails, and prescribing rules of conduct for a primitive society. It was the day of the pack horse, the sailboat, and the prairie schooner. It was the day in which national well-being depended on individual initiative and consequently the largest amount of individual freedom. There was no such thing as a problem of regulation, for the reason that the surplus population was continually advancing to the frontier before it became complex and the interests of individuals ran counter to each other. There was no such thing as a congested society, a crime problem, a tax problem, an economic problem, or a problem of readjustment. Business was confined within State lines, dual federalism was well defined, and the State was neutral.

The democracy of the new deal is confronted with the problem of industrial and economic regulation rather than that of political organization. Mammoth businesses affected with a public interest and which affect the daily life of the people as much as government itself are now subject to governmental regulation. The railroad, the textile, the automobile, the oil, mining, and other businesses that employ millions of people and were unknown to the democracy of Jefferson now require a major portion of the energy of the Government to regulate and reconcile conflicts among them and between them and the people. Changes in the social status through technological development which had no parallel under the democracy of Jefferson must be regulated in the interest of the public good. Transcontinental railroads, the hard road, the automobile, the telegraph, and the radio have for many practical purposes obliterated State lines, as a result of which crime, commerce, business, and international relations have become national rather than State or local questions. The welfare clause and the doctrine of implied powers, though incorporated in the Federal Constitution, have been invoked and enlarged to an extent never dreamed of by Jefferson. The passing of the years having witnessed such vast changes in our physical and economic status and the strain on government having been increased manyfold to regulate conditions growing out of the changes, it would be as reasonable to contend that our country could be governed now as it was in the time of Jefferson as it would to contend that the city of Jacksonville could now be governed as it was when it was known as the "cow ford."

So wide-spread has Federal and local regulation become that the liberty of the citizen is so restricted that he can hardly arise and breakfast without transgressing some new-made law. His eggs and milk are Government inspected; his milk cow, his hens, and his pigs must meet a Government test; his tea and coffee likewise; his automobile and his gas are inspected by the Government. His home is covered by a Government mortgage; everything that goes on his back and into his stomach is Government approved; his children are doctored, inspected, and educated at Government expense; the Government builds his highways and regulates his conduct when he goes on them; the Government interprets the heavens for him and gives him advanced information about the seasons; in fact, every moment of his existence is beset by Government service; yet with all he acquiesces, accepts the service, and complains that his liberty is taken. Such was the democracy of Jefferson and such is the democracy of Roosevelt.

Social and economic conditions control the course of government regardless of the form it takes. I have attempted very briefly to give you a picture of the phenomenal change in social and economic conditions our country has experienced. Bearing these in mind, it would be idle to contend that the democracy of Roosevelt would function as did the democracy of Jefferson, but the mere fact of change in the manner and scope of its administration is insufficient ground for charging the new deal to be unconstitutional and socialistic. The underlying principles of democracy are fixed and certain, they are dynamic, and though never static their saving quality is that they expand or contract to meet the demands of the social and economic order they govern. Such has been the saving quality of democracy through the ages. Every period in the history of our country has witnessed its democracy expanding to meet the demands of the times it serves. As to its latest expansion—the new deal—grave questions of constitutional validity have been raised. Not since Reconstruction have questions of such importance been before the country, and thousands are interested in and looking to the outcome of their validity.

The new deal is comprehended in the N. R. A., the F. E. R. A., the P. W. A., and other Federal boards and commissions recently created by acts of Congress in an effort to relieve the economic strain and the depressed condition throughout the country. There is a school of political thought in this country which contends that the State along with its other functions should now assume responsibility for the economic security of its people. I pretermit any discussion of that theory at this time. The question we are here concerned with is whether or not the acts of Congress and the Executive, and the vast expenditures being made under them to relieve the destitute, stabilize business, and promote recovery

are in harmony with the fundamental principles of our democracy as expressed in the fundamental law. In other words, are the acts and commitments being done in the name of the new deal calculated to vitiate or destroy the sanctity of contract, or the freedom of religion, or do they tend in any way to throttle the liberty of conscience, the liberty of speech, the liberty of opportunity, or the freedom of the press? What can you point out in the category of the new deal that strikes down individual initiative, withdraws the right to trial by jury, the right to the writ of habeas corpus, or the right to have private property? In the administration of it has Congress or the Executive exceeded the authority charted for them in the Constitution? And, lastly, may the acts of Congress as comprehended in the new deal be clearly within the general-welfare clause or the doctrine of implied powers as contained in section 8 of article I of the Constitution? The answer to these questions is the test of whether or not the new deal is amenable to the charge lodged against it.

We have heretofore pointed out that for reason of technological development and the vast social, physical, and economic changes that our country has experienced, it would be idle to contend that the democracy of Roosevelt could be administered as was the democracy of Jefferson, but, on the other hand, in the administration of the democracy of Roosevelt, if we would endure as a democracy, it would be suicidal to abandon and cast to windward the fundamental and vital teachings of our faith. Changes in time and conditions do not change fundamental principles. Only the method of their administration changes. Sanctity of contract is no less essential to individual and national well-being now than it was when written into the covenant with Abraham or the day it was written into the Constitution. Strike it down and civilized society is paralyzed. It is the virtue in you which makes your word your bond; it markets the bonds of your city above par; lack of it markets the bonds of your city and country below par; it makes a Federal note an attractive investment at low interest; it gives you a line of credit with your bank; it brings your doctor without pay in advance when your family is in distress; it makes your grocer, your dry-goods man, your tailor, your shoemaker, your mechanic, your plumber, your butcher, and your druggist rest easy and forget you until the "1st"; it makes your lawyer and your preacher sing your praises; it brings your cook on time and makes her tolerant of your foibles; it gives you a standing in the community that no other virtue does; in fine, it makes you a full-fledged, valuable citizen, while lack of it makes you a liability and burden on society; and so I might continue ad infinitum to exhibit its importance in our social compact.

I might in similar fashion refresh your minds and parade before you the importance in our social fabric of freedom of conscience, freedom of speech, freedom of the press, freedom of opportunity, the right of property, the doctrine of implied powers, the scope of the welfare clause, and other fundamental verities, but time will not permit, and to a company of Civitans it would be a work of supererogation. To my mind, these principles are no less vital and sacred than they were the day they were incorporated in the law of our democracy; they are the pith of our faith; and you could as easily form a concept of democracy without them as you could Methodistism without the episcopacy or Baptistism without immersion, the Democratic Party without Jefferson, or the Revolution without Washington.

If it would endure, a democracy must conform to certain standards of moral and political excellence. It must have ideals and vision and strive to attain them. There are times when it must rise above selfish and personal considerations if it would foster the future and lasting welfare of its people. If it hedge and compromise on these, it does so at its peril; and if it abandons them for temporary expedients, its days are numbered. The founders of our democracy were careful to prescribe in terms these standards of excellence and pass them down to us as a heritage. My abiding hope is that we may perpetuate this heritage uncorrupted in our offspring.

I express no opinion as to the constitutional validity of the new deal or any phase of it. As stated in the outset, my main objective is to assist you to fairly appraise it in the light of democratic tradition and make up your own judgment. On the ground of governmental policy I think that phase of the new deal which is directed to economic planning is timely. In fact, I think the time is at hand for the Government to encourage such a service, but I do not think that the temper of the American people is such that it would stand for the restraints that such a service would lay on them if it would be generally effective. Heretofore the frontier has been the refuge for our surplus labor, businesses, and enterprises, but the frontier has vanished and hereafter we will read of it and the pioneer in history and story books. We have reached the point in the history of our democracy where we settle permanently to live and let live, to realize that the man next door has the same right to life, liberty, and property that I have. Heretofore we have been a nation of individualists only slightly effected by governmental restraints, hereafter by reason of concentration in industrial communities we have by force of circumstances become a nation of collectivists. Fresh from pioneer surroundings, we are chafing under the restraints and concessions to which we must accustom ourselves. In other words, as a race we have recently arrived from the forest, the brush, the prairie, and the wind-swept desert. From such an environment to a city block or tenement is too abrupt a restriction on our liberty. We are like a mustang recently subjected to the bit and saddle. Let us not topple the structure in our breaking.

An accurate evaluation of the democracy of Jefferson, as compared with the democracy of Roosevelt, must rest on social and economic differences. The complex industrial situation in which we find ourselves has produced antagonisms between capital and labor, carrier and shipper, producer and consumer, rail and auto and rail and water transportation, owner and operator, and master and servant in every line of industrial endeavor. Every session of Congress is beset with demands from these and other interests to reconcile the antagonisms among them and between them and the public. The matter of reconciling differences between these organized minorities or pressure groups is now the real task of Government, and it has become too much the fashion to approach them in terms of votes rather than on the ground of whether or not the demand made is in harmony with sound democratic theory.

The habit of approaching political questions in terms of votes rather than on the basis of sound democratic theory has, in my judgment, had a very unwholesome influence on the political ideals of the voter generally. Not only that, but as a vice its influence has permeated the entire social fabric, and its baneful influence may be observed in the workings of every social organization; even the church and the lodge have not escaped its evil effects. Overindulgence of the habit has enabled organized minorities to wrest from reluctant Congresses, legislatures, and councils concessions and subsidies that are in a large measure responsible for the unbalance in our economic structure.

In my judgment, some of the propaganda being advanced in support of the new deal is vicious and misleading. I refer to those whose inspiration begins by arraying human rights against property rights and in so doing stigmatize the ownership of private property as an unholy and a detestable ambition. A property right and a human right both have reference to the person. There is no such thing as a property right unconnected with the human aspect of it. You can by no system of logic or legerdemain disassociate the two. True, there may be instances in which the right of property has been abused, but no attribute gives the degree of security and stability to democratic institutions and goes so far to insure their perpetuity as the security that accompanies the ownership of private property.

There is another class of propagandists who take their cue by arraying one class against another. I consider them the worst enemies we have of democratic institutions. From the dawn of recorded history society has been marked by individual distinctions. The one-talent man, the two-talent man, and the five-talent man preceded free government. God placed His stamp upon him, and no rule of Jeffersonian or Rooseveltian democracy has changed his essential characteristics. The one-talent man is no less prone than he was the day of his investiture by the Good Husbandman to bury his talent. In so doing he fixed his status; he has his option to dig it up and put it to work at any time he desires, and in doing so he is entitled to all the encouragement and protection democratic government gives. He is not entitled to more.

I take off my hat to the two-talent and the five-talent man. In his brain our concept of democracy was originated. He has been the pioneer and the trail blazer in every era of our progress; he has fought our battles and dared to heed the dictates of conscience when the votes were against him; he has poured out his blood on the altar of his country's freedom, the freedom of his mind, his heart, and his hand have made our country great; he has given us the franchise and made us citizens rather than puppets and conscripts. I am for him and I think he is entitled to the gratitude of a great country.

If we may judge by the recent election returns, there can be no doubt as to our country's attitude toward the new deal. It seems to me that the principle of it must be commended. As to the manner of its administration, there is ground for honest men to differ. In my study of the new deal these questions constantly arise: (1) Are the things being done in the name of the new deal warranted under the general-welfare clause of the Constitution? (2) If not under the welfare clause, can they be justified under the doctrine of implied powers? (3) Should the contract clause be held as a restraint on the welfare clause when assuming obligations under the latter? (4) In spending billions of dollars to relieve distress are we in danger of imposing a burden on our children that they should not be required to bear, it being reasonable to assume that they will have their own distress to take care of? Should they be required to bear the burden of theirs and ours? (5) Are we in danger of vitiating the sanctity of contract by indirection? Many counties and municipalities in Florida have done so by the burdens they have incurred. (6) Are we in danger of imposing such a burden on existence that liberty and opportunity in this country will become empty terms, my thought in this being that business and endeavor must be assured of a reasonable recompense to insure its stability and continuance? (7) Character is balanced and stabilized through hardships; it is enervated by petting and pampering. No citizen should be permitted to suffer unduly; but in the administration of our scheme of relief are we tending in the direction of stabilization or enervation of character? (8) Does our system of relief and general administration tend to encourage or to stimulate individual courage and initiative? Being a member of the judiciary, I suggest no answer to any of these questions. They permit of much argument pro and con, and may be added to. I offer them as a basis for an open-minded quest into the merits of the new deal.

### "OUT WEST"—ADDRESS BY HENRY J. HASKELL

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an able address by Henry J. Haskell, editor of the Kansas City Star, delivered

before the New York State Chamber of Commerce in New York, November 15, 1934. Mr. Haskell, who is one of the best informed men on our section of the country of whom I know, took as his subject the farm problem from the viewpoint of himself as editor of the leading daily newspaper of the heart of America, with the title "Out West."

It is my belief that the Senate and the country are entitled to the benefit of Mr. Haskell's views on this question. They are the views of one who knows, who has the interest of western agriculture at heart, and who has also an understanding of the relationship between agriculture, industry, labor, and finance. I hope that every Senator will read the address, and trust that all may profit from it.

I send the address to the desk, and ask that it be printed in the RECORD as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President, ladies, and gentlemen, I was properly impressed when I received your kind invitation with the dignified antiquity of this organization. I had no idea there was anything like it in this country. It took me back to an English friend who boasted to me that he was a member of the Worshipful Guild of Clockmakers, and that they had had an annual banquet every year for 300 years, including the years of the London fire and of the great plague, and had skipped the celebrations only in the 4 years of the war. Your organization dates back so that it is almost in company with these worshipful guilds of London, some of which go even farther back than the Worshipful Guild of Clockmakers.

I am very glad to have the opportunity to speak here tonight, because, as your president has said, our problems are your problems and your problems are our problems. We on the western farms are a great potential market for the goods that you make in the East. We have a great dammed-up demand for paint and hardware and furniture and clothing and radios and the other good things of life. So long as our purchasing power is paralyzed we throw men out of work throughout the East. Some of the men who are walking the streets of the eastern cities today are out of a job because the western demand for the goods that they should be making it down during the depression.

Carl Gray, president of the Union Pacific, once said to me that the Union Pacific expected to pay its running expenses out of its east-bound traffic, the farm products and the mineral products which it carried east. It expected to make its profits out of the goods which the farmers bought, which it hauled back to the West. So you can see, when this westward-bound freight is off, what happens to our railroads.

Let me get down to cases just to show you what happens during the time of depression. Two years ago wheat on the Kansas farms went to the unheard-of low of 25 cents a bushel. What did that mean? It meant that the farm woman who wanted to subscribe for the Ladies Home Journal, and who had been used to subscribing for it with a bushel of wheat, had to pay 4 bushels. It meant that the farmer who wanted to get a $30 radio and had been accustomed to paying 30 or 40 bushels of wheat for that radio, had to pay 120 bushels of wheat—the wheat produced by 10 acres of land. You see how that cramps the farmers' purchasing.

Another thing. As you perhaps have discovered in recent years, when we out on the farms are in distress and unhappy and cross we can make it very uncomfortable for the rest of the country. I think it was not wholly by accident that the inflationary amendments were added to the Agricultural Adjustment Act, the famous A. A. A. These dangerous amendments were one result of farm unhappiness at that time.

Now, I have to confess I cannot come before you as an expert on farm problems. I say this in all humility, because I recognize the value of the experts, although I have sometime questioned the extremes to which occasionally some of the Ph. D.'s in the Department of Agriculture go, especially when I saw the logarithmic tables that were sent out to guide farmers in the production of hogs. [Laughter.] The farmers were baffled by these tables, as I was.

And that reminds me of the famous letter that Lord Salisbury, when he was Prime Minister of England and Foreign Minister, wrote to his viceroy of India, who had become alarmed because his generals had told him that the Russians were about to invade India. He wrote back in substance: "My Dear Viceroy: You listen too much to the soldiers. No lesson seems to be so deeply inculcated by the experience of life as that you should never trust the experts. If you believe the doctors, nothing is wholesome; if you believe the theologians, nothing is innocent; if you believe the soldiers, nothing is safe; and they all require to have their strong wine diluted by a very large admixture of common sense."

I have to confess, too, that I cannot come to you with the assurance that I would like—with the dogmatic assurance that all the policies of the A. A. A. are right or that all the policies are wrong. There are so many imponderables to be considered. The problems are so baffling and so complex that I have very great sympathy with the disposition of Lord Balfour as described by Lloyd George in his memoirs. He says, at war councils Balfour would sum up both sides with great lucidity. He would then lean back in his chair, gaze vaguely toward the window, and in a hesitant tone would say, "But if you ask me what course in these circumstances I think we should follow I must say I am perplexed."

So I come to you tonight not as an expert and not as a dogmatic prophet. I come rather as a missionary of a better understanding between the East and the West—a better understanding which would be beneficial to us both. Sometime I know that we must seem to you terribly unreasonable out in the West and often you wonder at the outburst of some flame of prejudice against the East, against the institutions of the East, and you don't understand it. You think, I suspect, if you are frank, that we are a crazy lot of farmers.

So tonight, to help give you an understanding, I want to tell you something of the background of the prairie West, how the present condition arose, what it is today, and something of the outlook for the future. I am going to ask you to make yourselves farmers for an evening. I am going to ask you to leave these delightful surroundings in the Waldorf—and to even leave Oscar—and transport yourselves with me for the evening out West, where you would find the newspapers and their market pages more concerned over the sales of livestock, cattle, hogs, corn, and wheat than over the sale of stocks and bonds. You would come to a region where the weather forecast is more than a shopping convenience. The weather is all important with us. It may determine whether Kansas from a given acreage shall raise 50 million bushels of wheat or 225 million, as was the case 2 or 3 years ago. So we in the West have considerable sympathy with the Kansas preacher who prayed, "O Lord, send us rain; we don't want no drizzle-drozzle and we don't want no gully washer. What we want is a sod soaker." He had to be definite about it, you see. And I shall ask you to transport yourselves to a country where you may hear city women, as I have heard Mrs. Haskell, say that what with worrying about the wheat all winter and worrying about the corn all summer, by fall they are completely worn out.

And, finally, I want you to transport yourselves for the evening to a center where the great event of the year is the American royal livestock show. It lasts a week and farmers drive in by the tens of thousands to visit it, and everybody in Kansas City goes because it represents our bread and butter and we know it.

Now that you have made yourselves farmers for an evening, that is not enough. You have got to get something of the farm background to understand the frame of mind of the West. So I will ask you to imagine that your fathers or your grandfathers were demobilized from the Union Army and joined in the great westward movement after the war under the Homestead Act. One thing that occurred to me as I was thinking about what I might say to you tonight was that this Homestead Act was one of our first conspicuous instances of national planning. We are talking a great deal about national planning these days, and I want to invite your attention to this conspicuous instance, because I think it illustrates some of the virtues and some of the vices of national planning.

It was an act passed during the Civil War, and I suspect you do not recall its terms. It provided that land from the public domain up to a quarter section should be opened free to settlers who would cultivate and occupy it continuously for 5 years. I am afraid some of you New York City farmers may not know what a quarter section is. It is 160 acres, which is a pretty fair sized farm even for the ordinary farmer in the Middle West. There were two objects for this legislation that our national planners in Congress had in view. First, they wanted to provide free land where the demobilized soldiers could make a living, and that was a very worthy motive. Second, they wanted to assist in the rapid development of the West, and that again seemed a very praiseworthy motive. They succeeded in forcing this rapid development, and it brought a train of evils in its wake, because we extended our farm plant far beyond the demand. That brought distressed prices and gave a blow to eastern farm-land values, from which, I believe, they never have recovered. I have been told that eastern farm land that sold at the end of the Civil War for $100 an acre has never sold so high since, and that was because we overexpanded to the West.

Of course, the one fundamental trouble was that we overexpanded our farm plant, but there was a second trouble. We attracted these settlers to the West into climatic conditions with which they were unfamiliar. They were in familiar territory when they crossed Missouri and Iowa and reached eastern Kansas and Nebraska. But from there west the rainfall rapidly declined, and the hundredth meridian stood as a barrier beyond which the rainfall became so light and uncertain that it was really a semiarid region, though a few years ago, I suspect, I would have been called a traitor to my cause if I had made such a statement. I remember, I think, Secretary "Tama Jim" Wilson's once making it, and he was jumped upon enthusiastically by the entire West. Nevertheless, beyond the hundredth meridian, about 300 miles west of Kansas City, you have a rapid decline in rainfall, so that for a long time this great flood of migration from the East dashed into spray on the barrier of the hundredth meridian.

Your pioneer hypothetical fathers and grandfathers who went west were, as I said, in an unfamiliar territory. They did not know how the handle the land. They planted the soft wheat of Ohio and Michigan that they were accustomed to. But it could not stand the rigors of the western climate. It was winterkilled and droughted out. They planted corn where the Lord never intended corn should grow and they found it out after a while. They pastured their livestock on the eastern basis of possibly an acre to an animal in regions where 15 to 20 acres were necessary. To do this they financed themselves by borrowing money in the East and they borrowed it at perhaps, nominally,

10 percent, but with the commissions it cost them from 20 to 30 percent. This movement surged westward in cycles of abnormally heavy rainfall and then was driven back when the rainfall returned to normal. The farmers lost their land and they naturally blamed the eastern investors who had been so unwise as to lend to them. There originated some of the feeling that is still being handed down against the East. I think you will find it in the traditions of farm families, where they feel that they had been unjustly dealt with, though it was partly their own, partly the investors', and partly nobody's fault, because nobody knew the uncertainties of the land they had taken up. Gradually they learned how to take care of themselves. They found there were Russian Mennonite settlers in central Kansas who had brought turkey hard red wheat from the plains of Russia, which were comparable to the Kansas plains. This wheat was drought-resisting and could be raised to advantage in Kansas. It made Kansas the great wheat-exporting State of the Nation.

The settlers learned where corn could grow and where it could not grow and they learned the enormous advantage of the drought-resisting sorghum crops that they could plant in the areas with light rainfall that would furnish feed for cattle. They learned how many acres it took to pasture an animal. So they had gradually adjusted themselves by the turn of the century and were doing fairly well. They were shipping to an export market. They were selling abroad about one-fifth of their wheat, one-third of their pork products, 40 percent of their tobacco, and 50 percent of their cotton—although cotton and tobacco are out of my field tonight. These agricultural products went to Europe largely in settlement of the debt service, for we were a debtor nation and used exports to pay the interest and principal on our debts abroad.

But, as I said a moment ago, the experiences of the 30 years from 1870 to 1900 left their scars on the frame of the mind of the West. The settlers were indignant over the money lenders in the East. They were increasingly disgruntled with the railroads because in those days the railroads were giving rebates. They gave them to business men who had enough freight to demand them, but they did not give them to the farmers, and the farmers resented the railroad rebates. They felt that the prices they paid were too high and they blamed monopolies. The great western political movements, the Granger movement of the sixties, the Greenback craze of the seventies, the Farmers' Alliance movement of the eighties, the Populist movement and Bryan's 16-to-1 of the nineties and the present A. A. A. are all reactions to bad economic conditions; some fairly reasonable reactions, others wild reactions. The inflationary spirit of the West had its start at the time when farmers were borrowing money at 20 to 30 percent. They felt—they were rather fuzzy in their thinking, but you can see it was rather natural of them to feel—that there must be too little money in the country when they had to pay these enormous rates. So they were for printing more money, and the Greenback movement got its start there because of this unhappy experience.

Now, that was the situation that had developed up to the turn of the century when the farmers, as I said, had become fairly well adjusted to their new conditions. With American resourcefulness they had conquered the wilderness and had settled it, and gradually domestic demand, coupled with the foreign demand, had risen to their productive capacity.

Then came the World War with its tremendous distortions of everything, including the farm plant, from the results of which we are still suffering. I don't know that you understand to what an extent the war affected the farm plant. The Allies appealed to us for wheat. Everybody was called on to plant wheat and our farmers expanded their acreage from 50,000,000 acres—I won't use many figures this evening, but I think these are interesting figures—to 75,000,000 acres in 1919. There was a wheat acreage expansion that was equal to about twice the normal wheat acreage of Kansas, which, as I said, is our leading wheat exporting State. Of course, with the high prices boosting land values, farmers in all parts of the country, especially in northwest Missouri and in Iowa and in Illinois, engaged in disastrous land speculation. They bought too much high-priced land, and a great many of them were hooked by it. But I believe that speculative disasters of that sort were not unknown in the rest of the country during that same decade. [Laughter.]

Well, in 1920, at the end of the war, there came the first collapse, and farm prices took a nose dive. They went much farther than the prices of manufactured goods, so that the old parity to which the farmer looks back as the golden age, when he could exchange 1 bushel of wheat for a subscription to the Ladies' Home Journal and 30 bushels of wheat for a $30 radio—that parity was gone and has never since been restored. But the difficulty here was much more fundamental than any of us, I suppose, realized at the time, at least any effective number of us; because, as you know, the United States had been transformed from a debtor nation to a creditor nation, and we never got the creditor-nation psychology.

Of course, it was indicated that at that time we should have lowered our tariffs to make it possible for the foreigners to pay their debt service and to buy our export stuffs, our manufactured goods, and our wheat and lard and pork and tobacco and cotton. Instead we hiked the tariff in 1922 and then we gave it a final boost in 1930, and I take off my hat to the smartness of the gentleman who could put that over on an exporting industry and make the victims like it; make it appear they were giving the farmer protection on his wheat, a fifth of which he was exporting, and make him think they were giving him a duty which would help him on pork products, when he was exporting 30 percent of his pork products. Nevertheless, they put it over, and I think this was partly due to the fact that out through the prairie West the farmers were largely descendants of Union soldiers. So they had great affection and respect for the Republican Party; and when they sang "John Brown's Body" at a political meeting, they shouted "Hurrah for the Republican Party", because it was the G. O. P. that had saved the Union, and so the tariff was sanctified.

In 1930 we gave the final boost without thought to the effect on our foreign trade. So far as I remember, Cordell Hull, in his minority report on the bill, furnished the only discussion of the effect of the duties on foreign trade. That report was immediately forgotten. I listened to an interminable number of debates in Congress on the Hawley-Smoot bill. I do not think I heard the matter referred to once. I do not think I heard anybody consider what effect raising duties would have on our export trade, on the stuff we were sending abroad, or on our debt service. It seems to me the debate was just about on the intellectual level of the jeweler in Kansas City, who sold our office boy a $125 diamond ring without thinking of how he was going to get paid for it—no; I do the jeweler an injustice; he was able to get his ring back. [Laughter.]

But for a time the situation was masked for us because private lending took up the burden that the Government lending had laid down. The growing tourist trade helped out, and prosperity reached a point where we could still buy without regard very much to the tariff walls. By the middle of the last decade we were selling $2,000,000,000 worth of farm products abroad and had quite a satisfactory foreign trade, though the farm distress really was increasing, because we were accumulating high taxes and high interest charges, since we had bought a lot of the new-fangled machinery for our farms, and we had gone rather heavily in debt, as we always do in periods of prosperity; and we had been increasing the cost of government in various ways. So when the lending stopped in 1929 and the crash came the farm industry had to stand the double shock that every export industry was subject to, of a combined loss of the domestic market and of the foreign market. That was the shock that the export industries had to stand, that the domestic industries partly escaped—the collapse of the foreign as well as the domestic market—and the farmers were left with these unmanageable surpluses on their hands that they had been exporting.

Now, you naturally ask why the farmers didn't stop piling up surpluses; why they went on planting. That is a natural question. Under normal conditions the farmer would have adjusted himself. I have spoken of the time when we expanded our wheat acreage to 75,000,000 acres. We reduced that to 50,000,000 acres in 6 years without any Government intervention. The farmer did this himself under the influence of low prices. He let some of his land go back into pastures, and he let some lie fallow. But these were not normal conditions in 1929, because, as I said, the farmer had gone more heavily in debt, more heavily in debt than he should, just as the rest of us did, and at the same time he had built fine rural schools for his children and had tried to take a share of the general advantages of civilization. His taxes were very high.

Now, when you have taxes and interest to meet and you have a very small cash income—and if you will study the figures you will find that farmers under the best of circumstances have a considerably smaller income than other gainfully employed persons—you feel you have to cultivate every last acre of land you have in order to get money to meet your debts and taxes. That kept up the surpluses, you see. The farmer was under such pressure that no matter if prices were ruinously low the only way to get more money to pay his taxes and his debts was to cultivate more land. His overhead would not let him stop the operation of his plant as the manufacturing industries stopped the operation of their plants.

Then he was the victim of demagogues who held out the beautiful mirage that Uncle Sam was the miracle worker who would produce higher prices for him. That began to be preached generally through the Middle West. Of course, a good many farmers fell for the fallacy of that doctrine. They expanded their wheat acreage, for instance, about 10,000,000 acres in the 5 years after 1925, though they should not have done it. But the farmers believed they were going to get higher prices.

Here again national planning came in. Some of the experts in the Department of Agriculture, when the price of wheat began to slump, assured the Farm Board that the statistical position of world wheat indicated that the price was really below what it should be and that after this flurry was over it would go back, so that the Farm Board would be quite justified in pegging the price at the then level. Well, it proved to be not a flurry but a hurricane. The experts were wrong, and by and by, after the Farm Board was swamped with wheat and started to crawl out from under this enormous mountain of wheat they had accumulated, they left the wheat price below the level that it had reached in Elizabethan England, which was something inconceivable to us in the West.

When the new administration came in it faced a very, very difficult situation. There were foreclosures of farm mortgages. You began to hear of farm strikes and of forceable resistance to foreclosures. There was great distress. The farmer was faced in many cases with losing his life's savings and his home, and also his source of livelihood, and he was faced in some instances with deficiency judgments. I will say in this presence that the insurance companies did mighty well by the farmers at that time, and I believe their attitude was appreciated. The insurance companies did not ask for deficiency judgments, though there were some lenders who did. So the farmer was not only faced with losing everything he had, but with mortgaging his future on a deficiency

judgment so that he could never get on his feet. Of course, some farmers were desperate.

But they certainly had an exaggerated idea in Washington, and I believe you had throughout the East, of the danger of armed resistance. There was never any danger of any agrarian revolution. The farmer is not a revolutionist. These sporadic outbreaks were far less than the outbreaks you have in any major strike in the East. Revolutions by violence are urban revolutions, not farm revolutions. The farmer in general is a political animal. He began to talk about the Frazier bill and having the Government finance his mortgages by printing money. He was willing to take his chances with political action, but not with the shotgun. The farmer is of the backbone of the social structure. He is not a revolutionist. [Applause.]

In this situation I believe it would have been economically unsound for the administration to adopt a let-alone policy and certainly it was politically impossible. The farmers expected something to be done and I believe it is fortunate for the country that they found in President Roosevelt a sympathetic listener and in Secretary Wallace a high-minded, candid, and idealistic man to carry out policies. In spite of any mistakes and any disagreement we may have with the policies, I believe that those statements still stand—and I am not in full agreement with the policies, as I shall show in a moment.

I am not going into details, but there were two major efforts. One was to relieve the debt burden through Government credit agencies. The second was to raise prices by curtailing production. The first policy of relieving the debt burden I think has been a magnificent success in spite of some objections I can see to it. Some 700,000 farm families have been aided at a cost of about $2,000,000,000, most of which has been supplied by private investors, and 90 percent of this money has gone into refinancing farm mortgages, not into new ones. Also the debt burden has been greatly lightened. This has had the effect of reducing the feeling of unrest and also reducing inflation sentiment. The talk of inflation is not ended in the West, but it has been very much checked.

The questionable part, I think, lies in the crop-reduction program of the A. A. A. This is financed, as you know, by processing taxes that this year will produce perhaps $800,000,000. So long as we subsidize the protected industries at the expense of the consumers, I cannot agree that it is unfair to subsidize the farmers at the expense of the consumers through processing taxes. The processing tax is the farmers' tariff. I am not enthusiastic over high tariffs or the processing taxes, but I do feel that they are on all fours. Also, I am cold to the argument that it is rather terrible for the farmer to cut down on his food production and in some cases destroy food. I think he has as much right to curtail production as the shoe manufacturer has. We have had a lot of fun lately reading a letter that has been going around. It is supposed to be the letter of a man who wants to go into the business of being paid for not raising hogs, who wants to know the best strain not to raise, and the location of the best farm not to raise hogs on. That is all good fun. But, after all, the question is as to the most practical way of getting the farm plant back on a normal basis. It was on an abnormal basis partly through Government action on tariffs, and I think it could be argued that the Government may properly help the farmer get on a normal basis.

The fundamental question, I think, goes deeper than this. It goes back to whether a board in Washington in the long run can more effectively determine what the farmer can raise than the farmer himself can determine. After all it is the old argument between national planning and individual initiative. The farmer has accepted the relief part of the program with gratitude. He is glad to have the benefit payments. In many instances he would have been on relief if it had not been for these. He was especially hard up from the drought, which was the great catastrophe to the trans-Mississippi country. At the same time our impression from the Kansas City Star's farm weekly and from our contact with the farmers is that the farmer who is glad to take the money is still skeptical over the soundness of the program and whether in the long run it will produce the results hoped for. One farmer said to me, "We managed our farm production pretty well for a good many years without governmental interference, and I believe we could do it again." The thing has not been tested out yet. The drought much more than any particular program took care of the surplus this year. We do not know whether in the years to come the land that is taken out of wheat production, for instance, through contracts with the Government will be duplicated by new land that is brought in. We have not the experience yet to show that, but there is a considerable danger of it, a considerable danger of the program's proving ineffectual, unless we go to lengths to which Secretary Wallace would very much hesitate to go.

The comment of one farmer I think sums up the situation graphically. He said that from his standpoint the trouble with the Government program was that it had too much hay on the ground. I do not know whether you Wall Street farmers get the force of this expression. If any of you came from a farm, you know that getting in the hay is a very ticklish matter; that you have to cut it when it is ripe and you cannot cut too much, because there is always the danger that the rain will come along and destroy it. The Government, he said, had too much hay on the ground—by which he meant the Government had undertaken more than it could accomplish. That seems to suggest a major objection to this program—the question whether the program can be made to work.

Briefly I may suggest there are alternatives. I cannot discuss them at any length, but I have said that the pressure of the debt and the interest charges forced the farmer to expand his production when he knew it was unwise to do so. If he is relieved, as he has been, of the great pressure of his debt charges, and if we can relieve him further of his taxes—and States are doing that, and it is mostly a State matter, because it is the local tax on land that weighs heaviest on the farmer—if those two things can be taken care of, I believe the farmer could be depended upon to handle his production in a way that would produce a much more efficient food plant for the country than a board at Washington can achieve by directing the farmer as to the use of his land. After all, the farmer feels he knows better how to run his farm than the Government does, and I suspect he is pretty nearly right in that. [Applause.]

Now, I do not want to leave you with too gloomy a picture of the farm situation. There is this gloom to it. We need have no illusions. Whether we reduce our production voluntarily or by Government action, we must suffer for it. If we do not get back our foreign markets, we have got to take from fifty to sixty million acres of good land out of production because we were using that amount for the export trade. If we take that out of production, we not only give a terrific shock to the farm industry but we affect the railroads. We affect great grain centers and packing centers and every industry that handles farm commodities. So we should not kid ourselves. If we do not get these foreign markets back and are not ready to buy foreign goods as well as to sell them and get our tariff barriers down, we are not going to get back to our old standard of living so far as the farm is concerned; and I think you are interested here in the East in getting us back, if for no other reason than so that we can buy your products. I think that is a great problem there. We might have made a start in the right direction at the London Conference, but that is water over the dam. We have President Roosevelt and Secretary Hull, with Secretary Wallace's cooperation, trying to negotiate reciprocal treaties which will help to get these foreign markets back to the advantage of all of us.

Still, even ignoring foreign markets, the picture is not one, as I said of unrelieved gloom. We have 2,000,000,000 more of farm income this year, including the Government payments, than we had 2 years ago, and the effect has been evident in the revival of retail trade; because as soon as the farmer gets money beyond his expenses and taxes he spends money in your part of the country to buy goods. So the condition is considerably better than it was. We have gone through the most terrific drought in the history of the trans-Mississippi country. It looked for a time like a national calamity. Our pastures were burned up, we had no water for our stock, we had to sacrifice our animals, and we had to get down to brass tacks in the way of living. But when the September rains came and things began to green up and the forage crops began to come, the old courage of the West revived and we could take stock and see that we had some real advantages from the drought. First, it had put our great surpluses of wheat and cotton and corn through the wringer. In one season it had done more than the Government could have done in years in reducing our surpluses. We had culled our herds of the undesirable stock and we had better herds left than we had to start with. So the farm plant has never been more economically sound than it is today. It is ready to move forward and make money on any revival of trade.

Here is where you come in. While I cannot profess to speak with assurance on this subject, certainly the last election showed overwhelmingly where the country stands. With our knowledge that the administration undoubtedly has learned and profited by the experience of the last year, and that the President is just as much concerned with the revival of business as you and I are, it seems to me it is up to us to stop worrying, get down to business and cooperate so far as possible to bring back that prosperity which we all desire and which will relieve the pressure for further experimentation and excessive spending. I believe the farm industry is in shape to respond to any improvement. When this improvement comes we can sell you more farm stuff and then we will buy more goods from you.

One last word. The farmer is a typical American, a strong, self-reliant individualist. He follows false gods at times, as most of the rest of us do, but he is essentially conservative, essentially a strong bulwark of the American social structure. I wish you could have taken a drive that I took not long ago out into Kansas to talk with farmers. You would have been impressed as I was with the intelligence and shrewdness of their comments. They are not the farmers of the cartoons. They are shrewd, intelligent Americans, and their wives are women who have done wonders during the depression, keeping the families going and maintaining morale. In their community meetings they have got the farmers and their wives together to discuss not only farm problems but all current affairs, literature, and such. It is a real intellectual life that goes on on the farm today with modern means of communication. You would have found great diversity of opinion on various policies, as I did. You would have found some farmers believing that the emergency measures the Government took were justified, some dissenting. But you would have found them all restive under the proposal that the measures be made permanent, with the Government continuing to tell them how to use their land.

Some of the older men were disturbed, too, over what they felt was the effect of the Government policies on the self-reliant character of the farmers. They felt it was a real danger that the farmer should depend so much on the Government. I remember

vividly one stalwart old farmer. He said his father had come to Kansas in '57 from Massachusetts.

"My idea of this situation is summed up in this story", he said. "I had a crippled friend. He walked with crutches. One day when he came to town he slipped on the street and fell and his crutches flew beyond his reach. People rushed up to help, but he waved them away. 'Stand back, gentlemen', he said; 'I can help myself.' He crawled over and got his crutches. He got them under his arms and finally struggled to his feet. It was painful, it was tedious, but he kept his self-respect."

Now, this was in a country that had been seared by the drought of the summer, with the pastures and the gardens burned up. The farmers had had to sacrifice their stock, their corn cribs were empty, their shelves were bare of the usual summer stock of canned goods. Yet I found no one there who showed discouragement. There was no one there who was licked. They were already forgetting the drought, as the rains had come, and they were looking forward to the next year and how they should handle their land, and their noses were to the front. They had come forward with all the indomitable courage that is the heritage of the frontier. That, gentlemen, is the real spirit of the West. [Prolonged applause.]

## OUR CHANGING CONSTITUTION—ADDRESS BY EDWARD G. SMITH

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Hon. Edward Grandison Smith, president of the board of governors of the West Virginia University, on the subject of Our Changing Constitution. I also ask that certain comments on the address may be printed in the RECORD.

There being no objection, the address and comments were ordered to be printed in the RECORD, as follows:

### OUR CHANGING CONSTITUTION

#### FUNDAMENTAL PRINCIPLES

The price of good popular government is frequent recurrence to fundamental principles.

Of these, none rise higher in the American Commonwealth than those expressed provisions embodied in her fundamental law, except that pervading all must be the principle of that fundamental law itself.

What is the Constitution, and what is it like? Why and how does it change? Is it in peril, or is it safe? And why?

For clarity of thinking, there may be much in a definition, a symbol, a phrase, and a name.

#### DEFINITION

The written Constitution for the United States is their national form of government, devised for the orderly functioning of freedom.

Which is liberty.

Which is the end of government.

#### A SYMBOL

Our Constitution is revered at home and regarded abroad as the American palladium of liberty.

But the unchanging image of Pallas in the citadel of ancient Troy is an inadequate symbol of our daily changing Constitution.

The electorate should not only abandon that symbol but should come to see familiarly the great Chinese wall-like partition that runs through the Constitution, between its revered part of permanence—built to be formally but not irreverently, materially changed—and its impermanent part of evolutionary or iconoclastic informal change.

#### A PHRASE AND A NAME

The phrase "form of government" was, by our kinsman, George Mason, used in drafting, and it was adopted by Virginia to describe and to name her first written State constitution.

As the phrase "form of government" chosen by the fathers to describe and name the novel written instrument they made in Virginia in 1776, the first of its kind in the world, is to this day, 158 years later, the accurate phrase to describe and to name that incomparable State invention, so it is also the accurate phrase to describe and to name her national, glorified descendant—that incomparable Federal device for the orderly functioning of freedom, the framers made in Philadelphia in 1787, the written Constitution for the United States.

Constitution is an old word used to denote an old governmental institution that had come down to us without a written form.

It came burdened with historic luggage and definition distinctly different from what the framers intended our national written Constitution to import, different from what in practice it has ever imported and from what it imports now.

The difference has always been and still is responsible for no end of loose and confused thinking on our Constitution.

It should be relieved of its antiquated excess of that luggage and cleared of the inapplicable part of that definition.

To do that here we shall use the Virginia phrase and name "form of government" to designate the written Constitution for the United States.

#### WHAT IS IT LIKE?

Our Constitution is not like a statute. It is not like a charter, not like Magna Carta, nor the English Constitution, nor is it a religious revelation.

But it declares itself to be, and it is, of the supreme law of the land, and, as poetically expressed by Hooker, "of law there can be no less acknowledged than that her seat is the bosom of God, her voice the harmony of the world. All things in heaven and earth do her homage—the very least as feeling her care, and the greatest as not exempted from her power."

In very general and poetical terms of reverence that is what, for us, our Constitution is like.

We may come to more specific, prosaic terms, some of reverence and some of irreverence, in responding to the questions, Why and how does our Constitution change? Is our Constitution in peril, or is it safe? And why?

Let us consider these questions together.

The approach to the response is, The Constitution was made for man and not man for the Constitution.

In order to have a clear response we must proceed farther with the distinction already symbolically suggested and figuratively outlined at the outset—an important distinction, a fundamental distinction, that seems no less than a phase of a principle of the Constitution itself as a whole, setting apart the permanent from the impermanent, the revered from the unrevered.

Without this distinction, one, thinking of our changing Constitution, is likely to be confused. Many have been confused, and needless alarms of serious import have risen out of that confusion.

Much public controversy has ensued and remains, in material part, insistent and unsettled.

In simplest terms, the distinction is this: Our Constitution consists of two parts, the written part, the "form of government", and the unwritten part or content of that form.

They are differently regarded.

In their form of government Americans worship the past.

In their content of their form of government Americans exalt the present.

This is necessary and may happen to each without harm to the other.

But to achieve this end the separation must be clear in the public mind, that is to say:

The form, or, in Bryce's phrase, "the frame" of government giving the form is one thing; the content of that form or frame is quite another. But both form and content of it, in combination, are popularly and technically called the "Constitution."

It makes much more difference what permanently happens to the form, or frame of government giving the form, than what impermanently happens to the mere content of it.

Relatively (paraphrasing Pound), the form of government is stable, but the content of it cannot stand still.

An illustration will help us to see the difference.

#### HOUSE OF GOVERNMENT

The form, or frame which gives the form, of the house in which you live is one thing; the internal arrangements and fixtures, the more permanent and fixed furniture and furnishings in that house are other things. But it takes both the former and the latter to make the conveniently habitable house.

The form or frame of your house is not the partitions between rooms, nor the paper on the walls, nor the rugs on the floor, nor the table from which you eat, nor the stove that cooks your food, nor the beds on which you sleep, nor the wiring, nor the plumbing, nor the lightning rods, nor the radio antenna and receiving set. These things are the interpretation and expression of the occupants' conception of their somewhat permanent needs in the house at the time, but the form of the house is the interpretation and expression of still more permanent, enduring needs of the succession of occupants over a long period of time, for generations, for centuries.

#### PROCEDURES OF CHANGE

The form, and the frame giving the form, being the much more permanent and enduring and revered, and the internal arrangements, the fixtures, the plumbing and wiring, the paper on the walls, and the furniture and the furnishings being the much less permanent, less enduring, less revered parts of the house, the procedure of change of each of these two parts is accordingly different from the other, and of different concern and consequence.

So with the two parts of our Constitution.

The Constitution that is exclusively American—the primary part—our written form of government—is changed in material part by formal amendment only.

The secondary part of the Constitution, the content of our form of government, the part more resembling the English Constitution, the implications filling the interstices (Holmes), the unwritten part, is chosen, put in, changed, and expanded by interpretation, and practical application based no more on written law and precedent than on our national progress, condition, and need at the time, however much the written law and precedents from the past and the permanent need of ourselves and the supposed permanent need of our descendants may be argued and considered as beacons illuminating somewhat the untraversed way ahead.

These so-called and somewhat permanent "needs of content" are casual as compared with the still more permanent and enduring needs of the form of government itself.

The growth of the content of the Constitution is sometimes called its "development by interpretation and practical application."

What happens by interpretation and practical application is sometimes "likened to a floating dock, which, while firmly attached to its moorings (the form of government) and not therefore the caprice of the waves, yet rises and falls with the tide of time and circumstance" (Beck).

The executive and legislative departments may initiate content. So, but generally not professedly so, may and does the judiciary,

in a pending cause, before a court, by, when warranted, its free decision.

Ordinarily in fact and always in orthodox theory the judiciary does not initiate content, but approves and interprets it or rejects it, that is to say, upon challenge, solemnly determines it.

PRINCIPLES OF CONTENT

First. Technical men, lawyers and judges, and others have avoided the word "unwritten", intimating all that is in the Constitution now was written into it at the beginning, except that in the figure of the poetic Holmes, "A word is not a crystal, transparent and unchanged; it is the skin of a living thought and may vary greatly in color and content according to the circumstances and the times in which it was used."

The figure assumes a word and, when the word is expressed, has its important application as a principle of content.

Second. But generally the word is not there written at all, and as a skin could not be there nor a living thought within it.

In such case the principle of content is the perpetual quasi-constitutional-convention court, with power of adoption, solemnly brings in the unwritten word labeled, in effect, in some such fashion as this: "An implication to fill an interstice between what was written", "general welfare", "common right", "new information", "change", "growth", "emergency", "necessity."

This process of bringing in is one of the processes sometimes technically called "interpretation and practical application."

Third. The next principle of content is "the process of inclusion and exclusion, so often applied in developing a rule, cannot end with its first enunciation. The rule as announced must be deemed tentative. For the many and varying facts to which it will be applied cannot be foreseen. Modification implies growth. It is the life of the law" (Brandeis).

Fourth. The fundamental principle of government as a whole, any government, that determines among other things what is within and what is without the power of government, any government. In our figure, this principle seems to be of the atmospheric content of our house of government.

GOVERNMENT OF MEN

When it is said of our Constitution, "Our Government is one of laws and not of men", only the form of government, the written part of the Constitution, should be meant. When its content is meant, then the maxim is not true, and the fact in procedure is the other way about, and in a sense to an extent, a more accurate expression would seem to be:

Our Government is one of men, having regard, however, for written laws and precedents, and is not a government of laws, solely.

This is the meaning of most of the multitudinous 5 to 4 and 4 to 5 divisions of the 9 justices on decisions of cases in the Supreme Court of the United States that so mystify laymen.

The divisions are not nearly so often on the hallowed written Constitution as on the unhallowed content of it.

Unfortunately the professionals do not say so.

Intrigued by the technical language of their technique, they affect to interpret the written instrument and, at the same time, to fill the interstices with implications.

This unfortunate, contradictory, self-destroying sort of statement is confusing to laymen and often leads the learned astray.

On these divisions one side is popularly called "conservative" and the other "liberal", reflecting the two great schools of thought in government among the thinking people of the country at the time.

The orthodox theory that the divisions are on the form and frame of government itself, as interpreted, makes of the written Constitution a puzzle and a riddle, and makes its interpretation and application unpredictable, and puts it, to that extent, in bad repute, and puts those who administer it in bad repute with those on the losing side.

The losers regard it as something to be juggled with—as something that, in their case, has been juggled with.

With them, reverence for the written Constitution, as immutable without formal amendment, is lost.

This is a great loss.

This contributes to a wide-spread feeling of constitutional insecurity.

This in troublous times might imperil the Government. It has done so. It did so in the 1850's–1860's.

It is in the book that the court may increase their knowledge and change their views and sometimes reverse their decisions on content, but they may never tear a tatter from the written Constitution.

GOVERNMENT OF LAW

We apprehend our government of law, our form of government, is in no peril so long as it is distinguished from the content and the content is chosen, interpreted, and applied in consonance with fundamentals of the changing times but, as the word "content" implies, always well within the hallowed form of our national house of government.

Our form of government, our government of law, is in seven articles comprising much less than 5,000 words which should be familiar to all.

This is "the ancient landmark which thy fathers have set."

It may be built to by formal amendment, as we have considered and are about to consider further, but should not be changed in any irreverent way.

FORMAL CHANGE

We will now take up the formal amendments and the reason for each of them to show how and why our form of government—our written Constitution—grows and changes and to show the safety that lies in formal amendments, easily enough and quickly enough made to the Federal form of government, the gravity of it considered.

(The original State-convention method functioned wholesale at very distant intervals in Virginia before the War between the States.)

The first 10 amendments contain part of our Federal Bill of Rights, a shrine of fundamental principles of liberty, and are, since adopted, of the very form of government as are all the other formal amendments.

They had already been considered part of the unwritten Constitution. But they were deemed too vital, and, it was considered, they ought to be too enduring to remain of the unwritten part—that is to say, of the content merely—and were, for those reasons, formally incorporated into the written form of the Constitution.

The eleventh amendment protects States from certain suits after the question on a suit against a State had arisen.

The twelfth amendment prescribes the procedure for electing Presidents and Vice Presidents to cure a defect in the original presented in the unhappy contest between Jefferson and Burr for the Presidency.

The thirteenth, fourteenth, and fifteenth amendments were designed primarily to make freed men constitutionally and actually free.

The sixteenth amendment authorized income taxes as a method of gradual partial redistribution of wealth, without apportionment, after many fortunes had become so perilously large as to be dangerous to liberty.

The seventeenth amendment required Senators to be elected by popular vote instead of by legislatures after it had been considered the balance of power in State legislatures in the presence of great wealth was sometimes indirectly or directly influenced thereby, if not in some cases actually purchased.

The eighteenth amendment prohibited traffic in intoxicating liquor after the liquor traffic had become a national peril.

The nineteenth amendment was a part of a program to make women economically free.

The twentieth amendment brings the Government closer in time to the expressed will of the people.

The twenty-first amendment recognized the eighteenth amendment as a greater national peril than the evil it was aimed at.

These 21 formal amendments in 147 years wrought direct changes in the form of government, the written Constitution itself.

These were changes which were wrought and could have been wrought only by two-thirds of each House of the Congress or two-thirds of the legislatures of the States concurring in submitting each amendment and by three-fourths of the States concurring on ratification.

These are additions and L's and wings to the form of our national house of government.

This form, apart from its content, appears to be in no peril at all. It has produced for our time no highly controversial question remaining unsolved.

The eighteenth amendment was added and not liked and removed—each operation by two-thirds of each House of the Congress on submission and by three-fourths of the States on ratification as stated. This is a comforting assurance of the security of our form of government and of the safety to it that lies in formal amendments.

These 21 amendments were each, as to the validity of their adoption, at least, subject further to challenge and subject, on last resort, to the approval of the Supreme Court.

INFORMAL CHANGE

We now come to the point where confusion of popular thought sets in and popular alarms have sprung up. We come to the so-called "constitutional changes by interpretation and practical application"—changes that are not formally made and are not made in the form or frame of government itself, but informally made in the content of it only.

Here we are not dealing with additions and L's and wings to the form and frame of the national house of government, but with the content of it.

This content, permanent enough, is, nevertheless, as compared with the form and frame, casual and impermanent, and less revered.

It is somewhat as in those private houses that have come down in the same family from Revolutionary days.

In my own family I am thinking of the brick house of the Greens outside of Trenton and of the stone house of the Farises above Bridgeport and of Gunston Hall, along with others, that have changed with succeeding generations, the form preserved and built to and the whole more beautiful and useful and spacious now than ever before, and more revered, and the content of material part new, more modern, better adapted and suited to the time, and more satisfying to the occupants, but the newness inspiring relatively little reverence.

While, at distant intervals, from generation to generation, additions and L's and wings have been added to the form with utmost care for its preservation as something sacred, changes have been almost continuously made in content by the succession of occupants with evolutionary, if not, at times, iconoclastic, irreverence.

To be specific, in illustrative particulars of content, some partitions between rooms have been moved; a front or a back stairway has been put in or taken out; the weather of bare walls has been succeeded first by paint and then by paper; the floor boards, bare, save for an occasional deerskin or bearskin or buffalo robe, have been later covered with home-made carpets and finally with parquetry and oriental patterns, in wool and linen and silk; the big wood fireplace with its great backlog and its forestick on andirons has been succeeded by a coal-burning grate, and that by the natural-gas burner, and that by basement furnace, and that by a central community heating system; the big wood fireplace, cranes, trammels, and hooks, have been succeeded by the kitchen wood or coal stove, and that by the electric plate and electric stove for cooking; the pioneer wall pegs and corner posts and puncheon beds with straw ticks and feather ticks thereon and the ante-bellum four-posters following them have in turn given away to iron bedsteads and mattresses to sleep on; plumbing and electric wiring and lightning rods, telephone and radio for standard waves, and then for short waves also, have been installed.

These are like the changes that have been and are constantly taking place irreverently in the content of our national house of government without formal amendment of the ancient form and without change or harm to the revered frame.

THE PERIL

The trouble is the distinction is neither popularly perceived nor technically expressed by the learned.

There is confusion in popular thought and professional statement.

And casual, evolutionary, or iconoclastic informal change of indifferent content is taken for permanent change of hallowed form.

All because the form and the content of it are together loosely called the "Constitution" and thought of as one thing and not as one thing having two separable parts so entirely different in nature and procedure of change, so utterly unlike in permanence and in degree of high concern and consequences.

In using the word "peril" we mean no more than to point an error and a road away, but an error that seems serious in shocking deep loyalties and making controversy of unascertainable possibilities and a road away that is clearer and safer than the others.

NINE WISE MEN

The British have, in the American sense, no written "form of government." As to content, the American Constitution differs less widely from the British.

It must have been to emphasize these differences that John Marshall said, "The Government of the United States has been emphatically termed a government of laws and not of men." His meaning, upon the theory already stated, must have been: Our form or frame of government giving the form, rather than the content, is one of laws and not of men.

Had he been speaking of its content alone, in a sense and to an extent, a more accurate expression would have been: Our Government is one of men, having regard for written laws and precedents, and is not one of laws only.

And as to content, on last resort, ours is a government by our nine wise men of the Supreme Court of the United States, a sort of "continuous constitutional convention" (BECK), with power of ratification—within their jurisdiction, "the living voice of the people" (Bryce).

This is a body as far removed from the hysteria of the time as any governing body, in any part of the world, in any age, and yet it is constantly replenished in personnel, and form, therefore, in the best sense, is always of the people themselves.

This replenishment is by nomination by the President, himself every 4 years, fresh from the people, raised to the highest executive eminence.

The President's nominations, to become effective, must be confirmed by the Senate, one-third of the Members of which every 2 years are also fresh from the people, raised to the highest legislative eminence.

But, even so, the mere content of the written Constitution, approved by that Court, is not "the ancient landmark which thy fathers have set."

EXAMPLES

Some examples of the change of content of the form of the Federal Government, called the "Constitution", made by interpretation and practical application, are the growth of the content of—

The general-welfare clause; the admiralty jurisdiction; the money clause; and the commerce clause.

Let us now illustrate this growth of content by two or three examples:

GENERAL WELFARE

There was in our written form of government no expressed provision for acquiring geographical territory, and neither of the general-welfare clauses nor any other was originally supposed to authorize the acquisition of additional territory, but, nevertheless, for the general welfare of the United States they have multiplied the territorial content of their written Federal Constitution more than four times.

The United States have added to the 13 original States and the Territories of the General Government at its foundation:

The Louisiana Purchase, the Oregon Acquisition, the Florida Purchase, the Texan Annexation, the Mexican Cession, the Gadsden Purchase, Alaska, the Hawaiian Islands, Puerto Rico, the Philippines, Guam Island, Wake Island, the Panama Canal Zone, American Samoan Islands, and the Virgin Islands.

And now the sun does not set upon her Stars and Stripes.

There was no formal amendment to the form of government for the purpose of authorizing these acquisitions and annexations, but these tremendous additions to the territorial content of the Federal form of government were made from time to time by interpretation and practical application.

While the geographic and historical content of our "form of government" and the constitutional power to choose that content thus tremendously increased, the "form of government" itself, the written Constitution, was not changed, only the content of it.

FOURTH PRINCIPLE OF CONTENT RESTATED

If, as some say with show of logic, that, underlying the treaty power, the general-welfare clauses are not so extensive as to have really authorized these territorial acquisitions, then must there not be a fundamental principle of the Constitution itself as a whole to have done so, the tenth amendment, applicable to particulars, notwithstanding?

May not this principle be considered as determining, not only in one of its aspects, what is within the power of government, any government, as for example, the acquisition of geographic territory; but also, in another of its aspects, what is without the power of government, any government, as for example, things of "common right", in the Boston Beer Co., the Topeka, and the Butchers' Union cases; and in another of its aspects, whether there is a public element in private right, and, when found present, the measure of it, as for example, the eminent domain of the person and of property; and in still another of its aspects, what is the theory, not expressed in but, "essentially attached to a written constitution", any written constitution, as, for example, that legislative acts repugnant to it are void and that to adjudicate accordingly "is of the very essence of judicial duty", in *Marbury v. Madison*, and in our figure of the house of government and its content—is not this principle the very atmosphere in the place?

ADMIRALTY JURISDICTION

Federal jurisdiction in admiralty as originally interpreted has been even more tremendously expanded by interpretation and practical application.

The jurisdiction of the United States in admiralty over navigable waters and the interstate and foreign commerce thereof was till 1851 limited in this country, as the admiralty jurisdiction had been in England, to waters, not inland, and where the tide ebbs and flows. But our lakes were inland seas, and our rivers were hundreds and, some of them, thousands of miles in length, capable of supporting commerce where the tide did not ebb and flow. They were navigable in fact, but for two generations were not navigable in law. Thereafter they were held to be navigable in law, contrary to English precedent and two generations of American precedent, thereby changing the content of the Constitution to extend in its admiralty jurisdiction from the limits of the ebb and flow of the tide to all our waters capable of floating logs in interstate and foreign commerce. This was done by interpretation and practical application by the Congress and the courts.

The figure, quoted from Holmes, on page 15, explains poetically and clearly this change of content of the Federal admiralty jurisdiction.

THE MONEY CLAUSE

This may be passed as too controversial just now for the present purpose. But the arguments pro and con on content of it are interesting and illuminating learning on the consequences of the dual nature of the Constitution and on an aspect of what we have suggested above as a principle of the Constitution.

COMMERCE CLAUSE

The remarkable expansion of the content of the commerce clause by interpretation and practical application to deal with public questions, such as lotteries and other forms of gambling, certain labor questions, certain phases of the liquor traffic, certain problems of monopoly and price regulation, and certain public-health and public-morals problems need only be mentioned to bring to mind a flood of controversial questions on the Constitution resulting in expansion of content. These expansions were made by interpretation and practical application by statutes and by the courts.

CHOICES

These changes, and all others in the content of the Constitution, must be on challenge approved by the judiciary and on last resort by the Federal Supreme Court, or they fail.

By this orthodox procedure the Supreme Court chooses governmental policy through choice of items of the unwritten Constitution by which it grows and changes with discovery and invention.

In this field of content in its judgments on near political, on social, and economic questions properly before it the Supreme Court gives the national command of execution, "stand fast", or "retreat", or "advance."

As were the Virginians at Williamsburg in 1776 respecting the whole form of government for Virginia, as was the Constitutional Convention at Philadelphia in 1787 respecting the entire original form of government for the United States, as were thereafter the Congress and the States as to the several formal amendments to the Federal form of government, so, as to items of content of the form of government for the United States is the Supreme Court, from time to time in pending causes before it involving those

items, confronted with choice of governmental values, and in choosing are responding to the question, but lately formulated by Mr. Justice Cardozo, "What values shall we choose—those of today or of tomorrow or of a future that is close at hand, or of the unplumbed future, trackless as the sea?"

If by the Virginians at Williamsburg in 1776, if by the convention at Philadelphia in 1787, and if by the several formal amendments to the form by the Congress and the States in concert thereafter, and if by the innumerable several informal amendments of content by the Supreme Court the choices have run the gamut of all these, not only once, but again and again, according to the arguments at the times, who is there to say now, after experience of them, but that, on the whole, the choices have been wondrous wise and have justified the public confidence?

And a merit of our constitutional content is that, on account of its informal choice, its nature, and its newness, it has not inspired Trojan-like reverence for the image of Pallas in the citadel of ancient Troy, nor British-like reverence for Magna Carta of Runnymede, nor American-like reverence for her form of government of 1787, and the formal amendments thereto, and it is in consequence susceptible of needed change without delay and without shock when familiarly seen to be separate from the revered Federal form of government itself.

IN CONCLUSION

So it is that our Constitution preserves all its glorious form of government which more than one-third of either House of the Congress by one course of procedure, or more than one-third of State legislatures by the other on submission, or more than one-fourth of the States on ratification, by negation, declares is worth while, and preserves all the exalted constitutional content of that form which, on dernier resort, as many as 5 of our 9 wise men sitting as the Supreme Court of the United States, by their negation, declare is worth while.

And in American theory and practice that is enough.

So it is that America has had for 158 years not only the marvel of the first Federal Constitution of its kind to be written and the marvel of its being so written and of its being so interpreted and amended as to form, formally, and as to content, informally, that it has been rigid enough and safe enough and elastic enough that it is not static, that it is not a dead-hand, that it is not a vice, is not a statutory law, is not a charter, not a Magna Carta, is not a religious revelation, but is a Constitution that is a living governmental organism, changing and growing, as by nature, to the needs of the Nation and with the needs of the Nation.

This, as we have seen, is achieved as to the "form of government" by formal amendments supported by constitutional majorities—first by two-thirds of each House of the Congress or two-thirds of State legislatures concurring on submission and then by three-fourths of the States concurring, on ratification, and, upon challenge, the Supreme Court approving.

These seem to be a series of mechanically perfect devices to change the form of government by formal amendment as needed and to protect it from irreverent change.

This, as we have seen, is achieved as to content of the form of government by interpretation and practical application, approved, on challenge, in dernier resort, by a majority of America's nine wise men, of the people sitting as the Supreme Court of the United States, safe in office, for life or good behavior, from every political gust and peril and wise in the wisdom of government.

All these, made well known and generally understood, should be the safe guaranties of the integrity of our entire Constitution against every ill wind that blows, whether looked for or sudden, whether periodically or constantly, whether in moderation or in storm.

Through the free operation of these devices our written Constitution has changed and should continue to change formally with the growth of our civilization in the atmosphere of reverence for it.

Thus our unwritten Constitution has marched and should continue to march with the progress of the times in the irreverent atmosphere of evolutionary informality for it.

Thus America's form of government, the written Constitution, has been and should continue to be not only responsive enough and rigid enough but also stable and enduring enough for a free and reasonably reverent people.

Thus the content of America's form of government, the unwritten Constitution, has ever been and should continue to be not only rigid enough and responsive enough, but also stable and enduring enough for liberty in evolutionary and even in moderately iconoclastic ages.

It remains for the prescribed constitutional proportions of the electorate to preserve and to exercise with intelligent vigilance their unfagging will to maintain constitutional government and to continue constitutionally free.

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COMMENTS ON THE FOREGOING ADDRESS

"We have read * * * with a great deal of interest * * * this thoughtful paper."—George Horace Lorimer, editor of the Saturday Evening Post.

"Truly great address."—Hon. M. M. NEELY, United States Senator.

"A fine contribution to the literature of the subject."—Hon. Homer Cummings, Attorney General of the United States.

"One of the most useful presentations of the questions now arising in this critical period of the Government that I have seen. It is a simple, plain statement of the true way to construe the Constitution."—Dr. William E. Chilton, ex-United States Senator.

"I congratulate you upon your excellent address upon Our Changing Constitution. I have read it with unfagging interest and great pleasure.

"I like the figure which you use to express the changing of the furniture which is at present going on in our constitutional house without changing the house itself.

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"I beg to commend the careful reading of your excellent address to young men and young women and to all teachers who are molding and directing the thought of the youth of our State."—Hon. Samuel V. Woods.

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[Editorial, Charleston Gazette, Oct. 21, 1934]

A GREAT SPEECH

"A word spoken in due season, how good is it"; and "A word fitly spoken is like apples of gold and pictures of silver."

Thus King Solomon expressed what we hope is our aspiration at this moment.

Why give you these thoughts of the great son of David at this time? Because a citizen of Harrison County, who walks, works, and writes in the atmosphere of the county that has produced historic characters, headed by Stonewall Jackson, has spoken a word in "due season"—"a word fitly spoken"—which appears elsewhere in this issue.

We refer to the address of Hon. E. G. Smith, of Clarksburg, one of the governors of the State university, and a brilliant, profound, modest—too modest—lawyer, and statesman.

The occasion was Constitution Day, and the patriotic societies of Harrison and adjoining counties cooperated with the Rotary Club in giving strength to the magnet and attracted the heart interest which required expression.

It was easy to get speakers for such an occasion, when adjectives are usually tossed about for thought, and figures of speech might have been for that "word fitly spoken."

Patrick Henry's "liberty or death" speech was, in large measure, a response to the American heart, "a word in due season." Bryan's "crown of thorns and cross of gold" speech was largely inspired by an occasion and an audience hungry and athirst for the heart word "fitly spoken."

The Gazette delights in knowing that there are such men in West Virginia as E. G. Smith.

We have pride in his address, made at the opportune time, that will stand alongside the speeches of Attorney General Cummings and the other broad-minded constructive students of the Constitution who can see, eye to eye, with John Marshall when in Congress, that "powers necessary for the attainment of all objects which are general in their nature, which interest all America would be naturally vested in the government of the whole."

In Little Dorritt, Dickens thus described in England what intrenched privilege is trying to do now in the United States—"Whatever was required to be done, the circumlocution office was beforehand with all the public departments in the art of perceiving how not to do it."

"What was required to be done" confronted President Hoover, who could not defy the "circumlocution office."

The "required", with the superimposed difficulties of delay, confronted Roosevelt. The latter with a cooperating Congress acted as he had promised and as the people expected. The "circumlocution office" in the United States is organized political disappointment, exposed manipulators of shady business. Oh, yes; and their lawyers, agents, and affiliates. These latter seek to stir up a dust storm in the sacred name of liberty, under the pretense of preserving the Constitution.

Read Mr. Smith's address and observe the hollowness of this pretense.

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"Noticed * * * your speech on Our Changing Constitution and compliment and congratulate you on it; and may say our State university is indeed fortunate that you are president of the board of governors."—Hon. Tracy L. Jeffords, of Harpers Ferry, Charles Town, and Washington.

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"* * * A great address, betraying a profound study of the 'form of government' set up by our Constitution and of what he terms the unwritten part or 'content' of that 'form.'"—Hon. Samuel M. Shortridge, former United States Senator from California.

DEATH OF THE LATE SPEAKER RAINEY

The VICE PRESIDENT laid before the Senate the following resolution (H. Res. 23) of the House of Representatives:

*Resolved*, That the House has learned with profound sensibility and sorrow of the death of HENRY T. RAINEY, Speaker of the House of Representatives of the Seventy-third Congress.

*Resolved*, That in the death of the Honorable HENRY T. RAINEY the United States has sustained an irreparable loss.

*Resolved*, That this House, of which he was a distinguished Member and leader, unite in honoring his sterling character, the ability, probity, and patriotic motives which illustrated his public career, and the grace and dignity which marked his intercourse with his fellow citizens.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Mr. LEWIS. Mr. President, I take the liberty to move that the Senate concur in the resolution of the House of Representatives which has just been laid before this body expressing its regret over the loss of the former Speaker of the House. We who in the years past have dealt with him in an official capacity knew of his competency and his worth.

I shall occupy the time of the Senate a moment merely to call to their attention the expression from the State of Illinois. My honorable colleague [Mr. DIETERICH] and myself long knew the distinguished Member of the House, the late Speaker. Our personal association as well as our political affiliations qualify us to speak to this honorable body of his high character, of the esteem in which the people of Illinois held him, the statesmanship he represented, but above all else his sincere devotion to the needs of the masses and his advocacy of the rights of humanity.

I delight, sir, to lend my voice in expressions of praise, and submit to this honorable body that there be none who more deserves to be and none who will be more remembered with reverent admiration in the State of Illinois than the late distinguished Speaker of the House of Representatives, HENRY T. RAINEY.

Mr. DIETERICH. Mr. President, I wish to join my colleague in his expressions of commendation on the life and character of HENRY T. RAINEY. It was my privilege to know him, perhaps, longer than any other Member of the Congress. He was my Member of Congress for many years, as I lived in his congressional district. I know of no character in public life whose acts were more consistent, who performed a greater public service, and who to a greater extent held always in view the welfare of the people, not only of his State and his district but of the Nation, than HENRY T. RAINEY. I wish to join my colleague in his expressions concerning the late Speaker of the House of Representatives.

Mr. LEWIS. Mr. President, I now offer the resolution which I send to the desk.

The resolution (S. Res. 10) was read, considered by unanimous consent, and unanimously agreed to, as follows:

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. HENRY T. RAINEY, late Speaker of the House of Representatives.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE-ELECT LANDIS

The VICE PRESIDENT laid before the Senate the following resolution (H. Res. 22) of the House of Representatives:

*Resolved*, That the House has heard with profound sorrow of the death of Hon. FREDERICK LANDIS, a Representative-elect from the State of Indiana.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Mr. VAN NUYS. Mr. President, I send to the desk a resolution on the death of the Honorable FREDERICK LANDIS, one of the most colorful political figures in the State of Indiana and in the Nation, and ask that it be read and considered at this time.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 11) was read, considered by unanimous consent, and unanimously agreed to, as follows:

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. FREDERICK LANDIS, late a Representative-elect from the State of Indiana.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

RECESS

Mr. VAN NUYS. As a further mark of respect to the memory of the late Speaker of the House and to the memory of the late Representative-elect from Indiana, and pursuant to the order heretofore made, I move that the Senate now take a recess.

The motion was agreed to; and (at 1 o'clock and 27 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Monday, January 7, 1935, at 12 o'clock meridian.

# HOUSE OF REPRESENTATIVES

## FRIDAY, JANUARY 4, 1935

*(Legislative day of Thursday, Jan. 3, 1935)*

The recess having expired, the House (at 12 o'clock noon) was called to order by the Speaker.

SELECT COMMITTEE ON CONSERVATION OF WILD LIFE RESOURCES

The SPEAKER laid before the House the report of the Select Committee on Conservation of Wild Life Resources made pursuant to House Resolution 237 of the Seventy-third Congress, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

INVESTIGATION OF PETROLEUM SITUATION THROUGHOUT THE UNITED STATES

The SPEAKER laid before the House the report of the subcommittee of the Committee on Interstate and Foreign Commerce appointed to investigate the petroleum situation throughout the United States pursuant to House Resolution 441 of the Seventy-third Congress, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

FINAL REPORT OF SUBCOMMITTEE NO. 2 OF THE COMMITTEE ON MILITARY AFFAIRS

The SPEAKER laid before the House the final report of Subcommittee No. 2 of the Committee on Military Affairs, made pursuant to House Resolution 275 of the Seventy-third Congress, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

REPORT OF SUBCOMMITTEE NO. 3 OF THE COMMITTEE ON MILITARY AFFAIRS

The SPEAKER laid before the House the final report of Subcommittee No. 3 of the Committee on Military Affairs, made pursuant to House Resolution 275 of the Seventy-third Congress, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

MAJORITY LEADER

The SPEAKER. The Chair has been requested to lay before the House the following communication from the majority leader, the gentleman from Alabama [Mr. BANKHEAD], which the Clerk will read:

The Clerk read as follows:

I hereby appoint Hon. EDWARD T. TAYLOR to act temporarily as majority leader during my absence from the House on account of illness.

This the 4th day of January 1935.

WILLIAM B. BANKHEAD,
*Majority Leader.*

[Applause.]

Mr. TAYLOR of Colorado. Mr. Speaker, I have a communication from the majority leader which reads as follows:

I hereby appoint PATRICK J. BOLAND, a Representative from the State of Pennsylvania, as Democratic whip for the first session of the Seventy-fourth Congress.

This the 4th day of January 1935.

W. B. BANKHEAD,
*Majority Leader.*

RECESS

Mr. Speaker, I ask unanimous consent that the House now stand in recess subject to the call of the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Accordingly, at 12 o'clock and 3 minutes p. m., the House stood in recess, to meet at the call of the Speaker.

AFTER RECESS

The recess having expired, the House (at 12 o'clock and 18 minutes p. m.) resumed its session.

JOINT MEETING OF THE HOUSE AND SENATE

At 12 o'clock and 20 minutes p. m., the Doorkeeper, Mr. J. J. Sinnott, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by their Secretary and Sergeant at Arms, entered the Chamber.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The SPEAKER. On behalf of the House the Chair appoints the following committee to conduct the President into the Chamber: Messrs. TAYLOR of Colorado, DOUGHTON, and SNELL.

The VICE PRESIDENT. On the part of the Senate, the Chair appoints as a like committee Senators ROBINSON, PITTMAN, and MCNARY.

At 12 o'clock and 22 minutes p. m., the Doorkeeper, Mr. J. J. Sinnott, announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Chamber and took the seats reserved for them in front of the Speaker's rostrum.

At 12 o'clock and 24 minutes p. m., the President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House and stood at the Clerk's desk, amid prolonged applause.

The SPEAKER. Senators and Representatives of the Seventy-fourth Congress, I have the distinguished honor and privilege of presenting to you the President of the United States. [Applause.]

ADDRESS OF THE PRESIDENT OF THE UNITED STATES

Mr. President, Mr. Speaker, Members of the Senate and of the House of Representatives, the Constitution wisely provides that the Chief Executive shall report to the Congress on the state of the Union, for through you, the chosen legislative representatives, our citizens everywhere may fairly judge the progress of our governing. I am confident that today, in the light of the events of the past 2 years, you do not consider it merely a trite phrase when I tell you that I am truly glad to greet you and that I look forward to common counsel, to useful cooperation, and to genuine friendships between us.

We have undertaken a new order of things, yet we progress to it under the framework and in the spirit and intent of the American Constitution. We have proceeded throughout the Nation a measurable distance on the road toward this new order. Materially, I can report to you substantial benefits to our agricultural population, increased industrial activity, and profits to our merchants. Of equal moment, there is evident a restoration of that spirit of confidence and faith which marks the American character. Let him who, for speculative profit or partisan purpose, without just warrant would seek to disturb or dispel this assurance, take heed before he assumes responsibility for any act which slows our onward steps.

Throughout the world change is the order of the day. In every nation economic problems, long in the making, have brought crises of many kinds for which the masters of old practice and theory were unprepared. In most nations social justice, no longer a distant ideal, has become a definite goal, and ancient governments are beginning to heed the call.

Thus, the American people do not stand alone in the world in their desire for change. We seek it through tested liberal traditions, through processes which retain all of the deep essentials of that republican form of representative government first given to a troubled world by the United States.

As the various parts in the program begun in the extraordinary session of the Seventy-third Congress shape themselves in practical administration, the unity of our program reveals itself to the Nation. The outlines of the new economic order, rising from the disintegration of the old, are apparent. We test what we have done as our measures take root in the living texture of life. We see where we have built wisely and where we can do still better.

The attempt to make a distinction between recovery and reform is a narrowly conceived effort to substitute the appearance of reality for reality itself. When a man is convalescing from illness, wisdom dictates not only cure of the symptoms but also removal of their cause.

It is important to recognize that while we seek to outlaw specific abuses, the American objective of today has an infinitely deeper, finer, and more lasting purpose than mere repression. Thinking people in almost every country of the world have come to realize certain fundamental difficulties with which civilization must reckon. Rapid changes—the machine age, the advent of universal and rapid communication, and many other new factors—have brought new problems. Succeeding generations have attempted to keep pace by reforming in piecemeal fashion this or that attendant abuse. As a result evils overlap and reform becomes confused and frustrated. We lose sight, from time to time, of our ultimate human objectives.

Let us for a moment strip from our simple purpose the confusion that results from a multiplicity of detail and from millions of written and spoken words.

We find our population suffering from old inequalities, little changed by past sporadic remedies. In spite of our efforts and in spite of our talk we have not weeded out the overprivileged and we have not effectively lifted up the underprivileged. Both of these manifestations of injustice have retarded happiness. No wise man has any intention of destroying what is known as the "profit motive", because by the profit motive we mean the right by work to earn a decent livelihood for ourselves and for our families.

We have, however, a clear mandate from the people, that Americans must forswear that conception of the acquisition of wealth which, through excessive profits, creates undue private power over private affairs and, to our misfortune, over public affairs as well. In building toward this end we do not destroy ambition, nor do we seek to divide our wealth into equal shares on stated occasions. We continue to recognize the greater ability of some to earn more than others. But we do assert that the ambition of the individual to obtain for him and his a proper security, a reasonable leisure, and a decent living throughout life is an ambition to be preferred to the appetite for great wealth and great power.

I recall to your attention my message to the Congress last June in which I said, "Among our objectives I place the security of the men, women, and children of the Nation first." That remains our first and continuing task; and in a very real sense every major legislative enactment of this Congress should be a component part of it.

In defining immediate factors which enter into our quest, I have spoken to the Congress and the people of three great divisions:

First. The security of a livelihood through the better use of the national resources of the land in which we live.

Second. The security against the major hazards and vicissitudes of life.

Third. The security of decent homes.

I am now ready to submit to the Congress a broad program designed ultimately to establish all three of these factors of security—a program which because of many lost years will take many future years to fulfill.

A study of our national resources, more comprehensive than any previously made, shows the vast amount of necessary and practicable work which needs to be done for the development and preservation of our natural wealth for the enjoyment and advantage of our people in generations to come. The sound use of land and water is far more comprehensive than the mere planting of trees, building of dams, distributing of electricity, or retirement of submarginal land. It recognizes that stranded populations, either in the country or the city, cannot have security under the conditions that now surround them.

To this end we are ready to begin to meet this problem—the intelligent care of population throughout our Nation, in accordance with an intelligent distribution of the means of livelihood for that population. A definite program for putting people to work, of which I shall speak in a moment, is a component part of this greater program of security of livelihood through the better use of our national resources.

Closely related to the broad problem of livelihood is that of security against the major hazards of life. Here also a

comprehensive survey of what has been attempted or accomplished in many nations and in many States proves to me that the time has come for action by the National Government. I shall send to you in a few days definite recommendations based on these studies. These recommendations will cover the broad subjects of unemployment insurance and old-age insurance, of benefits for children, for mothers, for the handicapped, for maternity care, and for other aspects of dependency and illness where a beginning can now be made.

The third factor—better homes for our people—has also been the subject of experimentation and study. Here, too, the first practical steps can be made through the proposals which I shall suggest in relation to giving work to the unemployed.

Whatever we plan and whatever we do should be in the light of these three clear objectives of security. We cannot afford to lose valuable time in haphazard public policies which cannot find a place in the broad outlines of these major purposes. In that spirit I come to an immediate issue made for us by hard and inescapable circumstance—the task of putting people to work. In the spring of 1933 the issue of destitution seemed to stand apart; today, in the light of our experience and our new national policy, we find we can put people to work in ways which conform to, initiate, and carry forward the broad principles of that policy.

The first objectives of emergency legislation of 1933 were to relieve destitution, to make it possible for industry to operate in a more rational and orderly fashion, and to put behind industrial recovery the impulse of large expenditures in Government undertakings. The purpose of the National Industrial Recovery Act to provide work for more people succeeded in a substantial manner within the first few months of its life, and the act has continued to maintain employment gains and greatly improved working conditions in industry.

The program of public works provided for in the Recovery Act launched the Federal Government into a task for which there was little time to make preparation and little American experience to follow. Great employment has been given and is being given by these works.

More than two billions of dollars have also been expended in direct relief to the destitute. Local agencies, of necessity, determined the recipients of this form of relief. With inevitable exceptions, the funds were spent by them with reasonable efficiency, and as a result actual want of food and clothing in the great majority of cases has been overcome.

But the stark fact before us is that great numbers still remain unemployed.

A large proportion of these unemployed and their dependents have been forced on the relief rolls. The burden on the Federal Government has grown with great rapidity. We have here a human as well as an economic problem. When humane considerations are concerned, Americans give them precedence. The lessons of history, confirmed by the evidence immediately before me, show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimical to the dictates of sound policy. It is in violation of the traditions of America. Work must be found for able-bodied but destitute workers.

The Federal Government must and shall quit this business of relief.

I am not willing that the vitality of our people be further sapped by the giving of cash, of market baskets, of a few hours of weekly work cutting grass, raking leaves, or picking up papers in the public parks. We must preserve not only the bodies of the unemployed from destitution but also their self-respect, their self-reliance, and courage and determination. This decision brings me to the problem of what the Government should do with approximately 5,000,000 unemployed now on the relief rolls.

About one million and a half of these belong to the group which in the past was dependent upon local welfare efforts. Most of them are unable for one reason or another to maintain themselves independently—for the most part, through no fault of their own. Such people, in the days before the great depression, were cared for by local effort—by States, by counties, by towns, by cities, by churches, and by private welfare agencies. It is my thought that in the future they must be cared for as they were before. I stand ready, through my own personal efforts and through the public influence of the office that I hold, to help these local agencies to get the means necessary to assume this burden.

The security legislation which I shall propose to the Congress will, I am confident, be of assistance to local effort in the care of this type of cases. Local responsibility can and will be resumed, for, after all, common sense tells us that the wealth necessary for this task existed and still exists in the local community, and the dictates of sound administration require that this responsibility be in the first instance a local one.

There are, however, an additional three and one-half million employable people who are on relief. With them the problem is different and the responsibility is different. This group was the victim of a Nation-wide depression caused by conditions which were not local but national. The Federal Government is the only governmental agency with sufficient power and credit to meet this situation. We have assumed this task, and we shall not shrink from it in the future. It is a duty dictated by every intelligent consideration of national policy to ask you to make it possible for the United States to give employment to all of these three and one-half million employable people now on relief, pending their absorption in a rising tide of private employment.

It is my thought that, with the exception of certain of the normal public building operations of the Government, all emergency public works shall be united in a single new and greatly enlarged plan.

With the establishment of this new system we can supersede the Federal Emergency Relief Administration with a coordinated authority which will be charged with the orderly liquidation of our present relief activities and the substitution of a national chart for the giving of work.

This new program of emergency public employment should be governed by a number of practical principles.

(1) All work undertaken should be useful—not just for a day or a year, but useful in the sense that it affords permanent improvement in living conditions or that it creates future new wealth for the Nation.

(2) Compensation on emergency public projects should be in the form of security payments which should be larger than the amount now received as a relief dole but, at the same time, not so large as to encourage the rejection of opportunities for private employment or the leaving of private employment to engage in Government work.

(3) Projects should be undertaken on which a large percentage of direct labor can be used.

(4) Preference should be given to those projects which will be self-liquidating in the sense that there is a reasonable expectation that the Government will get its money back at some future time.

(5) The projects undertaken should be selected and planned so as to compete as little as possible with private enterprises. This suggests that if it were not for the necessity of giving useful work to the unemployed now on relief these projects in most instances would not now be undertaken.

(6) The planning of projects would seek to assure work during the coming fiscal year to the individuals now on relief, or until such time as private employment is available In order to make adjustment to increasing private employment, work should be planned with a view to tapering it off in proportion to the speed with which the emergency workers are offered positions with private employers.

(7) Efforts should be made to locate projects where they will serve the greatest unemployment needs as shown by

present relief rolls, and the broad program of the National Resources Board should be freely used for guidance in selection. Our ultimate objective being the enrichment of human lives, the Government has the primary duty to use its emergency expenditures as much as possible to serve those who cannot secure the advantages of private capital.

Ever since the adjournment of the Seventy-third Congress the administration has been studying from every angle the possibility and the practicability of new forms of employment. As a result of these studies I have arrived at certain very definite convictions as to the amount of money that will be necessary for the sort of public projects that I have described. I shall submit these figures in my Budget message. I assure you now they will be within the sound credit of the Government.

The work itself will cover a wide field, including clearance of slums, which for adequate reasons cannot be undertaken by private capital; in rural housing of several kinds, where, again, private capital is unable to function; in rural electrification; in the reforestation of the great watersheds of the Nation; in an intensified program to prevent soil erosion and to reclaim blighted areas; in improving existing road systems and in constructing national highways designed to handle modern traffic; in the elimination of grade crossings; in the extension and enlargement of the successful work of the Civilian Conservation Corps; in non-Federal work, mostly self-liquidating and highly useful to local divisions of government; and on many other projects which the Nation needs and cannot afford to neglect.

This is the method which I propose to you in order that we may better meet this present-day problem of unemployment. Its greatest advantage is that it fits logically and usefully into the long-range permanent policy of providing the three types of security which constitute as a whole an American plan for the betterment of the future of the American people.

I shall consult with you from time to time concerning other measures of national importance. Among the subjects that lie immediately before us are the consolidation of Federal regulatory administration over all forms of transportation, the renewal and clarification of the general purposes of the National Industrial Recovery Act, the strengthening of our facilities for the prevention, detection, and treatment of crime and criminals, the restoration of sound conditions in the public-utilities field through abolition of the evil features of holding companies, the gradual tapering off of the emergency credit activities of Government, and improvement in our taxation forms and methods.

We have already begun to feel the bracing effect upon our economic system of a restored agriculture. The hundreds of millions of additional income that farmers are receiving is finding its way into the channels of trade. The farmers' share of the national income is slowly rising. The economic facts justify the wide-spread opinion of those engaged in agriculture that our provision for maintaining a balanced production gives at this time the most adequate remedy for an old and vexing problem. For the present and especially in view of abnormal world conditions, agricultural adjustment with certain necessary improvements in methods should continue.

It seems appropriate to call attention at this time to the fine spirit shown during the past year by our public servants. I cannot praise too highly the cheerful work of the civil-service employees, and of those temporarily working for the Government. As for those thousands in our various public agencies spread throughout the country who, without compensation, agreed to take over heavy responsibilities in connection with our various loan agencies and particularly in direct relief work, I cannot say too much. I do not think any country could show a higher average of cheerful and even enthusiastic teamwork than has been shown by these men and women.

I cannot with candor tell you that general international relationships outside the borders of the United States are improved. On the surface of things many old jealousies are resurrected, old passions aroused; new strivings for armament and power, in more than one land, rear their ugly heads. I hope that calm counsel and constructive leadership will provide the steadying influence and the time necessary for the coming of new and more practical forms of representative government throughout the world wherein privilege and power will occupy a lesser place and world welfare a greater.

I believe, however, that our own peaceful and neighborly attitude toward other nations is coming to be understood and appreciated. The maintenance of international peace is a matter in which we are deeply and unselfishly concerned. Evidence of our persistent and undeniable desire to prevent armed conflict has recently been more than once afforded.

There is no ground for apprehension that our relations with any nation will be otherwise than peaceful. Nor is there ground for doubt that the people of most nations seek relief from the threat and burden attaching to the false theory that extravagant armament cannot be reduced and limited by international accord.

The ledger of the past year shows many more gains than losses. Let us not forget that, in addition to saving millions from utter destitution, child labor has been for the moment outlawed, thousands of homes saved to their owners, and, most important of all, the morale of the Nation has been restored. Viewing the year 1934 as a whole, you and I can agree that we have a generous measure of reasons for giving thanks.

It is not empty optimism that moves me to a strong hope in the coming year. We can, if we will, make 1935 a genuine period of good feeling, sustained by a sense of purposeful progress. Beyond the material recovery, I sense a spiritual recovery as well. The people of America are turning as never before to those permanent values that are not limited to the physical objectives of life. There are growing signs of this on every hand. In the face of these spiritual impulses we are sensible of the divine Providence to which nations turn now, as always, for guidance and fostering care.

Thereupon (at 1 o'clock and 9 minutes p. m.) the President retired from the Hall of the House.

At 1 o'clock and 11 minutes p. m., the Speaker announced that the joint session was dissolved.

Thereupon the Vice President and the Members of the Senate returned to their Chamber.

### REFERENCE OF THE PRESIDENT'S MESSAGE

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the message of the President of the United States be referred to the Committee of the Whole House on the state of the Union and ordered printed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

### ELECTION OF MEMBERS TO THE APPROPRIATIONS COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I present the following resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 28

*Resolved*, That the following Members be, and they are hereby, elected members of the standing Committee of the House of Representatives on Appropriations, to wit:

James P. Buchanan, of Texas, chairman; Edward T. Taylor, of Colorado; William B. Oliver, of Alabama; Anthony J. Griffin, of New York; John N. Sandlin, of Louisiana; Clarence Cannon, of Missouri; Clifton A. Woodrum, of Virginia; William W. Arnold, of Illinois; John J. Boylan, of New York; Tilman B. Parks, of Arkansas; Louis Ludlow, of Indiana; William J. Granfield, of Massachusetts; Thomas L. Blanton, of Texas; Thomas S. McMillan, of South Carolina; Glover H. Cary, of Kentucky; B. M. Jacobsen, of Iowa; Malcolm C. Tarver, of Georgia; Jed Johnson, of Oklahoma; J. Buell Snyder, of Pennsylvania; William B. Umstead, of North Carolina; William R. Thom, of Ohio; Marion A. Zioncheck, of Washington; John F. Dockweiler, of California; Edward C. Moran, Jr., of Maine; James McAndrews, of Illinois; and Emmet O'Neal, of Kentucky.

The resolution was agreed to.

VETERANS' AFFAIRS COMMITTEE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 29

*Resolved,* That the Veterans' Affairs Subcommittee on Hospitalization appointed by the Speaker to conduct certain investigations under authority of H. R. 409 of the Seventy-third Congress, is hereby granted additional time until January 18, 1935, to prepare and file its report and recommendations for legislation with the House. Any unexpended balance of the total amount authorized for the use of said special committee under House Resolution 413 of the Seventy-third Congress is hereby continued available until said date.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I should like to ask the gentleman a question. As I understand it, this merely permits the committee to complete its work by filing a report.

Mr. RANKIN. It gives the committee 2 more weeks.

Mr. BLANTON. And no further money will be expended?

Mr. RANKIN. Except what has already been appropriated.

Mr. BLANTON. There will be no request for additional funds?

Mr. RANKIN. No; no request for additional funds; sufficient funds have already been provided.

The SPEAKER. Is there objection?

There was no objection.

The resolution was agreed to.

INTRODUCTION OF BILLS AT THE CONVENING OF CONGRESS

Mrs. KAHN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mrs. KAHN. Mr. Speaker, as a matter of possible interest to the people of the Fourth Congressional District of California, as well as to people in other districts where similar tactics may have been used, I wish to insert in the RECORD a routine letter which I and probably all Members of the previous Congress received from the chief bill clerk of the House of Representatives, dated December 4, 1934, reading as follows:

MY DEAR CONGRESSWOMAN: In checking over the records of the Seventy-third Congress, I noticed that you introduced most of your bills, especially private bills, at one time. I am wondering if you would be so kind as to do the same again, sending them now, as this will greatly facilitate the handling of these bills, not only in this office but in the Government Printing Office. Thanking you for any consideration you may give this letter, I remain,

Very truly yours,

WM. J. MCDERMOTT, Jr.,
*Chief Bill Clerk.*

Prior to the convening of the Seventy-third Congress I received a communication from Mr. South Trimble, Clerk of the House of Representatives, reading as follows:

Subject: Introduction of bills.

* * * It is suggested, in the interest of expedition and accuracy, that the Members or their clerks prepare in advance of the meeting of Congress all bills and joint resolutions which are to be introduced during the first days of the session and file them with the Clerk of the House for preparation for printing. Such bills and joint resolutions will be the originals, and it will be unnecessary to make duplicates for deposit in the House or to reintroduce a bill at a subsequent session of Congress. Thus it will be possible promptly to group the bills in alphabetical order of Members' names for convenient reference in the CONGRESSIONAL RECORD, and to number the bills of each Member in sequence. The reference of bills granting pensions should be indicated by the introducer, whether to the Committee on Pensions (other than Civil War claims) or to the Committee on Invalid Pensions (Civil War claims only). Bills providing for preliminary surveys of rivers and harbors are classified as private bills.

SOUTH TRIMBLE,
*Clerk United States House of Representatives.*

In accordance with these suggestions, it has been my custom to file with the bill clerk of the House of Representatives in advance of the convening of Congress the bills which I have ready for introduction, which bills, however, cannot be recorded in the CONGRESSIONAL RECORD until the first RECORD of the session is issued containing the proceedings of the opening day of the session.

Prior to the convening of this Congress, I filed with the bill clerk of the House 64 bills, which probably will be recorded in the CONGRESSIONAL RECORD of the opening day of the session, or within the next few following days.

During the last campaign, one of my opponents accused me of deliberately blocking legislation on the opening day of the Seventy-third Congress by introducing a number of bills on that day. Whether or not he understood that these bills were submitted and printed, at the specific request of the Clerk of the House, several days prior to the convening of Congress, I do not know, but I am taking this opportunity to explain that, under the routine procedure and in order to facilitate the handling and printing of such bills, Members of Congress are urged to transmit such bills as he or she may have before the actual date of the convening of Congress.

TAKING THE PROFITS OUT OF WAR

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of taking the profits out of war.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, on the first Monday in December 1922 I introduced House Joint Resolution 300, being a joint resolution "To promote peace and to equalize the burdens and to minify the profits of war." A copy of that joint resolution is hereinafter reproduced.

Joint resolution to promote peace and to equalize the burdens and to minify the profits of war

Whereas it is the duty of Congress to require that the burdens and benefits of war shall be justly and fairly distributed; and

Whereas it is the duty of all citizens to contribute to our Nation's success in war according to their several capacities and resources; and

Whereas modern warfare rests increasingly upon scientific knowledge and industrial resources and must be carried on by the Nation as a whole and not merely by the young men in arms; and

Whereas to take the profits out of war and to require equal service for all, and deny special profits to any, will be conducive to peace (which is our traditional policy); and

Whereas we should employ the experience of recent wars to work out and enact into law, while we are yet at peace, such provisions and policies to be pursued when the war shall come as shall empower the President immediately to mobilize all the resources of the country: Now, therefore, be it

*Resolved, etc.,* That a commission is hereby created to draft and report to the President of the United States, who in turn shall transmit the same, with or without his approval, to Congress not later than the first Monday in December 1924, proposed legislation to accomplish in fact the principles and policies expressed in this resolution.

That said commission shall be bipartisan and nonpolitical and shall be composed of 4 members of the Military Affairs Committee of the House of Representatives and 2 members of the Military Affairs Committee of the Senate, the Secretary of War, the Secretary of the Navy, the Secretary of Commerce, and 3 other persons not holding official or governmental position whatever, and selected with a view to represent in a general sense the views of labor, industry, and capital, respectively.

Within 30 days after the approval of this resolution the President shall appoint and announce the members of said commission and shall direct the same to meet in the city of Washington, D. C., as soon thereafter as may be practicable, and shall supply from the War Department all necessary office and clerical assistance.

When said commission shall meet, it shall organize by electing one of its number as chairman and another as vice chairman, and shall appoint a secretary and proceed to draft proposed legislation to accomplish the aims and purposes of this resolution; and such proposed legislation, with any comment upon same deemed desirable, shall be transmitted to the President not later than November 1, 1924, and the President shall direct that there shall be printed not exceeding 5,000 copies thereof for the use of Congress.

That the guiding principle to control the labors of said commission is that true preparedness demands our calm and careful adoption in advance of another war of a Nation-wide policy of service for all citizens, to the end that while young men are laying down for their country the comforts and joys of home and family, their health, their strength and time, their blood, bodies, and life itself, others not required to make these greater sacrifices may be required to lay down equitably and fairly some of their material resources and wealth, to the great end that victory for the Nation's ideals may speedily come, and that after victory there be no need for any adjustment of compensation and no mighty war debt piled up to sap the strength of the producing activities of the people for scores of years.

That no compensation shall be paid any member of said commission, and no expenses shall be incurred by them except the actual cost of maintenance and travel to the three members of the commission not already holding official position.

When the next Congress convened on the first Monday in December 1923, I introduced House Joint Resolution 128, which contained the same language as House Joint Resolution 300 of the previous Congress. Pursuant to the provisions of House Joint Resolution 128, which was referred to the Committee on Military Affairs of the House of Representatives, hearings were conducted and I, by request of the Honorable John C. McKenzie, the chairman of the committee, examined the witnesses and assembled the material, and the hearings were published by the committee under the caption, "Universal Mobilization for War Purposes." These hearings constituted a volume of 250 pages.

As a result of the hearings a report was filed by myself for the Committee on Military Affairs, and the same is hereby reproduced for the information of the Congress of the United States and the country:

The Committee on Military Affairs, to whom was referred the resolution (H. J. Res. 128) to promote peace and to equalize the burdens and to minify the profits of war, having considered the same, report thereon with a recommendation that it do pass.

This resolution explains its object and purpose. The desirability of accomplishing the end sought is well expressed in the inaugural address of President Warren G. Harding, March 4, 1921, as follows:

"Our supreme task is the resumption of our onward, normal way. Reconstruction, readjustment, restoration—all these must follow. I would like to hasten them. If it will lighten the spirit and add to the resolution with which we take up the task, let me repeat for our Nation, we shall give no people just cause to make war upon us; we hold no national prejudice; we entertain no spirit of revenge; we do not hate; we do not covet; we dream of no conquest nor boast of armed prowess.

"If, despite this attitude, war is again forced upon us, I earnestly hope a way may be found which will unify our individual and collective strength and consecrate all America, materially and spiritually, body and soul, to national defense. I can vision the ideal republic, where every man and woman is called under the flag for assignment to duty for whatever service, military or civic, the individual is best fitted; where we may call to universal service every plant, agency, or facility, all in the sublime sacrifice for country, and not one penny of war profit shall inure to the benefit of private individual, corporation, or combination, but all above the normal shall flow into the defense chest of the Nation. There is something inherently wrong, something out of accord with the ideals of representative democracy, when one portion of our citizenship turns its activities to private gain amid defensive war while another is fighting, sacrificing, or dying for national preservation."

This sentiment was several times repeated by President Harding, and notably on December 8, 1922, in his message to Congress:

"The proposed survey of a plan to draft all the resources of the Republic, human and material, for national defense may well have your approval. I commended such a program in case of future war, in the inaugural address of March 4, 1921, and every experience in the adjustment and liquidation of war claims and settlement of war obligations persuades me we ought to be prepared for such universal call to armed defense."

The same principle has been several times endorsed by national conventions of the American Legion.

There appeared before the committee to express approval of the result aimed at by the resolution and by H. R. 194, by Representative French et al., and H. R. 4841, by Representative Johnson, South Dakota, numbers of prominent citizens and public officials, including Hon. Herbert Hoover, Secretary of Commerce; Hon. Curtis D. Wilbur, Secretary of the Navy; Hon. Dwight F. Davis, Assistant Secretary of War; Mr. William B. Colver, formerly Chairman of Federal Trade Commission and member of Price Fixing Commission during the World War; Mr. R. S. Brookings, LL. D., Chairman of Price Fixing Commission during the World War; Mr. Bernard M. Baruch, Chairman of War Industries Board during the World War; Mr. Edward F. McGrady, representative of American Federation of Labor; Col. John D. Marky, national chairman of legislative committee of the American Legion; Hon. John M. Evans, Representative from Montana; Hon. Royal C. Johnson, Representative from South Dakota; Hon. Charles L. Richards, Representative from Nevada; and Hon. Burton L. French, Representative from Idaho.

The hearings have been somewhat extensive for the purpose of ascertaining the facts relating to profiteering during previous wars, and especially during the World War, in order to understand the better what laws and legislative agencies are necessary to prevent a recurrence of such inequalities and unfairness while making war. It is highly desirable that remedial and regulatory legislation be adopted during the present Congress while the success and mistakes of the recent war are fresh in our minds, and especially while there are yet in Congress and in the public service generally many of those who participated in legislation and administration during the recent war period.

There is another strong and convincing reason for enacting into law the result of experiences in conducting war now, far in advance of another war. That reason is manifest. If we wait for the outbreak of another war, those persons then in Congress will have but faint and uncertain recollection of the governmental agencies set up during the World War to coordinate transportation, production by industries, mines, forests, and farms, and buying and consumption by the military and civilian populations. The result may and probably will be that in the rush and excitement of commencing war utterly inadequate legislation will be formulated to prevent the outrage of profiteering in war, whereby some citizens, equally bound in moral and patriotic spirit to sacrifice for the country's defense, will grow rich, many of them immensely rich, while other citizens, perhaps millions of them, are under arms, suffering the hardships of the field and trench, blistering under torrid heat or freezing with Arctic coldness, being gassed, wounded, killed. Such inequality or burden in democratic America, where all have enjoyed so many blessings, is an injustice that we must not permit to be repeated.

The exact legal methods and machinery whereby to accomplish the end invariably conceded to be highly desirable are not just yet clear to your committee. Therefore, without reporting any one of the pending bills, with or without amendments, we deem it best to recommend the adoption of House Joint Resolution 128, creating a commission to continue the study we have commenced and to formulate the language necessary to accomplish the desired results. That will involve knowledge, patience, concentration, and full opportunity for conference and counsel; this a commission sitting in the recess can have. The fruit of their labors will be before us in definite and well-thought-out form when we reconvene in December. A vote for the creation of this proposed commission is merely an expression of approval of the general principle that "In war, as among the citizens of America, there should be equal service and equal sacrifice for all and special profits to none."

As a well-nigh ideal program of effective preparedness the proposition will appeal to all seeking to insure national defense. It will mean that on the outbreak of war our skeleton organization for the human, material, and financial resources of the country is ready-made. There will be universal cooperation, and we will be able to strike an instant and concentrated blow with the vast powers of the entire Nation, insuring speedy and complete victory.

But as a war deterrent it is bound to prove efficacious. Undoubtedly certain interests that have profited hugely by previous wars are, to speak mildly, not averse to the recurrence of war. These same interests or sympathetic interests own and control most of the great daily newspapers of the country, and these, without specific war intent, are apt to influence the public mind out of a desire to satisfy a popular craving for the sensational. But if these interests understood in advance of war that they would have to make sacrifices and bear burdens and suffer losses, and not make huge profits as heretofore, then such interests would prescribe that these newspapers controlled by them shall not unduly and unnecessarily alarm the public mind. In such case the newspapers would caution prudence and toleration and forbearance to the last.

Since no group of citizens will then have any motive to stir up an aggressive war, and other nations will be very slow to attack or outrage the rights of a nation so prepared to make prompt and cooperative effective defense, war will become very remote and improbable. We do not contend that all wars will be prevented. That is yet impossible in the present state of human development.

Again, in the event of an inevitable, unpreventable war of national defense, there will also be harmonious spiritual cooperation among all citizens, because all become defenders, whether in uniform or not, and some will not feel a sense of injustice and unfairness arising from inequality. After the war there will be no heartburnings, recriminations, and demand for adjusted compensation. The Nation will resume its normal labors where it left off. There will be absent during and after the war the usual carnival of corruption and bribery. If Government officials have no contracts to let carrying great profits, there will be no motive to offer a bribe. There will not be a new class of very rich made from war profits. All will equally and sincerely rejoice at the conclusion of war and the coming of peace, because it will mean the end of suffering and sacrifice for all.

Thereafter, in each succeeding Congress I introduced a resolution of similar purport, but failing to obtain favorable action on same I finally persuaded my friend and colleague the Honorable J. Mayhew Wainwright, then a Representative from the State of New York, but formerly Assistant Secretary of War, to introduce the resolution in the House, and Senator David A. Reed, from the State of Pennsylvania, introduced substantially the same resolution in the Senate. The resolution having passed and having been approved by President Hoover, there was appointed what became known as the "War Policies Commission", and the personnel of that Commission was as follows:

War Policies Commission: Secretary of War Patrick J. Hurley, Chairman; Secretary of Navy Charles F. Adams; Secretary of Agriculture Arthur M. Hyde; Secretary of Com-

merce Robert P. Lamont; Secretary of Labor William N. Doak; the Attorney General William DeWitt Mitchell. United States Senate: David A. Reed, Pennsylvania, Vice Chairman; Arthur H. Vandenberg, Michigan; Joseph T. Robinson, Arkansas; Claude A. Swanson, Virginia. House of Representatives: Lindley H. Hadley, Washington, Secretary; William P. Holaday, Illinois; Ross A. Collins, Mississippi; John J. McSwain, South Carolina.

The War Policies Commission began its hearings on March 5, 1931, and its hearings filled three modest volumes of printed material, and finally on March 7, 1932, said Commission submitted the following report:

WAR DEPARTMENT, *March 7, 1932.*

REPORT OF THE WAR POLICIES COMMISSION

The final recommendations of the Commission created by a congressional resolution entitled "Joint resolution to promote peace and to equalize the burdens and to minimize the profits of war" have been submitted by the Commission.

Twelve of the fourteen members of the Commission signed the recommendations. Of the two members not signing one is attending the Disarmament Conference in Geneva, and the other prepared a minority report.

On December 4, 1931, there was submitted to the President a preliminary report concerning the Commission's activities. An extension of time for the preparation of conclusions and recommendations was requested and granted in order that certain studies concerning constitutional law could be carried to completion. The Attorney General and others have carefully investigated the legal phases of the questions involved, and their conclusions were considered by the Commission in formulating its final report.

During the course of its deliberations the Commission held a series of open hearings, at which many witnesses advanced diverse proposals and opinions bearing upon the intricate problems that presented themselves for study. The names of these witnesses and the complete testimony submitted by each accompanied the preliminary report.

MARCH 3, 1932.

To the PRESIDENT:

The Commission appointed under Public Resolution No. 98, Seventy-first Congress, entitled "Joint resolution to promote peace and to equalize the burdens and to minimize the profits of war", respectfully submits the following report and recommendations:

First. We recommend, in order to eliminate all doubt concerning the extent of the power of the Congress to prevent profiteering and to stabilize prices in time of war, that a proposed constitutional amendment clearly defining such power be submitted by the Congress to the States.

Second. We further recommend that until a constitutional amendment be adopted clearly defining the power of Congress to prevent profiteering and to stabilize prices in time of war, the following program be adopted as governmental policy in order effectively to minimize the profits of war and to distribute its burdens and sacrifices equitably:

(a) That the Congress should empower the President, in the event of war, to institute a program under which prices may be stabilized and thereafter adjusted at such levels as will minimize inflation and will secure to the Government the use of any private property needed in the prosecution of the war without affording the owner thereof profit due to the war. It should be clearly stated that such a program will not be placed in operation until Congress specifically directs it as a necessary measure in the conduct of the war.

(b) The Congress should empower the President to make, in war, such readjustments in, and additions to, the executive departments of the Government as are necessary to assure adequate control of all national resources. The President should be empowered also to fix the status, for the period of the war, of personnel transferred under this authority, from one bureau or department of the Government to any other.

(c) Existing law empowering the President to compel acceptance of war orders and to commandeer property should be continued.

(d) In addition to all other plans to remove the profits of war, the revenue law should provide that, upon any declaration of war and during the period of such emergency, individuals and corporations shall be taxed 95 percent of all income above the previous 3-year average, with proper adjustments for capital expenditures for war purposes by existing or new industries.

(e) In time of peace continuous planning by the Federal Government, particularly by the War and Navy Departments, should be directed toward insuring:

(1) That upon declaration of war there shall be immediately available to the Congress accurate and detailed estimates concerning the man power and material needs of the military and naval services, together with detailed studies and recommendations concerning the most applicable methods for mobilizing the necessary men and procuring the required munitions.

(2) That there shall be no competitive bidding between Government agencies for the products of industry.

(3) There shall be no placing of contracts in excess of needs.

(4) That cost-plus-percentage methods of purchase shall be eliminated.

(5) That the munitions-production load shall be distributed properly over the United States.

(6) That the governmental organizations required in the administration of war functions shall be set up promptly.

(7) That the necessary controls respecting prices, raw materials, transportation, priorities, war trade, finance, and related matters shall be continuously studied, so that in the event of war the will of Congress may be promptly and efficiently administered.

(f) Plans prepared in the War and Navy Departments for the accomplishment of the above should be continually revised to meet changing national and international conditions, and should be thoroughly examined and revised at least every 2 years by appropriate congressional committees.

Third. We recommend that no constitutional amendment to permit the taking of private property in time of war without compensation be considered by the Congress.

Respectfully submitted.

Patrick J. Hurley, chairman; David A. Reed, vice chairman; Joe T. Robinson; John J. McSwain; Arthur H. Vandenberg; William Mitchell; C. F. Adams; R. P. Lamont; Wm. P. Holaday; Arthur W. Hyde; W. N. Doak; Lindley H. Handley, secretary.

(Absent: Senator Claude A. Swanson, attending the conference in Geneva.)

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To the PRESIDENT:

The purpose in creating the so-called "War Policies Commission" was to "study and consider amending the Constitution of the United States to provide that private property may be taken by Congress for public use during war and methods of equalizing the burdens and to remove the profits of war, together with a study of policies to be pursued in the event of war."

I take it that the object of the resolution creating the Commission deals solely with the purpose of eliminating profits that accrue to certain classes of individuals and corporations during war, and that "a study of policies to be pursued in the event of war" relates to policies to be prescribed by Congress either through a constitutional amendment or by legislation for the purpose of eliminating war profits.

As the Constitution of the United States is now drawn, I am convinced that the only way to eliminate war profits is through the adoption of a constitutional amendment so as to enable Congress to pass legislation creating an agency to fix prices of commodities either for the purpose of keeping profits at a minimum or the entire elimination of them. I heartily favor the adoption of a constitutional amendment to carry out this object.

I do not believe it was the intention of Congress that the power to fix prices of commodities should be delegated to military men. I believe that such administrative matters should be entirely in the hands of civilians, and I object to any recommendation that would tend to confer upon military men the power to regulate prices or the activities of the civilian population during war or at any other time. I am firmly convinced, whether intended or not, that any war planning as now carried on by the War Department will in the end result in the administration of price-fixing laws and the regulation of civilian activities by military and naval officers if the recommendations of the majority members of the Commission are finally adopted by Congress.

I regret that I am unable to follow the majority of the members of the Commission upon all of their proposals, and respectfully submit to you this dissent.

Very respectfully,

ROSS A. COLLINS.

I hereby report an address delivered by me before the annual Congress of the Daughters of the American Revolution in April 1926. It is substantially the same address as was delivered by me in September 1924 at the Interparliamentary Union in Geneva, Switzerland. Furthermore, the same address was printed in the Advocate of Peace, a magazine published by the American Peace Society, in April 1927. I am offering this material for the consideration of the Members of Congress, because the President has announced to the country that he will make it one of his major objectives at this session of Congress to secure the enactment of legislation to prevent that conscienceless and well-nigh treasonable conduct of some selfish citizens in taking advantage of the necessities of the Government and of the people in time of war to make unreasonable and excessive profits. Here follows the article:

ONE PART OF THE PEACE PROGRAM

(By Hon. JOHN J. MCSWAIN, Member of Congress from South Carolina)

The problem of peace, like all questions where the factors are human, is many-sided. There is no single specific to cure the social ill called "war." I am offering the following thoughts on one aspect of the case, especially as it relates to the "will to peace":

The Constitution of the United States has been universally appraised as the highest perfection of wisdom yet attained among the fundamental documents of government. Many particular parts have been singled out from time to time for special con-

sideration and commendation. I do not remember ever to have seen any particular discussion of the wisdom and significance of having lodged the power to declare war in the Congress. Among all the older nations of the world the power to declare and commence war had been lodged exclusively with the executive power, so that kings and emperors had made war, from time immemorial, to suit their own interests, ambitions, or whims, and consulted the representatives of the people, if any there were, only after the commencement of war, in order to procure the financial resources wherewith to carry on such war.

But the erection of the American Republic of Republics, the commencement of a great federal state in this Western Hemisphere, had as a background the fundamental conception of the Declaration of Independence, that "governments rest upon the consent of the governed", and exist to secure the life, liberty, and property of the people. Therefore, it was but a logical application of this fundamental premise that the Constitution makers should propose, and that the people in their several State conventions should accept, a constitution that lodged the war-making power in all the representatives of all the States.

THE PEOPLE, THROUGH CONGRESS, DECLARE WAR

The President alone conducts diplomatic relations with other nations, but the President can make treaties only by and with the consent of two-thirds of all the Senators. This was a hitherto unthought-of limitation upon Executive power. It had, therefore, been conceived as preposterous that the people's representatives should have a veto power in the making of treaties between the royal rulers. But this limitation of power is constantly in the minds of Presidents and their executive advisers in the negotiation of treaties, and doubtless has ever been a wholesome and restraining influence. Though the President is unrestrained in conducting international affairs, yet he must and does feel constantly the restraining check that his international policies cannot be enforced with physical power in war without the approval of both Houses of Congress. But the principle runs still further back.

The President must calculate upon receiving the approval of an overwhelming majority of the individual citizens of the Republic. It is constantly in his thinking that Members of Congress must respect and heed the wishes and feelings of their constituents. The President remembers that Members of the House of Representatives are all elected every 2 years, and that one-third of all the Senators are elected every 2 years. Therefore the President must be so cautious and prudent in handling international situations as to feel sure that the same will be approved by a clear majority of the people. If the President fails to take these fundamental conceptions into consideration and rushes headlong and unadvised into complications with foreign countries that can be settled only by use of physical force, he may find himself greatly embarrassed by failing to receive the support of the Congress and be, therefore, compelled to retreat from his diplomatic predicament.

NO AGGRESSIVE WAR BY AMERICA

This particular lodgment of the war-making power in the hands of the representatives of the people insures our Nation against a policy of aggression. The Constitution makers all knew, from either personal experience or close observation, the horrors and demoralizing and destructive attributes of war. But they were wise men and realized the forces that had been operating upon mankind and among nations since long before the beginning of recorded history. Our forefathers, who laid the foundation of this Government of the people, by the people, and for the people, well knew the ambitions and covetousness that from time to time seize the rulers and ruling classes of nations. Wisely, therefore, did they lodge in the central Federal Government the sole and exclusive power of declaring, conducting, and concluding war.

Many powers of sovereignty were left and some still remain with the several States. But in the interest of the general welfare and common defense the war-making power was placed with the one government that represents all the people of all the sections. This Constitution conferred upon the Federal Government not only the power to declare and carry on war but the power to raise armies and the power to support armies. The Constitution likewise conferred on this Central Government the power to provide a navy and to maintain a navy. There is far-reaching significance in these words, to "support an army" and to "maintain a navy." They imply more than enlisting men and building ships. They imply the power to acquire by the exercise of the supreme and absolute sovereignty that must rest in any nation to take whatever physical resources and materials that may, in the judgment of the Federal Government, be necessary for the proper support of that army and for the proper maintenance of that navy.

NO VETO BY THE PEOPLE AFTER WAR IS DECLARED

Some have argued that while the Constitution says that Congress may raise armies, it means that it may only open recruiting stations and offer compensation and, by a beating of drums and waving of flags, try to induce men to volunteer to enter the Federal Army. It has been argued that to confine the raising of armies to the volunteer system would be a wise and salutary restraint upon Congress in declaring war, so that the people, by refusing to volunteer, could virtually veto a declaration of war by Congress. But the Supreme Court of the United States has in several cases solemnly and unequivocally sustained the power of Congress to reach, with supreme and sovereign hand, and take, by selective-service draft, such human instrumentalities, either men or women, as the Congress may in the exercise of its power declare to be essential to the raising of armies in order to provide for the common defense.

By the same reasoning, by the same inescapable logic, it must follow that the power to support the armies thus raised is unlimited and unrestrained and may be exercised at the uncontrollable discretion of Congress. It therefore remains only for the Congress, with the approval of the President, to say how these armies, raised to defend the Nation's life, shall be supported.

POWER TO TAKE WAR SUPPLIES

Heretofore the usual policy of the Government in the supporting of armies has been the volunteer system. People have been begged and cajoled into buying bonds essential to finance armies in the field. By the same reasoning it has been argued that to leave the supporting of armies upon this volunteer basis would amount to leaving with the people the final veto power on war. Congress may declare the war, and may, by a selective-service draft, so formulated as to produce the least dislocation in the industrial and social life of the Nation, take those persons that may be best spared from the homes and the farms and the factories and the professions of the Nation; yet after the armies have been raised and are in the field and are at the front and are facing the foe, they may be totally paralyzed by the failure of the people back home to volunteer sufficient funds to continue the fight. Such contemplation sickens the heart of the genuine patriot. The same power that gives Congress the right to take the man from his family and from his farm and from his factory gives Congress the right to take such of the produce of the farm and such of the product of the factory as may be necessary to support and maintain the soldier in camp and in field and in trench.

PRUDENCE AND CAUTION IN DECLARING WAR

As Americans we believe in and insist upon freedom of opinion and freedom of expression of opinion, either by mouth or by the press. There should ever be the amplest discussion in Congress and in the country before war is commenced. All groups of opinion should be tolerantly heard. The President and the Members of Congress should solemnly contemplate all the possible consequences of an entry into war. They should patiently and prayerfully seek to avert war. Only actual defense of our physical integrity or of our national principles and honor, which are more than life itself, should ever provoke us to war. God has been good in gathering some of the choice pioneer spirits from many nations and planting them upon this new continent, free from the traditions and customs of the feudal nations, and in permitting them to develop here a civilization unrivaled in power and in variety in all the annals of time. The President and the Congress should and do contemplate the fact that the nations of the whole world are becoming so interrelated by commerce and communication as to make it practically impossible to localize war. The war from 1914 to 1918 is universally described as the World War, and yet it may be fairly concluded that its vast proportions will be far exceeded by the next clash among the nations. Like a prairie or forest fire, when once the fury of war commences, no limits can be set, no bounds prescribed, no time fixed, and no measure set.

WAR, ONCE DECLARED, BINDS EACH AND ALL

But after all voices have been heard in the Nation, after the President, with full realization of the responsibility, has pronounced the situation such that war alone is the answer; after the Congress, conscious of direct responsibility to the people, shall have declared war, then, in my humble opinion, the case is foreclosed, judgment has been rendered, the matter has had its day in court, and henceforth no man dare deny his individual obligation to contribute to the utmost limit of his power, either by direct participation as a soldier or by direct contribution to the material and financial support of the Army and Navy. From the very moment that Congress, representing all, declares war, it binds every citizen, whatever may be his private and individual judgment of the merits. It becomes the law of the land, and henceforth the only course for every person is to help to fight it through. There must be no vetoing of this war-making power in Congress. If adequate volunteers do not rush to the colors, the country may command her sons and daughters and compel them to go. If adequate resources are not voluntarily contributed, then by the same power, for the same purposes, the Congress can take whatever the Army and Navy may need in order that the full force of the military power may be exerted.

JUST COMPENSATION FOR ALL PROPERTY TAKEN

But we are reminded that one part of this very same Constitution, to wit, the fifth amendment, declares that private property shall not be taken for public use without just compensation therefor. When properly understood, the fifth amendment offers no obstacle to the war-making power of our Government.

It does not provide that private property shall never be taken for a public purpose but merely prescribes that payment shall be made therefor. Such provision is wise and just. It would be manifestly unfair to take one man's factory, or one man's railroad, or one man's coal mine, or one man's farm, or one man's steamboat and use the same in carrying on war and make no adequate compensation for the use thereof, while other citizens, under equal obligation to help carry on war, have their factories, or their railroads, or their coal mines, or their farms, or their steamboats untouched or unharmed. But the fifth amendment does not say that the property shall be paid for before its use, and merely provides that at some time just compensation shall be made. Therefore, in the emergency, whatever property is needed may be taken, and taken instantly, and thereafter just compensation

made, and that compensation must be just not only to the owner but also just to the public that pays. "Justice" means fairness and reasonableness under the circumstances. Therefore justice requires that no fabulous, fictitious, and inflated war-time prices shall be paid for property taken and used. The same principle was applied in making just compensation for "man power" during the recent World War. Congress had prescribed the monthly pay for soldiers to range from $30 a month upward. But after the war good conscience and justice, not legal obligation, declared that such compensation was inadequate, and, after much discussion, Congress passed legislation to adjust and pay additional compensation for the services of the soldiers. There was no constitutional obligation to do this.

Congress may draft the soldiers without providing one single cent of compensation, even during the period of service. But would Congress do such an unjust thing? Members of Congress know that they are answerable to the soldiers, and under our system of government the voice of the people is finally supreme. Therefore do the provisions of the fifth amendment merely conform to the ideals of republican institutions and demand a just exercise of the war-making power.

EQUALIZE BURDENS OF WAR THROUGH POWER TO TAX

But Congress has another power, unrestrained, unlimited, both in war and in peace, and this power may be exercised to insure justice in distribution of the burdens of war. It is the power to levy and collect taxes. It is a fact that many do not realize that about 40 percent of the revenue raised and expended by our Government during the period of the recent war was raised by taxation. Many conservative and experienced and well-informed men who had intimate contact with the administration during the war have expressed the opinion that if there had been no inflation of prices, if a peace-time average of prices had been maintained by force of law during the war, the money cost of the war would have been reduced by at least one-half. The average price level of all commodities during the World War was nearly two and a half times the average peace-time price. Bringing these two facts together, we find that if prices had not become so much inflated, we could have financed the war merely upon the taxes that were collected and without the issue of a single bond; and if we had done so, we would have been today debt-free and would not have a mortgage in the form of bonds upon the earning power of the people of this country aggregating more than $20,000,000,000 that will require the labors of two or three generations to discharge.

NO DRAFTING OF LABORERS

There has been much confusion of thought and much loose and ill-considered utterance in connection with the subject of what is commonly described as "universal draft", and "universal mobilization", and "drafting of wealth to make war", and other phrases of like import. Some, with sweeping and irresponsible generalization, have declared that the whole Nation, with all her resources, must be instantly militarized, that martial law must prevail everywhere, and that men and women, old and young, even children, with all that they have, must be considered as in one mighty camp, subject to military discipline, to do and to give whatever those in authority may direct. Some have leveled their anathemas at men who labor with their hands and have heretofore received wages of 8 and 10 and 15 dollars a day for work as civilians, while soldiers were suffering and dying in the trenches at a dollar a day. Others have directed their maledictions at the wholesalers and forestallers and engrossers and speculators and manipulators who cornered the market for essential commodities and demanded and received fabulous prices and profits, became millionaires in a day, and thus capitalized and commercialized the calamity of war and grew rich out of the necessities and sacrifices and sufferings of the Nation.

I feel compelled to say that progress in the direction of legislation, looking to a fairer and more just and more equal distribution of the hardships and inconveniences and sufferings of war, has been delayed by reason of the excessive claims and demands of some of the advocates of such legislation. Personally, I believe it would be unwise and imprudent and impracticable to undertake the conscription and militarization of manual laborers, whether for use upon shipbuilding, or housebuilding, or roadbuilding, or factory working, or farm working, or elsewhere. It is my belief that only the fighting forces and those agencies directly contributory thereto, such as medical, quartermaster, etc., should be taken from the civilian population by selective-service draft. To do otherwise would greatly dislocate, and might paralyze, industry, mining, and agriculture. The military authorities would not and could not know how to distribute the workers among the factories and farms. The psychological factor must not be ignored. Human beings are not machines. They have feelings and thoughts. There are limits beyond which they will not endure. The overwhelming majority of the people must first be convinced that a war is just and worthy of any sacrifice, even death, and then, when it is declared, public opinion, as well as force of law, will compel the acquiescence of any small dissenting minority into conformity with the plans and efforts of the Nation to raise and support and maintain the armies and navies.

NO MILITARIZATION OF INDUSTRIES

In like manner, enthusiasts and idealists have maintained that all the material property and all the financial resources of the Nation must be instantly poured into a mighty national war hopper, there to be employed as military experts may determine necessary in the conduct of war. Such a proposition is preposterous to practical minds. The men who in peace time have built and operated industries can operate them more efficiently in war than Army officers can. They know how to manage labor in order to get the most satisfactory results. If all property were appropriated and commandeered and dumped into the war machine, of course, there would be no incomes to be taxed, and, consequently, no sources of revenue wherewith to pay that just compensation required by the fifth amendment to the Constitution.

A SANE PROGRAM OF JUSTICE

Then what is a fair and reasonable program for the conduct of war so as to bring about a more just and equal distribution of the burdens of war? We believe that the war is the whole Nation's business. It is not the affair merely of those in the Army or the Navy. The soldiers and sailors have no more at stake than the civilians back home. The war is everybody's business. If the cause of the war is not such as to justify a contribution to the limit of his qualifications and capacities and resources by every citizen, then we ought not to be in the war, and Congress should carefully consider this aspect of the problem before declaring war. But this equalization cannot be theoretically and mathematically exact and ideal.

It is a practical world we live in, and war is an abnormal condition and, fortunately, very occasional and temporary, and should be so conducted as to result in the minimum of dislocation and demoralization of the existing order of things. Therefore, in addition to the exercise of the power of drafting soldiers and sailors by selective service, and in addition to the power to commandeer and take necessary physical property without delay, subject to consequent compensation, there are two outstanding measures that should be taken at the outbreak of another war. We should have our minds made up in advance on these matters and, if possible, the outlines of general legislation should be placed upon the statute books now and we should not wait until the heat and excitement and the tumult of war in order to legislate. The first of these is the stabilization of all prices. This can and must be done by the fiat of law. Only the emergency of war could justify such an artificial and unnatural mandate.

STOP PROFITEERING BY STABILIZING PRICES

The stabilization of prices as contemplated by those familiar with the details essential to carry out this program of seeking to equalize the burdens and inconveniences of war is not price fixing as ordinarily understood. It does not mean picking out different commodities and prescribing by statute the prices for which the same may be sold. But it does mean taking the prices of all commodities as they are found and ascertained to prevail in a free market at a fixed date, say, 90 days before the declaration of war, and prescribing that the prices so prevailing shall be observed in transactions between citizens and in transaction of citizens with the Government.

This is fair and just. The price of any commodity is a relative matter, economically considered. The real price is the quantity of commodity or service that must be given for a given commodity or the quantity of service or commodity that may be received for a given commodity. The excuse made during the war for the pyramiding of prices was that the raw material and labor, rent and interest, and other factors going into other commodities had risen and were continuing to rise, and, in order to meet these rises, the prices of manufactured articles must be raised. In turn, labor contended that what it had to buy and the rents it had to pay had gone up and it must have more wages. The merchants claimed that not only had commodities advanced but store rents advanced, clerk hire advanced, and taxes advanced, so that they must increase prices. These retail prices again, in their turn, affected the wages of the laborers and the prices of raw materials. So this vicious circle swung rapidly around, rising constantly higher and higher, to the terrific peak of more than 250 percent of normal prices. The stabilization of prices will eliminate such excuses for price boosting, and the result will be equality and fairness to all parties concerned.

PAY-AS-YOU-FIGHT PROGRAM

The next step that practical men, bent upon seeking, so far as possible, the ideal of justice among all citizens in the duty to make and carry on war, is to understand in advance that taxes, heavy taxes, burdensome taxes, will be imposed to meet the current expenses of the war. The slogan should be, as far as possible, to "pay as you fight", so that as the soldier sacrifices time and blood and life in carrying on at the front, the taxpayer back home, conducting his business, living with his family, shall contribute from his substance the material things necessary to satisfy the current demands of the fighting forces.

The issue of bonds to finance the war should be reduced to a minimum, if not entirely eliminated. Undoubtedly the tremendous inflation of credit and currency and prices during the World War was due in part to the stupendous issue of bonds. These bonds were largely carried by being floated at the banks, and the credit and currency of the people were almost doubled. But some may protest that to stabilize prices would eliminate war profiteering, and to eliminate bond issues would prevent inflation, so that there would be no unusual stimulus to business and, in fact, there might be an apparent stagnation, thus resulting in a diminution of incomes, which, in turn, would result in a diminution of income taxes; and if the war should be financed as fought, taxes might be so heavy as to amount in fact to a capital levy. That chain of argument is considered by its makers as reducing the pay-as-you-fight proposition to an ad absurdum. But I refuse to be frightened by the thought of even a capital levy in order to carry on war. At most it can but mean that a very small per-

centage of the existing capital reserves of the people shall be taken for the extraordinary and urgent needs of the Government in time of war.

HUMAN LIFE HIGHER THAN MATERIAL PROPERTY

Does not the man at the front, and all those under arms cooperating with him to make his fight effective, submit to a capital levy to a very real and even terrific degree? The best part of the assets and capital of the young man is his body, his health, his time—yea, his life. In order to defend the Nation, in order to make it secure to every man and woman within its bounds, in order that all may equally enjoy the blessings of this Nation the strongest and best of our young men are called out to give in unstinted measure the riches and vested rights of health and strength and life.

Is it fair, is it just, is it in conformity with that fundamental American conception of equality of rights and equality of obligations that some of our citizens should be called upon to give their all to defend the Nation's rights and life and others, at the same time, be not called upon to make a sacrifice of a small proportion of accumulated capital? I recall these words from the inaugural address of President Warren G. Harding, March 4, 1921: "There is something inherently wrong, something out of accord with the ideals of representative democracy, when one portion of our citizenship turns its activities to private gain amid defensive war while another portion is fighting, sacrificing, or dying for the national defense."

JUSTICE A FACTOR IN NATIONAL DEFENSE

To make effective such a program tending toward a just and fair distribution of the burdens of war is the greatest step in the scheme of national defense. It will mean that all the resources of the Nation will be directed instantly upon the outbreak of war to the making and gathering of such a combination of human, material, and financial resources as must be well-nigh irresistible. Further, it will mean that among the men who are fighting and directing, among those sacrificing and suffering, there will not rankle that sense of injustice and of unfairness at the thought that others are not only escaping from the obligations of such a service but are actually commercializing the Nation's needs and profiteering upon the Nation's peril. There is an inherent and indefinable consciousness in every human breast of what is just and fair and right. Education may clarify its definition, but can neither create nor destroy its existence.

"PAY AS YOU FIGHT" AND NO PROFITEERING INSURE PRUDENCE

While this program of invoking all the resources of the Nation to cooperate in one combined effort of war when war is inevitable insures military efficiency, yet it is at the same time one of the surest guaranties that our Nation will never embark upon an aggressive and unjust war. We are a peace-loving people. We know that we may best accomplish our mission to build up a great Christian civilization for the blessing of our own people and to serve as a shining example to all others only while peace prevails. But we are vividly conscious of our obligation to the ideals of the Republic. We feel that these ideals can only be achieved under conditions of undisputed national security. Much as we love peace and will insist to the limits of patience upon its preservation, yet, as a practical people knowing the plain lessons of history and the teachings of bitter experience, we refuse to live in a fool's paradise and to bury our heads in the sands of a false sense of security. But the program here outlined, of no war profits and of heavy war taxes, will prove an efficacious deterrent to the rash and ill-considered agitation of chauvinists and militarists. It will compel certain great financial interests that control the mighty metropolitan dailies to think carefully and to speak mildly in crucial times. If the capital that controls newspapers knows that it cannot profit and may suffer some of the burdens of war, it will be cautious and prudent in editorial utterances. The man on the street who knows that he is unfit by age or physical infirmity to bear a soldier's part in war will restrain his tongue and no longer agitate for war if he realizes that he must contribute of his substance, even to the point of sacrifice, in order to carry on the war.

RIGHTEOUS WAR OF DEFENSE

With all selfish motives of pride and profit by war eliminated, with the hysteria and delirium of war excitement checked and restrained by the thought of heavy financial burdens, we may feel sure that one motive, and one motive only, may ever impel the good people of this great Republic to take up arms against another nation. That motive will be the defense of either the physical integrity or of the international rights of the Nation. With a war caused by and based upon such a condition, with a situation confronting all the people that means either supine submission to a foreign will or fighting in defense of the Nation's rights and life, there can be no question but that any war declared by Congress will be a just war. Being just, being righteous, being backed by the heart and conscience of the overwhelming majority of the people, the law of selective service for human beings and a law to prevent profiteering by the stabilization of prices and to require the equitable contribution of the sinews of war by those having capital will not be a heartless mandate to compel the sullen obedience of the people to a harsh war program, but will be merely the legal measure of what all the people will cheerfully do to defend the Nation's cause.

A NEW AMERICAN SLOGAN

Therefore, are we not justified in advancing one step further in the crystallization of national ideals into well-remembered phrases that express the heart and soul of Americanism? For more than 125 years American citizens of all sections and of all parties have acknowledged that the essence of American institutions finds a voice in the phrase: "Equal rights to all and special privileges to none." To that incomparable expression of the peace-time policies of our Nation let us now, while the lessons of the late war are still fresh in every mind and heart, write upon the statute books of this Republic laws looking toward the equalization of the obligations and hardships of war, and phrase this other epitome of the American war-time policy thus: "Equal burdens and equal sacrifices for all and special privileges and special profits to none."

(The Commission thereupon adjourned subject to the call of the chairman.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. DUFFEY of Ohio, indefinitely, on account of illness.

Mr. SABATH, for 10 days, on account of illness in family.

RECESS

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House stand in recess until 12 o'clock on Monday next.

The motion was agreed to; accordingly (at 1 o'clock and 20 minutes p. m.) the House stood in recess until Monday, January 7, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

86. A letter from the Secretary of War, transmitting the annual report of the activities of the National Board for the Promotion of Rifle Practice for the fiscal year 1934; to the Committee on Military Affairs.

87. A letter from the Clerk of the House of Representatives, transmitting the annual report of the Columbia Institution for the Deaf as required by section 4867, volume 23, of the United States Statutes at Large; to the Committee on Expenditures in the Executive Departments.

88. A letter from the Clerk of the House of Representatives, transmitting report for the period from July 1, 1933, to June 30, 1934, both inclusive, giving names of statutory and contingent-fund employees of the House and their respective compensations, including clerks to Members, and the expenditures from the contingent fund and from certain specific appropriations; to the Committee on Accounts.

89. A letter from the Clerk of the House of Representatives, transmitting the annual report of the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., covering the period November 1, 1933, to October 31, 1934 (H. Doc. No. 78); to the Committee on Foreign Affairs, and ordered to be printed.

90. A letter from the Public Printer, transmitting the annual report of the operations of the Government Printing Office for the fiscal year ended June 30, 1934, and the calendar year 1934; to the Committee on Printing.

91. A letter from the Administrative Assistant to the Secretary of the Treasury, transmitting reports from the Departments of Commerce, Interior, and War, and the United States Shipping Board relative to money received during the fiscal year ended June 30, 1934, which was not paid into the general fund of the United States Treasury, and the payments, if any, made from such money during such fiscal year; also 26 reports from the heads of other departments or independent establishments; to the Committee on Expenditures in the Executive Departments.

92. A letter from the Administrative Assistant to the Secretary of the Treasury, transmitting a report of rental collections on account of public buildings and sites, privileges, and ground rent, under the control of the Treasury Department, outside of the District of Columbia, for the fiscal year ended June 30, 1934, as communicated by the office manager, Procurement Division, Public Works branch, Treasury Department, under date of December 27, 1934; to the Committee on Expenditures in the Executive Departments.

93. A letter from the Postmaster General, transmitting report of the operations of the Postal Savings System for the fiscal year ended June 30, 1934 (H. Doc. No. 20); to the Committee on the Post Office and Post Roads, and ordered to be printed.

94. A letter from the Board of Directors of the Tennessee Valley Authority, transmitting its first annual report covering the period between its organization on June 16, 1933, and June 30, 1934; to the Committee on Military Affairs, and ordered to be printed.

95. A letter from the Administrative Assistant to the Secretary of the Treasury, transmitting report showing refunds of internal revenue in excess of $500 approved by the Bureau of Internal Revenue during the fiscal year ended June 30, 1934, and forwarded to the disbursing clerk, Treasury Department, for payment or to the General Accounting Office for direct settlement; to the Committee on Expenditures in the Executive Departments.

96. A letter from the Secretary of War, transmitting an annual report of the sale of war supplies; disposal of surplus property in the possession of the War Department within the United States, as shown by reports received from the various field agencies during the period October 15, 1933, to October 15, 1934, inclusive; to the Committee on Expenditures in the Executive Departments.

97. A letter from the Postmaster General, transmitting a report on all moneys expended by him for transportation of the mail by air under the provisions of section 6 of Public Law No. 140, Seventy-third Congress; to the Committee on the Post Office and Post Roads.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H. R. 2879) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 2880) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 2881) authorizing the adjustment of contracts for the sale of timber on the national forests, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 2882) to provide that transferors for collection of negotiable instruments shall be preferred creditors of national banks in certain cases; to the Committee on Banking and Currency.

Also, a bill (H. R. 2883) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. CELLER: A bill (H.R. 2884) creating the Statutory Rules and Regulations Publication Act of 1935; to the Committee on the Judiciary.

By Mr. DIES: A bill (H. R. 2885) to provide for the deportation of certain alien seamen, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. DUNN of Pennsylvania: A bill (H. R. 2886) to provide $100,000,000,000, which shall be expended to furnish employment and to end poverty in the United States; to the Committee on Ways and Means.

By Mr. HARLAN: A bill (H. R. 2887) to provide a tax on the transfers of estates of decedents; to the Committee on the District of Columbia.

By Mr. LEA of California: A bill (H. R. 2888) to provide for the payment to veterans of the present value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. MEAD: A bill (H. R. 2889) to fix the hours of duty of postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2890) fixing annual compensation for postmasters of the fourth class; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2891) to authorize the payment of annuities withheld from employees retired from active service during the month of July 1932 under the provisions of the economy law; to the Committee on the Civil Service.

Also, a bill (H. R. 2892) to recognize seniority of service in promotions and assignments of clerks in first- and second-class post offices; to the Committee on the Post Office and Post Roads.

By Mrs. NORTON: A bill (H. R. 2893) to provide for a technical staff in the Bureau of Navigation and Steamboat Inspection of the Department of Commerce, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. PEYSER: A bill (H. R. 2894) to provide a terminal aviation field at Governors Island, N. Y., and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 2895) authorizing appropriations to increase the flying-field area of Governors Island, N. Y.; to the Committee on Military Affairs.

By Mr. PIERCE: A bill (H. R. 2896) authorizing the Snake or Piute Tribe of Indians of the former Malheur Indian Reservation of Oregon to sue in the Court of Claims; to the Committee on Indian Affairs.

By Mr. RAMSPECK: A bill (H. R. 2897) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

By Mr. SEARS: A bill (H. R. 2898) to provide for the manufacture of citrus-fruit brandy and the use of such brandy in the fortification of citrus wines; to the Committee on Ways and Means.

By Mr. STEFAN: A bill (H. R. 2899) to authorize and request appointment of a commission to study the "farm dollar"; to the Committee on Agriculture.

By Mr. WADSWORTH: A bill (H. R. 2900) to make further provision concerning the method of amending the Constitution of the United States; to the Committee on the Judiciary.

By Mr. WEAVER: A bill (H. R. 2901) to amend section 51 of chapter 2, title 45, of the Code of Laws of the United States of America; to the Committee on Interstate and Foreign Commerce.

By Mr. WELCH: A bill (H. R. 2902) to extend the benefits of the United States Public Health Service to fishermen, trapmen, net tenders, and other persons subject to the laws relating to American seamen; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 2903) to provide that the prevailing rate of wages shall be paid to laborers and mechanics employed in the construction of Federal-aid highways, and for other purposes; to the Committee on Roads.

Also, a bill (H. R. 2904) to amend subsection (d) of section 11 of the Merchant Marine Act of June 5, 1920, as amended by section 301 of the Merchant Marine Act of May 22, 1928; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 2905) to grant to the State of California a retrocession of jurisdiction over certain rights-of-way granted to the State of California over certain roads about to be constructed in the Presidio of San Francisco Military Reservation and Fort Baker Military Reservation; to the Committee on Military Affairs.

Also, a bill (H. R. 2906) to authorize a lower rate of interest under certain circumstances for construction loans in the case of vessels built on the Pacific coast; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. ZIONCHECK: A bill (H. R. 2907) to amend section 215 of the act of June 30, 1932 (Public, No. 212, 72d Cong.), by restoring vacations to Government employees; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2908) to amend section 4426 of the Revised Statutes of the United States as amended by the act of Congress approved May 16, 1906; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 2909) to extend sick leave to all Government employees; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 2910) to authorize the Secretary of the Navy to proceed with the construction of certain public

works, and for other purposes; to the Committee on Naval Affairs.

By Mr. BLANTON: Resolution (H. Res. 30) providing for making in order as an amendment on the legislative appropriation bill H. R. 1, to require immediate payment of adjusted-service certificates to World War veterans; to the Committee on Rules.

By Mr. THOMAS: Resolution (H. Res. 31) relative to a review of the report contained in House Document No. 149, Fifty-sixth Congress; to the Committee on Rivers and Harbors.

By Mr. DEMPSEY: Joint resolution (H. J. Res. 58) to provide for defraying the expenses of the American section, International Boundary Commission, United States and Mexico; to the Committee on Foreign Affairs.

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PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCK: A bill (H. R. 2911) granting an increase of pension to Joseph W. Hicks; to the Committee on Pensions.

By Mr. CANNON of Wisconsin: A bill (H. R. 2912) for the relief of Carl Walter Olsen; to the Committee on Naval Affairs.

Also, a bill (H. R. 2913) for the relief of Mike Bankers; to the Committee on Military Affairs.

Also, a bill (H. R. 2914) for the relief of Ilija Rasheta; to the Committee on Military Affairs.

Also, a bill (H. R. 2915) for the relief of Steve Gibas; to the Committee on Military Affairs.

Also, a bill (H. R. 2916) for the relief of Frank E. Turner; to the Committee on Military Affairs.

Also, a bill (H. R. 2917) for the relief of Peter Karampelis; to the Committee on Claims.

By Mr. CARY: A bill (H. R. 2918) to authorize the transfer of certain land in Hopkins County, Ky., to James D. Meadors; to the Committee on World War Veterans' Legislation.

By Mr. COLLINS: A bill (H. R. 2919) granting a pension to Deborah Hacklander; to the Committee on Pensions.

Also, a bill (H. R. 2920) for the relief of Charles W. Harlow; to the Committee on Claims.

Also, a bill (H. R. 2921) granting an increase of pension to Marion Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2922) granting a pension to Kittie A. Love; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2923) for the relief of Misner Jane Humphrey; to the Committee on Naval Affairs.

Also, a bill (H. R. 2924) granting a pension to Frances C. Liebman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2925) for the relief of Ralph C. Irwin; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2926) for the relief of Alvah Holmes Mitchell; to the Committee on War Claims.

Also, a bill (H. R. 2927) for the relief of Milton Augustus Roberson; to the Committee on Naval Affairs.

By Mr. ENGLEBRIGHT: A bill (H. R. 2928) to confer jurisdiction upon the United States District Court for the Northern District of California to determine the claim of Madelena Carattini; to the Committee on the Judiciary.

By Mr. KELLY: A bill (H. R. 2929) for the relief of Henry H. Eno; to the Committee on Military Affairs.

By Mr. GEARHART: A bill (H. R. 2930) granting a pension to James W. Daugherty; to the Committee on Pensions.

By Mr. McLEOD: A bill (H. R. 2931) to provide for the appointed of Gerard Farmer (demobilized Army field clerk United States Army, July 1, 1921) to the grade of warrant officer, unassigned, United States Army, and immediate retirement from the service; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 2932) for the relief of the International-Great Northern Railroad Co.; to the Committee on Claims.

By Mr. PEYSER: A bill (H. R. 2933) for the relief of Cohen, Goldman & Co., Inc.; to the Committee on Claims.

By Mr. RAMSPECK: A bill (H. R. 2934) to allow the Distinguished Service Cross for service in the World War to be awarded to Pvt. Lewis Hazard; to the Committee on Military Affairs.

Also, a bill (H. R. 2935) for the relief of A. N. Ross; to the Committee on Claims.

Also, a bill (H. R. 2936) for the relief of J. H. Taylor & Son; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 2937) granting a pension to Evelyn C. Devereaux; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2938) granting a pension to Alice Hultberg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2939) granting a pension to Hannah H. Widdifield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2940) granting a pension to Addie J. Wheeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2941) granting a pension to Lizzie S. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2942) granting a pension to Kittie Grace Bozard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2943) granting an increase of pension to Mary L. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2944) granting an increase of pension to Carrie Abell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2945) granting an increase of pension to Jenettie E. Evans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2946) granting an increase of pension to Candis M. Frank; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2947) granting an increase of pension to Lelia Walter Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2948) granting an increase of pension to Susan C. Stanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2949) granting an increase of pension to Maria C. Atherly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2950) granting an increase of pension to Ella G. Millspaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2951) granting an increase of pension to Miriam E. Crampton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2952) granting an increase of pension to Elizabeth Mangan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2953) granting an increase of pension to Martha F. Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2954) granting an increase of pension to Mae E. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2955) granting an increase of pension to Delphina Fox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2956) granting an increase of pension to Minnie Seeley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2957) granting an increase of pension to Selena S. Luxford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2958) granting an increase of pension to Emma Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2959) granting an increase of pension to Hattie Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2960) granting an increase of pension to Betsey A. Noble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2961) granting an increase of pension to Augusta C. Bittmayer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2962) granting an increase of pension to Lucinda P. Ayers; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 2963) granting a pension to James G. Carr; to the Committee on Pensions.

Also, a bill (H. R. 2964) granting an increase of pension to Lawrence Waldroup; to the Committee on Pensions.

Also, a bill (H. R. 2965) granting a pension to Walter J. Shadoan; to the Committee on Pensions.

Also, a bill (H. R. 2966) granting a pension to Katherine Slusher; to the Committee on Pensions.

Also, a bill (H. R. 2967) granting a pension to James E. Petrey; to the Committee on Pensions.

Also, a bill (H. R. 2968) granting a pension to Henry Davenport; to the Committee on Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 2969) granting death compensation benefits to Lena Klotz; to the Committee on Claims.

Also, a bill (H. R. 2970) for the relief of Jose Munden; to the Committee on Claims.

Also, a bill (H. R. 2971) for the relief of Mrs. Dave Richmond; to the Committee on Claims.

Also, a bill (H. R. 2972) for the relief of Willie B. Whiteside; to the Committee on Military Affairs.

Also, a bill (H. R. 2973) for the relief of the Farmers & Merchants National Bank, of Gilmer, Tex.; to the Committee on Claims.

Also, a bill (H. R. 2974) for the relief of Frank W. Childress; to the Committee on Claims.

By Mr. SCHAEFER: A bill (H. R. 2975) granting an increase of pension to Katharina Reis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2976) granting an increase of pension to Mary E. Straube; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2977) granting a pension to Antonia Kuehn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2978) for the relief of Eustace Parks; to the Committee on Claims.

Also, a bill (H. R. 2979) granting a pension to Martha Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2980) for the relief of Earl Choat; to the Committee on Naval Affairs.

Also, a bill (H. R. 2981) for the relief of Malcolm Bennett; to the Committee on Naval Affairs.

Also, a bill (H. R. 2982) for the relief of Sarah Shelton; to the Committee on Claims.

Also, a bill (H. R. 2983) granting a pension to Sarah E. Linder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2984) granting a pension to Nettie E. Campbell; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 2985) granting an increase of pension to Elmira J. Earhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2986) granting a pension to Milton Warner; to the Committee on Invalid Pensions.

By Mr. SOUTH: A bill (H. R. 2987) for the relief of E. W. Tarrence; to the Committee on Claims.

By Mr. SUTPHIN: A bill (H. R. 2988) for the relief of Charles W. Morgan; to the Committee on the Civil Service.

By Mr. WELCH: A bill (H. R. 2989) for the relief of Ernst Nussbaum; to the Committee on Claims.

Also, a bill (H. R. 2990) granting a pension to Julius Hansen; to the Committee on Pensions.

Also, a bill (H. R. 2991) for the relief of Mark D. Moad; to the Committee on Military Affairs.

By Mr. ZIONCHECK: A bill (H. R. 2992) for the relief of John E. Meehan; to the Committee on Military Affairs.

Also, a bill (H. R. 2993) granting a pension to Nellie Haag; to the Committee on Pensions.

Also, a bill (H. R. 2994) granting a pension to Adah C. Seed; to the Committee on Pensions.

Also, a bill (H. R. 2995) granting an annuity to John O. Jones; to the Committee on the Civil Service.

Also, a bill (H. R. 2996) for the relief of Raymond H. Weller; to the Committee on Military Affairs.

Also, a bill (H. R. 2997) granting a pension to Harriett Ware; to the Committee on Pensions.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

34. By Mr. PFEIFER: Petition of the National Association of Letter Carriers, favoring repeal of the salary reduction; to the Committee on Appropriations.

35. By Mr. SANDERS of Texas: Petition of citizens of Smith County, Tex., urging passage of legislation providing for an old-age pension; to the Committee on Labor.

36. Also, resolution of the Independent Petroleum Association of America, adopted at annual meeting in Fort Worth, December 7, 1934, asking for continuance of present excise taxes on foreign petroleum and its products, and also proposed increase on certain of these taxes and a new excise tax on imported asphalt; to the Committee on Ways and Means.

37. Also, petition of J. H. Warren and numerous other citizens of Thomas, Tex., urging passage of an old-age pension; to the Committee on Labor.

38. By Mr. WOODRUFF: Petition of John R. Gardner and residents of Coleman, Mich., favoring adoption of the Townsend old-age-pension bill; to the Committee on Labor.

39. By Mr. TREADWAY: Petition of employees of T. Morey & Son, book manufacturers, of Greenfield, Mass., protesting against the enactment of a 30-hour-labor law; to the Committee on Labor.

# SENATE

## MONDAY, JANUARY 7, 1935

*(Legislative day of Thursday, Jan. 3, 1935)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

HUEY P. LONG, a Senator from the State of Louisiana; PATRICK A. MCCARRAN, a Senator from the State of Nevada; and LOUIS MURPHY, a Senator from the State of Iowa, appeared in their seats today.

### THE JOURNAL

On motion of Mr. ROBINSON, and by unanimous consent, the reading of the Journal for the calendar day of Friday, January 4, was dispensed with, and the Journal was approved.

### SENATOR FROM NEW MEXICO

The VICE PRESIDENT laid before the Senate the credentials of CARL A. HATCH, chosen a Senator from the State of New Mexico to fill the vacancy in the term ending January 3, 1937, caused by the resignation of Sam G. Bratton, which were ordered to be placed on file and to be printed in the RECORD, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 CARL A. HATCH was duly chosen by the qualified electors of the State of New Mexico a Senator from said State to fill the vacancy in the term ending January 3, 1937, caused by the resignation of Sam G. Bratton.

Done at the executive office this the 2d day of January 1935.

Witness my hand and the great seal of the State of New Mexico.

CLYDE TINGLEY, *Governor.*

Attest:

[SEAL]

ELIZABETH F. GONZALES,
*Secretary of State.*

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

### ELECTION OF PRESIDENT PRO TEMPORE

Mr. ROBINSON. Mr. President, I move that the Senate proceed to the election of a President pro tempore.

Mr. MCNARY. Mr. President, may we not have a call of the Senate before the motion is submitted?

Mr. ROBINSON. Very well. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Copeland | Johnson | Pope |
| Ashurst | Costigan | Keyes | Radcliffe |
| Austin | Couzens | King | Reynolds |
| Bachman | Cutting | Lewis | Robinson |
| Bailey | Davis | Logan | Russell |
| Bankhead | Dickinson | Lonergan | Schall |
| Barkley | Dieterich | Long | Schwellenbach |
| Bilbo | Donahey | Maloney | Sheppard |
| Black | Duffy | McCarran | Shipstead |
| Bone | Fletcher | McGill | Smith |
| Borah | George | McNary | Steiwer |
| Brown | Gerry | Metcalf | Thomas, Okla. |
| Bulkley | Glass | Minton | Thomas, Utah |
| Bulow | Gore | Moore | Trammell |
| Burke | Guffey | Murphy | Truman |
| Byrnes | Hale | Murray | Vandenberg |
| Capper | Harrison | Neely | Van Nuys |
| Caraway | Hastings | Norris | Wagner |
| Connally | Hatch | O'Mahoney | Wheeler |
| Coolidge | Hayden | Pittman | White |

Mr. LEWIS. I have been requested by the Senator from Missouri [Mr. CLARK] to announce his absence today, occasioned by illness, and to say that he will be present tomorrow to carry out his intention of addressing the Senate as contemplated.

I announce the absence of the Senator from California [Mr. MCADOO], the Senator-elect from Tennessee [Mr. MCKELLAR], and the Senator from Maryland [Mr. TYDINGS], all being engaged on a Philippine commission.

I announce the absence of the junior Senator from Louisiana [Mr. OVERTON] occasioned by illness.

I also announce the absence of the Senator from Massachusetts [Mr. WALSH], who is detained in his home State on official business.

The junior Senator from Virginia [Mr. BYRD] is unavoidably detained from the Senate.

Mr. AUSTIN. My colleague [Mr. GIBSON] is necessarily absent in the Philippine Islands on the business of the Senate.

I also desire to announce the unavoidable absence of the Senator from South Dakota [Mr. NORBECK], the Senator from North Dakota [Mr. FRAZIER], the Senator from New Jersey [Mr. BARBOUR], the Senator from North Dakota [Mr. NYE], and the Senator from Delaware [Mr. TOWNSEND].

The Senator from Wyoming [Mr. CAREY] is necessarily absent on account of a death in his family.

The VICE PRESIDENT. Eighty Senators have answered to their names. A quorum is present.

The motion of the Senator from Arkansas [Mr. ROBINSON] to proceed to the election of the President pro tempore is the pending question.

The motion was agreed to.

Mr. ROBINSON. Mr. President, I submit a privileged resolution and ask for its immediate consideration.

The resolution (S. Res. 12) was read, as follows:

*Resolved*, That Hon. KEY PITTMAN, a Senator from the State of Nevada, be, and he hereby is, elected President of the Senate pro tempore, to hold office during the pleasure of the Senate, in accordance with the resolution of the Senate adopted on the 12th day of March 1890 on the subject.

Mr. MCNARY. Mr. President, I move to amend the resolution by striking out the name of Senator PITTMAN and substituting therefor the name of Senator VANDENBERG.

Mr. ROBINSON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. AUSTIN (when Mr. GIBSON's name was called). I have heretofore announced the necessary absence of my colleague [Mr. GIBSON], which announcement I should like to have stand for the day. My colleague has a general pair with the Senator from California [Mr. MCADOO]. If my colleague were present, he would vote "yea."

Mr. HASTINGS (when Mr. TOWNSEND's name was called). I desire to announce the necessary absence of my colleague [Mr. TOWNSEND], and to state that if present he would vote "yea."

The roll call was concluded.

Mr. BULKLEY. I have a general pair with the Senator from Wyoming [Mr. CAREY], which I transfer to the Senator from Missouri [Mr. CLARK], and will vote. I vote "nay."

Mr. LEWIS. I have been requested to state that the Senator from Virginia [Mr. BYRD], the Senator from Missouri [Mr. CLARK], the Senator from Massachusetts [Mr. WALSH], the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], the Senator from Louisiana [Mr. OVERTON], and the Senator-elect from Tennessee [Mr. MCKELLAR] are all necessarily absent; and if present, would vote "nay."

Mr. METCALF (after having voted in the affirmative). I transfer my general pair with the Senator from Maryland [Mr. TYDINGS] to the Senator from New Jersey [Mr. BARBOUR], and will let my vote stand.

The result was announced—yeas 15, nays 63, as follows:

YEAS—15

| | | | |
|---|---|---|---|
| Austin | Davis | Keyes | Schall |
| Capper | Dickinson | McNary | Steiwer |
| Couzens | Hale | Metcalf | White |
| Cutting | Hastings | Norris | |

NAYS—63

| | | | |
|---|---|---|---|
| Adams | Connally | Johnson | Radcliffe |
| Ashurst | Coolidge | King | Reynolds |
| Bachman | Copeland | Lewis | Robinson |
| Bailey | Costigan | Logan | Russell |
| Bankhead | Dieterich | Lonergan | Schwellenbach |
| Barkley | Donahey | Long | Sheppard |
| Bilbo | Duffy | Maloney | Shipstead |
| Black | Fletcher | McCarran | Smith |
| Bone | George | McGill | Thomas, Okla. |
| Borah | Gerry | Minton | Thomas, Utah |
| Brown | Glass | Moore | Trammell |
| Bulkley | Gore | Murphy | Truman |
| Bulow | Guffey | Murray | Van Nuys |
| Burke | Harrison | Neely | Wagner |
| Byrnes | Hatch | O'Mahoney | Wheeler |
| Caraway | Hayden | Pope | |

NOT VOTING—16

| | | | |
|---|---|---|---|
| Barbour | Frazier | Norbeck | Townsend |
| Byrd | Gibson | Nye | Tydings |
| Carey | La Follette | Overton | Vandenberg |
| Clark | McAdoo | Pittman | Walsh |

So Mr. MCNARY's amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the resolution offered by the Senator from Arkansas [Mr. ROBINSON].

The resolution was agreed to.

Mr. PITTMAN, escorted by Mr. ROBINSON, advanced to the Vice President's desk, and the oath of office was administered to him.

NOTIFICATION TO THE PRESIDENT

Mr. ROBINSON submitted a resolution (S. Res. 13), which was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the President of the United States be notified of the election of Hon. KEY PITTMAN, a Senator from the State of Nevada, as President of the Senate pro tempore.

NOTIFICATION TO HOUSE OF REPRESENTATIVES

Mr. ROBINSON submitted a resolution (S. Res. 14), which was read, considered by unanimous consent, and agreed to, as follows:

*Resolved*, That the House of Representatives be notified of the election of Hon. KEY PITTMAN, a Senator from the State of Nevada, as President of the Senate pro tempore.

STANDING COMMITTEES OF THE SENATE

Mr. ROBINSON. Mr. President, I offer a privileged resolution, and ask that it be read and considered at this time.

The VICE PRESIDENT. The resolution will be read.

The legislative clerk read the resolution (S. Res. 15), as follows:

*Resolved*, That paragraph 1 of rule XXV of the standing rules of the Senate be, and it is hereby, amended so as to read as follows:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise:

"Committee on Agriculture and Forestry, to consist of 19 Senators.

"Committee on Appropriations, to consist of 24 Senators.

"Committee to Audit and Control the Contingent Expenses of the Senate, to consist of four Senators, to which shall be referred all resolutions directing the payment of money out of the contingent fund of the Senate or creating a charge upon the same: *Provided*, That any such resolution relating to substantive matter within the jurisdiction of any other standing committee of the Senate shall be first referred to such committee.

"Committee on Banking and Currency, to consist of 20 Senators.

"Committee on Civil Service, to consist of 10 Senators.

"Committee on Claims, to consist of 13 Senators.

"Committee on Commerce, to consist of 20 Senators.

"Committee on the District of Columbia, to consist of 15 Senators.

"Committee on Education and Labor, to consist of 13 Senators.

"Committee on Enrolled Bills, to consist of three Senators, who shall examine all bills, amendments, and joint resolutions before they go out of the possession of the Senate, and which shall have power to act jointly with the same committee of the House of Representatives, and which, or some one of which, shall examine all bills or joint resolutions which shall have passed both Houses, to see that the same are correctly enrolled, and, when signed by the Speaker of the House and President of the Senate, shall forthwith present the same, when they shall have originated in the Senate, to the President of the United States in person, and report the fact and date of such presentation to the Senate.

"Committee on Expenditures in the Executive Departments, to consist of seven Senators.

"Committee on Finance, to consist of 21 Senators.

"Committee on Foreign Relations, to consist of 23 Senators.

"Committee on Immigration, to consist of 14 Senators.

"Committee on Indian Affairs, to consist of 14 Senators.
"Committee on Interoceanic Canals, to consist of eight Senators.
"Committee on Interstate Commerce, to consist of 20 Senators.
"Committee on Irrigation and Reclamation, to consist of 17 Senators.
"Committee on the Judiciary, to consist of 18 Senators.
"Committee on the Library, to consist of 10 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
"Committee on Manufactures, to consist of 13 Senators.
"Committee on Military Affairs, to consist of 17 Senators.
"Committee on Mines and Mining, to consist of 13 Senators.
"Committee on Naval Affairs, to consist of 17 Senators.
"Committee on Patents, to consist of seven Senators.
"Committee on Pensions, to consist of 10 Senators.
"Committee on Post Offices and Post Roads, to consist of 19 Senators.
"Committee on Printing, to consist of seven Senators, which shall have power to act jointly with the same committee of the House of Representatives.
"Committee on Privileges and Elections, to consist of 17 Senators.
"Committee on Public Buildings and Grounds, to consist of 14 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
"Committee on Public Lands and Surveys, to consist of 15 Senators.
"Committee on Rules, to consist of 13 Senators.
"Committee on Territories and Insular Affairs, to consist of 17 Senators."

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. ROBINSON. On behalf of the majority, I submit the names which I send to the desk for membership on the various committees of the Senate.

Mr. McNARY. On behalf of the Republican conference, I submit the minority assignments to the various committees.

The VICE PRESIDENT. The assignments will be read.

The Chief Clerk read the assignments.

The VICE PRESIDENT. Without objection, the two assignments will be considered together.

Mr. ROBINSON. I move the adoption of an order incorporating the names just read.

The order was read and agreed to, as follows:

*Ordered*, That the following shall constitute the standing committees of the Senate of the Seventy-fourth Congress:

On Agriculture and Forestry: Messrs. Smith (chairman), Wheeler, Thomas of Oklahoma, McGill, Bankhead, Bulow, Mrs. Caraway, Messrs. Murphy, Pope, Hatch, Bilbo, Moore, Schwellenbach, Norris, McNary, Capper, Norbeck, Frazier, and Shipstead.

On Appropriations: Messrs. Glass (chairman), McKellar, Copeland, Hayden, Thomas of Oklahoma, Byrnes, Tydings, Russell, Coolidge, Adams, McCarran, Overton, Bankhead, O'Mahoney, McAdoo, Truman, Hale, Keyes, Nye, Steiwer, Norbeck, Dickinson, Townsend, and Carey.

To Audit and Control the Contingent Expenses of the Senate: Messrs. Byrnes (chairman), Tydings, Bachman, and Townsend,

On Banking and Currency: Messrs. Fletcher (chairman), Glass, Wagner, Barkley, Bulkley, Gore, Costigan, Reynolds, Byrnes, Bankhead, McAdoo, Adams, Maloney, Radcliffe, Norbeck, Townsend, Carey, Couzens, Steiwer, and Cutting.

On Civil Service: Messrs. Bulow (chairman), McKellar, George, Logan, Neely, Dieterich, Byrd, White, Gibson, and Frazier.

On Claims: Messrs. Bailey (chairman), Trammell, Black, Coolidge, Logan, Burke, Schwellenbach, ———, Capper, Townsend, White, Gibson, and ———.

On Commerce: Messrs. Copeland (chairman), Fletcher, Sheppard, Bailey, Mrs. Caraway, Messrs. Clark, Murphy, Overton, Bachman, Bilbo, Donahey, Guffey, Maloney, Radcliffe, McNary, Johnson, Nye, Vandenberg, White, and Gibson.

On the District of Columbia: Messrs. King (chairman), Glass, Copeland, Tydings, Gore, Lewis, Bankhead, McCarran, Reynolds, Bilbo, Capper, Carey, Austin, Couzens, and ———.

On Education and Labor: Messrs. Walsh (chairman), Copeland, Trammell, Black, Murphy, Thomas of Utah, Murray, Donahey, ———, Borah, Metcalf, La Follette, Jr., and Davis.

On Enrolled Bills: Mrs. Caraway (chairman), Messrs. Lonergan and Vandenberg.

On Expenditures in the Executive Departments: Messrs. Lewis (chairman), Wagner, Van Nuys, ———, ———, Hastings, and Davis.

On Finance: Messrs. Harrison (chairman), King, George, Walsh, Barkley, Connally, Gore, Costigan, Bailey, Clark, Byrd, Lonergan, Black, Gerry, Guffey, Couzens, Keyes, La Follette, Jr., Metcalf, Hastings, and Capper.

On Foreign Relations: Messrs. Pittman (chairman), Robinson, Harrison, George, Black, Wagner, Connally, Lewis, Bachman, Thomas of Utah, Van Nuys, Duffy, Pope, Bulkley, Murray, ———, Borah, Johnson, Capper, La Follette, Jr., Vandenberg, Cutting, and Shipstead.

On Immigration: Messrs. Coolidge (chairman), King, Copeland, McGill, Russell, Maloney, Moore, Schwellenbach, ———, ———, Johnson, Keyes, Austin, and Shipstead.

On Indian Affairs: Messrs. Thomas of Oklahoma (chairman), Wheeler, Ashurst, Bulow, Coolidge, Hatch, O'Mahoney, Donahey, ———, Frazier, Schall, La Follette, Jr., Steiwer, and Norbeck.

On Interoceanic Canals: Messrs. Gore (chairman), Trammell, Clark, Long, Duffy, ———, Schall, and Barbour.

On Interstate Commerce: Messrs. Wheeler (chairman), Smith, Wagner, Barkley, Neely, Dieterich, Lonergan, Long, Brown, Bone, Donahey, Minton, Moore, Truman, Couzens, Metcalf, Hastings, White, Davis, and Shipstead.

On Irrigation and Reclamation: Messrs. Adams (chairman), Sheppard, Pittman, Ashurst, Bankhead, Pope, McCarran, Overton, Hatch, O'Mahoney, Burke, ———, McNary, Johnson, Townsend, Carey, and Cutting.

On the Judiciary: Messrs. Ashurst (chairman), King, Neely, Long, Van Nuys, McCarran, Logan, Dieterich, McGill, Hatch, Burke, ———, ———, Borah, Norris, Hastings, Schall, and Austin.

On the Library: Messrs. Barkley (chairman), McKellar, Thomas of Oklahoma, Mrs. Caraway, Bilbo, Moore, Radcliffe, Norbeck, Barbour, and Gibson.

On Manufactures: Messrs. Bulkley (chairman), Smith, Sheppard, Costigan, Russell, Brown, Overton, Gerry, Guffey, Metcalf, La Follette, Jr., Cutting, and Barbour.

On Military Affairs: Messrs. Sheppard (chairman), Fletcher, Black, Lewis, Coolidge, Logan, Reynolds, Bachman, Duffy, Thomas of Utah, Minton, Schwellenbach, Cutting, Carey, Dickinson, Austin, and Barbour.

On Mines and Mining: Messrs. Logan (chairman), Pittman, Hayden, Fletcher, Bulow, Pope, Thomas of Utah, Guffey, ———, ———, Frazier, Davis, and McNary.

On Naval Affairs: Messrs. Trammell (chairman), Walsh, Tydings, Smith, McGill, Russell, Bone, Byrd, Dietrich, Brown, Gerry, ———, Hale, Metcalf, Davis, Keyes, and Johnson.

On Patents: Messrs. McAdoo (chairman), Smith, Trammell, Bone, Radcliffe, Norris, and White.

On Pensions: Messrs. McGill (chairman), Wheeler, Walsh, Bulkley, Lonergan, Thomas of Utah, Minton, Schall, Frazier, and Shipstead.

On Post Offices and Post Roads: Messrs. McKellar (chairman), Trammell, Hayden, Bailey, Bulow, Byrnes, Logan, Brown, O'Mahoney, Murray, Burke, ———, ———, Schall, Frazier, La Follette, Jr., Barbour, Davis, and Gibson.

On Printing: Messrs. Hayden (chairman), Fletcher, Walsh, Black, Truman, Vandenberg, and Dickinson.

On Privileges and Elections: Messrs. George (chairman), King, Smith, Connally, Bulkley, Gore, Logan, Bachman, Brown, Duffy, Hatch, Minton, Hastings, Austin, Dickinson, Johnson, and Nye.

On Public Buildings and Grounds: Messrs. Connally (chairman), Ashurst, Trammell, Tydings, Walsh, Long, Maloney, Truman, ———, Keyes, Dickinson, Austin, Barbour, and Shipstead.

On Public Lands and Surveys: Messrs. Wagner (chairman), Pittman, Ashurst, Adams, Hatch, O'Mahoney, Costigan, Murray, ———, ———, Norbeck, Nye, Cutting, Steiwer, and Carey.

On Rules: Messrs. Neely (chairman), Robinson, Copeland, Harrison, McKellar, Black, Adams, Byrd, Lewis, Hale, Steiwer, Dickinson, and Vandenberg.

On Territories and Insular Affairs: Messrs. Tydings (chairman), Pittman, Hayden, King, Robinson, Clark, Reynolds, Bone, McKellar, McAdoo, Wheeler, Gerry, Nye, Metcalf, Vandenberg, McNary, and White.

CLAIMS OF SANFORD A. M'ALISTER AND ELIZA L. M'ALISTER

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claims of Sanford A. McAlister and Eliza L. McAlister against the United States, which, with the accompanying report, was referred to the Committee on Claims.

CLAIM OF ELDA GEER

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of Elda Geer against the United States, which, with the accompanying report, was referred to the Committee on Claims.

CLAIM OF WEST INDIA OIL CO.

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of West India Oil Co. against the United States, which, with the accompanying report, was referred to the Committee on Claims.

FILLING OF VACANCIES IN CERTAIN BRANCHES OF THE GOVERNMENT (S. DOC. NO. 9)

The VICE PRESIDENT laid before the Senate a letter from the Acting Director of the Bureau of the Budget, transmitting, pursuant to law, a statement of the reports submitted by the executive departments and independent establishments and the municipal government of the District of Columbia showing the number of vacant positions therein, the number thereof filled, and the amounts unexpended from the period between July 1, 1934, and October 31, 1934, under the provisions of law, which, with the accompanying statement, was referred to the Committee on Appropriations and ordered to be printed.

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT AND COTTON

The VICE PRESIDENT laid before the Senate a letter from the chairman of the American Red Cross, transmitting the official report of the American National Red Cross covering the distribution of 85,000,000 bushels of wheat and 844,063 bales of cotton, as authorized by Congress for distribution to the needy throughout the United States, which, with the accompanying report, was ordered to lie on the table.

ANNUAL REPORT OF THE ATTORNEY GENERAL

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, the annual report of the Department of Justice for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on the Judiciary.

SUITS ARISING UNDER PUBLIC VESSEL ACT

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the Public Vessel Act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

SUITS IN ADMIRALTY AGAINST THE UNITED STATES

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a list of suits arising under the act of March 9, 1920, authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal, which was referred to the Committee on the Judiciary.

SPECIAL ASSISTANT ATTORNEYS, DEPARTMENT OF JUSTICE

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a report showing the special assistants employed under the appropriation "Pay of special assistant attorneys", contained in the Department of Justice Appropriation Act, 1935, together with the rates of compensation, the amounts paid, and a description of their duties, which, with the accompanying report, was referred to the Committee on the Judiciary.

FINAL VALUATIONS OF CERTAIN RAILROAD PROPERTIES

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Interstate Commerce Commission, transmitting, pursuant to law, final valuations of properties of the Illinois Central Railroad Co. and 34 other railway companies, which, with the accompanying documents, was referred to the Committee on Interstate Commerce.

ANNUAL REPORT OF THE INTERSTATE COMMERCE COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the annual report of the Commission for the year ended October 31, 1934, except as otherwise noted, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

REPORT OF AMERICAN INSTRUCTORS OF THE DEAF

The VICE PRESIDENT laid before the Senate a letter from the president of the Columbia Institution for the Deaf, transmitting, pursuant to law, a report of the proceedings of the Twenty-eighth Meeting of the Convention of American Instructors of the Deaf, held at West Trenton, N. J., June 18 to 23, 1933, which, with the accompanying report, was referred to the Committee on Printing.

ANNUAL REPORT OF ADMINISTRATOR OF VETERANS' AFFAIRS

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting, pursuant to law, a report of the activities of the Veterans' Administration for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Finance.

ANNUAL REPORT OF BOARD OF MEDIATION

The VICE PRESIDENT laid before the Senate a letter from the chairman of the National Mediation Board, transmitting, pursuant to law, the eighth annual report of the Board of Mediation for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY

The VICE PRESIDENT laid before the Senate the annual report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30, 1934, which was referred to the Committee on Finance.

USELESS PAPERS IN THE TREASURY DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, transmitting, pursuant to law, schedules and lists of papers, documents, etc., on the files of the Treasury Department which are not needed in the transaction of the current business of the Department and have no permanent value or historical interest, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. HARRISON and Mr. COUZENS the committee on the part of the Senate.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a petition from J. Howard Fore, of Bunkie, La., praying that a hearing be given the women of Louisiana in connection with the election and service of the senior Senator from Louisiana [Mr. LONG], which was referred to to the Committee on Privileges and Elections.

He also laid before the Senate a letter in the nature of a petition from a citizen of the State of New Mexico praying for the adoption of the so-called "Townsend old-age-pension plan", which was referred to the Committee on Pensions.

He also laid before the Senate resolutions adopted by the annual convention of the Beauty and Barber Supply Institute, at Chicago, Ill., protesting against the 10-percent tax on cosmetics and toilet articles, which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the annual convention of the Beauty and Barber Supply Institute, at Chicago, Ill., favoring certain amendments to the so-called "pure food and drug bill", which was referred to the Committee on Commerce.

He also laid before the Senate a letter in the nature of a petition from Oliver O. St. Johns, Sr., of Francestown, N. H., praying for the adoption of an old-age-pension system, which was referred to the Committee on Pensions.

He also laid before the Senate a letter in the nature of a petition from a citizen of the State of Pennsylvania praying for the prompt payment of adjusted-service certificates, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Eleanor Roosevelt League of Women assembled in convention at Saginaw, Mich., favoring the enactment of legislation providing for unemployment insurance, health insurance, and national old-age pensions, which were referred to the Committee on Education and Labor.

Mr. COPELAND presented resolutions adopted by Padraic Pearse Council, American Association for Recognition of the Irish Republic, Rochester, N. Y., protesting against certain

alleged utterances of Hon. Robert W. Bingham, American Ambassador at London, and favoring a policy of no entangling alliances, which were referred to the Committee on Foreign Relations.

He also presented resolutions adopted by branches of the Czechoslovak Society of America in the State of New York, favoring the enactment of legislation to establish unemployment and social insurance, which were referred to the Committee on Education and Labor.

He also presented a petition of sundry citizens of Elmira, N. Y., praying for the granting of old-age pensions, which was referred to the Committee on Pensions.

He also presented a resolution adopted by the Women's Civic Club, of Flushing, N. Y., favoring continuance of the investigation of munitions manufacturers, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also presented a memorial of sundry citizens of the State of New York protesting against certain alleged anti-religious conditions in the Republic of Mexico, and favoring the recall of the American Ambassador from that Republic, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by Branch No. 215, Lithuanian Alliance of America, of Poolville, N. Y., favoring the prompt enactment of workers' unemployment- and social-insurance legislation, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by Over-the-Top Council, No. 2, Daughters of America, of Otisville, N. Y., favoring the further restriction of immigration, which were referred to the Committee on Immigration.

He also presented resolutions adopted by the Third Annual Conference of the American Veterans' Association held at New York City, N. Y., relative to veterans' benefits and degrees of disability, etc., which were referred to the Committee on Finance.

He also presented resolutions adopted by the Association of Lithuanian Workers, Inc., Branch No. 25, of Poolville, N. Y., endorsing workers' unemployment- and social-insurance legislation, which were referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Ridgewood-Metropolitan Civic Association in the State of New York, favoring the enactment of legislation fixing the legal rate of interest at 4 percent instead of 6 percent, which were referred to the Committee on Banking and Currency.

Mr. ASHURST presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Agriculture and Forestry.

STATE OF ARIZONA,
ELEVENTH LEGISLATURE,
HOUSE OF REPRESENTATIVES,
THIRD SPECIAL SESSION.

House Memorial 4

*To the President and Congress of the United States of America:*

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

We commend the earnest and sincere efforts of the administration to overcome the economic depression which for 5 years has held this Nation in its grip; which has paralyzed industry, destroyed commerce, deprived citizens of their homes, left workers without employment and reduced millions of producers from reasonable comfort and independence to penury and want.

But while we commend these efforts and the vision that conceived them, we must respectfully direct attention to the distressing fact that a deserving section of the Nation's citizenry which needs help most of all—the small farmer, the small dairyman, and the small stock raiser—has not been effectively aided.

Elaborate steps have been taken, through the medium of the Agricultural Adjustment Act and the Bankhead cotton-control bill to relieve the distress occasioned by mortgaged farms, and to finance farming operations, to systematize production, effect orderly marketing, and raise the prices of farm products. These legislative devices have no doubt been effective, but either the laws themselves or the rules and regulations under which they are administered have proven impotent to bring within the scope of their beneficent influence in the class to which reference is here made.

The terms under which the Government extends help to the farmer appear to be well adapted to the needs of the man who farms on a large scale. He can furnish a financial statement, show low-cost operation with modern equipment, often purchased out of the proceeds of his Government loan, and otherwise comply with the requirements of the lending agency. But the small farmer cannot meet the conditions imposed. He is unable to make the financial and technical showing required of him. He cannot furnish what might be termed a "bank set-up." He cannot show the low-cost production of the large operator. If he wishes to grow cotton or to participate in the benefit or rental provisions of the Bankhead Act, he is often unable to furnish the accurate records of production for previous years that are required of him. For these and other reasons beyond his control he is found to be ineligible for the assistance which goes to those who need it less. What is here said of the small farmer is true of the small dairyman and the small hog raiser. They, too, find it difficult if not impossible, to secure assistance, and continue to market their products at less than cost, while the prices of everything they buy have practically doubled.

As a consequence of this situation, hundreds of thousands of acres of fertile small farms are not being tilled. Many of their former owners or tenants, unable to secure financial aid to continue their farming and maintain their homes, have perforce moved with their families to the cities, where they are living at the cost of the public-welfare agencies. In numerous instances they have been dispossessed of their land, which has been added to the holdings of the large operators who are able to get Government aid.

It cannot be believed that such results were contemplated when the agricultural relief acts were written. It is believed that when the situation described is brought to the attention of the national administration and the Nation's lawmakers, corrective steps will be promptly taken.

Wherefore your memorialist prays that steps may be speedily taken to afford urgently needed relief to the small farmer, dairyman, and stock raiser, steps which will enable him to enjoy a measure of the assistance accorded to the large operators; which will make it possible for him to refinance himself under a practical amortization plan such as is embodied in the Frazier-Lemke bill, and, in addition, will enable the producer to realize at least cost on his product, while limiting the middleman, who to date is the chief beneficiary of the price-raising devices, to a reasonable profit, and afford protection to the consumer.

And your memorialist will ever pray.

Adopted by house December 6, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Banking and Currency:

STATE OF ARIZONA,
ELEVENTH LEGISLATURE,
HOUSE OF REPRESENTATIVES,
THIRD SPECIAL SESSION.

House Memorial 3

*To the President and Congress of the United States of America:*

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

The operation of the Home Owners' Loan Corporation has been of inestimable value to the State of Arizona by helping worthy citizens to avoid the loss of their homes, relieving creditors of their frozen assets, making possible the payment of delinquent taxes, creating employment and trade through the making of necessary repairs to home buildings, and stimulating many lines of industry. This activity of the Federal Government has proven to be a most constructive phase of the recovery program.

There are still many worthy Arizona home owners who require assistance of the sort which it is the function of the Home Owners' Loan Corporation to extend if their homes are to be saved. Some eleven hundred legitimate applications for loans have been filed with the local office of this Corporation, but have received no consideration on account of the exhaustion of the funds provided for use by the Home Owners' Loan Corporation. Reports indicate that a similar condition exists in other States.

The situation is a critical one in this State, for private lending agencies have not yet seen fit to extend their operations to this field or to make loans on terms with which the distressed home owner can comply.

Wherefore, your memorialist prays that legislation be enacted at the approaching session of the Congress extending the operation of the Home Owners' Loan Corporation and providing funds for the making of legitimate loans to worthy citizens whose homes are imperiled.

And your memorialist will ever pray.

Adopted by house December 4, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Foreign Relations:

STATE OF ARIZONA,
HOUSE OF REPRESENTATIVES,
ELEVENTH LEGISLATURE,
THIRD SPECIAL SESSION.

House Memorial 5

*To the President and the Congress of the United States of America:*

Your memorialist, the House of Representatives of the Legislature of the State of Arizona, respectfully represents:

Development of the vast resources of this Nation's waterways, to the country's enrichment, is an outstanding feature of the national administration's policy which commands our unstinted praise as a permanent policy no less than as an effective means of giving work in the existing emergency to many thousands of unemployed men.

The development of the lower Colorado River through the dredging of a deep-water channel from the head of the Gulf of California to the city of Yuma is a project which, since the earliest days of Arizona's existence as a Territory, has commanded the interest and excited the imagination of engineers.

This mammoth project, which would give to Arizona a deep-sea port, would be of inestimable importance to the Southwest and to the Nation, giving life, as it would, to the industries and multiplying the commerce of one of the richest parts of the country, and during the period of its construction affording employment to an army of engineers, artisans, and laborers.

It would appear that there could be no more auspicious time than the present, when progressive policies distinguish the attitude of a liberal Mexican Government, to approach the subject of an understanding by which that nation would consent to or cooperate in the construction of this waterway—an understanding which would be in full sympathy with the spirit of the Gadsden Treaty, signed December 30, 1853, which declares that "the vessels and citizens of the United States shall, in all time, have free and uninterrupted passage through the Gulf of California, to and from their possession situated north of the boundary line of the two countries, it being understood that this passage is to be by navigation in the Gulf of California and the River Colorado."

Wherefore, your memorialist prays that the subject of this mammoth development be given your earnest consideration, and that the Department of State be instructed to initiate negotiations with the Government of the Republic of Mexico looking to the consent of the said Government for the construction of the said project over Mexican territory, or to its actual cooperation in such construction.

And your memorialist will ever pray.

Adopted by house, December 7, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Pensions:

STATE OF ARIZONA,
HOUSE OF REPRESENTATIVES,
ELEVENTH LEGISLATURE,
THIRD SPECIAL SESSION.

House Memorial 1

*To the President and the Congress of the United States of America:*

Your memorialist, the house of representatives of the Eleventh Legislature of the State of Arizona, in third special session, respectfully represents:

Our Nation as a whole, and our people as individual units of the Nation, are suffering from and because of a general paralysis of business, industry, and trade. The normal flow of all branches of commerce is obstructed and many marts of trade partially or wholly suspended, thus preventing them from rendering their usual services to the public at large and to the people of the United States as individuals.

This stagnation in business, from whatever cause or causes originated, has and still is causing enormous loss, everywhere, equally to concentrated capital engaged in the basic industries of our country and also to the individual citizenry of our Nation, carrying with it on the crest of its foremost waves misery, suffering, and want, to those of limited means, who, because of this depression in industry and trade, are deprived of the privilege of earning their daily wage, in order that they might relieve the gnawing pangs of hunger or clothe the weakening body against the rigors of winter's chilling blasts.

These deplorable conditions are so wide-spread and universal in the extent to which they affect the citizenry of the Nation that it is breeding a dangerous discontent, fostering socialism, instilling the idea of communism, and is wholly destructive of the morale of a large and growing number of people to such extent as to give the gravest warning and apprehension for the safety of the general government.

It is clearly apparent that so long as the general populace of the Nation has no buying power, nor the opportunity to create a buying power, that any effort to stimulate either trade or industry must of necessity be sporadic in its nature and in the end a failure as has been repeatedly proven.

All efforts so far in the giving of relief have been either local in character or applied for the relief of certain classes of citizens or to stabilize or stimulate certain trades or industries, and that all like proposals made by financial and industrial leaders and by many Members of the Congress of the United States are of a like character and, as your memorialists fully believe, must in the end also fail to meet the Nation's needs.

Without decrying the potential local or class benefits to be derived from such measures so sponsored, we would call your attention to a measure of proposed legislation which we believe would meet the Nation's needs and give immediate relief to all who need. The proposed legislation to which reference is made is known as the Townsend old-age revolving pension plan, which is simple, self-executing, self-liquidating, and Nation-wide in its application. It does not contemplate any changes in the set-up of our Government or the establishment of any new departments. We represent the plan to be substantially as follows:

The payment to each citizen of the United States, both men and women, who have led clean, law-abiding lives and shall have attained the age of 60 years, the sum of $200 per month, under the express condition that the money so received shall be spent within the calendar month that it is received and for commodities only. No part of it may be expended for investments of any kind. That the recipient shall retire from a remunerative position.

In support of this constructive plan, we submit the following:

First. It is a primary duty of all civilized governments to provide its subjects and citizens with a flexible, liquid, rapid-moving medium of exchange, whose value must be kept fairly constant and whose flow through channels of trade and commerce must be constant and uninterrupted.

Second. That whenever basic industries unite or individuals combine to disturb the steady flow of this exchange medium or to unreasonably depress its value, it is the duty and a proper function of the National Government to place a restraining hand upon their activities so as to restore and preserve its exchange value.

Third. Available records indicate the following burdens now borne by citizens of the United States, to wit:

| | |
|---|---|
| In 28 States, cost and upkeep of poorhouses with 775,000 inmates | $2,500,000,000 |
| All forms of relief work | 36,000,000,000 |
| Cost of all forms of crime | 18,000,000,000 |
| Cost to labor by reason of lower wages and loss of time (1932) | 25,000,000,000 |

Loss by strikes (1927), 37,800,000 days.

Loss to trade and industry unknown but appalling.

1930 census gives 10,300,000 citizens who by reason of age would be entitled to this pension, with a probable 2,300,000 whose income is in excess of the $200 per month pension.

That with the retirement of 5,000,000 of the remaining 8,000,000 from gainful occupations, there would at once be created openings for approximately 5,000,000 men. That the regular expenditure of $200 per month throughout the year creates a new job; with 8,000,000 men expended regularly $200 per month, there would be 8,000,000 more new jobs created, which would absorb 13,000,000 of the 15,000,000 and thus practically reestablish normal employment. That this whole condition could be brought about in 90 days' time. That this reemployment of labor would greatly reduce the amount now being expended for relief. It would also reduce crime and would wipe out the entire loss to labor by reason of unemployment.

Fourth. That the aged persons of the country are quite evenly distributed, and that a regular payment to them of $200 under the proposed restrictions of the Townsend old-age revolving-pension plan places buying power in every community; that it distributes and redistributes an exchange medium throughout the length and breadth of the land, whose steady and regular flow cannot be interrupted by any economic condition, save a general public disaster, and whose exchange value can be maintained by governmental regulation, thus preventing its becoming frozen.

Wherefore, your memorialist prays that you examine carefully into all merits of the aforesaid Townsend old-age-pension plan and that you devote to it your most searching analysis of its merits, and if you find, as we believe you will, that this plan has to its credit all the merit that we claim for it, that your honorable body will at once enact it into law, to the end that industry and trade may be placed at normal, that labor may have a chance to earn its wage, that the general morale of the country may be restored, and want and suffering be driven from our land.

Wherefore, your memorialist further prays that the Congress make a direct appropriation for the initial sum necessary to meet the expense of the first payment, and that a sales tax upon commodities and commercial transactions be levied in such an amount and at a rate that will provide a fund to meet all future monthly payments, all funds derived from such a tax levy to be earmarked for that specific purpose.

And your memorialist will ever pray.

Adopted by house December 3, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

Mr. ASHURST also presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Post Offices and Post Roads:

STATE OF ARIZONA,
ELEVENTH LEGISLATURE,
HOUSE OF REPRESENTATIVES,
THIRD SPECIAL SESSION.

House Memorial 7

*To the Federal Bureau of Public Roads:*

Your memorialist, the Eleventh Legislature of the State of Arizona, in third special session, respectfully represents:

That certain highway, locally known as the "Sunset route", which extends across Cochise County, Ariz., from Steins Pass, near the New Mexican boundary, through the towns of San Simon, Bowie, Willcox, Cochise, and Dragoon, to Benson, is one of the principally traveled thoroughfares in the State of Arizona.

Although this highway, over most of its length, is only a county highway and has not been permanently improved, the desirability of its location and its other natural advantages are such that a large part of its heavy traffic is represented by interstate tourists, who prefer it to better improved but less desirably located highways.

Wherefore your memorialist suggests the advisability of a thorough investigation by engineers of the Bureau of Public Roads of the advantages possessed by this route, with a view to determining its feasibility as a military highway and otherwise as a permanent Federal route across the eastern part of Arizona, and earnestly requests that such investigation be made at the earliest practicable time.

And your memorialist will ever pray.

Adopted by house December 11, 1934.

W. G. ROSENBAUM,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

Mr. ASHURST also presented resolutions adopted by the State Land Board of the State of Arizona, at Phoenix, Ariz., which were referred to the Committee on Public Lands and Surveys and ordered to be printed in the RECORD, as follows:

Resolution to the Senate and House of Representatives of the Congress of the United States of America, in Congress assembled, to enact legislation to grant to the State of Arizona four additional sections of land in each township, specifically for the further support and maintenance of the common schools in the State of Arizona, and further to urge upon the properly authorized agencies the suggestion that the Secretary of the Interior be requested to rescind or modify his order withdrawing potentially irrigable land of the Lower Gila Basin in the State of Arizona

Your memorialist, the State Land Department of the State of Arizona, in regular meeting duly convened, respectfully represents:

Whereas Arizona has a pure, dry, healing climate which has attracted, and continues to attract, large numbers of individuals suffering chronic disabilities and who come to this State because of the restorative qualities of the climate; and

Whereas this continued increment and influx of citizens, many of whom are physically incapacitated for making a living for their families or themselves by virtue of such chronic disabilities, and/or advanced old age, and/or who find such opportunities as might be suited to their conditions all too rare, places upon this State a constantly growing responsibility, necessitating increased relief expenditures, and adding to the already heavy burdens upon the humanitarian organizations and the people generally; and

Whereas Arizona is the youngest State in the Union, with its potential resources and taxable wealth as yet largely undeveloped, while its productive capacity is tremendously restricted by vast withdrawals of land for Indian reservations, national forest, and other Federal projects, circumstances which entitle the State to the utmost consideration, assistance, and cooperation of the Federal Government; and

Whereas the grants of land for various purposes made to the State of Arizona under the terms of the Enabling Act, and particularly the grant of four sections in each township for the benefit of the public schools, have by no means effected the full measure of their purpose for reasons beyond the State's control; and

Whereas among the causes for this unsatisfactory result may be mentioned the average low value of the granted lands, owing to the withdrawal of all timber land and of the major part of agricultural land within the State; the burdensome restriction, later rescinded, disallowing school sections having mineral in place; and the inability of the State, by reason of insufficient base, to properly block out and thus render of highest economic value the range lands owned by the State; and

Whereas during the year 1929 the Federal Government withdrew from all forms of entry, which includes selection by the State, the land embraced within the area known as the "Lower Gila Basin", thereby denying to the State the ownership of any share of this now largely undeveloped but potentially irrigable area; and

Whereas in view of these facts and conditions it is felt that in justice and equity, in some measure to compensate the State for the handicaps under which it has been forced to labor and to assist it in carrying the burden referred to in the second and third paragraphs above, there should be an additional grant of land to Arizona: Now, therefore, be it

*Resolved*, That the State Land Department of the State of Arizona request and urge that the Congress of the United States enact any legislation which may be necessary to effect to Arizona an additional grant of four sections out of each township in the State specifically for the support and maintenance of the common school system of the State, and incidentally to measurably compensate the State for the great losses in taxable wealth it has sustained through vast Federal withdrawals, as well as to enable it to round out and make valuable its range holdings; and

*Resolved*, That the Secretary of the Interior be requested to rescind or modify his order withdrawing the potentially irrigable land of the Lower Gila Basin in order that the State may select a proper and proportionate share thereof; and be it further

*Resolved*, That certified copies of this resolution be forwarded to the Hon. Harold L. Ickes, Secretary of the Interior, and to Arizona's representatives in Congress, Senator HENRY F. ASHURST, Hon. CARL HAYDEN, and Hon. ISABELLA GREENWAY, with the request that they exert their utmost endeavor and influence to effectuate its objects.

THE STATE LAND BOARD OF THE STATE OF ARIZONA,
B. B. MOEUR, *Governor,*
JAMES H. KERBY, *Secretary of State,*
ARTHUR T. LA PRADE, *Attorney General,*
W. M. COX, *State Treasurer,*
ANA FROHMILLER, *State Auditor.*

I, Howard J. Smith, State land commissioner of the State of Arizona, do hereby certify that the above is a true and complete copy of the resolution passed at the meeting of the State Land Board, held on the 5th day of October 1934, as shown by the records on file in the office of the State Land Department.

Done at the capitol, Phoenix, Ariz., this 10th day of December 1934.

[SEAL] HOWARD J. SMITH,
*State Land Commissioner, State of Arizona.*

Mr. CAPPER presented a resolution adopted by Local No. 259 of the International Association of Oil Field, Gas Well, and Refinery Workers of America, of Arkansas City, Kans., favoring the enactment of legislation to establish a minimum wage scale of $5 per day for common labor, which was referred to the Committee on Education and Labor.

He also presented resolutions adopted by the Chambers of Commerce of Ellsworth, Salina, Junction City, and Abilene, all in the State of Kansas, favoring the enactment of legislation placing all classes of public carriers under the control and supervision of the Interstate Commerce Commission, which were referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by the Chambers of Commerce of Ellsworth and Abilene, in the State of Kansas, favoring the repeal of section 4 of the Interstate Commerce Act, known as the "long- and short-haul clause", which were referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from T. A. Fry, receiver of the Wichita Northwestern Railway Co., Hutchinson, Kans., favoring the passage of legislation, first, to place all commercial transportation on the highways under the same measure of regulation that is applied to railroads, so far as the nature of that transportation justifies; second, to regulate the rates, service, and practices of carriers by water operating between points in the United States in interstate commerce; third, to amend paragraphs (3) and (4) of section 15 of the Interstate Commerce Act so as to permit the Interstate Commerce Commission to establish through routes and joint rates found by the Commission to be necessary or desirable in the public interest; and, fourth, to restore the long- and short-haul clause of the Interstate Commerce Act to its original form, which was referred to the Committee on Interstate Commerce.

### THE WORLD COURT

Mr. CAPPER. Mr. President, I ask to have printed in the CONGRESSIONAL RECORD a brief resolution from 147 women's organizations of Kansas, asking that the Senate Committee on Foreign Relations take early action on the World Court protocols. I ask also that the names of these organizations be printed and that the resolutions themselves be referred to the Committee on Foreign Relations. The resolution follows:

Whereas opinion in our organization has never faltered in its devotion to the campaign to make the United States a member of the World Court:

*Resolved*, That we urge that the World Court protocols be voted out of committee and laid before the United States Senate for immediate action.

Mr. President, I wish to add that the women's organizations represented here are from practically every county in

Kansas, and that they represent almost every class and every religious creed. Included are scores of local Woman's Christian Temperance Union organizations, the State Federation of Women's Clubs, business and professional women's clubs, religious organizations, study clubs, and various others.

I hope we may get early action as prayed for in these resolutions. I send the resolutions to the desk for notation in the RECORD and appropriate reference.

The resolutions were referred to the Committee on Foreign Relations.

The names of the various organizations, all in the State of Kansas, favoring the prompt ratification of the World Court protocols are as follows:

The Ladies' Reading Club of Girard.
The Presbyterian Church of Oswego.
Eastern Star Chapter of Randall.
Methodist Episcopal Ladies' Aid of Randall.
Progressive Study Club of Randall.
Friendly Circle Sunday School Class, of Randall.
Community Club of Oswego.
Oswego Rotary Club, of Oswego.
Oswego Christian Church, of Oswego.
Library Club of Clay Center.
First Baptist Church of Oswego.
Oswego Women's Club, of Oswego.
The Monday Study Club of Osawatomie.
The What Not Club of Lyndon.
The Athenaeum Club of Coffeeville.
Seneca Woman's Club, of Seneca.
Presbyterian Sunday School of Altamont.
Altamont Culture Club, of Altamont.
Fairmount Library, of Wichita.
City Federation Women's Clubs, of Pittsburg.
Kansas Federation Women's Clubs, of Pleasanton.
Colley County Federation of Woman's Clubs, of Winfield.
Colley County Woman's Christian Temperance Union, of Winfield.
American Association of University Women of Parsons.
Hutchinson Mothers' Club, of Hutchinson.
Woman's Christian Temperance Union of Yates Center.
Woman's Christian Temperance Union of Caldwell.
Woman's Christian Temperance Union of Ness City.
Woman's Christian Temperance Union of Delphas.
River Rio Woman's Christian Temperance Union, of Osborne.
Woman's Christian Temperance Union of Alden.
Woman's Christian Temperance Union of Anthony.
Woman's Christian Temperance Union of Argonia.
Woman's Christian Temperance Union of Arnold.
Woman's Christian Temperance Union of Athol.
Woman's Christian Temperance Union of Augusta.
Woman's Christian Temperance Union of Baxter Springs.
Woman's Christian Temperance Union of Dronson.
Woman's Christian Temperance Union of Broughton.
Woman's Christian Temperance Union of Barclay.
Woman's Christian Temperance Union of Brownell.
Woman's Christian Temperance Union of Buckeye.
Woman's Christian Temperance Union of Burdick.
Woman's Christian Temperance Union of Burroak.
Woman's Christian Temperance Union of Clay Center.
Woman's Christian Temperance Union of Council Grove.
Woman's Christian Temperance Union of Downs.
Woman's Christian Temperance Union of Gardner.
Woman's Christian Temperance Union of Garnett.
Woman's Christian Temperance Union of Goodland.
Woman's Christian Temperance Union of Great Bend.
Woman's Christian Temperance Union of Hanston.
Woman's Christian Temperance Union of Hazelton.
Woman's Christian Temperance Union of Hill City.
The Hutchinson Woman's Christian Temperance Union, of Hutchinson.
Women's Society of Universalist Church of Hutchinson.
Woman's Christian Temperance Union of Portis.
Woman's Christian Temperance Union of Osborne County.
Redfield Woman's Christian Temperance Union, of Redfield.
Woman's Christian Temperance Union and Women's Foreign Missionary Society of Rose Hill Friends' Church of Rose Hill.
Woman's Christian Temperance Union of Scott City.
Woman's Christian Temperance Union of Solomon.
Woman's Christian Temperance Union of Sterling.
Woman's Christian Temperance Union of Stockton.
Woman's Christian Temperance Union of Syracuse.
Woman's Christian Temperance Union of Talmage.
Woman's Christian Temperance Union of Tongasopie.
Woman's Christian Temperance Union of Tyro.
Woman's Christian Temperance Union of Utica.
Woman's Christian Temperance Union of White City.
College Hill Woman's Christian Temperance Union, of Wichita.
The Sibbit Woman's Christian Temperance Union, of Wichita.
Woman's Christian Temperance Union of Wichita.
Stephens Union of the Woman's Christian Temperance Union, of Wichita.
Woodston Woman's Christian Temperance Union, of Woodston.
Young Women's Christian Associations of Salina, Topeka, Wichita, Lawrence, and Manhattan.
The Methodist Episcopal Church of Oswego.
Helianthus Club of Sabetha.
Clio Club of Columbus.
Council of Church Women of Winfield.
Culture Club of Coffeyville.
Travelers' Club of Coffeyville.
Research Club of Coffeyville.
Business and Professional Women's Club of Oswego.
College Hill Women's Christian Union, of Wichita.
Searchlight Club of Coffeyville.
Portia Club of Wanego.
Woman's Home Missionary Society of Oswego.
Third District Kansas Federation Women's Clubs.
Ladies of Grand Army of the Republic of Thayer.
Friday Reading Club of Thayer.
American Association of University Women of Independence.
Sunflower Club of Thayer.
City Federation of Women's Clubs of Independence.
Business and Professional Women's Club, Independence.
The Athenaeum, Parsons.
Ruskin Club, Parsons.
Alpha Club, Parsons.
Parsons City Federation, of Parsons.
Young Women's Christian Association, Independence.
Women's Foreign Missionary Society of Clay Center.
Presbyterian Church of Oswego.
D. D. Club of Randall.
Woman's Christian Temperance Union of Randall.
Woman's Christian Temperance Union of Clay Center.
Woman's Christian Temperance Union of Independence.
The West Brown Woman's Christian Temperance Union, of Jefferson.
Woman's Christian Temperance Union of Getmore.
Woman's Christian Temperance Union of Kansas City (Wyandotte Local).
Jennie M. Combs Woman's Christian Temperance Union, of Kansas City.
Grandview Woman's Christian Temperance Union, of Kansas City.
Ebenflur Woman's Christian Temperance Union, of Hamilton County.
Larned Woman's Christian Temperance Union, of Larned.
Hope Union Woman's Christian Temperance Union, of Leavenworth.
Woman's Christian Temperance Union of Lecompton.
Woman's Christian Temperance Union, Liberal.
The Vincent Woman's Christian Temperance Union, of Luray.
West End Woman's Christian Temperance Union, Manhattan.
Woman's Christian Temperance Union of McLouth.

Woman's Christian Temperance Union of Medicine Lodge.
Woman's Christian Temperance Union of Morrill.
Woman's Christian Temperance Union of Manchester.
Woman's Christian Temperance Union of Newton.
Woman's Christian Temperance Union of Nickerson.
Woman's Christian Temperance Union of North Branch.
Woman's Christian Temperance Union of Norton.
Woman's Christian Temperance Union of Nortonville.
Woman's Christian Temperance Union of Osawatomie.
Woman's Christian Temperance Union of Otego.
Woman's Christian Temperance Union of Ottawa.
Woman's Christian Temperance Union of Plevna.
Anna Gordon Woman's Christian Temperance Union, of Palco.
Woman's Christian Temperance Union of Penokee.
Woman's Christian Temperance Union of Plainville.
Woman's Christian Temperance Union of Arlington.
Woman's Christian Temperance Union of Plevna.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NEELY:

A bill (S. 250) authorizing the Brookewell Bridge Co. to construct, maintain, and operate a toll bridge across the Ohio River at or near Wellsburg, W. Va.; to the Committee on Commerce.

A bill (S. 251) granting an increase of pension to Frank Deloe;

A bill (S. 252) granting a pension to Joseph J. McNeal;

A bill (S. 253) granting a pension to Rebecca Swisher Boyd; and

A bill (S. 254) granting an increase of pension to Robert Blake; to the Committee on Pensions.

By Mr. AUSTIN:

A bill (S. 255) for the relief of Margaret L. Carleton; to the Committee on Foreign Relations.

By Mr. HARRISON:

A bill (S. 256) for the relief of Orville E. Clark; to the Committee on Military Affairs.

A bill (S. 257) for the relief of the owners of the late American schooner *Three Marys*;

A bill (S. 258) for the relief of the heirs or legal representatives of Charls Johnson and Kate Johnson;

A bill (S. 259) for the relief of Robert A. Bowers and Mary E. Bowers;

A bill (S. 260) for the relief of John G. Sessions; and

A bill (S. 261) for the relief of E. L. Trenholm; to the Committee on Claims.

A bill (S. 262) granting a pension to Harvey E. Barron;

A bill (S. 263) granting a pension to Vivian C. Bogle; and

A bill (S. 264) granting a pension to Emmerline Valentine; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 265) to amend sections 3 and 4 of the act of July 3, 1930, entitled "An act for the rehabilitation of the Bitter Root irrigation project, Montana"; to the Committee on Irrigation and Reclamation.

A bill (S. 266) to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.; to the Committee on Military Affairs.

By Mr. BULKLEY:

A bill (S. 267) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature; to the Committee on Foreign Relations.

A bill (S. 268) extending the benefits of the Emergency Officers' Retirement Act to Lem C. Brown; and

A bill (S. 269) granting an annuity to Samuel R. Stone; to the Committee on Finance.

A bill (S. 270) for the relief of Junius A. Bandy; and

A bill (S. 271) for the relief of James Foy; to the Committee on Naval Affairs.

A bill (S. 272) for the relief of William Frank Lipps;

A bill (S. 273) for the relief of John F. Hatfield; and

A bill (S. 274) for the relief of Charles C. Floyd; to the Committee on Military Affairs.

A bill (S. 275) for the relief of Henry A. Taylor;

A bill (S. 276) for the relief of Harry Layman;

A bill (S. 277) for the relief of the Perkins-Campbell Co.;

A bill (S. 278) for the relief of George W. Allison;

A bill (S. 279) to extend the time for the refunding of certain taxes erroneously collected from certain building and loan associations;

A bill (S. 280) for the relief of Hazel B. Lowe, Tess H. Johnston, and Esther L. Teckmeyer;

A bill (S. 281) for the relief of the Fred G. Clark Co.;

A bill (S. 282) for the relief of William Kemper;

A bill (S. 283) for the relief of Beatrice I. Manges;

A bill (S. 284) for the relief of the Peerless Motor Car Co.;

A bill (S. 285) to reimburse the estate of Mary Agnes Roden;

A bill (S. 286) for the relief of the Champion Rivet Co., of Cleveland, Ohio; and

A bill (S. 287) for the relief of Fred C. Blenkner; to the Committee on Claims.

A bill (S. 288) granting an increase of pension to Mary C. Brant;

A bill (S. 289) granting a pension to Mary Ida Cox;

A bill (S. 290) granting a pension to Edward Brennenstuhl;

A bill (S. 291) granting a pension to Richard R. Denton;

A bill (S. 292) granting an increase of pension to Letha C. Durflinger;

A bill (S. 293) granting an increase of pension to Polly Fuller;

A bill (S. 294) granting a pension to Fannie S. Greene;

A bill (S. 295) granting a pension to Helen M. Harvey;

A bill (S. 296) granting an increase of pension to Rachel Heizeman;

A bill (S. 297) granting an increase of pension to Alice V. Keeler;

A bill (S. 298) granting an increase of pension to Margaret Jane Loar;

A bill (S. 299) granting an increase of pension to Lucy Montgomery;

A bill (S. 300) granting an increase of pension to Georgette M. Perkins;

A bill (S. 301) granting an increase of pension to Anna Robinson;

A bill (S. 302) granting a pension to Florella Roe;

A bill (S. 303) granting a pension to Chester Shartzer;

A bill (S. 304) granting an increase of pension to Amelia Shultz;

A bill (S. 305) granting a pension to Mary C. Smith;

A bill (S. 306) granting a pension to Hazel A. Snyder and minor children;

A bill (S. 307) granting a pension to Laura F. Helm;

A bill (S. 308) granting a pension to Hanna Lewis;

A bill (S. 309) granting an increase of pension to Melise Wise;

A bill (S. 310) granting a pension to Catherine Ott (with accompanying papers); and

A bill (S. 311) granting a pension to Lena Ungerbuhler (with accompanying papers); to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 312) for the relief of Lillian G. Frost;

A bill (S. 313) to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.; and

A bill (S. 314) for the relief of Vito Valentino; to the Committee on Claims.

A bill (S. 315) granting a pension to Annie Coan; and

A bill (S. 316) granting a pension to Viola May Snow; to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 317) to provide for the appointment of two additional judges of the District Court of the United States for

the Southern District of California, and for other purposes; to the Committee on the Judiciary.

A bill (S. 318) to correct the naval record of Theodore Reynders; to the Committee on Naval Affairs.

A bill (S. 319) granting a pension to Mary Harrington Niblack; to the Committee on Pensions.

(Senate bill 320 appears under a separate heading.)

By Mr. VANDENBERG:

A bill (S. 321) granting a pension to Nancy L. Corwin;

A bill (S. 322) granting a pension to Sarah A. Gilliland;

A bill (S. 323) granting a pension to Emma A. McDuffie;

A bill (S. 324) granting a pension to Ella F. Lane;

A bill (S. 325) granting a pension to Dorothy Crosby Allen;

A bill (S. 326) granting a pension to Martha Adelaide Childs;

A bill (S. 327) granting a pension to Mary Ann Fox;

A bill (S. 328) granting a pension to Margaret Saunders;

A bill (S. 329) granting a pension to Florence L. Collins; and

A bill (S. 330) granting an increase of pension to Mary J. Welch; to the Committee on Pensions.

A bill (S. 331) to amend the Criminal Code to prohibit certain members and employees of any national political committee from holding certain Government positions, and for other purposes; to the Committee on the Judiciary.

A bill (S. 332) to amend the Agricultural Adjustment Act, as amended, by making beans a basic agricultural commodity; to the Committee on Agriculture and Forestry.

A bill (S. 333) for the relief of the Acme Motor Truck Corporation; and

A bill (S. 334) for the relief of Leon Frederick Ruggles; to the Committee on Claims.

A bill (S. 335) authorizing the coinage of a 3-cent nickel piece; and

A bill (S. 336) to amend subsection J of section 12B of the Federal Reserve Act as amended; to the Committee on Banking and Currency.

A bill (S. 337) to extend certain benefits of the Public Health Service to certain seamen, and for other purposes;

A bill (S. 338) providing for the examination and survey of a proposed deep-waterway canal connecting Grand River with Lake Michigan;

A bill (S. 339) authorizing a preliminary examination and survey of the Crooked and Indian Rivers, Mich.; and

A bill (S. 340) to authorize a preliminary examination and survey of Detroit River, Mich.; to the Committee on Commerce.

A bill (S. 341) for the relief of Anthony Peter De Young (with accompanying papers); to the Committee on Naval Affairs.

A bill (S. 342) for the relief of Edward H. Cotcher; to the Committee on Military Affairs.

A bill (S. 343) to provide further for the national security and defense; to the Special Committee Investigating Munitions.

By Mr. McCARRAN:

A bill (S. 344) to amend an act entitled "An act to regulate commerce", approved February 4, 1887, as amended and supplemented; to the Committee on Interstate Commerce.

A bill (S. 345) to repeal Government wage cuts as of January 1, 1935, and for other purposes; and

A bill (S. 346) to restore the basic rate of compensation of Federal officers and employees; to the Committee on Civil Service.

By Mr. BORAH:

A bill (S. 347) for the relief of James J. Jordan; and

A bill (S. 348) for the relief of Berle C. Palmer; to the Committee on Military Affairs.

A bill (S. 349) granting a pension to Narcissa Hussey;

A bill (S. 350) granting a pension to Granville Brown;

A bill (S. 351) granting a pension to Wilbern Alonzo Hussey;

A bill (S. 352) granting a pension to James N. Davis;

A bill (S. 353) granting an increase of pension to Tennessee F. Maynard;

A bill (S. 354) granting a pension to Ida H. McCullough;

A bill (S. 355) granting a pension to Hanna White;

A bill (S. 356) granting an increase of pension to Truman H. Wilkinson;

A bill (S. 357) granting a pension to Taylor C. Lyon;

A bill (S. 358) granting a pension to Stephen D. Jones;

A bill (S. 359) granting a pension to John Bivens;

A bill (S. 360) granting a pension to Olive A. Lewis;

A bill (S. 361) granting a pension to Thomas B. Hall (with accompanying papers); and

A bill (S. 362) granting a pension to Anna Bierd (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 363) to increase the efficiency of the Veterinary Corps of the Regular Army; to the Committee on Military Affairs.

A bill (S. 364) to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 365) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Elmer E. Miller; to the Committee on Claims.

A bill (S. 366) for the relief of Lyda F. Foster; to the Committee on Finance.

A bill (S. 367) to provide old-age compensation for the citizens of the United States; to the Committee on Pensions.

By Mr. CAPPER and Mr. COPELAND:

A bill (S. 368) to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want; to the Committee on the District of Columbia.

By Mr. COPELAND:

A bill (S. 369) amending the Civil Service Retirement Act; to the Committee on Civil Service.

A bill (S. 370) relating to loans to executive officers of member banks of the Federal Reserve System; to the Committee on Banking and Currency.

A bill (S. 371) for the relief of G. Elias & Bro., Inc.;

A bill (S. 372) for the relief of Edward L. Gockeler;

A bill (S. 373) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment on the claim of Robert A. Watson; and

A bill (S. 374) for the relief of certain officers of the Army whose household and other effects were damaged or destroyed by the flooding of a warehouse at Fort Myer, Va.; to the Committee on Claims.

By Mr. KING:

A bill (S. 375) to establish a commission for the settlement of the special claims covered by the convention between the United States of America and the United Mexican States concluded April 24, 1934; to the Committee on Foreign Relations.

A bill (S. 376) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah; and

A bill (S. 377) providing for the sale of certain public lands to the Utah Gilsonite Co.; to the Committee on Public Lands and Surveys.

A bill (S. 378) to provide for the protection of watersheds in and adjacent to national forests; to the Committee on Agriculture and Forestry.

A bill (S. 379) to provide for the deportation of certain alien seamen, and for other purposes; to the Committee on Immigration.

A bill (S. 380) to reserve 80 acres on the public domain for the use and benefit of the Kanosh Band of Indians in the State of Utah; and

A bill (S. 381) for the relief of the Confederated Bands of Ute Indians located in Utah, Colorado, and New Mexico; to the Committee on Indian Affairs.

A bill (S. 382) to provide for the purchase of a certain lot of land in Cedar City, Utah; to the Committee on Public Buildings and Grounds.

A bill (S. 383) to provide compulsory licenses for unused patents; to the Committee on Patents.

A bill (S. 384) relating to the classified civil service; to the Committee on Civil Service.

A bill (S. 385) granting a pension to Eliza Beagley;

A bill (S. 386) granting a pension to Susan Turner; and

A bill (S. 387) to amend the act approved March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes"; to the Committee on Pensions.

A bill (S. 388) to establish a Department of National Defense and for other purposes; to the Committee on Military Affairs.

A bill (S. 389) authorizing a preliminary examination and survey of the Green River, Utah; to the Committee on Commerce.

A bill (S. 390) for the relief of Orson Thomas;

A bill (S. 391) for the relief of Ralph E. Woolley; and

A bill (S. 392) for the relief of Samuel L. Wells; to the Committee on Claims.

A bill (S. 393) to provide for the establishment and maintenance, under the Bureau of Mines, of a research station at Salt Lake City, Utah; to the Committee on Mines and Mining.

A bill (S. 394) to regulate the transportation of passengers and property in interstate and foreign commerce by motor carriers operating on the public highways, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 395) relative to the qualifications of practitioners of law in the District of Columbia;

A bill (S. 396) to amend section 1180 of the Code of Law for the District of Columbia with respect to usury;

A bill (S. 397) to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes;

A bill (S. 398) to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto;

A bill (S. 399) to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia;

A bill (S. 400) to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition;

A bill (S. 401) to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929;

A bill (S. 402) to amend section 824 of the Code of Laws for the District of Columbia;

A bill (S. 403) to amend the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes", and to further amend said act by adding at the end thereof new sections nos. 5 and 6;

A bill (S. 404) to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes;

A bill (S. 405) for the suppression of prostitution in the District of Columbia;

A bill (S. 406) to amend an act approved May 1, 1906, entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes";

A bill (S. 407) to amend section 115a of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to lunacy proceedings;

A bill (S. 408) to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes;

A bill (S. 409) to amend certain sections of the Code of Law for the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution; and

A bill (S. 410) to provide fees to be charged by the recorder of deeds of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. PITTMAN:

A bill (S. 411) to authorize an annual appropriation of $10,000 to pay the pro rata share of the United States of the expenses of the Pan American Institute of Geography and History at Mexico City; to the Committee on Foreign Relations.

A bill (S. 412) granting a pension to Earnest G. Harvey; and

A bill (S. 413) granting a pension to Roy E. Donnelly; to the Committee on Pensions.

A bill (S. 414) to convey certain lands and buildings to the city of Reno, Nev.; to the Committee on Public Buildings and Grounds.

A bill (S. 415) to amend section 14 of an act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934 (Public, No. 417, 73d Cong.); to the Committee on Banking and Currency.

A bill (S. 416) for the relief of Las Vegas Hospital Association, Las Vegas, Nev.; to the Committee on Claims.

A bill (S. 417) for the relief of Fred M. Munn; to the Committee on Military Affairs.

By Mr. DAVIS:

A bill (S. 418) providing import duties on coal and coke imported into the United States from foreign countries; to the Committee on Finance.

A bill (S. 419) to correct the naval record of Robert Nelson Campbell; to the Committee on Naval Affairs.

By Mr. POPE:

A bill (S. 420) to amend section 3 of Public Law No. 393, Seventy-third Congress; to the Committee on Post Offices and Post Roads.

A bill (S. 421) granting a pension to Earl J. Stark; to the Committee on Pensions.

A bill (S. 422) granting a pension to Dudley C. Tribble; and

A bill (S. 423) for the relief of Lynn Brothers' Benevolent Hospital; to the Committee on Claims.

A bill (S. 424) authorizing the adjustment of contracts for the sale of timber on the national forests, and for other purposes; and

A bill (S. 425) for the relief of Robert Rayl; to the Committee on Public Lands and Surveys.

By Mr. O'MAHONEY:

A bill (S. 426) to provide for adjusting the compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended; to the Committee on Post Offices and Post Roads.

By Mr. HATCH:

A bill (S. 427) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N. Mex.;

A bill (S. 428) authorizing adjustment of the claim of Korber Realty, Inc.;

A bill (S. 429) conferring jurisdiction upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon certain claims against the United States;

A bill (S. 430) for the relief of Anna Hathaway;

A bill (S. 431) granting compensation to Reuben R. Hunter; and

A bill (S. 432) for the relief of John J. Doyle; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 433) to provide for the taking over by the Government of the outstanding capital stock of all Federal Reserve banks; to create a Federal Reserve bank and a Federal Reserve bank board; to provide an adequate and stable monetary system; to prevent both uncontrolled deflation and

inflation; to provide a system to control the price of commodities through control of the purchasing power of money; to substitute Federal Reserve bank notes for outstanding gold certificates, silver certificates, Treasury notes of 1890, United States notes, Federal Reserve notes, national currency, and national-bank notes; and to coin and regulate the value of money in pursuance of article I, section 8, paragraph 5, of the Constitution of the United States; and for other purposes; to the Committee on Banking and Currency.

A bill (S. 434) for the relief of Joseph Thompson; and

A bill (S. 435) for the relief of A. D. Ellis; to the Committee on Naval Affairs.

A bill (S. 436) for the relief of Zoe A. Tilghman; and

A bill (S. 437) for the relief of Cooper E. Davis; to the Committee on Claims.

A bill (S. 438) for the relief of Roy Chandler; to the Committee on Military Affairs.

A bill (S. 439) to secure to the farmers a price for agricultural products of not less than the cost of production thereof, including a reasonable profit, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 440) granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota in the State of Oklahoma; to the Committee on Commerce.

A bill (S. 441) granting a pension to Carrie L. Warner (with accompanying papers);

A bill (S. 442) granting a pension to Sarah E. Wilkerson;

A bill (S. 443) granting a pension to Joseph K. Sullivan;

A bill (S. 444) granting a pension to Wilber T. Lardie; and

A bill (S. 445) granting an increase of pension to Alma H. Aultman; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 446) for the relief of Elva Rhea Speck; to the Committee on Finance.

A bill (S. 447) conferring jurisdiction on the United States District Court for the District of Oregon to hear, determine, and render judgment upon the suit in equity of Rakha Singh Gherwal against the United States; to the Committee on the Judiciary.

A bill (S. 448) to authorize a preliminary examination of Coquille River and its tributaries in the State of Oregon, with a view to the control of its floods;

A bill (S. 449) to authorize a preliminary examination of Umpqua River and its tributaries in the State of Oregon, with a view to the control of its floods;

A bill (S. 450) to authorize a preliminary examination and survey of Westport Slough, Oreg.; and

A bill (S. 451) to authorize a preliminary examination and survey of Brookings Harbor, Oreg.; to the Committee on Commerce.

A bill (S. 452) to extend the provisions of the Forest Exchange Act to lands adjacent to the national forest in the State of Oregon;

A bill (S. 453) authorizing the Secretary of the Interior to grant a patent of certain lands to Truman H. Ide; and

A bill (S. 454) to amend section 3 of the act of July 13, 1926 (44 Stat. 915), entitled "An act for the relief of certain counties in the States of Oregon and Washington within whose boundaries the revested Oregon & California Railroad Co. grant lands are located"; to the Committee on Public Lands and Surveys.

A bill (S. 455) for the relief of Oliver Victor Riessbeck; and

A bill (S. 456) authorizing an appropriation for the further development of the submarine and destroyer base at Tongue Point, Oreg.; to the Committee on Naval Affairs.

A bill (S. 457) for the relief of John W. Beck;

A bill (S. 458) for the relief of Noah C. Dugan;

A bill (S. 459) for the relief of Allan W. Hartmann;

A bill (S. 460) for the relief of Marinius M. Londahl; and

A bill (S. 461) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held in service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899; to the Committee on Military Affairs.

A bill (S. 462) to authorize an extension of exchange authority and addition of public lands to the Willamette National Forest in the State of Oregon;

A bill (S. 463) to facilitate the use and occupancy of national-forest lands for the purposes of residence, recreation, education, industry, and commerce; and

A bill (S. 464) to add certain lands to the Malheur National Forest in the State of Oregon; to the Committee on Agriculture and Forestry.

A bill (S. 465) for the relief of the estates of Edwin G. Scott, Clyde R. Dindinger, and Ralph R. Fraley;

A bill (S. 466) for the relief of William J. Ewing;

A bill (S. 467) for the relief of Kate Hatton;

A bill (S. 468) for the relief of Theodor Knudson;

A bill (S. 469) for the relief of Josephine R. Briggs;

A bill (S. 470) for the relief of the Hauser Construction Co.; and

A bill (S. 471) for the relief of the Columbia Boat & Barge System, Inc.; to the Committee on Claims.

A bill (S. 472) to authorize the distribution to persons admitted to citizenship of the patriotic poster entitled "Look the Truth in the Face"; to the Committee on Immigration.

By Mr. BLACK:

A bill (S. 473) relating to information to be furnished to stockholders of corporations engaged in interstate or foreign commerce; to the Committee on Interstate Commerce.

A bill (S. 474) to increase the lump-sum payment made under the Workmen's Compensation Act in cases of death or of permanent total or permanent partial disability suffered prior to February 12, 1927; to the Committee on Education and Labor.

A bill (S. 475) for the relief of Mrs. George F. Freeman; to the Committee on Claims.

A bill (S. 476) relating to promotions of civil-service employees; to the Committee on Civil Service.

By Mr. ASHURST (by request of the Attorney General):

A bill (S. 477) to provide for the appointment of two additional judges for the southern district of New York and two additional judges for the southern district of California;

A bill (S. 478) to amend a part of section 1 of the act of May 27, 1908, chapter 200, as amended (U. S. C., title 28, sec. 592);

A bill (S. 479) to amend section 126 of the Judicial Code, as amended;

A bill (S. 480) to amend the act approved May 14, 1930, entitled "An act to reorganize the administration of Federal prisons, to authorize the Attorney General to contract for the care of United States prisoners, to establish Federal jails, and for other purposes";

A bill (S. 481) authorizing the filling of vacancies in certain judgeships; and

A bill (S. 482) to amend section 51 of chapter 2, title 45, of the Code of Laws of the United States of America; to the Committee on the Judiciary.

By Mr. ASHURST:

A bill (S. 483) for the relief of Stanley A. Jerman, receiver for A. J. Peters Co., Inc.; and

A bill (S. 484) for the relief of James Vallandingham (with accompanying papers); to the Committee on Claims.

A bill (S. 485) for the relief of Daniel Connell Flynn; and

A bill (S. 486) for the relief of Joseph A. Frayne (with accompanying papers); to the Committee on Naval Affairs.

A bill (S. 487) to provide for the purchase of the surplus copper heretofore mined and processed in the United States; to the Committee on Mines and Mining.

By Mr. THOMAS of Utah:

A bill (S. 488) for the relief of Michael Ilitz; to the Committee on Military Affairs.

By Mr. STEIWER:

A bill (S. 489) for the relief of the Coast Fir & Cedar Products Co., Inc.;

A bill (S. 490) for the relief of F. T. Wade, M. L. Dearing, E. D. Wagner, and G. M. Judd;

A bill (S. 491) for the relief of Fred Herrick;

A bill (S. 492) for the relief of the estates of Nicholas Ownby and Jesse Ownby; and

A bill (S. 493) for the relief of Walter S. Chiene and Annie H. Chiene (widow, guardian of minors, and administratrix of estate of Lyon Playfair Chiene); to the Committee on Claims.

A bill (S. 494) authorizing an appropriation for the further development of the submarine and destroyer base at Tongue Point, Oreg.; and

A bill (S. 495) to correct the naval record of John B. Dolan; to the Committee on Naval Affairs.

A bill (S. 496) for the relief of Fred M. Smith;

A bill (S. 497) for the relief of Harry J. Kennedy;

A bill (S. 498) for the relief of William Kelley;

A bill (S. 499) authorizing the President to present medals, in the name of Congress, to certain survivors of the sinking of the steamship *Tuscania*; and

A bill (S. 500) for the relief of Elijah L. Gum; to the Committee on Military Affairs.

A bill (S. 501) to provide for the establishment of a Coast Guard station on the coast of Oregon, at or near Taft, Oreg.;

A bill (S. 502) to provide an examination and survey of Seaside Harbor, Oreg.; and

A bill (S. 503) authorizing a preliminary examination and survey of Chetco Cove, Oreg.; to the Committee on Commerce.

A bill (S. 504) providing for a reimbursable loan to the Klamath and Modoc Tribe of Indians and the Yahooskin Band of Snake Indians, State of Oregon;

A bill (S. 505) to credit the Klamath Indian tribal funds with certain amounts heretofore covered into the Treasury for reimbursement of appropriations; and

A bill (S. 506) to credit the Klamath Indian tribal funds with certain amounts heretofore expended from tribal funds on irrigation works of the Klamath Reservation, Oreg.; to the Committee on Indian Affairs.

A bill (S. 507) to amend section 3 of the act of July 13, 1926 (44 Stat. 915), entitled "An act for the relief of certain counties in the States of Oregon and Washington, within whose boundaries the revested Oregon and California Railroad Co. grant lands are located"; and

A bill (S. 508) to add certain lands to the Ochoco National Forest in the State of Oregon; to the Committee on Public Lands and Surveys.

A bill (S. 509) to prevent the use of Federal official patronage in elections and to prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends; to the Committee on the Judiciary.

A bill (S. 510) authorizing and directing the Secretary of Agriculture to investigate all phases of taxation in relation to agriculture; to the Committee on Agriculture and Forestry.

A bill (S. 511) granting a pension to George W. Newman;

A bill (S. 512) granting a pension to Daniel Kinney;

A bill (S. 513) granting a pension to Alfred L. Chapman;

A bill (S. 514) granting a pension to Robert A. Masterson;

A bill (S. 515) granting a pension to Susan F. Cates;

A bill (S. 516) granting a pension to Mary E. Allen;

A bill (S. 517) granting a pension to Harold C. Cline;

A bill (S. 518) granting a pension to John L. Hammack;

A bill (S. 519) granting a pension to Lillian S. Blackwell;

A bill (S. 520) granting a pension to Myrtle J. Buzan;

A bill (S. 521) granting a pension to Mark Baldwin;

A bill (S. 522) granting a pension to Matilda Jane Hart;

A bill (S. 523) granting a pension to J. B. Stanfield;

A bill (S. 524) granting a pension to Mary Nightingale;

A bill (S. 525) granting a pension to Arminta Sullivan;

A bill (S. 526) granting a pension to Christiana L. Todd;

A bill (S. 527) granting pensions to certain persons who served in the Indian wars from 1817 to 1898;

A bill (S. 528) to amend section 3 of the act entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes", approved March 3, 1927;

A bill (S. 529) granting an increase in pension to Blanche C. Hurd;

A bill (S. 530) granting a pension to John R. Liles;

A bill (S. 531) granting a pension to Emma V. Crawford (with accompanying papers); and

A bill (S. 532) granting a pension to O. Scott Clark (with accompanying papers); to the Committee on Pensions.

(S. J. Res. 9 appears under a separate heading.)

By Mr. VANDENBERG:

A joint resolution (S. J. Res. 10) proposing an amendment to the Constitution of the United States providing for the fixing of prices in time of war and the prevention of profiteering; to the Special Committee Investigating Munitions.

A joint resolution (S. J. Res. 11) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Library.

By Mr. CAPPER:

A joint resolution (S. J. Res. 12) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia; to the Committee on the Judiciary.

By Mr. PITTMAN:

A joint resolution (S. J. Res. 13) to authorize an appropriation for the expenses of an examination of the United States and Turkish claims; and

A joint resolution (S. J. Res. 14) amending Public Resolution No. 118, Seventy-first Congress, approved February 14, 1931, providing for an annual appropriation to meet the quota of the United States toward the expenses of the International Technical Committee of Aerial Legal Experts; to the Committee on Foreign Relations.

By Mr. POPE:

A joint resolution (S. J. Res. 15) proposing an amendment to article V of the Constitution of the United States, providing for the popular amendment of said Constitution; to the Committee on the Judiciary.

By Mr. CUTTING and Mr. HATCH:

A joint resolution (S. J. Res. 16) to provide for defraying the expenses of the American section, International Boundary Commission, United States and Mexico; to the Committee on Foreign Relations.

By Mr. ASHURST:

A joint resolution (S. J. Res. 17) proposing an amendment to the Constitution of the United States relative to restrictions on the employment of aliens; and

A joint resolution (S. J. Res. 18) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. STEIWER:

A joint resolution (S. J. Res. 19) proposing an amendment to the Constitution of the United States relating to popular nominations of candidates for President and Vice President; to the Committee on the Judiciary.

COMPETITIVE CIVIL SERVICE IN THE POST OFFICE DEPARTMENT

Mr. VANDENBERG introduced a bill (S. 320) placing the position of postmaster in first-, second-, and third-class offices in the competitive classified service and for other purposes essential to the establishment of the Post Office Department on a nonpolitical career basis, which was read twice by its title, referred to the Committee on Post Offices and Post Roads, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That postmasters of the first, second, and third classes, or of any other class hereafter established, shall hereafter be appointed, without term, by the Postmaster General in accordance with the provisions of this act and the Civil Service Act of January 16, 1883 (22 Stat. 430): *Provided*, That postmasters now serving may continue to serve until the end of their terms.

SEC. 2. The Postmaster General shall make appointments of postmasters by promotion of persons within the Postal Service possessing such qualifications of age, education, residence, and experience in the Postal Service as may be required by the Postmaster General with the approval of the Civil Service Commission.

SEC. 3. If no persons are able to qualify for appointment by promotion or transfer under the provisions of section 2, the Postmaster General shall request the Civil Service Commission to hold an

open competitive examination under the provisions of the Civil Service Act and rules.

SEC. 4. That all appointments of acting postmasters at offices of the first, second, third, or fourth class shall be made in accordance with the provisions of the civil-service rule governing temporary appointments.

SEC. 5. That the Postmaster General is authorized and directed to abolish the position of assistant postmaster at each post office where such position exists, at any time he finds, after investigation, that the efficient operation of such office will not be impaired thereby. Such investigations shall be made as soon as practicable, and from time to time thereafter. This section shall not be construed to prohibit the creation of the position of assistant postmaster at any post office where such position has been abolished, or at any other post office, if, in the opinion of the Postmaster General, the services of an assistant postmaster becomes necessary to the efficient operation of such office. The Postmaster General shall include in his annual report an account of the action taken pursuant to this section.

SEC. 6. That the positions of First Assistant Postmaster General, Second Assistant Postmaster General, Third Assistant Postmaster General, Fourth Assistant Postmaster General, Purchasing Agent, and Comptroller in the Post Office Department are hereby placed in the competitive classified service and made subject to the provisions of the Civil Service Act and rules and the priorities defined hereafter. Appointments to the positions of First, Second, Third, and Fourth Assistant Postmasters General shall be made by promotion or transfer of qualified persons within the classified service, including first-class postmasters.

SEC. 7. It shall be unlawful for the Postmaster General during his incumbency to be an officer or member of any political committee or to engage, directly or indirectly, in any political activity of any nature.

SEC. 8. That all laws and parts of laws inconsistent with this act are hereby repealed.

FINANCIAL AND ECONOMIC CONDITION OF AGRICULTURAL PRODUCERS

Mr. WHEELER introduced a joint resolution (S. J. Res. 9) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally, which was read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Joint resolution authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally

Whereas the decline in agricultural income and the unsatisfactory condition of agriculture and of those engaged therein is a matter of increasing concern to the Congress, and affects the general welfare of the Nation and its citizens; and

Whereas in recent years the agricultural income has decreased while the earnings and profits of concerns processing or dealing in certain lines of farm products have increased or declined only moderately; and

Whereas there has developed an increasingly large proportionate spread between the prices received by the farmer for his products and the prices paid therefor by the consumer; and

Whereas, according to the latest statistics of income published by the Bureau of Internal Revenue, 22 large corporations reported making over 45 percent of the gross sales of all corporations engaged in the processing and manufacture of food products in 1931, and 102 large corporations reported making 60 percent of the gross sales of such corporations; and

Whereas it is charged that monopolistic, oppressive, and unfair methods and practices of various middlemen, warehousemen, processors, manufacturers, packers, and handlers are in whole or in part responsible for the conditions above described, and that wasteful and uneconomic methods have contributed toward bringing about these conditions; and

Whereas it is charged that said various middlemen, warehousemen, processors, manufacturers, packers, handlers, and others have violated the various antitrust laws of the United States, that they have burdened, restricted, and restrained interstate and foreign commerce and adversely affected the volume and price of farm products moving in intrastate and foreign commerce; and

Whereas it is charged that many lines of processing, warehousing, and/or dealing in farm products are so dominated by a handful of large concerns as to impede the free flow of interstate and foreign commerce to the detriment of both the farmer and the consumer; and

Whereas it is charged that through the payment of high and excessive salaries and other devices said middlemen, warehousemen, processors, manufacturers, packers, and others escape just taxation by the United States, that said salaries tend unduly to diminish the tax revenues of the United States and tend to burden and restrain interstate and foreign commerce in farm products, and to divert and conceal the earnings and profits of the concerns paying said salaries, and that by various devices those receiving said salaries escape their just share of Federal taxation; and

Whereas it is believed that the Congress should consider whether new legislation should be enacted or existing legislation amended on any of the subjects hereinbefore described and in aid thereof should be informed on all of said subjects: Therefore be it

*Resolved, etc.*, That the Federal Trade Commission is hereby authorized and directed to investigate and report, at the next session of Congress—

First. (1) The extent of the decline in agricultural income in recent years, including the amount and percentage of such decline;

(2) The extent of the increases or decreases in recent years in the income of the principal corporations and other manufacturers, warehousemen, and/or processors of the principal farm products, as compared with the decline in agricultural income, including the amount and percentage of such changes; and

(3) The proportion of total consumer cost of representative products manufactured or processed from the principal farm products which is represented by the proceeds received by (a) the farmer, (b) the manufacturers, processors, and warehousemen, and (c) the distributors of such principal farm products and such representative products manufactured therefrom.

Second. The financial position of the principal corporations engaged in the manufacturing, processing, warehousing, distribution, and marketing of the representative major products manufactured from such principal farm products, including—

(1) The capitalization and assets of such corporations and the means and sources of the growth of such capitalization and assets;

(2) The investment, costs, profits, and rates of return of such corporations;

(3) The salaries of the officers of such companies; and

(4) The extent to which said corporations avoid income taxes, if at all, and the extent to which officers receiving such salaries paid income taxes thereon.

Third. The extent of concentration of control and of monopoly in the manufacturing, processing, warehousing, distribution, and marketing of representative major farm products which is maintained or has been obtained by any corporation or other organization, including—

(1) Methods and devices used by such corporations for obtaining and maintaining their control or monopoly of the manufacturing, marketing, processing, warehousing, and distribution of such commodities, and the proportion of any such major farm commodity handled by each of the large units involved; and

(2) The extent to which fraudulent, dishonest, unfair, and injurious methods are employed in the grading, warehousing, and transportation of such farm products, including combinations, monopolies, price fixing, and manipulation of prices on the commodity exchanges.

Fourth. The extent to which the cooperative agencies have entered into the processing, warehousing, and marketing of representative major farm products and the general effects of such cooperative agencies upon the producer and consumer.

Fifth. The extent to which other countries have adopted or promoted processing, warehousing, and marketing agencies of a public, quasi-public, or cooperative sort for the simplification and cheapening of the processing, warehousing, and marketing of agricultural products, and other administrative agencies which may have been set up for the protection of the farmer-producer and the consumer.

Sixth. Any conclusions and/or recommendations with regard to increasing the income of farm producers or other recommendations with regard to the improvement of the economic position of farmers or consumers growing out of the inquiry.

SEC. 2. The Department of Agriculture, the National Recovery Administration, the Department of Justice, and other agencies of the Government are directed to cooperate with the Commission in such inquiry to the fullest extent possible.

SEC. 3. For the purposes of this resolution the Federal Trade Commission shall have the same right to obtain data and to inspect income-tax returns as the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, and to submit any relevant or useful information thus obtained to the Congress or to either House thereof.

SEC. 4. For the purpose of carrying out this resolution the Federal Trade Commission, the Attorney General, and the courts of the United States shall have and may exercise all of the powers and jurisdiction severally conferred upon them by the act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 28, 1914.

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000, which shall be available for expenditure as the Federal Trade Commission may direct, for expenses and all necessary disbursements, including salaries, in carrying out this resolution and prosecuting litigation necessary in aid of the powers conferred hereunder.

SEC. 6. The Federal Trade Commission is directed to present an interim report to the Congress on January 1, 1936, describing the progress made and the status of its work hereunder, and a final report with recommendations for legislation not later than July 1, 1936.

TAXATION OF TAX-EXEMPT SECURITIES

Mr. ASHURST submitted the following concurrent resolution (S. Con. Res. 2), which was referred to the Committee on the Judiciary:

*Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of the Congress that all income and interest from all bonds or other certificates of indebtedness hereafter issued by the Government of the United States shall be taxable by the United States.

ELIZABETH TENNER

Mr. BANKHEAD submitted the following resolution (S. Res. 16), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Elizabeth Tenner, mother of Zelda Tenner, late an assistant clerk in the office of Senator BANKHEAD, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

MONOPOLISTIC INFLUENCE UPON INDUSTRIAL PRICES

Mr. BORAH. Mr. President, I offer a resolution asking for information. I think it will lead to no discussion whatever.

The resolution (S. Res. 17) was read, as follows:

*Resolved*, That the Secretary of Agriculture is hereby requested to send to the Senate as soon as practicable a certain study, memorandum, or report, prepared by Gardner C. Means, economic adviser on finance, relative to monopolistic influence upon, or monopolistic control of, industrial prices, and any and all reports or memorandums said Gardner C. Means has made touching the subject of industrial prices.

Mr. ROBINSON. Is the Senator asking for present consideration of the resolution?

Mr. BORAH. Yes; I desire to have it considered now.

Mr. ROBINSON. The resolution calls for information which would seem to be of interest and importance to the Senate. I know of no objection to its present consideration.

There being no objection, the resolution was considered and agreed to.

PROCEDURE IN IMPEACHMENT TRIALS

Mr. ASHURST submitted the following resolution (S. Res. 18), which was referred to the Committee on the Judiciary:

*Resolved*, That in the trial of any impeachment the Presiding Officer of the Senate, upon the order of the Senate, shall appoint a committee of 12 Senators to receive evidence and take testimony at such times and places as the committee may determine, and for such purpose the committee so appointed and the chairman thereof, to be elected by the committee, shall (unless otherwise ordered by the Senate) exercise all the powers and functions conferred upon the Senate and the Presiding Officer of the Senate, respectively, under the rules of procedure and practice in the Senate when sitting on impeachment trials.

Unless otherwise ordered by the Senate, the rules of procedure and practice in the Senate when sitting on impeachment trials shall govern the procedure and practice of the committee so appointed. The committee so appointed shall report to the Senate in writing a certified copy of the transcript of the proceedings and testimony had and given before such committee, and such report shall be received by the Senate and the evidence so received and the testimony so taken shall be considered to all intents and purposes, subject to the right of the Senate to determine competency, relevancy, and materiality, as having been received and taken before the Senate, but nothing herein shall prevent the Senate from sending for any witness and hearing his testimony in open Senate, or by order of the Senate having the entire trial in open Senate.

ELIZA J. SELLERS

Mr. DAVIS submitted the following resolution (S. Res. 19), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Eliza J. Sellers, widow of James F. Sellers, late messenger at the card door of the Senate, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON APPROPRIATIONS

Mr. GLASS submitted the following resolution (S. Res. 20), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Appropriations, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON NAVAL AFFAIRS

Mr. TRAMMELL submitted the following resolution (S. Res. 21), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Naval Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE COMMITTEE ON INTEROCEANIC CANALS

Mr. GORE submitted the following resolution (S. Res. 22), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Interoceanic Canals, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. PITTMAN submitted the following resolution (S. Res. 23), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Foreign Relations, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARING BEFORE COMMITTEE ON BANKING AND CURRENCY

Mr. FLETCHER submitted the following resolution (S. Res. 24), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Banking and Currency, or any subcommittee thereof, hereby is authorized to sit during the sessions, recesses, and adjourned periods of the Seventy-fourth Congress at such times and places as it may deem advisable, to make investigations into all matters within its jurisdiction, and to compile and prepare statistics and documents in relation thereto, as directed from time to time by the Senate and as may be necessary, and to report in due course to the Senate the result thereof, to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses incurred in pursuance hereof shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

ASSISTANT CLERK TO COMMITTEE ON COMMERCE

Mr. COPELAND submitted the following resolution (S. Res. 25), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Commerce is authorized to employ until July 1, 1935, an assistant clerk, to be paid from the contingent fund of the Senate at the rate of $2,000 per annum.

BLANCHE A. HALL

Mr. COPELAND submitted the following resolution (S. Res. 26), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Blanche A. Hall, daughter of William L. Walling, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE COMMITTEE ON PUBLIC LANDS AND SURVEYS

Mr. WAGNER submitted the following resolution (S. Res. 27), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

SYSTEM OF HEALTH INSURANCE

Mr. BLACK submitted the following resolution (S. Res. 28), which was referred to the Committee on Education and Labor:

*Resolved*, That the Committee on Education and Labor of the Senate is hereby directed and instructed, either acting through the full committee or through a duly appointed subcommittee, as soon as practicable, to make a full and complete investigation in order to determine the best and most effective kind of Federal legislation to provide a system of health insurance throughout the entire United States, and to report to the Senate as early as practicable the recommendations outlining the kind of legislation it is believed will most effectively accomplish this purpose.

AMENDMENT OF RULE XXV—COMMITTEE ON AERONAUTICS AND AVIATION

Mr. McCARRAN submitted the following resolution (S. Res. 29), which was referred to the Committee on Rules:

*Resolved*, That rule XXV of the standing rules of the Senate be, and the same is hereby, amended by inserting, on page 80, after the third line of paragraph 1, the following:

"Committee on Aeronautics and Aviation, to consist of 12 Senators."

AMENDMENT OF THE RULES—RIVER AND HARBOR ITEMS

Mr. VANDENBERG submitted the following resolution (S. Res. 30), which was referred to the Committee on Rules:

*Resolved*, That the standing rules of the Senate be, and they are hereby, amended by adding, after rule XX, a new rule, relating to river and harbor projects, as follows:

"Rule XXI. When a rivers and harbors authorization bill is pending, a point of order may be made against the authorization of any project in any form not formally recommended to the Congress in an official report of the Board of Engineers for Rivers and Harbors."

COLUMBIA AND SNAKE RIVERS, OREG., WASH., AND IDAHO

Mr. McNARY and Mr. STEIWER submitted the following resolution (S. Res. 31), which was referred to the Committee on Commerce:

*Resolved*, That the Board of Engineers for Rivers and Harbors, created under section 3 of the Rivers and Harbors Act, approved June 13, 1902, be, and is hereby, requested to review the reports on the Columbia and Snake Rivers, Oreg., Wash., and Idaho, submitted in House Document No. 16, Seventy-third Congress, second session, with a view to determining the advisability of constructing a dam and navigation locks at Umatilla Rapids in connection with the improvement of Snake River.

JAPANESE POLICY IN MANCHURIA

Mr. KING submitted the following resolution (S. Res. 32), which was submitted to the Committee on Foreign Relations:

Whereas by the Kellogg Peace Pact signed at Paris on August 27, 1928, the high contracting parties (including the United States and Japan) solemnly declared that they condemn recourse to war for the solution of international controversies; and

Whereas by the nine-power treaty signed at Washington on February 6, 1922, the contracting powers (including the United States and Japan) agreed to respect the sovereignty, the independence, and the territorial and administrative integrity of China, and to refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly states; and

Whereas it is alleged that the policy pursued by Japan in Manchuria in establishing the Manchukuoan Government, in setting up a government oil monopoly of foreign oil interests, and the refusal by Manchukuo, as stated in the Japanese press, to observe the open-door policy except as to nations according her recognition, is a violation of the above treaties: Therefore be it

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to examine into the policy pursued by Japan in Manchuria with a view to determining whether such policy has violated any of the provisions of the Kellogg peace pact or the nine-power treaty.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $ , shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

FORTIFICATION OF CERTAIN MANDATED ISLANDS IN THE PACIFIC

Mr. KING submitted the following resolution (S. Res. 33), which was referred to the Committee on Foreign Relations:

Whereas by article 119 of the treaty of peace with Germany, signed at Versailles on June 28, 1919, Germany renounced in favor of the Principal Allied and Associated Powers all rights over her overseas possessions, including the groups of islands in the Pacific Ocean lying north of the Equator; and

Whereas the Principal Allied and Associated Powers, including the United States, agreed that in accordance with article 22, part I (Covenant of the League of Nations), of the said treaty, a mandate should be conferred upon His Majesty the Emperor of Japan to administer the said islands; and

Whereas His Majesty the Emperor of Japan accepted such mandate, subject to the agreement, among others, that no military or naval bases should be established or fortifications erected in the mandated territory; and

Whereas for some 14 years there have been recurrent charges in the press to the effect that Japan has fortified her mandated islands in violation of the agreement not to do so; and

Whereas it is alleged that Japan has failed to make reports on its administration of its mandated islands, as required by the League of Nations: Therefore be it

*Resolved*, That the Committee on Foreign Relations, or any duly authorized subcommittee thereof, is authorized and directed to examine into the charge that Japan is fortifying or has fortified her mandated islands and to report to the Senate, as soon as practicable, the results of its investigation, together with its recommendations.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $ , shall be paid from the contingent fund of the Senate, upon vouchers approved by the chairman.

HEARINGS BEFORE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. KING submitted the following resolution (S. Res. 34), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on the District of Columbia, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

MONOPOLISTIC PRACTICES AND THE ANTITRUST LAWS

Mr. KING submitted the following resolution (S. Res. 35), which was referred to the Committee on the Judiciary:

Whereas to prevent monopolies and combinations in restraint of trade and efforts to obtain monopolistic control of trade and commerce, laws were enacted by the Congress which are still in force; and

Whereas it is claimed that such laws have not been enforced and that monopolies have increased and monopolistic control of industry has been strengthened; and

Whereas notwithstanding the enactment of said antitrust laws it is alleged that the National Industrial Recovery Act has been construed as permitting monopolies and pro tanto repeals the said antitrust laws; and

Whereas it is alleged that the said antitrust laws are inadequate to meet monopolistic developments and should therefore be strengthened in order that the purpose for which they were enacted might be realized: Now, therefore, be it

*Resolved*, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized to conduct an investigation to determine (1) whether the National Industrial Recovery Act has encouraged or promoted monopolistic practices; (2) whether the National Industrial Recovery Act or rules, regulations, and codes issued under it have tended to nullify the antitrust laws; (3) whether, in that event, legislation is needed to restore the antitrust laws to the position which they occupied prior to the date of enactment of the National Industrial Recovery Act; and (4) whether the antitrust laws, if properly enforced, are adequate to control monopolistic practices.

The committee shall report as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses until the final report is submitted; to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

### PRINTING OF ADDITIONAL COPIES OF REPORT ON STOCK EXCHANGE PRACTICES

Mr. HAYDEN submitted the following resolution (S. Res. 36), which was referred to the Committee on Printing:

*Resolved*, That 4,000 additional copies of the report (No. 1455) of the Committee on Banking and Currency, Seventy-third Congress, second session, on Stock Exchange Practices, be printed for the use of the Senate document room.

### REPORTS OF THE COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 364) to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia, reported it without amendment and submitted a report (No. 1) thereon.

Mr. KING, from the same committee, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 396. An act to amend section 1180 of the Code of Law for the District of Columbia with respect to usury (Rept. No. 2);

S. 397. An act to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes (Rept. No. 3);

S. 398. An act to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto (Rept. No. 4);

S. 399. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia (Rept. No. 5);

S. 400. An act to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition (Rept. No. 6);

S. 401. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929 (Rept. No. 7);

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia (Rept. No. 8); and

S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes (Rept. No. 9).

Mr. McCARRAN, from the Committee on the District of Columbia, to which was referred the bill (S. 408) to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, reported it without amendment and submitted a report (No. 10) thereon.

### REFERENCE OF NOMINATIONS OR TREATIES

Mr. ROBINSON. Mr. President, I ask the entry of the order which I send to the desk. I may state to the Senate that it is in identical form with orders entered at the last session and preceding sessions of the Senate, and is for the convenience of the Senate.

There being no objection, the order was read and entered, as follows:

*Ordered*, That on calendar days of the present session of the Congress when no executive session is held, nominations or treaties received from the President of the United States may, where no objection is interposed, be referred, as in executive session, to the appropriate committees by the Presiding Officer of the Senate.

### THE BUDGET

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, referred to the Committee on Appropriations, and ordered to be printed, as follows:

### BUDGET MESSAGE OF THE PRESIDENT

*To the Congress of the United States:*

The Budget of the United States Government for the fiscal year ending June 30, 1936, of which this message is definitely a part, is transmitted herewith for your consideration. It deals principally with the moneys carried in the general and special accounts of the Government, which constitute the great bulk of the general fund, as this fund is shown on the first page of the daily Treasury statement. The remainder of the general fund consists mainly of moneys carried in trust accounts, which are not strictly Government moneys, and therefore enter only incidentally into the financial picture presented by the General Budget Summary.

### REVIEW OF THE FISCAL YEAR 1934

The total expenditures of the Government for the fiscal year ended June 30, 1934, as shown in the General Budget Summary and supporting schedules, amounted to $7,105,000,000 in round figures. Of this amount, the sum of $1,086,000,000 was spent for the operation and maintenance of the regular departments and establishments of the Government, $556,000,000 to meet veterans' pensions and benefits, $757,000,000 for interest on the national debt, $360,000,000 for statutory debt retirements, and $63,000,000 for tax refunds, making in the aggregate $2,822,000,000. The remainder of the total expenditures for that year, amounting to $4,283,000,000, was spent for recovery and relief. The general purposes to which this amount was applied are set forth in detail in supporting schedule no. 3. It will be seen that this amount was expended approximately as follows:

| | *In millions of dollars* |
|---|---|
| Agricultural aid | 847.0 |
| Relief | 1,844.4 |
| Public works | 653.5 |
| Aid to home owners | 194.9 |
| Reconstruction Finance Corporation | 584.6 |
| Miscellaneous | 158.6 |
| Total | 4,283.0 |

A part of this expenditure of $4,283,000,000 for recovery and relief is repayable; indeed, substantial repayments have already been made to the Government. Loans amounted to $732,000,000, and subscriptions to capital stock and preferred shares to $826,000,000, making a total of $1,558,000,000 which may be regarded as repayable expenditures made during the fiscal year 1934. The part regarded as nonrepayable totals $2,725,000,000. This sum has been spent mainly for grants, aids, public-works projects, and administrative expenses.

The total receipts of the Government for the fiscal year 1934 reached in the aggregate $3,115,500,000. Of this amount $2,640,600,000 came from internal revenue, $313,400,000 from customs, $152,600,000 from miscellaneous revenues, and $8,900,000 from receipts due to the realization upon assets. Income tax supplied $818,000,000 of internal revenues; miscellaneous taxes (e. g., estate, capital stock, liquor, tobacco, stamp, and excise taxes), $1,469,600,000, and processing taxes, $353,000,000. Since the processing taxes are appropriated for the use of the Agricultural Adjustment Administration, their total should be subtracted from the aggregate receipts shown above in order to arrive at the general receipts of the Government.

The general receipts of $2,762,500,000, excluding processing taxes, approximately equaled the regular expenditures for the year, a fact which should be duly recognized.

The deficit at the end of the fiscal year 1934, as shown in the General Budget Summary, was $3,989,500,000 in round figures. After deducting $359,900,000 for statutory debt retirements during 1934, the resulting net deficit financed from borrowings was $3,629,600,000. The gross increase in the national debt amounted to $4,514,400,000, making a total debt of $27,053,000,000, as indicated in supporting schedule no. 6. This addition to the debt during 1934 included the financing of the net deficit of $3,629,600,000 and an increase of $884,800,000 in the cash balance of the general and special accounts, as shown in supporting schedule no. 4.

THE ECONOMIC SITUATION

Because of its profound influence on the Federal Budget, the economic situation may be briefly summarized at this point. Business was substantially more active during the fiscal year 1934 than in either of the 2 preceding fiscal years. At the opening of the year, in July 1933, producers were increasing their operations, sharply reflecting in part larger orders placed in anticipation of code regulations. There was a temporary decline in output in the autumn and early winter, in response to an overaccumulation of inventories during this period, but production again advanced during the last half of the fiscal year. Industrial output for the period as a whole, when measured by the Federal Reserve Board index, was 25 percent greater than in the fiscal year 1933 and only slightly below the level of the fiscal year 1931. The degree of recovery varied in the different industries. Production of nondurable goods, which had declined only moderately during the depression, approached within 1 percent of its 1923–25 average, while output in the durable-goods group, where prices showed relatively small declines since 1929, was 38 percent below its average in those years. Construction activity financed by private individuals continued to be restricted in amount, although public construction increased. This result was in no way surprising, in view of the enormous sums spent on permanent structures, in many cases in excess of actual requirements, during the period 1925–29.

The average volume of industrial employment expanded in proportion to production, and the total number of unemployed at the end of the fiscal year 1934, although still very large, decreased by about two millions as compared with June 1933, and four millions as compared with the worst point of the depression, which fell in March 1933. Reflecting higher wage rates and an expansion in total hours worked, industrial pay rolls averaged sharply higher over the year. Distribution of commodities at retail to consumers increased, but in smaller proportion than output, with the result that inventories of manufactured goods showed a net growth over the year ended June 30, 1934.

At the end of the fiscal year 1934 the Bureau of Labor Statistics index of wholesale commodity prices stood at 74.8 percent of its 1926 average as compared with 66.3 percent on June 30, 1933, and 59.6 percent early in March 1933. The sharpest rise in prices took place in farm products which were affected by anticipation of smaller crops during the summer of 1934. The rise in agricultural prices more than offset the decrease in farm output, and farmers' cash income, including governmental rental and benefit payments, was 34 percent higher than in the fiscal year 1933. Corporate profits, aided by larger volume as well as by inventory appreciation, also increased considerably.

Following the close of the fiscal year 1934, output in basic industries fell sharply through September, reflecting particularly an overaccumulation of inventories in steel and textile products and the delay in the placing of orders for autumn merchandise because of uncertainty as to the effect of the drought. Industrial prices, however, remained relatively stable and prices of farm products and foods moved into closer alignment with prices of nonagricultural commodities. In retail markets, goods continued to move in sustained volume with the result that inventories were reduced to lower levels and output was again increasing in the final quarter of the calendar year 1934.

CONDITION OF THE FISCAL YEAR 1935

The total expenditure requirements for the fiscal year ending June 30, 1935, are estimated at approximately $8,581,000,000, as shown in the general Budget summary. Of this amount, the sum of $3,321,000,000 is for regular expenditures, and $5,260,000,000 for recovery and relief. The regular expenditures are for the following general purposes:

| | *In millions of dollars* |
|---|---|
| Operation and maintenance of the regular departments and establishments | 1,235 |
| Veterans' pensions and benefits | 610 |
| Interest on the national debt | 835 |
| Tax refunds (excluding processing taxes) | 68 |
| Subtotal | 2,748 |
| Debt retirements | 573 |
| Total | 3,321 |

The amount of $1,235,000,000, mentioned above, includes $20,000,000 for expenditures estimated to be made this year from an additional sum of approximately $125,000,000 which will be required for 1935 to make up deficiencies in the appropriations for the regular departments and establishments, including the Veterans' Administration. Of this additional sum, approximately $65,000,000 will be required to meet the needs of the Veterans' Administration due to the application of new laws or revised rules pertaining to service-connected disabilities.

Of the total expenditures for recovery and relief, $788,000,000 are for the Agricultural Adjustment Administration and the refunding of processing taxes, while $4,472,000,000 are devoted to other purposes in the recovery and relief program. During the first 5 months of the current fiscal year the Government expended for recovery and relief $1,712,000,000, or at the rate of about $350,000,000 per month.

A summary of the aggregate amounts expended for recovery and relief from February 1, 1932, to November 30, 1934, shows a total figure of $8,164,900,000. This expenditure has been distributed approximately as follows:

| | *In millions of dollars* |
|---|---|
| Agricultural aid | 1,337.3 |
| Relief | 2,783.0 |
| Public works | 1,226.2 |
| Aid to home owners | 306.3 |
| Reconstruction Finance Corporation | 2,351.2 |
| Miscellaneous | 160.9 |
| Total | 8,164.9 |

From February 1, 1932, to November 30, 1934, nearly 3 years, provision for recovery and relief through appropriations and authorizations reached a grand total of $14,412,400,000. Of this total there remained unexpended on November 30, $6,247,500,000, a large part of which had already been obligated though not yet actually paid out by the Treasury. The sum of approximately $900,000,000 from the unobligated portion must, however, be made available for transfer to emergency relief needs during the remaining months of the current fiscal year. Recommendation is therefore made that the Congress provide for the immediate transfer of such unobligated portion for relief during the transition period from direct relief to work relief as outlined in my annual message.

Appropriations for emergency relief purposes will be completely exhausted early in February. Hence it is vitally necessary that unobligated balances of moneys already appropriated be made immediately available to care for the unemployed during the remainder of the fiscal year 1935 and the transition period. Through such action no new appropriation will be required to carry our relief needs for the current fiscal year.

The total receipts for the fiscal year 1935 are estimated at $3,711,000,000. After deducting from this amount the processing taxes, estimated at $589,000,000, there remains $3,122,000,000 to be applied against other expenditures of the Government.

The income tax for 1935 is estimated to yield $234,000,000 more than in 1934, or a total of $1,051,000,000. The receipts from miscellaneous internal-revenue taxes, exclusive of processing taxes, are expected to produce $60,000,000 more in 1935 than in 1934, thus bringing the total yield up to $1,543,000,000. It is estimated that customs will show a decrease for 1935 under 1934 of about $26,000,000, due to the Cuban sugar agreement and to the foreign-trade situation in general. Miscellaneous revenues and other receipts from the realization of certain assets are expected to yield for 1935 about $227,000,000, an increase of $66,000,000 over 1934.

The deficit for the fiscal year 1935 is estimated at $4,869,000,000, including $573,000,000 for statutory debt retirements. On December 26, 1934, the gross national debt stood at $28,484,000,000. It is estimated that the gross debt on June 30, 1935, will amount to about $31,000,000,000. In the Budget message of last year it was estimated that the national debt on June 30, 1935, would amount to $31,800,000,000. According to the latest estimates the debt will not reach this amount by $800,000,000.

THE FISCAL YEAR 1936

In the Budget message of last year I said, speaking of the fiscal year 1936, that we should plan to have a definitely balanced Budget for the third year of recovery and from that time on to seek a continued reduction of the national debt.

Despite the substantial measure of recovery achieved since that statement was made, unemployment is still large. The States and local units now provide a smaller proportionate share of relief than a year ago and the Federal Government is therefore called upon to continue to aid in this necessary work.

For this reason it is evident that we have not yet reached a point at which a complete balance of the Budget can be obtained. I am, however, submitting to the Congress a Budget for the fiscal year 1936 which balances except for expenditures to give work to the unemployed. If this Budget receives the approval of the Congress, the country will henceforth have the assurance that, with the single exception of this item, every current expenditure of whatever nature will be fully covered by our estimates of current receipts. Such deficit as occurs will be due solely to this cause, and it may be expected to decline as rapidly as private industry is able to reemploy those who now are without work.

A résumé of the financial plan which the general Budget summary shows for 1936, as compared with 1934 and 1935, is presented below:

[In millions of dollars]

| | 1934 | 1935 | 1936 |
|---|---|---|---|
| I. Regular: | | | |
| 1. Receipts | 2,763 | 3,123 | 3,422 |
| 2. Expenditures: | | | |
| (1) Operation and maintenance of regular departments and establishments | 1,086 | 1,235 | 1,622 |
| (2) Veterans' pensions and benefits | 556 | 610 | 740 |
| (3) Interest on national debt | 757 | 835 | 875 |
| (4) Tax refunds (exclusive of processing taxes) | 63 | 68 | 65 |
| Total regular expenditures | 2,462 | 2,748 | 3,302 |
| II. Recovery and relief: | | | |
| 1. Agricultural Adjustment Administration: | | | |
| Processing taxes | 353 | 589 | 570 |
| Expenditures (including refunds of processing taxes) | 290 | 788 | 472 |
| Excess of expenditures over taxes | −63 | +199 | −98 |
| 2. Other recovery and relief expenditures | 3,993 | 4,472 | 4,110 |
| Total recovery and relief expenditures | 3,930 | 4,671 | 4,012 |
| Total expenditures (exclusive of debt retirements) | 6,392 | 7,419 | 7,314 |
| Net deficit | 3,629 | 4,296 | 3,892 |
| Debt retirements | 360 | 573 | 636 |
| Gross deficit | 3,989 | 4,869 | 4,528 |

The estimated expenditures for the fiscal year 1936, as shown in the general Budget summary, total in round figures $8,520,000,000, including statutory debt requirements. Of this amount, $3,938,000,000 are for regular purposes, and the remainder for recovery and relief. The regular expenditures consist of $1,622,000,000 for the operation and maintenance of the regular departments and establishments of the Government, which includes $200,000,000 to be expended from an annual appropriation of $300,000,000 for public works, as requested in the Budget and as explained below. The other items of regular expenditures are $740,000,000 for veterans' pensions and benefits, $875,000,000 for interest on the national debt, $636,000,000 for statutory debt retirements, and $65,000,000 for tax refunds (excluding processing-tax refunds).

Some of the principal increases in the major expenditure items for 1936 may be cited. The restoration of the final 5 percent of the 15-percent salary reduction amounts to about $40,000,000 for the regular departments and establishments, exclusive of the Postal Service. The latter service requires an additional sum of $25,000,000 for this purpose. Provision has been made in 1936 for an increase in the civil-service retirement and disability fund of $20,000,000 over 1935, making a total annual contribution to this fund of $40,000,000. This increase will enable the Government to meet more nearly its annual obligation with respect to this fund. It has been estimated that this obligation amounts to $52,000,000, but such estimate has not been sufficiently established to justify its inclusion in the Budget. An effort will be made during the coming year, however, definitely to establish the Government's annual liability, the amount of which will be included in the 1937 Budget. Likewise, an increase of $50,000,000 is recommended in the veterans' adjusted-service-certificate fund, thus bringing the total annual contribution to this fund up to $100,000,000. The actuarial requirement of the fund for 1936 has been estimated at $155,000,000. An effort will also be made during the coming year to establish this fund on a more definite basis consistent with the Government's actual liability under existing law. The expenditures for national defense have been increased for 1936 over 1935 by $180,000,000. This increase is due to the current policy of the Congress and the Executive to make up for the delay by the United States in meeting the provisions of the naval treaties of 1922 and 1930, and to provide replacement and improved equipment for the Army. Veterans' pensions and other requirements have also been increased by about $130,000,000, after adding to the 1935 figure the estimated supplemental amount previously mentioned, which is due to the application of new laws and revised rules pertaining to service-connected disabilities.

Another increase in the estimated expenditures is $200,000,000 from an appropriation of $300,000,000 which I am requesting for public works. This appropriation is intended to take care of the normal public-works requirements of the Government usually included in the annual supply bills, such as Federal highways, river and harbor improvements, and general public works, including the construction program of the Tennessee Valley Authority. This requested appropriation may therefore be regarded as regular instead of emergency. The debt charges for interest and retirements have increased considerably due to the growth of the national debt, but the decrease in the average annual interest rate has served to keep these charges down.

The estimated expenditures for recovery and relief during 1936 are placed at $4,110,000,000, excluding $472,000,000 for the Agricultural Adjustment Administration. I recommend that $4,000,000,000 be appropriated by the Congress in one sum, subject to allocation by the Executive principally for giving work to those unemployed on the relief rolls. An estimate of expenditures covering this amount is included in the Budget.

The total receipts for the fiscal year 1936 are estimated at approximately $3,992,000,000. When $570,000,000 of estimated processing taxes are deducted from this amount, there will remain for general purposes $3,422,000,000.

The detailed estimates of revenues and receipts for 1936, shown in statement no. 1, indicate a gain of $137,000,000 in the collections from income tax over those for 1935. This gain is due to anticipated improvement in business and to the upward revision of rates in the Revenue Act of 1934. The miscellaneous internal-revenue taxes for 1936 are estimated to increase some $143,000,000 over the collections for 1935. This increase is predicated on the assumption that the taxes terminating on June 30 and July 31, 1935, will be extended by the Congress, and also that the tax rates which would be reduced on June 30, 1935, will be continued. Otherwise there will be a reduction in the total estimate of miscellaneous internal-revenue taxes of $378,000,000, thus bringing the total estimate down to $1,308,000,000, excluding processing taxes. Customs are estimated to yield $298,000,000 for 1936, representing a small increase of $11,000,000 over 1935. Miscellaneous revenues and other receipts are estimated to produce $250,000,000, a gain of about $23,000,000 over 1935.

While I do not consider it advisable at this time to propose any new or additional taxes for the fiscal year 1936, I do recommend that the Congress take steps by suitable legislation to extend the miscellaneous internal-revenue taxes which under existing law will expire next June or July, and also to maintain the current rates of these taxes which will be reduced next June. I consider that such taxes are necessary to the financing of the Budget for 1936.

In this connection, may I say, too, that the postal revenues, as estimated in detail in the annexed budget of the Post Office Department, are based on the continuation of the 3-cent postage rate for nonlocal first-class mail. Unless this rate is continued, the postal expenses for 1936, which include steamship and aircraft subsidies and free carriage of Government mail, will be increased by about $75,000,000, all of which will become an added burden on the general revenues of the Treasury. I, therefore, recommend the extension of the 3-cent rate.

If the estimates submitted in this Budget are approved, and if the expenditures for which authorization is asked are made in full, the deficit, including statutory debt retirements, will amount to $4,528,000,000 for the fiscal year 1936. The national debt will be increased during this year by approximately $3,152,000,000, thus bringing the total debt up to $34,239,000,000. But this increase, as I have pointed out, will be due solely to continued relief of unemployment.

CONTINUATION OF EMERGENCY AGENCIES

A number of the emergency agencies now authorized by law will terminate during the present fiscal year. Most of these agencies fill important present needs and should be continued. As rapidly as seems practicable, I am bringing the administrative expenses of these agencies under the supervision of the Director of the Budget.

ECONOMY LEGISLATION

Many of the estimates of appropriations contained in the Budget are based upon the continuation of certain legislative provisions with reference to economy which are now in force. They are appended hereto and should be reenacted if the estimates are to be sustained. Among those continued is the provision for certain special salary reductions, the suspension of the reenlistment bonus to men of the military and naval services, the reduction in travel allowances of certain postal employees, permitting temporary reassignment of duties of certain postal employees, reduction in fees of jurors and witnesses, permitting transfers between appropriations, and the involuntary retirement of Federal employees having 30 years' service. Specific provision is also made for service credits to certain personnel affected by the suspension of increases in pay during the fiscal years 1933 to 1935, in the determination of compensation accruing subsequent to June 30, 1935, but without authorizing the payment of the amount that would have been paid during these years. Among the economy provisions which now obtain and which it is not proposed to continue is the 5-percent reduction in compensation of Government employees after July 1, 1935. I see no reason, however, for the restoration of this reduction prior to that date. The index figure of the cost of living, on the basis of which salary restorations are provided by section 3, title II, of the Economy Act of 1933, now indicates that such restorations in all probability would not even be justified on next July 1, or for some time thereafter.

IMPROVEMENTS IN THE FORM OF THE BUDGET

Several important changes have been made in the form of the Budget document for 1936. The purpose of these changes has been twofold: (1) To improve the usefulness of the document from the citizens' standpoint, and (2) to provide more adequate treatment of the financial requirements of certain governmental units, such as the Post Office Department and the District of Columbia.

The General Budget Summary, following this message, is designed to present on one page a comprehensive picture of the financial requirements of the Government. It exhibits the anticipated receipts from all sources and the estimated expenditures for all purposes. It also shows the deficit and indicates the proposed means of financing this deficit. Since the figures presented in the summary are necessarily in aggregate amounts, the details of these amounts are shown in six supporting schedules. Both in the summary and in these schedules appropriate columns are carried to provide direct comparisons between the Budget figures for 1936 and the estimated and actual figures for 1935 and 1934.

The revenue estimates are emphasized in this Budget for the first time. These estimates are set forth in Statement No. 1 in sufficient detail to show all the principal sources from which the Government gets its income. Accompanying this statement is a supporting text, which analyzes and gives the reasons for the 1936 estimates and compares them with those for 1935 and with the actual collections for 1934.

Annexed budgets are set up for the major self-supporting or self-contained units of the Government, namely, the Post Office Department, the Reconstruction Finance Corporation, the Tennessee Valley Authority, and the District of Columbia. The use of such budgets permits the receipts and expenditures of each of these units to be clearly and completely presented in gross figures and in balanced form, as has not hitherto been done. By following this method the net figures for each unit, which may be either appropriation needs or surplus receipts, are calculated and then carried to the General Budget Summary. Thus the financial requirements of these units are definitely tied into the general budgetary plan. The annexed budgets are therefore not in any sense independent or multiple budgets, but simply integral parts of the Government's general Budget.

BETTER METHODS OF FISCAL CONTROL

In order to promote more satisfactory methods of budgetary control in the Government, I propose this year to inaugurate the policy of having a summation of the Budget prepared for publication immediately after the Congress has acted on all financial matters. This summation will be ready on or before July 1, unless the Congress is still in session. It will be presented along the lines of the General Budget Summary and supporting schedules, including Statements Nos. 1 and 2, as shown in this Budget. It will exhibit the revenue estimates, so revised by the Treasury, as to reflect any changes in the economic situation during the preceding 6 or 7 months and also any revisions made by the Congress in the tax laws. It will provide a complete summary of all appropriations and expenditure authorizations made by the Congress and related estimates of expenditures. Lastly, it will indicate the need for executive or administrative measures in controlling the execution of the Budget during the fiscal year 1936.

A substantial reduction in the number of appropriation items would facilitate the exercise of budgetary control over expenditures and at the same time make for departmental economy. I, therefore, recommend that the Congress establish a special joint committee to make a detailed study of the appropriation items in each regular appropriation bill with a view to greatly reducing the number of them, consistent with proper budgetary and accounting requirements.

It is my belief that substantial adherence to the general recommendations and total figures presented in this Budget

will accomplish three major objectives: (1) The normal functions of the United States Government can be carried on with economy and a high standard of efficiency, (2) the broad obligation of the Government to use all proper efforts to prevent destitution can be maintained under more practical methods than we are using at present, and (3) the excellent credit of the Government will be maintained for the common good.

I believe that the Congress will sustain these objectives.

FRANKLIN D. ROOSEVELT.

JANUARY 3, 1935.

APPENDIX

TEXT OF LEGISLATION RECOMMENDED IN CONNECTION WITH THE BUDGET FOR 1936

TITLE —. ECONOMY PROVISIONS

SEC. —. Title II of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, as amended, is amended by inserting at the end thereof the following:

"SEC. 11. (a) The following sections, as amended, of part II of the Legislative Appropriation Act, fiscal year 1933, are hereby continued in full force and effect during the fiscal year ending June 30, 1936: Sections 107 (except paragraph (5) of subsection (a) thereof and subsection (b) thereof) (special salary reductions); 206 (except subsections (a) and (b) thereof) (reducing travel allowances); 214 (authorizing temporary assignments in the Postal Service); 317 (authorizing transfers of appropriations); and 323 (reducing jurors' and witnesses' fees).

"(b) Section 18 of the Treasury-Post Office Appropriation Act, fiscal year 1934 (suspending reenlistment allowances), is hereby continued in full force and effect during the fiscal year ending June 30, 1936.

"(c) Section 8 of the Independent Offices Appropriation Act, 1934 (involuntary separation from Government service), is amended by striking out 'July 1, 1935' and inserting in lieu thereof 'July 1, 1936.'

"(d) For the purpose of continuing the sections enumerated in subsections (a) and (b) of this section, in the application of such sections with respect to the fiscal year ending June 30, 1936: The figures '1933' shall be read as '1936'; the figures '1934' as '1936' (except in the case of the second proviso of such section 317); and, in the case of the first proviso of such section 317, the figures '1935' shall be read as '1938', and the figures '1934' shall be read as '1937', and the figures '1933' shall be read as '1936'."

SEC. —. Notwithstanding the suspension during the fiscal years 1933, 1934, and 1935 of the longevity increases provided for in the tenth paragraph of section 1 of the Pay Adjustment Act of 1922, the personnel (active or retired) so affected shall be credited with service rendered subsequently to June 30, 1932, in computing their active or retired pay accruing subsequently to June 30, 1935: *Provided*, That this section shall not be construed as authorizing the payment of back longevity pay for the fiscal years 1933, 1934, and 1935 which would have been paid during such years but for the suspension aforesaid.

BIRTHDAYS OF SENATORS GLASS AND FLETCHER

Mr. ROBINSON. Mr. President, since the Congress met, a Member of this body who has served for a long time in public positions of trust and honor has come to another birthday. I should not feel warranted in mentioning the number of his most recent birthday if it were not for the fact that the Associated Press and other publicity agencies have sent throughout the Nation the astounding information that the senior Senator from Virginia [Mr. GLASS] on the 4th day of January was 77 years old. [Laughter.]

It is a surprising and pleasing thing that one of the temperament of Mr. GLASS, possessed of the ability and energy which he has displayed in the performance of public duties, should through all the years, with all the turmoil, the trouble, and the strife incident to hard labor, retain a youthful appearance and a youthful spirit. The Senator himself, his friends and relatives, and the country are to be congratulated on the fact that at an advanced age, when the powers and faculties of many who have rendered notable service have begun to fail, he is still the same virile, forceful, aggressive, useful citizen and officer that he was in the earlier years of his life when he came to distinction.

I should not take my seat without naming another Member of this body, the Chairman of the Committee on Banking and Currency, the senior Senator from Florida [Mr. FLETCHER], who, according to the Associated Press and other great publicity agencies, has reached the advanced age of 76 years. During the last session of the Congress no Senator, whether he was young or old, labored more continuously or more efficiently than did the Senator from Florida. Some of the most notable new-deal measures, as we have come to speak of them—measures which we believe are inseparably connected with any helpful program for national recovery—were sponsored by him; and under his leadership their details were worked out, brought before the Senate, and carried to successful conclusion, not only in this body but in the conferences which followed their passage through the Senate.

I am happy to have the privilege of assuming to speak for all my associates in the Senate, and to express the pride and pleasure which we feel in extending greetings and good wishes to the senior Senator from Florida [Mr. FLETCHER]. [Applause.]

Mr. FLETCHER. Mr. President, I desire merely to express my indebtedness to the Senator from Arkansas for his kind references to me personally. I greatly appreciate the sentiments expressed by the Senator, and I thank Senators for their action in reference thereto. I am not advertising the birthday, but perhaps the "Spirit of '76" is still alive, and I am very glad to join in that spirit.

Mr. GLASS. Mr. President, I very deeply prize the good opinion of my colleagues; and I will say further that the chief compensation to me for public service has been the affectionate regard, confidence, and cooperation of the Members of the Senate on both sides of the aisle.

GOVERNMENT POLICIES AND AGRICULTURE IN THE SOUTH

Mr. BANKHEAD. Mr. President, I ask unanimous consent to have printed in the RECORD an address by Hon. Oscar Johnston, manager of the cotton pool, United States Department of Agriculture, delivered before the southeastern regional meeting of the United States Chamber of Commerce at Birmingham, Ala., on November 20, 1934.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

By your invitation you requested that the subject of my talk be Government Policies and Agriculture in the South and that particular attention be given under this general subject to (a) land utilization, (b) acreage reduction, and (c) processing taxes. To go with great particularity into the various ramifications and details of the intricate problem which confronts the farmers of America and with the solution of which the Department of Agriculture is now engaged, would require much more time than could be allotted on your program. In the time at my disposal I shall undertake to review briefly what has been done by the Government under the present administration with respect to southern agriculture.

The Congress enacted the Agricultural Adjustment Act on May 12, 1933. By this act the newly appointed Secretary of Agriculture, Henry A. Wallace, was authorized to establish what has come generally to be known as the "Triple A", the Agricultural Adjustment Administration. This Administration, under the guidance of the Secretary, immediately undertook to deal with the emergency then existing with respect to cotton.

For commercial purposes, when we refer to agriculture in the South we mean cotton. You of the southeastern district will recall that at the time of the establishment of the Triple A the cotton situation was indeed chaotic. The efforts of the Farm Board had proved worse than futile, the Board was discredited, the Stabilization Corporation was bankrupt; most, if not all, of the cotton cooperative marketing associations which had cooperated with the efforts at stabilization made by the Farm Board were bankrupt; there was a carry-over or supply of more than 13¼ million bales of American cotton on hand; an enormous acreage had been planted by desperate farmers seeking to save themselves from ruin by mass or quantity production; the season was propitious, indicating that the 1933 yield would be almost a record one; foreign customers were turning to other cottons largely because of their inability to obtain dollar exchanges with which to purchase American cotton even at the ridiculously low price of 5¾ cents per pound; southern agriculture was prostrate; millions of acres of farming lands were passing from the hands of the owners into the hands of mortgage companies and lending agencies who had in betters days made loans against these lands.

Farmers were unable to pay their taxes, and millions of acres were going off the tax rolls, reverting to the States for delinquent taxes. The patient was indeed critically ill; drastic action was necessary if his life was to be saved. Confronted with this condition, the Triple A, with the approval of the Secretary of Agriculture, called on the cotton producers of America to take heroic and unprecendented action—they were asked to go into their fields in August, with the crop already approaching maturity, and to plow up or otherwise destroy one-fourth of the prospective crop of 1933. Details of the campaign were worked out under truly war-time pressure. Appreciating that the farmer had borrowed money with which to plant and cultivate his crop, and that he could not be reasonably expected to destroy one-fourth of it without being compensated, arrangements were made to pay rentals and benefits to the extent of the average cost of bringing

the crop to the point at which it was destroyed; for this purpose the Treasury of the United States advanced to the Administration approximately $125,000,000, which was distributed amongst more than a million farmers cooperating in the campaign, which has now come to be generally known as the "plow-up program of 1933." More than a million producers of cotton signed contracts with the Secretary of Agriculture agreeing to comply with this plow-up program. By this program a crop of 17,500,000 bales in prospect in August 1933 was reduced to an ultimate harvested crop of approximately 13,000,000 bales. A planted acreage of slightly more than 40,000,000 acres was reduced to approximately 30,000,000 acres, and the 1933 crop was sold at approximately 10 cents per pound, as compared with approximately 6 cents received by the farmers for the crops of 1931 and 1932. The American carry-over was reduced from 13,250,000 bales as of August 1, 1932, to 10,600,000 bales as of August 1, 1934. In connection with the plow-up program, the Administration inaugurated what has come to be known as the "10-cent loan plan." The Commodity Credit Corporation was established and in the early part of the marketing season of 1932 announced to the world that it would make loans to cotton producers at the rate of 10 cents per pound on cotton classing low middling or better. This was not intended as a price-fixing effort, but was intended to enable those cotton farmers so desiring to withhold their cotton from the market during the harvesting period and to feed it to the market as the market would take it, thus permitting the producer to get the benefit of the expected gradual rise in values.

Just how well this program worked is indicated by the fact that producers of 2,600,000 bales availed themselves of the benefit of this loan and borrowed, in round figures, $130,000,000; the market gradually advanced from 10 cents to 13 cents, and during that upward trend farmers marketed four-fifths of the cotton against which they had borrowed, as the market was in a position to absorb it until the quantity of cotton remaining under the 10-cent loan had been reduced on October 31, 1934, to 500,000 bales, against which there are outstanding loans aggregating $25,000,000.

I deem it unnecessary to take time here to point to the economic improvement which took place throughout the entire Cotton Belt as a direct immediate result of the 1933 program. Every business man in America knows of what is generally referred to as the remarkable or marvelous "come-back" that has been staged throughout the Cotton Belt. The measures adopted were heroic, unprecedented, and were by many regarded as intensely radical. In my judgment the result has justified the means.

Encouraged by the remarkable unanimity with which producers cooperated in the program of 1933, the producers themselves almost unanimously demanded a continuation of a control program with the hope that by appropriate control measures the carry-over of 10,600,000 bales might be further reduced, the ultimate goal being a normal carry-over of around 5,000,000 bales. In response to the demand of the cotton producers the 1934–35 cotton-acreage-control program was worked out by the administration, contracts were submitted to the producers, and it is estimated that 90 percent of the producers of cotton in America signed these contracts, agreeing to reduce the normally planted acreage by approximately 14,000,000 acres, 40 percent of the normal acreage. As a result of this program the planted acreage for 1934 was cut to approximately 28,000,000 acres. We have now in prospect a crop of 9,600,000 bales.

During the progress of the campaign for obtaining the signatures of producers to the 1934–35 acreage-reduction contract considerable feeling and animosity was developed by those who were cooperating in the voluntary program against the 10 or 15 or possibly 20 percent of producers who appeared unwilling to cooperate, and out of this animosity arose a demand on the part of the cooperating producers for legislation to compel the dissenting minority to come into the program. In answer to this demand there was enacted the Bankhead bill, intended to limit and control the production to a maximum of 10,000,000 bales. Undoubtedly, a great many producers who otherwise would not have cooperated in the voluntary program signed up the contracts and reduced acreage through fear of the consequences of the Bankhead law.

The 1933 plow-up came too late in the season to permit the adoption of any extended or well-developed program for the utilization of land that was then taken out of cotton. Farmers were encouraged to plant those lands to cover crops and late fall and winter forage and feed crops. Most producers throughout the Cotton Belt took advantage of this opportunity to produce both food and feed crops for man and beast. In connection with the 1934 acreage-reduction program, a carefully thought-out and well-developed program was adopted. Producers reducing their cotton acreage were permitted and encouraged to utilize the land thus available for the production of those crops to which such lands are best adapted. The Cotton Belt has produced this year many millions of pounds of foodstuff and feedstuff, and is probably more nearly self-sustaining and "living at home" than ever before since the Civil War. The so-called "rented acreage" may not be utilized by farmers for the production for market of such basic commodities as corn, tobacco, wheat, dairy products, etc. Cooperating producers were asked to, and in the main did, permit tenants to use a portion of the rented acreage for garden purposes and for pasture of domestically used livestock.

This whole program contemplates bringing about throughout the Cotton Belt a more nearly balanced farming to encourage the farmer to live at home, to utilize an appreciable part of his land for the production of food and feed crops for domestic use, and to grow his cotton as a cash crop on that land which is best naturally adapted to the production of cotton. The area of tillable soil throughout the Cotton Belt is capable of supporting a population many, many times greater than the entire population of the United States, and at the same time to produce as much American cotton as the world will consume, provided the acreage be intelligently utilized.

The foregoing are the activities of the Government with respect to Southern Agriculture. The existing contract between the Secretary of Agriculture and 90 percent of the producers of cotton authorizes a maximum acreage reduction for 1935 of 25 percent. Such a reduction will give us next year an acreage of approximately 31,000,000 acres. Students of conditions are giving careful consideration to this subject, and the Department will announce at an early date, definitely what the 1934 reduction will be. By its terms the Bankhead law is only applicable for 1934 unless it shall be extended by Executive proclamation. A referendum will shortly be held to ascertain the wishes of the cotton producers. It is safe to say that if this referendum indicates that two-thirds of producers of cotton desire the continuation of the compulsory program, the law will be effective in 1935 unless in the meantime declared unconstitutional by the Supreme Court of the United States. I make this observation here because there is pending litigation by which it is sought to test the validity of the law. There is also the possibility of the repeal of the act or of its drastic amendment by Congress; several Senators having recently declared an intent to attempt the repeal or modification of the act.

The efforts of the administration to reduce to normal the extraordinary surplus of American cotton, which accumulated as a result of two successive bumper crops, coming when the entire world was suffering in the throes of a general economic depression, have been criticized and attacked as being responsible for the decline in exports which we are now witnessing. It is pointed out that to date the exports for the current fiscal year are 1,623,482 bales, as compared with 2,947,806 bales exported during the same period in 1933. It is said that the production-control program and the 12-cent loans now being made to producers have resulted in bringing the price of American cotton above and, therefore, out of line with prices at which cotton is being offered on the markets by Brazil, India, and Egypt, and that this disparity is resulting in an increased consumption of foreign production and a corresponding decreased consumption of American cotton abroad. Undoubtedly comparative prices influence to some extent the selection of cotton to be used by foreign mills. It is equally true that the American farmer cannot, unaided, be expected to produce cotton on a price level with countries where the standard of living is lower than in America. The living standard of the American cotton producer is probably the lowest in America, his hours of work are longer, and his remuneration lower than any other class of labor; but, low as it is, it, it is much higher than in India or Brazil. The American producer will not take kindly to the suggestion that he further lower his standard of living and at the same time continue toiling for the benefit of protected industries in America. In this situation we have a problem that challenges our best thought. It is probable that this situation will have to be dealt with first as an emergency to be handled by a subsidy to the American cotton producer to offset the protection afforded industry by the tariff, and that the ultimate and permanent solution will be a modification of our tariff laws and development of our international relations.

Here, however, I wish to challenge the correctness of the allegation frequently made that American cotton is selling at an artificial price, resulting from the application of the cotton program to production and marketing, and that this price is directly responsible for the falling off in exports. I maintain that the lowered exports result from other major factors. In the first place the decline in exports is not so great as is indicated by the figures just quoted. In 1933 America devalued her dollar; there was a rush of American dollars from abroad for investment in American commodities. This brought about an abnormal export in 1933, and we are now comparing the figures of 1934 with the abnormal figures of 1933. The supply of American dollars or exchange abroad was greatly reduced or exhausted by the end of 1933, and then we realized that with our cheap dollar we are not in a position to buy commodities from countries whose money has not been correspondingly depreciated. As a result of this, such countries are unable to get American exchange. A notable example is Germany. In the past Germany has purchased annually approximately 10 percent of the American production. During the first 3 months of 1933 Germany took 400,000 bales of American cotton. During the first 3 months of 1934 she has taken 148,000. Representatives of German mills advise me that price is not a factor. They are willing to pay an appreciable premium above our prevailing price if they can be provided with American exchange by selling to America the normal quantity of merchandise heretofore imported by America from Germany. The major cause of the shrinkage in exports is due to inability of foreign consumers to obtain American exchange. The next important factor being generally overlooked is that the foreign consumption of all cotton has declined just as our domestic consumption for 1934 is showing a marked decline as compared with 1933. Another factor is that a considerable supply of cotton was acquired abroad in 1933, thus obviating the necessity for heavy buying in the early part of 1934. The Anti-Dumping Act of 1921 and the countervailing-duties provisions of the Tariff Act of 1930 constitute serious impediments to normal trade relations between American and gold-standard coun-

tries. These laws must be avoided or amended to permit resumption of normal trade relations. When our international relations have been straightened out and normal international trade resumed, when appropriate reciprocal tariff agreements, protecting the interest of agriculture, have been made, prices will in the main adjust themselves.

In the beginning it was recognized that production control, while necessary in the emergency with which we were confronted and, possibly, necessary in the future to prevent gross overproduction, cannot alone accomplish anything approaching permanent improvement of the position of the cotton producer. Production control is and must be auxiliary to and subordinate to a broader economic program. America has produced for many years approximately one-half of the cotton grown in the world. American cotton is desired throughout the world for its spinning qualities. Normally, 55 percent of the American crop goes into export. Hundreds of millions of dollars of American money are brought back to America every year and distributed throughout the Nation as a result of our export of cotton. The export of from six to eight million bales of cotton annually has brought into America from a half billion to a billion dollars. The export of cotton plays an important part in balancing imports and exports in our dealings with the world. It is highly important, not to the Cotton Belt alone but to all America, that foreign markets continue to absorb a large proportion, in fact, the major portion of America's annual production of cotton. To aid in this direction, there is under serious consideration the matter of the adoption of what is known as the "domestic-allotment plan" under which the producer would receive a subsidy on that portion of his crop which represents his proportion of the domestically consumed cotton. The thought behind this is that American cotton would sell at world prices, but that to enable him to produce cotton at such prices the American producer be given a subsidy on the American-consumed portion of his crop. This plan is justified on the theory that American manufacturers are subsidized through the instrumentality of the tariff. The farmer pays his portion of this subsidy to the manufacturer as a part of the purchase price of almost every article he purchases from his cradle to his coffin; and if he must buy in a protected market and sell in a world market, he must be subsidized. This plan, like plans for acreage and production control, is or should be auxiliary and subordinate to the big idea which must be developed for the protection of American agriculture.

There is a great deal to be said upon the subject of the processing tax. So long as rents, benefits, and/or subsidies must be paid to farmers of America in connection with the production of cotton, corn, wheat, hogs, tobacco, rice, and dairy products, funds for these payments must be provided, and I know of no more appropriate method of providing these funds than through the instrumentality of a processing tax. The incidence of the tax in special cases may be inequitable; minor injustices may be done. More scientific and accurate methods of distributing these taxes may be developed; but so long as America protects industry by a tariff wall, and so long as the farmer must support industry by a concealed subsidy which he pays with the price of the goods he purchases, just so long is it going to be necessary to continue the collection of the processing tax or its equivalent in some form. That Member of our National Congress who determines to vote to repeal the act providing for the processing tax must first determine that rents and benefits shall not be paid to American producers of agricultural commodities. It is not an answer to say that these benefits may be paid from the general funds of the Treasury. Practical experience of the American public with "pork barrel" legislation in connection with the building of post offices, customhouses, and other governmental structures inevitably points to and emphasizes the danger that would be experienced should Congress be called upon to allocate a given amount for use in a cotton program, another amount for wheat, another for corn, hogs, etc.; the trading and swapping of votes would be terrific. The jealousies and animosities and sectional antagonisms that would be created would break down the whole program. I repeat, so long as we pay benefits to producers of specific commodities, the funds to be used for that purpose must be derived from the handling and marketing of each commodity.

Agriculture is essential to the existence of the Nation; all wealth annually produced, without exception, comes from the soil or the sea. Man may enhance the value of a commodity by his artistic treatment, but the basic value, the commodity itself, comes from the ground or the sea and results from the human toil and labor. Broadly speaking, America may be divided into two classes—industry and agriculture. Industry embracing the great capital structure of the Nation, our banking systems, railway systems, steamship lines, public-service corporations, manufacturers, and the labor employed by these enterprises. The millions of Americans who may thus be broadly classed for the purposes of this discussion as "industry" do not produce. They play a necessary part in our economy; they contribute to the health and happiness of humanity; but the fact still stands they do not produce, and the Nation could exist, even though in a crude form, without their activities. To the other class, namely, "agriculture", belong those millions who till the soil and bring into existence those commodities with which humanity is fed and clothed. Their labor is essential not only to national but to human existence.

I shall not here take your time to point to the thousands of inequalities and inequities as between the laborers in the two classes, such, for example, as an 8-hour day for the industrial laborer in a protected and well-ventilated house, at a rate of 40 cents to a dollar an hour, as compared with 10, 12, and 15 hours a day, exposed to the cold of winter and the heat of summer, at a rate of 6 to 10 cents an hour, for the farm laborer.

It is my judgment, after much thought and study, that the time has now been reached when America must definitely determine and publicly proclaim that industry and agriculture shall be put upon an equal footing. In the matter of legislative and economic treatment, agriculture has been subordinate to industry since the Civil War. As a result of that unfortunate struggle, control of the Government and the formation of its policies passed into the hands of the eastern section of America—that section is naturally more keenly interested in the development of industry than in agriculture. The result is, whether consciously or subconsciously, that the trend of our legislation, the building of our economic structure, has been with first consideration for industry.

This situation has become intolerable. That vast army of workers, working in the field from before sunup until after sundown, are getting more than just restless; they are becoming rebellious, and it does not require a prophet nor the son of a prophet to forecast their action unless Congress shall immediately take cognizance of the situation, quit making noble gestures toward agriculture, quit talking about extending more credit or making it easier for the farmer to get in debt, quit administering narcotics, opiates, and palliatives and really deal with the fundamental problem of agriculture, discontinue the policy of reclaiming millions of acres of land through one department of the Government while taking out of production other millions through another department; give proper consideration to the welfare of agriculture in the negotiation of international treaties and trade agreements, discontinue the policy of fostering and playing fairy godfather for every sort of a manufacturing enterprise that may be sought to be developed in America without regard to the future effect of that development upon agriculture, carefully plan both our internal and external economic conditions and relations with due regard to the welfare of the American farmer, rewrite our tariff laws so as to open up foreign markets to those of our agricultural commodities of which we were producing an exportable surplus before industry began the export of any of its manufactures. This need not be hurriedly nor drastically done, but it must be done with a firm hand and a fixed purpose and determination to restore world markets to American agriculture. The manufacturer of an article of which 7 to 10 percent of the production is exported, and 90 to 93 percent domestically consumed, is short-sighted when he demands treaty agreements and trade arrangements to protect his 7-percent export at the expense of agriculture. Develop American agriculture, give to the farm laborer and the producer of our agricultural commodities the same return for his labor and investment as is given to industry, and the buying power of agricultural America will be increased to a point that will enable industry to develop production at a profit. Choke and starve American agriculture and American industry must die.

It is neither my thought nor purpose to suggest that our Government should accord preferential treatment to agriculture over industry, but rather to suggest that our domestic laws and our international treaties be framed with always the thought that industry and agriculture must be coordinated. That the agricultural laborer be on a parity with the industrial laborer; that the agriculturalist should receive an equal return with the industrialist upon capital invested. I should like to point out that history discloses that most, if not all periods of so-called "panics" or economic depressions, are preceded by agricultural distress and low-priced commodities, and that recoveries follow agricultural recovery. After all, industry is dependent upon agriculture. Given a suitable and proper buying power and the buying by farmers of America will start the wheels of industry humming. The captains of industry of America should realize that the greatest market in the world for American manufacturers is in America. The production of our manufactures can be planned and economically controlled. The production of agriculture cannot be planned or controlled with any degree of accuracy. For this reason industry must plan its production to meet the requirements of the world for its manufactures, while agriculture must plant for a harvest to meet the needs of the world, but at the will of Providence may, as a result of such planting, produce in excess of world demand, or, as was the case this year in Oklahoma and Texas, witness a crop failure. Appropriate planning must be done to meet either of these abnormal contingencies.

To accomplish real and permanent agricultural relief there must be first a recognition on the part of the people of the agricultural South and the Middle West of the fact that their interests are common and identical. If the great area given over to the production of wheat, oats, corn, hogs, and dairy products, and the 12 or 14 States engaged principally in the production of cotton join hands in our National Congress and stand pat for drastic fundamental remedial legislation, refusing to be bought off by McNary-Haugen bills, promises of loans, promises of cash rentals and benefits, we can accomplish something. Until the South and the Middle West form such a coalition, agriculture will continue to be subordinate to industry. The Middle West and Northwest have awakened to the situation more keenly than the South. I urge upon southern leaders the recognition of their duty to the South to arouse the people of the South to the seriousness of the situation. Since 1865, the South has suffered from a political inferiority complex. The southerner must throw off this feeling, must demand that his national representatives in the Halls of Congress take a more important part in shaping our national policies. The recent election, coupled with the seniority rule, has brought to the chairmanship of the important committees in the Senate

and House, men from the South. The Middle West has turned to the Democratic Party; we have a President who is keenly interested in national development and who recognizes the necessity for bringing agriculture to parity with industry; we have a Secretary of Agriculture who is farm-minded, a deep, keen, and intelligent student of agricultural economics, who recognizes as probably no other Secretary of Agriculture has ever recognized, that almost the very existence of agriculture is dependent upon a broad coalition, a joining of forces between the South and West to promote their common welfare. The time is indeed ripe, the opportunity at hand, for our statesmen and political leaders to look the situation squarely in the face and to put agriculture upon a plane of equality with capital and industry in America. If the opportunity is lost by inaction, farm unrest will increase, farm strikes will become the order of the day, agitators will spring up all over agricultural America, socialism in its worst phases will be encouraged, agriculture will languish, the recovery of industry will be blocked, and we will find that we have not plumbed the depths of depression during the last 2 years. Provide for the recovery of agriculture, on the other hand, and see how rapidly our Nation will come back. Draw a lesson from the results of a single year's program in the Cotton Belt, but keep in mind that those results will be temporary unless a permanent agricultural policy is developed.

### REGULATION OF TRAFFIC IN FOOD AND DRUGS

Mr. COPELAND. Mr. President, Senators will find on their desks this morning a new food and drug bill. Many have asked me how it differs from the original act. I have ventured to prepare a statement relative thereto, which I ask may be printed in the RECORD for the enlightenment of all who are interested.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

For a number of years the Food and Drug Administration has been embarrassed by weaknesses in the food and drug laws. The original act was a revolutionary and epoch-making piece of legislation. It will ever stand as a monument to the great pioneer in pure food and drugs, Dr. Harvey W. Wiley.

Naturally, during a period of more than a quarter of a century, there would arise new problems and the necessity for further protection of the public. Court decisions have clarified and in some instances befuddled the law. The officials of the Administration have been embarrassed by reason of weaknesses which have become apparent through the progress of invention, discovery, and legal procedure.

In June 1933 a bill was presented after numerous conferences in the Department of Agriculture with consumers and the various industries affected. When that bill reached the Senate there arose a good deal of opposition. Days and weeks of hearings resulted in numerous revisions. The measure laid on the desks of Senators today differs from S. 1944 of the Seventy-third Congress in several particulars. Some of them are the following:

The first bill gave to the Secretary conclusive power in certain instances as regards findings of fact. This is now left to the court if a contest arises.

The old bill did not include any provision for court review of regulations. While that right existed under the common law, it has seemed wise to write into the bill a provision providing specifically for such review.

In place of the official authority given the Secretary under the original bill to promulgate rules and regulations, this bill sets up two committees for the formulation of regulations. These are a committee on public health and a committee on food standards.

The original bill required a declaration of ingredients to be placed upon the package reaching the consumer. The industries affected resented this because of what they regard to be their proprietary rights in the formulas. This feature of the first bill and of its successors in the last Congress created much discussion.

In the measure now pending, equal protection of the public is accomplished by another method. Unless the package carries the names and quantities of the ingredients contained therein, this information must be filed with the Department. Such action will permit the Food and Drug Administration to make certain that no incompatibles, harmful substances, or unwholesome products are sold to the American people. Existing law is not changed in that the Department will continue to make its own analyses of products and to advise the public of any wrongful or fraudulent claims for them.

It is the purpose of this bill not alone to protect the public but, what is likewise important, to protect the industries involved. To this end the committees which are provided by the bill include representation from the industry affected so that it may have abundant opportunity to state its side of the case.

There was much criticism of the original measure due to the misunderstanding of why there was an enumeration of diseases in which self-medication might be dangerous and a proscription of advertising "cures" for such diseases. The list was so long that there arose a fear on the part of the public that the individual would no longer be permitted to buy any favorite preparation and to take it under the directions of the label.

Of course, that was not the intent or the letter of the proposed law, but, nevertheless, it was used as a weapon against its passage. In this bill the diseases for which the advertising of cures is prohibited have been limited to cancer, tuberculosis, venereal diseases, and heart and vascular diseases. These are the diseases for which the virtues and values of remedies have been advertised and which the scientific world believes to be unsubstantiated. The list in this bill is limited, but may be added to from time to time as the Committee on Public Health may recommend.

As to the method of the selection of this Public Health Committee, it is well to quote from the bill. This committee is to "consist of five members designated by the President with a view to their distinguished scientific standing and interest in public health and without regard to their political affiliations." Personnel so chosen must appeal to the American people and guarantee the reasonableness and scientific worth of their conclusions.

There was much complaint from berry growers and others regarding the restrictions placed upon the sale of fresh fruits and vegetables in packages. The bill before us exempts natural products sold in open containers from certain labeling requirements that are not needed for these products but are highly important for foods generally.

The small manufacturers and producers complained of a provision in the original bill providing for voluntary inspection of factories. It was testified that the inclusion of this provision in the bill would result, in fact, in mandatory inspection with the expense of inspection for each and every factory. As a matter of fact, the administration was aiming at the control of certain sea foods. The last Congress passed an amendment to the Food and Drug Act providing for voluntary inspection of the establishments producing these foods. It has worked well in practice, and all parties interested believe it should be continued for those particular products as has been done. The bill does not apply this feature to other substances.

The original bill excited criticism because the Food and Drug Administration was authorized to make what are known as "multiple seizures." There never was any complaint on the part of industries affected when the seizures were made because the products were unwholesome, deleterious, or harmful. There was complaint that the Department might begin proceedings in border-line cases where the health factor was not involved and do so in several parts of the country simultaneously, putting the industry to great expense in defending many suits at the same time.

In view of the fact that this bill provides for injunction proceedings, such authority for wide-spread seizures in border-line cases, involving merely questionable deception, is not needed. The abuse, if the courts sustain the Department's position, can be readily stopped through bringing injunction proceedings in the court where the manufacturer resides and securing a prompt judicial determination of the issues. This method of procedure is provided in the pending bill. It gives the public exactly the same protection as originally contemplated, but it reaches that desired end by a short cut and also assures against the abuse of administrative power.

To the original bill there was great complaint on the part of the advertisers because of the language chosen, which set up a prohibition against false advertising, not alone because it was false or misleading but also because of possible "ambiguity or inference." With the great power given to the Secretary in the original bill, it was felt that injustices would follow the administration of the act without actually giving the public any degree of added protection.

As a matter of fact, all needed protection can be given by a prohibition against false or misleading statements in advertising. Similar language in the present law applicable to the labels has been effectively protective of consumer interests, and at the same time has not been construed as unduly embarrassing to honest producers. This bill applies exactly the same principle to the matter of advertising as existing law does to labeling.

It is felt by those who have gone over the bill carefully that its arrangement is more orderly and capable of better understanding. Certainly the bringing together of similar subjects under appropriate chapter heads makes the bill better suited to study and practical use. A great deal of discussion over the bill as originally introduced undoubtedly arose because it was difficult to follow and understand.

The bill is now in form and ready for study by everybody having an interest in food and drug legislation. If it is enacted into law, the health and welfare of our people will be given much greater protection. It will place no undue burden on honest industry.

It is hoped there may be speedy enactment of the measure; but, of course, this will not be attempted until there has been plenty of time to digest its proposals.

### A POLICY OF INGRATITUDE AND DEATH

Mr. LONG. Mr. President, I send to the desk and ask to have the clerk read at this time the part of a newspaper article which I have marked in black—the headlines and the paper from which it is taken.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the Washington Post of Dec. 10, 1934]

More make a million; fewer earn $5,000, tax figures reveal—$1,000,000 income list increased by 26 in 1933, while returns of $5,000 or less decreased 81,000.

Mr. LONG. Now I send to the desk another newspaper, and ask that the headlines may be read by the clerk.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the New Orleans Times-Picayune of Dec. 10, 1934]

Million-dollar incomes gain as others decrease—26 more in high bracket in 1933 than 1932, Bureau reports.

Mr. LONG. Now I send to the desk a newspaper article, which I ask that the clerk may read.

The VICE PRESIDENT. Without objection, the article will be read.

The Chief Clerk read as follows:

[From the New Orleans Morning Tribune of Dec. 18, 1934]

PRESIDENT FORBIDS MORE TAXES ON RICH—TELLS CONGRESSMEN INCREASES MIGHT MAKE BUSINESS STAMPEDE

By the United Press

WASHINGTON, December 17.—The administration is determined to prevent any considerable increase in taxes on the very rich, many of whom pay no taxes at all, on the ground that such a plan would cause another stampede by business. Word has been sent up to Democratic congressional leaders that it is essential nothing be done to injure confidence. The less said about distribution of wealth, limitation of earned income, and taxes on capital, "new dealers" feel, the better.

Repeatedly since the Democrats won a two-thirds majority in both Houses in the congressional elections last month, the administration has sought to assure the worker, the taxpayer, and the manufacturer that they had nothing to fear.

Meantime, reports reached the Capital that fear of potential increases in inheritance taxes and gift levies at the coming Congress was in part responsible for the failure of private capital to take up a greater share of the recovery burden.

Mr. LONG. I hope I am not taxing the clerk too much. I have only one more newspaper clipping. I ask to have read the part marked in black in the first column. Then I shall ask no further reading at this time.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

[From the New Orleans Item of Jan. 1, 1935]

CLARIFY LAWS OR LOSE CASH, F. D. TELLS LONG—UNEQUIVOCAL ENUNCIATION OF STATE'S POLICY ON NEW LAWS ON PUBLIC DEBTS SUGGESTED IN LETTER TO ALLEN

WASHINGTON, January 1.—President Roosevelt has indirectly informed Senator HUEY P. LONG that the administration is likely to withhold Public Works loans from Louisiana until some of the legislation the Senator put through the State legislature is repealed or clarified.

The President's message to the Louisiana dictator was contained in a letter he sent Gov. O. K. Allen, of Louisiana. The communication was similar in some respects to those sent other Governors, but there were significant differences.

The purpose of Mr. Roosevelt's letter to the State Department was to offer the aid of P. W. A.'s legal staff to draft bills in the various States which would enable municipalities to take better advantage of P. W. A. funds.

Mr. LEWIS. Mr. President, will my able friend from Louisiana yield to me?

Mr. LONG. I will yield for a question.

Mr. LEWIS. For a question only.

I ask the able Senator from Louisiana to refer to the paper he sent in which intimated that the President of the United States had sent to the officials of the Government in Congress a message denouncing any idea of any increase of taxes, and a statement that he desired to favor what might be said to be—using the words of the article—the powerful rich. Surely the able Senator from Louisiana does not assume that such a thing ever occurred—that the President ever sent such a message, or that any such message has ever been received by any Congress.

Before the Senator proceeds I will ask his very good opinion, if he believes such a thing ever has existed.

Mr. LONG. I will cover that matter and other matters in the course of my speech, Mr. President. I thank the Senator. I intend to come to that.

Mr. President, all I know is what I read in the papers at this late date. Of course, I can only judge all men, public and private, by their actions and by their conduct. I do not undertake to interpret the motives of men. In other words, we were taught in our old study of law that men intend the ordinary consequences of their acts. About the first thing we charge to a jury in a criminal or a civil case is that every man is understood in the light that he knows the customary consequences of what he does.

I knew the consequences of what the President of the United States was doing last year when he was doing it, and I told him so. I knew the consequences of what the President of the United States was doing year before last, and told him so. In January 1932 I knew the consequences of what President Hoover was doing and said so from this floor. The saddest words that we have to tell these distinguished and illustrious men—some of whom we helped to make, and made them too big to talk to thereafter—are: "I told you so."

Clipping No. 1 that I sent to the desk reports that the billionaire is becoming a bigger billionaire; that the millionaire is becoming a bigger millionaire; that the poor is becoming poorer, and the middle class is falling into the class of the poor.

Mr. President, that would not be so bad if it were not a fact that these news articles of the Associated Press and of the United Press are based upon the reports of the United States departments and of the United States Census in which it is shown, as a complete reading of these dispatches will show that year by year and day by day, just as surely as we progress in any direction, without the slightest interruption and without the slightest cessation, regardless of the talk that has been uttered in this Chamber and of the messages that have come from the pen of the President, day by day and month by month, the rich are becoming richer and the poor are becoming poorer, and those of the middle class are becoming fewer and fewer.

Why? I do not purport to say that the United Press article is correct or incorrect. I do not purport to say that the Associated Press article is correct or incorrect. I do purport to say, however, that the consequences of the policies of both of the Presidents of the United States since I have been in the United States Senate are in line with what the United Press article has stated.

The last article which I sent to the desk was to the effect that the President of the United States had written a letter to somebody else to be read by a dictator down in Louisiana. Some dictator down there somewhere in the bulrushes was intended to get a letter. That is according to the paper that has been sent to the desk, and therefore the letter was addressed to the Governor as a means of communication with the dictator.

In days past and gone I used to communicate with those gentlemen by direct route. When I sent them any money they telephoned me direct. When I was getting them votes they telephoned me direct. I am satisfied that if they intended to communicate with me they would use those customary processes today.

I know of nothing that would have changed the means of communication, nothing that has occurred through the ethereal changes of radio, the conduct and transportation of the mails, the ordinary telegrams that are exchanged to and fro, that would have made any difference in the means of communication with me.

But be that as it may, this article refers to Louisiana legislation. This article intends to infer that laws that have been passed by the Legislature of Louisiana must be altered or repealed; otherwise the United States Government is going to withhold loans and withhold relief in the State of Louisiana.

A subsequent news item, with which I am not so familiar, has said that some of these loans have been approved in Louisiana. It is said that after looking over these Louisiana laws they find they are not so bad, and that some $11,000,000 of loans of the P. W. A. in the State of Louisiana have been allowed to go forward. The main law that has been attacked down there, however, and a set of laws which are in line with it, are these:

I should say in advance that this is not the first intimation we have had of the displeasure of the national administration. We have known that we were displeasing the national administration. That does not make any difference with us. We have known that all along. We have known

that our policies down there did not suit the national administration. Now, the national administration may be right about this thing and we may be wrong, but there is a chance that we may be right, and I am going to leave it to the Senate to find out who is right about this proposition. We have not agreed with the national administration in the policy, the trend of which is indicated by the articles that have been sent to the desk.

We enacted laws that propose to take the taxes in the State of Louisiana off the back of the little man entirely, 100 percent; which propose that no man owning a home or owning a farm worth or assessed for less than $2,000 shall pay any taxes whatever on that home or on that farm. That is the basis of this so-called "dictatorship" about which there has been so much complaint heard in the State of Louisiana—that a farmer or a home owner, owning a home worth or assessed for less than $2,000, should pay no taxes, county, district, or State.

In order to get money so that the State government might continue to operate, it was necessary that funds be raised from somewhere. We either had to continue to tax the man of small means or we had to tax someone else in order to support the State government.

What was the relief suggested to us? It was said that a sales tax was the ideal means by which to relieve the people of this property-tax burden, and from one end of the State to the other that was urged as the proper means of relief. But such would have meant that in Louisiana, where more than two-thirds of the property is owned by the big interests, outside of home owners and little business owners in the cities, a much larger share of the burden of taxes would have been placed on the little man than resulted from the property tax already placed upon the little man.

So when I arrived down there we took up these proposed laws. We put a tax on the cotton exchange of 2 cents on every hundred dollars' worth of cotton they sold on future sales, and up went the hubbub, that Mississippi invited the cotton exchange to move out of New Orleans and move to Gulfport, that Houston wanted the cotton exchange to move out of New Orleans and move to Texas. We went back at them and said, "We join with the people of Houston; we join with the people of Gulfport; we want you to leave Louisiana, too, as far as we are concerned, with the New Orleans Cotton Exchange." But, none the less, the tax was voted, and the tax stands, and the cotton exchange still stays in Louisiana.

Another tax we voted was the income tax, another one of these dictatorial laws, terrible dictatorial laws. We had to amend the constitution of the State of Louisiana in order to pass it, because the feudal lords who wrote the constitution of the State of Louisiana in the year 1921, under the benign guidance of that illustrious leader, ex-Governor Parker, wrote into the constitution of Louisiana a provision forbidding the laying of an income tax in the State of Louisiana; that was the effect of the article they wrote. So we imposed an income tax exactly in the words and figures of the income tax of the State of New York and allowed that money to go into a fund for the payment of the taxes theretofore paid by the man whose home was worth $2,000 or less.

What was another one of these dictatorial laws? We imposed a 2-percent tax on public utilities, on the gross earnings of the power companies, of the railroads, of the Pullman Co.—a 2-percent tax on these big concerns. It was said that if these taxes were put upon them it would mean that the power company would immediately raise its rates. It was said that it would mean that the Pullman Co., the railroads, the telegraph companies, and the telephone companies would immediately raise their rates to make up the difference. What happened?

Mr. President, we imposed a 2-percent tax on the gross income and a 4½-percent tax on the net income of these companies. Then we went before the public-service commission, after electing somebody to sit on it instead of those who were on it, and the companies have reduced their rates, even after those taxes have been put on them. That is another of the dictatorial things which it is said makes it necessary that there must be some amendment to the law.

Well and good. We put on a few other taxes. I will not take the time to enumerate them all; but taxes were placed upon the interests and the elements able to bear them so as to shift the taxes away from the others.

Naturally, we had some elections. I shall not discuss them in detail, but from the floor of the Senate here following last January a great deal was said and a great many of my colleagues not infrequently reminded me that there had been an election in the city of New Orleans which had gone adversely to forces with which I was affiliated.

There has been another election there since then and one on top of that since then in which the entire State of Louisiana has voted, as a basis for all these laws concerning which so much has been written in the papers. Before the Legislature of Louisiana could enact them all, as a general proposition—as to some of them it could, but as to most of them it could not—they had to be voted on by the voters of the State of Louisiana at the polls in a popular election.

Mr. President, were those laws voted? They were submitted in the month of November to the people of Louisiana. They were not supported by one single newspaper in the State of Louisiana. They were opposed by every daily newspaper in the State of Louisiana. They were opposed by the old New Orleans ring and the city government in New Orleans. They were opposed by the associations of commerce, the chambers of commerce, the boards of trade, alliances, clubs, the Rotary Club, and every other club on the face of the earth. The result has been that at the polls in Louisiana, by a majority of 7 for to 1 against, these laws have been adopted by the people of the State of Louisiana. We carried the city of New Orleans by a majority of 45,000 votes, and for good measure whipped the ring president of the school board by 30,000 while we were doing it and took him out of office at the same time.

Mr. President, this makes me a dictator! This makes a dictatorship for the State! This calls for dispatches from Washington to the effect that our laws are not republican in form. Why? Because instead of having taken from the bottom to add to the pile of the big men at the top, we have taken from the big men at the top to add to the pile of the little men at the bottom.

Among the laws which we passed was one enacted a few days ago providing for a tax on the Standard Oil Co. As we have been taught to believe in our histories, that is the sacred prophet of this country, the anointed bull which cannot be touched, and we are taught to apply to that institution that sacred commandment, "Touch not mine anointed, and do my prophet no harm."

We had imposed a severance tax in Louisiana, and everyone was willing to pay the severance tax; but, lo and behold, we had to come to Congress and get a tariff on oil in order to keep the Standard Oil Co. from shutting down our schools. So we got a tariff on oil of about 21 cents a barrel, I believe it was, and that made it impossible for them to haul in Venezuelan oil and shut down the Louisiana oil fields.

Then they were not satisfied. They decided that something had to be done to show that Louisiana was in a deplorable condition. So they concluded that they would use the Mississippi River, for the improvements of which we are bonded for more than a hundred million dollars. We have been bonded for the lands and the levees and the devastations of its floods, the interest annually amounting to something like five or six million dollars, including the cost of the ports we have had to build. Then the Standard Oil Co. concluded they would take their oil from outside of the State from the places where it could be obtained, bring it to the State of Louisiana, and refine it there, but by all means to take it out by barges and boats and pay the State of Louisiana no severance tax, nothing on the expenses of the river, and shut down the oil fields of the State at the same time.

Again we called the legislature into special session. The legislature voted to put on them a 5-cent-a-barrel tax on

the business of refining oil, so that if they were not willing to pay the tax on the business of producing oil in the State they could pay a tax on the business of refining oil in the State.

The Standard Oil Co. was invited to move to Alabama, and it was invited to move to other States about the same time; I believe in Georgia somebody sent a similar invitation. We gave them an invitation to get out, to get out of the State of Louisiana, to pay the amount of money it was costing the State of Louisiana for them to use the property and facilities of that State or else to treat the people of Louisiana justly.

I am glad to say that a mutual compromise was reached, under which they agree that they will be willing after a little length of time to pay an occupational license tax of 5 cents a barrel on that part of the oil which they use from outside of the State, and a 1-cent occupational license tax on that part they use which is produced inside of the State. That means more money to go into the till in order to pay the taxes which have been paid by the little man in my State.

Contrast that with the condition in the United States as a whole. I want to show how Louisiana is getting along. I have here an article by a national writer on finance and economics. Louisiana is a State which is supposed to have been denied gratuities of the Federal Government, and we would rather not have some of them, dispensed as they are, than to have them. If the funds of the Home Owners' Loan Corporation are to be dispensed in the future as they have been dispensed in the past, we would rather they would just draw a red line and eliminate Louisiana from consideration. If they are to dispense the P. W. A. funds in the future as they have in the past, we would not quarrel if they left us out of that.

Before reading the Roger Babson report, I digress to call the attention of the Senate to the case of a poor old blind man by the name of Edward T. Doescher, who lives in the city of New Orleans. He was running a little fruit stand and little grocery store. The police department found out he was not voting right and they closed up his grocery stand.

He tried to go into the business of peddling bread on the street, and they put him out of business as a bread peddler. One ordinance after another they invoked against the poor old blind fellow, until they left him without anything on earth from which to make a living. It was the persecutions of that damnable Choctaw regular ring, which today has the support of this national administration—when I get through the administration will know more about it. [Laughter.]

The PRESIDENT pro tempore. It is the duty of the Chair to admonish the occupants of the galleries that they are guests of the Senate and that under the rules of the Senate they are not to indulge in any demonstrations but must preserve order.

Mr. LONG. So, Mr. President, this old blind man, in distress, went to the Home Owners' Loan Corporation in order to secure a loan to prevent his place from being sold under the hammer. What happened? They had approved a loan. The Home Owners' Loan Corporation and its contractors had O. K.'d and signed a loan, and everything was waiting for it to be consummated, when, lo and behold, they went out to look at the house and there was tacked upon it a sign, "For JOSEPH FERNANDEZ, candidate for reelection to Congress." What happened when they saw that sign tacked up there by this old blind man, indicating that he was going to vote for the reelection to Congress of JOSEPH FERNANDEZ on the Long ticket? When that old man came to testify before the senatorial and representative legislative committee to the atrocities of which he had been a victim in that city, he was immediately notified that that loan was canceled and abrogated, that they would not lend him a 5-cent piece; and up until that day he had never been loaned a dime on that place.

Up in north Louisiana, however, there was a very big and rich oil man by the name of Mr. William Feazel, a man who dispensed the patronage in the parish of Ouachita for the Roosevelt administration, well fixed and able. He borrowed $19,700, I am told, on his home, notwithstanding the handsome income he had at the same time. So we are not going to suffer much if we are left out of some of this so-called "beneficial legislation" which we are undertaking to get.

With it all, Mr. Babson had to render a report. I do not know Mr. Babson. They will probably get hold of him and change this thing after I read it, but here is what he did say. I will present his report, which is published on the front page of the New Orleans Times Picayune of December 29, and he marks a ring around Louisiana and New Orleans as being the particular part of the country showing greater recovery than any other part of the United States. He says that it goes 10 percent above the average. He does not tell why. He says that national-administration laws have done it. Why, national-administration laws have not done anything in New Orleans like they have done in many other places.

What had done it? Why, among these high-handed and dictatorial laws and high-handed and dictatorial actions that had been taken by the Governor of that State, with whom I was cooperating, was one by which we had closed down the lotteries that were operating under the guidance of the New Orleans ring government down there, 2,000 lottery shops; and a red-light district 16 squares long and 18 squares wide—the greatest cesspool of hell that has been known to the modern world—that has been supported by the Roosevelt administration. Who is in charge of it? Well, do not misunderstand me. I said the Roosevelt administration was in charge of it. Now, I do not want Senators to think I am going to take back anything. I am going to show them who was in charge of it.

I have before me an article which appeared in a magazine that they call Real America, and in this article which is published in the issue of December 1934 they have my picture placed in front of the dens of prostitution—the cribs of New Orleans. They have faked a photograph as though I were walking by those places, and they say, "Huey and his New Orleans cribs."

Now, it so happens that there are for-rent signs on those places. We closed the places, and then they put up for-rent signs. So we located these particular places and we sent photographers down there, and took close-up photographs of these particular for-rent signs on those cribs, and I have them here. I will send them to the desk. The sign in one of the photographs says "For rent. Queen Realty Co." Now, who is the Queen Realty Co.? Well, I decided to bring that information to the Senate.

Here is a letter from the secretary of state of Louisiana which says the Queen Realty Co. was organized November 12, 1930, before Edwin J. Prinz, notary public, and that its stockholders are Abraham Burglass, Edward Rightor, and Edwin J. Prinz.

Who is Edwin J. Prinz? He is a lawyer formerly working for Mr. John P. Sullivan.

And here is an affidavit from a responsible citizen, Mr. Nicholas G. Carbajal, swearing that Abraham Burglass stated that Mr. Prinz held the stock for his employer, Colonel Sullivan.

Colonel Sullivan is one stockholder, Mr. E. R. Rightor is listed as the other one, and their partner is Mr. Abraham Burglass. And on the witness stand before the Committee on Finance Mr. Sullivan and Mr. Rightor both testified that they were in charge of the dispensation of patronage for the Roosevelt administration in the State of Louisiana.

So, Mr. President, I wish it to be known in answering this article and others like it, that when we closed up that rotten mess we closed up an institution under the guidance of the New Orleans ring operated for profit by the patronage distributors in Louisiana for the Roosevelt administration.

There came a time when something had to be done about it. The Governor of the State of Louisiana wired to the city of New Orleans that they had to close up that cesspool of hell or the militia would close it. The militia came into New Orleans. Where did the police department go? Did

the police department run to the city hall to protect the archives there? Did the police department run to the levee? No. The police department came and stayed that night in the red-light district for fear the militia was going to raid it, and gave notice that if that sacred place was raided they would resist it by an extra 1,000 policemen that they put on the pay roll. They did not guard the Capitoline Hill, the churches, the levee, or the archives; they guarded the red-light district that night—the property of the Roosevelt patronage dispensers in the city of New Orleans.

Now, the laws recently passed in our State do not please these men reporting to the President. These laws do not please these men through whom the President of the United States receives his messages from New Orleans. But it is time that the President of the United States turn and look to the people of Louisiana to send messages, instead of looking to the leaders who have been picked for him by a Tammany boss. It is time that he looked, Mr. President, to the people of Louisiana, the sovereign people of that State, to the ambassadors of that State sent here, and who will be sent here again. I helped to move my own election back to January next year, instead of running in September next year in the primaries, so that it might be made known early just how the people felt.

I want to say here that the President may have been innocently led into this thing, but he has had more warning than any man I ever heard of not to take any of it.

It is said that the waves of civilization have been beating against the shores of Africa for 6,000 years without ever being able to make any impression. But I will say that for nearly 600 days I have been beating these facts against the walls of the United States Senate in the hope that some day they would percolate some intellect through which they might reach the President of the United States to save him from the misguidance he is now receiving.

Why, only last year I produced before the Senate, and had read from this desk day after day and day after day, the reports that came from the banking department—reports that never have been disputed. On the contrary, when the head of the Home Loan Corporation was before the Committee on Finance he looked at the reports of what had been done and denounced them as a fraud, from his own lips.

I produced that information, and more information, in the United States Senate showing that through these loan agencies under the control of the patronage dispensers of the Roosevelt administration in some instances they loaned a man $1,000 and that they took $700 of it for profit. I showed time after time when they loaned $4,000 they took $2,000 of it. The names and dates, the ages and the heights, are all in the records of this Congress.

What did the administration do about it? They did not do a thing on God's earth about it. We could not get them to do anything about it. They left that man Paul B. Habans in charge of it, and he is in charge of it today. He continues such frauds as I read here against the old blind man and in favor of the rich oil operator. And finally we convened the legislature into session to pass one of these so-called "dictatorial laws", to make it a felony for any man to so use those departments as to swindle a man out of his Home Owners' Loan money, and only after Louisiana had forbidden it by penal statute were we able to stop this particular form of swindle that had persisted in that State from the very tentacles of the national administration in Washington through the appointment of those in charge in Louisiana.

Those are undisputed facts. And why would a people be afflicted with that kind of treatment? What is the reason for it? Because they say—I can only state what they say—because they say that the senior Senator from Louisiana is at outs with the Roosevelt administration, and that as long as the people of Louisiana are at outs with the Roosevelt administration through their senior Senator, that it is impossible for them to have other than publicly repudiated characters of that kind and stock manipulating the funds and affairs that affect and afflict that State from Washington. That is the reply we get.

Here are the facts, then: Mr. Babson says that Louisiana, in spite of all that can be done against it, with all the afflictions that can be urged upon it, Louisiana, none the less, rises and rises and continues to rise to the top of the heap—not, however, by reason of what has been done from Washington.

A short time ago the administration said to us that they wanted to appoint their own man down there to dispense the relief money. We said, "That satisfies us." They sent a young man down there to do it, and the job was turned over to him. Great newspaper write-ups were given. Over in Arkansas the Governor dispenses the relief through his own appointee. Over in Mississippi, I think, the Governor does the same thing. But, lo and behold, a great deal of claptrap came out that Louisiana was refusing to donate the proper amount to relief, and that they were going to have to withdraw from the State. I was informed at the same time, Mr. President, that the sister States to Louisiana were not contributing anything to this unemployment-relief fund. I may be wrong about that. I am giving you my information. I was informed that neither Mississippi nor Arkansas were contributing to that relief fund. Yet it was being administered by their Governors' own selections, as I understood, in both of those States. But, no, they had to have something from Louisiana. And so we assembled the legislature into special session and we got that something. We put 25 cents more tax on the corporation franchises and gave that to them, Mr. President. We gave them about $450,000 a year. But we gave it to them from the proper source.

Somebody suggested a sales tax. But we said, "Oh, no. Here is a better method to get the money." And so we gave them 25-cents-on-the-dollar taxes on corporations, I think it was, or a guaranty of around $450,000 a year. That much more, I am told, we gave than others.

Now, it may be in these other States they are giving more than that. It may be that Arkansas and Mississippi, which are on our north and our east, are doing that much or better, although I was informed to the contrary. But at least this much I wish the Senate to know, that a telegram was sent by the administrator of the relief funds that Louisiana had done everything on God's living earth that could be expected of that State in the way of contributing to the relief fund, notwithstanding the fact that our sovereign State was told that instead of the Governor selecting someone of his own choice that they wanted to send somebody else that was of their choice, because we were in bad with the national administration.

I have that telegram, and I send that telegram to the desk and ask that it be read.

The PRESIDENT pro tempore. The telegram will be read.

The legislative clerk read as follows:

BATON ROUGE, LA., *November 16, 1934.*

HARRY L. HOPKINS,
*Federal Emergency Relief Administrator,*
*1734 New York Avenue NW., Washington, D. C.:*

It affords me a great deal of pleasure to report that the Louisiana Legislature in special session has voted all parishes authority to assess a special tax to be used exclusively for unemployables and mothers' aid cases. This tax, if exclusively resorted to, together with the State discretionary fund available through a 25-cents-per-thousand franchise tax voted in the August special session, will insure, we believe, adequate care on F. E. R. A. standards. The bills under Senator LONG's sponsorship passed unanimously today. Senator LONG has cooperated fully and has complied with every request I, as administrator for Louisiana, have made of him. I am sure you will be gratified as I have been.

HARRY J. EARLY.

Mr. LONG. Mr. President, we cannot cooperate in the policy of the national administration—and why? Because there are today 5,000,000 more people on the dole than there were a year ago. We cannot cooperate with that kind of system; not that we are against placing them on the dole, but with a policy which makes it necessary to place 5,000,000 more on the dole. We cannot cooperate with the policy of the administration, because 1,000,000 more people are unemployed. We cannot follow a policy which leads to more unemployment. We cannot follow the policies of the national administration because the earn-

ings of the millionaire and billionaire are on the up-grade, while the earnings of the common man and the poor people are on the down-grade. Therefore, we cannot cooperate in policies of that kind. Unquestionably we cannot put our head in the noose and follow along a blind and beaten path which means wreckage of the national administration if it does not mean wreckage for us at the same time.

There is another little beacon light which will show Members of the Senate where we are going. Several friends said this morning to me, "Where are we headed?" I am going to give you a little light so you will know where we are headed. According to the Federal Deposit Insurance Corporation we may know where we are headed. The Federal Deposit Insurance Corporation has said that after analyzing the bank accounts in the United States it has found that one one-hundred-and-fiftieth — get that! — one one-hundred-and-fiftieth part of the bank depositors own two-thirds of the money that is in the banks. Not one one-hundred-and-fiftieth part of all the people, but one one-hundred-and-fiftieth part of the people who have money to put in banks own two-thirds of the money that is on deposit in the banks. Do Senators want to know where we are headed? We are headed just as straight to hell as any bullet ever went to its mark.

What has been done for the few men? When Mr. Roosevelt was nominated as a candidate for President of the United States he knew where we were headed. He said so. I remember yet the great sense of satisfaction I felt when I came out of the Chicago convention, with headlines screaming that there was a Wheeler-Dill-Long senatorial bloc advocating the redistribution of wealth and that that bloc would be powerful. Where are the members of that bloc today? Dill has quit. WHEELER might as well have quit. I have been worse than he has been because I have fought hard every day.

But that is not all. There were men who left their party to fight for this cause; men who owed their seats in the United States Senate to the Republican or independent voters of their States, men who owed their appointments to Republican governors. Among them was a Senator who came from the State of New Mexico, who left the selection of his party, who left his party, who cast his lot and everything he had with those who he believed were fighting for the salvation of humanity, who offered to sacrifice himself on the altar that he might fight to make man free. After he adopted and fought for the cause that he thought more liberal he was followed back to his home State where he naturally expected to be repudiated by the party which had sent him to the United States Senate. There he found that the same national administration which he helped to make was hounding him from post to pillar, but he was elected over their damnable opposition and sent back to this body. I shall not be surprised to see them try to kick him out of here even now. God help the country under such circumstances as that!

I wonder if my friend the senior Senator from Illinois [Mr. LEWIS] realizes the sincere motives behind those people who had every kind of offer to stay loyal to the old element and not go wafting away with this so-called "program that was going to make a search for the forgotten man"? What an example to hold out from this party to the men of the future!

We know that in normal times the Democratic vote is not the majority vote in the United States. It has not been since the Civil War. The Democrats of the United States have not been the majority party in the matter of votes. We have had to get the Progressives and some of the Republicans in order that we might win. We have set a beautiful beacon light, Mr. President. We have invited these men into our ranks and when they came in we have undertaken to persecute them from city to city, not for anything they are trying to get but for what they held before they threw their lot with us for the salvation of the American people. I may be tried in an election next January down in Louisiana. Just send down there and try me a lick on this thing in this way! We moved the election in Louisiana earlier by a year so they can try me if they want to do it.

Mr. President, I had a little experience myself. When I came to the Senate I got into a little fight over a few matters. I probably should have listened more in the early days I was here, in the year 1932. I probably should have had a little less to say. It would have been better for me and perhaps better for the country for all I know. But it was for the benefit of the country and it had to be done if the present man in the White House was to get there. We had to have every vote we could get. Do not fool yourselves, Senators. We needed them all. One break in the line and we were gone at the Chicago convention and we knew it. No one knew it better than I did.

I was sent and I went with approval to conciliate and negotiate, if you call it that, to dicker, if you wish to call it that, with delegations from many States to try to get their support on the first, second, third, or any other roll call we could in order to nominate this man Roosevelt. I want to tell you, Mr. President, I had nothing in common with Tammany. But I went to Tammany and tried to line up Tammany. It was known that I went to Tammany. I went to Tammany at midnight; I went to see Mr. Jimmie Walker and Mr. John Curry, and our main forces knew all about it, and we tried mighty hard to get them. We did everything we could to get them. I did not go there without everybody knowing I was there. We did not know the lines could hold long enough to nominate our man. They had made unfortunate terms in agreeing on a man for permanent chairman of the Chicago convention, Mr. Jouett Shouse. If Mr. Jouett Shouse had been made permanent chairman of the Chicago convention there was not a hope on God's living earth that we should ever be able to nominate Roosevelt for President and he knew it.

We had to have a man friendly to us at least in fair respects, and perhaps in other respects. So we had to break the deal that had been made by Roosevelt. Mr. Roosevelt approved it. It had been made with the approval and with the sanction and with the consent of Mr. Roosevelt. When we went to him to save the day we told him we had to break that thing one way or the other. That is why we had to get down on our hands and knees and work from night until morning and from morning until night to try to save the Chicago convention for the Roosevelt forces.

We were going to break the two-thirds rule. I am the man given credit for trying to break the two-thirds rule, but I was not the man. I was simply carrying out what we all wanted to do. We did not think we could get a two-thirds vote and so we tried to break that rule. We could not get the votes to break the two-thirds rule. The only reason we could not was because the delegation from North Carolina ran out and would not stand by us.

Mr. BAILEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from North Carolina?

Mr. LONG. Certainly.

Mr. BAILEY. The delegation from North Carolina did not run out. It had never run in! [Laughter.]

Mr. LONG. That is right, Mr. President, and I beg the Senator's pardon. We could not make them run in. We had them talked to from Hyde Park over the telephone, but that did not do any good either. That is why we could not break the two-thirds rule. We simply could not break it because we did not have the votes. We had talk in our ranks about getting up and walking out of the Chicago convention and running our candidate anyway if we could not get the votes to nominate him there. That talk was in our ranks, and not without some understanding, too.

So before the Chicago convention we placed before Roosevelt the fact of this so-called "bloc", that so-called "element of independence", and what we were fighting for. Were we fighting because of our personal love for Franklin Delano Roosevelt? Were we fighting because we wanted the Democratic emblem above the White House? More than that. We were fighting for no reason on God's earth

except that we had the pledged word of our candidate orally and in writing that there must be a spreading of wealth—building the common man up from the bottom and cutting the big man down from the top. We had his promise that the little man should be raised up in the status of wealth and that the big captains of wealth and industry should be pulled down. If anyone doubts that we had that word from the President, it will take no time at all for me to run back through the records I have already produced here. He said it time after time.

We come here today, those of us who have made that fight, those of us who have tried to keep him from going in the direction the consequences of which are what I have had read from the desk. We have tried to turn him away from a policy that leads toward death and destruction. We have tried, Mr. President, to secure the fulfillment and the accomplishment of what was promised to the American people. Those of us who have stood in that way, those of us who could not follow these erring policies, have been singled out and put upon a spot, not of glorification, but that the administration marksmen might see us and shoot at us from various and sundry directions. They gave me my particular part in it.

Let me refer now to the income-tax matters. They gave me my part. I was not up for the first election. We had a little election occurring in New Orleans between the New Orleans ring forces and the Long forces, let us call them. We had a good, high-sounding name, and they had a high-sounding name. Ours was the Louisiana Democratic Association, and theirs was the Regular Democratic Association; but the names of the parties were the "Long party" and the "ring party"—that is all.

The next day after we announced our ticket there came out from Washington, D. C., away across the headlines of the newspapers, eight columns wide:

HUEY P. LONG and 100 friends to be investigated for income taxes. HUEY P. LONG and the main 100 friends he has will be set upon by a horde of income-tax investigators, and all the crew and clique that chased Al Capone down in Chicago are being sent to New Orleans to get HUEY P. LONG.

They did not try to put any covering over this thing. They did not cream it over or put any geraniums beside it. They simply said in their headlines that inasmuch as they had put Al Capone behind the bars, now they had time to come and get HUEY P. LONG and his chief 100 friends. They were all going away. So the hordes were sent down to Louisiana, and they have had about 250 of them down there. They sit around in the offices all day long, and in Sullivan's office all night long. The proceedings of the grand jury are published on the front pages of the newspapers.

When a man is indicted they have already got the news set up in the newspapers, and it is on the streets just about the time they hand the indictment to the judge. Sometimes they have as many as 10 columns of printed matter in the paper. The day before the indictment is handed down the newspaper will say, "So-and-so will be indicted tomorrow morning", and that has gone on for some time, and so many more. They will say, "Witness So-and-so is here to testify and has testified before the grand jury to So-and-so." They say, "We have got 8 men indicted. We are going to indict 100 more."

They go to men who put up money for the Huey Long organization, and they quiz them, and tell them the danger they are in. They go and tell them that they dare not put up another cent, because they have already indicted 8, and they will probably have to indict 800.

That is not all they did. Nobody is afraid of them, either. You can put that down. I have been through this thing before. I have been indicted for everything from stealing a cord of wood up to murder. [Laughter.] There is nothing left to indict me for. [Laughter.] I want to tell you one thing: I am glad it is I they have picked out, Mr. President. There may not be many who can stand it like I can. [Laughter.] When they undertook to impeach me in 1921 for fighting the Standard Oil Co., one old brother came to pray for me, and said, "I sure wish I was in your place." I said, "I am glad you are not, because you would not be there very long."

We went through the impeachment of 1921 and the indictment, and that came out all right. Then we went through 1929 with an indictment and impeachment, and that came out all right. Up to this time they have offered immunity to every man from the Great Lakes to the Gulf of Mexico if he would wash away his own sins by simply saying that he did it to help HUEY LONG, so that they might have something to indict me on; and why they have not already done it I do not know. [Laughter.] Every horse thief and crook from Dan to Beersheba has been sought out. Everything I say here is susceptible of proof under oath, gentlemen of the Senate. If any of you think the statements I am making are so wild that the truth of them ought to be shown, you just offer a resolution of investigation and we will go right out and prove them before you get back. We will have the witnesses right up here to prove everything I have said to you. It is not half told. I could not tell it all.

They are not going to have any question about this indictment. They get them up a grand jury to investigate the Long forces. They are very generous about this grand jury. Here is a list of the grand jury.

To begin with, the first thing that we had up here last year was the nomination of a candidate for United States attorney in Louisiana, a gentleman by the name of Réné A. Viosca—V-i-o-s-c-a. That is Dutch spelled Spanish. [Laughter.] Mr. Viosca came up here, and he was accused by me, as the chairman of the subcommittee, of being implicated in a swindle by which the mails were used to defraud innocent investors of $6,000,000 through a fake bridge scheme. When we had produced proof of the matter so conclusive that no man on God's living earth could contradict it we wired Mr. Viosca asking him if he did not want to come before us. Up to that time he had not asked to come at all; so I said to the Senator from Idaho [Mr. BORAH] and the Senator from Illinois [Mr. DIETERICH], "We ought to wire this man if he is not coming of his own accord. If he is not going to ask to appear, we ought to ask him to come before us if he wants to." So we sent him a telegram, and he said he would come any time we wanted him or any time we would receive him; and we wired him to come up, I think, on a Monday morning.

Mr. Viosca went before this subcommittee of which I was the chairman—and I do not give his exact words, but I can almost quote them, I feel certain. He said, when he was finally wound up in this transaction to the point where he could not deny it any longer, "I want to say to you, Senator LONG, that this is a swindle and a fraud, and that I will condemn it in every term you will condemn it in, but that I was not any party to that part of it"; and we twisted him up to where his own name was on the prospectus that went out; and we twisted him up to where he was a stockholder and a bondholder. We put it so close to his eyes that a man 4,000,000 miles away would not have questioned it for an iota of a second; and by unanimous report of the Judiciary Committee—I was the chairman of the subcommittee—we reported unfavorably on this man who was in that swindle, that fraud that went through the mail, together with those other men, all of whom ought long since to have been prosecuted for using the mails to defraud. Not one of them had a defense on God's living face of the earth.

Just to give you one glimpse of the import of that fraud, they put on the prospectus, where a free bridge was to go, that it was a ferry route. There was a law requiring the free bridge to be built, and the money had been raised to build a free bridge that HUEY LONG later built out of New Orleans. There was a law, and the money had been raised, that a free bridge should go over Lake Pontchartrain to the eastern outlet of the Spanish Trail out of New Orleans. They got a hokus-pokus franchise to build a toll bridge right beside it, and sent out to the innocent investors the statement that their only competition was a ferry; and through that kind of a fraud that was sent out through the

mails the investors in Illinois, Oregon, New York, Wisconsin, and everywhere else were led to put up $6,000,000 that was swallowed by these grafters. So we went into the United States Senate and produced our proof, and they flew the coop. Not a man on the floor of the Senate, for the administration or anybody else, would lift his voice in favor of Viosca. They did raise their voices for D. D. Moore; but when it came to the case of Viosca there was not a single man from any State who would say, on this floor or off this floor, that Viosca was fit to be United States district attorney.

When the Judiciary Committee reported Viosca unanimously unfavorably the President withdrew his name. Then the Senate adjourned, but by an order of the judge of that court Mr. Viosca was reappointed to serve as district attorney.

Then they got up a grand jury to pass upon HUEY LONG. Whom did they pick for foreman of the grand jury? Lord bless your soul, they picked Arthur C. Waters, the sales manager of the Watson-Williams bridge syndicate that sold the $6,000,000 worth of crooked bonds.

Marvelous situation! They finally decided to clean our plow without ever letting us be heard at all. Political campaigns were coming on, and they had to get some indictments very quickly; and so they picked Arthur C. Waters, of the firm of Waters & Alcus, formerly Woolfork, Waters & Co., sales managers of the bonds of the Watson-Williams toll bridge; and to be sure he did not get loose from them—they wanted to be certain he was tied down by some other tie of protection and contact—so, just as luck would have it, who is Mr. Arthur C. Waters? He is a nephew of Joseph W. Carroll, who is the attorney for the American Sugar Refining Co. and the Standard Oil Co.

Was not that a nice thing to fix it up with? They put this bird Viosca back in there to handle the grand jury, and gave him a foreman who was in on this crooked deal with him and who was a nephew of the lawyer of the Standard Oil interest and of the American Sugar Refining Co.

Another one was Mr. George W. Bernard. Who was he that they picked on this grand jury? Why, he was a partner of the campaign manager of "Turkey-head" Walmsley, the candidate for mayor on the ring ticket. They picked the partner of the campaign manager of the head of the New Orleans ring for another member of the grand jury. [To Senator LEWIS:] "Turkey head" is the name by which Walmsley is generally known down there. It does not mean the kind of turkey the Senator is thinking about. The turkey buzzard represents the type to which I refer. [Laughter.]

The next man was Mr. F. J. De Fuentes. Who is F. J. De Fuentes? Why, he is a factor of the New Orleans Cotton Exchange that we put the tax on for future trading. He makes future sales of cotton. This is the way they make those future cotton sales:

The year that we raised 10,000,000 bales of cotton in this country they sold 60,000,000 bales of cotton in future sales in New Orleans and, I think, about 90,000,000 bales of futures in New York, and thirty or forty million bales in Chicago—future cotton sales. They sold 190,000,000 bales of cotton, and we raised only 10,000,000 bales. They sold 180,000,000 bales of cotton that never saw a cotton patch. Every time, therefore, that they sold one of those bales of so-called "cotton", the exchange was just selling this old farmer's bale of cotton 19 times. Every time they sold it they would take out a broker's commission, and an exchange fee, and a pound and a half as samples, and then they would put the bale back over there, and it would rest a while, and they would bring it out and sell it again and take another exchange fee and a pound and a half of samples and a broker's commission. For every bale of actual cotton that was sold they took out 19 exchange fees and 19 brokers' commissions and 19 samples, and they gave the farmer what was left after they had passed it through certain things, if there was anything left.

We put a little tax on there that they said was going to close down the cotton exchange—2 cents on the hundred dollars. What did we wind up with? We wound up with a man from the cotton exchange on the grand jury, and the next day they indicted my friends down there on income taxes.

All right. I will skip down to another man. This is a pretty good one. They put Mr. Brazer Finley on the grand jury. He had openly signed the call for the mass meeting to mob the legislature that was threatening to put on these taxes. They put him on the grand jury.

Then they put on a man named Lewis G. Hooper. Who was he? Why, he was a relative of the man who had received the approval of Mr. Jim Farley and had been made engineer for the P. W. A.; so they put him on the grand jury, through the appointment of Sullivan.

Then there is Henry T. Howard. Who was he? He was a grandson of the founder of the Louisiana Lottery Co., of which we know something. They put him on the grand jury, a nephew of the Times-Picayune dictator, Alvin P. Howard, and, according to the street rumors—and they tell all that happens before the grand jury down there, print it in the paper—the man Alvin P. Howard who was accused of some income-tax violation. They said, "Here is the case of Alvin P. Howard, who is an uncle of this young man sitting on the grand jury. What about him?" They said, "He has swindled the Government out of $169,000. He sold to a securities company a large amount of stock, and bought it back the next day, in order to beat the income tax." What happened to him? They said they were not after him at all. They were after HUEY LONG. "Dig and dig and dig and dig. Millions and millions and millions to spend to see if there is not some way of indicting and prosecuting HUEY P. LONG, but the $169,000 swindle of Alvin P. Howard—we do not want any indictment of that kind of gentlemen. That is not the purpose of this investigation."

I will go a little further. They had a man by the name of F. Lloyd Monroe. Who was F. Lloyd Monroe? F. Lloyd Monroe was an employee or an officer of the securities company they had charged with this swindle, where they had exchanged this stock.

There were also Bryan O. Reynolds; then Adolph Ricks, a relative of one formerly a ring commissioner there; and Francis G. Sellman. Who was Mr. Sellman? He was related to James L. Sellman, an agent of the United States Internal Revenue Department. Of course, he would be a fair man.

Gail S. Young. Who was he? He was an employee of James Smithers, who was in charge of this fake bridge they had built out there to swindle investors to the extent of $6,000,000 worth of investments.

I have not read all, but that is the kind of ensemble they fixed, and sent 250 men, so I am told, to rake up the bottoms of the earth to try to get something.

Just before election time they made a spread. Here is a sample of their spread:

Long leader accused of tax evasion.

That was a great big eight-column headline. That may affect somebody, but it has never yet affected the voters of the State of Louisiana.

I will give you another little example of what is going on. They indicted a Republican in Louisiana by the name of Lawrence L. Merrigan. He was indicted on the ground that while he was a collector of internal revenue, he allowed employees of that department to contribute to the Republican campaign fund. He has been indicted now for nearly a year or more. Was there anybody else in that condition? Let us see.

Mr. President, Mr. Alvin F. Fix, late collector of internal revenue of the Philadelphia (Pa.) district, and another national committeeman, or some man about like him, were suspended. I have the paper here, the Philadelphia Inquirer, and the headline is:

Fix and five aides are suspended in election macing; Federal men hit by order of Roosevelt; Internal Revenue Collector P. J. Reilly, Henry L. Haines, John J. Gegan, Robert M. Black, and William E. Brown all relieved of duties by Morgenthau.

The headlines continue:

Action follows hearing in Treasury office; criminal prosecution likely if allegations are sustained; charged with blackjacking to aid in the Democratic campaign.

They sustained the charges, I understand, that these men were found to have been collecting money from employees in the Department of Internal Revenue, but they have never yet indicted or prosecuted Alvin F. Fix, and my understanding is that he probably will not be.

Lo and behold, it happened that there was a little fellow by the name of Lawrence F. Merrigan down in Louisiana who had been accused of the same thing. He had been put out of office for a long time, and they went back and dug up something that was supposed to have happened nearly 2 years before that time in order to indict this little man by the name of Lawrence F. Merrigan. Why did they go after Lawrence F. Merrigan? I will tell you why. Lawrence F. Merrigan wrote a letter to the Department of Internal Revenue, to Guy T. Helvering, which I read before the Senate. Lawrence Merrigan did not give me that letter which he wrote, but I got hold of it in a way that some day I may have to tell. Lawrence Merrigan wrote a letter to Mr. Guy T. Helvering at a time when he was serving as internal-revenue collector in Louisiana, and he told them that they had sent hundreds and hundreds of men down there instructing him that he had to do something to help get something on HUEY P. LONG. He told them in this letter that I had been investigated for 1928 and 1929 and 1930 and 1931; he told them that they had had hundreds and hundres of men, an he said, "I have not been able to find anything to indict him on or present any charge against him on, and I ask you to give me instructions whose orders I must take. Must I take the written orders coming out of Washington, or must I take these orders which come to me by word of mouth from this flock of internal-revenue agents who are coming down to the State of Louisiana?"

What did they do with this man? They summoned a grand jury and indicted him within a short time after I made public that letter. The only reason on God's earth why they ever indicted that man, Lawrence Merrigan, was the fact that I had offered that letter here on the floor of the Senate and they thought Merrigan had given it out.

Did they act as if they were going to clean up the Augean stables? No. We were told on the 30th day of May 1934 in glaring headlines that the blackjacking of employees had been going on, and up until this time there has been no such thing as a semblance of a prosecution, and Merrigan has never been able to get his case tried.

Mr. President, public life is not so dear to me, public life does not mean so much to me, that I will endorse such practices in order to share in a little Federal patronage. If, in order that I may be recognized in the dispensation of a few little plums and doles in my State, I must bend my knees to that kind of illegal crookedness and favoritism; if I have to join a policy which leads irresistibly and irretrievably to the wreckage and ruin of the masses of the country; if I, remembering the midnight oil I have burned in acquiring the little learning I have managed to secure; if, after the perusal I have made of the lights of ancient and medieval and modern times and all of the crusading I have done in politics, must kneel to such crooks as may be employed by men like Jim Farley—God send me to hell before I bring myself to go through that kind of thing in order to get patronage.

There may be Democrats here who will bend their knees and truckle their souls and their consciences to that kind of a crook and demon, who goes into the red-light districts, into the dives of demons and dens of hell, in order that they might have favoritism with the heads of the party; but I do not want recognition from the heads of the party that bad.

I am the head of the Democratic Party in Louisiana by choice of the people of that State. I was elected national Democratic committeeman. I was elected United States Senator. I was elected Governor, and the other day I was elected chairman of the Democratic State central committee. So far as the Democratic Party amounts to anything in Louisiana, I do not know of anything more I could get to show that I enjoy the confidence of the Democrats of the State of Louisiana than I have received at the hands of the people of that State. But if Democratic recognition must come from such affiliation, if any dispensation of patronage has to come in that way, then I can afford to let the party settle to such levels as will allow me to maintain my own self-respect and follow the policies desired by the people of my State.

Just one more word or two, and I shall be through. I see that there has been a probe of the munitions makers. Old Baruch came back again. God bless old Barney! He will never leave. He has been here with every President, and has helped to ruin them all. He was the guiding counsellor when they sent Hoover to the demnition bowwows. He was here when Wilson made his last licks, and he has been here with Roosevelt ever since we put him in. It was old Baruch, as I look at my friend the Senator from Montana [Mr. WHEELER], who sits so silent and says nothing—it was old Baruch that led me to warn that I did not want to support Mr. Franklin Delano Roosevelt. When I reached the Senate I did not want to support him. I said he would not do.

I was a country boy, raised in the pine hills of Winn Parish, and I had been taught to beware of the men who were smarter than I was. Away back in early life my grandfather had some cotton that had to be picked, and it was getting close to frost time and the rainy season. If the rain and the frost hit the cotton, there would be no more cotton picked, and we would lose the crop. So he sent out a call for cotton pickers and they came in.

One man came in and picked 450 pounds of cotton the first day. That was about three times as much as an ordinary cotton picker can pick. They were paying these men 50 cents a hundred and board. Naturally a man who picked 450 pounds of cotton not only helped get out the cotton crop but he saved the board of two extra men.

When this man picked 450 pounds of cotton, my grandfather fired him that night. Why? He said, "I don't keep anybody around here smarter than I am. I will be working for him if I do." And he let him go. [Laughter.]

Mr. President, there were entirely too many words being used by those candidates during those days to try to find out what they meant. They were spending entirely too many words in trying to find out what they did mean. So I was somewhat suspicious of all of them.

One day I was in New York, and I telephoned my friend the Senator from Montana [Mr. WHEELER], who now sits in this body, that he was supposed to come to New York that day, and I wanted to discuss with him the candidacy of the President, to tell him that I believed I had information enough to convince him that we ought to go somewhere else for a candidate. It was the Senator from Montana who declined to come to New York, and notified me he was on his way to Hyde Park.

Some short time later I had what I considered the guidance of the masterful intellect of the Senator from Nebraska, on the Republican side of the fence, and the Senator from Montana on the Democratic side of the fence. I loaded on the Roosevelt bandwagon, boots, saddle, and all, and when I load, I go the whole way. I am very much like our old leader was on the question of free silver. One of his friends went to him and said, "What do you want me to be, for gold or silver?" He said, "Leave me your pamphlets here, and I will look them over, and I will tell you which way to go." He went back to see him a week later, and he said, "I cannot make up my mind. The arguments on one side are just about as good as the arguments on the other. Come back next Monday, and I will tell you." He went back on the next Monday, and he said, "I still cannot make up my mind. It seems like the gold has the better of it until I read about silver, and then it seems that the silver has the better of it until I read about gold. Come back here Wednesday, and I will be able to tell you which side I will go on, and whichever side I take, I sure am going to be bitter, when I do decide where I am about this matter."

Well, when I finally found out I was on the Roosevelt side I was bitter about the proposition, and I went on the Roosevelt side of the campaign. When I sat back at my ease in my contented den in Louisiana with the clouds rolling by in these other States; when I sat there in that lurid

atmosphere of peace and quiet and good will among men, and thought of my friend from Nebraska, I wondered how he felt when Jim Farley sent his horde out to New Mexico to yank out another man who followed his teaching like I did and went for Roosevelt. I wondered how my friend, the Honorable GEORGE W. NORRIS, felt. I wondered if he felt like he could walk out among his constituents and hold his head up when all the pack had gathered for the chase to throw BRONSON CUTTING out of the United States Senate—who had followed along and left his party in order to see the present occupant go to the White House.

Why, it was enough, Mr. President, so that none of us would ever again feel like getting into any politics. None of the trials and fights that I have ever faced ever held a candle to that spectacle.

Why, Mr. President, after I had raised money and sent it to New York on days when they told me they would not be able to pay the stenographers in some of the little offices if money did not come in, and when I went out and raised the money and sent it to them—it is bad enough to see the men who gave that money hounded in the city of New Orleans and Louisiana by revenue collectors undertaking to indict them because they had been friends to me in that time when Roosevelt was crying for money—I say that was bad, but I never saw a thing in my life like this other spectacle. When I thought of my friends being thus hounded, I could console myself and feel comforted. It was as a song to quiet a troubled soul compared to the spectacle I could look at where they had gone thousands of miles to New Mexico to chase out of the United States Senate the man who had left his party for the sake of humanity in order to help us in that election of 1932.

I cannot be in with that line of policy. If that is necessary in order to get the patronage of the Democratic Party in Louisiana, then count me out.

I cannot follow that line of policy. I cannot check in on that line of reasoning. I have never yet been taught that line by which you allow your friend to pull you as far up the hill as he can and then stab him in the back so that you can put somebody else in his place. I have never been taught that that is an act of gratitude to humanity. I have never been taught that that is an act of sound public politics or of sound government. So I cannot check in on that line. And I will not be found in that kind of politics.

Well, now, old Barney Baruch comes back. Bless your soul, old Barney appears on the scene just in time. There are some people who think that Barney comes when he should not come, but that is wrong. He comes when he should come. Down in Bolivia they have a whole lot of tinplate. In fact, they have so much tinplate down there that the English Government tries to keep it from coming out because it destroys the market for the tinware. Now, Mr. Baruch appeared here the other day before the United States Senate and gave a little testimony. What was his testimony? He swore—or rather he said—I did not hear him; I just read it in the newspapers, and that is the only way I have to get the news these days—he said that the United States Government ought to stock up on tinware immediately; that we ought to buy all the tinplate we could right now. Why? Well, Bolivia is in a war for the Standard Oil Co. against Paraguay down there in South America. The Standard Oil Co. wanted to take some possessions that had been awarded by the President of the United States in the treaty in the arranging of which he had acted as a negotiator and as a mediator. The President had awarded the Chaco district to Paraguay; so now, in order that they get this property for the Standard Oil Co. that had been officially decided to belong to Paraguay by Rutherford B. Hayes, President of the United States, they finance Bolivia down there to bring a war on Paraguay to capture this oil territory in the very Chaco district that had previously been awarded to Paraguay.

Well, Bolivia, I understand, owes the United States $68,000,000; and they have defaulted on their loan. The Standard Oil Co. has put up about all the money they want to right now, and the battles are not going very well. Under the Johnson bill, which was adopted here in the United States Senate and also was adopted by the House of Representatives, which prevents the United States lending any money to a foreign country which is in default on obligations, Bolivia cannot borrow any more money. So along comes Mr. Barney Baruch—and God save him for us for future generations to come. I hope that man is here for some years to come so as to show people just what they have got to go up against in future times compared with what we have had to contend with, poor simpletons, in the present day—along comes Barney Baruch and says that America ought to buy up immense stores of tinware and tinplate.

That is about the same thing as saying that America ought to go down to Bolivia and give enough money out of the Treasury of the United States for Bolivia to keep up this war against Paraguay, because the United States cannot lend Bolivia any more money now that the Johnson bill has passed, because Bolivia is in default on $68,000,000 which that country already has borrowed.

Now, if that were the only thing to stand out you might disbelieve me. But it is not. The Senator from Nevada presented a bill here to the United States Senate in the last Congress in which he asked that we pass a law forbidding exportation of munitions to either Bolivia or Paraguay. He said that there was immediate necessity for such action. I had the floor that day, I think, when he rose and asked to be recognized, and he asked that I yield the floor in order that this bill might have immediate action and immediate passage, and without reading his actual remarks I can state to the Senate the substance of them, and they were that we should immediately pass the bill because we ought to stop these munitions from being exported to these two countries immediately.

Well, we passed the bill immediately. Did it stop the export in arms? If it did, the Standard Oil Co. did not know it. They said that they had already contracted to buy some munitions in this country, and they called upon the Department of Justice for a ruling as to whether or not the law forbids them from exporting what they had already bought and contracted to buy, and the Attorney General's office ruled that that was a matter for the courts to decide; that he did not know; and, therefore, they said, "Well, we already had a lot bought from Tom Smith and Jones & Co."; and when that ran out they had some more bought; and, therefore, they have been exporting arms and munitions to Bolivia ever since we enacted that law, notwithstanding the fact that we did it in all the haste and hurry on the ground that we were going to stop the war in which Bolivia is trying to take away what the United States President said already belongs to Paraguay.

So that is the condition and that is the policy, and we are called upon to endorse that policy or else we are called upon to be excommunicated from the patronage that belongs to a State.

I have been unable to go along the line of that policy. I have predicted what that means, and I so believed it at the time it was begun.

Now, I believe, Mr. President, that I will not proceed farther, except to say one word in defense of our debt-moratorium law. We enacted a law in Louisiana after we waited for relief—a debt-moratorium law to suspend the payment of debts that people are not able to pay. I have letters in my hand showing the approval of that law by everyone. I look for that law to become a national law. I intend to offer such a bill in this Congress.

ADJOURNMENT TO THURSDAY

Mr. ROBINSON. Mr. President, unless there is something further to come before the Senate, I shall move an adjournment until 12 o'clock noon on Thursday next, in order to give the committees an opportunity to transact business.

I now move that the Senate adjourn until 12 o'clock noon on Thursday next.

The motion was agreed to; and (at 2 o'clock and 55 minutes p. m.) the Senate adjourned until Thursday, January 10, 1935, at 12 o'clock meridian.

# HOUSE OF REPRESENTATIVES

## MONDAY, JANUARY 7, 1935

*(Legislative day of Thursday, Jan. 3, 1935)*

The recess having expired, the House (at 12 o'clock noon) was called to order by the Speaker.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed the following resolutions:

Senate Resolution 10

*Resolved,* That the Senate has heard with profound sorrow the announcement of the death of Hon. Henry T. Rainey, late Speaker of the House of Representatives.

*Resolved,* That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved,* That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 o'clock meridian on Monday next.

Senate Resolution 11

*Resolved,* That the Senate has heard with profound sorrow the announcement of the death of Hon. Frederick Landis, late a Representative-elect from the State of Indiana.

*Resolved,* That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved,* That as a further mark of respect to the memory of the deceased the Senate do now take a recess until 12 o'clock meridian on Monday next.

The message also announced that the Vice President had appointed Mr. HAYDEN and Mr. VANDENBERG members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive department", for the disposition of useless papers in the Government Printing Office.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

### SWEARING IN OF A MEMBER

Mr. SNELL. Mr. Speaker, the gentleman from Ohio [Mr. MARSHALL] is present and wishes to take the oath of office.

Mr. MARSHALL appeared at the bar of the House and took the oath of office.

### RESIGNATION OF A MEMBER

The SPEAKER. The Chair holds a letter of resignation of the Honorable Frank Oliver, of New York, which was addressed to the late Speaker of the House last June. The letter came after Congress adjourned. I think it proper that it should be read from the desk and printed in the RECORD.

The Clerk read as follows:

JUNE 21, 1934.

Hon. HENRY T. RAINEY,
*Speaker of the House of Representatives,*
*Washington, D. C.*

I have the honor to inform you by this letter that at midnight June 18, 1934, I accepted the office of magistrate of the city of New York and duly sent my resignation to the proper officials, to wit, the secretary of state and the Governor.

Faithfully,

FRANK OLIVER.

### THE BUDGET

The SPEAKER laid before the House a message from the President of the United States, which was read.

(For message see Senate proceedings, p. 141, of this day.)

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the message, with the accompanying papers, be referred to the Committee on Appropriations and ordered printed.

The motion was agreed to.

### COMMITTEE ON APPROPRIATIONS—LEAVE TO SIT DURING SESSIONS OF THE HOUSE

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the desk.

The Clerk read as follows:

House Resolution 32

*Resolved,* That the Committee on Appropriations and the subcommittees thereof be authorized to sit during sessions and recesses of the Seventy-fourth Congress.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

### EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to speak for 1 minute in order to submit a request for unanimous consent.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, I have just introduced and placed in the basket a bill making it a serious offense for anyone to advocate the overthrow of this Government by force and violence. It is an exact copy of the bill which in a former Congress was introduced by our colleague, now deceased, Mr. Eslick, of Tennessee, and but for his untimely death, would have been passed.

In such connection I want to call attention to the patriotic and magnificent radio address made last Saturday by William Randolph Hearst and published in yesterday's Washington Herald, entitled "Government by the Proletariat."

We have no proletariat in the United States, because all citizens here have equal rights under the law, and the poorest and least consequential of today may be the richest and most powerful of tomorrow.

This address of Mr. Hearst is most timely. I wish that it could be read to every boy and girl in every school in the land. They would better appreciate our own Constitution and Government. It is so very important and contains so many significant facts regarding the enslaving of the people of Russia by the so-called "proletariat" government, that I ask unanimous consent to extend my remarks in the RECORD by incorporating this Hearst address.

The SPEAKER. Is there objection?

There was no objection.

The following is the address, as it appeared in the Washington Herald, January 6, 1935:

### GOVERNMENT BY THE PROLETARIAT

A radio address by William Randolph Hearst

I have to thank that great Nation-wide network, the National Broadcasting Co., and its distinguished president, Mr. M. H. Aylesworth, for the opportunity afforded me of addressing their vast audience.

The proletariat, as the dictionary defines it, was the lowest order of citizenship in Rome.

This class was without property of any kind, and without the constructive or executive ability to acquire any.

In Russia, during the disorder which followed the World War, this class obtained, by force and violence, complete control of the powers of government.

Is this class, which is the least able successfully to manage its own affairs, the best able to manage the affairs of a nation?

The promised proletarian utopia in Russia should offer evidence.

It does. And, apparently, all is not well in utopia.

Despite the assurances of the Russian Soviet, there are evidences of rising revolution against the new regime.

One high official of the Government has been assassinated by the revolutionists.

One hundred and seventeen so-called "conspirators" have been executed for protest against what they call "a government of cruelty and incompetence."

Five people have been shot for stealing bread in Moscow, and 17 have been sent to prison or to Siberia for the same offense.

Two thousand peasant farmers were slaughtered in one day by the Red Army, and many more thousands, driven from their homes, fled into Afghanistan.

What was the crime of these farmers?

It would not be a crime in a contemptible capitalist country like ours.

They merely tried to save from the rapacious Red Army enough of their own grain to preserve themselves from starvation.

So the Red Army shot them down with machine guns and blew them to pieces with bombs from the air.

And as a climax of class cruelty, the firing squads of the Red Army lined 14 mayors, or head men, of peasant villages up against

the wall and shot them to death in the name of order, discipline, and obedience.

Thus, you see, my friends, there is assassination in Russia.

There is the rumbling of revolution.

There is wholesale execution of political opponents.

And there is starvation.

An utopia without food is not so satisfying to the plundered or even to the plunderers.

And Russia is starving now and has been starving.

If you do not believe it, read the statement of Dr. Edwalde Ammende, in the New York Times, as long ago as August 4th of last year.

Dr. Ammende is a figure of importance.

He speaks with authority.

He is chairman of the International Committee for the Relief of Soviet Russia.

He said that, "In 1933 millions of people died in the Soviet Union because relief was not forthcoming in due time."

Dr. Ammende displayed photographs, issued officially, depicting the bodies of starved peasants lying in gutters and along sidewalks.

"Last year", said Dr. Ammende, "it was admitted that the grain crop was fair.

"Even then it is estimated that between 5,000,000 and 10,000,000 people died of starvation.

"This fall and winter", continued Dr. Ammende, "it will be at least as bad."

This means that 5,000,000 or 10,000,000 more peasants will die of starvation.

And all this is happening in proletarian utopia.

All these calamitous conditions exist as a direct consequence of this "noble experiment" of communism, this optimistic adventure in government by the least executive element of the community, this so-called "idealistic", but actually sadistic, proletarian despotism, which some lunatics in our country desire us to imitate.

Furthermore, all this suffering, starvation, and wholesale death is occurring in the midst of comparative plenty.

Peter Khrisanfov, attaché of the Washington Embassy of the Union of Soviet Socialist Republics, said recently:

"In spite of the drought in some sections the harvest (of 1934) is expected to compare favorably with the bumper crop of 1933."

Apparently, then, 1933 had a bumper crop, and still 5,000,000 to 10,000,000 peasants starved to death.

"The harvest (of 1934) is expected to compare favorably with the bumper crop of 1933", and still 5,000,000 to 10,000,000 peasants are expected to starve to death in 1934.

How is this possible?

Mr. Kossior, well-known member of the Moscow Politbureau, gives an inkling of the explanation in a statement before the plenum of the executive committee of the Communist Party of the Soviet Ukraine.

"We know by experience", stated Mr. Kossior, as reported in the official organ of the Soviet Government, the Izvestia, "that the question is not only how large the crop is, but how much grain we shall succeed in collecting."

"That", says Mr. Kossior, "is decisive. And how much we collect depends on us."

Dr. Ammende also explains.

Says Dr. Ammende:

"All available forces are now mobilized with the object of depriving the producer of his grain strictly according to the plan drawn up by the Kremlin months ago.

"The very existence of the population of the industrial districts, the feeding of the populations of the big towns, of the members of the Communist Party of the Red Army, as well as the maintenance of the grain export—the chief source of the Soviet Government for getting much-needed foreign exchange—depends entirely upon the success of the harvest campaign"—which means, my friends, the campaign of spoliation.

By what method is this grain ravished from the Russian peasants, while they are left to starve?

Harold Denny, Russian correspondent of the New York Times, declares that there is going on in connection with this year's campaign of spoliation a struggle "of a nature and intensity probably never before seen in the world."

He further remarks that this harvesting campaign is being carried through by the Soviet authorities "like a military offensive."

Dr. Ammende declares in support of these statements that the tragic import "is that the individual peasants, after they have delivered the grain, will not keep sufficient to guarantee their existence until the coming winter."

There is the answer.

That is the reason why 5,000,000 to 10,000,000 Russian farmers die of starvation each year.

They die so that communism and the Communists may be supported, so that the Red Army may be maintained, so that the tyranny of the proletariat—the rule of the least capable, the least successful and the least humanitarian element of the community—may be continued.

And who is expected to maintain the iron despotism of the proletariat?

Who is expected to continue the murderous oppression by the blood Red Army?

Who is expected to see to it that Russia gets the "much-needed foreign exchange" to keep her hideous tyranny, her monstrous and monumental governmental failure going?

Why, of course, we citizens of America; we despised American bourgeois, we American farmers—brothers of the skeletons on the Russian sidewalks and in the gutters; we foul and filthy American capitalists; we misguided and mistaken supporters of a free republic.

We stupid and ignorant believers in liberty and democracy—we are supposed to contribute to the maintenance of the most brutal and bloody despotism that ever disgraced and defiled God's earth.

More people dead by famine in Russia in 2 years than died in the whole 5 years' slaughter of the World War, and we are supposed to come to the rescue of the Kremlin, this charnel house built of bones and cemented with innocent blood.

We are supposed to rescue this vile and vicious system of robbery and murder, so that these Communists can, in turn, proselyte in our country to the end that we be robbed and murdered also.

We, to our own undoing, are supposed to save the Soviets from the righteous resentment of their own oppressed people.

How are we going to save the Soviets?

Dr. Ammende points the way.

We must come to their aid with our grain surpluses.

"Economists", says Dr. Ammende, "have been wondering how to dispose of these surpluses which contribute to the distress of your own agriculturists, and this seems to be a logical reply."

Dr. Ammende then declared that the most tragic feature of the 1933 famine was the fact that while "millions of human beings were dying of hunger in the Ukraine" and other sections of the country, some 70,000,000 bushels of grain (68,893,323 bushels to be exact) were exported by the Soviets to acquire foreign money.

"There is no doubt whatever", said Dr. Ammende, "that the grain which was exported would have saved the lives of a few million human beings."

"Just a few million", says Dr. Ammende lightly; but continues he sadly:

"Their lives were not saved.

"It is for me", says Dr. Ammende, "a great satisfaction to note that the leaders of the churches and the religious organizations in the United States shared the opinion that the question of relief for the starving people of the Soviet Union must be dealt with independently of the political considerations as a purely humanitarian problem."

How can we regard the question "independently of the political considerations"?

How can we give aid and comfort to a gang of criminal Communists who are robbing and murdering harmless farmers "to acquire foreign money" in order to support the government of the proletariat, and to maintain the Red Army, which keeps the proletariat in power?

No wonder Lenin said:

"The dictatorship of the proletariat is nothing else than power based upon force and limited by nothing—by no kind of law and by absolutely no rule."

No wonder the Congress of the Komintern, or the Communist Internationale, declared:

"The conquest of power by the proletariat is the violent abolition of the power of the bourgeoisie, the destruction of the machinery of the capitalist state.

"We proclaim openly that our design can only be realized by the violent overthrow of the entire traditional social order."

And then comes Stalin, in a public address to American Communists, and says:

"The American Communist Party must be improved and bolshevized.

"For that end we must work in order to forge real revolutionary cadres and a real revolutionary leadership of the proletariat, capable of leading the many millions of the American working class toward the revolutionary class struggles."

Well, citizens of free America, do we want the cruel class rule of the incompetent proletariat in our country?

Do we want a dictatorship based upon force and limited by no kind of law and absolutely no rule?

Do we want to see the violent overthrow of the entire traditional social order?

Do any genuinely American workers want to see the American working class led toward revolutionary class struggles?

Do our farmers want to be starved to death to support a Red Army, a blood-stained army which will murder them?

Do our competent business men, who have built the wealth of this Nation, want to be plundered and driven out of business by a thriftless and shiftless crew of organized incompetents?

Do our orderly political leaders want to be replaced by a revolutionary band of ruthless assassins?

Does anybody want the bloody despotism of communism in our free America except a few incurable malcontents, a few sap-headed college boys, and a few unbalanced college professors who teach the young and inexperienced that the robbery and rapine of communism is—God save the mark—ideology?

Of course, the Soviets will say that Mr. Harold Denny, Russian correspondent of the New York Times, lies; that Dr. Ewalde Ammende, honorary secretary of the International Aid Committee for the Starvation Districts of Soviet Russia, lies; that Cardinal Innitzer, who is president of the committee, lies; that Dr. Ammende's official photographs lie; that the Izvestia, official organ of the Soviet Government, lies; that Mr. Kossior, well-known member of the Moscow Politbureau, lies; that everybody lies; that there is no famine in Russia, no oppression in Russia, no murder in Russia; that there is nothing in Russia but peace and prosperity

and harmony and contentment—nothing but brotherly love and tender solicitude for the welfare of all.

But in spite of the utter lack of liberty in Russia, in spite of the total suppression of free speech, in spite of the utter abolition of free publication, in spite of military censorship, in spite of universal terrorism—the truth is slowly leaking out of Russia.

And the truth is that revolution is rife, starvation stalks starkly across the land, executions are commonplaces, murder a routine of government; and that the national colors of communism are daily dipped in the blood of subject classes to keep them bright.

The truth is that government by the proletariat, government by the least capable and the least conscientious element of the community, government by the mob, government by ignorance and avarice, government by tyranny and terrorism, despotism "limited by nothing, by no kind of law, and by absolutely no rule" is the fearful failure that it needs must be and definitely deserves to be.

I thought, my friends, that you might like to know the plain, uncensored truth.

I am glad that this free country of ours permits me to tell it to you.

### STABILIZATION OF THE PURCHASING POWER OF THE DOLLAR

Mr. DIES. Mr. Speaker, I ask unanimous consent to insert in the RECORD an address delivered by my able and distinguished colleague the gentleman from Texas [Mr. CROSS] over WFA, at Dallas, Tex., December 27, 1934, on the subject of money.

The SPEAKER. Is there objection?

There was no objection.

Mr. DIES. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address delivered by my colleague, Hon. O. H. CROSS, over the radio on December 27, 1934:

It is evident that there is something radically wrong with our financial machinery when in a land of plenty, in the midst of an abundance to amply feed and clothe all of our people, millions are hungry and cold, and plead, and have for 5 long years been pleading, for work that they might earn the wherewithal to feed and clothe their families, but they plead in vain; while other millions shackled with hopeless debt, their life's savings doomed to be wiped out, are suffering mental tortures with which no physical slavery can compare, many of the weaker of whom in desperation are being driven to crime and suicide. And all this as the result of our unjust and vicious monetary system.

The monetary system of a country is to its economic welfare what the circulation of the blood is to the body. The gold in the gold dollar has but little intrinsic value, and as such means little, but its purchasing power resulting from the statutory fiat making it legal tender for all debts means much. We cannot hope to have sustained prosperity with our monetary unit, the dollar, uncontrolled and at intervals running amuck, expanding and contracting in purchasing power. Our monetary metal, gold, like every other commodity, fluctuates in value in response to the law of supply and demand; and as the statutory debt-paying medium, that fluctuation is accentuated by fear and hoarding. The effect of supply and demand on the purchasing power of our unstabilized gold dollar was vividly demonstrated as a result of the World War. During that war 42 countries in Europe ceased to use gold as money; and as we continued to use it as money, it flooded here until we had practically half the gold available for monetary purposes in all the world, and, under the law of supply and demand, gold cheapened until the gold dollar had but small purchasing power, and as its purchasing power declined, the prices of property in the same ratio went up.

The working of our present unstabilized gold-dollar system can be aptly illustrated by two buckets attached to the two ends of a chain which passes over a pulley as in a well, and as one bucket goes up the other bucket goes down. Let one of these buckets represent the commodity gold—that is, the gold dollar—and the other bucket represent all property, buildings, homes, all products and commodities that supply the necessities and comforts of the people, as well as the lands that produce them. Now, as the purchasing power of the unstabilized gold dollar decreased during and for several years after the World War, the bucket representing the commodity gold—that is, the gold dollar—went down in price or purchasing power, and the price of all things in the property bucket in the same ratio of necessity went up, until we saw cotton sell for 42 cents a pound, cottonseed $80 a ton, and mostly any kind of a steer, in excess of a hundred dollars, and other things in proportion. Some years after the World War, when the 42 countries that had abandoned gold as money attempted to return to the use of gold as money, the demand for it became great, and as a result its purchasing power shot up, which is the same thing as saying that the price of all property represented by the property bucket of necessity plunged down. So those who had gone into debt during this period of high prices or cheap dollars and mortgaged their homes, farms, and ranches, and the cities and towns, the school and road districts that had voted bonds and exchanged them for 30-cent purchasing-power dollars, compared with the present high purchasing power of the dollar, are now being called upon to pay three and four times in real value what they received.

Our monetary unit, the dollar, uncontrolled as it is in purchasing power, is in no sense a measure of value. Properly stabilized in purchasing power, it would be a measure of value, as the lineal foot is a measure of length, or the pound is a measure of weight, or the cubic foot is a unit measure of volume. You can no more measure volume by a unit of weight, such as the pound, than you can measure value by the gold dollar, which is the fixed unit of weight. Before the dollar can be used as a unit to measure value, it must be stabilized in purchasing power by taking the mean or average price of a large number of commodities which supply the necessities and comforts of the people over any normally prosperous period, such as the year 1926, which average price is termed the "wholesale commodity price level." This means that while the price of various commodities may go up and down in response to supply and demand, yet when you take the price of the whole number of commodities used in determining the purchasing power of the dollar, its purchasing power must be kept in harmony with the wholesale commodity price level of that year which is taken as a standard. So that if one borrowed a thousand dollars, he will pay back when it falls due, whether it be 1 or 20 years later, a thousand dollars having the same purchasing power as the thousand dollars he borrowed.

Under the mechanics of the bill which I shall introduce to bring about this result there is to be a currency stabilization board consisting of the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Labor, and the Comptroller of the Currency, empowered, when they find the purchasing power of the dollar greater than its purchasing power during the year 1926, which is known as the "standard year", gradually and uniformly to reduce income taxes and to continue to pay by issuing legal-tender stabilization certificates, all governmental expenses, as well as all Federal bonds as they fall due, until the average price level of commodities returns to that of 1926. And should prices rise until the wholesale commodity price level, as determined by the various products used for the purpose, exceeds by 2 percent the wholesale commodity price level of 1926, to uniformly increase the income-tax rate and withdraw currency from circulation until the wholesale commodity price level returns to that of 1926.

Consumption is in proportion to employment and adequate wages; and when such conditions prevail as prevailed under the wholesale commodity price level of 1926, products can be sold for a profit, and then and not until then will demand keep pace with production and our imaginary nightmare of surpluses vanish. Under such conditions our standard of living will be raised and want and crime will become rare, and panics things of the past.

Under the workings of this bill fair prices will be assured, and fair prices mean profits, and under such conditions an increase in income taxes is easily borne. There are in excess of $27,000,000,000 of Federal bonds outstanding which would gradually be paid off and an end brought to the necessity of the Federal Government's issuing bonds and longer lending its credit to private corporations that they might use that credit to tax the people to their profit.

The things that feed and clothe the people and supply their necessities and comforts are just as valuable today as they were ten or a hundred years ago, and will continue to be so ten or a hundred years hence. It is the unstabilized, fluctuating purchasing power of our monetary unit, the dollar, which is in no sense a measure of value that is constantly perpetrating mass injustice. Stabilize the purchasing power of the dollar on the wholesale commodity price level as shown by the average or mean price of the 784 commodities used by the Labor Bureau in Washington covering any normally prosperous period, and then and not until then will we have a true measure of value and exact justice done to both debtor and creditor.

### WAR OR PEACE

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent to insert in the RECORD the able speech to be delivered by the former secretary of President Wilson, Mr. Tumulty, on Peace or War.

The SPEAKER. Is there objection?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, this evening Hon. Joseph P. Tumulty, who was the Secretary of the great war President, Woodrow Wilson, will deliver a very beautiful and able address before the Women's Democratic Club of this city. Mr. Tumulty's address, entitled "War or Peace", is as follows:

#### WAR OR PEACE

As one who stood by the side of a great war President, I am often asked the question, What are your reactions to the threats of war, which like ominous clouds brood over the peace of the world? Will these dark clouds ever pass away? Shall we again permit war to catch us off guard, dragging all of humanity down into a maelstrom of blood and tears?

Are the forces of fear and hate again to be triumphant or shall faith and a love of humanity in the processes of peace gain such a sway that the sober second thought of the people will intervene and save us from a calamity that will bring us to barbarism with its sordidness of tragedy and sorrow? Are we helpless? Shall the cold formalism of a House resolution declaring war be considered a mere matter of routine? Shall we humbly bow our heads and submit to this horrible yoke without vehement protest?

I believe that down in the hearts and souls of the men and children of the world there is an abhorrence of this miserable

thing called "war." War, death's holiday, is a futility. It does not permanently settle anything and leaves behind as an aftermath the delicate tinder of bitterness and hatred that can easily be swept into a world conflagration, killing and destroying all that is fine in human nature.

In my reading I ran across a most interesting article in the magazine section of the New York Times, in its issue of December 2, 1934, headlined as follows: "A Force for Peace is the People's Will", by a writer named Libby Benedict. This story was written from Berlin. Certain excerpts run as follows: "This year the people are recalling events of 20 years ago, when the country trembled under the impact of war. For there have been political assassinations; a chancellor, a king, and a foreign minister have been slain. But the crisis passed. There was no outbreak. Where lay the deciding weight? From which direction came the determining force?" Some say the delicate manipulation of diplomacy kept things steady. Then the writer says, "But still the impetus toward peace did not lie there. It lay without, in the streets of the cities and the woods of the countryside." And continuing, she says, "Even in Germany there is still no assurance that, given the order to fire, the volleys might not sometime be directed against those who gave the order. There is still a controlling force everywhere—the uncertainty as to what these seemingly inchoate masses might do once the guns have been put into their hands. And to all this another element has been added. Although the people have been thinking with horror of a war that might be a duplicate of the last one, the governmental heads know that a future conflict would not be a repetition. The next war would be fought on new fronts, or on no fronts at all. Diabolical advance has been made in scientific methods of human extermination. Trenches and tanks would be only the symbols of battle; the actual destruction would come creeping invisibly out of the streets, pelted down in drops of rain. It is a picture too fearful even for those who may still find it possible to move human beings like chessmen. In a sense the people are responsible for this development also. For it is from the people that the laboratory technicians have come."

In the olden days, with its drama, its courage and heroism, its dashing music, the beat, beat, beat of the drum, its waving banners, war gave one a thrill; but to use an apt phrase of Bob Acres, "the valor has oozed out of it," with its bombs dropping from the air, its submarine warfare, its poisonous gases, and disease germs, destroying helpless men, women, and children. If this be modern chivalry, then it is the chivalry of barbarism.

We are told by the headlines that the statesmanship of halting old men will bring forth this spawn of war as the means of adjusting international disputes. Have we learned nothing by the bitter lessons of the past? Are we to return to the Dark Gods—the Juggernauts again? Are we again like innocent ducklings to be swept into the vortex of war, forgetting the example of the Gadarene swine, who went down a steep place and were united as one pig—the devil fear uniting them?

Only bold and enlightened statesmanship can save us from another calamity. In these days one is cried down if he dares to flaunt war. Napoleon in the loneliness of St. Helena said, "War is the business of barbarism." "There was never a good war or a bad peace," said Ben Franklin. William Robertson, a great wartime chief of England, characterized war as "a fool's game."

Do not delude yourselves that the wars of the future will be child's play. Its energies will not be directed wholly toward the men in the field and in the trenches. From the air will be poured exterminating fire and suffocating gases, using as a target the bodies of men, women, and children. Nothing can make war anything but what it really is—a bleeding, horrible thing that is thrice accursed. Poets and dramatists have hurled their pointed, poisonous arrows of scorn and ridicule upon it, denouncing it as a cruel, un-Christian, inhuman, and unwholesome thing. Even Shelley, the great poet's "chaste moon, which makes all things beautiful upon which it smiles", cannot make it beautiful. Indeed, the beams of Shelley's moon but makes its horrors more full of horrors still.

No; not even a Shakespeare or a Dickens could make modern warfare a thing of beauty. Douglas Jerrold said, "Dress it as you may, feather it, daub it with gold, hug it, and sing swaggering songs about it—what is war? Nine times out of ten it is but murder in uniform."

War is an anachronism. It is a move backward to tragedy, sorrow, and broken hearts. It is the road down, down to utter hopelessness and despair. It is the open road to moral and financial bankruptcy. How foolish we are to believe that real stability and prosperity can be accomplished without peace. We try this and experiment with that, endeavoring to find a way out of the wilderness, but always we stand in the shadow of that stark wall of tragedy—war. The cynical-minded statesman shrugs his shoulders and declares that butchery and murder will always be the model and mode of settling controversial questions. The recent trip of an airplane traveling from England to Australia in 72 hours sounded the death knell and chanted the hymn of hate against isolation; and with the highways of the stratosphere open, imaginary political frontiers and natural boundaries like seas and rugged mountains will be as houses made of cardboard. In these circumstances we must learn to live together. Just as individuals accept law as an arbiter of peace, so civilized nations will be compelled to do the same.

To all appeals made for peace, we are told wars, like disease and death, are inevitable. It is a biological necessity. This, I beg leave to say, is the cry of despairing statesmanship. It is the direful lamentation of the same type of mind who thought the world was flat and that witch burning was a noble experiment. It is the wail of the cynic, the last resort of the Gradgrindian philosopher, who foolishly believes all life consists of facts, facts, facts.

We speak of helping human society—we strive by divers routes to organize it—and yet we leave wholly untouched this cancer of war that is eating at the vitals of the world, making every approach to the solution of greater problems impossible. This is not my statement. It is the statement of a great dreamer of beautiful dreams, one who in a knightly day left the cloistered retreat of a great university to become the helmsman of our Ship of State. It is the statement of a man who in his day suffered, struggled, sacrificed, and sorrowed to build a great edifice of peace. I refer to that man, who, like Christ, held high in his hand the torch of peace to warm a sadly distraught world. I refer to Woodrow Wilson, whose far-flung vision was twisted and tortured by politicians to win an election. Yes; they won an election at the price of the world's peace.

In 1920, we witnessed the crucifixion of Wilson's ideal of peace, but soon in the providence of God we will behold its resurrection. What did Wilson say was the right way to organize industrial peace? In a speech delivered in California, in 1919, he said: "There is another battle of which we are now upon the eve. That is the battle for the right organization of industrial society. I do not need to tell an audience in this great progressive State what I mean by that. We cannot work out justice in our communities if the world is to continue under arms and ready for war. We must have peace, we must have leisure of mind and detachment of purpose if we are going to work out the great reforms for which mankind is everywhere waiting. I pray God that normal times may not much longer be withheld from us. The world is profoundly stirred. The masses of men are stirred by thoughts which never moved them before. We must not again go into the camp. We must sit down at the council table and, like men and brethren, lovers of liberty and justice, see that the right is done, see that the right is done to those who bear the heat and burden of the day, as well as to those who direct the labor of mankind. You cannot solve the problems of society amidst chaos, disorder, and strife. You can only solve them when men have agreed to be calm, agreed to be just, agreed to be conciliatory, agreed that the right of the weak is as majestic as the right of the strong; and when we have come to that mind in the counsels of nations, we can then more readily come to that mind in our domestic counsels, upon which the happiness and prosperity of our own beloved people so intimately and directly depend."

Wilson's ideal would have won if meanness, intrigue, and envy could have been dethroned.

"Coveting the little, the instant gain,
The brief security,
And easy-tongued renown,
His enemies mocked the vision that his brain
Builds to a far, unmeasured monument,
And many bid his resolutions down
To the wages of their discontent."

"No; he must be defeated", was the cry of the pack at his heels, and thus unhappily ended his great movement for peace. His foolish enemies thought that this marked the end of what he sought to achieve, but the cause which he advocated has been taken by Franklin Roosevelt and Cordell Hull, whose influence for peace is being felt in the chancelleries of the world.

I pause to pay tribute to a gentleman of the old-fashioned school; one whose statesmanship and vision rise like Mount Rainier, snow-capped in the distance. I refer to the present Secretary of State, Mr. Cordell Hull. In him we have what is so sorely needed in the tragical world in which we live. Quietly, serenely, patiently, with magnificent poise and dignity, he moves toward his great objectives, blazing his way through the wilderness of disappointment and despair, raising high the torch of peace and international cooperation, without which the world will die.

Sometimes when I meet this quiet gentleman whose power is concealed under a velvet glove, I realize how broad his vision really is. It sweeps horizons that touch the world with the beams of its magnanimity; it extends to the utmost limits of the earth and lends a helping hand to every man, woman, and child in distress. Sometimes this type of man is lonely; and when I think of him, I am reminded of a few lines in John Drinkwater's play on Abraham Lincoln:

"Lonely is the man who understands.
Lonely is vision that leads a man away
From the pasture lands,
From the furrows of corn and the brown loads of hay,
To the mountain side,
To the high places where contemplation brings
All his adventurings.

"Shall a man understand,
He shall know bitterness because his kind,
Being perplexed of mind,
Hold issues even that are nothing mated.
And he shall give
Counsel out of his wisdom that none shall hear;
And steadfast in vain persuasion must he live,
And unabated
Shall his temptation be."

When I think of this modest gentleman, Cordell Hull, I recall a figure of a mighty man of Nazareth, described in one of Donn Byrne's books, "Brother Saul." Describing this man, whom he met, the old rug merchant, Joachim, said to Anne:

"My dear, he was a young lad, adzing a plank in his father's workshop. He had a face as fine as a woman's, but a man's face, and eyes so clear that I felt unclean in his presence. He's good, my dear; you can feel it in the air where he is. And a gentleman, a great gentleman, greater in feeling and dignity than Tiberius."

And what did the last war cost? Here are the figures from a speech by Woodrow Wilson:

"In order that we may not forget, I brought with me the figures as to what this war meant to the world. This is a body of business men, and you will understand these figures. They are too big for the imagination of men who do not handle big things. Here is the cost of the war in money, exclusive of what we loaned one another: Great Britain and her Dominions, $38,000,000,000; France, $26,000,000,000; the United States, $22,000,000,000 (this is the direct cost of our operations); Russia, $18,000,000,000; Italy, $13,000,000,000; and the total, including Belgium, Japan, and other countries, $123,000,000,000. This is what it cost the Central Powers: Germany, $39,000,000,000, the biggest single item; Austro-Hungary, $21,000,000,000; Turkey and Bulgaria, $3,000,000,000; a total of $63,000,000,000, and a grand total of direct war costs of $186,000,000,000—almost the capital of the world. The expenditures of the United States were at the rate of $1,000,000 an hour for 2 years, including nighttime with daytime. The battle deaths during the war were as follows: Russia lost in dead, 1,700,000 men, poor Russia that got nothing but terror and despair out of it all; Germany, 1,600,000; France, 1,385,000; Great Britain, 900,000; Austria, 800,000; Italy, 364,000; the United States, 50,300 dead. The total for all the belligerents, 7,450,200 men—just about seven and a half million killed because we could not have arbitration and discussion, because the world had never had the courage to propose the conciliatory methods which some of us are now doubting whether we ought to accept or not. The totals for wounded are not obtainable except our own. Our own wounded were 230,000, excluding those who were killed. The total of all battle deaths in all the wars of the world from the year 1793 to 1914 was something under 6,000,000 men, so that about a million and a half more men were killed in this war than in all the wars of something more than 100 preceding years."

But these figures are merely a regimentation of cold, inanimate facts. To the cynic they are meaningless. To the philosopher, they are things to brood over. To the statesman whose antique methods brought this tragedy, they are deadly gases; to the men and women of the world whose hearts have been broken by what happened, they present a picture of the deepest tragedy.

Behind these figures stand crosses marking the resting place of valiant youth who died in Flanders Field to save civilization. Behind these figures are boys like your son and mine, who, as the poet chants, "Were boys when you and I were a boy." Nestling behind these somber figures are young men, now wearing the cerements of the dead, who were slaughtered in their youthful prime. "Never to laugh nor love again, nor taste the summertime." If one looks behind these figures, he can see, as J. B. Priestly says, "parents who have grown lonely" and "girls who would have married, who have grown gray in spinsterhood." Behind these figures is "an old worn topic of war", "a story of men killed by greed and muddle and monstrous cross-purposes", "a story of war brought on by old men gobbling and roaring in clubs, by diplomats working underground, like monocled moles, by journalists wanting a good story, by hysterical women waving flags, by grumbling debenture holders, by strong, silent beribboned asses, a fear of apathy, or downright lack of imagination." "Behind these figures is the same old story, the same old muddle of war, with its same mistakes, reaching down to the very grave, to smoldering, mouldering bones."

Let us raise our voices in prayerful protest against war. Let us, as the Irish lad, Seumas, said, "Substitute beads for bullets, our Hail Marys and Pater Nosters for bursting bombs and the rattle of machine guns. Let us change the soldier song for the De Profundis. Let us substitute for the creed 'I believe in the gun almighty, the maker of heaven and earth,' a newer, finer, more lovely creed, in which that great lover of peace, Jesus of Nazareth, shall be the inspiration—a creed that will take away our hearts of stone and give us hearts of flesh—a creed that will take away murdering hate and give us His eternal love."

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to print in the RECORD at this point a letter from the President of the United States addressed to me as Chairman of the Committee on Expenditures in reference to the 5-percent cut in salary.

The SPEAKER. Is there objection?

There was no objection.

The letter and order are as follows:

THE WHITE HOUSE,
*Washington, January 4, 1935.*

The honorable the CHAIRMAN COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS,
*House of Representatives, Washington, D. C.*

MY DEAR MR. CHAIRMAN: I am sending you herewith a copy of the Executive order issued today, pursuant to authority of law, announcing the index figures for the cost of living for the 6 months' period ending June 30, 1928, the base period, and for the 6 months' period ending December 31, 1934.

You will note from the order that the cost-of-living index for the 6 months' period ending December 31, 1934, is 18.8 percent lower than the index for the base period, which would not even have justified any reduction in the original 15-percent compensation reduction prescribed in the act of March 20, 1933.

Sincerely yours,

FRANKLIN D. ROOSEVELT.

(Inclosure.)

—

EXECUTIVE ORDER ANNOUNCING THE INDEX FIGURES FOR THE COST OF LIVING FOR THE 6 MONTHS' PERIODS ENDING JUNE 30, 1928, AND DECEMBER 31, 1934

By virtue of the authority vested in me by sections 2 and 3, title II, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933 (ch. 3, 48 Stat. 8, 12), as amended by section 21 (a), title II, of the Independent Offices Appropriation Act, 1935 (ch. 102, 48 Stat. 509, 521), I hereby announce:

First. That the index figures of the cost of living are—

(a) 171.0 for the 6 months' period ending June 30, 1928, the base period, and

(b) 138.9 for the 6 months' period ending December 31, 1934;

Second. That the cost-of-living index for the 6 months' period ending December 31, 1934, is 18.8 percent lower than the cost-of-living index for the base period; and

Third. That this percent being in excess of the maximum percent prescribed by section 3 (b), as amended, the percentage of reduction applicable under section 2 (b) in determining the compensation of officers and employees to be paid during the period from January 1, 1935, to June 30, 1935, inclusive, is 5 percent.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 4, 1935.*

PROPOSED BANK OF THE UNITED STATES

The SPEAKER. Under a previous order of the House the Chair recognizes the gentleman from Maryland [Mr. GOLDSBOROUGH] for 1 hour.

Mr. GOLDSBOROUGH. Mr. Speaker, I always find that I get along better if I can get my friends from the East and the Northeast to relax a little. I was down to Baltimore the other night to a meeting of the Eastern Shore Society. A very distinguished professor from Yale University was the guest of honor and discussed the subject, Were the Puritans Pure? The subject appeared to be right bewildering to me, and I did not stay to hear his remarks concluded; but it reminded me of a picture I saw in a magazine a great many years ago. It was a picture of a young Puritan Roundhead in New England marching to church with a Bible under one arm and his gun under the other. The little log church is in the distance, and right alongside of the young man was a very beautiful girl dressed in the costume of the ballet. Her mouth was open slightly, her head was tilted on one side, and she appeared to be addressing the Puritan. The magazine offered a prize for the best title which could be given to the picture. The title which won the prize went this way:

Well, Brother Roundpate, which shall it be—
Onward Christian Soldier or Abide with Me?

Mr. Speaker, at the beginning of this Congress the Membership is attempting to ascertain the fundamental difficulties which confront us in the matter of national recovery. In other words, which way shall we go? At the last session of the Congress a bill known as the "monetary-authority bill" was under discussion in a subcommittee for about 7 weeks. The subcommittee then reported favorably to the full Committee on Banking and Currency. The matter was then taken up with the administration, and the committee was advised not to report the bill at that time. The bill has been reintroduced. The Chairman of the Committee on Banking and Currency will within the next few days be asked to appoint a subcommittee to consider that proposed legislation.

There is another bill which I hope will be considered by that subcommittee, along with the monetary-authority bill. The Treasury of the United States, and therefore the Government and the people of the United States, because of the so-called "national debt", has been largely under the control of the great banking houses of the country ever since the Civil War. The national debt now amounts to something over $26,000,000,000. The interest payments on the national debt amount to about $750,000,000 a year. Every

time the Treasury undertakes to borrow money, the great bankers threaten the Treasury that unless the interest rates are fixed in accordance with their views the loan cannot be absorbed.

Some years ago I happened to be in conference with the President when the Secretary of the Treasury came in, and, with tears in his eyes, expressed doubt that a necessary loan could be floated. Then the thought came to me, what an astounding situation it is for the Government to borrow money from banks that the banks do not have, and then, by redepositing the money, loan the same money back to the banks and pay them interest on it. [Applause.]

Mr. WOLCOTT. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. I quite agree with the gentleman that that might be done up to a certain percentage of the money outstanding. What would the gentleman think would be a safe amount of currency to issue to replace the bonds which are now outstanding?

Mr. GOLDSBOROUGH. I want to answer the gentleman's question, and the gentleman knows that I do, but I can do it much better if he will allow me to proceed.

Mr. WOLCOTT. Very well.

Mr. GOLDSBOROUGH. Now, the total capital, surplus, and undivided profits in all the banks of the United States is less than $7,000,000,000. The total amount of private loans borrowed from all banks is about $34,000,000,000, or $27,000,000,000 more money than the banks have to loan. In addition to that, of this $26,000,000,000 of Government debt, the banks hold $13,000,000,000. You understand they only have less than $7,000,000,000 to loan. They have loaned to private enterprise $34,000,000,000, or $27,000,000,000 more than they have, and then they are loaning to the Government $13,000,000,000 of nothing in God's world but blue sky.

Mr. PATMAN. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. PATMAN. Is it not a fact that the Federal Reserve banks hold more than $3,000,000,000 in addition to the $13,000,000,000 held by other banks which the gentleman mentioned?

Mr. GOLDSBOROUGH. I think that is correct.

Mr. PATMAN. Making in all about $16,000,000,000 held by the banks and Federal Reserve banks?

Mr. GOLDSBOROUGH. Yes.

Now, what are we going to do about this? The banks have nothing except their capital, surplus, and undivided profits. The Government, which is society, has the wealth of the country, and, as I said before, the banks are lending to the Government money that they do not have, and the Government is loaning the same money back to the banks and paying them interest on it.

So it occurred to me that in view of the fact that the American Congress gives private banks the right to loan the same money 10 times—in other words, they are required to keep on an average only a 10-percent reserve—there is no reason why an independent bank should not be created, the sole stockholder of which should be the Treasury of the United States [applause], and that that independent bank should have the right to expand also 10 times, just exactly as a private bank can do.

Mr. KVALE. Will the gentleman yield?

Mr. GOLDSBOROUGH. Yes; I yield.

Mr. KVALE. Will the gentleman describe in greater detail the functions of that institution?

Mr. GOLDSBOROUGH. Yes; I will.

Now, the function of this bank would be, first, to pay off the obligations of the Government, and then to be the exclusive lending agency to the Government. We have free gold in the United States Treasury that is not doing anybody any good, amounting to $2,800,000,000. The Treasury has on deposit in private banks in addition to that the sum of $1,600,000,000, or a total of $4,400,000,000. This bill provides that a bank shall be formed with a board of directors, consisting of 3 appointed by the President, 2 appointed by the Senate of the United States, and 2 appointed by the House of Representatives, a total of 7 directors. The authorized capital of that bank is to be $4,000,000,000, which the directors have a right to call as it is needed.

Mr. COX. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. COX. In that connection, has it occurred to the gentleman that the appointment of the directors would be an Executive function, which the House of Representatives cannot perform?

Mr. GOLDSBOROUGH. Well, I looked into that very carefully, and this bank is an independent institution. It is not strictly a governmental institution, and therefore I think the gentleman's objection not well founded.

Mr. RANKIN. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. Why not make it a governmental institution?

Mr. GOLDSBOROUGH. I wanted this bill so framed that no private banker could say it had any privilege of any kind or character that he did not already have. That was the purpose of it.

Mr. RANKIN. I am interested in protecting the American people from a repetition of what certain private bankers have already done to them. It seems to me that this ought to be a governmental institution.

Mr. GOLDSBOROUGH. Let me proceed for a minute. If the whole of this $4,000,000,000 were used, the bank could expand it 10 times, issuing notes in the amount of $40,000,000,000.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. FITZPATRICK. Will the gentleman inform the House the difference between the amount of gold in the Treasury and the money now in circulation?

Mr. GOLDSBOROUGH. The total amount of gold in the Treasury is over $8,000,000,000. In the Treasury is free gold, gold that is not backing up any kind of currency, to the extent of $2,800,000,000. The total bank deposits, which, of course, are based on the circulating medium, amount to $47,000,000,000.

Mr. FITZPATRICK. We have less than $6,000,000,000 in circulation, have we not?

Mr. GOLDSBOROUGH. Of real money; yes.

Mr. EAGLE. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. EAGLE. If the gentleman will permit, I may reply to the last question by saying that the seven forms of money in circulation—national bank notes, greenbacks, silver certificates, Federal Reserve bank notes, and Federal Reserve notes—the whole seven reach an outstanding total of $5,400,000,000. Were the Treasury under obligation to redeem all of it, which it is not, it has more than $8,000,000,000 in gold with which to do it.

Mr. SIROVICH. If the gentleman will yield, the Government, in other words, could redeem all the outstanding currency at one time, if it had to.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. PATMAN. The gentleman's figures do not take into consideration the fact that much of this money has been lost and destroyed. I hope the gentleman will comment upon this. For instance, when the bills were changed to a smaller size, quite a large sum of money remained outstanding in large bills. Much of this money has been lost in fires, like the Chicago fire, shipwrecks, has been buried in the ground or has been sent to foreign countries and never returned, and much of our currency is in daily use in foreign countries.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. One of the leading financial minds of North America, if not the world, less than 3 years ago said that although formerly gold was the standard and London the money market of the world, today the standard of values throughout the world is the American dollar. Today the American dollar is in circulation throughout the civilized world; and, as the gentleman from Texas has just said, there

are hundreds of millions of dollars of this money which is supposed to be in circulation which has been lost. Millions of dollars now in circulation in foreign countries never find their way back to the United States.

Mr. GOLDSBOROUGH. The best figure I can get is that there is actually less than $5,000,000,000 of real money in circulation in this country.

Mr. FORD of California. Mr. Speaker, if the gentleman will yield, I would suggest that the gentleman is making a very important speech, and I think we should refrain from asking him questions until he has finished, for it is very difficult if not impossible to follow up a serious line of thought when one is interrupted every 5 minutes.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. I think, for the sake of accuracy, the remarks of the gentleman from Texas should be corrected. The gentleman from Texas stated there were seven kinds of money of which there are about $4,000,000,000 outstanding. I think the record will show there are eight kinds of money and that there is about $5,600,000,000 outstanding.

Mr. GRAY of Indiana. Mr. Speaker, will the gentleman yield for a brief question along this particular line?

Mr. GOLDSBOROUGH. I yield.

Mr. GRAY of Indiana. I believe the gentleman stated that he proposes the establishment of an independent bank?

Mr. GOLDSBOROUGH. Yes.

Mr. GRAY of Indiana. Does the gentleman take the position that Congress has no power to create a public banking institution?

Mr. GOLDSBOROUGH. No; not at all. The particular institution I have in mind is to be created for the purpose of taking care of the national debt without any ripple whatever insofar as society is concerned. My position is that we have plenty of money to create a reserve for this bank which will be more than ample to take care of the entire national debt and pay the interest on it until it is all paid off.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. HOOK. Would this institution have the right to pay off bonds which are now tax exempt?

Mr. GOLDSBOROUGH. It cannot pay off anything that is not callable. It cannot anticipate the due date of outstanding issues.

Mr. HOOK. Would this proposed institution have the right to pay off the nontaxable bonds that are due at this time and issue in their place new bonds that can be taxed?

Mr. GOLDSBOROUGH. There would be no new bonds issued if this bill passes, because we would not have any more Government bonds. This bank would pay off the Government indebtedness. At the present time about $6,000,000,000 of the national debt is callable and could be paid off immediately.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield, but after this I shall ask not to be interrupted.

Mr. GIFFORD. Is not one of the reasons that the gentleman is advocating this bank the fact that just a little later when refunding operations are made are necessarily at a very much higher rate of interest, and is he not trying to start something whereby the Government will not be at the mercy of or have to meet the competition of private bankers?

Mr. GOLDSBOROUGH. That is a very good statement, but what I want to do through the agency of this bank is to take the national debt away from private bankers and pay it off in its entirety.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. RANKIN. I have examined the gentleman's bill. I believe the gentleman made the statement a few moments ago that this was to be a private institution. Does he not mean an independent governmental institution? Is not that what he proposes to create?

Mr. GOLDSBOROUGH. The only way in which it would be governmental is that the Treasury would own all its stock.

Mr. RANKIN. But, under the terms of the bill, does not the President make the appointments, and are not the appointees subject to removal?

Mr. GOLDSBOROUGH. Yes; the President makes 3 appointments, the House makes 2 appointments, and the Senate makes 2 appointments.

Mr. RANKIN. It would seem to me, then, that instead of calling it a private institution, it would be better to call it an independent governmental institution. That is what I would prefer.

Mr. GOLDSBOROUGH. The next question that is going to be raised is this: It is going to be said that this bill is inflationary. Well, of course, all of you know my view that the supply of money should increase with productivity. If we can produce more, we can also issue more money without a rise in the price level. One way to produce and distribute more is to issue money and encourage production. When I say "issue money", I do not mean to issue it any faster than production and distribution would justify. I have deliberately refrained from putting any sort of inflation in this bill, because I want to know what the private bankers have to say about the bill. I want to know what their objection is to the bill. There is no inflation in this bill. Of course, when this public debt and these notes are paid off, it will increase the reserves in the banks and enable them, therefore, to issue more money than they otherwise could. That would be inflationary.

But section 7 of the bill prevents that.

> As the notes in circulation provided for by this act increase in volume, the Federal Reserve Board shall progressively increase the reserve requirements of member banks of the Federal Reserve System so as to prevent any inflation of the deposit currency of the member banks because of the operation of this act.

Under legislation we passed last year the Federal Reserve Board now has this power, provided the President of the United States agrees.

The operation of this act will take away the necessity for any taxation to pay off the national debt.

It will not inflate the currency one dollar, but it will make it necessary to increase the bank reserves so that the banks will not be able to loan the same money 10 times over, as they are doing now. Just at random on Friday I picked up a newspaper and looked at the first bank statement I came to. This bank had a capital, surplus, and undivided profits of less than $7,000,000. It had due it in private loans $10,000,000, or $3,000,000 more than its capital and surplus, and it also owned $100,000,000 of Government bonds, on which the Government was paying this bank interest.

Here is the statement of the Chase National Bank of June 30, 1934. It has capital, surplus, and undivided profits of $216,000,000, but its total resources are marked up to $1,810,000,000. Now, listen to this: Among other things, it has loans, discounts, and bankers' acceptances of $621,566,000, or three times its total capital, surplus, and undivided profits. It owns Government bonds upon which the Government is paying interest to the amount of $417,000,000, or twice as much as its capital, surplus, and undivided profits.

Mr. RANKIN. Will the gentleman yield for a question?

Mr. GOLDSBOROUGH. I yield to the gentleman from Mississippi.

Mr. RANKIN. If this bill does not provide for expansion of the currency or, as the gentleman calls it, inflation, then it would not affect the commodity-price level?

Mr. GOLDSBOROUGH. It would affect it to the extent that it would not be necessary to tax in order to pay the Government debt.

Mr. RANKIN. I understand, but it is utterly impossible for the people who own property in this country, and especially the agricultural people, to ever pay the debts now hanging over them under the present price level. If we are going to do anything at all to the currency, we should at least have a liberal, controlled expansion to raise the com-

modity price levels to what they were in 1926 when these debts were contracted.

Mr. GOLDSBOROUGH. I can answer the gentleman.

Mr. RANKIN. Unless we do that, we will never be able to pay the debt now hanging over us.

Mr. GOLDSBOROUGH. I fully agree with the gentleman, but there is pending legislation covering the gentleman's point. This particular bill was not drawn for that specific purpose. It was drawn to take care of the national debt—and for one other purpose. I hope the Members will listen to me very sympathetically with reference to this further matter. There is one other thing provided for in this bill, and it may be taken care of with $180,000,000 of this money in the Treasury which could be expanded 10 times. That other thing provided for is payment of all the depositors in all the banks in the United States who have not been paid in full.

I have made a careful study of the question of payment of depositors in closed banks. I have studied it historically. I find that originally when a man put money in a bank, he got the same money back. They were not called banks then. They were called goldsmiths. Later I find that he received a receipt and was either paid the same money or a corresponding amount of money.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from New York.

Mr. FITZPATRICK. How many millions of dollars would it take to pay back all the depositors in closed banks?

Mr. GOLDSBOROUGH. About $1,500,000,000. I find later the goldsmiths decided that everybody would not call for his money at the same time, so they began to lend this money out, and instead of giving a receipt they simply gave a promise to pay. I find that originally a bank deposit was a trust fund; and if a banker could not produce the money when it was called for, he was guilty of a criminal offense. Then I find that as our system of fractional reserves expanded, courts said a bank deposit was nothing but a debt; however, the truth of the matter is that in good morals a bank deposit is a trust fund, and may I say further there is not one out of a hundred people who puts his money in banks who do not think his money is there, and that he has a right to go and get it at any time. He has no idea that it simply represents a debt from the bank to the depositor. So that in legislation providing for payment of depositors in closed banks you are not segregating one class of creditors from all other classes and saying that they shall be paid, and other creditors not paid, because in reality and in good morals those banks are trustees of their depositors' money and every cent should be returned.

Mr. HOUSTON. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Kansas.

Mr. HOUSTON. In paying off the depositors in the closed banks, how far back would the gentleman go?

Mr. GOLDSBOROUGH. Under this bill we would go back to January 1, 1930, and up to January 1, 1935.

Mr. BOILEAU. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. What does this bill do in reference to banks which have reopened with some of the assets segregated and payment of a certain percentage to the depositors? In other words, those banks which have reopened, but only a certain percentage of the deposits has been paid?

Mr. GOLDSBOROUGH. I do not know just what has been done in all the States. I presume it is as it is in the State of Maryland. In Maryland the bank will pay, say, 50 percent in cash, 25 percent in certificates of beneficial interest, and 25 percent in preferred stock. Under this bill certificates of beneficial interest and the preferred stock will be taken up.

Mr. PARSONS. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. PARSONS. I know the gentleman has given a lot of thought and study to the history of banking and is familiar with the operations of the Bank of England and the Bank of France as well as other European institutions. The first part of this bill seems to bear some earmarks comparable with the operations of the Bank of England. I should like to know if that is true and whether the gentleman plans this bank to be operated to take care of the Government's credit, similar to the operations of the Bank of England in taking care of the credit of Great Britain?

Mr. GOLDSBOROUGH. My understanding of the operations of the Bank of England is not like that of my brother. He may be right; but my understanding of the operation of the Bank of England is that it is a pretty hard taskmaster, insofar as the people of Great Britain are concerned.

Mr. PARSONS. But it does take care of the Government's credit, largely.

Mr. GOLDSBOROUGH. That is not my understanding.

Mr. PARSONS. That is its primary purpose, although it is a private institution.

Mr. GOLDSBOROUGH. It is a private institution.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. WOLCOTT. I think the gentleman knows from our past experience that I am somewhat in sympathy with the purpose of the bill. The gentleman made the statement that the Government of the United States should not pay the bankers interest on the bonds which they hold and which they deposit with the Treasury for the circulating privilege. I quite agree that we should follow out that thought as far as we possibly can, but in subsection (b) of section 5 of the bill which the gentleman has introduced (H. R. 2998) there is a provision that direct loans to the United States shall bear interest at a rate to be fixed by the board of directors, as nearly as may be in accordance with the current lending rates. The Government is paying on its obligations an average, I presume, of 2⅞ or 3 percent, while the current lending rates in most of the States are much higher than that, being from 5 to 7 percent. I wish the gentleman would explain where the Government is going to save any money on interest rates by the establishment of this bank if they pay the prevailing rate of interest instead of the rate which the Government now pays on its obligations.

Mr. GOLDSBOROUGH. Under the terms of the bill all profits of the bank go back to the Treasury as a franchise tax. This is the answer to the gentleman's question. There are no expenses in this connection except the expense of operation, such as salaries and things of that kind.

Mr. THURSTON. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. THURSTON. Referring to section 6 of the bill, wherein you fix 1930 as the limit, is it not true that most of the banks in the agricultural districts and the small communities failed prior to that time, and should not their depositors have a right to this fund, the same as the depositors in the big city banks?

Mr. GOLDSBOROUGH. For a great many years, I may say to the gentleman, in certain sections of the Middle West and West, there have been bank failures, but I think that the great crash of banks came after the 1st of January 1930.

Mr. THURSTON. The big banks.

Mr. GOLDSBOROUGH. No; I do not think that. So far as I know—and I think I have a picture of the situation—there was no wholesale failing of banks until after the 1st of January 1930.

Mr. THURSTON. I differ with the gentleman. Owing to the oppressive policy of the Federal Reserve System and the action of the Comptroller of the Currency in requiring strict and harsh examinations, the small banks of the country failed by the hundreds prior to 1930.

Mr. GOLDSBOROUGH. Of course, so far as I am concerned, I would have no objection to going back of January 1, 1930, but it is perfectly obvious we have to stop at some point.

Mr. SNYDER. Will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. SNYDER. With reference to banks failing prior to 1930, in one of my counties we had 36 banks and 27 of them failed prior to 1929 and never opened their doors afterward.

Mr. GOLDSBOROUGH. Yes.

There have been a good many interruptions, all of them perfectly legitimate, and I do not know that I have anything at this time that I can add except to say that, so far as I am concerned, I believe it can be mathematically demonstrated—I believe I can do it myself—that you cannot have anything except an apparent prosperity as long as you make your circulating medium out of a debt. It is not possible, and I believe it will be so demonstrated at the hearings on the monetary-authority bill, if there are any hearings on the bill.

I believe further that it can be demonstrated mathematically that when you build up your circulating medium on debts and a crash comes, there is no way you can start this apparent prosperity without going through complete deflation unless you change your monetary system.

I believe it will also be demonstrated that we are producing in this country now about $40,000,000,000 worth of property at present prices and that we can produce $200,000,000,000 worth of property or five times that we are now producing, and that our fundamental problem is to find ways and means to distribute this $160,000,000,000; and, of course, if we can distribute it, then we can produce it, and we will never do it by destroying hogs, by plowing up wheat, and by plowing up cotton. We have got to study the problem of distribution. We have been going at the matter in the wrong direction absolutely.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. I yield.

Mr. KOPPLEMANN. I have been hoping that the gentleman would give us a clear difference between the private banks as they now do business and the monetary authority as suggested under the gentleman's bill.

Mr. GOLDSBOROUGH. The monetary-authority bill does not suggest any specific method. The monetary-authority bill undertakes to set up a group of men who will have certain functions, one of which will be to ascertain just what ought to be done to correct the faults in the monetary system.

The SPEAKER pro tempore (Mr. MCREYNOLDS). The gentleman from Maryland has consumed 45 minutes.

Mr. GOLDSBOROUGH. I thank the Chair.

Mr. KOPPLEMANN. In order to get information, I want to ask the gentleman a further question. What do you propose will be accomplished by your monetary authority that is not being done under the present private banking system?

Mr. GOLDSBOROUGH. Under the present private banking system prosperity defeats itself. You cannot have prosperity under the present system, and I will tell you why. We manufacture our money out of bank loans. If the people get prosperous and begin to pay off the bank loans, they are destroying the money manufactured out of the loans, and you immediately have another depression. There is no way on God's earth by which you can have permanent prosperity as long as you create money out of loans. It cannot be done.

There is a movement on foot—there is a good bill—I am not the author of the bill, but I have seen it—which requires banks to have 100-percent reserves so that debts can be paid off without taking money out of circulation. I can illustrate what I am talking about. A prominent man made a speech at the Century of Progress Fair in Chicago. He said we owed in this country about $200,000,000,000; and if we were thrifty and behaved ourselves, we could pay $25,000,000,000 a year, so that in 8 years we would not owe any money at all.

I wrote him a letter. I knew him very well. I said I should like to know under our present system, where money is manufactured out of debts, what we will do for money after our debts are paid off. There would be very little money in existence.

These are things that have to be approached and studied without any relationship to anybody's private interest, and it is a terribly hard thing to do.

It is perfectly obvious that in a system where our money is derived from our financial obligation to bankers, the problem is a tremendously hard thing to approach, but it must be done if democracy is going to be saved.

Four years ago some of the best minds in this country did not think there was one chance in a thousand of saving democracy—but it looks better now.

But I tell you again that if you have starving people, people without shelter, people without clothing, people without enough to eat, and at the same time you destroy the things that would give them the necessities of life, they will not stand for it forever. [Applause.]

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. WOLCOTT. In the bill the gentleman provides a capitalization of $4,000,000,000 with the provision that currency or notes may be outstanding against that of forty billion, qualified by the statement that it shall not exceed the national debt. I do not want to seem to press the gentleman, but in the early part of his address I asked what figure he felt we could safely issue in new currency without getting into the realm of inflation.

Mr. GOLDSBOROUGH. I attempted to answer that by quoting section 7 in the bill which provides that as the notes in circulation provided for by this act increase in volume, the Federal Reserve Board shall progressively increase the reserve requirements of member banks of the Federal Reserve System so as to prevent any inflation of the deposit currency in member banks.

Mr. WOLCOTT. The excess reserves in the Federal Reserve System are something like $2,000,000,000.

Mr. GOLDSBOROUGH. This does not affect them.

Mr. WOLCOTT. How would it be possible for the member banks, or the banks of the United States, to increase their reserves to the point of $40,000,000,000 if it were found necessary to issue $40,000,000,000 of currency?

Mr. GOLDSBOROUGH. They have $47,000,000,000 now on deposit. If they were compelled to keep 100-percent reserve, they could take care of $44,000,000,000, but as a matter of fact we would never need that much.

Mr. HOUSTON. Mr. Speaker, will the gentleman yield?

Mr. GOLDSBOROUGH. Yes.

Mr. HOUSTON. There will be no further issuance of governmental tax-exempt securities under the gentleman's bill?

Mr. GOLDSBOROUGH. There would not be any at all. Under the bill they would all be taken up.

### HOSPITALIZATION OF VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to vacate the proceedings by which at the last session of the House we passed House Resolution 29, and to repass it with an amendment changing the number 413 to no. 426.

The SPEAKER pro tempore. Is there objection?

Mr. SNELL. Mr. Speaker, the matter was referred to me and, as far as I know, there is no objection on this side.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 8, strike out the figures "413" and insert in lieu thereof the figures "426."

Mr. RANKIN. Mr. Speaker, this is to correct a clerical error in a resolution.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on agreeing to the resolution as amended.

The resolution was agreed to.

### OCEAN MAIL CONTRACTS

Mr. MEAD. Mr. Speaker, I ask unanimous consent for the present consideration of House Resolution 33, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 33

*Resolved*, That for the purpose of obtaining information necessary as a basis for legislation, the Committee on the Post Office and Post Roads of the Seventy-fourth Congress is authorized, as a committee, by subcommittee, or otherwise, to continue until March 1, 1935, the investigation begun under authority of House Resolution 226 of the Seventy-second Congress, and for such purposes said committee shall have the same power and authority as that conferred upon the Committee on the Post Office and Post Roads by House Resolution 226 of the Seventy-second Congress. The unexpended balance of the appropriation of $5,000 under House Resolution 273 of the Seventy-second Congress is hereby continued for such purposes.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. MEAD. Yes.

Mr. SNELL. As I understand, this is simply to clean up the remainder of the work. No additional appropriation is to be asked?

Mr. MEAD. No additional appropriation. It is merely to permit the committee to continue until the Post Office Department has completed its investigation of the ocean mail contracts.

Mr. SNELL. And the rest is all practically complete at this time?

Mr. MEAD. Yes.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

PROPOSED BANK OF THE UNITED STATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 20 minutes on the same subject discussed by the gentleman from Maryland [Mr. GOLDSBOROUGH].

The SPEAKER pro tempore. Is there objection?

There was no objection.

NO MORE TAX-EXEMPT, INTEREST-BEARING BONDS

Mr. PATMAN. Mr. Speaker, I was very much interested in the remarks of the gentleman from Maryland [Mr. GOLDSBOROUGH]. He always makes an interesting talk. It is constructive, and I hope the Members of the House who did not hear it will read the speech in the RECORD. I am substantially in accord with his views. I am in hearty accord with what he said about stopping the issuance of tax-exempt, interest-bearing securities. I am not in accord with his views in regard to paying off 100 percent the depositors in all closed banks.

LOST OR DESTROYED MONEY

The gentleman from Michigan [Mr. WOLCOTT] asked a question at the end of the gentleman's remarks to which I would like to address my remarks before commencing the talk I desire to make. Today we have about five and a half billion dollars, theoretically, in circulation. That is, presuming that all the money that has ever been issued is still outstanding. That is not taking into consideration the fact that over a period of 75 years, or longer, much of this money has been lost or destroyed. We know that some of it was destroyed in the Chicago fire. We know that much of it has been lost in shipwrecks. We know that much of it has been burned and lost in other ways, and buried in the ground. Much of it has been hoarded by criminals, even. Often it is discovered that criminals years ago buried money which is just now being discovered. When the old bills, the large ones, were called in several years ago, they were being replaced with new ones. About a year ago it was made known that $500,000,000 of that money had never been brought in for redemption. I do not know what the figures are now, but there is a very large sum outstanding.

Other countries use our money. Poland and Cuba use our money almost exclusively. Many foreign governments and possessions use our money. Consequently, much of our money is not here at all, but is in foreign countries. But theoretically and presumably, we have five and one-half billion dollars in circulation.

BANKS HAD $1.75 TO PAY EVERY $100

When all the banks of the country closed in March 1933 the banks had in their vaults about $1.75 to every $100 that they owed their depositors. One dollar and seventy-five cents to every $100. That does not mean that was all the money they had access to, because in the Federal Reserve banks and other banks they had an additional sum, which, however, would not aggregate more than $2 to every $100 that they owed their depositors. Therefore, taking the two, they did not have, or have available more than $3.75 in money to every $100 that they owed their depositors. You will wonder how they could do business. The reason is that the people do not all call for their money at the same time, no more than all people who are insured by life-insurance companies die at the same time. They were able to do business. But they with that small amount of money were doing a business aggregating hundreds of billions of dollars a year. Individual depositors were owed about forty-odd billion dollars when all the banks closed, almost $50,000,000,000.

PAY OFF NATIONAL DEBT WITH NEW MONEY

My theory of it is, I will say to the gentleman from Michigan [Mr. WOLCOTT] that you can pay off the national debt of this Government with United States notes—new money—and not disrupt our financial system if you will do it gradually, and at the same time increase the reserve requirements of banks. As it is today, those banks can extend loans amounting to $10, on the average, to every $1 that the bank has in its vault. We can change that. As we put additional money into circulation we can say that hereafter a bank cannot loan more than $8 to every $1 or $5 to every $1 or $3 to every $1, and finally we can reach that stage, which I hope we will reach some day, where we will have 100 cents in money for every dollar that the banks owe their depositors. In other words, the banks would not be permitted to extend loans when they did not have the money with which to make the loans. They would only be permitted to extend loans when they had actual money to make them.

Mr. WOLCOTT. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. WOLCOTT. In our study of the question last year it developed that the economists who appeared before our committee were all of this accord, that the volume of money outstanding had very little relationship to the price-commodity index.

Mr. PATMAN. Under our system, that is true, since money only represents 5 to 10 percent of our circulating medium. The remainder is represented by bank credit, which we should control.

Mr. WOLCOTT. And that the velocity of credit currency controlled the price-commodity index. Now, as we issue cash currency or bank notes, or anything of that nature, we have a tendency to create the thought in the minds of the people that the price of commodities is going up and they, fearful of that, turn their cash into commodities, and along with that goes the desire to buy commodities in addition to the amount of cash which they have outstanding, and thereby the velocity of credit currency is accelerated to the point that we have inflation. That is what brought on the French inflation, the Austrian inflation, and the German inflation. I am in hearty accord with certain phases of the gentleman's program, but I wish the gentleman would tell me and this House what plan he has for the control of this credit currency that always gets away from us in time of rising prices.

CHANGE RESERVE REQUIREMENTS OF BANKS

Mr. PATMAN. Well, I am telling the gentleman the way to keep it from getting away from us is to change the reserve requirements of the banks. If you were to issue $20,000,000,000 in money and did not change the reserve requirements for banks, the banks could issue $200,000,000,000 in credit on that; but as you increase the volume of money, if you want a safety valve to prevent undue expansion of the currency, you should change the reserve requirements of the banks at the same time and, if necessary, take actual money out of circulation. Then, if you need expansion, you can liberalize the reserve requirements and make it easier for credit to be put into circulation. I understand that if you inflate to the extent that there is fear in the minds of the

people, there will be flight from the dollar to commodities, but none of us hopes to go that far. We expect to have these safety valves along with all these measures so as to protect the people against undue expansion or inflation. There is much said about protecting the people from inflation but too little said about protecting them from deflation.

Mr. WOLCOTT. Will the gentleman yield further?

Mr. PATMAN. I am glad to yield.

Mr. WOLCOTT. What I had in mind particularly was this situation: As you put out this currency and create this fear, people start buying, and they create their own currency; they create their own credit. They start issuing bank checks, bills of exchange, and things of that nature, which the gentleman knows is considered as money, as far as inflation is concerned.

Mr. PATMAN. And I am telling the gentleman now how to prevent that.

Mr. WOLCOTT. If I have $1,000 in a bank, this Government has no jurisdiction over the number of checks which I write against that $1,000, and this Government has no jurisdiction over the number of times those checks will be turned over before they get to the bank. That is what I am fearful of with respect to the gentleman's program.

Mr. PATMAN. That is true if we use our present system of credit and not actual money. I want to change it to 100-percent money reserve; then the opportunities for such credit inflation do not exist.

ENORMOUS GOLD RESERVE

Mr. WOLCOTT. How is this money to be redeemed?

Mr. PATMAN. We have in the Treasury today over $8,000,000,000 in gold. We could pay off our entire national debt and have a safe gold reserve, and go back on the gold standard having more gold per dollar than the foreign countries of Europe have ever had to back up their currencies; and we could do this with our present gold supply of $8,000,000,000. We have $2,800,000,000 of gold in the Treasury which is the Government's profit on revaluation of gold. It is included in the $8,000,000,000 mentioned.

Mr. CAVICCHIA. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. CAVICCHIA. I believe the gentleman said he could pay off the entire national debt with this $8,000,000,000 in gold. Is this statement based on the issuance of money with a 40-percent gold backing?

Mr. PATMAN. The reserve would not be as much as that, but it would be a safe gold reserve. England stayed on the gold standard 100 years with a 10-percent and less gold reserve. On a 40-percent gold standard we can issue $20,000,000,000. Since we have only $5,500,000,000 in circulation, $14,500,000,000 more may be issued on gold and have a 40-percent reserve. In addition we have a billion ounces of silver that may be used as a reserve for the issuance of a larger amount.

Mr. CAVICCHIA. Then the gentleman would pay off the national debt with paper money backed by less than the $8,000,000,000 in gold?

Mr. PATMAN. That could be done; yes.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. KNUTSON. One of the morning papers quoted the Speaker as having said that with the change in the discharge rule requiring 218 signers to discharge a committee, the House was hog-tied and we would have no social legislation except such as was on the administration's program.

Mr. PATMAN. Mr. Speaker, I yielded to the gentleman to ask me a question regarding the banking system or the matter about which I am talking. I do not yield to the gentleman for any other purpose. I do not know what the Speaker said or what the newspapers carried.

Mr. KNUTSON. I am sorry.

Mr. GIFFORD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question on this subject; yes.

Mr. GIFFORD. The former gentleman who addressed the House said that anything the banks held with which to pay off depositors was blue-sky. The gentleman who now has the floor desires more real money. Does not the gentleman think that when we give up securities and get back only 60 percent of the value, many times, of the security measured in dollars, that the bank takes from us even more than dollars? Is not this 40 percent blue-sky?

Mr. PATMAN. Does the gentleman claim that he gets only 60 cents for a dollar today?

Mr. GIFFORD. No.

Mr. PATMAN. Does not the gentleman get 100 cents today just as he did before March 4, 1933?

Mr. GIFFORD. The gentleman understands what I mean. If he goes to a bank to borrow money, he has to put up something more than the value in dollars of the money he borrows. In other words, he gets back something like 60 percent, measured in value, of the security he lodges with the bank. The bank holds a reserve over and above the value of the loan. The security held by the bank may well represent the real value, perhaps more value than the dollars. The statement has been made that there is a point when confidence in those dollars may be destroyed. The gentleman recognizes the truth of this statement.

Mr. PATMAN. I hope the gentleman will not take up more of my time. Although he is making a very interesting statement, it does not change what I have said in that regard.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. RANKIN. Several years ago when this matter was discussed before the Ways and Means Committee, I remember a gentleman by the name of Dawes came before the committee. He was very vehement in attacking us because he said we were disturbing confidence. Within 60 days this self-same gentleman borrowed $90,000,000 to save his own bank; and I understand that the Government now is suing to recover $60,000,000 of the loan.

GOVERNMENT SHOULD TAKE OVER FEDERAL RESERVE BANKS

Mr. PATMAN. Instead of proceeding along the line suggested by the gentleman from Maryland and creating a private bank the entire stock of which shall be owned by the Government, the officers of which shall be appointed by the President, by the House, and by the Senate, I would much prefer that we consider taking over the Federal Reserve Banking System.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield for a question.

Mr. WOLCOTT. In answer to the gentleman who has just spoken, my good friend from Mississippi, I hold no brief, of course, for the bank in Chicago which borrowed the $90,000,000, but I have been told that that loan by the Federal Government prevented a debacle in Illinois such as we had in Detroit. If it did, then I as a taxpayer think it was pretty good business on the part of this Government to loan the banks in Chicago $90,000,000 to prevent losses such as we suffered in Detroit.

Mr. RANKIN. Mr. Speaker, if the gentleman from Texas will yield, the gentleman from Michigan [Mr. WOLCOTT] is mistaken, for the debacle came in Chicago just the same.

Mr. PATMAN. There are 12 Federal Reserve banks in this Nation. As originally framed, the Federal Reserve law was a good one and the Federal Reserve banks were intended to serve a useful purpose; but the law has been changed by these so-called "perfecting amendments" until the Federal Reserve Banking System no longer serves the very useful function it was organized to serve. It has failed to extend credit at a time when credit was needed. The Federal Reserve Banking System has almost gone out of business except in the bond-brokerage business and the use of Government credit to buy Government bonds. It has today very few millions of dollars in bills it has purchased or rediscounted for member banks. They do, however, hold $3,500,000,000 in United States Government bonds. I say that it is an idiotic system that we have permitted to grow up. In other words, for the Government to let any banking institution or system on earth use the Government's credit to purchase United States Government bonds and then the Government continue to pay interest on those bonds is not sound business. It is nothing more than though I, having

a $3,000 mortgage against my home, give you $3,000 to pay the mortgage, you pay the mortgage and have it transferred to yourself and still expect me to continue paying interest on this liquidated mortgage. This is the situation we are in with regard to the Federal Reserve banks holding United States Government bonds. These bonds were purchased with Government credit and the Government should not continue to pay $40,000,000 a year interest on these bonds while they are being held in this way.

GOVERNMENT CAN ISSUE A SOUND DOLLAR BILL IF IT CAN ISSUE A SOUND DOLLAR BOND

Furthermore, the private banks of the country, as the gentleman from Maryland [Mr. GOLDSBOROUGH] has just stated, hold about $13,000,000,000 of Government bonds; and when they collect interest on those bonds, they are collecting nothing but a Government subsidy or bonus, and they should never be permitted to collect it. The Government should not issue such bonds. Thomas A. Edison was right when he said that any government that could issue a dollar bond that is good can issue a dollar bill that is good. The only difference is the bond draws interest and the bill does not draw interest. The bill is easier to pay because it does not draw interest, and usually the people who are objecting to paying the debts with this money, under a safe, sound system, are those who are drawing interest on Government bonds which are unnecessary for this Government to issue. We are paying this year nearly $800,000,000 interest on bonds on which we should not pay one dime. It is useless; it is unnecessary. The Government debt can be paid off, as indicated by the gentleman from Maryland [Mr. GOLDSBOROUGH], and at the same time not have undue expansion of the currency if you do not want undue expansion of the currency.

FEDERAL RESERVE SYSTEM PRIVATELY OWNED

Remember that the Federal Reserve Bank System we are talking about is not a Government-owned institution. It is true that the Government has a limited and restricted supervision over those banks through an indirect board that exists here in Washington, but they have 12 banks and 12 boards of directors. These banks are owned by private banks that are member banks. The Government does not own one penny of stock in them. Last year a group of Members of this House made a trip to New York City, and one of the objects of the trip was to go through the Federal Reserve bank. While we were down in the bank vault, 50 feet below sea level, Governor Harrison was showing us where the gold used to be until, as he said, we took it away from him, and one of the gentlemen from the West said, "You took it away from us first." I asked him where the directors' room was. He stated that it was up on the tenth floor. I told him that was the room I wanted to see. He said: "There is nothing up there to see; but if you want to go up and see it, all right." I told him I desired to see that room. We went up there and we found that the directors' room was on the north end of the building. Of course, "directors' room" does not mean anything. So I asked him, "Where is the Federal Reserve agent's room?" He showed us a suite of rooms on the east side and told us that "These are the Federal Reserve agent's rooms. This is his private office." The Federal Reserve agent used these rooms when acting as Federal Reserve agent.

I next asked him, "Where is the office of the chairman of the Board?" We then walked across the hall to the west side and he told us, "Here is the office of the chairman of the Board and his suite of rooms where all of his stenographers and assistants are employed." It was just like on the other side. I next said, "I want you to explain to me and to these people assembled here why you have two offices for one official." And it is the same person. He is the Federal Reserve agent on the east side and chairman of the Board on the west side. The only difference is when he is Federal Reserve agent, he is supposed to represent this great Government of ours. In that capacity he has the privilege of calling up the Bureau of Engraving and Printing here in Washington and have money printed and sent to him. The money will be printed and sent to him in New York City.

[Here the gavel fell.]

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REPRESENTS BOTH BANKS AND GOVERNMENT

Mr. PATMAN. When that money is sent up there, he does not send the securities down here to deposit for that money; he deposits them up in New York City. When the money comes back, he goes across the hall and becomes chairman of the Board. He then represents the member banks of that Federal Reserve district. It is his business to listen to those banks in reference to putting out that money. May I say further that two-thirds of the directors are elected by the banks and only one-third are appointed by the Federal Reserve Board; therefore, they have a balance of power. These Federal Reserve agents acting in their dual capacity I do not think are in position to properly represent the interests and the general welfare of the people of this Nation.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Tennessee.

PRINTING-PRESS MONEY

Mr. TAYLOR of Tennessee. In its final analysis the Goldsborough measure is purely a printing-press proposition, is it not?

Mr. PATMAN. May I say to the gentleman that there is a printing-press proposition going on today. Four tons of new money will be turned out over here at the Bureau of Engraving and Printing today if the daily average is maintained. The money will go to the banks. If that is a printing-press proposition, of course, the Goldsborough bill is also a printing-press proposition. They are both just the same.

Mr. TAYLOR of Tennessee. If the measure is sound, why the necessity of setting up this banking institution? Why not just issue the currency to pay off the Government debt?

Mr. PATMAN. There will have to be some authority to go through. Someone must look after the matter.

Mr. TAYLOR of Tennessee. That would save the expense of administration.

Mr. PATMAN. Five hundred and thirty-one Members of the House and Senate could not very well look after the matter. It would be as impossible for them to do that as it would be for the 300,000 people you represent to come here and do for themselves what they have sent you here to do. They just could not get anywhere.

FOUR TONS OF PAPER MONEY DAILY

The Bureau of Engraving and Printing is running every day. They turn out about 4 tons of paper money a day. Each pound contains 500 bills, whether they be dollar bills or $10,000 bills. This money goes out every day to the banks of the country.

The money that the gentleman from Maryland [Mr. GOLDSBOROUGH] proposes to issue and the money I propose to issue is no more fiat money or baloney dollars than the money issued every day by the banks of the country. The bankers hold to that fiat-money view, but they do not stop and explain that the money they handle every day is fiat money, according to their own definition, and that the credit they handle is also fiat credit. Let us discuss the national currency that the national banks of this country have obtained. There are some $980,000,000 of Government bonds deposited to secure it, some payable in 1940 and some payable in 1945. They can deposit the bonds and get new money in return. They do not put up gold. They do not put up any other security, and the money they issue is fiat money if there is any money on earth that is fiat money, according to their own definition of fiat money. When the Federal Reserve banks of this country put up or deposit with themselves three and a half billion dollars of United States Government bonds, as they have, and get $3,500,000,000 in new money in return, it is just as much fiat money as any money on earth, if you are going into the subject of fiat money, and use the bankers' own definition of what constitutes fiat money.

Nevertheless, it is good money; it is backed by the credit of this Nation; it is a blanket mortgage on all the property of all the people of this country; it is a mortgage against the incomes of the people. It will be paid, but, according to a strict definition of fiat money, that money and practically all the money we have in circulation today is fiat money.

BANK SERVICE CHARGES

Before I conclude—and I do not want to take up any more of your time—I wish to invite your attention to the fact that the banks in my section are doing something that is highly deflationary. When an effort was made to pass a 2-cent tax on checks, the banks said, "We cannot stand that; it will cause people to take their deposits out of our banks and they will quit doing business with banks. We must have these small accounts, and we do not want you to put any tax on them." Well, the tax expired the other day, on January 1, and there is now no check tax; and I hope there will not be any check tax put on by this Congress. However, the banks have instituted what is known as a "service charge"; and, according to the amount of money one has in the bank or the amount of business done, he is charged for issuing checks or doing business with that bank. This is driving people away from the banks. If one has a balance of $25, that amount is sufficient for a reason to justify the bank extending loans amounting to $250. We should not drive these small accounts from the banks; and besides, the people are entitled to some consideration by the banks, since the Government is subsidizing them.

I want to tell you why the banks should be persuaded not to do this. In the first place, a national bank has a great privilege when it receives a charter from the United States Government. It has almost an exclusive privilege.

Mr. DOUGHTON. Will the gentleman yield for a question?

Mr. PATMAN. I yield to the distinguished gentleman from North Carolina.

Mr. DOUGHTON. The gentleman referred to the service charge now being put on by the banks. This has given me some little worry, and I was very much interested in having the stamp tax on checks removed. Does the gentleman know whether or not this service charge is being imposed at the instance of the Federal Deposit Insurance Corporation or whether it is a voluntary action on the part of the banks?

Mr. PATMAN. If it is done at the instance of the Federal Deposit Insurance Corporation, it should be stopped; but my understanding is, it is the voluntary action of the banks, I may say to the distinguished Chairman of the Ways and Means Committee, and I presume it will take legislation to stop it.

Let me now finish, if you please, my statement of why they should not put on a service charge.

When a bank is granted its charter, it has almost an exclusive right to do business there in that locality. It must be shown there is necessity for a competitor or another, or no competitor can come into the field. This is a great right, and for this right and privilege a bank should be glad to extend a certain amount of free business to the people residing in that community.

Mr. HAINES. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HAINES. I do not think the banks of the country generally are doing this. They are not charging a service charge in my section.

Mr. PATMAN. I am pleased to hear that.

Mr. DONDERO. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. DONDERO. The banks are doing that in my district and even in my home city. They even charge you for making a deposit. What does the gentleman think is the reason for this?

Mr. PATMAN. Let me finish my statement, and I shall be very glad to attempt to answer the gentleman's question.

First, they are given a charter; and if the bank is capitalized for $500,000, it can take $500,000 in Government bonds, deposit them with the Treasury of the United States, and get $500,000 of new money. They can do this up to the full amount of their capital stock. It is true they deposit a redemption fund of 5 percent to remain there until the bonds are taken up again, but the bank gets new money in return for these bonds, and they continue to get interest on the bonds that they have deposited and continue to use the money. Therefore they get a bonus from the Government of the United States for putting money in circulation. These are two privileges—the great charter that is given them and the circulation privilege which gives them a bonus for putting money into circulation.

Next is the Federal Deposit Insurance Corporation fund. Did the banks put up the money for the capital stock of this Corporation? No; they did not. The banks put up $39,000,000, and the Government put up $300,000,000.

There are three rights which they have. The Government is paying their insurance premium to guarantee their deposits, or practically all of it or more than four-fifths of it, and then the circulating privilege is a bonus for putting money into circulation and then their charter gives them an exclusive right to do business.

Then, in addition to this, Mr. Speaker, the R. F. C. has purchased one-half of the stock of practically all the national banks of the country and this stock is known as "preferred stock", which the R. F. C. holds and by law passed by this body, it is tax exempt. Therefore these banks are pleading tax exemption in their cities, counties, and States on one-half of their capital stock. So the Government is giving them a tax exemption of 50 percent and is paying their insurance premiums to insure their deposits of under $5,000 and is giving them a bonus to put money in circulation and is giving them this exclusive right to do business, which is a great monopoly right. In addition they are allowed to lend $10 to every $1 they have in their vaults or with Reserve banks. Certainly they should be required to do a certain amount of business free for the American people. It is not right for the people through the Government to do so much for the banks and then permit the banks to charge the people for every little service they render. [Applause.]

I respectfully submit for your consideration the following:

1. The Federal Reserve banks should be taken over by the Government and operated in the interest of all the people, banks, industry, agriculture, and commerce.

2. No private corporation, or corporation owned by private corporations, should have the right to issue money.

3. The Government should issue currency when in need of money instead of tax-exempt interest-bearing bonds.

4. No additional taxes should be levied as long as we need additional money.

5. Very few of the bankers of the country, even the real good ones, have ever studied or thought anything about this monetary problem.

6. A billion dollars a year can be used by the Government to a better advantage than paying it as interest on Government bonds that may be used as a basis for the issuance of currency.

7. Direct credits should receive the thoughtful consideration of the people.

8. Opposition to any progressive proposal may be expected from those who will be deprived of special privileges, the die-hard, orthodox, hard-money advocates, and the poll-parrot satellites of Wall Street who only repeat what others say and never think for themselves.

9. We need and must have more money as a circulating medium, but we should not issue more Government bonds in order to get it.

Money itself is of no value; it is a simple tool desired for the one purpose of making exchanges. Money is no mysterious thing; no mystic principles veil or obscure it; it is a tool for making exchanges, just as a hammer is a tool for driving nails.

MEMBERSHIP OF COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 34

*Resolved*, That during the Seventy-fourth Congress the Committee on Appropriations shall be composed of 39 members;

The Committee on Interstate and Foreign Commerce shall be composed of 27 members; and

The Committee on Rules shall be composed of 14 members.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROPOSED BANK OF THE UNITED STATES

Mr. GIFFORD. Mr. Speaker, I ask unanimous consent to proceed for 7 minutes on the same subject that was discussed by the gentleman from Maryland.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GIFFORD. Mr. Speaker, inasmuch as I asked several questions, the Members will, perhaps, understand that I am somewhat interested in this proposition.

The gentleman from Maryland [Mr. GOLDSBOROUGH] spoke of a national debt of $26,000,000,000. In the Budget message which has just been read there was a statement to the effect that in July the debt will be $31,000,000,000, and with an anticipated $4,000,000,000 of additional debt next year it will be $35,000,000,000. This without any mention of the contingent debt, through which—over a period of a few more years—we may drop another billion dollars.

Now, at this very moment when the country is anxiously awaiting a return of confidence within banking circles, on this very first day we have presented to us this matter of a central bank. It is small wonder that some scheme is presented to take care of a debt which may reach forty billions. How can that ever be liquidated unless resort is had to some extraordinary method?

Hence this central bank is presented to you as a medium for the issuance of printed money and to avoid the payment of interest. The private individual or corporation will still be obliged to pay interest money, but the Government must be allowed to finance itself in a manner totally unlike that prescribed for them. This Government is already carrying on an immense business because private industry has temporarily failed to function normally, and we are told that Government instrumentalities will be maintained and increased for this purpose so long as private capital remains too timid to invest itself.

I am astonished that the statement which I made a few moments ago seemed to be novel to so many Members. When the bankers met in Washington, recently, and the subject of a central bank was presented to the President, according to the report carried by the press, he said, "Who brought up that ghost?" The bankers were much encouraged by the belief that there was no danger from that source.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Yes.

Mr. FISH. When the gentleman is talking of this increased debt of thirty-five or thirty-six billion dollars, will he also point out that the Government has to pay interest, amounting to about a billion and a half dollars a year, which is 50 percent of its total revenue?

Mr. GIFFORD. I was about to point out that we have also been getting money at a very low interest rate. A prominent banker not long since, when asked what they were going to do in the future, replied in my hearing, "We are going to do what we are told to do." They have been doing just that. If the banks did set the rate of the interest which the Government has recently been paying, as suggested by the last speaker, then they set it mighty low. But the fear is that as the refunding of these short-term securities must be made in long-term securities later on, the rate of interest will certainly have to go back to 3 or 4 percent, or even to a higher rate. Then the Government will indeed be forced to arrange for the payment of a billion and a half for interest alone.

The other thought that I wished to express has to do with my vote for the Goldsborough bill some 3 years ago.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. GIFFORD. Not unless I can get more time. Will the gentleman agree to get me more time? Of course, I would be yielding to a gentleman who presumably knows much more than I do about this subject.

Mr. PATMAN. Oh, I do not know much about it, but the gentleman is opposed to the principle embodied in the Goldsborough bill.

Mr. GIFFORD. I am coming to that. I said that I voted for the Goldsborough bill when it was presented. I sympathized with the gentleman's view that there was not enough money in circulation, so we started the printing presses going at high speed and about $300,000,000 in new money was issued and made available to the Federal Reserve banks, for the use of their member banks.

However, it turned out that these banks did not use it or need it. Later on we made a further authorization of $3,000,000,000 to become available in the same manner, as a threat to be employed against private banking if it failed to purchase our Government securities.

Mr. PATMAN. Does not the gentleman think that the banks can afford to be generous with the Government when the banks are selling to the Government the Government's own credit?

Mr. GIFFORD. Oh, the gentleman from Texas has harped on that subject for 2 or 3 years. We gave the banks the privilege of buying the low-rate Panama Canal bonds and of issuing money against them. Recently, when we gave the Federal Reserve an opportunity to issue money——

Mr. PATMAN. Will the gentleman yield for an explanation?

Mr. GIFFORD. It needs one.

Mr. PATMAN. The gentleman talks about Federal Reserve bank notes. They have to pay the insignificant sum of one-half of 1 percent a year. On Federal Reserve notes they do not have to pay a penny. They pay 27 cents a thousand to have them printed.

Mr. GIFFORD. Then, it is indeed strange that they do not avail themselves of this privilege. It cannot be very profitable. These speakers are trying to tell the Members of this Congress that nothing is of value except money backed by a small reserve of gold, which is itself merely a commodity. Do not let them make you believe that when you go to a bank to borrow money, you do not give the very best of security and then secure a loan of only 60 or 70 percent of its full value, measured in dollars. These securities are not "blue sky" value, as declared by the first speaker. The gentleman from Texas stated that we could issue paper money up to a point at which the confidence of the people would not be disturbed. But he has little notion as to when this breaking point will be reached. Go beyond it, and you will need money by the basketful. It would seem to be our clear duty to oppose certain things that common sense—even a little common sense—shows us to be unsound and highly dangerous.

Unfortunately, many Members seem to be persuaded by the enthusiasts, such as Professor Fisher, who convinced so many of you gentlemen of the efficiency of the commodity dollar, now wisely forgotten.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. CAVICCHIA. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Massachusetts be extended for 5 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, the gentleman brought up a very interesting question a while ago about Federal Reserve bank notes and Federal Reserve notes. If the gentleman were in charge of a Federal Reserve bank, knowing that the Federal Reserve bank note must pay a tax of one-half of 1 percent a year, and that on the Federal Reserve notes he would pay only for the cost of printing them and no tax, which would he get, Federal Reserve bank notes or Federal Reserve notes?

Mr. GIFFORD. But when they loan to the Government, they get about one-half of 1 percent.

I was speaking to the new Members about Prof. Irving Fisher, who is, I presume, regarded as a real economist. Many here were won over to his doctrines. But what did he finally say? "Oh, what a pity that there was an election

in 1932." The commodity-dollar idea that he advanced could not work. Read the theories of other professors of economics on the subject of money and you will find that their opinions are so completely divergent that we should indeed hesitate before embarking for any such dangerous experiments.

The message of the President, fine as it was in its dealing with many of the matters upon which it touched, was utterly lacking in any statement tending to encourage the investment of money in private industry. It was a remarkable omission. Above all else, encouragement and assurance should have been forthcoming.

And now, at the very start of this Congress, we are advised that a central bank should be created further to embarrass our existing banking institutions. Let it be remembered that although we use the Federal Reserve bank principally to act as our agent in the financing of Government operations, it was not established for that particular purpose. It was set up as a central repository for all the banks of the country. Members of the System borrow money of Reserve banks at all times as the need presents itself. On the whole, it has functioned admirably. Do not put it out of business just because we have seen fit to make it our agent in the carrying on of governmental loan functions. The member banks have done this with a high degree of success and to our advantage. They have allocated these loans at a very low rate of interest.

What the country especially needs at this particular time is to regain a little confidence. God knows we need it. [Applause.]

The SPEAKER. The time of the gentleman from Massachusetts [Mr. GIFFORD] has expired.

### ELECTION OF MEMBERS TO COMMITTEE ON APPROPRIATIONS

Mr. SNELL. Mr. Speaker, I offer a resolution, which I send to the desk and ask for its immediate adoption.

The Clerk read as follows:

House Resolution 35

*Resolved*, That the following Members be, and they are hereby, elected to the Committee on Appropriations of the House of Representatives, to wit: John Taber, of New York; Robert L. Bacon, of New York; Richard B. Wigglesworth, of Massachusetts; Clarence J. McLeod, of Michigan; Lloyd Thurston, of Iowa; Florence P. Kahn, of California; John T. Buckbee, of Illinois; Chester C. Bolton, of Ohio; W. P. Lambertson, of Kansas; D. Lane Powers, of New Jersey; J. William Ditter, of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. SNELL]?

There was no objection.

The resolution was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to—

Mr. RANKIN, for 5 days, on account of being called to Jackson, Miss., to help in the struggle now being waged to rescue the people of that city from the ravages of the Power Trust;

Mr. DIETRICH, of Pennsylvania, for today, on account of illness; and

Mr. BINDERUP, for the remainder of the week, on account of important business.

### EDUCATORS SHOULD TAKE OATH

Mr. DOCKWEILER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include an article which appeared in the National Republic, written by my colleague, Mr. EDWARD A. KENNEY.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. DOCKWEILER]?

Mr. SNELL. Reserving the right to object, is this his own article?

Mr. DOCKWEILER. It is his own article, written by himself, on the subject, The Educator Should Take an Oath.

The SPEAKER. Is there objection?

There was no objection.

Mr. DOCKWEILER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article which appeared in the National Republic, written by the gentleman from New Jersey, Hon. EDWARD A. KENNEY:

EDUCATORS SHOULD TAKE OATH

ORGANIZED OPPOSITION OF 700 TEACHERS IN NEW YORK TO "TEACHERS' OATH" AND EXPOSURES OF COMMUNISTIC TEACHINGS IN INSTITUTIONS FORCE ISSUE ON CONGRESS

"Let reverence for the laws be breathed by every American mother to the lisping babe that prattles on her lap; let it be taught in schools, in seminaries, and in colleges; let it be written in primers, spelling books, and in almanacs; let it be preached from the pulpit, proclaimed in legislative halls, and enforced in courts of justice. And, in short, let it become the political religion of the Nation; and let the old and the young, the rich and the poor, the grave and the gay, of all sexes and tongues and colors and conditions, sacrifice unceasingly upon its altars."—Abraham Lincoln.

That the example afforded by some of our enlightened States may be weighed by all others, I have introduced in Congress House Joint Resolution which has come to be known as No. 339; a resolution memorializing the States to require all teachers of the public schools and other public institutions of learning to take an oath to support the Constitution of the United States.

Since the introduction of this resolution, a certain teacher has said that he could take the oath, but it would have no meaning so far as he was concerned. Perhaps there are others like-minded; if so, they will be discovered by their actions and utterances. Many witnesses testifying in our courts have been styled "perjurers." The oath to speak the truth taken by them may have had no significance. Yet it would not be a wise public policy to strip the courts of the pledge of witnesses to tell "the truth, the whole truth, and nothing but the truth."

Our schools, vastly more than our courts, need the protection of an oath. And where teachers oppose the oath of allegiance to the Constitution and others disregard it, it is time to sound the warning, "Beware, America!"

The menace of communism and socialism is abroad in the land, and the real and great danger is in the child—the chief prey of these disloyalists. Consequently, loyal teachers are absolutely necessary.

The slogan of communism in America may be summed up in this statement attributed to a former Boston school teacher:

"Give us one generation of small children to train to manhood and womanhood, and we will set up the Bolshevist form of the soviet government."

Let me introduce you to the child who is of concern to us today. She is Barbara. Her age lies between 14 and 18. Her features, and occasionally her speech, betray the fact that her parents came from another land. She was born and lives in a tenement district of one of the large cities. The teacher has visited her home; it is a hovel. There is a steady conflict between Barbara and the trained nurse of the school. Barbara is not clean. A report is sent to the teacher. She speaks privately to Barbara about it; and as she does so, she has a vision of the two rooms in which the child, her parents, and three or four little brothers and sisters are huddled together. The teacher, the loyal teacher, feels motherly. Barbara is not bad at heart. The teacher likes her, pities her sincerely. She is the victim of her surroundings.

Barbara is intelligent; she passes her examinations with a high percentage, perhaps because she has a marvelous gift for languages. As a rule, she behaves well. Whenever she has an opportunity to point out the defects—what she thinks are defects—of various forms of government, she never fails to do so. That opportunity is sometimes hers when she has to read passages in history. At all times she is eager to speak of her rights, peoples' rights, and resents the teacher speaking of her duties, their duties. She will remind that her father pays taxes; she adds in a lower voice, "indirectly." (She remembers the teacher was in her home.) She likes to offer suggestions as to the way countries should be governed; it is an echo of Union Square. The teacher is diplomatic; she asks a question leading elsewhere.

Barbara belongs to the Young Pioneers organization. Perchance she has also joined the Young Communist League; she may be a member, too, of the National Students League. The latter's 1933 yearbook contains this startling statement: "The fact that the school and city officials are opposed to Communists does not mean that the student body should also. On the contrary, we have found in the course of our struggles that the Communists in our organization generally have the clearest understanding of student problems and their relation to society and often provide us with our best leaders." And further: "It must also be pointed out that there is a communistic league which also functions in the schools and colleges."

Like many others, Barbara will plan and participate in meetings of these organizations sometimes held in the public schools with a Communist teacher as official adviser. Her ambition leads her to be counted among those attending the 20 or more private schools holding instruction after public-school hours in anti-American and communistic doctrines.

On the 1st of May, Barbara is absent from school. She is in the Communist parade. She is on a float; she wears a red dress, waves frantically a red flag, and screams: "Down with the capitalists!"—etc. The next day she cannot recite; she is hoarse. She brings an excuse for absence. It says: "Barbara was absent because she had to go to the International Workers parade."

The leading members of the Young Pioneers urge her to do some propaganda work. Or, the Young Communist League may do so. She feels it her duty. She distributes some Communist literature to her schoolmates. She knows it is forbidden. She is caught. Others had been caught before her, most of whom were dismissed.

I should advise keeping in school the Barbara who obeys the rules of the school in regard to the nondistribution of Soviet literature. You might say that, after all, she has a right to her opinion. And there is always a chance to lead her to change her views. If the teacher is the kind that believes in a Supreme Being, one who does not advocate the overthrow of the Government by force and violence but adheres loyally to the ideals and principles of the Constitution of the United States, there is a good chance. Should the loyal teacher succeed in gaining her confidence and winning her affection—friendship is the goddess of understanding—much may be accomplished. There have been numerous cases where changes have been effected. I know teachers who have some to their credit.

I should recommend that the Barbara who has gone so far as to defy her principal and the rules of the school and distribute Soviet literature and poison the minds of other youth be summarily expelled; that she be forever deprived of an education at the expense of the city. Such example would have a salutary influence on the other young propagandists. She would then have to get along with whatever education she had, and she does wish a good education, she wants it badly, she desires to go to college, to the city's college. She dreads to go to a factory, like her elders at home, to sew on buttons. But if she is not expelled, she will keep up her work, her insidious work.

If permitted to remain in school, she will continue to seek recruits from her classmates to attend with her the meetings of the Young Pioneers. She will seek prominence in the Young Communist League, leading a drive for new memberships. At the special instructions received at the outside anti-American schools, she will be encouraged by others of her age and by her elders, too often disloyal public-school teachers who, like Barbara, have gone to the public schools and later to a university and finally secured a position as teacher with the opportunity of encouraging, fostering, and promoting communistic propaganda within the very confines of the classroom.

What protection shall America have?

An oath brings to the person taking it the fullest realization of his responsibility. It binds the affiant to the due execution of his trust whatever its character. Its propriety is obvious as a protection to society.

The oath to support the Constitution of the United States was conceived by the Federal convention which adopted it. Oath of allegiance was not required by the Articles of Confederation which preceded it, with the result that no binding obligation was felt. My State (New Jersey) raised objection to the articles because Members of Congress sat without first obligating themselves by oath. The oath exacted by the Constitution indisputably has made for its preservation. The idea was not one of necessity but was formulated on the theory that the Nation was entitled to the best security that could be furnished by those intrusted with the administration of its affairs. Its fixed purpose was to keep inviolate forever the basic fundamental law.

In its grant of cherished inalienable rights, liberties were safeguarded, and there was guaranteed to all freedom from political, religious, or other oppression. The checks and balances placed upon the three branches of government served to assure to mankind a haven of civilization nowhere else known, provided only those charged with its high responsibilities upheld the spirit, the principles, and ideals of the model document. How, then, was fealty to be insured? By the oath. The oath solemnized the obligation.

Presumably every American citizen knows that the first and every succeeding President of the United States has bound himself by oath to support the Constitution. But how many know that the very form of his oath is prescribed by its provisions? It might be well to reflect for just a moment upon the decidedly emphatic bond it demands from the President to keep the Constitution free from any violating acts of his own and to protect and defend it against the invasion of all others. By those who have attended the President's inauguration or listened to the inaugural ceremonies over the radio, these words, taken from the Constitution, may be recalled:

"I do solemnly swear (or affirm) that I will faithfully execute the office of President of the United States, and will to the best of my ability, preserve, protect, and defend the Constitution of the United States" (art. II, sec. 1, clause 8).

After my election as a Member of the House of Representatives I was surprised at the number of persons who inquired of me, "When are you going to take your oath?" It was their way of asking when my term of office commenced. On many occasions I have heard reference made to other officials in a similar way, as for example, "John was sworn in today", the equivalent of saying that he began his official duties. Our people everywhere have come to regard the oath as a condition precedent to the assumption of a public trust. This grows out of the further constitutional provision:

"The Senators and Representatives before mentioned and the members of the several State legislatures and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution; . . . (art. VI, clause 3).

By acts of Congress and the statutes of the several States holders of office affected with a public interest have been called upon from time to time to make oath to support the Constitution of the United States. With the growth of the Nation and its accompanying complexities, many public positions took on added importance and responsibility. As they have done so, it has been deemed prudent and altogether wise to extend the requirement of the oath so as to have all occupying places of honor and trust subscribe and swear to support the Federal Constitution.

The teacher in the public schools is, more than ever before in the peace-time annals of our country, the guardian of our civilization. Her task has not always been a simple one. Latterly, her school has become a veritable battleground. Throughout the world the enthusiasm of youth, the restlessness of the parent reflected in the young, the flaming desire of the boy and girl to spring to the relief of their depression-ridden families, all have brought about a new condition, a fresh problem for the teacher. Youth is an integral part of the new order as it exists in varying form in many of the countries of the world. Young men and women are the backbone of fascism, nazi-ism, and communism. In America our youth are engaged in eagerly seeking an outlet for new opportunity. Unless, therefore, the principles of freedom, justice, equality, and humanity as enunciated by the Constitution of the United States are inculcated in our boys and girls at the very beginning of their careers, there will be cause for grave concern for our Government. They have to be reminded that the liberties guaranteed by the Constitution gave rise to unprecedented opportunities and despite temporary limitations greater opportunities lie ahead if we but steer true our course guided by the doctrines which made our country great and peerless. Must we not then be appreciative of the importance of the duties of the public-school teacher in her present-day relation to her pupil? The teacher's responsibility has enlarged, her position has become exalted; upon her depends in great measure the future stability of the Government.

Even before world unrest became so intense, the growing importance of the responsibility of the teacher toward the child and consequently to the Nation came to be realized in various sections of our country. As early as 1921 three States of the Union passed laws requiring teachers to take an oath of allegiance to the Constitution of the United States. They were Colorado, Oklahoma, South Dakota. In the same year Oregon demanded an oath to support its State constitution, and its teachers were to teach by precept and example "reverence for law and order and undivided allegiance to the Government of our country, the United States of America." Such law, however, did not provide for a direct oath to support the Federal Constitution.

In 1928 West Virginia by statute imparted to its teachers the duty to swear allegiance to the United States Constitution.

Florida, in 1925, enacted a similar law, and in 1929 Indiana followed. The next year, 1930, Ohio was included in the list.

The subsequent course of events gave impetus to the movement, for in 1931 five more States were added. They were California, Michigan, Montana, North Dakota, and Washington.

In 1932 South Carolina required applicants for teachers' certificates to satisfy the examining power of their loyalty to the United States Constitution, but its law does not provide for an oath of support.

Some States authorize school boards or officials to impose any qualifications upon teachers they may deem proper, which may presumably cover the power to require an oath of allegiance. Very few of the States, however, ask their teachers for such oath. None is mandatory in New Jersey, for instance, although in 1928 the legislature passed a law providing that all permanent teachers employed in the State be citizens of the United States.

The District of Columbia, it is important to mention, by a ruling of the Commissioners on June 7, 1902, pursuant to the act of Congress of March 3, 1883, laid down the requirement that teachers of the District take an oath to support the Constitution of the United States, and on March 7, 1917, adopted a new form of oath now administered.

The problem of communism in our high schools, particularly among girls, is becoming increasingly difficult and alarming. It must be banished. The teacher's position has been exalted to the point where it involves the very lifeblood of our civilization. The teacher has become the keeper of the Constitution. All teachers, especially those of the larger cities where communism is rampant, should welcome the privilege of attaching to their trust the pledge of allegiance to American doctrines. The teachers' oath, far from impugning disloyalty, will impress indelibly upon the Nation the loyalty and fidelity required in the discharge of the arduous and sacrificial responsibility which, alas, is theirs.

### A MIDWESTERN APPROACH TO THE SEVENTY-FOURTH CONGRESS

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to have extended in the RECORD a radio speech made by Hon. KARL STEFAN, a Member of this House.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEMKE. Mr. Speaker, pursuant to the leave granted to me, I desire to insert herewith, as an extension of my remarks, a radio address by Hon. KARL STEFAN, of the Third Congressional District of Nebraska, delivered over the Columbia network, January 3, 1935.

To be allowed on this historic occasion to talk to the people of the United States is a great honor. We are today thinking for the safety and security of our Nation.

I believe we are here to help save this great Republic and to help our President carry out the marching orders given to him by the people at the last election.

As the Seventy-fourth Congress opens, we find the Congressmen and Senators assembled with various ideas and various plans—all based on the belief that these ideas and plans will help win this war on depression.

While the city of Washington displays an atmosphere of prosperity and of a boom town, out where I come from—the great State of Nebraska—we know there is a depression. I represent the third district, which normally is the richest agricultural district in the world. Nearly 300,000 people live in that district. There are 35,409 farms in those 22 counties. The farmers out there are broke because the drought killed their crops. The people out there are not radical people. They are producers of the food you eat. They are workers, descendants of the pioneers who settled the country, driving out there in covered wagons drawn by ox teams. Normally it is the Nation's bread basket. That basket is empty today.

You people here in this boom town of Washington do not realize the conditions out there. Pigs are sold by the dozen—35 cents a dozen there—because there is not a kernel of corn for the animals to eat. But when our farmers go to town to buy a meal in a restaurant, it costs them seven pigs for a pork supper. And talking about pork suppers, the prices of things we eat in Washington are unusually high compared with the prices paid for foodstuffs in other States. Pork chops cost 40 cents a pound at several places in Washington. That will give you some idea of how many pigs a pork supper would cost a Nebraska farmer in Washington today. To qualify this statement I wish to point out to you the pitiful condition of farmers who are endeavoring to make a livelihood at raising pigs in my district. For one illustration, a farmer named Mayhew, of Norfolk, Nebr., took 35 pigs to the Sioux City livestock market on October 17, 1934. The net weight of these pigs was 1,620 pounds. He received a price of 1 cent per pound, or a total of $16.20. His expenses included yardage, $4.90; meat board fund, 5 cents; insurance, 9 cents; inspection, 35 cents; and the commission house collected $8.75; or a total expense of $14.14. This farmer was given a check for $2.06. He also handed me a slip containing other expenses which he did not figure in, and he figured it out by the number of pigs which each item cost him instead of dollars and cents. He figured that it cost him 6¾ pigs to take that load of pigs across the toll bridge from the Nebraska to the Iowa side, and it cost him 6¾ pigs to come back across that bridge, but he did not have the pigs any more.

This farmer was hungry, and he went into a restaurant to buy himself something to eat. He ordered a roast-pork supper, and he figured it cost him seven pigs for that roast-pork supper. This gives you some idea of the plight of the Nebraska farmers who today are endeavoring to eke out a living by raising pigs. The hog has been the mortgage lifter in Nebraska for several years. That is not true today, because it is not profitable to feed corn to pigs today because the price of corn has been raised to such a high amount. Corn is being held in some parts of Nebraska for as much as $1.25 a bushel. The Government will not lend money to farmers on these small pigs, because it is not profitable to feed the pigs with this high-priced feed, and as a result there is no market for the little pigs.

I am the only Republican Congressman in Nebraska. Senator NORRIS is the Republican Senator from that State, and we are proud of him. Nebraska's is the only entirely new delegation in the Seventy-fourth Congress.

You know Nebraska is playing a great part in this Congress. It was our own Senator NORRIS, who put the twentieth amendment through Congress. Until that amendment was ratified, a Congress elected in November did not meet in regular session for 13 months. As it is today, we bring the lawmakers in closer touch with the voters. The legislators are not so apt to forget their campaign promises made to the people they now represent.

Speaking as a progressive Republican, I feel that the great Democratic majority in Congress knows the forces that created this majority and that this force can also destroy that majority—the American people. This force includes the 10 million of unemployed, the 20 million on relief, the million young men and women out of our great educational institutions who are walking the streets looking for a job, the 35,000 young men who come of age every month with no job or hope of even marriage. This is the force which this modern Congress must take into consideration, and this is the force which is giving orders today. This force has given us orders for solid recovery. I believe the leaders in this Congress know this.

This Congress will make this winter a turning point in our history. So far as I can see, we are going to follow the President, as the American people are following him. The old two-party systems are wrecked. It was not a question of Democrats or Republicans in our State. It was a marching order to follow the President in winning this war on the depression. There is a lot of talk about wild men in Congress—and Congress will run wild if the American people so will it; and Congress will take the lead away from the President if the demands of the people for adequate relief are unanswered.

You people who are listening to this address no doubt wonder what changes Congress will propose for permanent relief. The big questions I suggest that you watch are:

The demand for immediate cash payment of the soldiers' bonus.

The permanent program for public works, housing, etc.

Unemployment insurance, old-age pensions, old-age insurance, sickness insurance, etc.

The central bank.

The Frazier-Lemke finance bill.

And do not fail to watch how Congress fights on the proposed gag rule which would require about 218 signers instead of 145 to take a bill out of committee and bring it before Congress.

The rule to which I refer and which I urge that you watch closely and see what action Congress takes is the discharge rule, and those who have been in Congress a long time and those who have read the history of this rule have learned that it was originally adopted back in 1910 for the purpose of taking away from the Speaker some power to recognize the individual Members of the House to bring up legislation as they saw fit and to prevent Members from bringing up legislation he did not want to have brought up. As many progressives view this situation today, they feel that the majority has sufficient majority to do what it wishes in Congress and that the minority has practically no power.

Therefore they feel that this gag rule—which they predict will be passed by this House—will mean that Congressmen who have certain legislation that they wish to bring on the floor of the House will not be able to do so unless they have the approval of the administration and Cabinet members. In other words, many believe that this gag rule puts a powerful weapon in the hands of a few to the disadvantage of many, and that the voice of the people through certain proposed legislation will not be given a hearing on the floor of the House of Representatives. It is a gag rule which is not popular with the progressive-thinking people of our country who wish important legislation to be brought to the attention of the entire House rather than be smothered in some committee. It is a gag rule of which both Republicans and Democrats are guilty, and many Representatives are here today who have made certain promises regarding certain legislation they would bring before the attention of the House who may find their bills locked up in committee rooms. It means that today a Congressman who has a bill in some committee will have to secure the signatures of 218 Members of the House, or a majority, before that bill can come out of committee. To many of us who are opposed to gag rules it is an aim to defeat the immediate cash payment of the soldiers' bonus, to defeat such bills as the Townsend old-age pension plan, the Frazier-Lemke finance bill, the central bank plan, and many other progressive measures which are being discussed by some of the legislators, and in which the people of the United States are very much interested.

As the only practical radio man in Congress, I am very happy to have the opportunity to address you today. I am interested in better conditions on the farms, because the district I represent depends entirely on the farmer, and the business man in that district realizes that the farmer is his potential customer—his only customer—and the economic condition of the farmer in that district must be improved if the business in the towns is to continue to grow. The radio people may be interested to know that this district, containing 22 normally rich counties, has a population of 229,632; that there are 36,123 radio sets in that district. There are 35,409 farms in my district, and each of these farms is stocked with an average of $4,700 worth of livestock and farm products, a large portion of which is sold each year, besides providing a living for the family. The population is 12 to the square mile, and there has been an automobile for each family. Conditions there are different than a few years ago because of the drought. There is a general exodus of farmers to the towns to seek relief for charity. In some counties livestock is starving because there is no feed. It is for that reason that one of my first acts in Congress will be to introduce a bill asking that the President name a commission to study the farm dollar.

Great statesmen, including our own Senator GEORGE W. NORRIS, are in favor of an honest farm dollar, and many of them want a definite plan. I have several plans for a farm dollar, but I believe we would be making a mistake to base a campaign on any particular plan. When one favors a specific plan, we divide the ranks of those who are agreed it should be done. So, I will introduce my bill asking for the appointment of a farm-dollar commission to study all possible plans, and recommend the one which would best accomplish the purpose. What I mean by a farmers' dollar is the ratio, it being the price farmers receive for items they produce and the price they have to pay for the items they want to buy. Back in 1920, the farmers' dollar was worth $1.06. Since then it has been below par. Even in the good times of 1929 the farmers' dollar was worth 91 cents, and the farmer was doing business under a handicap. I believe that if you would bring the farmers' dollar back to 100 cents, he will start buying many things he needs, such as paint, fencing, roofing, farm machinery, and many other items too numerous to mention. I believe that would do more to start factories and reduce unemployment than any other one thing which could be devised. For years the farmer has been doing business with depreciated currency, and I want to see his money have just as much purchasing power as that of everybody else. What I really mean is that when the farmer digs a dollar's worth of produce out of the ground, he should be able to go to town and buy a dollar's worth of merchandise.

I told you that we have over 35,000 farms in our district. Each one of these farms represents a business, invoicing an average of $4,700 each. These farmers are demanding a fair return on investment. Many small businesses with a few hundred dollars invested are today taking in more money than the farmer who has invested in his business many thousands of dollars. The big rail-

road corporations, power corporations, and others are asking a fair return on investment. Labor is asking for a minimum wage and minimum working hours. There is nothing in the program for a fair return on investment for the farmer. Newspapers indicate that the President and the Agriculture Department feel that the farmer's share of the national income is rising. That may be true in some localities where crops have been abundant, but out in my part of Nebraska where there have been no crops because of the drought, that is not true. Farmers who raised some crops this year profited by the misfortune of farmers in our district. In other words, the drought has accomplished more to increase prices of farm products than any other thing.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 16 minutes p. m.), the House adjourned until tomorrow, Tuesday, January 8, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

98. A letter from the Secretary of the Treasury, transmitting schedules and lists of papers, documents, etc., in the files of the Treasury Department which are not needed in the transaction of public business and have no permanent value; to the Committee on Disposition of Useless Executive Papers.

99. A letter from the Chairman of the Interstate Commerce Commission, transmitting the Forty-eighth Annual Report of the Commission (H. Doc. No. 23); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

100. A letter from the Chairman of the Interstate Commerce Commission, transmitting copies of various final valuations of properties of certain carriers, as required by section 19a of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

101. A letter from the Acting Director of the Bureau of the Budget, transmitting statement of the reports submitted by the executive departments and independent establishments, and the municipal government of the District of Columbia, showing the number of vacant positions therein, the number thereof filled, and the amounts unexpended for the period between July 1, 1934, and October 31, 1934; to the Committee on Expenditures in the Executive Departments.

102. A letter from the Attorney General, transmitting statement showing names of persons employed under the appropriation "Pay of special assistant attorneys, United States courts", with rates of compensation or fees paid, as required by the act making appropriations for the Departments of State, Justice, etc., for the fiscal year 1935; to the Committee on Expenditures in the Executive Departments.

103. A letter from the Attorney General, transmitting a list of suits arising under the act of March 9, 1920 (41 Stat. 525), authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on Claims.

104. A letter from the Administrator of Veterans' Affairs, transmitting the annual report of the Administrator of Veterans' Affairs for the fiscal year ended June 30, 1934 (H. Doc. No. 13); to the Committee on World War Veterans' Legislation and ordered to be printed.

105. A letter from the Attorney General, transmitting a list of suits arising under the Public Vessel Act of March 3, 1925 (43 Stat. 1112), in which final decrees were entered, exclusive of cases on appeal; to the Committee on Claims.

106. A letter from Attorney General, transmitting the annual report of the Department of Justice for the fiscal year ended June 30, 1934 (H. Doc. No. 10); to the Committee on the Judiciary and ordered to be printed.

107. A letter from the Comptroller General of the United States, transmitting the delinquency report for 1934; to the Committee on Expenditures in the Executive Departments.

108. A letter from the Secretary of the Treasury, transmitting the annual report of the Secretary of the Treasury on the state of the finances for the fiscal year ended June 30, 1934 (H. Doc. No. 6); to the Committee on Ways and Means and ordered to be printed.

109. A communication from the President of the United States, transmitting five supplemental estimates of appropriation for the fiscal year 1935 (H. Doc. No. 41); to the Committee on Appropriations and ordered to be printed.

110. A letter from Acting Director of the Bureau of the Budget, transmitting (1) a letter from the administrative assistant to the Secretary of the Treasury submitting reports for the fiscal year 1934 of vessels and vehicles forfeited to the United States for violation of the customs and prohibition laws; (2) a list of persons employed in the Procurement Division, Public Works branch, Treasury Department, and paid from the appropriation, "General expenses of public buildings", during the fiscal year ended June 30, 1934; and (3) a letter from the administrative assistant to the Attorney General submitting a report of vessels and vehicles acquired under the act of March 3, 1925, as amended, during the period beginning July 1, 1933, and ending May 10, 1934; to the Committee on Expenditures in the Executive Departments.

111. A letter from the administrative assistant to the Secretary of the Treasury, transmitting a combined statement of the receipts and expenditures, balances, etc., of the Government during the fiscal year ended June 30, 1934 (H. Doc. No. 42); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

112. A letter from the Acting Secretary of Agriculture, transmitting reports of the Department on (1) Federal-aid road work, (2) forest roads and trails, (3) sale of waste paper; to the Committee on Roads.

113. A letter from the Comptroller General of the United States, transmitting a report and recommendation concerning the claim of Elda Geer against the United States; to the Committee on Claims.

114. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claims of Sanford A. McAlister and Eliza L. McAlister against the United States; to the Committee on Claims.

115. A letter from the Comptroller General of the United States, transmitting a report and recommendation concerning the claim of the West India Oil Co. against the United States; to the Committee on Claims.

116. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claim of Dr. George W. Ritchey against the United States; to the Committee on Claims.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GOLDSBOROUGH: A bill (H. R. 2998) to establish the Bank of the United States, to reduce the cost of United States Government financing, to insure a steady reduction in the amount of the United States debt, and to pay the losses of depositors in closed banks; to the Committee on Banking and Currency.

By Mr. CULKIN: A bill (H. R. 2999) to protect the motion-picture industry against unfair trade practices and monopoly; to provide just settlement of complaints of unfair dealings; to provide for the manufacture of wholesome motion pictures, both silent and talking, at the sources of production; to create a Federal Motion Picture Commission, to define its powers; and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3000) to promote the health of the people of the United States and to encourage the dairy industry in the interest of the general welfare; to the Committee on Agriculture.

By Mr. STUBBS: A bill (H. R. 3001) to prohibit, until the end of the calendar year 1940, the importation of crude petroleum and crude-petroleum byproducts into the United States of America; to the Committee on Ways and Means.

By Mr. SCRUGHAM: A bill (H. R. 3002) to amend section 14 of an act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934 (Pub., No. 417, 73d Cong.); to the Committee on Banking and Currency.

By Mr. RANKIN: A bill (H. R. 3003) to provide for the commemoration of the two hundredth anniversary of the Battle of Ackia, Miss., and the establishment of the Ackia Battleground National Monument, and for other purposes; to the Committee on the Public Lands.

By Mr. GREEN: A bill (H. R. 3004) to provide for the payment of one-half the amount of losses sustained on account of the campaign for the eradication of the Mediterranean fruit fly in Florida, and for other purposes; to the Committee on Agriculture.

By Mr. HOEPPEL: A bill (H. R. 3005) to safeguard public health, lessen human suffering, increase longevity, and insure the economic security and greater self-containment of the United States through the establishment of research fellowships for unemployed technically qualified individuals in institutions of higher learning; to the Committee on Education.

By Mr. McCORMACK: A bill (H. R. 3006) to amend paragraph (1) of section 3, as amended February 28, 1920, and March 4, 1927 (U. S. C., title 49, sec. 3), of the Interstate Commerce Act (U. S. C., title 49, ch. 1); to the Committee on Interstate and Foreign Commerce.

By Mr. COLDEN: A bill (H. R. 3007) to apply the quota system to immigration from the Republic of Mexico and the Philippine Islands, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LEMKE: A bill (H. R. 3008) establishing the Bank of the United States, owned, operated, and controlled by the Government of the United States; defining the scope and manner of its operation; defining the powers and duties of the persons charged with its management; creating a board of directors, and for other purposes; to the Committee on Banking and Currency.

By Mr. JONES: A bill (H. R. 3009) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity-futures exchanges, by providing means for limiting short selling and speculation in such commodities on such exchanges, by licensing commission merchants dealing in such commodities for future delivery on such exchanges, and for other purposes; to the Committee on Agriculture.

By Mr. BRUNNER: A bill (H. R. 3010) to regulate the shipment in interstate commerce of pistols, revolvers, sawed-off shotguns or rifles, machine guns, or any firearms which can be concealed on the person; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3011) authorizing appropriation of funds for construction of a Federal highway from Fort Tilden, N. Y., to the border of Connecticut; to the Committee on Roads.

By Mr. CARY: A bill (H. R. 3012) to authorize the transfer of certain lands in Hopkins County, Ky., to the Commonwealth of Kentucky; to the Committee on Public Buildings and Grounds.

By Mr. COLDEN: A bill (H. R. 3013) to provide for the construction and operation of a vessel for use in research work with respect to Pacific Ocean fisheries; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 3014) to increase tariff duties on tuna fish; to the Committee on Ways and Means.

By Mr. CONDON: A bill (H. R. 3015) to provide for the construction of a post-office building at Manville, R. I.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3016) to increase by $1,500,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

Also, a bill (H. R. 3017) to provide for the construction of a post-office building at Valley Falls, R. I.; to the Committee on Public Buildings and Grounds.

By Mr. CULKIN: A bill (H. R. 3018) to extend the time for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. DEROUEN: A bill (H. R. 3019) to amend sections 1, 3, and 15 of "An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration; to provide for their orderly use, improvement, and development; to stabilize the livestock industry dependent upon the public range; and for other purposes", approved June 28, 1934 (48 Stat. 1269); to the Committee on the Public Lands.

By Mr. GREEN: A bill (H. R. 3020) to appropriate $2,000,000 for use in the eradication of cattle ticks and screw worms; to the Committee on Appropriations.

By Mr. HOPE: A bill (H. R. 3021) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture.

By Mr. HOEPPEL: A bill (H. R. 3022) to safeguard American labor and to help maintain our monetary credit; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 3023) to provide for citizenship to persons born in the United States, who have not acquired any other nationality by personal affirmative act, but who have heretofore lost their United States citizenship through the naturalization of a parent under the laws of a foreign country, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 3024) to amend section 6 of Public Law No. 2, Seventy-third Congress, to provide hospital treatment and domiciliary care to retired personnel of the armed services without additional expense to the Government; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 3025) to grant retirement to disabled noncommissioned officers of the Army and Marine Corps and to petty officers of the Navy and Coast Guard; to the Committee on Military Affairs.

Also, a bill (H. R. 3026) to grant double-time credit for retirement purposes to enlisted men of the Army, Navy, Marine Corps, or Coast Guard for certain service during the World War; to the Committee on Military Affairs.

Also, a bill (H. R. 3027) authorizing the pay of warrant officers on the retired list for transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who served as commissioned officers during the World War; to the Committee on Naval Affairs.

Also, a bill (H. R. 3028) to authorize the Secretary of War to fix the pay grade of enlisted men of the Army and the Marine Corps retired before July 1, 1920; to the Committee on Military Affairs.

Also, a bill (H. R. 3029) to amend section 2 of the act of May 23, 1930 (46 Stat. 375); to the Committee on Naval Affairs.

Also, a bill (H. R. 3030) to amend the laws relating to postal-savings depositories, to provide an additional circulating medium, to restore confidence and eliminate hoarding, to guarantee deposits without cost to the depositor, and to reduce interest expenditures on the public debt, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 3031) to reward merit and length of service-in-grade for certain noncommissioned officers of the Army and Marine Corps and petty officers of the Navy and Coast Guard; to the Committee on Military Affairs.

Also, a bill (H. R. 3032) to amend the act of April 27, 1916, establishing the Army and Navy Medal of Honor roll; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 3033) to authorize the construction and use of underground pneumatic-tube service; to the Committee on the Post Office and Post Roads.

By Mr. KING: A bill (H. R. 3034) to enable the people of Hawaii to form a constitution and a State government to be admitted into the Union on an equal footing with the States; to the Committee on the Territories.

By Mr. KNUTSON: A bill (H. R. 3035) to reduce the internal-revenue tax on beer and other malt liquors; to the Committee on Ways and Means.

By Mr. FULMER: A bill (H. R. 3036) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

By Mr. McCORMACK: A bill (H. R. 3037) to prevent discriminations against American ships and ports, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 3038) to restore base pay of Federal officers and employees; to the Committee on Expenditures in the Executive Departments.

By Mr. McSWAIN: A bill (H. R. 3039) to authorize the acquisition of additional land for the use of Walter Reed General Hospital; to the Committee on Military Affairs.

By Mr. MILLARD: A bill (H. R. 3040) to require the display of the United States flag on all vessels of the United States of 100 gross tons or more; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. MORAN: A bill (H. R. 3041) to authorize the Secretary of Commerce to dispose of the Grindel Point Lighthouse Reservation, Maine; to the Committee on Interstate and Foreign Commerce.

By Mr. RAMSPECK: A bill (H. R. 3042) to amend section 1, paragraph 5, of the Interstate Commerce Act, as amended; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3043) to provide for the appointment of an additional district judge for the northern district of Georgia; to the Committee on the Judiciary.

Also, a bill (H. R. 3044) to amend the act of May 29, 1930 (46 Stat. 349), for the retirement of employees in the classified civil service and in certain positions in the legislative branch of the Government to include all other employees in the legislative branch; to the Committee on the Civil Service.

By Mr. RANKIN: A bill (H. R. 3045) for the erection of a public building at Amory, Monroe County, Miss.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3046) for the erection of a public building at Booneville, Prentiss County, Miss.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3047) for the erection of a public building at Iuka, Tishomingo County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. STUBBS: A bill (H. R. 3048) making it illegal to employ any alien while there are American citizens out of work who are able and willing to work, and fixing the penalty for willful violation thereof; to the Committee on Labor.

Also, a bill (H. R. 3049) authorizing the Secretary of Commerce to dispose of the Morro Rock Lighthouse Reservation, Calif.; to the Committee on Interstate and Foreign Commerce.

By Mr. FLETCHER: A bill (H. R. 3050) to amend an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment", approved June 2, 1920, as amended; to the Committee on Education.

By Mr. RANKIN: A bill (H. R. 3051) for the erection of a public building at Macon, Noxubee County, Miss.; to the Committee on Public Buildings and Grounds.

By Mr. MEAD: A bill (H. R. 3052) to authorize the payment of annuities withheld from employees retired from active service during the month of July 1932 under the provisions of the economy law; to the Committee on the Civil Service.

Also, a bill (H. R. 3053) relative to assumption of risks of employment; to the Committee on the Judiciary.

Also, a bill (H. R. 3054) to amend the act relating to the liability of common carriers by railroad to their employees in certain cases; to the Committee on the Judiciary.

Also, a bill (H. R. 3055) to amend section 51 of chapter 2, title 45, of the Code of Laws of the United States of America; to the Committee on the Judiciary.

By Mr. BLANTON: A bill (H. R. 3056) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

By Mr. CARTWRIGHT: A bill (H. R. 3057) granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3058) providing for the cancelation of interest on loans to veterans on their adjusted-service certificates; to the Committee on World War Veterans' Legislation.

By Mr. CANNON of Wisconsin: A bill (H. R. 3059) to amend an act entitled "An act to amend an act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916"; to the Committee on the Judiciary.

Also, a bill (H. R. 3060) to assure to persons within the jurisdiction of every State and Territory of the United States adequate protection of their right to work; to the Committee on Labor.

By Mr. SAMUEL B. HILL: A bill (H. R. 3061) to authorize the adjustment of the boundaries of the Chelan National Forest in the State of Washington; to the Committee on the Public Lands.

Also, a bill (H. R. 3062) for the relief of certain tribes or bands of Indians in Washington, Idaho, and Montana; to the Committee on Indian Affairs.

Also, a bill (H. R. 3063) to establish a United States Army air depot in Spokane, Wash.; to the Committee on Military Affairs.

By Mr. BROWN of Georgia: A bill (H. R. 3064) providing for the establishment of growers' cooperative commodity markets; to the Committee on Agriculture.

By Mr. DOCKWEILER: A bill (H. R. 3065) to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of California, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 3066) for the relief of certain persons of the Regular Army, Navy, or Marine Corps who accepted commissions while serving as enlisted men during the World War and who afterward incurred disabilities which prevented their retirement as enlisted men in these services; to the Committee on Military Affairs.

By Mr. NICHOLS: A bill (H. R. 3067) granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota in the State of Oklahoma; to the Committee on Interstate and Foreign Commerce.

By Mr. TURPIN: A bill (H. R. 3068) providing import duties on coal and coke imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. ZIONCHECK: A bill (H. R. 3069) regulating the performance of work by the enlisted or commissioned personnel of the United States Navy, Army, and Coast Guard; to the Committee on Naval Affairs.

By Mr. RUDD: Resolution (H. Res. 36) authorizing the appointment of a successor to the laborer authorized and named in the resolution of the House of Representatives adopted December 19, 1901; to the Committee on Accounts.

By Mr. DICKSTEIN: Resolution (H. Res. 37) to establish a new standing committee of the House to be known as the "Committee on the Preservation of American Democracy"; to the Committee on Rules.

By Mr. MAPES: Joint resolution (H. J. Res. 59) authorizing the issuance of a special postage stamp in commemoration of the one hundredth anniversary of the admission of Michigan into the State of the Union; to the Committee on the Post Office and Post Roads.

By Mr. ROMJUE: Joint resolution (H. J. Res. 60) authorizing the issuance of a special postage stamp in honor of

Samuel L. Clemens; to the Committee on the Post Office and Post Roads.

By Mr. WOODRUFF: Joint resolution (H. J. Res. 61) directing the President of the United States of America to proclaim October 11, 1935, General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. MEAD: Joint resolution (H. J. Res. 62) to provide for the preparation, printing, and distribution of pamphlets containing the history of Brig. Gen. Casimir Pulaski, Revolutionary War hero, on occasion of the one hundred and fiftieth anniversary of the death of Brig. Gen. Casimir Pulaski, on October 11, 1929, with certain biographical sketches and explanatory matter; to the Committee on Printing.

Also, joint resolution (H. J. Res. 63) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. McSWAIN: Joint resolution (H. J. Res. 64) authorizing the President to appoint a nonpartisan board of 25 members to study and report conclusions upon ways, means, and methods to rehabilitate business conditions; to the Committee on Interstate and Foreign Commerce.

By Mr. LESINSKI: Joint resolution (H. J. Res. 65) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day, for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. TREADWAY: Joint resolution (H. J. Res. 66) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

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## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 3070) granting a pension to Charles M. Copus; to the Committee on Pensions.

Also, a bill (H. R. 3071) for the relief of Second Lt. Charles E. Upson; to the Committee on Military Affairs.

Also, a bill (H. R. 3072) granting an increase of pension to Jennie Raley; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 3073) for the relief of William E. Smith; to the Committee on Claims.

By Mr. BURNHAM: A bill (H. R. 3074) authorizing Paul H. Goss, immigration inspector; Roy B. Newport, Ralph V. Armstrong, and R. H. Wells, patrol inspectors in the Immigration Service of the United States, to each accept a gold watch presented to them by the governor of the northern district of Lower California, Mexico; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3075) conferring jurisdiction upon the Court of Claims to hear and determine the claim of the Mack Copper Co.; to the Committee on War Claims.

Also, a bill (H. R. 3076) granting an increase of pension to Ella G. Munhall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3077) granting a pension to Stephen D. Graves; to the Committee on Pensions.

By Mr. CANNON of Wisconsin: A bill (H. R. 3078) granting a pension to Patrick Quinlan; to the Committee on Pensions.

Also, a bill (H. R. 3079) granting a pension to William Gary; to the Committee on Pensions.

Also, a bill (H. R. 3080) for the relief of Arthur John Ford; to the Committee on Naval Affairs.

Also, a bill (H. R. 3081) for the relief of Ray Markey; to the Committee on Claims.

Also, a bill (H. R. 3082) for the relief of Paul Frankowiak; to the Committee on Military Affairs.

Also, a bill (H. R. 3083) for the relief of Anton G. Trotter; to the Committee on Military Affairs.

Also, a bill (H. R. 3084) for the relief of Walter S. Bean; to the Committee on Military Affairs.

Also, a bill (H. R. 3085) for the relief of John A. Nehmer; to the Committee on Military Affairs.

Also, a bill (H. R. 3086) for the relief of Margaret Helms; to the Committee on Military Affairs.

Also, a bill (H. R. 3087) for the relief of Henry A. Moody; to the Committee on Military Affairs.

By Mr. CARDEN: A bill (H. R. 3088) granting a pension to Frances Vaughn; to the Committee on Invalid Pensions.

By Mr. CARTWRIGHT: A bill (H. R. 3089) granting a pension to Nely Keller; to the Committee on Invalid Pensions.

By Mr. CHURCH: A bill (H. R. 3090) for the relief of Mayme Hughes; to the Committee on Claims.

By Mr. COLDEN: A bill (H. R. 3091) providing for the appointment of Chief Boatswain John J. Rochfort, with the rank of lieutenant, United States Navy, retired, to the office of lieutenant on the retired list of the Navy, and awarding him a Congressional Medal of Honor; to the Committee on Naval Affairs.

Also, a bill (H. R. 3092) granting a pension to Ezekiel Palmer; to the Committee on Pensions.

Also, a bill (H. R. 3093) granting a pension to Ida A. Borthwick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3094) granting a pension to Alice Lucy Duling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3095) for the relief of Carrie Gannon; to the Committee on Claims.

Also, a bill (H. R. 3096) for the relief of Henry Francis Lawson; to the Committee on Naval Affairs.

Also, a bill (H. R. 3097) for the relief of Fred West; to the Committee on Military Affairs.

Also, a bill (H. R. 3098) for the relief of Bertha Ingmire; to the Committee on Claims.

By Mr. COLLINS: A bill (H. R. 3099) for the relief of Bennie W. Sitter; to the Committee on Military Affairs.

Also, a bill (H. R. 3100) for the relief of Roscoe P. Ricard; to the Committee on Military Affairs.

By Mr. CONDON: A bill (H. R. 3101) to confer jurisdiction on the Court of Claims to hear and determine the claim of A. C. Messler Co.; to the Committee on War Claims.

By Mr. DOCKWEILER: A bill (H. R. 3102) granting a pension to Emma M. Pearson; to the Committee on Pensions.

Also, a bill (H. R. 3103) granting a pension to Cornelius S. Holcombe; to the Committee on Pensions.

Also, a bill (H. R. 3104) for the relief of Jacob Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3105) for the relief of Samuel Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3106) for the relief of Raymond Hilbert Hall; to the Committee on Naval Affairs.

Also, a bill (H. R. 3107) for the relief of William Louis Pitthan; to the Committee on Claims.

Also, a bill (H. R. 3108) for the relief of Grover C. Van Nest; to the Committee on Military Affairs.

Also, a bill (H. R. 3109) for the relief of Herman W. Bensel; to the Committee on Military Affairs.

Also, a bill (H. R. 3110) for the relief of Allen L. Peckham; to the Committee on Claims.

By Mr. FIESINGER: A bill (H. R. 3111) granting a pension to Anthony W. Lang; to the Committee on Pensions.

By Mr. GOODWIN: A bill (H. R. 3112) granting a pension to John Schoonmaker, Jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3113) granting a pension to Lottie Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3114) granting an increase of pension to Mary J. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3115) granting an increase of pension to Cora E. Wadsworth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3116) granting an increase of pension to Anna Keener; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3117) granting an increase of pension to Phinia E. Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3118) granting an increase of pension to Georgianna Barker; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 3119) granting a pension to Roberta Davis; to the Committee on Invalid Pensions.

By Mr. SAMUEL B. HILL: A bill (H. R. 3120) for the relief of Herman Wulff; to the Committee on Military Affairs.

By Mr. HOEPPEL: A bill (H. R. 3121) for the relief of Vincent Ford; to the Committee on Military Affairs.

By Mr. HOUSTON: A bill (H. R. 3122) granting an increase of pension to Miriam A. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3123) granting an increase of Pension to Sarah P. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3124) granting an increase of pension to Mary C. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3125) granting an increase of pension to Susan I. Queen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3126) granting an increase of pension to Eliza Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3127) granting an increase of pension to Emily J. McCready; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3128) granting an increase of pension to James Elmer Mulford; to the Committee on Pensions.

Also, a bill (H. R. 3129) granting an increase of pension to Mathilda Danielson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3130) granting an increase of pension to Florence I. Huss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3131) granting an increase of pension to Marcha Ann Corkill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3132) granting an increase of pension to Margaret A. Bradshaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3133) granting a pension to Vernie Elmer Trout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3134) granting a pension to Jessie M. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3135) granting a pension to Mary E. Pratt; to the Committee on Pensions.

Also, a bill (H. R. 3136) granting a pension to Sarah Ann Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3137) granting a pension to Millard C. Helm; to the Committee on Pensions.

Also, a bill (H. R. 3138) granting a pension to John D. Nite; to the Committee on Pensions.

Also, a bill (H. R. 3139) granting a pension to Martha Ella Downing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3140) granting a pension to Frances Engler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3141) granting a pension to Lillie Z. Devin; to the Committee on Pensions.

Also, a bill (H. R. 3142) granting a pension to Hulda S. Dick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3143) granting a pension to Azelle V. Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3144) granting a pension to Mary E. Carroll; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 3145) for the relief of R. S. Brown; to the Committee on Claims.

By Mr. KIMBALL: A bill (H. R. 3146) granting a pension to Lena P. Riddick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3147) for the relief of Will A. Helmer; to the Committee on War Claims.

By Mr. KINZER: A bill (H. R. 3148) granting an increase of pension to Sarah C. Wiley; to the Committee on Invalid Pensions.

By Mr. KLEBERG: A bill (H. R. 3149) to confer jurisdiction upon the United States District Court for the Southern District of Texas, Corpus Christi division, to determine the claim of Mrs. L. B. Gentry; to the Committee on Claims.

Also, a bill (H. R. 3150) for the relief of Robinson W. Fullerton; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 3151) granting a pension to Margaret McCollister; to the Committee on Pensions.

By Mr. KOCIALKOWSKI: A bill (H. R. 3152) for the relief of Joseph Jochemczyk; to the Committee on Claims.

Also, a bill (H. R. 3153) for the relief of Charles J. Rysko; to the Committee on Military Affairs.

By Mr. LAMBERTSON: A bill (H. R. 3154) granting a pension to Catherine M. McCarthy; to the Committee on Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 3155) to authorize the Secretary of the Treasury of the United States to refund to the Bankers Reserve Life Co., of Omaha, Nebr., and the Wisconsin National Life Insurance Co., of Oshkosh, Wis., income taxes illegally paid to the United States Treasury; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 3156) for the relief of J. Furman Richardson; to the Committee on Claims.

Also, a bill (H. R. 3157) for the relief of William Alonzo Holcombe; to the Committee on Claims.

Also, a bill (H. R. 3158) to give proper recognition to the distinguished services of Col. William L. Keller; to the Committee on Military Affairs.

By Mr. MAAS: A bill (H. R. 3159) for injury sustained by Robert W. Krieger; to the Committee on Military Affairs.

Also, a bill (H. R. 3160) for the relief of Irene Magnuson and Oscar L. Magnuson, her husband; to the Committee on Claims.

Also, a bill (H. R. 3161) granting a pension to Anna V. Brower; to the Committee on Pensions.

By Mr. MORITZ: A bill (H. R. 3162) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 3163) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 3164) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 3165) for the relief of the Allegheny Forging Co.; to the Committee on Claims.

By Mr. O'BRIEN: A bill (H. R. 3166) for the relief of George E. Liberty; to the Committee on Naval Affairs.

Also, a bill (H. R. 3167) for the relief of Louis Alfano; to the Committee on Claims.

By Mr. PARSONS: A bill (H. R. 3168) for the relief of William J. Rosselot; to the Committee on Claims.

Also, a bill (H. R. 3169) granting an increase of pension to Sarah A. Morris; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 3170) to provide payment of 6 months' pay to Nell R. Swartz, widow of William R. S. Swartz, late field clerk, Quartermaster Corps, United States Army; to the Committee on Military Affairs.

By Mr. RANSLEY: A bill (H. R. 3171) for the relief of John Coffin; to the Committee on Military Affairs.

Also, a bill (H. R. 3172) for the relief of John F. Llewelyn, alias John Fluellen; to the Committee on Military Affairs.

Also, a bill (H. R. 3173) for the relief of William H. Stroud; to the Committee on Military Affairs.

Also, a bill (H. R. 3174) for the relief of Edward Curry; to the Committee on Military Affairs.

Also, a bill (H. R. 3175) granting a pension to Maurice Yudis; to the Committee on Pensions.

Also, a bill (H. R. 3176) granting a pension to Alonzo B. Finch; to the Committee on Pensions.

By Mr. REILLY: A bill (H. R. 3177) to provide for the examination and survey of Fond du Lac Harbor and vicinity, Lake Winnebago, Wis.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 3178) to provide for a survey of the Fox River, Wis., with a view to the prevention and control of floods; to the Committee on Flood Control.

By Mr. SCHAEFER: A bill (H. R. 3179) for the relief of Jesse Ashby; to the Committee on Claims.

By Mr. SCHULTE: A bill (H. R. 3180) for the relief of Ruth Nolan and Anna Panozza; to the Committee on Claims.

By Mr. SMITH of Washington: A bill (H. R. 3181) granting a pension to Jacob E. Peterman; to the Committee on Pensions.

Also, a bill (H. R. 3182) for the relief of John Cook; to the Committee on Claims.

Also, a bill (H. R. 3183) for the relief of John Cook; to the Committee on Claims.

Also, a bill (H. R. 3184) for the relief of H. D. Henion, Harry Wolfe, and R. W. McSorley; to the Committee on Claims.

By Mr. SOMERS of New York: A bill (H. R. 3185) to correct the military record of Everett S. Pillion; to the Committee on Military Affairs.

Also, a bill (H. R. 3186) authorizing the President to order Clive A. Wray before a retiring board for a hearing of his case, and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 3187) to change the military record of Harry Lewis; to the Committee on Military Affairs.

Also, a bill (H. R. 3188) to correct the naval record of Francis T. Cavanagh; to the Committee on Naval Affairs.

Also, a bill (H. R. 3189) to correct the military record of James H. Overbaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 3190) to correct the military record of Arthur R. Adair; to the Committee on Military Affairs.

Also, a bill (H. R. 3191) for the relief of Catherine V. Cox; to the Committee on Claims.

Also, a bill (H. R. 3192) for the relief of Jose O. Enslew; to the Committee on Claims.

Also, a bill (H. R. 3193) for the relief of Edward Brooks; to the Committee on Naval Affairs.

Also, a bill (H. R. 3194) for the relief of Peter Burns; to the Committee on Military Affairs.

Also, a bill (H. R. 3195) for the relief of Frank J. Kenney; to the Committee on Naval Affairs.

Also, a bill (H. R. 3196) for the relief of Williams Rogers; to the Committee on Naval Affairs.

Also, a bill (H. R. 3197) for the relief of the estate of William Bardel; to the Committee on Claims.

Also, a bill (H. R. 3198) for the relief of George Church; to the Committee on Claims.

Also, a bill (H. R. 3199) granting a pension to Henrietta Zeno; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3200) granting a pension to James Dillon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3201) granting an increase of pension to Georgianna Furey; to the Committee on Pensions.

By Mr. STUBBS: A bill (H. R. 3202) for the relief of W. H. Greene; to the Committee on Claims.

Also, a bill (H. R. 3203) for the relief of J. T. Hurst; to the Committee on Claims.

Also, a bill (H. R. 3204) for the relief of Walter W. Newcomer; to the Committee on Military Affairs.

Also, a bill (H. R. 3205) granting a pension to Rye Fairbanks; to the Committee on Pensions.

Also, a bill (H. R. 3206) granting a pension to Frank Milner; to the Committee on Pensions.

Also, a bill (H. R. 3207) granting a pension to Mrs. David Haugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3208) for the relief of Henry William Doerges; to the Committee on Military Affairs.

Also, a bill (H. R. 3209) for the relief of Samuel Bennett; to the Committee on Military Affairs.

By Mr. TARVER: A bill (H. R. 3210) granting a pension to Thomas W. Yarbrough; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 3211) granting a pension to Lester Nevada Hays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3212) granting a pension to Christine Ledford; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 3213) granting a pension to Louise Stockwell; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 3214) for the relief of Capt. Robert E. Coughlin; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 3215) granting a pension to Rufus E. Davidson; to the Committee on Pensions.

Also, a bill (H. R. 3216) for the relief of the present leaders of the United States Navy Band and the band of the United States Marine Corps; to the Committee on Naval Affairs.

By Mr. WILCOX: A bill (H. R. 3217) granting a pension to Diadamia C. Wheeler; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 3218) for the relief of Fred Herrick; to the Committee on Claims.

By Mr. WELCH: A bill (H. R. 3219) for the relief of Joseph Walter Gautier; to the Committee on Claims.

Also, a bill (H. R. 3220) for the relief of Louis Lelli; to the Committee on Claims.

Also, a bill (H. R. 3221) for the relief of Victor D. Maggi; to the Committee on Military Affairs.

Also, a bill (H. R. 3222) for the relief of Jim Garr; to the Committee on Naval Affairs.

Also, a bill (H. R. 3223) for the relief of Samuel J. Scharf; to the Committee on Claims.

By Mr. WEAVER: A bill (H. R. 3224) for the relief of John C. Gibbs; to the Committee on War Claims.

Also, a bill (H. R. 3225) for the relief of Ben F. Draper; to the Committee on Claims.

Also, a bill (H. R. 3226) granting an increase of pension to Lindsey Smith; to the Committee Pensions.

Also, a bill (H. R. 3227) granting an increase of pension to Jacob Schneider, Jr.; to the Committee on Pensions.

Also, a bill (H. R. 3228) for the relief of John H. Wykle; to the Committee on Claims.

Also, a bill (H. R. 3229) for the relief of Laura E. Alexander; to the Committee on Claims.

Also, a bill (H. R. 3230) for the relief of Rufus Hunter Blackwell, Jr.; to the Committee on Claims.

Also, a bill (H. R. 3231) for the relief of William J. Cocke; to the Committee on War Claims.

Also, a bill (H. R. 3232) granting a pension to Ellen F. Colt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3233) granting a pension to Robert Garrett; to the Committee on Pensions.

Also, a bill (H. R. 3234) granting a pension to Buelah H. Baldwin; to the Committee on Pensions.

Also, a bill (H. R. 3235) granting a pension to Johnie G. Morris; to the Committee on Pensions.

Also, a bill (H. R. 3236) granting a pension to James P. Case; to the Committee on Pensions.

Also, a bill (H. R. 3237) granting a pension to Mary A. Jackson; to the Committee on Pensions.

Also, a bill (H. R. 3238) granting a pension to John V. Smith; to the Committee on Pensions.

Also, a bill (H. R. 3239) granting a pension to Allen G. T. Fox; to the Committee on Pensions.

Also, a bill (H. R. 3240) granting a pension to John C. Miller; to the Committee on Pensions.

Also, a bill (H. R. 3241) authorizing the United States Employees' Compensation Commission to consider the claim of O. G. Anderson; to the Committee on Claims.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

40. By Mr. BLANTON: Petition of Edgar D. Smith, F. L. Freeland, J. H. McGowen, and 267 other citizens of Stephens County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

41. Also, petition of C. A. Richardson, Frank Greenwood, Mrs. A. B. Hampton, and 219 other citizens of Stephens County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

42. Also, petition of J. R. Barrett, of Mineral Wells, and 347 citizens of Parker County, Tex., urging the passage of the Townsend old-age pension plan; to the Committee on Labor.

43. Also, petition of M. Coleman, Mrs. H. E. Gardner, Mrs. R. L. Mauldin, and 574 other citizens of Comanche County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

44. Also, petition of J. A. Smallwood, E. A. Cornwell, Mrs. S. P. Richards, and 54 other citizens of Comanche County, Tex., urging Congress to provide an old-age pension; to the Committee on Labor.

45. Also, petition of W. G. West, secretary, route 1, Mrs. C. N. Shaw, J. V. Butler, and 1,254 other citizens of Comanche County, Tex., urging Congress to pass the Townsend plan for an old-age pension; to the Committee on Labor.

46. Also, petition of Lee M. Stevenson, J. W. Johnson, W. C. Borders, and 175 other citizens of Stephens County, Tex., urging Congress to pass the Townsend plan for an old-age pension; to the Committee on Labor.

47. Also, petition of W. H. Sullivan, route 1, Mrs. M. E. Garner, W. E. Benton, and 187 other citizens of Stephenville, Erath County, Tex., urging Congress to pass the Townsend old-age pension plan; to the Committee on Labor.

48. Also, petition of W. W. Toombs, C. P. Church, J. H. Weaver, and 73 other citizens of Merkel, Taylor County, Tex., urging Congress to pass the Townsend old-age pension plan; to the Committee on Labor.

49. Also, petition of W. H. Bradford, J. C. Phillips, Walter Browning, and 126 other citizens of Gorman, Eastland County, Tex., urging Congress to pass the Townsend old-age pension plan; to the Committee on Labor.

50. By Mr. CULKIN: Petition of the members of the Association of Lithuanian Workers, Inc., Poolville, Madison County, N. Y., favoring the workers' unemployment and social insurance bill (H. R. 7598); to the Committee on Labor.

51. Also, petition of the members of the Lithuanian Alliance of America, Branch 215, of Poolville, Madison County, N. Y., in the matter of workers' unemployment and social insurance, known as "H. R. 7598"; to the Committee on Labor.

52. Also, petition of citizens of the city of Oneida, N. Y., favoring the Townsend plan of old-age pensions; to the Committee on Labor.

53. By Mr. DEROUEN: Petition of the Legislature of the State of Louisiana in extraordinary session duly assembled, 1934; to the Committee on Agriculture.

54. By Mr. GOODWIN: Petition of residents of New Lebanon, N. Y., and headed by M. J. Ward et al., taking exception to the existing conditions in Mexico whereby the inalienable rights provided by the Constitution of the United States are being violated with respect to the free exercise of religious faith and worship; to the Committee on Foreign Affairs.

55. By Mr. KIMBALL: Petition of residents of the Third District of Michigan, favoring legislation for the Townsend plan of old-age pensions; to the Committee on Pensions.

56. By Mr. McCORMACK: Petition of Home Owners' Protective League (Henry J. Dixon, president), 45 Milk Street, Boston, Mass., urging early and favorable consideration of legislation for the continuance of the assistance to distressed home owners through the medium of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

57. By Mr. MEAD: Petition of the Chamber of Commerce of the Tonawandas, North Tonawanda, N. Y., objecting to the unfavorable report of the United States Army engineers on a proposed improvement on the western end of the New York Barge Canal between the Tonawandas and Three Rivers, N. Y.; to the Committee on Military Affairs.

58. By Mr. MERRITT of New York: Resolution of the United Polish Societies of Jamaica, Long Island, N. Y., petitioning the United States Congress to immediately enact legislation to extend the activities of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

59. By Mr. RUDD: Petition of the Chamber of Commerce of the State of New York, with reference to financial essentials of recovery; to the Committee on Banking and Currency.

60. Also, petition of the Chamber of Commerce of the State of New York, favoring maintenance of American merchant marine; to the Committee on Merchant Marine, Radio, and Fisheries.

61. Also, petition of the Chamber of Commerce of the State of New York, favoring the continuation of the Federal Reserve System; to the Committee on Banking and Currency.

62. Also, petition of the Chamber of Commerce of the State of New York, favoring legislation making mandatory the deportation of alien criminals; to the Committee on Immigration and Naturalization.

63. Also, petition of the Central Queens Allied Civic Council, Jamaica, Long Island, N. Y., favoring the continuation of the Home Owners' Loan Corporation and for the necessary appropriations for home owners to refinance their homes; to the Committee on Banking and Currency.

64. Also, petition of the Brotherhood of Painters, Decorators, and Paperhangers of America, Local Union, No. 867, Cleveland, Ohio, favoring the passage of the workers' unemployment insurance bill; to the Committee on Labor.

65. By Mr. SANDERS of Texas: Petition of Rev. H. C. Alexander and others of Tyler, Tex., urging passage of the Costigan-Wagner antilynch bill; to the Committee on the Judiciary.

66. By Mr. TREADWAY: Petition of citizens of Orange, Mass., favoring the enactment of the Townsend plan of old-age revolving pensions; to the Committee on Labor.

67. By the SPEAKER: Petition of the Eleanor Roosevelt League of Women of Michigan; to the Committee on Labor.

68. By Mr. LAMNECK: Petition of R. L. McCarrell, of 1581 Weber Road, and other employees of the Pennsylvania Railroad system, at Columbus, Ohio, for a 6-hour day with the same rate per day or a 5-day week at 8 hours per day, with the same rate per day, and in establishing the pension system for the employees, the period of service should be 30 years compulsory to retirement at the age of 60 years, giving all pensioners a flat rate of pension; to the Committee on Labor.

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# HOUSE OF REPRESENTATIVES

## TUESDAY, JANUARY 8, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., delivered the following prayer:

Eternal and loving God, we rejoice that we have a bountiful Heavenly Father upon earth whose greater pleasure is to give than to withhold. With joy and dignity may we arise, conscious of that spiritual nature with which we are endowed. Impress us that life is more than a livelihood, meant of God and full of promise forever. In Thy supremacy of love do Thou refresh our distinguished brother and Member who is ill. Almighty God, spare our country from the casualties of disorder and continue to bless those historical institutions which stand as the traditional monuments of a free and representative people. Through Jesus Christ our Lord. Amen.

The Journal of the legislative day of Thursday, January 3, was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed the following resolution (S. Res. 14):

*Resolved*, That the House of Representatives be notified of the election of Hon. KEY PITTMAN, a Senator from the State of Nevada, as President of the Senate pro tempore.

The message also announced that the Vice President had appointed Mr. HARRISON and Mr. COUZENS members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of useless papers in the Treasury Department.

COMMITTEE ON APPROPRIATIONS

Mr. DOUGHTON. Mr. Speaker, I ask immediate consideration of the following resolution and move its adoption.

The Clerk read as follows:

House Resolution 38

*Resolved*, That the following Members be, and they are hereby, elected members of the standing Committee of the House of Representatives on Appropriations, to wit: GEORGE W. JOHNSON, of West Virginia, and JAMES G. SCRUGHAM, of Nevada.

The resolution was agreed to.

SELECT COMMITTEE TO INVESTIGATE REAL ESTATE BONDHOLDERS' REORGANIZATION

Mr. O'CONNOR. Mr. Speaker, I offer the following resolution and ask its immediate consideration.

The Clerk read as follows:

House Resolution 39

*Resolved*, That the Select Committee to Investigate Real Estate Bondholders' Reorganizations of the Seventy-third Congress is authorized as a committee, by subcommittee or otherwise, to continue the investigation begun under authority of House Resolution 412 of the Seventy-third Congress, and for such purposes said committee shall have the same power and authority as that conferred upon the Select Committee to Investigate Real Estate Bondholders' Reorganizations by House Resolution 412 of the Seventy-third Congress.

Mr. SNELL. Mr. Speaker, reserving the right to object, I wish the gentleman from New York would give us a little explanation of this resolution. For instance, is a definite date provided on which the committee shall report to the House?

Mr. O'CONNOR. Mr. Speaker, this is the committee of which the gentleman from Illinois [Mr. SABATH] is chairman, and, incidentally, of which I am vice chairman. At the request of the gentleman from Illinois [Mr. SABATH] I am presenting this resolution to continue the life of this committee during this Congress.

The work involved is tremendous, and, of course, revolves around the real-estate bonds that have been issued throughout the country, of which there are now outstanding about $8,000,000,000. The investigation of the committee today shows that these bonds are held by about 3,000,000 of the poorer class and by small estates. It is estimated that never will there be recovered more than $4,000,000,000 for these people out of this collapse. In other words, it is a worse situation than that caused by the collapse of the stock exchange.

Mr. SNELL. How much has the committee spent already?

Mr. O'CONNOR. The committee has spent to date the huge sum of $15,000, although it could have employed profitably many times this amount. To give the gentleman an example, in New York we have no lawyer and no accountant on the pay roll. In New York City alone it was necessary to secure the gratuitous service of at least 20 of the best accountants and about a dozen of the best lawyers.

To this date the $15,000 in its expenditure has saved, it is estimated roughly, millions of dollars to these people. To cite one example, in the case of one reorganization in New York, the reorganization committee had applied to the court for fees to the committee and counsel of about $750,000. When our committee exposed part of the situation in New York, the court reduced the fees to $260,000.

Mr. SNELL. That is pretty good.

Mr. O'CONNOR. There are many similar instances in which we saved money to the bondholders. The gentleman from Illinois [Mr. DIRKSEN], a minority member of the committee, can vouch for the fact that we have only scratched the surface of this gigantic fraud. We have exposed some fraud, collusion, and dishonesty which will probably shortly go to the Department of Justice.

Mr. SNELL. Does not the gentleman think the committee should make a partial report?

Mr. O'CONNOR. A partial report will be made very soon, as I understand it.

Mr. SNELL. How much more money is it expected will be necessary to complete the committee's work?

Mr. O'CONNOR. I have no idea how much more money will be required. To get more money, of course, we shall have to go to the Committee on Accounts.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield to a member of the special committee.

Mr. O'MALLEY. In addition to reducing fees and saving money to these people, the committee has turned over to the Bureau of Internal Revenue information and evidence which will enable that Bureau to collect at least $1,000,000 in taxes. This is one thing I know has been brought about by the expenditure of this $15,000.

Mr. SNELL. If the committee can help the people of New York we are very much interested.

Mr. O'CONNOR. We are helping them. The efforts of the committee from the start have been very much worth while.

Mr. BLANTON. Mr. Speaker, I reserve the right to object, merely to make an observation. I think the expenditure of this money has been one of the best expenditures made. We now know the facts about fraudulent securities; everybody knows now just what has been going on for several years.

In Chicago, for instance, they have been selling so-called "gold real-estate bonds" on apartment houses to credulous people all over the United States; poor people, as the gentleman from New York [Mr. O'CONNOR] states; and then these fraudulent manipulators, after getting the people's money, have gone into the hands of a receiver and placed their assets beyond the reach of the creditors, squandering same in outrageous fees to receivers and attorneys. People thus defrauded all over the country are still holding their worthless gold bonds.

As I say, we already know the facts about this fraud that has been going on all over the United States with respect to these securities, but the question is, What do we intend to do about it? Do we intend merely to gather more facts and learn of more frauds, or do we intend to stop the practice through proper legislation?

Mr. O'CONNOR. That is just what we intend to do, but at the present time we have not sufficient facts.

Mr. BLANTON. I think the gentleman's committee so far has done splendid work, and I commend him and our good friend from Illinois [Mr. SABATH] for their efforts.

Mr. O'CONNOR. We need considerably more time in which to complete the work. We have in mind, tentatively, certain legislation which we shall propose.

The resolution was agreed to.

PANAMA REFINING CO. AND AMAZON PETROLEUM CORPORATION

Mr. COLE of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. COLE of Maryland. Mr. Speaker, the subcommittee of the Committee on Interstate and Foreign Commerce of the House at the last session of Congress, of which I was chairman, submitted its hearings and a report just prior to the convening of the present Congress. In the report the committee took the position that definite legislation should not be recommended or proposed at that time, but that it would be better to await the decision of the Supreme Court of the United States in the Amazon and Panama cases which were pending at that time.

This litigation from the State of Texas, which was brought directly to the Court for decision, affected a very vital section of the oil code and the Recovery Act pertaining to petroleum. A decision by the Supreme Court in these cases was handed down yesterday.

Mr. Speaker, in connection with those decisions, the committee feels that a recent decision by Judge McCormick in the case of the United States of America against Wilshire Oil Co. in the District Court of the United States for the Southern District of California, delivered on December 31, 1934, presents very valuable information on the legal phases of

this intricate problem. I therefore ask unanimous consent, Mr. Speaker, that the opinion of Chief Justice Hughes, the dissenting opinion of Justice Cardozo, and the opinion of Judge McCormick be inserted in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The documents referred to are as follows:

SUPREME COURT OF THE UNITED STATES

Nos. 135 and 260—October term, 1934

135, PANAMA REFINING COMPANY ET AL., PETITIONERS, *v.* A. D. RYAN, S. D. BENNETT, AND J. HOWARD MARSHALL—260, AMAZON PETROLEUM CORPORATION, BARNEY COCKBURN, E. J. BOASE ET AL., PETITIONERS, *v.* ARCHIE D. RYAN, S. D. BENNETT, AND PHIL E. BAER—ON WRITS OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT

Mr. Chief Justice Hughes delivered the opinion of the Court.

On July 11, 1933, the President, by Executive order, prohibited "the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of a State."[1] This action was based on section 9 (c) of title I of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 195, 200; 15 U. S. C., title I, sec. 709 (c)). That section provides:

"SEC. 9. * * *

"(c) The President is authorized to prohibit the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of a State. Any violation of any order of the President issued under the provisions of this subsection shall be punishable by fine of not to exceed $1,000, or imprisonment for not to exceed 6 months, or both."

On July 14, 1933, the President, by Executive order, authorized the Secretary of the Interior to exercise all the powers vested in the President "for the purpose of enforcing section 9 (c) of said act and said order" of July 11, 1933, "including full authority to designate and appoint such agents and to set up such boards and agencies as he may see fit, and to promulgate such rules and regulations as he may deem necessary."[2] That order was made under section 10 (a) of the National Industrial Recovery Act (48 Stat. 200. 15 U. S. C., 710 (a), authorizing the President "to prescribe such rules and regulations as may be necessary to carry out the purposes" of title I of the National Industrial Recovery Act and providing that "any violation of any such rule or regulation shall be punishable by fine of not to exceed $500, or imprisonment for not to exceed 6 months, or both."

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[1] The full text of the Executive order of July 11, 1933, is as follows:

EXECUTIVE ORDER

*Prohibition of transportation in interstate and foreign commerce of petroleum and the priducts thereof unlawfully produced or withdrawn from storage*

By virtue of the authority vested in me by the act of Congress entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public, No. 67, 73d Cong.), the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation or order prescribed thereunder, by any board, commission, officer, or other duly authorized agency of a State, is hereby prohibited.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 11, 1933.*

[2] The Executive order of July 14, 1933, is as follows:

EXECUTIVE ORDER

*Prohibition of transportation in interstate and foreign commerce of petroleum and the products thereof unlawfully produced or withdrawn from storage*

By virtue of the authority vested in me by the act of Congress entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public, No. 67, 73d Cong.), in order to effectuate the intent and purpose of the Congress as expressed in section 9 (c) thereof, and for the purpose of securing the enforcement of my order of July 11, 1933, issued pursuant to said act, I hereby authorize the Secretary of the Interior to exercise all the powers vested in me for the purpose of enforcing section 9 (c) of said act and said order, including full authority to designate and appoint such agents and to set up such boards and agencies as he may see fit, and to promulgate such rules and regulations as he may deem necessary.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *July 14, 1933.*

On July 15, 1933, the Secretary of the Interior issued regulations to carry out the President's orders of July 11 and 14, 1933. These regulations were amended by orders of July 25, 1933, and August 21, 1933, prior to the commencement of these suits. Regulation IV provided, in substance, that every producer of petroleum should file a monthly statement under oath, beginning August 15, 1933, with the Division of Investigations of the Department of the Interior giving information with respect to the residence and post-office address of the producer, the location of his producing properties and wells, the allowable production as prescribed by State authority, the amount of daily production, all deliveries of petroleum, and declaring that no part of the petroleum or products produced and shipped had been produced or withdrawn from storage in excess of the amount permitted by State authority. Regulation V required every purchaser, shipper (other than a producer), and refiner of petroleum, including processors, similarly to file a monthly statement under oath, giving information as to residence and post-office address, the place and date of receipt, the parties from whom and the amount of petroleum received and the amount held in storage, the disposition of the petroleum, particulars as to deliveries, and declaring, to the best of the affiant's information and belief, that none of the petroleum so handled had been produced or withdrawn from storage in excess of that allowed by State authority. Regulation VII provided that all persons embraced within the terms of section 9 (c) of the act, and the Executive orders and regulations issued thereunder, should keep "available for inspection by the Division of Investigations of the Department of the Interior adequate books and records of all transactions involving the production and transportation of petroleum and the products thereof."

On August 19, 1933, the President, by Executive order, stating that his action was taken under title I of the National Industrial Recovery Act, approved a "code of fair competition for the petroleum industry."[3] By a further Executive order of August 28, 1933, the President designated the Secretary of the Interior as Administrator, and the Department of the Interior as the Federal agency, to exercise on behalf of the President all the powers vested in him under that act and code. Section 3 (f) of title I of the National Industrial Recovery Act provides that when a code of fair competition has been approved or prescribed by the President under that title "any violation of any provision thereof in any transaction in or affecting interstate or foreign commerce shall be a misdemeanor, punishable by fine or not more than $500 for each offense, each day of said violation to be deemed a separate offense."

This "petroleum code" (in its original form and as officially printed) provided in section 3 of article III relating to "production" for estimates of "required production of crude oil to balance consumer demand for petroleum products" to be made at intervals by the Federal agency. This "required production" was to be "equitably allocated" among the several States. These estimates and allocations, when approved by the President, were to be deemed to be "the net reasonable market demand" and the allocations were to be recommended "as the operating schedules for the producing States and for the industry." By section 4 of article III the subdivision, with respect to producing properties, of the production allocated to each State was to be made within the State. The second paragraph of that section further provided:

"If any subdivision into quotas of production allocated to any State shall be made within a State, any production by any person, as person is defined in article I, section 3, of this code in excess of any such quota assigned to him, shall be deemed an unfair trade practice and in violation of this code."

By an Executive order of September 13, 1933, modifying certain provisions of the petroleum code, this second paragraph of section 4 of article III was eliminated. It was reinstated by Executive order of September 25, 1934.

These suits were brought in October 1933.

In no. 135, the Panama Refining Co., as owner of an oil-refining plant in Texas, and its coplaintiff, a producer having oil and gas

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[3] The Executive order of August 19, 1933, is as follows:

EXECUTIVE ORDER

*Code of fair competition for the petroleum industry*

An application having been duly made pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a code of fair competition for the petroleum industry, and hearings having been held thereon and the Administrator having rendered his report, together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said code of fair competition be, and it is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
*Administrator.*

THE WHITE HOUSE,
*August 19, 1933.*

leases in Texas, sued to restrain the defendants, who were Federal officials, from enforcing regulations IV, V, and VII, prescribed by the Secretary of the Interior under section 9 (c) of the National Industrial Recovery Act. Plaintiffs attacked the validity of section 9 (c) as an unconstitutional delegation to the President of legislative power and as transcending the authority of the Congress under the commerce clause. The regulations, and the attempts to enforce them by coming upon the properties of the plaintiffs, gaging their tanks, digging up pipe lines, and otherwise, were also assailed under the fourth and fifth amendments of the Constitution.

In no. 260, the Amazon Petroleum Corporation and its coplaintiffs, all being oil producers in Texas and owning separate properties, sued to enjoin the railroad commission of that State, its members and other State officers, and the other defendants who were Federal officials, from enforcing the State and Federal restrictions upon the production and disposition of oil. The bill alleged that the legislation of the State and the orders of its commission in curtailing production violated the fourteenth amendment of the Federal Constitution. As to the Federal requirements, the bill not only attacked section 9 (c) of the National Industrial Recovery Act, and the regulations of the Secretary of the Interior thereunder, upon substantially the same grounds as those set forth in the bill of the Panama Refining Co., but also challenged the validity of provisions of the petroleum code. While a number of these provisions were set out in the bill, the contest on the trial related to the limitation of production through the allocation of quotas pursuant to section 4 of article III of the code.

As the case involved the constitutional validity of orders of the State commission and an interlocutory injunction was sought, a court of three judges was convened under section 266 of the Judicial Code (28 U. S. C. 380). That court decided that the cause of action against the Federal officials was not one within section 266 but was for the consideration of the district judge alone. The parties agreed that the causes of action should be severed and that each cause should be submitted to the tribunal having jurisdiction of it. Hearing was had both on the applications for interlocutory injunction and upon the merits. The court of three judges, sustaining the State orders, denied injunction and dismissed the bill as against the State authorities (5 F. Supp. 633, 634, 639).

In both cases against the Federal officials, that of the Panama Refining Co. and that of the Amazon Petroleum Corporation, heard by the district judge, a permanent injunction was granted (5 F. Supp. 639). In the case of the Amazon Petroleum Corporation the court specifically enjoined the defendants from enforcing section 4 of article III of the petroleum code, both plaintiffs and defendants, and the court, being unaware of the amendment of September 13, 1933.

The Circuit Court of Appeals reversed the decrees against the Federal officials and directed that the bills be dismissed (71 F. (2d) 1, 8). The cases come here on writs of certiorari granted on October 8, 1934.

First. The controversy with respect to the provision of section 4 of article III of the petroleum code was initiated and proceeded in the courts below upon a false assumption. That assumption was that this section still contained the paragraph (eliminated by the Executive order of Sept. 13, 1933) by which production in excess of assigned quotas was made an unfair practice and a violation of the code. Whatever the cause of the failure to give appropriate public notice of the change in the section, with the result that the persons affected, the prosecuting authorities and the courts, were alike ignorant of the alteration, the fact is that the attack in this respect was upon a provision which did not exist. The Government's announcement that, by reason of the elimination of this paragraph, the Government "cannot, and therefore it does not intend to, prosecute petitioners or other producers of oil in Texas, criminally or otherwise, for exceeding, at any time prior to September 25, 1934, the quotas of production assigned to them under the laws of Texas", but that if "petitioners, or other producers, produce in excess of such quotas after September 25, 1934, the Government intends to prosecute them", cannot avail to import into the present case the amended provision of that date.[4] The case is not one where a subsequent law is applicable to a pending suit and controls its disposition.[5] When this suit was brought, and when it was heard, there was no cause of action for the injunction sought with respect to the provision of section 4 of article III of the code; as to that, there was no basis for real controversy. (See *California* v. *San Pablo*, 149 U. S. 308, 314; *United States* v. *Alaska Steamship Co.*, 253 U. S. 113, 116; *Barker Co.* v. *Painters' Union*, 281 U. S. 462.) If the Government undertakes to enforce the new provision, the petitioners, as well as others, will have an opportunity to present their grievance, which can then be considered, as it should be, in the light of the facts as they will then appear.

For this reason we pass to the other questions presented and we express no opinion as to the interpretation or validity of the provisions of the petroleum code.

Second. Regulations IV, V, and VII, issued by the Secretary of the Interior prior to these suits, have since been amended. But the amended regulations continue substantially the earlier requirements and expand them. They present the same constitutional questions, and the cases as to these are not moot (*Southern Pacific Company* v. *Interstate Commerce Commission*, 219 U. S. 433, 452; *Southern Pacific Terminal Co.* v. *Interstate Commerce Commission*, 219 U. S. 498, 514–516; *McGrain* v. *Daugherty*, 273 U. S. 135, 181, 182).

The original regulations of July 15, 1933, as amended July 25, 1933, and August 21, 1933, were issued to enforce the Executive orders of July 11 and July 14, 1933. The Executive order of July 11, 1933, was made under section 9 (c) of the National Industrial Recovery Act, and the Executive order of July 14, 1933, under section 10 (a) of that act, authorizing the Secretary of the Interior to promulgate regulations, was for the purpose of enforcing section 9 (c), and the Executive order of July 11, 1933. The amended regulations have been issued for the same purpose. The fundamental question as to these regulations thus turns upon the validity of section 9 (c) and the Executive orders to carry it out.

Third. The statute provides that any violation of any order of the President issued under section 9 (c) shall be punishable by fine of not to exceed $1,000, or imprisonment for not to exceed 6 months, or both. We think that these penalties would attach to each violation, and in this view the plaintiffs were entitled to invoke the equitable jurisdiction to restrain enforcement, if the statute and the Executive orders were found to be invalid (*Philadelphia Co.* v. *Stimson*, 223 U. S. 605, 620, 621; *Terrace* v. *Thompson*, 263 U. S. 197, 214–216; *Hygrade Provision Co.* v. *Sherman*, 266 U. S. 497, 499, 500).

Fourth. Section 9 (c) is assailed upon the ground that it is an unconstitutional delegation of legislative power. The section purports to authorize the President to pass a prohibitory law. The subject to which this authority relates is defined. It is the transportation in interstate and foreign commerce of petroleum and petroleum products which are produced or withdrawn from storage in excess of the amount permitted by State authority. Assuming for the present purpose, without deciding, that the Congress has power to interdict the transportation of that excess in interstate and foreign commerce, the question whether that transportation shall be prohibited by law is obviously one of legislative policy. Accordingly, we look to the statute to see whether the Congress has declared a policy with respect to that subject; whether the Congress has set up a standard for the President's action; whether the Congress has required any finding by the President in the exercise of the authority to enact the prohibition.

Section 9 (c) is brief and unambiguous. It does not attempt to control the production of petroleum and petroleum products within a State. It does not seek to lay down rules for the guidance of State legislatures or State officers. It leaves to the States and to their constituted authorities the determination of what production shall be permitted. It does not qualify the President's authority by reference to the basis, or extent, of the State's limitation of production. Section 9 (c) does not state whether, or in what circumstances or under what conditions the President is to prohibit the transportation of the amount of petroleum or petroleum products produced in excess of the State's permission. It establishes no criterion to govern the President's course. It does not require any finding by the President as a condition of his action. The Congress in section 9 (c) thus declares no policy as to the transportation of the excess production. So far as this section is concerned, it gives to the President an unlimited authority to determine the policy and to lay down the prohibition, or not to lay it down, as he may see fit. And disobedience to his order is made a crime punishable by fine and imprisonment.

We examine the context to ascertain if it furnishes a declaration of policy or a standard of action, which can be deemed to relate to the subject of section 9 (c), and thus to imply what is not there expressed. It is important to note that section 9 is headed "Oil Regulation"—that is, section 9 is the part of the National Industrial Recovery Act which particularly deals with that subject matter. But the other provisions of section 9 afford no ground for implying a limitation of the broad grant of authority in section 9 (c). Thus section 9 (a) authorizes the President to initiate before the Interstate Commerce Commission "proceedings necessary to prescribe regulations to control the operations of oil pipe lines and to fix reasonable compensatory rates for the transportation of petroleum and its products by pipe lines", and the Interstate Commerce Commission is to grant preference "to the hearings and determination of such cases." Section 9 (b) authorizes the President to institute proceedings "to divorce from any holding company any pipe-line company controlled by such holding company which pipe-line company by unfair practices or by exorbitant rates in the transportation of petroleum or its products tends to create a monopoly." It will be observed that each of these provisions contains restrictive clauses as to their respective subjects. Neither relates to the subject of section 9 (c).

[4] The Government states that although the second paragraph of sec. 4 of art. III was a part of the code for a short period prior to Sept. 13, 1933, no legal basis exists for prosecution for production in Texas during that period.

[5] See *United States* v. *The Schooner Peggy*, 1 Cranch. 103, 109, 110; *Dinsmore* v. *Southern Express Co.*, 183 U. S. 115, 120; *Crozier* v. *Krupp*, 224 U. S. 290, 302; *Gulf, Colorado & Santa Fe Rwy. Co.* v. *Dennis*, 224 U. S. 503, 507; *Watts* v. *Unione Austriaca*, 248 U. S. 9, 21; *Duplex Printing Press Co.* v. *Deering*, 254 U. S. 443, 464; *American Foundries* v. *Tri-City Council*, 257 U. S. 184, 201; *Texas Company* v. *Brown*, 258 U. S. 466, 474.

We turn to the other provisions of title I of the act. The first section is a "declaration of policy."[6] It declares that a national emergency exists "which is productive of wide-spread unemployment and disorganization of industry, which burdens interstate and foreign commerce, affects public welfare, and undermines the standards of living of the American people." It is declared to be the policy of Congress "to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof"; "to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups"; "to induce and maintain united action of labor and management under adequate governmental sanctions and supervision"; "to eliminate unfair competition practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources."

This general outline of policy contains nothing as to the circumstances or conditions in which transportation of petroleum or petroleum products should be prohibited; nothing as to the policy of prohibiting, or not prohibiting, the transportation of production exceeding what the States allow. The general policy declared is "to remove obstructions to the free flow of interstate and foreign commerce." As to production, the section lays down no policy of limitation. It favors the fullest possible utilization of the present productive capacity of industries. It speaks, parenthetically, of a possible temporary restriction of production, but of what, or in what circumstances, it gives no suggestion. The section also speaks in general terms of the conservation of natural resources but it prescribes no policy for the achievement of that end. It is manifest that this broad outline is simply an introduction of the act, leaving the legislative policy as to particular subjects to be declared and defined, if at all, by the subsequent sections.

It is no answer to insist that deleterious consequences follow the transportation of "hot oil"—oil exceeding State allowances. The Congress did not prohibit that transportation. The Congress did not undertake to say that the transportation of "hot oil" was injurious. The Congress did not say that transportation of that oil was "unfair competition." The Congress did not declare in what circumstances that transportation should be forbidden, or require the President to make any determination as to any facts or circumstances. Among the numerous and diverse objectives broadly stated, the President was not required to choose. The President was not required to ascertain and proclaim the conditions prevailing in the industry which made the prohibition necessary. The Congress left the matter to the President without standard or rule, to be dealt with as he pleased. The effort by ingenious and diligent construction to supply a criterion still permits such a breadth of authorized action as essentially to commit to the President the functions of a legislature rather than those of an executive or administrative officer executing a declared legislative policy. We find nothing in section 1 which limits or controls the authority conferred by section 9 (c).

We pass to the other sections of the act. Section 2 relates to administrative agencies which may be constituted. Section 3 provides for the approval by the President of "codes" for trades or industries. These are to be codes of "fair competition" and the authority is based upon certain express conditions which require findings by the President. Action under section 9 (c) is not made to depend on the formulation of a code under section 3. In fact, the President's action under section 9 (c) was taken more than a month before a petroleum code was approved. Subdivision (e) of section 3 authorizes the President, on his own motion or upon complaint, as stated, in case any article is being imported into the United States "in substantial quantities or increasing ratio to domestic production of any competitive article", under such conditions as to endanger the maintenance of a code or agreement under title I, to cause an immediate investigation by the Tariff Commission. The authority of the President to act, after such investigation, is conditioned upon a finding by him of the existence of the underlying facts, and he may permit entry of the articles concerned upon such conditions and with such limitations as he shall find it necessary to prescribe in order that the entry shall not tend to render the code or agreement ineffective. Section 4 relates to agreements and licenses for the purposes stated. Section 5 refers to the application of the antitrust laws. Sections 6 and 7 impose limitations upon the application of title I, bearing upon trade associations and other organizations and upon the relations between employers and employees. Section 8 contains provisions with respect to the application of the Agricultural Adjustment Act of May 12, 1933.

None of these provisions can be deemed to prescribe any limitation of the grant of authority in section 9 (c).

Fifth. The question whether such a delegation of legislative power is permitted by the Constitution is not answered by the argument that it should be assumed that the President has acted, and will act, for what he believes to be the public good. The point is not one of motives but of constitutional authority, for which the best of motives is not a substitute. While the present controversy relates to a delegation to the President, the basic question has a much wider application. If the Congress can make a grant of legislative authority of the sort attempted by section 9 (c), we find nothing in the Constitution which restricts the Congress to the selection of the President as grantee. The Congress may vest the power in the officer of its choice or in a board or commission such as it may select or create for the purpose. Nor, with respect to such a delegation, is the question concerned merely with the transportation of oil, or of oil produced in excess of what the State may allow. If legislative power may thus be vested in the President, or other grantee, as to that excess of production, we see no reason to doubt that it may similarly be vested with respect to the transportation of oil without reference to the State's requirements. That reference simply defines the subject of the prohibition which the President is authorized to enact, or not to enact, as he pleases. And if that legislative power may be given to the President or other grantee, it would seem to follow that such power may similarly be conferred with respect to the transportation of other commodities in interstate commerce with or without reference to State action, thus giving to the grantee of the power the determination of what is a wise policy as to that transportation, and authority to permit or prohibit it, as the person, or board or commission, so chosen, may think desirable. In that view, there would appear to be no ground for denying a similar prerogative of delegation with respect to other subjects of legislation.

The Constitution provides that "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives" (art. I, sec. 1). And the Congress is empowered "To make all laws which shall be necessary and proper for carrying into execution" its general powers (art. I, sec. 8, par. 18). The Congress manifestly is not permitted to abdicate, or to transfer to others, the essential legislative functions with which it is thus vested. Undoubtedly legislation must often be adapted to complex conditions involving a host of details with which the national legislature cannot deal directly. The Constitution has never been regarded as denying to the Congress the necessary resources of flexibility and practicality, which will enable it to perform its function in laying down policies and establishing standards, while leaving to selected instrumentalities the making of subordinate rules within prescribed limits and the determination of facts to which the policy as declared by the legislature is to apply. Without capacity to give authorizations of that sort we should have the anomaly of a legislative power which in many circumstances calling for its exertion would be but a futility. But the constant recognition of the necessity and validity of such provisions, and the wide range of administrative authority which has been developed by means of them, cannot be allowed to obscure the limitations of the authority to delegate, if our constitutional system is to be maintained.

The Court has had frequent occasion to refer to these limitations and to review the course of congressional action. At the very outset, amid the disturbances due to war in Europe, when the national safety was imperiled and our neutrality was disregarded, the Congress passed a series of acts, as a part of which the President was authorized, in stated circumstances, to lay and revoke embargoes, to give permits for the exportation of arms and military stores, to remit and discontinue the restraints and prohibitions imposed by acts suspending commercial intercourse with certain countries, and to permit or interdict the entrance into waters of the United States of armed vessels belonging to foreign nations.[7] These early acts were not subject to judicial decision and, apart from that, they afford no adequate basis for a conclusion that the Congress assumed that it possessed an unqualified power of delegation. They were inspired by the vexations of American commerce through the hostile enterprises of the belligerent powers,[8] they were directed to the effective execution of policies repeatedly declared by the Congress, and they confided to the President, for the purposes and under the conditions stated,

[6] The text of sec. 1 is as follows:

"SECTION 1. A national emergency productive of wide-spread unemployment and disorganization of industry, which burdens interstate and foreign commerce, affects the public welfare, and undermines the standards of living of the American people, is hereby declared to exist. It is hereby declared to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor and management under adequate governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources."

[7] Acts of June 4, 1794, 1 Stat. 372; Mar. 3, 1795, 1 Stat. 444; June 13, 1798, 1 Stat. 565, 566; Feb. 9, 1799, 1 Stat. 613, 615; Feb. 27, 1800, 2 Stat. 7, 9, 10; Mar. 3, 1805, 2 Stat. 339, 341, 342; Feb. 28, 1806, 2 Stat. 351, 352; Apr. 22, 1808, 2 Stat. 490.

[8] Marshall's Life of Washington, vol. 2, pp. 319 et seq.

an authority which was cognate to the conduct by him of the foreign relations of the Government.[9]

The first case relating to an authorization of this description was that of *The Brig Aurora* (7 Cranch. 382). The cargo of that vessel had been condemned as having been imported from Great Britain in violation of the nonintercourse act of March 1, 1809 (2 Stat. 528). That act expired on May 1, 1810,[10] when Congress passed another act (2 Stat. 605, 606) providing that in case either Great Britain or France before March 3, 1811, "shall * * * so revoke or modify her edicts as that they shall cease to violate the neutral commerce of the United States, which fact the President of the United States shall declare by proclamation, and if the other nation shall not within 3 months thereafter so revoke or modify her edicts in like manner", then, with respect to that nation, as stated, the provisions of the act of 1809, after 3 months from that proclamation, "shall * * * be revived and have full force and effect." On November 2, 1810, the President issued his proclamation declaring that France had so revoked or modified her edicts, and it was contended that the provisions of the act of 1809, as to the cargo in question, had thus been revived. The Court said that it could see no sufficient reason why the legislature should not exercise its discretion in reviving the act of 1809, "either expressly or conditionally, as their judgment should direct." The provision of that act declaring "that it should continue in force to a certain time and no longer" could not restrict the power of the legislature to extend its operation "without limitation upon the occurrence of any subsequent combination of events." This was a decision, said the Court in *Field* v. *Clark* (143 U. S. 649, 683) "that it was competent for Congress to make the revival of an act depend upon the proclamation of the President showing the ascertainment by him of the fact that the edicts of certain nations had been so revoked or modified that they did not violate the neutral commerce of the United States."

In *Field* v. *Clark*, supra, the Court applied that ruling to the case of "the suspension of an act upon a contingency to be ascertained by the President, and made known by his proclamation." The Court was dealing with section 3 of the act of October 1, 1890 (26 Stat. 567, 612). That section provided that, "with a view to secure reciprocal trade" with countries producing certain articles, "whenever, and so often as the President shall be satisfied" that the government of any country producing them imposed "duties or other exactions upon the agricultural or other products of the United States" which, in view of the free list established by the act, the President "may deem to be reciprocally unequal and unreasonable, he shall have the power and it shall be his duty" to suspend the free introduction of those articles by proclamation to that effect, and that during that suspension the duties specified by the section should be levied. The validity of the provision was challenged as a delegation to the President of legislative power. The Court reviewed the early acts to which we have referred, as well as later statutes considered to be analogous.[11] While sustaining the provision, the Court emphatically declared that the principle that "Congress cannot delegate legislative power to the President" is "universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution." The Court found that the act before it was not inconsistent with that principle; that it did not "in any real sense invest the President with the power of legislation." As "the suspension was absolutely required when the President ascertained the existence of a particular fact", it could not be said "that in ascertaining that fact and in issuing his proclamation, in obedience to the legislative will, he exercised the function of making laws." "He was the mere agent of the law-making department to ascertain and declare the event upon which its expressed will was to take effect" (id., pp. 692, 693). The Court referred with approval to the distinction pointed out by the Supreme Court of Ohio in *Cincinnati, Wilmington, etc., Railroad* v. *Commissioners* (1 Ohio St. 88) between "the delegation of power to make the law, which necessarily involves a discretion as to what it shall be, and conferring authority or discretion as to its execution, to be exercised under and in pursuance of the law."

Applying that principle, authorizations given by Congress to selected instrumentalities for the purpose of ascertaining the existence of facts to which legislation is directed have constantly been sustained. Moreover, the Congress may not only give such authorizations to determine specific facts but may establish primary standards, devolving upon others the duty to carry out the declared legislative policy; that is, as Chief Justice Marshall expressed it, "to fill up the details" under the general provisions made by the legislature (*Wayman* v. *Southard*, 10 Wheat. 1, 43). In *Buttfield* v. *Stranahan* (192 U. S. 470, 496) the act of March 2, 1897 (29 Stat. 604, 605), was upheld, which authorized the Secretary of the Treasury, upon the recommendation of a board of experts, to "establish uniform standards of purity, quality, and fitness for the consumption of all kinds of teas imported into the United States." The Court construed the statute as expressing "the purpose to exclude the lowest grades of tea, whether demonstrably of inferior purity, or unfit for consumption, or presumably so because of their inferior quality." The Congress, the Court said, thus fixed "a primary standard" and committed to the Secretary of the Treasury "the mere executive duty to effectuate the legislative policy declared in the statute." "Congress legislated on the subject as far as was reasonably practicable, and from the necessities of the case was compelled to leave to executive officials the duty of bringing about the result pointed out by the statute." (See *Red "C" Oil Co.* v. *North Carolina*, 222 U. S. 380, 394.)

Another notable illustration is that of the authority given to the Secretary of War to determine whether bridges and other structures constitute unreasonable obstructions to navigation and to remove such obstructions (act of Mar. 3, 1899, sec. 18, 30 Stat. 1153, 1154). By that statute the Congress declared "a general rule and imposed upon the Secretary of War the duty of ascertaining what particular cases came within the rule" as thus laid down (*Union Bridge Co.* v. *United States*, 204 U. S. 364, 386; *Monongahela Bridge Co.* v. *United States*, 216 U. S. 177, 193; *Philadelphia Company* v. *Stimson*, 223 U. S. 605, 638). Upon this principle rests the authority of the Interstate Commerce Commission, in the execution of the declared policy of the Congress in enforcing reasonable rates, in preventing undue preferences and unjust discriminations, in requiring suitable facilities for transportation in interstate commerce, and in exercising other powers held to have been validly conferred (*St. Louis, I. M. & S. Ry. Co.* v. *Taylor*, 210 U. S. 281, 287; *Intermountain Rate Cases*, 234 U. S. 476, 486; *Avent* v. *United States*, 266 U. S. 127, 130; *N. Y. Central Securities Co.* v. *United States*, 287 U. S. 12, 24, 25). Upon a similar ground the authority given to the President, in appropriate relation to his functions as Commander in Chief, by the Trading with the Enemy Act, as amended by the act of March 28, 1918 (40 Stat. 460), with respect to the disposition of enemy property, was sustained. "The determination", said the court, "of the terms of sales of enemy properties in the light of facts and conditions from time to time arising in the progress of war was not the making of a law; it was the application of the general rule laid down

[9] Thus, prior to the act of June 4, 1794 (1 Stat. 372), the Congress had laid embargoes, for limited periods, upon vessels in ports of the United States bound to foreign ports. Resolutions of Mar. 26, 1794, and Apr. 18, 1794, 1 Stat. 400, 401. Fearing that the national safety might be endangered, the President, by the act of June 4, 1794, was authorized to lay an embargo, with appropriate regulations, whenever he found "that the public safety shall so require", the authority not to be exercised while the Congress was in session and the embargo to be limited in any case to 15 days after the commencement of the next session. The act of Mar. 3, 1795 (1 Stat. 444), authorizing the President to permit the exportation of arms, etc., was "in cases connected with the security of the commercial interest of the United States and for public purposes only." By the act of June 13, 1798 (1 Stat. 565), commercial intercourse was suspended between the United States and France and its dependencies. The act was to continue only until the end of the next session of Congress and it was provided (sec. 5) that if, before the next session, the Government of France "shall clearly disavow, and shall be found to refrain from the aggressions, depredations, and hostilities" against the vessels and other property of citizens of the United States, and shall acknowledge the neutrality of the United States, "it shall be lawful for the President", "being well ascertained of the premises", to remit and discontinue the prohibitions and restraints imposed by the act and to make proclamation accordingly. The act of Feb. 9, 1799 (1 Stat. 613), further suspended commercial intercourse between the United States and France and its dependencies until Mar. 3, 1800, and gave a similar authority (sec. 4) to the President to remit and discontinue the restraints and prohibitions of the act, "if he shall deem it expedient and consistent with the interest of the United States", either with respect to the French Republic or to any place belonging to that Republic, "with which a commercial intercourse may safely be renewed", and to revoke such order if he found that the interest of the United States so required. The suspension of commercial intercourse was renewed by the act of Feb. 27, 1800 (2 Stat. 7) until Mar. 3, 1801, with a similar provision as to the authority of the President. The act of Mar. 3, 1805 (2 Stat. 339) related to persons committing treason, felony, etc., within the jurisdiction of the United States and taking refuge in foreign armed vessels, and the authority to the President to permit or prevent the entry of such vessels into the waters of the United States (sec. 4) was "in order to prevent insults to the authority of the laws, whereby the peace of the United States with foreign nations may be endangered." (See also act of Apr. 22, 1808, 2 Stat. 490. See also Proclamations of President Adams, Works of John Adams, vol. IX, pp. 176, 177.)

[10] See act of June 28, 1809, 2 Stat. 550.

[11] Acts of Mar. 3, 1815, 3 Stat. 224; Mar. 3, 1817, 3 Stat. 361; Jan. 7, 1824, 4 Stat. 2; May 24, 1828, 4 Stat. 308; May 31, 1830, 4 Stat. 425; Mar. 6, 1866, 14 Stat. 3; Mar. 3, 1883, 22 Stat. 490; June 26, 1884, 23 Stat. 57; Oct. 1, 1890, 26 Stat. 616. R. S. 2493, 2494, 4219, 4228. Proclamations of Presidents; 3 Stat. App. I; 4 Stat. App. III, 814–818; 9 Stat. App. 1001, 1004; 11 Stat. App. 795; 13 Stat. App. 739; 14 Stat. App. 818, 819; 16 Stat. App. 1127; 17 Stat. App. 954, 956, 957; 21 Stat. 800; 23 Stat. 841, 842, 844.

For other analogous statutes, see acts of Dec. 17, 1813, 3 Stat. 88, 93; June 19, 1886, 24 Stat. 79, 82; Mar. 3, 1887, 24 Stat. 475; Aug. 30, 1890, 26 Stat. 414, 415; Feb. 15, 1893, 27 Stat. 449, 452; Mar. 2, 1895, 28 Stat. 727, 733; Sept. 8, 1916, 39 Stat. 756, 799; June 15, 1917, 40 Stat. 217, 225; Aug. 10, 1917, 40 Stat. 276; Oct. 6, 1917, 40 Stat. 411, 422; Mar. 4, 1919, 40 Stat. 1348, 1350; June 17, 1930, 46 Stat. 590, 704. Resolutions of Mar. 14, 1912, 37 Stat. 630; Jan. 31, 1922, 42 Stat. 361. Proclamations; 24 Stat. 1024, 1025, 1028, 1030; 27 Stat. 995, 1011; 38 Stat. 1960; 39 Stat. 1756; 40 Stat. 1683, 1689, et seq.

by the act" (*United States* v. *Chemical Foundation*, 272 U. S. 1, 12).[12]

The provisions of the Radio Act of 1927 (44 Stat. 1162, 1163), providing for assignments of frequencies or wave lengths to various stations, afford another instance. In granting licenses, the Radio Commission is required to act "as public convenience, interest, or necessity requires." In construing this provision, the Court found that the statute itself declared the policy as to "equality of radio broadcasting service, both of transmission and of reception", and that it conferred authority to make allocations and assignments in order to secure, according to stated criteria, an equitable adjustment in the distribution of facilities.[13] The standard set-up was not so indefinite "as to confer an unlimited power" (*Radio Commission* v. *Nelson Bros. Co.*, 289 U. S. 266, 279, 285).

So, also, from the beginning of the Government the Congress has conferred upon executive officers the power to make regulations, "not for the government of their departments, but for administering the laws which did govern" (*United States* v. *Grimaud*, 220 U. S. 506, 517). Such regulations become indeed binding rules of conduct, but they are valid only as subordinate rules and when found to be within the framework of the policy which the legislature has sufficiently defined. In the case of *Grimaud*, supra, a regulation made by the Secretary of Agriculture requiring permits for grazing sheep on a forest reserve of lands belonging to the United States was involved. The Court referred to the various acts for the establishment and management of forest reservations and the authorization of rules which would "insure the objects of such reservation"; that is, "to regulate their occupancy and use and to preserve the forests thereon from destruction." The Court observed that "it was impracticable for Congress to provide general regulations for these various and varying details of management", and that, in authorizing the Secretary of Agriculture to meet local conditions, Congress "was merely conferring administrative functions upon an agent, and not delegating to him legislative power" (id., pp. 515, 516). The Court quoted with approval the statement of the principle in *Field* v. *Clark*, supra, that the Congress cannot delegate legislative power, and upheld the regulation in question as an administrative rule for the appropriate execution of the policy laid down in the statute. (See *Wayman* v. *Southard*, supra; *Interstate Commerce Commission* v. *Goodrich Transit Co.*, 224 U. S. 194, 214, 215; *Selective Draft Law Cases*, 245 U. S. 366, 389; *McKinley* v. *United States*, 249 U. S. 397.)

The applicable considerations were reviewed in *Hampton & Co.* v. *United States* (276 U. S. 394), where the Court dealt with the so-called "flexible tariff provision" of the act of September 21, 1922 (42 Stat. 858, 941, 942), and with the authority which it conferred upon the President. The court applied the same principle that permitted the Congress to exercise its rate-making power in interstate commerce, and found that a similar provision was justified for the fixing of customs duties; that is, as the Court said, "If Congress shall lay down by legislative act an intelligible principle to which the person or body authorized to fix such rates is directed to conform, such legislative action is not a forbidden delegation of legislative power. If it is thought wise to vary the customs duties according to changing conditions of production at home and abroad, it may authorize the Chief Executive to carry out this purpose, with the advisory assistance of a tariff commission appointed under congressional authority." The Court sustained the provision upon the authority of *Field* v. *Clark*, supra, repeating with approval what was there said—that "What the President was required to do was merely in execution of the act of Congress" (id., pp. 409–411).

Thus, in every case in which the question has been raised, the Court has recognized that there are limits of delegation which there is no constitutional authority to transcend. We think that section 9 (c) goes beyond those limits. As to the transportation of oil production in excess of State permission, the Congress has declared no policy, has established no standard, has laid down no rule. There is no requirement, no definition of circumstances and conditions in which the transportation is to be allowed or prohibited.

If section 9 (c) were held valid, it would be idle to pretend that anything would be left of limitations upon the power of the Congress to delegate its law-making function. The reasoning of the many decisions we have reviewed would be made vacuous and their distinctions nugatory. Instead of performing its law-making function the Congress could at will and as to such subjects as it chooses transfer that function to the President or other officer or to an administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation which are an essential part of our system of government.

Sixth. There is another objection to the validity of the prohibition laid down by the Executive order under section 9 (c). The Executive order contains no finding, no statement of the grounds of the President's action in enacting the prohibition. Both section 9 (c) and the Executive order are in notable contrast with historic practice (as shown by many statutes and proclamations we have cited in the margin[14]) by which declarations of policy are made by the Congress and delegations are within the framework of that policy and have relation to facts and conditions to be found and stated by the President in the appropriate exercise of the delegated authority. If it could be said that from the four corners of the statute any possible inference could be drawn of particular circumstances or conditions which were to govern the exercise of the authority conferred, the President could not act validly without having regard to those circumstances and conditions. And findings by him as to the existence of the required basis of his action would be necessary to sustain that action, for otherwise the case would still be one of an unfettered discretion as the qualification of authority would be ineffectual. The point is pertinent in relation to the first section of the National Industrial Recovery Act. We have said that the first section is but a general introduction, that it declares no policy and defines no standard with respect to the transportation which is the subject of section 9 (c). But if from the extremely broad description contained in that section and the widely different matters to which the section refers, it were possible to derive a statement of prerequisites to the President's action under section 9 (c), it would still be necessary for the President to comply with those conditions and to show that compliance as the ground of his prohibition. To hold that he is free to select as he chooses from the many and various objects generally described in the first section, and then to act without making any finding with respect to any object that he does select, and the circumstances properly related to that object, would be in effect to make the conditions inoperative and to invest him with an uncontrolled legislative power.

We are not dealing with action which, appropriately belonging to the executive province, is not the subject of judicial review, or with the presumptions attaching to executive action.[15] To repeat, we are concerned with the question of the delegation of legislative power. If the citizen is to be punished for the crime of violating a legislative order of an executive officer, or of a board or commission, due process of law requires that it shall appear that the order is within the authority of the officer, board, or commission, and if that authority depends on determinations of fact, those determinations must be shown. As the Court said in *Wichita Railroad & Light Co.* v. *Public Utilities Commission* (260 U. S. 48, 59): "In creating such an administrative agency the legislature, to prevent its being a pure delegation of legislative power, must enjoin upon it a certain course of procedure and certain rules of decision in the performance of its function. It is a wholesome and necessary principle that such an agency must pursue the procedure and rules enjoined and show a substantial compliance therewith to give validity to its action. When, therefore, such an administrative agency is required as a condition precedent to an order to make a finding of facts, the validity of the order must rest upon the needed finding. If it is lacking, the order is ineffective. It is pressed on us that the lack of an express finding may be supplied by implication and by reference to the averments of the petition invoking the action of the commission. We cannot agree to this." Referring to the ruling in the Wichita case, the Court said in *Mahler* v. *Eby* (264 U. S. 32, 44): "We held that the order in that case, made after a hearing and ordering a reduction, was void for lack of the express finding in the order. We put this conclusion not only on the language of the statute but also on general principles of constitutional government." We cannot regard the President as immune from the application of these constitutional principles. When the President is invested with legislative authority as the delegate of Congress in carrying out a declared policy, he necessarily acts under the constitutional restriction applicable to such a delegation.

We see no escape from the conclusion that the Executive orders of July 11, 1933, and July 14, 1933, and the regulations issued by the Secretary of the Interior thereunder, are without constitutional authority.

The decrees of the circuit court of appeals are reversed and the causes are remanded to the district court with direction to modify its decrees in conformity with this opinion so as to grant permanent injunctions restraining the defendants from enforcing those orders and regulations.

It is so ordered.

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SUPREME COURT OF THE UNITED STATES

Nos. 135 and 260—October Term, 1934

135, PANAMA REFINING CO. ET AL., PETITIONERS, *v.* A. D. RYAN ET AL., RESPONDENTS—260, AMAZON PETROLEUM CORPORATION ET AL., PETITIONERS, *v.* ARCHIE D. RYAN ET AL., RESPONDENTS—ON WRITS OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT

(Jan. 7, 1935)

Mr. Justice Cardozo dissenting:

With all that is said in the opinion of the Court as to the code of fair competition adopted by the President August 16, 1933, for the governance of the petroleum industry, I am fully in accord. No question is before us at this time as to the power of

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[12] See also secs. 4 (b) and 5 (a) of the Trading with the Enemy Act, 40 Stat. 411, 414, 415.

[13] Act of Mar. 28, 1928, amending sec. 9 of the Radio Act of 1927, 45 Stat. 373.

[14] See acts and proclamations cited in note 11, supra.

[15] See *Philadelphia R. R. Co.* v. *Stimpson* (14 Pet. 448, 458); *Martin* v. *Mott* (12 Wheat. 19, 30, 32); *Dakota Central Telephone Co.* v. *South Dakota* (250 U. S. 163, 182, 184; *United States* v. *Chemical Foundation* (272 U. S. 1, 14, 15); *Sterling* v. *Constantin* (287 U. S. 378, 399).

Congress to regulate production. No question is here as to its competence to clothe the President with a delegated power whereby a code of fair competition may become invested with the force of law. The petitioners were never in jeopardy by force of such a code or of regulations made thereunder. They were not in jeopardy because there was neither statute nor regulation subjecting them to pains or penalties if they set the code at naught. One must deplore the administrative methods that brought about uncertainty for a time as to the terms of Executive orders intended to be law. Even so, the petitioners do not stand in need of an injunction to restrain the enforcement of a nonexistent mandate.

I am unable to assent to the conclusion that section 9 (c) of the National Recovery Act, a section delegating to the President a very different power from any that is involved in the regulation of production or in the promulgation of a code, is to be nullified upon the ground that his discretion is too broad or for any other reason. My point of difference with the majority of the Court is narrow. I concede that to uphold the delegation there is need to discover in the terms of the act a standard reasonably clear whereby discretion must be governed. I deny that such a standard is lacking in respect of the prohibitions permitted by this section when the act with all its reasonable implications is considered as a whole. What the standard is becomes the pivotal inquiry.

As to the nature of the act which the President is authorized to perform, there is no need for implication. That at least is definite beyond the possibility of challenge. He may prohibit the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted by any State law or valid regulation or order prescribed thereunder. He is not left to roam at will among all the possible subjects of interstate transportation, picking and choosing as he pleases. I am far from asserting now that delegation would be valid if accompanied by all that latitude of choice. In the laying of his interdict he is to confine himself to a particular commodity, and to that commodity when produced or withdrawn from storage in contravention of the policy and statutes of the States. He has choice, though within limits, as to the occasion, but none whatever as to the means. The means have been prescribed by Congress. There has been no grant to the Executive of any roving commission to inquire into evils and then, upon discovering them, do anything he pleases. His act being thus defined, what else must he ascertain in order to regulate his discretion and bring the power into play? The answer is not given if we look to section 9 (c) only, but it comes to us by implication from a view of other sections where the standards are defined. The prevailing opinion concedes that a standard will be as effective if imported into section 9 (c) by reasonable implication as if put there in so many words. If we look to the whole structure of the statute, the test is plainly this, that the President is to forbid the transportation of the oil when he believes, in the light of the conditions of the industry as disclosed from time to time, that the prohibition will tend to effectuate the declared policies of the act—not merely his own conception of its policies, undirected by any extrinsic guide, but the policies announced by section 1 in the forefront of the statute as an index to the meaning of everything that follows.[16]

Oil produced or transported in excess of a statutory quota is known in the industry as "hot oil", and the record is replete with evidence as to the effect of such production and transportation upon the economic situation and upon national recovery. A declared policy of Congress in the adoption of the act is "to eliminate unfair competitive practices." Beyond question an unfair competitive practice exists when "hot oil" is transported in interstate commerce with the result that law-abiding dealers must compete with lawbreakers. Here is one of the standards set up in the act to guide the President's discretion. Another declared policy of Congress is "to conserve natural resources." Beyond question the disregard to statutory quotas is wasting the oil fields in Texas and other States, and putting in jeopardy of exhaustion one of the treasures of the Nation. All this is developed in the record and in the arguments of counsel for the Government with a wealth of illustration. Here is a second standard. Another declared policy of Congress is to "promote the fullest possible utilization of the present productive capacity of industries", and "except as may be temporarily required" to "avoid undue restriction of production." Beyond question prevailing conditions in the oil industry have brought about the need for temporary restriction in order to promote in the long run the fullest productive capacity of business in all its many branches, for the effect of present practices is to diminish that capacity by demoralizing prices and thus increasing unemployment. The ascertainment of these facts at any time or place was a task too intricate and special to be performed by Congress itself through a general enactment in advance of the event. All that Congress could safely do was to declare the act to be done and the policies to be promoted, leaving to the delegate of its power the ascertainment of the shifting facts that would determine the relation between the doing of the act and the attainment of the stated ends. That is what it did. It said to the President in substance: You are to consider whether the transportation of oil in excess of the statutory quotas is offensive to one or more of the policies enumerated in section 1, whether the effect of such conduct is to promote unfair competition or to waste the natural resources or to demoralize prices or to increase unemployment or to reduce the purchasing power of the workers of the Nation. If these standards or some of them have been flouted with the result of a substantial obstruction to industrial recovery, you may then by a prohibitory order eradicate the mischief.

I am not unmindful of the argument that the President has the privilege of choice between one standard and another, acting or failing to act according to an estimate of values that is individual and personal. To describe his conduct thus is to ignore the essence of his function. What he does is to inquire into the industrial facts as they exist from time to time. (Cf. *Hampton & Co.* v. *United States*, 276 U. S. 394, at p. 409; *Locke's Appeal*, 72 Penn. St., 491, 498, quoted with approval in *Field* v. *Clark*, 143 U. S. 649, at p. 694.) These being ascertained, he is not to prefer one standard to another in any subjective attitude of mind, in any personal or willful way. He is to study the facts objectively, the violation of a standard impelling him to action or inaction according to its observed effect upon industrial recovery—the ultimate end—as appears by the very heading of the title, to which all the other ends are tributary and mediate. Nor is there any essential conflict among the standards inter se, at all events when they are viewed in relation to section 9 (c) and the power there conferred. In its immediacy the exclusion of oil from the channels of transportation is a restriction of interstate commerce, not a removal of obstructions. This is self-evident, and, of course, was understood by Congress when the discretionary power of exclusion was given to its delegate. But what is restriction in its immediacy may in its ultimate and larger consequences be expansion and development. Congress was aware that for the recovery of national well-being there might be need of temporary restriction upon production in one industry or another. It said so in section 1. When it clothed the President with power to impose such a restriction—to prohibit the flow of oil illegally produced—it laid upon him a mandate to inquire and determine whether the conditions in that particular industry were such at any given time as to make restriction helpful to the declared objectives of the act and to the ultimate attainment of industrial recovery. If such a situation does not present an instance of lawful delegation in a typical and classic form (*Field* v. *Clark*, 143 U. S. 649; *United States* v. *Grimaud*, 220 U. S. 506; *Hampton & Co.* v. *United States*, 276 U. S. 394), categories long established will have to be formulated anew.

In what has been written I have stated, but without developing the argument, that by reasonable implication the power conferred upon the President by section 9 (c) is to be read as if coupled with the words that he shall exercise the power whenever satisfied that by doing so he will effectuate the policy of the statute as theretofore declared. Two canons of interpretation, each familiar to our law, leave no escape from that conclusion. One is that the meaning of a statute is to be looked for not in any single section but in all the parts together and in their relation to the end in view (*Cherokee Intermarriage Cases*,, 203 U. S. 76, 89; *McKee* v. *United States*, 164 U. S. 287; *Talbott* v. *Silver Bow County*, 139 U. S. 438, 443, 444). The other is that when a statute is reasonably susceptible of two interpretations, by one of which it is unconstitutional and by the other valid, the court prefers the meaning that preserves to the meaning that destroys (*United States* v. *Delaware & Hudson Co.*, 213 U. S. 366, 407; *Knights Templars' Indemnity Co.* v. *Jarman*, 187 U. S. 197, 205). Plainly section 1, with its declaration of the will of Congress, is the chart that has been furnished to the President to enable him to shape his course among the reefs and shallows of this act. If there could be doubt as to this when section 1 is viewed alone, the doubt would be dispelled by the reiteration of the policy in the sections that come later. In section 2, which relates to administrative agencies, in section 3, which relates to codes of fair competition, in section 4, which relates to agreements and licenses, in section 6, which prescribes limitations upon the application of the statute, and in section 10, which permits the adoption of rules and regulations, authority is conferred upon the President to do one or more acts as the delegate of Congress when he is satisfied that thereby he will aid "in effectuating the policy of this title" or in carrying out its provisions. True, section 9, the one relating to petroleum, does not by express words of reference embody the same standard, yet nothing different can have been meant. What, indeed, is the alternative? Either the statute means that the President is to adhere to the declared policy of Congress or it means that he is to exercise

[16] "SECTION 1. * * * It is hereby declared to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor and management under adequate governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources."

The act as a whole is entitled as one "To encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes"; and the heading of title I, which includes secs. 1 to 10, is "Industrial Recovery."

a merely arbitrary will. The one construction invigorates the act; the other saps its life. A choice between them is not hard.

I am persuaded that a reference, express or implied, to the policy of Congress as declared in section 1 is a sufficient definition of a standard to make the statute valid. Discretion is not unconfined and vagrant. It is canalized within banks that keep it from overflowing. *Field* v. *Clark* (143 U. S. 649), *United States* v. *Grimaud* (220 U. S. 506), and *Hampton & Co.* v. *United States* (276 U. S. 394) state the applicable principle. Under these decisions the separation of powers between the Executive and Congress is not a doctrinaire concept to be made use of with pedantic rigor. There must be sensible approximation, there must be elasticity of adjustment, in response to the practical necessities of government, which cannot foresee today the developments of tomorrow in their nearly infinite variety. The Interstate Commerce Commission, probing the economic situation of the railroads of the country, consolidating them into systems, shaping in numberless ways their capacities and duties, and even making or unmaking the prosperity of great communities (*Texas & Pacific R. Co.* v. *United States*, 289 U. S. 627), is a conspicuous illustration. (See, e. g., 41 Stat. 479–482, c. 91, secs. 405, 406, 407, 408; 42 Stat. 27, c. 20; 49 U. S. C., secs. 3, 4, 5. Cf. *Intermountain Rate Cases*, 234 U. S. 476; *N. Y. Central Securities Co.* v. *United States*, 287 U. S. 12, 24, 25; Sharfman, The Interstate Commerce Commission, vol. 2, pp. 357, 365.) There could surely be no question as to the validity of an act whereby carriers would be prohibited from transporting oil produced in contravention of a statute if, in the judgment of the Commission, the practice was demoralizing the market and bringing disorder and insecurity into the national economy. What may be delegated to a commission may be delegated to the President. "Congress may feel itself unable conveniently to determine exactly when its exercise of the legislative power should become effective, because dependent on future conditions, and it may leave the determination of such time to the discretion of the Executive" (*Hampton & Co.* v. *United States*, supra, at p. 407). Only recently (1932) the whole subject was discussed with much enlightenment in the report by the Committee on Ministers' Powers to the Lord Chancellor of Great Britain. (See especially pp. 23, 51.) In the complex life of today the business of government could not go on without the delegation, in greater or less degree, of the power to adapt the rule to the swiftly moving facts.

A striking illustration of this need is found in the very industry affected by this section, the production of petroleum and its transportation between the States. At the passage of the National Recovery Act no one could be certain how many of the States would adopt valid quota laws or how generally the laws would be observed when adopted, or to what extent illegal practices would affect honest competitors or the stability of prices or the conservation of natural resources or the return of industrial prosperity. Much would depend upon conditions as they shaped themselves thereafter. Violations of the State laws might turn out to be so infrequent that the honest competitor would suffer little, if any, damage. The demand for oil might be so reduced that there would be no serious risk of waste, depleting or imperiling the resources of the Nation. Apart from these possibilities, the business might become stabilized through voluntary cooperation or the adoption of a code or otherwise. Congress, not unnaturally, was unwilling to attach to the State laws a sanction so extreme as the cutting off of the privilege of interstate commerce unless the need for such action had unmistakably developed. What was left to the President was to ascertain the conditions prevailing in the industry and prohibit or fail to prohibit according to the effect of those conditions upon the phases of the national policy relevant thereto.

From a host of precedents available, both legislative and judicial, I cite a few as illustrations. By an act approved June 4, 1794, during the administration of Washington (1 Stat. 372; *Field* v. *Clark*, 143 U. S. 649, 683), Congress authorized the President, when Congress was not in session, and for a prescribed period "whenever, in his opinion, the public safety shall so require, to lay an embargo on all ships and vessels in the ports of the United States, or upon the ships and vessels of the United States, or the ships and vessels of any foreign nation, under such regulations as the circumstances of the case may require, and to continue or revoke the same, whenever he shall think proper." By an act of 1799, February 9 (1 Stat. 613, 615), suspending commercial intercourse with France and its dependencies, "it shall be lawful for the President of the United States, if he shall deem it expedient and consistent with the interest of the United States, by his order to remit, and discontinue, for the time being, the restraints and prohibitions aforesaid, * * * and also to revoke such order (i. e., reestablish the restraints), whenever, in his opinion, the interest of the United States shall require." By an act of October 1, 1890 (26 Stat. 567, 612), sustained in *Field* v. *Clark*, supra, the President was authorized to suspend by proclamation the free introduction into this country of enumerated articles when satisfied that a country producing them imposes duties or other exactions upon the agricultural or other products of the United States which he may deem to be reciprocally unequal or unreasonable. By an act of September 21, 1922 (42 Stat. 858, 941, 945), sustained in *Hampton & Co.* v. *United States*, supra, the President was empowered to increase or decrease tariff duties so as to equalize the differences between the costs of production at home and abroad, and empowered, by the same means, to give redress for other acts of discrimination or unfairness "when he finds that the public interest will be served thereby." Delegation was not confined to an inquiry into the necessity or occasion for the change. It included the magnitude of the change, the delegate thus defining the act to the performed. By an act of June 4, 1897 (30 Stat. 11, 35), amended in 1905 (33 Stat. 628), regulating the forest reservations of the Nation, the purpose of the reservations was declared to be "to improve and protect the forest within the reservation", and to secure "favorable conditions of water flows, and to furnish a continuous supply of lumber for the use and necessities of citizens of the United States." Without further guide or standard, the Secretary of Agriculture was empowered to "make such rules and regulations and establish such service as will insure the objects of such reservations, namely, to regulate their occupancy and use and to preserve the forests thereon from destruction." The validity of these provisions was upheld in *United States* v. *Grimaud*, supra, as against the claim by one who violated the rules that there had been an unlawful delegation. Many other precedents are cited in the margin.[17] They teach one lesson and a clear one.

There is no fear that the Nation will drift from its ancient moorings as the result of the narrow delegation of power permitted by this section. What can be done under cover of that permission is closely and clearly circumscribed both as to subject matter and occasion. The statute was framed in the shadow of a national disaster. A host of unforeseen contingencies would have to be faced from day to day, and faced with a fullness of understanding unattainable by anyone except the man upon the scene. The President was chosen to meet the instant need.

A subsidiary question remains as to the form of the Executive order, which is copied in the margin.[18] The question is a subsidiary one, for unless the statute is invalid, another order with fuller findings or recitals may correct the informalities of this one, if informalities there are. But the order to my thinking is valid as it stands. The President was not required either by the Constitution or by any statute to state the reasons that had induced him to exercise the granted power. It is enough that the grant of power had been made and that pursuant to that grant he had signified the will to act. The will to act being declared, the law presumes that the declaration was preceded by due inquiry and that it was rooted in sufficient grounds. Such, for a hundred years and more, has been the doctrine of this Court. The act of February 28, 1795 (1 Stat. 424), authorized the President "whenever the United States shall be invaded, or be in imminent danger of invasion from any foreign nation or Indian tribe", to call forth such number of the militia of the States as he shall deem necessary and to issue his orders to the appropriate officers for that purpose. (Cf. Constitution, art. I, clause 15.) When war threatened in the summer of 1812 President Madison, acting under the authority of that statute, directed Major General Dearborn to requisition from New York, Massachusetts, and Connecticut certain numbers of the States' militia (American State Papers, Military Affairs, vol. 1, pp. 322–325). No finding of "imminent danger of invasion" was made by the President in any express way, nor was such a finding made by the Secretary of War or any other official.

The form of the requisitions to Massachusetts and Connecticut appears in the state papers of the Government (American State Papers, supra); the form of those to New York was almost certainly the same. Replevin was brought by a New York militia man who refused to obey the orders, and whose property had been taken in payment of a fine imposed by a court martial. The defendant, a deputy marshal, defended on the ground that the orders were valid, and the plaintiff demurred because there was no allegation that the President had adjudged that there was imminent danger of an invasion. The case came to this Court (*Martin* v. *Mott*, 12 Wheat. 19). In an opinion by Story, J., the Court upheld the seizure. "The argument is [he wrote], that the power confided to the President is a limited power, and can be exercised only in the cases pointed out in the statute, and, therefore, it is necessary to aver the facts which bring the exercise within the purview of the statute. In short, the same principles are sought to be applied to the delegation and exercise of this power intrusted to the Executive of the Nation for great political purposes, as might

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[17] 2 Stat. 411, Dec. 19, 1806; 3 Stat. 224, Mar. 3, 1815; 23 Stat. 31, 32, May 29, 1884; 25 Stat. 659, Feb. 9, 1889; 38 Stat. 717, Sept. 26, 1914; 41 Stat. 593, May 10, 1920; *Williams* v. *United States*, 138 U. S. 514; *Buttfield* v. *Stranahan*, 192 U. S. 470; *Intermountain Rate cases*, 234 U. S. 476; *Mahler* v. *Eby*, 264 U. S. 32. Cf. Emergency Banking Act of Mar. 9, 1933; 48 Stat. 1; Agricultural Adjustment Act of May 12, 1933, 48 Stat. 51, 53, sec. 43.

[18] Executive order. Prohibition of transportation in interstate and foreign commerce of petroleum and the products thereof unlawfully produced or withdrawn from storage. By virtue of the authority vested in me by the act of Congress entitled "An act to encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public, No. 67, 73d Cong.), the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation or order prescribed thereunder, by any board, commission, officer, or other duly authorized agency of a State is hereby prohibited. Franklin D. Roosevelt. The White House, July 11, 1933.

be applied to the humblest officer in the Government, acting upon the most narrow and special authority. It is the opinion of the Court that this objection cannot be maintained. When the President exercises an authority confided to him by law, the presumption is that it is exercised in pursuance of law. Every public officer is presumed to act in obedience to his duty, until the contrary is shown; and, a fortiori, this presumption ought to be favorably applied to the Chief Magistrate of the Union. It is not necessary to aver that the act, which he may rightfully do, was so done." A like presumption has been applied in other cases and in a great variety of circumstances (*The Philadelphia & Trenton R. Co.* v. *Stimpson*, 14 Pet. 448, 458; *Rankin* v. *Hoyt*, 4 How. 327, 335; *Carpenter* v. *Rannels*, 19 Wall. 138, 146; *The Confiscation Cases*, 20 Wall. 92, 109; *Knox County* v. *Ninth National Bank*, 147 U. S. 91, 97; *United States* v. *Chemical Foundation*, 272 U. S. 1, 14, 15). This does not mean that the individual is helpless in the face of usurpation. A court will not revise the discretion of the Executive, sitting in judgment on his order as if it were the verdict of a jury (*Martin* v. *Mott*, supra.) On the other hand, we have said that his order may not stand if it is an act of mere oppression, an arbitrary flat that overleaps the bounds of judgment (*Sterling* v. *Constantin*, 287 U. S. 378, 399, 400, 401). The complainants and others in their position may show, if they can, that in no conceivable aspect was there anything in the conditions of the oil industry in July 1933 to establish a connection between the prohibitory order and the declared policies of the Congress. This is merely to say that the standard must be such as to have at least a possible relation to the act to be performed under the delegated power. One can hardly suppose that a prohibitory order would survive a test in court if the Executive were to assert a relation between the transportation of petroleum and the maintenance of the gold standard or the preservation of peace in Europe or the Orient. On the other hand, there can be no challenge of such a mandate unless the possibility of a rational nexus is lacking altogether. Here, in the case at hand, the relation between the order and the standard is manifest upon the face of the transaction from facts so notorious as to be within the range of our judicial notice. There is significance in the fact that it is not challenged even now.

The President, when acting in the exercise of a delegated power, is not a quasi-judicial officer, whose rulings are subject to review upon certiorari or appeal (*The Chicago Junction case*, 264 U. S. 258, 265; cf. *Givens* v. *Zerbst*, 255 U. S. 11, 20), or an administrative agency supervised in the same way. Officers and bodies such as those may be required by reviewing courts to express their decision in formal and explicit findings to the end that review may be intelligent (*Florida* v. *United States*, 282 U. S. 194, 215; *Beaumont, Sour Lake & Western R. Co.* v. *United States*, 282 U. S. 74, 86; *United States* v. *Baltimore & Ohio R. Co.*, Jan. 7, 1935, — U. S. —; cf. *Public Service Commission of Wisconsin* v. *Wisconsin Telephone Co.*, 289 U. S. 67). Such is not the position or duty of the President. He is the Chief Executive of the Nation, exercising a power committed to him by Congress and subject, in respect of the formal qualities of his acts, to the restrictions, if any, accompanying the grant, but not to any others. One will not find such restrictions either in the statute itself or in the Constitution back of it. The Constitution of the United States is not a code of civil practice.

The prevailing opinion cites *Wichita Railroad & Light Co.* v. *Public Utilities Commission of Kansas* (260 U. S. 48) and *Mahler* v. *Eby* (264 U. S. 32, 44). One dealt with a delegation to a public utilities commission of the power to reduce existing rates if they were found to be unreasonable; the other a delegation to the Secretary of Labor of the power to deport aliens found after notice and a hearing to be undesirable residents. In each it was a specific requirement of the statute that the basic fact conditioning action by the administrative agency be stated in a finding and stated there expressly. If legislative power is delegated subject to a condition, it is a requirement of constitutional government that the condition be fulfilled. In default of such fulfillment, there is in truth no delegation, and hence no official action, but only the vain show of it. The analogy is remote between power so conditioned and that in controversy here.

Discretionary action does not become subject to review because the discretion is legislative rather than executive. If the reasons for the prohibition now in controversy had been stated in the order, the jurisdiction of the courts would have been no greater and no less. Investigation resulting in an order directed against a particular person after notice and a hearing is not to be confused with investigation preliminary and incidental to the formulation of a rule. An embargo under the act of 1794 would have been more than a nullity though there had been a failure to recite that what was done was essential to the public safety or to enumerate the reasons leading to that conclusion. If findings are necessary as a preamble to general regulations, the requirement must be looked for elsewhere than in the Constitution of the Nation.

There are other questions as to the validity of section 9 (c) in matters unrelated to the delegation of power to the President, and also questions as to the regulations adopted in behalf of the President by the Secretary of the Interior. They are not considered in the prevailing opinion. However, they have been well reviewed and disposed of in the opinion of Sibley, J., writing for the court below. It is unnecessary at this time to dwell upon them further.

The decree should be affirmed.

IN THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE SOUTHERN DISTRICT OF CALIFORNIA, CENTRAL DIVISION

UNITED STATES OF AMERICA AND HAROLD L. ICKES, SECRETARY OF THE INTERIOR, AS ADMINISTRATOR OF THE CODE OF FAIR COMPETITION FOR THE PETROLEUM INDUSTRY, PLAINTIFFS, *v.* WILSHIRE OIL CO., INC., A CORPORATION, ET AL., DEFENDANTS—IN EQUITY NO. 126–M

*Memorandum of decision*

McCormick, district judge:

This suit in equity was commenced by the United States attorney for this judicial district on December 14, 1933. The action is authorized under section 3c of the National Industrial Recovery Act (48 Stat. 195), and is on behalf of the Government and its administrator of the code of fair competition for the petroleum industry, as complainants, against the Wilshire Oil Co., Inc., a corporation, organized and existing under the laws of the State of California, its officers and directors, and certain other corporate bodies engaged in the oil industry which are affiliates of the Wilshire Oil Co., as defendants.

The objective of complainants is to obtain a mandatory injunction restraining the defendants from producing crude oil or any product thereof from their respective wells in Santa Fe Springs and in the Huntington Beach oil fields of California in excess of the amounts allocated in and by the quotas and operating schedules as now compiled, and as they may be hereafter compiled and approved, pursuant to and in accordance with the terms of the code of fair competition for the Petroleum Industry, which has been established and promulgated under the authority of the National Industrial Recovery Act, supra.

The sole matters before the court at this time, and the only issues which are considered or determined now, are:

The right of complainants to an injunction pendente lite to compel the defendants to comply with quotas and operating schedules regulating the production of crude oil, gas, and petroleum products from their wells, in conformity with orders issued by governmental agencies under dates of July 26, 1934, and September 28, 1934, respectively, and any order amendatory or supplementary thereto that may be hereafter issued pursuant to the aforesaid petroleum code; and also to restrain defendants from withdrawing oil from storage, pending the final decision of this suit on the merits, without the approval of the planning and coordination committee which has been established by the oil industry under said petroleum code; and in the event that such temporary injunctive relief is denied;

The right of defendants to a prohibitory injunction pendente lite restraining the Government agents from attempting to apply or enforce the two aforesaid orders or any order made under authority of the petroleum code or the National Industrial Recovery Act, as against the production of crude oil, gas, or petroleum products from their wells respectively at either of the aforesaid California oil fields; and so restraining said governmental agencies from interfering with the defendants' withdrawal from storage of oil or petroleum products produced, or produced and refined, or to be refined, within the State of California.

There has been no restraining order issued against defendants on the original bill of complaint. From time to time the Government's application for temporary injunction has been continued, inasmuch as the defendants had been voluntarily complying with the allocations and quotas of the governmental agencies in the conduct of their oil producing and refining until August 1934.

It is admitted that the corporate defendants since that time have been exceeding production allocated to their oil wells by the orders made by the governmental authority, and the complainants on November 27, 1934, filed an amended and supplemental bill to restrain further excess production over governmental allocations, and to prohibit storage removals without governmental authority. Thereupon an order was directed to defendants requiring them to show cause why they should not be so restrained pendente lite. The application for temporary injunction in addition to the verified supplemental bill is supported by affidavits filed herein.

The defendants have joined issue upon the supplemental bill by filing a verified answer to it, and have also filed a verified counterclaim, also supported by affidavits, seeking the aforesaid affirmative relief of prohibitory injunction against the Government agents' orders, allocations, and quotas.

It is considered unnecessary to the determination of the issues before the court at this time to specifically analyze or to discuss in detail the allegations contained in the pleadings or the facts disclosed by the affidavits which have been filed in support of and in opposition to the respective motions for interlocutory injunction. Many of such matters must be and should be left to the hearing on the merits of this suit, where they can be adequately and fully presented by the respective suitors. This cannot be done, and is not expected to be done, upon applications for temporary injunctions.

In an action like the one before the court, where the Government is proceeding under an act of Congress that is designed to aid the constitutional national prerogative of regulating foreign or interstate commerce, or of restraining intrastate activities which interfere with and burden such national prerogative, all that need be shown to warrant the issuance of an injunction until the case can be heard and decided on its merits is that, upon consideration and weighing of all equities, greater damage to the general welfare and public interest involved is probable if the status quo of the controversy is maintained pending suit, than if the gov-

ernmental regulations are observed during such period. I am satisfied from a study of the issues of this case as they are revealed in the record now before the court, and as they are illumined by judicial knowledge of the oil industry as reflected in equity receiverships which have come into this court, as well as from the history of the times, that the Government is entitled to require the defendants to comply with the two allocation orders of crude-oil production in suit, pending final decision of this case.

The orders which are assailed by defendants may be epitomized as regulations promulgated by the administrator of the petroleum code under the provisions of title I of the National Industrial Recovery Act whereby certain persons active in the oil industry in California are designated by the administrator as the agency of the Government to compile and recommend to him crude-oil production quotas, pursuant to economic principles and statistical methods that are specified in the orders, and in accordance with the total crude-oil quotas for California, as the national administrator of the petroleum code shall certify it from time to time, to bring about and conserve an equitable and fair trade balance, to supply the oil consumers' demand of the country, and to prevent waste and disruption of established markets for petroleum and its products among the States of the Union. The plan that is designated in the orders recognizes three geographical, separate and distinct oil-producing districts within California, viz, the San Joaquin Valley, the coastal counties, and the Los Angeles Basin; and the total State quota which is certified by the national administrator of the petroleum code is subdivided among the three districts by the agency to balance production to the established total consumptive demand for petroleum and its products from the three districts respectively as it is determined from the statistical records of the United States Bureau of Mines. Then there is a further division of production into fields and again into pools within the respective districts, and finally an allotment and allowable production to each well within each pool.

From the showing made at the hearing of the motions for preliminary injunction, it appears that there has been during the months of July, August, September, and October 1934 no consumptive demand in California for crude oil produced in excess of the total allowables established and fixed by the administrator's orders. If such conclusion is correct, and accurately forecasts future market conditions, and I believe it presumptively does, then any production of crude oil in excess of the administrator's quotas either causes waste or goes into and affects the stream of interstate and foreign petroleum transactions. Either and both of these results demand regulation, in order that sound and fair competition may be fostered, and a most valuable natural resource may be conserved as far as it is consistent with the current requirements of safety, business, and industry to do so. Because of the national scope of the unique and integrated petroleum industry and its supreme importance in national security, Federal authority appears to be the only adequate regulating power. Therefore the vital substantial question for decision is whether or not such authority can be lawfully directed against defendants' oil-production operations in the two aforesaid districts.

The defendant companies are operating, in their producing, refining, transporting, and marketing, actual activities, entirely within the State of California. They claim, therefore, that inasmuch as the National Industrial Recovery Act and the code of fair competition for the petroleum industry relate solely to interstate and foreign commerce, the two allocation orders made solely under the authority thereof are ineffectual as to them, their oil wells, and their production processes.

Before crude-oil production in concrete cases can be accurately characterized as a purely local or as a national instrumentality of commerce it should be surveyed in the light of present-day economic and industrial conditions and requirements, and it is imperative that it be scrutinized under established geological factors that appear in no other known activity. Not much aid is furnished by precedents that relate to other enterprises or commodities or that are not commensurate with existing conditions in the producing features of the oil business. Says the Supreme Court in *Ohio Oil Co.* v. *Indiana* (177 U. S. 203):

"Petroleum, gas, and oil are substances of peculiar character, and decisions in ordinary cases of mining for coal and other minerals which have a fixed situs cannot be applied to contracts concerning them without some qualifications." And in the recent case of *Ryan* v. *Amazon Petroleum Corporation*, 71 Fed. (2d) 1, the Fifth Circuit Court of Appeals, in considering many decisions of the Supreme Court that relate to a determination of whether mining, manufacturing, generating electricity, etc., within a State are subject to Federal regulation under the commerce clause of the Constitution, said: "Oil production is either mining or manufacturing. Neither the one nor the other is ordinarily within the power of Congress to regulate within a State. * * * It may be that under peculiar circumstances, such, for example, as are here shown to exist in the relation of oil production in Texas to commerce in oil with and among the other States, such a burden on or interference with interstate commerce may exist as to justify congressional action, as in the case of intrastate rates which injuriously affect interstate commerce."

The wells of the respective defendant companies in the two oil fields of the Los Angeles district are admittedly penetrating the same oil-producing zones from which other oil enterprises are extracting crude oil, gas, and natural gasoline, which is by such other concerns put into and utilized in the stream of their respective interstate and foreign business. All of such other producers are complying with the allocation and quota orders which are resisted by the defendants.

It is evident that if the defendants are not required to comply with fair and nondiscriminating allocations of crude-oil production, the other producers in the same field or pool or zone will be forced to exceed their quotas in order to get their just share of the oil in the reservoir which is a common source of supply to all penetrating and operating therein. Such unregulated overproduction will necessarily upset the balance of the determined consumer demand for petroleum products, in California primarily, but also in other States and in foreign countries, where the trade is being supplied with crude oil and petroleum products which originate in and are produced from the common source of supply.

The defendants by their pleadings and in affidavits do raise an issue that discrimination has been practiced by the Government agencies in California against them and in favor of the other companies which are producing oil from the same fields and zones. There is a denial in the affidavits on the part of the complainants of this charge of favoritism, and in view of the conflict it cannot be determined at this time, but is reserved for further consideration at the hearing of this suit on the merits, when this important issue can be properly explored by the court, and definite findings and conclusions upon it can be made. Of course, if it is established that the methods or orders of the administrator of the petroleum code are arbitrary or discriminatory, they will not be sustained in a court of equity. Nevertheless, it is noteworthy, in connection with defendants' claim of unjust discrimination, that the affidavits on file, without denial, show that although the administrator has provided facilities for appeal and review of any of the allocation orders, the defendants have not availed themselves of recourse to such administrative processes to remedy the alleged inequities that they now complain of in this suit.

The following language of the Supreme Court in *Ohio Oil Co.* v. *Indiana*, supra, is strikingly applicable to the close drilling operations of defendants and others that exist in the two California oil fields and the extraction of crude oil therefrom.

"No time need be spent in restating the general common-law rule that the ownership in fee of the surface of the earth carries with it the right to the minerals beneath, and the consequent privilege of mining to extract them. And we need not, therefore, pause to consider the scope of the legislative authority to regulate the exercise of mining rights and to direct the methods of their enjoyment so as to prevent the infringement by one miner of the rights of others (*Del Monte Mining Co.* v. *Last Chance Mining Co.*, 171 U. S. 55, 60). The question here arising does not require a consideration of the matters just referred to, but it is this: Does the peculiar character of the substances, oil and gas, which are here involved, the manner in which they are held in their natural reservoirs, the method by which and the time when they may be reduced to actual possession or become the property of a particular person, cause them to be exceptions to the general principles applicable to other mineral deposits, and hence subject them to different rules? True it is that oil and gas, like other minerals, are situated beneath the surface of the earth; but except for this one point of similarity, in many other respects they greatly differ. They have no fixed situs under a particular portion of the earth's surface within the area where they obtain. They have the power, as it were, of self-transmission. No one owner of the surface of the earth, within the area beneath which the gas and oil move, can exercise his right to extract from the common reservoir, in which the supply is held, without, to an extent, diminishing the source of supply as to which all other owners of the surface must exercise their rights. The waste by one owner, caused by a reckless enjoyment of his right of striking the reservoir, at once, therefore, operates upon the other surface owners. Besides, whilst oil and gas are different in character, they are yet one, because they are unitedly held in the place of deposit."

In any present-day evaluation of the effect on commerce of the established legal doctrine of capture that applies to crude-oil production, notice must be given to the geological fact that an oil structure is a reservoir of oil, gas, and gas in solution, and that it becomes a gas and hydraulic engine when the first well disturbs the equilibrium of the gaseous, hydraulic, and rock pressures which was necessary to retain the pool in that particular place. This interference recurs with each penetrating contact with the reservoir. Drilling wells into various parts of the field produces gas or oil, or both; or water, or oil and water; or dry holes; all depending upon their location. The maximum ultimate recovery of oil can therefore be brought about only by mandatory regulation of production elements so as to utilize these reservoir forces for the production of crude oil, rather than permitting the dissipation of gas or the channeling of water through oil sands to the wells.

If the ancient rule of capture is stretched to its broadest sense, it will recognize no right to governmental protection, even against the malicious waste of naval oil reserves or of natural resources of the Nation, regardless of the present-day nearness to one another of separately controlled producing wells. So important today are regulating safeguards to commerce that Mr. Justice Butler, writing for the Supreme Court, in the recent case of *Champlin Refining Co.* v. *Commission* (286 U. S. 228), said: "Where proportional taking from the wells in flush pools is not enforced, operators who do not have physical or market outlets are forced to produce to capacity in order to prevent drainage to others having adequate outlets."

The blending and intermingling of the interstate-commerce instrumentalities of the pool neighbors of the defendants with their media of intrastate business is so intimate and inextricable that the protection of the former by Federal power, which is indisputable, cannot be accomplished without the regulation of the latter by the same authority. (See *Coronado Coal Co.* v. *United Mine Workers*, 268 U. S. 295; *Houston & Texas Railway* v. *United States*, 234 U. S. 342; Minnesota Rate cases, 230 U. S. 352.)

One has but to superficially note the indispensability of petroleum products in national security and transportation to appreciate the magnitude and singular situation in the United States of the oil industry. It is the industry as an entity that is sought to be regulated by the Federal Government, and not merely some part of it. This industry is sui generis. It is so necessarily interrelated with and among all of the States that, regardless of where any crude-oil production instrumentality of it may be physically located, the business is of itself national in scope and effect. Although less than a score of the States furnish all of the domestic production of crude oil, the market for this peculiar commodity and its products is not only Nation-wide but extends to our Territories and insular possessions as well, and even to foreign lands.

It seems to me that such a wide stream of commerce as the petroleum industry can be successfully protected only by regulating its flow at the source; and while it may be held that the producing well, when viewed apart from its correlative facilities, is intrastate, nevertheless, when the industry is considered, the well occupies no such local or restricted channel.

In *Stafford* v. *Wallace* (258 U. S. 518) Chief Justice Taft, in quoting Justice Holmes, writing for the Supreme Court in *Swift* v. *U. S.* (196 U. S. 398), said: "Commerce among the States is not a technical legal conception, but a practical one drawn from the course of business."

If this salutary principle is applied to the oil business in our country, as it appears to me it has been by Congress, there is no question as to the right of the administrator of the petroleum code to regulate the production of crude oil from the defendants' wells, as it has been, at least to a prima facie degree, established that production by the defendant companies in the two California districts in excess of the administrator's quota will affect the free flow of interstate and foreign commerce.

No one reading the National Industrial Recovery Act can fail to observe the plain and obvious purpose of Congress in its enactment of this emergency and remedial statute. It is clearly stated that "a national emergency, productive of wide-spread unemployment and disorganization of industry, which burdens interstate and foreign commerce * * * is hereby declared to exist", and that it is the congressional policy "to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof * * * to eliminate unfair competitive practices, * * * to avoid undue restrictions of production (except as may be temporarily required), * * * and to conserve natural resources."

There is little room to doubt the right of Congress to legislate to attain its expressed policy, and this court cannot substitute its judgment on the wisdom of the legislative policy. To the contrary, the statute being remedial and an emergency measure, and clear in its terms, it is the duty of the court to broadly apply it to effect its object.

"Let the end be legitimate", said Chief Justice Marshall in *McCullogh* v. *Maryland* (4 Wheat. 316), "let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but which consist with the letter and spirit of the Constitution, are constitutional." (See also *Wilson* v. *New*, 243 U. S. 543.)

It is difficult to conceive of a more necessary and suitable means to regulate interstate and foreign traffic in petroleum products, in a general industrial depression, than to methodize crude-oil production. Such regulation satisfactorily appears at this time to be the function and purpose of the applicable sections of the petroleum code and the two orders under consideration. The defendant companies, having produced crude oil in excess of the quota, thereby affect interstate and foreign commerce, and are deemed to be using an unfair method of competition in commerce, in violation of subdivision (b) of section 3 of the National Industrial Recovery Act and article III of the petroleum code.

There is no doubt as to the constitutionality of the National Industrial Recovery Act as far as it relates to interstate and foreign commerce. It is clearly authorized by article I, section 8, clause 3, of our organic law. Congress is there given the power "to regulate commerce with foreign nations and among the several States and with the Indian tribes." These words impart powers, prerogatives, and responsibilities in the Federal Government that are not static. They are sufficiently elastic to meet changing economic, industrial, and social conditions in our national life without infringing upon guaranteed private property rights or invading unsurrendered exclusive State authority at such times.

I believe it is undeniable that the purpose of Congress in the Recovery Act was to assist economic and industrial rehabilitation in the United States by removing obstructions to interstate and foreign commerce. This is clearly a Federal power, and in exercising it anything that is reasonably and seasonably adapted to accomplish the congressional purpose and that is not clearly prohibited by our dual systems of government should be sustained by the courts.

And in dealing with the contemporaneous petroleum industry specifically, a practical conception of the locale, magnitude, and instrumentalities of the business, rather than the blind adherence to archaic precedents, should be the judicial yardstick for measuring the extent and validity of remedial legislation. Consequently, expressions in some early opinions that localize valid public regulations of crude-oil production cannot be used today to measure modern regulatory requirements of the petroleum industry in the United States. It is now a huge integrated entity, whose units are inseparably linked around all of the States, and whose protection is necessary for national security. It appears to me that only by an unwarranted stretch of construction can present-day regulation of crude oil in the petroleum industry be regarded as one of the reserved powers of the States under the tenth amendment to the Constitution.

Any objection to the Recovery Act or to the petroleum code upon the ground that there reposes in either an unlawful delegation of legislative power is without merit.

The general rule applicable to remedial statutes that create administrative agencies to effectuate the purposes of the law is that Congress is required to legislate on the subject so far as reasonably practicable, and to express its purpose by the declaration of an intelligible principle, and leave to the person or body authorized in the act to administer it the power to supply the details, methods, and regulations and standards which will operate to accomplish the purpose of the statute (*Butterfield* v. *Stranahan*, 192 U. S. 470; *Marshall Field* v. *Clark*, 143 U. S. 649; *St. Louis & Iron Mountain* v. *Taylor*, 210 U. S. 281).

Attention has already been directed to the expressed purpose of Congress in the Recovery Act. I consider it unnecessary in this memorandum to quote any further from the law to show that it contains all of the requirements of the decisions of the Supreme Court that establish the general rule just mentioned. Suffice it to say that neither the act nor the code which was formulated by the industry itself, with the approval of the President under the act, contains any unlawful delegation of power, considering the practical aspects of the situation that confronted Congress in the petroleum industry of the United States.

In conclusion it should be stated that I have found no decision of the Supreme Court that directly prohibits the Federal Government from regulating crude-oil production within the several States, as prescribed by the National Industrial Recovery Act and the code of fair competition for the petroleum industry. The closest approach to an authoritative ruling by that Court upon the problem before this court is found in *Champlin Refining Co.* v. *Corporation Commission*, supra, where the Court recognized the right of the State of Oklahoma to regulate oil production. This decision, in my opinion, goes no further than to hold that the Oklahoma statute involved did not burden interstate commerce. I believe it does not apply to the facts of this suit as they have been found by this court. The facts here show that the production operations of the defendant companies do interfere with the free flow of interstate and foreign commerce; and we are here directly considering Federal authority under an act of Congress designed to aid interstate and foreign commerce.

The unfair and profitless competition of the producing and refining units of the oil industry in the Nation during the depression, until the passage of the Recovery Act and the approval of the petroleum code, demonstrates the imperative necessity of Nation-wide coordinated regulation of this mighty medium of commerce and security. It is my deliberate judgment that the remedial recovery statute will fail to accomplish its end of removing obstructions to the free flow of the stream of interstate and foreign commerce in the petroleum industry if the agencies that the act creates through the code are precluded from regulating the unique, fugitive, and basic mineral that is the genesis of all oil business.

The complainants are entitled to restrain further violations of the orders of the administrator pendente lite; and defendants' application for temporary injunction is denied.

Dated at Los Angeles, Calif., December 31, 1934.

### NATION-WIDE REFERENDUM OF GOVERNORS SHOWS OVERWHELMING SENTIMENT FOR DIRECT PRIMARY

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the subject of the direct primary and to include therein a brief summary of the canvass of Governors on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, during the last few days I have had positive and visual evidence that the doctrine of rule by the people, so passionately cherished and maintained by Thomas Jefferson, Andrew Jackson, Abraham Lincoln, Woodrow Wilson, and Franklin D. Roosevelt, is not a dead letter in this country, but is still a living, vital, motivating philosophy.

I have canvassed the Governors of all of the States to ascertain how they individually stand and how their States stand on the direct primary for nominating candidates for public offices, as compared with the old, archaic, reactionary, boss-ridden convention system, and I find, to my great delight, that the direct primary is universally the favored

method. Looking over the replies which have come from Governors all over the Union, I find that they echo the immortal principle enunciated by Thomas Jefferson more than a hundred years ago when he said:

The will of the people is the only legitimate foundation of any government, and to protect its free expression should be its first object.

In taking this Nation-wide referendum, my purpose was to bring out in bold relief the true status of the primary in America. Only one solitary Governor of a State that has the primary expressed himself in opposition to that method of making nominations, and that one is the Governor of Michigan. With that exception, sentiment among the Governors is unanimous. Every Democratic Governor who expressed his views was for the primary and against the convention system.

The general opinion of the Governors, as expressed in letters received, is that repeal of the primary would be a reactionary, backward step. The Governors of the various States are thus on record as being overwhelmingly in favor of the primary system of making nominations for public offices and in opposition to the convention system.

INDIANA WILL NOT FAIL THE NATION

Mr. Speaker, there has been talk that in this year 1935 Indiana might lead a march of States back into the old reactionary camp where special privilege flourishes, and where, in the old days, pampered interests contributed to all of the campaign funds and manipulated the conventions of all parties so as to nominate their trusted favorites on every ticket. They could not lose! I do not place any dependence in these reports.

I do not believe that Indiana is going to put itself in the position of the Irishman with whom the entire regiment is out of step. I do not believe that Indiana is going to proclaim itself out of harmony with the great national chorus. I do not believe that Indiana, the State where I was born and where all of my affections lie, is going to say to designing and grasping special interests, "Come and take possession of our nominating machinery." Indiana is not going to substitute government by bosses and special interests for government by the people.

Indiana is not going to turn its back on Thomas R. Marshall, John W. Kern, and the other great spirits of the past who 20 years ago, after two Democratic State conventions had endorsed the direct primary, succeeded, with the cooperation of Woodrow Wilson, in securing the enactment of the Indiana primary law after Mr. Kern from his desk in the United States Senate had sent to every Democratic member of the Indiana Legislature the following message:

WASHINGTON, D. C., *February 16, 1915.*

Impossible for me to leave here. Hope Democratic legislature will enact primary law. Indiana's splendid Democratic Governor recommends it; the greatest Democratic President since Jefferson urges it; Bryan, the best-loved American Democrat, advises it; two Democratic State conventions have pledged the honor of the party that it shall be passed. Is it possible that the will of a quarter of a million Democrats shall be thwarted by a few men? That is the supreme issue, vastly more important than any one piece of legislation.

JOHN W. KERN.

No, Mr. Speaker, the reports we have heard in Washington that Indiana is going to lead a march of States back into the reactionary camp is a mistake, first, because the States would not be led and, secondly, because the members of the Indiana Legislature, as I size them up, are men of a high order, typical of our best citizenship, real Hoosiers who revere the history and traditions of our beloved State, and who would not, I feel sure, place Indiana in the unenviable position of being the first State in the Union to repeal that great instrumentality of popular government—the direct primary.

GOVERNOR OF NEW YORK FOR DIRECT PRIMARY

Mr. Speaker, the sentiment of America is shown by the letters I have received from the Governors of the States in answer to my questionnaire as to their attitude on the direct primary.

According to Herbert H. Lehman, Governor of New York and friend of Franklin D. Roosevelt, the New York law is similar to the existing Indiana statute, nominations for Senator and State offices being made in State convention and other nominations from Congressman down being made in primaries. Governor Lehman is opposed to repeal of the primary and in a letter to me says:

There is some difference of opinion as to the effectiveness of the primary system in New York State. I might add, however, that by and large there have been, to my knowledge, very few complaints against it. I cannot recall any case of newspaper editorial comment advocating its repeal.

A. Harry Moore, Governor of New Jersey, the State where Woodrow Wilson fought and won the first great battle for the primary, advises that the primary system in that State "works satisfactorily and in the public interest."

GOVERNOR RITCHIE APPROVES DIRECT PRIMARY

Albert C. Ritchie, four times Governor of Maryland, writes as follows:

It is true, of course, that the primary system has not worked out in all cases in accordance with the expectations of its advocates. However, I am still one of these, and I believe this system is the best for the nomination of public officers with the possible exception of judge.

Benjamin B. Moeuer, Governor of Arizona, states that Arizona has the primary system of making nominations for public offices; that it works satisfactorily and in the public interest and that he would not favor its repeal.

GOVERNORS EAST AND WEST ENDORSE PRIMARY

Gifford Pinchot, Governor of Pennsylvania, writes:

I am glad to tell you that we have the primary system in Pennsylvania; that it works well—far better than the old convention system—and that I am unalterably opposed to its repeal.

C. Ben Ross, Governor of Idaho, says that Idaho has the primary system, that it is satisfactory, and operates in the interest of the public, and that he would oppose its repeal.

The same opinion is expressed by Edwin C. Johnson, Governor of Colorado, in respect to the operation of the primary law in that State. Speaking for Delaware, Gov. C. Douglass Buck says that Delaware is satisfied with its primary law, and he would oppose its repeal. B. M. Miller, Governor of Alabama, says he is opposed to repeal of the primary in Alabama, because it works satisfactorily and in the public interest. In upholding the primary law of Maine, Gov. Louis J. Brann says:

Apparently the present system is satisfactory to the public.

GOVERNOR OF KENTUCKY FAVORS PRIMARY

Other expressions in letters from governors to me follow:
Ruby Laffoon, Governor of Kentucky:

In Kentucky the primary system is compulsory so far as all offices are concerned excepting the State officials. The nominating of State officials is left to the discretion of the governing committee, and they decide as to whether a primary or convention will be held. So far, this system has worked quite satisfactorily.

F. H. Cooney, Governor of Montana:

Montana uses the direct primary system and apparently most of the people feel that it works satisfactorily. I do not believe it will be repealed in Montana.

PRIMARY MAY BE STRENGTHENED IN WASHINGTON

Clarence D. Martin, Governor of Washington:

We have the primary system in this State, and it seems to have worked fairly satisfactory. I am quite sure the system will not be repealed in this State, unless it would be followed by a blanket primary ballot. This latter measure is to be considered by the legislature this winter, having been initiated in our State by a very large percentage of our citizens.

H. G. Kump, Governor of West Virginia:

We have a primary system of making nominations of candidates for public offices in West Virginia. It is reasonably satisfactory, but I believe a system whereby nominations must be made by a majority vote of those participating in a primary election would result in more satisfactory candidates. I would not advocate the repeal of our present plan unless it was supplanted by a plan providing for party nominations to be made by a majority vote.

Ole H. Olson, Acting Governor of North Dakota:

We have the primary system of making nominations for public office in this State. I will say that I do not advocate its repeal.

Repealing it would not improve matters any and will probably make conditions worse, although it would eliminate some expense to the State. Undoubtedly it has a clarifying influence in determining the intent of the voters.

SATISFACTORY IN VIRGINIA

George C. Peery, Governor of Virginia:

The primary generally prevails throughout the State. The primary has worked in a fairly satisfactory manner in this State.

John C. B. Ehringhaus, Governor of North Carolina:

We have the primary system for making nominations in North Carolina. While there are some imperfections and some complaint, on the whole we believe that the people are satisfied with the primary. Certainly the primary principle meets with rather universal approval. I have no intention of advocating its repeal.

Eugene Talmadge, Governor of Georgia:

We have the primary system of making nominations for public offices in Georgia, and, in my opinion, it works satisfactorily and in the public interest. I would not advocate its repeal.

NO REPEAL SENTIMENT IN OREGON

Julius L. Meier, Governor of Oregon:

The State of Oregon has the direct primary system of making nominations for public office. Insofar as I know, there is no active public sentiment in the State for the repeal of the law at this time.

John G. Winant, Governor of New Hampshire:

We have in New Hampshire the primary system of making nominations for public office, and, in my judgment, its workings are for the public interest and in the main satisfactory. I certainly should not advocate its repeal.

J. H. Davis, Jr., secretary to the Governor of Texas:

We have a primary system of making nominations for public office in this State; in fact, we have a double primary system, so that it is necessary to receive a majority of all votes cast in the first primary or to have what we term a run-off primary. This system has been in operation in Texas for a number of years, and while there may be some objections to it there does not appear to be any indication at present that the system will be abolished.

REPEALED TWICE AND REENACTED

J. H. White, secretary to the Acting Governor of Nevada:

Nevada has a primary system for making nominations for public office and apparently it meets with approval, for although it has twice been repealed during the past 20 years, yet the following legislation has reenacted such act, and it is now in force. I am directed to say that the Governor does not contemplate asking for its repeal.

Willard Mayberry, secretary to the Governor of Kansas:

Kansas has a primary system of making nominations, and although this plan received some criticism of late, most authorities still believe that it is regarded favorably by the public.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed out of order for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I desire to take a few minutes at this time to make several observations on the President's Budget message and to use the only right that a minority Member of the House has, which is to analyze, scrutinize, and possibly criticize messages coming from the President or any legislation that is presented on the floor of this House. My purpose of doing so is merely to keep the record straight. I want to call the attention of the Members of the House to the fact that before the present administration came into power the Republican President was very bitterly criticized by the man who is now in the White House for a small governmental deficit existing the year after the depression began. The present occupant of the White House claimed at that time that such a deficit would be ruinous to the country, its commerce, and its credit. Since the Democratic President has taken office, a deficit of over $10,000,000,000 has been piled up; and yet no one on this side has pointed out the difference between a Democratic deficit and a deficit under a Republican administration, for which we were denounced and severely criticized by Franklin Roosevelt and all the leading members of the Democratic Party.

I am going to quote just a few words of what the President had to say in his Pittsburgh speech on October 19, 1932, when he was a candidate for election:

Our Federal extravagance and improvidence bear a double evil: First, our people and our business cannot carry its excessive burdens of taxation; second, our credit structure is impaired by the unorthodox Federal financing made necessary by the unprecedented magnitude of these deficits.

Now, I am going to disclose to you a definite personal conclusion which I adopted the day after I was nominated in Chicago. Here it is: Before any man enters my Cabinet he must give me a two-fold pledge of—

(1) Absolute loyalty to the Democratic platform and especially to its economy plank.

(2) Complete cooperation with me, looking to economy and reorganization in his department.

I regard reduction in Federal spending as one of the most important issues of this campaign. In my opinion it is the most direct and effective contribution that government can make to business.

Those are the words of the President of the United States when he was a candidate for office, but most of which he has either ignored, violated, or repudiated.

On January 3, 1934, the President sent in a message to the Congress in which he stated that the Budget would be balanced in the fiscal year ending June 30, 1936, and yet just a few days ago he sent another message to the Congress which further unbalances the Budget by another four and one-half billion dollars for that very year. It is only fair for the opposition to point out the mistake of the President that he miscalculated by four and a half billion dollars, and that the national debt in 1936 will be, according to the President, $35,000,000,000. Last year the President gave definite assurances that the maximum of the national debt would be $31,800,000,000. However, within 1 year that definite promise in reference to an all-time high is forgotten, and yesterday we were presented with a Budget message from the President stating that the national debt would be $35,000,000,000 next year. This does not take into consideration contingent obligations such as the Home Owners' Loan Corporation loans and mortgages on farms, and so forth, amounting to four or five billion dollars; and if we get back 50 cents on the dollar, we shall be lucky.

We must not forget the fact that this administration has failed to collect anything on the war debts in spite of the criticism leveled at the Hoover administration which was collecting two hundred million a year.

Mr. O'CONNOR. Will the gentleman yield?

Mr. FISH. I yield to my colleague from New York.

Mr. O'CONNOR. Is the gentleman against spending this money, such as for the Home Owners' Loan Corporation, which he just mentioned?

Mr. FISH. No; I am for it; but I think it should be included in the national debt.

Mr. O'CONNOR. Is the gentleman against spending this relief money?

Mr. FISH. I am going to speak in reference to that matter at some length, but not now.

Mr. O'CONNOR. I hope before the gentleman gets through, being spokesman for the minority, who is criticizing the administration for spending this money, that he will give us some constructive ideas as to how to get the people out of the depression.

Mr. FISH. All that is necessary to be done is to restore business confidence and not destroy it.

Mr. O'CONNOR. Just tell us what the gentleman would do.

Mr. FISH. I will tell you what I would do. I would take the small-business man out of a governmental strait-jacket.

Mr. O'CONNOR. How?

Mr. FISH. I would stop hampering and harassing him with all kinds of Executive orders and "brain-trust" restrictions, so that he does not know where he is at, and when he goes to bed he has a headache and when he gets up in the morning he still has a hang-over. Restore business confidence. Give business a breathing spell and a little encouragement. That is the main issue before the country and that will automatically provide jobs for the unemployed

in private industry. [Applause.] However, I do not want to talk on that particular issue today. It is true, however, that there is only one real issue before the country, and that is the employment of American wage earners by private industry at reasonable wages.

Mr. O'CONNOR. Will the gentleman yield right there?

Mr. FISH. Permit me to finish my sentence.

The President's first message had to do with unemployment, but he did not say anything about employing some 12,000,000 men, 2,000,000 more unemployed than there were a year ago, and putting them back to work in private industry. The real test of these new-deal measures, and I supported many of them to start with as emergency propositions, is, Have they put American labor back to work? It is just like in war. The only thing that counts in war from the time a man puts on a uniform and takes up a rifle is success in battle. The only thing that counts with these new-deal measures is their success or failure in putting American wage earners back to work. That is the real test and on that basis they have proved unsound, unworkable, and tragic failures.

Mr. O'CONNOR. Will the gentleman yield?

Mr. FISH. I yield to my colleague from New York.

Mr. O'CONNOR. It has always been my impression that some of the largest industries in this country were the chief beneficiaries of the Republican Party and also the chief contributors to the Republican campaign funds; and for 5 years we have been waiting for these big industries to do their part and put people back in private employment. [Applause.] Does the gentleman counsel now and want the country to understand that we are going to wait and let our people starve until the Steel Trust and the other beneficiaries of the Republican Party see fit to put them to work? [Applause.]

Mr. FISH. I may say to the gentleman that there is only one way to put men to work and that is to wipe out all the unsound, unworkable, and socialistic new-deal legislation and restore business confidence throughout the land. [Applause.]

[Here the gavel fell.]

Mr. FISH. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes more.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FITZPATRICK. Mr. Speaker, will the gentleman yield?

Mr. FISH. No; I cannot yield now.

I did not want to digress in the limited time to speak on the subject of unemployment, because I desire to discuss the Budget. I was rather led astray by the gentleman's colleague from New York [Mr. O'CONNOR] and cannot yield further.

Mr. GREEN. Will the gentleman yield?

Mr. FISH. No.

Mr. GREEN. Will not the gentleman name the ones he would repeal?

Mr. FISH. In the near future and in detail.

Mr. DUNN of Pennsylvania. Will the gentleman yield for a brief question?

Mr. FISH. No; I am sorry I cannot yield.

I have only 5 minutes, and I wish the gentleman from New York, in his own time, later on, would answer the criticism I am going to make of the Budget message. I think the gentleman will recall that shortly before the election that great mathematician of the Democratic Party, the chairman of the Democratic National Committee, Postmaster General James A. Farley, announced he had discovered a surplus of $12,000,000 in the Post Office Department.

I hold in my hand figures submitted by the Budget, with the approval of the President, which show a deficit of $64,000,000 this year and an anticipated deficit of $82,000,000 for the next year.

Mr. ARNOLD. Will the gentleman yield for a question on that point?

Mr. FISH. I cannot yield in the 5 minutes I have.

Mr. ARNOLD. The gentleman has made a statement that I think should be challenged.

Mr. FISH. The gentleman will have plenty of time to answer or make any statement he wants, but now it would be taken out of my time.

All that this great mathematician did was, by the use of black magic, or plain ordinary ink, to take out the franking-privilege expenditures, Government mail subsidies to the merchant marine, the subsidies for air mail and the maintenance of post-office buildings, and he finds himself with a surplus of $12,000,000; but here are the hard, cold facts, which show a deficit of $64,000,000 this year, and of $82,000,000 for the next year in the Post Office Department. The Democratic national chairman is a clever politician, but he is not clever enough to fool the Budget or hoodwink the American public. This is simply one item that has already been discussed somewhat in the press but shows to what extent the Democratic national chairman will go to give a false impression to the people for political purposes. It is up to him to square himself with the Director of the Budget. This particular Budget message also refers to payments of the interest on the debt for the fiscal year ending June 30, 1935, totaling $835,000,000, but only $875,000,000 for the year ending in 1936. I do not know who computed these debt charges, but I do know that this Budget shows a deficit of four and a half billion dollars, and I do not believe that the interest rate would be less than 3 percent, which would mean $120,000,000, and in estimating the debt charges for the same year someone simply added on $40,000,00 and let it go at that. As a matter of fact the debt interest estimate is clearly inadequate and should be in excess of a billion dollars on a thirty-five billion debt. The interest charges alone are well above the total appropriations for the Federal Government 20 years ago. However, it is perfectly clear that in addition to the deficit of four and a half billion dollars you will be lucky if it is not twice that amount before you get through, when you add on the bonus and some other pending legislation.

My own estimate of the deficit for the fiscal year ending June 30, 1936, is forty billions, which will require an annual debt interest of approximately a billion and a half. Where is the money coming from? We are in the midst of an orgy of uncontrolled squandering and spending, with no thought of balancing the Budget or the day of reckoning. Why not try to help and encourage private industry instead of copying Soviet Russia, rushing headlong into debt and turning all business over to the Government. Let us take our Government out of all business that competes with private industry. This policy of the administration is leading the country into inflation, chaos, and governmental bankruptcy.

Now, the gentleman from New York wanted to know whether I approved the spending of money for relief. I voted for every single appropriation for the C. W. A. I believe in giving adequate relief to the needy and unemployed. I am somewhat doubtful if it is the proper way to do it—to turn $4,000,000,000 over to the President in a lump sum. I do not believe in taking any more power away from the Congress of the United States. [Applause.] I think the time has come to take back legislative power from the President and place it in the Congress of the United States. [Applause.] It is time to put an end to government by Executive orders.

As far as spending this $4,000,000,000 is concerned, the P. W. A. spent $2,000,000,000 and placed less than 1,000,000 men at work in steady jobs. I believe this $4,000,000,000 will not begin to be enough to take care of three and a half million employable men now on Government relief work. I believe it will cost nearly $8,000,000,000 to employ 3,500,000 men on public works, and I base this on what has already been done, the experience under the P. W. A. and the experience in Great Britain. Great Britain started out by spending $500,000,000 on public works. They found it failed. They found it cost half a billion dollars to put 200,000 men to work, and their rates of wages are less than ours. So I think it is very questionable, and I would prefer a direct dole or unemployment insurance, or, better still, to lend money to

private industry to start the factory wheels turning. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed in order for 10 minutes to reply to the gentleman from New York.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, the gentleman from New York [Mr. FISH], whom personally we all like, prefaced his political attack with the request that he "be permitted to speak out of order." He invariably speaks "out of order" whenever he attempts to unjustly malign our Democratic administration. Unlike him, my request was that I "be permitted to speak in order", because it is always in order to answer speeches that are strictly partisan.

When our great Democratic leader now in the White House made his speech in Pittsburgh in October 1932 denouncing the inexcusable and unconscionable Republican deficits, he then had in mind the unjustifiable deficits which wasteful and extravagant Republican administrations were continuing to pile up through the improper spending of the public money out of the people's Treasury to enrich a little coterie of distinguished Republicans who contribute the Republican campaign expenses and keep the Republican National Committee out of debt. We have never had any deficits of that kind in any Democratic administration.

I imagine that while making that speech in Pittsburgh Hon. Franklin D. Roosevelt then must have had in mind the $157,109.91 you Republicans wasted and misspent on your Graham of Illinois smelling committee, and the $50,000 you Republicans wasted and misspent on your Joe Walsh snooping committee, which went out to the California coast in a special train of Pullmans and diners, and lived in them there for weeks. And not one single breath of scandal could any of you Republicans establish against any Democratic official.

I imagine that Franklin D. Roosevelt then must have had in mind the $600,000 in cold cash that you Republicans wasted and misspent on your coal investigation, which accomplished absolutely nothing, and no American yet has been so foolish as to read more than a few pages of that voluminous report. He must have had in mind the $500,000 of our tax money that you Republicans allowed Mr. Hoover to waste and misspend on his ridiculous Wickersham Commission.

Our great President who now adorns the White House, when he made that memorable speech in Pittsburgh, must have had clearly in his mind the facts about that tremendous sum of $90,000,000 which your former Republican Vice President of the United States, Charles G. Dawes, succeeded in grabbing out of our Public Treasury as a loan for his defunct bank in Chicago.

When he was speaking of Republican deficits in Pittsburgh, President Roosevelt must have had pictured in his mind all of those splendid, substantial, costly buildings which Republican President Hoover junked, tore down, and demolished, at great public expense, to furnish several blocks of space for his new Department of Commerce mansion, and the $17,000,000 in cash out of the Treasury that Mr. Hoover wasted and misspent in erecting it, where even after this long period of time the army of Government employees working in it still have to use an expert guide to direct them how to find their offices, and which structure for the next 100 years will stand as the monumental Gibraltar of Republican waste and extravagance.

When standing before that audience in Pittsburgh our present great Democratic leader in the White House undoubtedly remembered that during the Republican campaign of 1928 contributions aggregating the enormous sum of $477,000 were paid to the Hoover-Curtis campaign fund by 24 angels of the Hoover-Mellon-Mills triumvirate who had been paid in tax refunds out of the people's Treasury the great sum of $114,000,000.

President Roosevelt then undoubtedly knew all about the refunds and credits given prominent Republicans by the Andrew W. Mellon regime, as shown in House Document No. 223, Seventy-second Congress, first session, and in House Document No. 535, Seventy-second Congress, second session, and in House Document No. 279, Seventy-third Congress, second session, being the reports of the Joint Committee on Internal Revenue Taxation, showing the refunds, credits, and interest handed back to Republican financiers on their income taxes for the years 1930, 1931, and 1932, respectively.

President Roosevelt then probably remembered the sources, whys, and wherefores of the enormous sums that were then pouring into the campaign chest of the Republicans and being used in the 1932 campaign against him. He knew that Andy Mellon, then Ambassador to the Court of St. James, stopped long enough from bowing his knee to royalty to contribute $25,000, and incidentally Andy received from the United States Treasury a cash refund of $72,359.55; and R. B. Mellon contributed $15,000 to the campaign, and the Republicans also got $5,000 from W. L. Mellon, while in cash refunds, credits, and abatements the Mellon Alminum Co. received from the United States a total of $1,555,925.27, and the Mellon Plate Glass Co. of Pittsburgh received $693,134, notwithstanding that since the declaration of war in April 1917 the property holdings and assets of Andrew W. Mellon and the various members of the Mellon family have increased about $500,000,000.

Mr. O'CONNOR. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. O'CONNOR. The total sum given back in tax refunds by the Republican administration in a few years to the benefit of the Republican Party would about equal the $4,000,000,000 which we propose to spend in the coming year.

Mr. BLANTON. Yes; I have a vivid recollection of the fact that the distinguished gentleman from New York [Mr. O'CONNOR] in July 1932 itemized the large sums that were refunded, and gave us a very clear picture of how the Republicans were financing their campaign. He then told us about Mr. H. H. Timken contributing $7,000 to the Hoover campaign and having his Timken Roller Bearing Co., of Canton, Ohio, receive from the United States Treasury $672,293.49 in tax refunds, awards, and credits. And the present able chairman of our Rules Committee then advised us about the Guggenheim family of New York, Murry, S. R., Simon, and Mrs. H. F. Guggenheim, contributing $16,000 to the Republican campaign fund, and having the United States Treasury allow and pay back to them in tax refunds and interest the sum of $109,729.58 to S. R. Guggenheim, $46,626.08 to Simon Guggenheim, and $464,900.99 to the Chile Copper Co., in which the Guggenheims are financially interested.

Undoubtedly our President then knew, as he spoke in Pittsburgh, that Thomas E. Wilson, of Swift & Co., contributed $3,000, while Swift & Co. received from the United States Treasury $6,924,601.69 in tax refunds, credits, and abatements; and that Mrs. Edith Oliver Rea, of Pittsburgh, contributed $5,000 to the Hoover campaign and received from the Treasury Department $137,697.23 in tax refunds, credits, and interest; that Eldridge A. Johnson, of Camden, N. J., contributed $25,000 to the Republican committee and received from the United States $113,785.83 in tax refunds and credits; and that Percy A. Rockefeller, of New York, contributed $5,000 to the Republicans, and his Standard Oil Cos. of Kentucky and New York received awards and refunds from the Treasury of more than $2,000,000, and his other Rockefeller business concerns, all told, have received from the United States in tax refunds, credits, and abatements a total of more than $8,500,000.

In January 1932 the Treasury Department gave tax refunds of $608,274 to the Sinclair Oil Cos., and President Roosevelt undoubtedly remembered Harry Sinclair as the one who turned over $100,000 of the bonds of his company to Will Hays when he was chairman of the Republican National Committee to help pay off campaign debts. President Roosevelt clearly remembered the pertinent figures furnished us by the gentleman from New York [Mr. O'CONNOR] showing that during the 10 years 1923 to 1932, during which the Republican administrations became so generous

in handing the people's tax money back to Republican income-tax payers, they gave away more than $3,600,000,000 in tax refunds, credits, and abatements.

Whenever the gentleman from New York [Mr. FISH], or any other political sharpshooters from the Republican side of the aisle, make another attempt to snipe our Democratic administration, I want every Democrat in this House to look on pages 15517 and 15518 of the RECORD for July 15, 1932, and there read the list of big corporations, furnished us by the gentleman from New York [Mr. O'CONNOR], all receiving from $500,000 to $15,000,000 each in tax refunds, credits, and abatements, and these facts will have a more quieting effect upon such obstreperous Republicans than tear bombs.

I want to remind my colleagues of the amendment which in January 1933 we passed on the deficiency bill (H. R. 13975) requiring all refunds on income taxes that amounted to more than $500 to be reported to Congress, and embracing the following safeguarding provision to stop these huge refunds, to wit:

*Provided*, That no refund or credit of any income or profits, estate, or gift tax in excess of $20,000 shall be made after the enactment of this act until a report thereof giving the name of the individual, trust estate, partnership, company, or corporation to whom the refund or credit is to be made, the amount of such refund or credit, and the facts in connection therewith are submitted by the Commissioner of Internal Revenue.

And so forth, which would allow Congress to know something about these generous gifts before they were made. That deficiency appropriation bill went to the White House, and President Hoover vetoed it because of the above amendment. You will find President Hoover's veto message on page 2445 of the RECORD for January 24, 1933, in which he says:

I disapprove of the bill with great regret, as the appropriations provided for relief and other purposes are urgently needed, with the hope that Congress may early amend the act.

He wanted to force us to strike the above amendment from the bill. Why? He wanted to protect these big receivers of tax refunds. He had no other objection to any other provisions of the bill.

We Democrats tried to pass the bill with said amendment over his veto, and we got 193 votes, but the Republicans got 158 votes, and we Democrats failed, because it required a two-thirds majority to pass over the President's veto. You will find the vote on page 2449 of the RECORD for January 24, 1933. With our Democratic war horses, like JOE BYRNS, BILL BANKHEAD, BOB DOUGHTON, JOHN O'CONNOR, ED TAYLOR, and TOM CULLEN, you will find our solid Democratic forces voting to pass that bill and the amendment over President Hoover's veto, while on the other hand you will find the Republicans following their leaders—the gentlemen from New York [Mr. SNELL and Mr. FISH], the gentlemen from New Jersey [Mr. LEHLBACH and Mr. BACHARACH], and the gentlemen from Massachusetts [Mr. MARTIN, Mr. GIFFORD, and Mr. TINKHAM]—all voting to sustain President Hoover, and they killed said amendment.

Mr. RANDOLPH. Will the gentleman yield?

Mr. BLANTON. I yield to my friend from West Virginia.

Mr. RANDOLPH. I wanted to ask the gentleman from New York a question, and I will ask the gentleman from Texas. What was the deficit in the last half of the Hoover administration? Is it not a fact that it amounted to $4,000,000,000?

Mr. BLANTON. It amounted to a billion dollars a year for each of his 4 years, or $4,000,000,000. Our friend from New York [Mr. FISH] is a good historian and knows the facts. He had in mind those facts when he asked to speak out of order.

There are many things worrying our Republican friends across the aisle. They remember that one of the first things our great President now in the White House did shortly after he was sworn in was to make that memorable proclamation that stopped President Hoover, Andy Mellon, and all other big Republican financiers from shipping their gold out of the United States. He impounded their gold. Then he found a lot of Republican banks other than Charles Dawes' in Chicago that were in unsound condition, and to protect the people he proclaimed all banks closed until he could check them up and find which were worthy to accept deposits from the American people.

Such acts as I have mentioned have endeared our President in the hearts of all the people, and it is this great popularity that is worrying Republicans. They have begun to load their popguns. Like Washington officials trying to scare starlings, they have begun to shake their tin cans with pebbles in them.

While he was speaking, I was wondering whether our distinguished colleague from New York [Mr. FISH] would not recall the public money he wasted on his so-called "red" investigation. Why, we knew all of those facts before he ascertained them. That money is wasted unless he passes some measure to drive Communists out of the United States.

The money our President has spent and is spending is to keep women and little children from starving to death and to keep women and little children from freezing to death. Democratic deficits have resulted in no other way.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SHORT. What percent of this money goes to the people who are in dire need or distress and what percent goes to the white-collar bureaucratic politician?

Mr. BLANTON. Oh, I am just as much against the waste of it as the gentleman is, but if you can spend any public money without wasting a great part of it, I would like to know how you would do it. That is a system that you Republicans built up for many years. Every time you would bring in a bill creating a commission or a new office of any kind you put the salaries up to 8, 10, 12, and 15 thousand dollars. I protested against it many times. That is the system you built up, you Republicans. You had men under your administration drawing as high as $40,000 and $50,000 Government salaries.

I have always been against it, and I am going to be the first Democrat and the first Member of this House to make an uncompromising fight in this Congress against waste and extravagance. [Applause.] But the money that our President is spending now is being spent to stop human suffering. Is there a single man on the Republican side of the aisle who will get up to say that he is not in favor of keeping women and children from starving and freezing to death? Will any of you get up to say that you are not in favor of providing jobs for the unemployed? What suggestion do you make, my good friend from New York? What suggestion do any of you fellows here make who criticize, when you were absolutely impotent? What do you suggest should be done? We now have a man in the White House with ideas. We have a man who has a constructive program and the thing that is bothering your minority leader more than anything else is that the man in the White House has the people of the United States behind him to a man. [Applause.]

### SWEARING IN OF A MEMBER

Mr. MCLEOD appeared at the bar of the House and took the oath of office.

### THE ONE HUNDRED AND TWENTIETH ANNIVERSARY OF THE BATTLE OF NEW ORLEANS, JANUARY 8, 1935

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the one hundred and twentieth anniversary of the Battle of New Orleans.

The SPEAKER. Is there objection?

There was no objection.

Mr. FERNANDEZ. Mr. Speaker, speaking in behalf of the greater part of metropolitan New Orleans and the parishes bordering the Mississippi River from the city to the Gulf, where the Battle of New Orleans was directly fought and won by Americans, I speak in the sense that modern New Orleans is deeply enshrouded in appreciation for what Andrew Jackson accomplished for the United States of America; and so I wish to commemorate solemnly what many of us believe to be one of the outstanding events in American history.

For to Andrew Jackson is due the vital fact that the western boundary of the United States is the Pacific and not the Mississippi.

This is quite sufficient to immortalize him, to win him a place among the highest of the benefactors and patriots of America. For this service we can forgive him much. For what would the country now be with Canada in possession of the great West, with the red flag of England facing the stars and stripes on opposite banks of the Father of Waters? Buell has preserved this conversation which he heard from Gov. William Allen, of Ohio, who was a party to it:

Near the end of General Jackson's second administration and shortly after the admission of Arkansas to the Union, I, being the Senator-elect from Ohio, went to Washington to take the seat on March 4.

General Jackson—he always preferred to be called general rather than Mr. President, and so we always addressed him by his military title—General Jackson invited me to lunch with him. No sooner were we seated than he said, "Mr. Allen, let us take a little drink to the new star in the flag—Arkansas!" This ceremony being duly observed, the general said, "Allen, if there had been disaster instead of victory at New Orleans, there never would have been a State of Arkansas."

This, of course, interested me, and I asked, "Why do you say that, General?"

Then he said, "If Packenham had taken New Orleans the British would have claimed that the Treaty of Ghent, which had been signed 15 days before the battle, provided for restoration of all territory, places, and possessions taken by either nation from the other during the war, with certain unimportant exceptions."

"Yes; of course", he replied. "But the minutes of the conference at Ghent, as kept by Mr. Gallatin, represent the British commissioners as declaring in exact words 'We do not admit Bonaparte's construction of the law of nations. We cannot accept it in relation to any subject matter before us.'

"At that moment", pursued General Jackson, "none of our commissioners knew what the real meaning of these words was. When they were uttered, the British commissioners knew that Packenham's expedition had been decided on. Our commissioners did not know it. Now, since I have been Chief Magistrate I have learned from diplomatic sources of the most unquestionable authority that the British ministry did not intend the Treaty of Ghent to apply to the Louisiana Purchase at all. The whole corporation of them from 1803 to 1815, Pitt, the Duke of Portland, Greenville, Perceval, Lord Liverpool, and Castlereagh—denied the legal right of Napoleon to sell Louisiana to us, and they held, therefore, that we had no right to that territory. So you see, Allen, that the words of Mr. Goulburn on behalf of the British commissioners, which I have quoted to you from Albert Gallatin's minutes of the conference, had a far deeper significance than our commissioners could penetrate. These words were meant to lay the foundation for a claim on the Louisiana Purchase entirely external to the provisions of the Treaty of Ghent. And in that way the British Government was signing a treaty with one hand while with the other hand behind its back it is dispatching Packenham's army to seize the fairest of our possessions.

"You can also see, my dear William", said the old general, waxing warm (having once or twice more during the luncheon toasted the new star), "you can also see what an awful mess such a situation would have been if the British program had been carried out in full. But Providence willed it otherwise. All the tangled web that the cunning of English diplomats could weave around our unsuspecting commissioners at Ghent was torn to pieces and soaked with British blood in half an hour at New Orleans by the never-missing rifles of my Tennessee and Kentucky pioneers. And that ended it. British diplomacy could do wonders, but it couldn't provide against such a contingency as that. The British commissioners could throw sand in the eyes of ours at Ghent, but they couldn't help the cold lead that my riflemen sprinkled in the face of their soldiers at New Orleans. Now, Allen, you have the whole story. Now you know why Arkansas was saved at New Orleans. Let's take another little one!"

It is indubitably true that if the British had succeeded in defeating Jackson and seizing Louisiana they would have held it, treaty to the contrary notwithstanding. As Jackson said, the commissioners did not know the significance of Mr. Goulburn's words, "We do not admit Napoleon's construction of the law of nations. We cannot accept it in relation to any subject matter before us." They all suspected an ulterior design, although they could not fathom it. Had Packenham been successful, had Jackson failed, it is as clear as anything can be that we should have had to accept the Mississippi as the western boundary of the United States or else fight the British again for it. It is singular that it has been reserved for Mr. Buell, over 60 years after the battle—he first published the Allen interview in 1875 and it did not attract the attention then that it did when it appeared in his biography of Jackson, published last year—to bring out this point so clearly that it has now become one of the accepted facts of our history. The whole chapter concerning it may be studied with great profit in Mr. Buell's book.

It is with peculiar happiness that I reaffirm that the preservation to his country of that great and magnificent territory beyond the Mississippi is due to the skill and determination and conspicuous ability of that great backwoodsman. A share of the honor for these results must be accorded William Henry Harrison. For had Proctor and Tecumseh been successful, I believe it would have been absolutely impossible to have driven the British from the northwest territory they had seized, and the cross of St. George would have waved forever from the Rocky Mountains to the Golden Gate.

Jackson passionately disliked the English, and his inveterate animosity cost them dear.

He had hereditary wrongs to avenge on the British, and he hated them with an implacable fury that was absolutely devoid of fear.

Parton, the Englishman, says:

He cherished that intense antipathy to Great Britain which distinguished the survivors of the Revolution, some traces of which would be discerned in the less enlightened parts of the country until within these few years. (It may still be discerned even among the enlightened.—C. T. B.) In these respects he was the most American of Americans—an embodied Declaration of Independence—the Fourth of July incarnate! To him was vouchsafed the supreme satisfaction of thwarting one of the most gigantic projects ever conceived by a British Cabinet, struggled for by British diplomacy, fought for by the British army, and I am confident that never has there been a man on earth who took greater pleasure and satisfaction out of a success than Andrew Jackson did at New Orleans. It was some compensation for the loss of his mother and his brothers and his own brutal treatment in the Revolution. And besides all this, Jackson was Irish enough—not Scotch—to be exceedingly glad of the humiliation of the hereditary enemy of his race.

In commemorating the one hundred and twentieth anniversary of the Battle of New Orleans the fires of patriotism that burn within our hearts bespeak a love and admiration that will perpetually immortalize the gallant Andrew Jackson, and reflect a recollection of lasting reverence for the soldiers who stopped the English hordes and General Pakenham from taking possession of the key city to the Mississippi Valley.

We need but glance over the pages of history and compare the casualties of the opposing armies—Americans 75, the enemy 2,000. The comparison in itself is a tribute to the master strategy of General Jackson and a tribute to the undaunted courage of the handful of American warriors who so successfully and severely repulsed the invaders.

But today we look with honest pride at the tranquillity existing between the English-speaking nations.

So, in solemn salutation and firm reverence, we honor Andrew Jackson and the brave soldiers of the plains of Chalmette. Oh, yes; we honor in deep sorrow and in fervent respect the valiant soldiers who shed their blood on the battlefield of New Orleans—Chalmette; and we say to these who have passed on to the Great Beyond that we of today shall carry the Battle of New Orleans and the Mississippi Valley to the heights of modern progress, advancement, and safety, that you and your comrades fought so valiantly to preserve.

EXTENSION OF REMARKS

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'MALLEY. Mr. Speaker, with crime and criminals in this country on the run in the last few months, and having the distinguished pleasure of representing what is considered the safest city in the United States, I noted with a great deal of pleasure that some weeks ago the chief of police of my city of Milwaukee, Jacob G. Laubenheimer, was awarded an honor that has been given to but few Americans. He is the only law-enforcement officer to ever receive the gold key of the Civitan Club, the only other recipients being Colonel Lindbergh, Orville Wright, Thomas Edison, General Pershing, Sergeant York, and Margaret McKenney. Today there appeared in the Hearst papers an article written by

Chief Laudenheimer containing some valuable suggestions on what must be done to successfully uproot and eliminate crime in our great cities. I ask unanimous consent that this article, with the editorial explanation of its purpose, be included in the RECORD as a part of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. BULWINKLE. Mr. Speaker, I rise to object. I do not think the RECORD should be filled with newspaper clippings or editorial comments. Therefore I object. The CONGRESSIONAL RECORD is not a place to be filled with newspaper clippings, editorial comments, letters, telegrams, and so forth.

Mr. O'MALLEY. If the gentleman will yield, I shall revise that request. This article was written by the chief of police of the city of Milwaukee, and I shall include a copy of the original manuscript rather than the newspaper article if the gentleman objects to the news clipping.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. SNELL. Mr. Speaker, I reserve the right to object. I think we may as well establish the precedent early in the session. If we are going to let one man put such things in the RECORD, then we should let all do it. I think the House should decide whether it wants to let all editorials, letters, and so forth, go in, and I think that should be decided now. Personally I think the RECORD should be confined to the proceedings of the House and that extraneous matter should be left out. However, if the House thinks differently, well and good, but let us decide now and stick to it.

Mr. O'MALLEY. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes more.

The SPEAKER. Is there objection?

Mr. LEHLBACH. Mr. Speaker, I reserve the right to object. Does the gentleman intend to read this article into the RECORD? If he does, I shall object.

Mr. O'MALLEY. I intend to request that the Clerk read it.

Mr. SNELL. That is the same thing.

Mr. LEHLBACH. Then if that is the purpose of the gentleman, Mr. Speaker, I object.

The SPEAKER. The gentleman from New Jersey objects.

UPPER CAROLINA DEVELOPMENT

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. I have asked these few minutes to call to the attention of the Members of the House the report of the National Resources Board, filed on December 17, because it contains, in my judgment, the foundation for a national planning system that will mean a great deal for the future of this Nation.

In that connection, Mr. Speaker, I ask unanimous consent to extend my remarks by calling attention to the original planning system, in harmony with the principles of the recommendations of the National Resources Board, known as the Upper Carolina Development Association, and to include in connection with my remarks letters from the Secretary of Agriculture and the Secretary of the Interior and other public officers in connection with this work of the Upper Carolina Association.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. McSWAIN]?

There was no objection.

Mr. McSWAIN. Mr. Speaker, a few minutes after the President had finished reading his marvelous message to the Congress on January 4, 1935, I issued the following statement to the press:

The message of President Roosevelt to the Congress today is the natural sequel to his message of June 8, 1934. It breathes the same sentiment of devotion to humanity. It is inspired by the same ideals for American democracy. It challenges the spirit of independence, but also chides the spirit of selfishness. It arouses the best in rugged individualism and denounces the worst in private initiative. It stimulates endeavor for home ownership and personal independence, while it forecasts the overthrow of monopoly and foretells the end of predatory control over the sources of the people's life.

After the message of the President of June 8, 1934, I made some remarks in the House of Representatives on June 13, 1934, in which I used the following language:

Mr. Speaker, undoubtedly the vision of brighter and better days laid before us by the message of the President on June 8 is the solemn promise of "a President who gets things done", of the realization of a just and fair economic system for the American people. The burning words of the President bring out into bold relief in my mind thoughts that have been somewhat hazy and uncertain for many years.

During these years I have contemplated for upper South Carolina a great movement of cooperation for its development through diversified industry and diversified agriculture. Now is the time for us to act. If we will organize as hereinafter indicated and present to the President at the next session of Congress a definite and concrete plan for carrying out his great program, then I have every confidence that our section will be among the first to receive the stimulus and benefits that he intends to confer here and there, until finally the whole Nation will be organized into one mighty cooperative movement among all people, all industries, and all activities, and thereby all American citizens enjoy to the fullest measure possible that "life, liberty, and the pursuit of happiness" contemplated by the American Declaration of Independence.

At the conclusion of those remarks I gave the following summary of the aims and purposes of the Upper Carolina Development Association:

The following summary of objects and results that can and should be accomplished by the organization of an upper Carolina development association, in order to be ready to offer a definite program to President Roosevelt and the next Congress, is as follows:

First. More subsistence homestead projects situate near all the cities, towns, and large industrial establishments.

Second. Ample financial assistance to city and industrial workers to establish themselves on small and independent farms, with ample conveniences of light and water.

Third. Financial help to heads of families in building, rebuilding, and improving homes, whether situated in cities, towns, suburbs, or country.

Fourth. Financial aid for the establishment of new, small, and diversified industries.

Fifth. Financial assistance to small industries and business concerns to keep them going, to employ labor, and to enlarge their activities.

Sixth. More projects of demonstration in soil-erosion control and in soil building and in converting waste land into grazing land.

Seventh. Additional projects of reforestation on submarginal lands bought by the Government to be taken out of production.

Eighth. Employment and use in sufficiently large numbers of leaders and instructors in all forms of diversified agriculture, such as fruits, vegetables, milk, cattle, grain, grasses, etc., etc.

Ninth. Farm marketing centers, at least one in each county, including canneries, creameries, meat processing plants, cold storage, egg and poultry assembling plants, to give a market at the top price any day in the year for anything the farmer has to sell.

Tenth. Coordination through plans and committees for cooperation between merchants, farmers, factories, schools, and all other public enterprises, to insure the highest efficiency in every enterprise and project included within the association.

Eleventh. Cheaper power, cheaper fertilizer, lower rates of interest, better prices for all products, and steady employment for all persons willing to work, even including students during vacation season, when canneries are busy.

Twelfth. Consequently, we will have for upper Carolina better schools and churches, better homes in the city, town, and country, all finally free from mortgages, and as a result of the whole program a prosperous and happy people.

The message of the President of January 4, 1935, contains the following language showing its complete harmony with the aims and purposes of the association formed by some of the patriotic citizens of the Piedmont section of South Carolina:

This work will cover a wide field, including clearance of slums, which for adequate reasons cannot be undertaken by private capital; in rural housing of several kinds, where again private capital is unable to function; in rural electrification; in the reforestation of the great watersheds of the Nation; in an intensified program to prevent soil erosion and to reclaim blighted areas; in improving existing road systems, and in constructing national highways designed to handle modern traffic; in the elimination of grade crossings; in the extension and enlargement of the successful work of the Civilian Conservation Corps; in non-Federal work, mostly self-liquidating and highly useful to local divisions of government; and on many others which the Nation needs and cannot afford to neglect.

This is the method which I propose to you in order that we may better meet this present-day problem of unemployment. Its greatest advantage is that it fits logically and usefully into the long-range permanent policy of providing the three types of security which constitute as a whole an American plan for the American people.

On November 10, 1934, there met at Spartanburg, S. C., pursuant to invitation issued by myself, a large number of citizens representing different counties of the Third Congressional District, represented by the Honorable JOHN C. TAYLOR, of the Fourth Congressional District, represented by myself, and of the Fifth Congressional District, represented by the Honorable JAMES P. RICHARDS. At that meeting a voluntary organization or association was formed for the purpose of promoting the development of all of the varied interests of upper Carolina, and the following committees were appointed and have entered most enthusiastically upon their duties: Crop diversification and marketing, soil erosion and reforestation, water power and rural electrification, new industries, applied education, and publicity and legislation.

UPPER CAROLINA DEVELOPMENT ASSOCIATION

*Organized at Spartanburg, S. C., November 10, 1934*

Crop diversification and marketing: R. E. Johnson, Gaffney; T. E. Keitt, Newberry; Ross Hambright, Kings Creek; B. M. Gramling, Gramling; T. W. Stansell, route no. 3, Pelzer; Robert Harris, Gray Court; R. D. McDonald, route no. 4, Westminster; Mr. Marrett, Marrett Seed Co., Westminster; C. O. Hearon, Spartanburg; W. H. Nicholson, Greenwood.

Soil erosion and reforestation: T. L. Johnson, Rock Hill; J. Frank McCluney, Gaffney; J. Marvin Joyce, Greenwood; J. Wade Drake, Anderson; Bernard Henderson, Waterloo; J. Strom Thurmond, Edgefield; Richard F. Watson, Greenville.

Water power and rural electrification: Dan T. Duncan, Greenwood; Roy Pennell, Spartanburg; Leon L. Rice, Anderson; L. G. Young, Union; W. R. Bradford, Fort Mill; B. F. Rush, Greenville; S. J. Hunt, Mountville.

New industries: C. L. Cobb, Rock Hill; J. A. Mitchell, Anderson; H. P. Beam, Pelzer; Joe F. Park, Greenwood; T. M. Marchant, Greenville; W. W. Harris, Clinton; H. C. Moore, Gaffney.

Applied education: J. B. Douthit, Pendleton; W. H. Washington, Clemson College; Professor Thomasson, Rock Hill; W. H. Stallworth, Spartanburg; Dr. R. C. Granberry, Gaffney; Prof. C. K. Wright, Laurens; H. A. Woodle, Edgefield.

Publicity and legislation: D. A. D. Outz, Greenwood; W. S. Hall, Gaffney; W. E. Hall, Anderson; E. P. Wideman, Greenwood; C. H. Garrison, Greenville; A. G. Keeney, Spartanburg; E. M. Rice, Union.

On January 4, 1932, I introduced House Joint Resolution 170, of which the following is a copy:

Joint resolution authorizing the President to appoint a nonpartisan board of 25 members to study and report conclusions upon ways, means, and methods to rehabilitate business conditions

*Resolved, etc.*, That the President of the United States is hereby authorized and empowered to appoint 25 citizens of the United States to constitute the National Advisory Board, to be a nonpartisan body, representing all the sections, industries, interests, and businesses of the people of all parts of the United States. Five of said persons shall be appointed for 2 years, and their successors immediately thereafter appointed for 8 years; and 5 of said persons for a term of 4 years, and their successors immediately thereafter appointed for a term of 6 years; and 5 of said persons shall be appointed for a term of 6 years, and their successors immediately thereafter appointed for a term of 4 years; and 5 of said persons for a term of 8 years, and their successors immediately thereafter appointed for a term of 2 years; and 5 of said persons shall be appointed for a term of 10 years; and if any of such persons die, resign, or become otherwise disqualified, the President shall, if necessary, remove them from office and appoint their successors for the unexpired portion of the term involved. All of said persons shall serve without any salary, or commission, or compensation, but shall receive the actual expenses of travel and subsistence while attending the meetings of the board, or the meetings of any subcommittee lawfully appointed by the board. Immediately after the President shall notify the persons of their appointments under this act he shall set a time and place for a meeting for organization, and when not less than 10 such persons shall meet they shall organize by electing one of their number as chairman, and four of their number as vice chairmen, and by electing one of their number as secretary, and all warrants and expenses herein authorized shall be drawn upon the Treasurer of the United States by the chairman, or by one of the vice chairmen, duly authorized and countersigned by the secretary of the board.

SEC. 2. After the board shall organize it shall proceed to carry out the powers and duties hereinafter outlined, and shall appoint an executive committee of 5 members, and subcommittees, consisting of not less than 3 nor more than 5 members thereof, to consider international trade, intranational trade, manufactures, agriculture, banking, finances, and exchanges, building industries and home ownership, education, carriers by rail, by highway, by water, and by air, and all carriers of intelligence, and of such other subjects as shall appear to the board to be expedient.

SEC. 3. For the first year of the life of the board it shall meet every 3 months at such places as the board may decide on at the next previous meeting, except that the President of the United States shall designate the time and place of the first meeting. Thereafter the board shall meet annually at a time and place fixed by the executive committee, and the attendance of 10 members shall be necessary to constitute a quorum to transact business binding members not present, but a smaller number than 10 may consider the business before the board and make recommendations by mail to all the members thereof not present, and shall consider them at the next meeting.

SEC. 4. The said board shall make an annual report in writing to the President of the United States on or before December 1 of each and every year, and the President shall transmit said report, together with any statistics or information that may be submitted along with the report, to the Congress of the United States. The board is authorized to employ clerical services, to organize a secretariat, and to purchase necessary stationery and office equipment and to incur printing bills, and appropriations by the Congress not exceeding $25,000 a year are hereby authorized.

SEC. 5. The Secretary of the Department of Commerce is hereby authorized to furnish office space and such clerical assistance and office equipment as he conveniently can for the use of the board, and the President of the United States is authorized to detail the services of any officer, agent, or employee of the Government of the United States from any department to the board to assist the board in carrying on its work. Furthermore, the board shall have power to demand assistance and services from any executive or independent office or bureau of the United States Government, and it shall be the duty of such Federal agency to comply with such demand, unless excused from doing so by order of the President of the United States. The board is authorized to request information and statistics from State governments and subdivisions thereof, and from any private source, and to use the information and statistics so obtained in its studies as hereinafter contemplated.

SEC. 6. It shall be the duty and purpose of said board to study and to report conclusions upon ways, means, and methods to rehabilitate business conditions in the United States, and to place the same upon a sound, stable, and permanent basis of prosperity. Said board may make recommendations as to the coordination of various branches of industry, agriculture, mining, lumbering, and of the other activities constituting the business of the Nation, and this coordination shall have in view the condition of commerce and business in and with the other nations of the world.

Accordingly I was very happy indeed to find that President Roosevelt had appointed a number of Federal officers and citizens having no official connection with the Government to constitute the National Resources Board. That Board consisted of the following personnel: Harold L. Ickes, Secretary of the Interior, chairman; George H. Dern, Secretary of War; Henry A. Wallace, Secretary of Agriculture; Daniel C. Roper, Secretary of Commerce; Frances Perkins, Secretary of Labor; Harry L. Hopkins, Federal Emergency Relief Administrator; Frederic A. Delano; Charles E. Merriam; Wesley C. Mitchell.

I followed the work of this Board as best I could from a distance and awaited with great solicitude their report, which was filed on December 1, 1934, and released on December 17. It is a very remarkable outline of some of the most pressing problems related to our national economic life. I call especial attention to the two following extracts. The first relates to the general outline of Nation-wide planning as follows:

The natural resources of America are the heritage of the whole Nation and should be conserved and utilized for the benefit of all of our people. Our national democracy is built upon the principle that the gains of our civilization are essentially mass gains and should be administered for the benefit of the many rather than the few; our priceless resources of soil, water, minerals are for the service of the American people, for the promotion of the welfare and well-being of all citizens. The present study of our natural resources is carried through in this spirit and with a desire to make this principle a living fact in America.

Unfortunately this principle has not always been followed even when declared; on the contrary, there has been tragic waste and loss of resources and human labor and wide-spread spoliation and misuse of the natural wealth of the many by the few.

The conservation movement, begun a quarter of a century ago, marked the beginning of an organized national effort to protect and develop these assets, and this national policy was aided in many instances by the individual States. To some extent the shameful waste of timber, oil, soil, and minerals has been halted, although with terrible exceptions where ignorance, inattention, or greed has devastated our heritage almost beyond belief.

This report of the President's National Resources Board brings together, for the first time in our history, exhaustive studies by highly competent inquirers of land use, water use, minerals, and related public works in their relation to each other and to national planning. The report lays the basis of a comprehensive long-range national policy for the conservation and development of our fabulous natural resources. If the recommendations contained herein are put into effect it is believed that they will end the untold waste of our national domain now, and will measurably enrich and enlarge these national treasures as time goes on.

An examination of the reports upon land, water, minerals, and public works, respectively, shows the importance of considering

these special factors in their relations to one another and to economic and governmental problems as well. Water policies and land policies cannot be planned except as taken together, and evidently minerals cannot be considered apart from land in a planning program. Erosion is a problem of land and water; afforestation is likewise a problem of land and water.

The second quotation relates to the subject of local or national planning to be in harmony with the Nation-wide plan.

INTERSTATE AND REGIONAL PLANNING

Besides the extraordinary growth of the State planning movement in the last year, or perhaps because of it, new interest has been aroused in interstate or regional planning organization.

Through regional advisers of the Public Works Administration, and later through the district chairman of the National Resources Board, an informal contact was established for interstate collaboration on joint planning projects. In two regions these informal contacts developed into more complete organizations or regional planning commissions. Both the New England and the Pacific Northwest planning agencies are composed of representatives of the State planning agencies with other interested citizens, and in both cases large advisory committees have been set up to keep in touch with public opinion and to secure the help of Federal, State, and private organizations. Both of these commissions are served by consultants assigned from Washington, in the same manner as State planning consultants are assigned to State planning boards.

The New England Regional Planning Commission is loosely organized to adjust interstate problems rather than to initiate regional projects. It has grown directly out of previous planning studies fostered by the New England council and by the conference of Governors of the six States. It has no authority, but has already proven its value as a coordinating agency.

The planning work in the Pacific Northwest is much more centralized in the office of the district chairman because the major problem of the area affecting all four States is the Columbia River development at Grand Coulee and Bonneville. The organization developed by Mr. Marshall N. Dana is another agency again without specific legal authority but actively engaged in planning for the Columbia Basin, although in a fashion widely different from that of the Tennessee Valley Authority in the southern section of the United States.

These two new agencies, one based on history and custom, and the other on the unity of a great drainage basin, have been added in the last few months to the previous experiment going on in the Tennessee Valley and to such arrangements as the Colorado River compact, the Port of New York Authority, and similar agencies which have legal buttresses to support their planning work.

The Tennessee Valley Authority is in marked contrast to the New England and Pacific Northwest experiments in that its centralized planning is conducted entirely at an initial Federal expense to be later recouped. It is decentralized in area but not in jurisdiction, for it is a Federal authority without State participation. The Colorado River compact, on the other hand, has encountered difficulties because of failure to secure unanimous State cooperation. It is too soon to judge the relative merits of these or other ways of developing regional and interstate planning programs, but it is encouraging to find a variety of methods and a similarity of ultimate aim and such enthusiasm in widely separated parts of the country.

If further assistance is to be provided in the form of consultants to State planning boards, some kind of regional organization would seem to be essential to secure interstate cooperation. Until greater experience has been obtained in the various laboratories where trials are now being made, it would seem wise to try a variety of methods with Federal backing rather than to commit any large sum to repetition of the same experiment in several regions before the relative advantages of the various methods now under trial have been clearly demonstrated.

VARIETY OF REGIONS

Federal agencies have divided the country into regions or districts for administrative, planning, and other purposes with little or no attention to the divisions used by other bureaus. It is natural and perhaps inevitable that the special situations and needs of different agencies should result in drawing different boundaries for regional subdivisions of the "field." Studies of water, for instance, logically must be laid out along the lines of drainage basins, while others can use State lines and combinations of States. The Federal Reserve districts were arranged to include a certain number of banks of given capital.

If coordinated planning is to be successful, some degree of order must be brought out of the present chaos of regions and districts. It seems reasonable to suppose that a large number of Federal agencies could use the same regional divisions without serious detriment to their work. A careful analysis of the advantages and difficulties of using more uniform district boundaries in Federal planning and administration is a next step. It would be pedantic, of course, to let a desire for uniformity interfere with the varying requirements of different tasks; but many of the present confusing divisions of the country appear to have no justification beyond the traditions of the bureaus by which they are used.

On December 19, 1934, I addressed to President Roosevelt, for his information, the following letter:

DECEMBER 19, 1934.

Hon. FRANKLIN D. ROOSEVELT,
*The President, The White House,*
*Washington, D. C.*

MY DEAR MR. PRESIDENT: I have just received from Mr. Eliot, executive officer of the National Resources Board, an advance copy of the report of that body to you, dated December 1 but released on December 17.

I write to say that in my humble judgment the setting up of this Board of able and patriotic men with great vision and the work of this Board, pursuant to your Executive Order No. 6777, constitutes the greatest single accomplishment for the future of America that our history discloses since the formation and adoption of the Federal Constitution.

Our development has been purely haphazard, scrappy, and ragged. The result is that our national resources of forest, land, water, and minerals are in a ragged and scrappy condition. In the Seventy-second Congress I introduced a House joint resolution to set up a similar board to be comprised of 25 citizens from all sections of the country and from all callings and interests, and I offered the same resolution in the Seventy-third Congress, and it is designated as "House Joint Resolution No. 24."

Making a local application of this Nation-wide idea, I advocated the organization for a planning board for the Piedmont section of South Carolina in a speech dated June 13, 1934, and I enclose you a copy of same. A mass meeting of citizens from the Piedmont section of South Carolina was called by me and held in Spartanburg, S. C., on November 10, 1934. At that meeting an organization was formed and committees appointed, and I enclose you a copy of the list of the several committees designated at that meeting.

If the various States and various sections of States will fall in line with this Nation-wide planning, we can commence a movement that will revolutionize the economic life of our people within 10 years.

I am, therefore, earnestly asking you to commend to the Civilian Conservation Corps, the soil erosion service of the Interior Department, and the Forest Reserve of the Department of Agriculture, and the Subsistence Homestead Division, this work that we are seeking to do in South Carolina, and to suggest that they cooperate with each other in cooperating with us in putting over our program.

In other words, Mr. President, here we have in this part of South Carolina—with ideal climate and soil and population—an opportunity to make an immediate and successful demonstration of the principles upon which the studies of the National Resources Board are based. We are organized and ready to go, just as soon as we can get the necessary financial help. That help can be furnished in connection with the Federal Emergency Relief Administration and the other regular activities of the Forest Service and the soil erosion service without appreciable additional appropriation.

I sincerely hope that you may give me the opportunity to present very briefly, in a 10- or 15-minute interview, this all too sketchy description of what our people in upper South Carolina are trying to do.

With very great respect, I am,
Very respectfully,

J. J. MCSWAIN.

I sent a copy of my letter to the President to Mr. Eliot, executive officer of the National Resources Board, and received from him the following acknowledgment:

NATIONAL RESOURCES BOARD,
INTERIOR BUILDING,
*Washington December 22, 1934.*

The Honorable J. J. MCSWAIN,
*House of Representatives, Washington, D. C.*

MY DEAR MR. MCSWAIN: Thank you for your good letter of December 20, sending me a copy of your letter to the President, together with a copy of your remarks from the CONGRESSIONAL RECORD on the upper Carolina development.

I am bringing your letter and the enclosures to the attention of the Chairman of the Board, Secretary Ickes, and you will no doubt hear from him in due course.

Sincerely yours,

CHARLES W. ELIOT, 2d,
*Executive Officer, for the Chairman.*

I also sent a copy of my letter to the President, to the Honorable Harold L. Ickes, Secretary of the Interior, and received from him the following reply:

THE SECRETARY OF THE INTERIOR,
*Washington, January 5, 1935.*

Hon. J. J. MCSWAIN,
*House of Representatives, Washington, D. C.*

MY DEAR MR. MCSWAIN: I wish to acknowledge your kind letter of December 9, enclosing a copy of your communication to the President on the subject of the proposed development program for the Piedmont section of South Carolina.

I have read your interesting letter to the President with attention, and I note with satisfaction that your proposed plans for constructive development of the Piedmont portion of your State embody the element of wise planning in practical measures and operating programs. There should be no false steps in the work-

ing application of principles and practices under the guidance and direction of capable planning boards.

Please be assured that the agencies of this Department that are in a position to assist you and the people of South Carolina will cooperate whole-heartedly, within their limitations, in the accomplishment of such highly impressive and comprehensive programs. I shall be pleased to have you advise me of your progress from time to time.

Sincerely yours,

HAROLD L. ICKES,
*Secretary of the Interior.*

I sent to the Honorable H. A. Wallace, Secretary of Agriculture, a copy of my letter to the President, and have received from him the following reply:

DEPARTMENT OF AGRICULTURE,
*Washington, D. C., December 21, 1934.*

Hon. J. J. MCSWAIN,
*House of Representatives.*

DEAR MR. MCSWAIN: Your letter of December 19 and the enclosed copy of your letter to the President I read with great interest. It is a pleasure to be thus reminded of your extraordinary interest in planned use of our national resources.

Not having detailed information of the plan for the Piedmont section of South Carolina, and therefore not knowing what kind of cooperation you may expect, I am unable to give definite assurances of the sort I should like to give, but within the scope of our authorizations I am sure that all our agencies will be glad to cooperate.

I am passing your letter on to Mr. Silcox with word that I hope he will find it possible to cooperate with you fully.

Sincerely yours,

H. A. WALLACE, *Secretary.*

I sent to Dr. L. C. Gray, chief of the land planting division of the National Resources Board, and received from him the following reply:

UNITED STATES DEPARTMENT OF AGRICULTURE,
AGRICULTURAL ADJUSTMENT ADMINISTRATION,
*Washington, D. C., December 26, 1934.*

Hon. J. J. MCSWAIN,
*House of Representatives.*

DEAR MR. MCSWAIN: I wish to acknowledge your letter of December 20 and to thank you for sending me a copy of your letter to the President and the list of committees formed under the Upper Carolina Development Association. I am very glad, indeed, to note the progress you are making there in attempting to correlate the program of South Carolina with the Federal land program.

I wish to assure you that I shall be glad to be of service to you in any way that is within my power.

Very truly yours,

L. C. GRAY,
*Chief Land Policy Section,*
*Division of Program Planning.*

I sent to Mr. R. A. Winston, technical secretary of the soil erosion service of the Department of the Interior, and have received from him the following reply:

UNITED STATES DEPARTMENT OF THE INTERIOR,
SOIL EROSION SERVICE,
*Washington, December 22, 1934.*

Hon. J. J. MCSWAIN,
*House of Representatives, Washington, D. C.*

MY DEAR MR. MCSWAIN: I have much pleasure in acknowledging your letter of December 20 to Dr. Bennett, with reference to the organization of the Upper Carolina Development Association, which has been sent to my desk for reply.

You will doubtless remember that I attended the meeting that inaugurated this organization and spoke to the assembly of representative business people of the Piedmont region of South Carolina on the general subject of soil erosion and measures of control. I wish again to restate to you our tremendous interest in the proposed program that you are endeavoring to inaugurate for that wonderful Piedmont country. We are heartily with you, and we stand read to do everything within our power to promote the conservation of our natural resources and the development of our community life.

I am suggesting that in lieu of a letter on the subject, that you arrange to give us an appointment after the holidays for a discussion of the subject involved in your communication. Might we not arrive at a better understanding and a better analysis of the problems ahead in a personal conference rather than in the exchange of letters?

Mr. Bennett is taking a much-needed vacation for a few days, and I would suggest that in the early days of January that you arrange so the three of us could sit in a conference for a discussion of the very interesting efforts that you are putting forth for the good of your State.

With good wishes and high personal regards, I am,

Yours sincerely,

R. A. WINSTON,
*Technical Secretary.*

I sent to Mr. F. A. Silcox, Forester, United States Department of Agriculture, a copy of my letter to the President, and have received from him the following reply:

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
*Washington, December 29, 1934.*

Land-use planning.

Hon. J. J. MCSWAIN,
*House of Representatives.*

DEAR MR. MCSWAIN: I have been particularly interested in the letter which you addressed to Secretary Wallace concerning the organization in the Piedmont region of South Carolina of committees to carry out the basic principles and purposes laid down in the report of the National Resources Board. The whole-hearted cooperation of the local people is necessary to make effective the purposes of the report which was submitted to the President.

I am asking our regional forester, Mr. Kircher, who is stationed at Atlanta, to get directly in touch with you, so that he may acquaint himself with the work of the committees and extend his offer of cooperation. This is the first move. After he has gotten in touch with the local committees I shall be glad to follow through with him in action that may combine in a cooperative way the work of the different agencies you mention in your letter.

Again expressing for the Secretary and for myself appreciation of your great interest and that of the people in the Piedmont section in seeing that the purposes of the report may be effective, and assuring you that we will cooperate in every way possible, I am,

Sincerely yours,

F. A. SILCOX, *Forester.*

I sent to the Honorable Roy F. Hendrickson, Assistant Secretary of Agriculture, a copy of my letter to the President, and have received the following reply:

DECEMBER 27, 1934.

Hon. J. J. MCSWAIN,
*House of Representatives, Washington, D. C.*

DEAR MR. MCSWAIN: Mr. Wilson, Assistant Secretary of Agriculture, is out of the city for a few days filling speaking engagements, and so I am acknowledging your letter of December 20 to him.

I know that he will be interested in the copy of the letter which you wrote to the President, together with your discussion on your proposal for establishing self-liquidating market centers in your State.

Sincerely yours,

ROY F. HENDRICKSON,
*Assistant Secretary of Agriculture.*

Recently Mr. H. H. Bennett, Chief of the Soil Erosion Service of the Department of the Interior, visited the soil erosion projects in the counties of Spartanburg and Greenville, in South Carolina, and I accompanied him through his tour of inspection over the work that has been done and is being done, and I commend, in the strongest terms, his sympathetic understanding of the urgent need for enlargement and extension of this work of soil-erosion control in Piedmont Carolina.

The following proposal for the control of soil erosion in Carolina has been prepared by the branch of that service located at Spartanburg, S. C., and under the general direction of Dr. T. S. Buie, and I endorse most strongly the outline proposed in that suggestion:

PROPOSED SOIL EROSION CONTROL PROJECT, SOUTH CAROLINA

Unrestrained soil erosion has so depleted the soils of South Carolina of their fertility that immediate action alone can prevent our soon having a State of abandoned farms and a peasant farm class endeavoring to eke out an existence on impoverished soil.

Under the situation that exists only heroic control measures will suffice. A comprehensive system of land utilization, which means a readjustment of farming practices combined with specific control measures is necessary. Steep and badly eroded hillsides must not be planted to crops such as cotton, corn, and tobacco, but must be rededicated to forest or solid-growing crops for pasturage or feed. The best efforts of both the engineering and agricultural professions must be employed to effect specific control.

Success of soil erosion control work in South Carolina is dependent upon the extent of the whole-hearted support and cooperation of the industrial, business, and professional interests of the State, in addition to the active participation of all agencies striving for the betterment of agriculture.

INTRODUCTION

Soil erosion is of more or less serious consequence in at least 33 of the 46 counties in South Carolina. In the upper Coastal Plain which has an elevation of from 50 to 150 feet above sea level there are certain fields which are of rolling topography and where erosion is becoming a problem. Through the Sand Hill section of the State which has an elevation ranging from 150 to 400 feet

above sea level, a large part of the cultivated fields is sufficiently steep to require terracing. A few gullies are of such size as to necessitate control measures. The entire Piedmont section, which embraces approximately 40 percent of the land area of the State, is subject to erosion, much of this being of very severe nature. Practically all of the cultivated land is rolling and requires a variety of control measures. In this section are found many gullies, the number, size, and extent depending upon the local topography and soil type.

As an illustration of the existing situation may be mentioned the fact that in one county alone 90,000 acres have been abandoned as the result of erosion and 46,000 acres of fertile bottom land have been ruined by deposits of material washed down from above.

The average rainfall in South Carolina is approximately 50 inches per year, much of which falls as sudden thunder storms. This, together with the nature of the soil and elevation above sea level, results in a very rapid run-off from the fields and a rapid stream discharge. Data compiled by the Geological Survey indicate that approximately one-half of the water which falls finds its way to the larger streams in a short time and these streams reach flood stage and then return to normal very quickly. For instance, following a heavy rain a stream may rise to 20 or more times its usual flow and be back to normal stage again within less than 24 hours. The effect of such rapid run-off is to remove fertile soil from the fields and other areas, depositing it wherever the velocity of the stream is checked, either in a storage reservoir or at a lower stream grade.

The soils of the Piedmont section of South Carolina rapidly are becoming impoverished, and increasing areas of land are being abandoned each year as a result of erosion. A recent estimate by the county agricultural agents of this section indicates that the rate of abandonment of farm land due to erosion is at least 12,000 acres per county per year.

When the hills of the Piedmont were cleared and put into cultivation they were covered by a gray, sandy clay topsoil of fair fertility. The effect of continuous cultivation of intertilled crops with little or no attention paid to adequate erosion control measures has been to denude the slopes of this mantle of surface soil so that now the red clay subsoil is exposed. In many places this is all that the farmer has upon which to depend for his living. Farming on subsoil land has been termed "bankrupt farming on bankrupt land." The family dependent on such a type of agriculture is doomed to privation and want because it is impossible to produce profitable crops on badly eroded hillsides.

The accompanying pictures taken in Spartanburg and Greenville Counties illustrate this fact and show what we rapidly are approaching and what the appearance of much of the Piedmont area will be like within the near future unless something is done to combat this menace. The basic support of organized society in South Carolina is the business of producing cash crops and livestock by farmers. The very foundation of profitable agriculture thus is threatened by the depletion of the soil by erosion. When erosion of the surface soil reaches a certain point the balance of fertility cannot be maintained. Surface soil cannot be purchased by the farmer, neither can subsoil be made productive except by a slow process of crop rotation. Farmers are unable to employ commercial fertilizer or green manure crops to replace the surface soil so as to produce profitable crops. In most cases erosion is progressing faster than the farmer is able to counteract it by good farm practice, and as a result many farms are being lost by the owners and counties are suffering from inability to collect taxes on farm land.

A recent survey of several school districts in a Piedmont county of this State showed that the percentage of taxes which became delinquent for the past 5 years was twice as great in those districts bordering along streams where the topography is rough than was the case in nearby districts lying on the ridge between two streams and where the erosion, although extensive, was not nearly so serious. The farmers in the two groups of school districts in question were uniform as to experience, ability, energy, honesty, and willingness to pay taxes, if possible. The increasing failure of farm property to bear its just share of taxation is having a serious effect upon industry and other lines of activity, necessitating the development of new sources of taxation.

A competent soils expert in the employ of the Government recently made a survey of approximately 2,500 acres of land in the upper Piedmont section of South Carolina paying particular attention to the classification of the land according to the presence or absence of the original gray surface soil, which is an indication of the stage of erosion. The result of this survey shows that only approximately 10 percent of the area was not seriously eroded and, therefore, comparable with the soil as it originally existed. Approximately 38 percent of the area, while still maintained in cultivation, had had a large amount of the surface soil removed—hence its productivity was materially lessened. On 21 percent practically all the surface soil had been removed by erosion, leaving only the base unproductive material for farming purposes. On almost one-third of the land, sheet erosion and gullying had rendered it practically worthless for the production of crops. This is not an extreme case, but is typical of the situation in at least 14 of the western counties of South Carolina.

Business and professional men, as well as landowners, are vitally interested in the menace of soil erosion, for if the farmer is unable to make a profit on his farm, the burden of taxation is going to fall on the business, professional, and industrial groups. The history of the world shows that the civilization of the country cannot be maintained at a higher level than the productiveness of the soil will support.

STATEMENT OF PROBLEM

In an effort to classify the extent of soil erosion in the State of South Carolina, a grouping has been made of the counties as to the nature and extent of erosion. Those 13 counties, constituting the lower Coastal Plain, or eastern part of the State, have practically a level topography, and as a result there is no soil erosion of consequence. The remaining 33 counties, however, are subject to more or less erosion, the extent of which has been classified as follows:

In group 1, indicated on the accompanying map, erosion is not serious, although certain sections of each county are sufficiently rolling to justify and necessitate terracing. Occasionally small gullies are found, but these are not large enough to be beyond the control of the individual landowners.

In group 2, composed of five counties extending in a belt across the center of the State and embracing the Sand Hill region, erosion is more serious. This is due to the rolling topography of the Sand Hill region, together with the light nature and loose incoherent structure of the soil. In each of these five counties there is a certain portion of the land which is sufficiently rolling as to necessitate control measures. These should consist of terracing, strip cropping, and withdrawal of the steeper slopes from cultivation. In this region gullying is more extensive, although the gullies are neither so wide-spread nor large as to be of serious consequence as yet. In addition to the land that is affected by soil erosion, there is a considerable amount of land in this section that is being abandoned for production of cash crops due to its unproductiveness.

Group 3 consists of two counties which have a larger portion of their respective areas subject to extensive erosion. While these two counties extend into the Coastal Plain, they are predominantly Piedmont, with a consequent greater erosion problem than exists in the Coastal Plain.

In the nine counties comprising group 4 erosion is serious and wide-spread over the entire area. All the cultivated fields require control measures, such as terracing and strip cropping, and gullies are numerous, especially on the rough land near streams. A considerable portion of the formerly cultivated land in these counties already has been abandoned on account of erosion.

In the seven counties comprising group 5 the stage of erosion may be classified as extreme, particularly near the streams, where the topography is rougher. All the cultivated fields require terracing and strip cropping. Many extensive gullies, which may be 50 feet or more in depth and 1,000 feet or more in length, are found in these counties. There is much abandoned land in this area, particularly among the streams. In their desire to plant more land to cultivated row crops, such as cotton and corn, the farmers of this area have cleared steep slopes, which at best can produce but a few profitable crops. The only hope for profitable permanent utilization of slopes above 12 percent in this area is in reforestation or permanent pasturage.

The accompanying map which is reproduced from one prepared by H. H. Bennett, director of the soil erosion service, shows the general extent of erosion in the State without regard to county lines.

SYSTEM OF AGRICULTURE

In table no. 1 is shown by counties the total land area, the area in farms, the crop land, and the idle land in acres, as reported in the 1930 census. Thus it will be noted that the total land area in these 33 counties is nearly 13,000,000 acres, of which approximately 8,000,000 acres is included in farms, and about one-half of this is classified as crop land. Of this somewhat more than 4,000,000 acres of crop land approximately two-thirds of a million acres were classified as idle. This figure is not a true indication of the land abandoned due to erosion for it included abandonment due to other causes; and, on the other hand, there is much land now being cultivated which is too steep and should be devoted to other uses. It should be remembered, too, that these figures were compiled from the 1929 crop year, since when there has been a marked change in the agricultural situation in this country. Much marginal and submarginal land has gone out of cultivation, the county agents' estimate of which referred to above would make a considerable addition to this value.

The crops grown on the land in cultivation include to a marked degree the extent of erosion. As experiments show, the amount of soil removed by a given rain from a pasture area is only a small fraction of what will be lost from a field of similar slope planted to cotton or corn. Cotton, corn, and tobacco being clean cultivated crops may be considered as the real producers of erosion.

In table 2 is shown the acreage of these erosion producing crops by counties as well as the number of acres of crop land devoted to other uses.

It will be noted that the ratio of erosion producing crops to erosion resisting crops is very high, being approximately 8 to 1 for the State at large. In Greenville County, for instance, 83 percent of the crop land in 1929 was planted to the erosion producing crops—cotton and corn. Almost exactly 75 percent of the total crop land of the 33 counties under consideration was planted to cotton, corn, or tobacco.

ESTIMATE OF WORK NEEDED

In table 3 is shown the estimate of the total land area by counties and groups of counties which is of such topography as to necessitate terracing and also the estimated area which at this

time require reterracing because of improper construction of the present terraces. For instance, it is estimated that in the group of Coastal Plain counties, 5 percent of the total area in crops should be terraced and that 3 percent requires reterracing at this time. Likewise, corresponding figures for group 2, or the Sand Hill counties, were 15 and 5, respectively. In group 3, or the two intermediate counties, the estimate was that 20 percent of the crop land should be terraced and 8 percent would require reterracing at this time. In the erosive Piedmont counties, or group 4, it was estimated that 80 percent of the total land in the crops should be terraced, and of this one-half would require reterracing at this time. In the section of the Piedmont where soil erosion is most severe, group 5, it was estimated that 90 to 100 percent of the crop land should be terraced and that 70 percent would require reterracing at this time. For the State at large, this means 1,966,520 acres of crop land of rolling topography and 1,136,836 acres requiring reterracing at this time. This is an estimate only and cannot be taken otherwise.

In table 4 is given an estimate by counties and groups of counties of the number of gullies in the farm land of the respective areas. So far as is known, no previous effort ever has been made to estimate the number of gullies in the State. It was decided that the gullies in the Coastal Plain counties, or group 1, were insufficient in size and extent to be seriously considered; therefore, gullying in this group of 10 counties has been ignored. There will be found an occasional gully, but the number is not sufficient to be taken seriously, as the individual landowners can effect control.

In the group of five Sand Hill counties it was estimated that there is 1 gully to each 2,000 acres, and the size ranges up to approximately 10 feet wide, 10 feet deep, and 200 feet or more long.

In the two counties constituting group 3 it was estimated that there is 1 gully to each 500 acres of farm land, and that the typical size here is 15 feet wide, 15 feet deep, and 500 feet long. The calculations were based on an average length of 300 feet.

In group 4, comprising nine counties, it was estimated that there is 1 major gully to each 200 acres, and that these range up to 30 feet in width, 30 feet in depth, and 700 feet long. The typical length was taken at 400 feet.

In that group of counties where erosion is most serious it was estimated that there is 1 major gully to each 100 acres of farm land, and that these gullies range up to 50 feet in depth, 50 feet in width, and 1,000 feet long. The typical length here was taken at 500 feet.

To those who are familiar with the various counties it is evident that gullying is much more extensive in Chester, Fairfield, and Union Counties than elsewhere. Also in these counties there is a smaller proportion of the total land area reported as being in farms. Accordingly the estimate of gullies for these three counties was based on total land area rather than acres in farm land.

Gully stabilization will consist of a small amount of sloping of the banks so that plantings may be established, and the construction of low woven-wire check dams at intervals in the floor of the gully to check further cutting. In calculating the number of dams necessary, 1 was allowed to each 20 estimated linear feet, and 20 linear feet of wire was allowed for each dam. As will be noted from table 4, the total number of gullies in the State is estimated at 35,650 and the number of dams necessary to check these gullies estimated at 816,275. It should be borne in mind that this is an estimate only, made from general knowledge of the State and not from a survey.

In calculating the number of acres which will need to be reforested due to erosion, it was decided that in group 1 no appreciable quantity of land had been sufficiently eroded to require abandonment and reforestation. The areas in this section which should be reforested did not reach their present condition as the result of erosion. In group 2 it was estimated that 5 percent of the land in the farm area should be rededicated to forest use as a result of erosion. Similar figures of 10, 15, and 20 were assumed for the other three groups of counties, respectively. The total area in these 33 counties which should be reforested as a result of the present stage of erosion is estimated as 803,029 acres. This does not in any measure represent the total acreage which should be rededicated to forest purposes. There is much land which has been abandoned because of depleted fertility and unprofitable yields, together with many thousands of other acres which are being cultivated at the present time but which are too steep for profitable use and should be returned to forests. The figure given is a minimum and could easily be doubled and be a fair estimate. The State forestry commission is preparing further data on reforestation.

For adequate soil-erosion control, terracing is insufficient and it is necessary to give particular attention to the growing of close-rooted, uncultivated crops, such as Lespedeza, winter legumes, sorghum, sudan grass, etc. These crops best may be planted in alternate strips following the contour, and it is estimated that the same amount of land which will require reterracing should be planted to strip crops.

### PLAN OF ACTION

In order to combat this menace of soil erosion, which is active over so large a portion of South Carolina with resultant serious consequence, it is proposed that a systematic soil-erosion control program be initiated in each of these 33 counties. Such an activity will have the twofold advantage of providing employment for a large number of workers and at the same time be of incalculable value to the agriculture of the State. It would appear logical so to utilize funds appropriated for relief purposes that their expenditure would result in the conservation and constructive improvement of the greatest of all our natural resources—the soil.

It is proposed that this work be undertaken under the technical direction and supervision of the soil erosion service of the Department of the Interior, operating in cooperation with the proper agency or agencies of the Federal Emergency Relief Administration and with the various local agricultural interests of the State acting in advisory capacities. The soil erosion service would be responsible for the employment of skilled personnel to direct the technical phases of the work; and the Federal Emergency Relief Administration would supply the necessary funds for payment of such personnel, the necessary equipment and materials with which to conduct the work, and ordinary labor from the several county relief rolls. Such agencies as the Agricultural Extension Service, the Agricultural Experiment Station, the State land-grant college, the State commissioner of agriculture, the State forestry commission, the vocational agricultural teachers, and others interested in the agricultural development of the State would contribute their influence and assistance to the program.

This activity should embrace all phases of a constructive soil-erosion control program with particular attention paid to the terracing and strip cropping of those fields of rolling topography; the control of gully erosion, which represents a later stage of erosion; and the reforestation of steep slopes and badly eroded areas, which already have been withdrawn from cultivation, or which by reason of their present condition should be withdrawn immediately.

To be successful such a plan must embrace the following:

1. Complete freedom from outside pressure of the selection of technical and supervisory personnel. Many of these necessarily must be secured from sources other than the local relief rolls, although all should be bona fide residents of the State.

2. A constant supply of labor must be provided, or at least the labor supplied should be as nearly constant over long periods as is possible and not fluctuate from week to week if the most efficient utilization of the supervisory personnel is to be secured.

The plan proposed embraces a 5-year program, certain phases of which would be conducted continuously, but other phases can be adapted to the local supply of relief labor and to other controlling factors.

### TERRACING AND STRIP-CROPPING PROGRAM

As indicated in table 3, it is estimated that the area now requiring reterracing if an effective soil program is to be initiated, totals somewhat more than 1,000,000 acres. With the proper organization as developed herein, it is estimated that these fields can be surveyed for terracing at a cost of approximately 25 cents per acre, which does not include general overhead and cost of implements and equipment. This estimate is based on the cost of similar work done on the South Tiger River erosion-control project in 1934.

It is suggested that in this work crews of three men be used, one of whom should be a trained engineer, the second a rodman, and the third a man supplied by the farmer to drive stakes, etc. The engineer and rodman would be paid salaries of $90 and $65 per month, respectively.

Terracing is seasonal; therefore, it is estimated that this work might be done from October 1 to March 31, or a period of 6 months each year. It is estimated further that one crew could survey terrace lines for 20 acres each day for about 120 days each year. The total cost of such surveys and supervision of construction is shown in table 6 as $934,643, or approximately 82 cents per acre. This includes the cost of necessary equipment for the use of the farmer.

The type of terrace suggested is one with a broad base, having a well-constructed water channel on the upper side. In the preparation of this terrace most of the soil is removed from the water channel to construct the mound or ridge. This is an adaptation of the Mangum terrace by Prof. M. L. Nichols, of the Alabama Experiment Station and one which has proved very successful where used. In the construction of these terraces, the recommendations of the United States Department of Agriculture as to grade and vertical interval would be followed.

In the actual construction of the terraces the landowner, or operator, should be required to build the terraces within a reasonable time and under the general direction of supervisors trained for that purpose. In this work he would use his own teams, or in case he did not have sufficient horsepower, secure same by combining with neighbors. The equipment for the actual construction of the terraces in most cases would have to be supplied by the Federal Emergency Relief Administration on a loan basis. In general the type of equipment used would be a small wheel steel terrace grader requiring four horses. Such machines can be secured for approximately $75 each, and one such machine would be sufficient to construct terraces on an average of 400 acres annually. It is estimated that the allowance of 50 cents per acre would be ample to cover the cost of this equipment. These machines would remain the property of the Federal Emergency Relief Administration and be subject to the direction and instructions issued by the local engineer in charge. The cost of this equipment is covered in (24) of the estimate. Each cooperating farmer would be required to sign an agreement to maintain the terraces as constructed for a minimum period of 5 years.

In the analysis of the cost of terracing, an organization capable of completing the work in 30 months (6 months each of 5 years) has been suggested. In many cases it will be more desirable to concentrate activities on this phase of the control program so that the terracing might be completed in a shorter time, possibly 2 years. This should not affect the total expenditure, however.

In many fields terracing alone is insufficient to control erosion and strip cropping is recommended as a companion practice to accompany terracing. In connection with the strip-cropping program, it is highly desirable that these rolling fields which are to be planted to cultivated crops should be stripped with close growing crops, such as Lespedeza, sudan grass, sorghum, or winter small grains. It is estimated that while the areas to be reterraced and stripped are not exactly identical, they are of about the same extent and in most cases would overlap. It is further estimated that the cost of seed for stripping will be about 50 cents per acre for spring crops, and 30 cents per acre for fall crops. These will not represent annual expenditures, however, as in most cases the landowner will be able to save his own seed after the first year. The total cost of the strip cropping is slightly in excess of $1,000,000, over 90 percent of which is for seed. The farmer himself would do the work under the direction of trained supervisors.

GULLY-CONTROL ACTIVITIES

In the gully-control work every effort would be made to use all local labor available from relief sources. The general plan adopted in the gully-control program is to develop a coordinated system for handling the water from the time it falls on the ground until it reaches grade level of a stream. This necessitates terrace outlets of a permanent nature and the building of low check dams across the bottom of each gully at specific intervals. In general, the method employed will be to use local materials such as stone or logs, where available, and where such cannot be secured woven wire 24 inches in width will be used. The cooperating farmer will be required to furnish all local materials, such as stone and timber, and transport same to the gully without cost to the Federal Emergency Relief Administration. In the construction of these dams the principles as outlined and developed by the soil erosion experiment stations of the Department of Agriculture and the soil erosion service of the Department of the Interior will be employed. In general, the method used will be to keep the water spread in a thin sheet and to further reduce its velocity by having check dams not more than 2 feet in height.

As indicated in tables 4 and 8, it is estimated that there are a minimum of 35,000 gullies which would require approximately 800,000 dams as a minimum. It has been further estimated that 20 linear feet of wire would be required for each dam and that this would cost, together with sufficient staples, etc., 80 cents per dam, or approximately $653,000, for such material. It is also estimated that these dams would require approximately 5 days of labor each to construct, which means 4,000,000 days of labor distributed over the 5-year period. Expressed differently, this would necessitate the employment of somewhat less than 7,000 laborers for a period of 120 days each year for 5 years. The gully-control work is one phase of soil-erosion control which can be carried on intermittently and adjusted to the available supply of labor.

Fundamental in gully control is the development of a vegetative covering for the dams and banks, and particularly adapted for this purpose are Bermuda grass, honeysuckle, privet, wild plums, black locust, etc. All of these are to be found on practically every farm in South Carolina and can be transplanted in the gully with but little cost. It is felt that each farmer would be willing to do this transplanting if properly directed by those in charge. Such plantings are very important factors in the proper control of water in gullies and each landowner should be informed that they are a part of the program and that he would be required to agree to carry out the plans laid down by the soil erosion service before any actual work was done on his farm. The landowner would be further responsible for the maintenance of any structures, such as dams or terrace outlets, which might require replacement within 5 years.

It should be distinctly understood that no effort would be made to reclaim the land in gullies, but simply conserve the existing farm land and prevent the further expansion of the gully, which would result in the destruction of other areas. In the case of shallow gullies where silting and filling up is rapid, the landowner would not be permitted to use such reclaimed area for the production of cash crops without the consent of the proper agency.

FORESTRY

Much of the land which, as a result of erosion, either already has been abandoned or is in the process of being abandoned, should be planted to trees. Several species of pine and black locust are particularly adapted to this use. It is estimated that in the 33 counties there are 808,000 acres which have been so depleted of productivity by soil erosion that they should be planted to trees. This area should be added to those other areas which have been abandoned by reason of depleted fertility and which are to be reforested also. Details of the reforestation program are being prepared by the State forestry commission and are to be made a part of this consolidated report.

SUMMARY OF COSTS

In table 9 is given a summary of all costs pertaining to this project, which includes the number of employees for each position, the rate of pay, and time to be employed, as well as the total 5-year cost, the annual cost, and the percentage of the total for each item.

The item numbers refer to the explanation given in the explanation of costs, which are indicated in the several tables.

It will be noted from table 9 that 79.4 of the total estimated expenditure is for personal service, and that practically two-thirds, or 65 percent, is for common labor employed from relief rolls. Only 2 percent of the total is for travel and 1.5 percent for office rent and upkeep. Necessary supplies and equipment is estimated at 17.1 percent.

As shown in table 10, which presents a somewhat different distribution, only 5 percent is for salaries of those in strictly technical and supervisory positions. Foremen and field inspectors ordinarily will come from the ranks of those local people who are greatly in need of employment.

Terracing and strip cropping together will account for no more than 12.5 percent of the total, whereas the gully-control work, by employing a large amount of unskilled labor, will absorb more than three-fourths of the total estimated expenditure.

Table 11 presents this same information in a slightly different manner. As will be noted, 79.4 percent of the total expenditure is for personal service—employment for people who are badly in need of work—and only 12.3 and 4.8 percent for supplies and equipment, respectively.

While $15,000,000 appears to be a very formidable sum, when it is distributed over a 5-year period and is to serve as a basis of direct employment to 7,394 people living in 33 counties, it appears well within the limits of reason.

PUBLICITY AND CONTACTS

In developing a program of this nature obviously one of the first and most important steps would be to properly acquaint all landowners of the several counties in which work might be undertaken with the several aspects of the problem. This would involve cooperation with the county agricultural agents, the Smith-Hughes teachers, and all other public-service agencies interested in the betterment of the country.

It is felt that a program of this kind can best be undertaken first by those farmers who show the keenest interest in participating in such activities. Before being allowed to participate the farmer would have the general plan explained to him in detail so that he would have a thorough understanding of his obligations, after which he would be expected to sign a cooperative agreement in which he would be obligated to follow the principles laid down for a period of not less than 5 years.

PHOTOGRAPHS

The photographs taken on the South Carolina Piedmont soil-erosion-control project located on the watershed of the South Tiger River, in Greenville and Spartanburg Counties, indicate more clearly just what are the peculiar problems and how they may be attacked.

Being exceedingly anxious to see labor employed in connection with the relief program of the Federal Government in such a way as to be most useful to this generation and to succeeding generations, I have sought to have this work of soil-erosion control extend to every part of upper Carolina. Accordingly, I requested Dr. T. S. Buie and his staff to prepare for me an estimate of what the cost would be per county for carrying on a most intensive and thorough campaign of soil-erosion control in all the upper part of the State. I now hereby print that suggested outline for the information of the Congress, and I sincerely trust that the Secretary of the Interior and the Secretary of Agriculture and the National Administrator of Federal Emergency Relief may cooperate in making a most instructive demonstration of the possibilities of not only usefully employing labor but of conserving that most valuable asset of any nation, to wit, its soil.

SUGGESTED OUTLINE FOR THE EXTENSION OF THE SOIL-EROSION-CONTROL PROGRAM IN THE PIEDMONT SECTION OF SOUTH CAROLINA WITH THE SOIL EROSION SERVICE, THE AGRICULTURAL EXTENSION SERVICE, AND THE FEDERAL EMERGENCY RELIEF ADMINISTRATION COOPERATING

Since the watershed demonstrations of soil-erosion control located in Spartanburg, Greenville, and York Counties have advanced to the point where practical control measures have been developed, the following outline of procedure is presented as a method of immediate extension of erosion-control measures throughout the Piedmont in response to urgent demands from farmers for such service. Such an expansion of the work is made possible because of the availability at this time of a considerable number of men who have had some specialized training in erosion-control methods, as well as a limited number of men who have had experience in soil classification and land use while employed with the land-use survey project, and who are at this time without employment.

1. The soil erosion service is to be responsible for all technical training and supervision of technical personnel.

2. The Extension Service, through the local county agent, will be responsible for educational, publicity, and contact work with the individual farmers of the respective counties and will select the farms or areas for demonstration.

3. All costs of county personnel and the necessary supplies and equipment, other than that furnished by the cooperating farmers, will be borne by the Federal Emergency Relief Administration. The cost of training and supervision of technical work will be borne by the soil erosion service.

4. The work will be organized on the county-unit basis, employing the following personnel: One experienced local man to be known as the "cooperating agent" and be selected jointly by the soil erosion service, the Extension Service, and the Federal Emergency Relief Administration; four assistants, one to be especially trained in soils, agronomy-farm management, agricultural engineering, and forestry.

These assistants will be selected, subject to the approval of the local Federal Emergency Relief Administration authorities, by the soil erosion service. The training and experience of these men must be such that they are capable of directing the work in their respective fields. As the program develops it may be expanded as the need arises, provided trained personnel is available.

5. The procedure followed will be to select representative farms or fields ranging in size from 10 acres to 100 acres as demonstrations. These selections are to be located in several sections of the county as the county agent and cooperating agent may see fit.

6. On these selected demonstration farms a complete program of erosion control will be put into effect, which will include soil and erosion classification, proper land utilization, diversification of crops, terracing as needed, terrace outlets, controlled waterways, agronomy and forestry plantings, and woodlot management.

7. The cooperating agent, under the direction of the county agent, will keep such records as to cost and accomplishments as may be mutually agreed upon. The results of such demonstrations will be available for use and publication by each of the cooperating agencies.

8. The working plans for each demonstration will be developed by representatives of the soil erosion service and the Extension Service. The soil erosion service and county agent shall have supervision over, and be responsible for, the carrying through of the working plans thus formulated on these demonstration farms.

9. Each county unit will arrange with the local Federal Emergency Relief Administration authorities to use the maximum amount of common labor possible. This will be employed in surveying terrace lines, construction of terrace outlets, preparation of controlled waterways, and in making plantings for erosion control.

10. The cooperating farmer will be required to supply all labor and material required in excess of that made available by the Federal Emergency Relief Administration or other source.

11. The three directing agencies named herein will develop and carry out this program in full cooperation with the State agricultural college, the State experiment station, the State forest commission, and all other conservation and educational agencies interested in the welfare of agriculture.

*Estimate of cost, county unit*

| | Amount | Percent |
|---|---|---|
| Personnel: | | |
| 1 cooperating agent, 6 months, at $150 | $900 | |
| 4 technical men, at $100 per month each | 2,400 | |
| | | 19 |
| Total, supervisory personnel | 3,300 | |
| Estimate use 40 men, 24 weeks, at 30 cents per hour | 11,520 | 65 |
| Total, labor and supervision | 14,820 | |
| Travel, 1 at $50 and 4 at $25 | 900 | 5 |
| Equipment: | | |
| 4 horse-drawn terracers, at $75 | 300 | |
| 1 level and other surveying equipment | 100 | |
| 6 drag pans, at $10 | 60 | |
| 4 terracing plows, at $20 | 80 | |
| Miscellaneous tools | 100 | |
| Total equipment | 640 | 4 |
| Supplies: Wire, cement, etc., $200 per month | 1,200 | 7 |
| Grand total per county | 17,560 | 100 |

SOUTH CAROLINA, THE IODINE STATE

The State of South Carolina for several years conducted a food-analysis laboratory under the direction of a most eminent chemist, and his work was checked and rechecked by some of the most distinguished and scientific men of the Nation and of other nations. They have all agreed that the reports of the South Carolina Food Laboratory are correct, and upon that basis a comparison of the mineral content of vegetables and milk produced in upper South Carolina is most instructive. For the information of the Congress I am printing herewith a table showing such comparison, and it is manifest that in the case of iodine, iron, and manganese the South Carolina vegetables contain from 10 to 50 times as much of these most important health-preserving and health-restoring minerals as vegetables produced in other parts of the country.

[Dry basis]

| | Iodine | Iron | Copper | Manganese |
|---|---|---|---|---|
| | *P. p. b.* | *P. p. m.* | *P. p. m.* | *P. p. m.* |
| Gerber's vegetable soup | 50 | 240 | 6.8 | 23 |
| Clapp's baby soup | 40 | 85 | 11.1 | 12.0 |
| Campbell's vegetable soup (sample 784) | 17 | 185 | 14.4 | 8.4 |
| Campbell's tomato soup (sample 789) | 15 | 327 | 13.8 | 8.0 |
| If these vegetables had been selected from the Piedmont section of South Carolina the analysis would have been | 490 | 658 | 20 | 108 |

THE RECORD

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BOYLAN]?

There was no objection.

Mr. BOYLAN. I am only interpolating at this time, Mr. Speaker, in view of what has just happened, apropos of the request of the gentleman from Wisconsin [Mr. O'MALLEY] to insert some matter in the RECORD. During my entire period of service in this House I have always contended for the liberalization of the RECORD. I have always objected to the policy of some Members of the House considering themselves, perhaps, as the stepchildren of Congress. We are using every effort to curtail our part of the RECORD, while gentlemen in another part of this Capitol insert anything that they please. You gentlemen who have served before know exactly what happens. A Member is refused permission by the House to insert certain matter in the RECORD, and the next day we find it in the RECORD, inserted by some Member of another branch of the Congress. Why should we have this feeling of inferiority? This is only one instance. There are very many other instances where it would appear that we are merely functioning by grace or permission of another branch of the National Legislature. I believe that we are a component part of the legislative system of the Nation and the House should stand more on its dignity and on its rights and on the privileges to which it is justly entitled, and not be subservient to another branch of the Congress. [Applause.]

The SPEAKER. The time of the gentleman from New York [Mr. BOYLAN] has expired.

RESPONSIBILITY FOR THE DEFICITS

Mr. KELLER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. KELLER]?

There was no objection.

Mr. KELLER. I simply want to ask the gentleman from New York [Mr. FISH] the questions that I attempted to ask him while he was speaking. These are the questions: What made these deficits necessary? Was it not the panic of 1929 and the ensuing depression? If so, what party was responsible for the panic of 1929 and the ensuing depression? If these deficits are due to the panic and the depression, then they are due to the action, or failure of action of the Republican Party in permitting the panic and the depression to come. They are Republican deficits and not Democratic deficits, due to the failure of the Republican Party to do its duty to prevent the panic and the depression under which we have been suffering during the past 4 years.

That is what I wanted to bring out. When you are talking about these deficits, claim them. They are your deficits and not the deficits of somebody else. When you talk along party lines, talk it out right, and assume full party responsibility for what happens through the action of your party.

Mr. SHORT rose.

Mr. KELLER. I am glad the gentleman rose. The gentleman asked a question that ought to be answered by somebody who knows, and it just happens, perhaps accidentally, that I do know. The gentleman asked what part of the money that is appropriated for relief is going to the people who need relief. I take great pleasure in saying to the gentleman that a little less than 8 percent of the money appropriated goes for administrative expenses. A little less than 8 percent of the money does not reach the people for whom the money was appropriated. The people on relief, therefore, receive a little more than 92 percent of the gross appropriation—not 50 percent, as he inferred.

Mr. SHORT. We are glad to have the sage of southern Illinois answer the question that I asked.

Mr. KELLER. I thank the gentleman. The gentleman is entirely correct in his illusion.

Mr. SHORT. I would answer for the gentleman from New York [Mr. FISH] by saying that the deficits are due primarily

to the World War which the Democratic Party kept us out of in 1916. [Applause on the Republican side.]

Mr. KELLER. I did not say that. That is a Republican Party alibi. I put my finger on the sore spot, and the gentleman understands it perfectly well.

Mr. LEHLBACH. Will the gentleman yield?

Mr. KELLER. Certainly.

The SPEAKER. The time of the gentleman from Illinois [Mr. KELLER] has expired.

### NEED FOR OLD-AGE PENSIONS

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks and to include a letter written to the White House by myself on the subject of old-age pensions.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, under leave to extend my remarks in the RECORD I include the following letter written by myself to the President of the United States on the subject of Federal old-age pensions. The White House reply was most satisfactory.

The splendid message to Congress a few days ago of the Chief Executive of our Republic firmly establishes the fact that the administration realizes fully the vital need for old-age-pension legislation passing at this session of Congress.

One year ago yesterday I delivered a radio address which was printed in the RECORD for January 8, 1934. Now, 1 year later, I desire earnestly to express the opinion that I am even more strongly in favor of paying our obligation to those poor, old persons who stand in fear of the poorhouse even more than they may fear death itself.

DECEMBER 21, 1934.

Hon. FRANKLIN D. ROOSEVELT,
*President of the United States,*
*The White House, Washington, D. C.*

MY DEAR MR. PRESIDENT: It is my purpose to state very briefly in this letter my reasons for hoping that the administration will push old-age pensions as well as unemployment insurance in the coming session of the Seventy-fourth Congress.

1. The principle of old-age pensions is economically sound. Perhaps one-third of the cost could be borne by the States, thus bringing to them a responsibility which should be theirs in such a program. It would save funds for the counties by removing from relief rolls those persons 65 years of age and over who are unable to care for themselves.

2. It is the politically expedient thing to do. The demagogic demands of extreme and unworkable plans, such as the one being advanced by Dr. Townsend, would be checked.

3. Old-age pensions are in harmony with the spirit of the Golden Rule, and a Federal expenditure of less than forty millions annually would take care of such a program.

To quote from an editorial in the Pittsburgh Press, "It is morally right. For it would include the really forgotten men and women of this rich country, some 500,000 old folks to whom the late afternoon of life now is too often a nightmare."

Faithfully yours,

JENNINGS RANDOLPH.

### SOCIALISM

Mr. DUNN of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. DUNN]?

There was no objection.

Mr. DUNN of Pennsylvania. Mr. Speaker, the gentleman from New York [Mr. FISH], when making his address, intimated that what the President of the United States is doing is socialistic. I want to say that if the eradication of the slum districts in the United States, if favoring old-age pensions and unemployment insurance, and if making a gigantic effort to give every man in the United States a job who is without work, is socialism, then let us have socialism.

### WHAT HAVE YOU TO OFFER IN PLACE OF OUR PROGRAM

Mr. MOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MOTT. Mr. Speaker, during the course of the debate we have just heard the question was asked several times from the Democratic side: What have you to offer in place of the present program? Although this question was repeatedly asked in one form or another, no real opportunity was given, of course, to answer it. Time, if nothing else, precluded an answer. I think the question ought to be answered, and so, Mr. Speaker, I ask unanimous consent to extend my remarks that I may try to answer the question somewhat at length.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MOTT. Mr. Speaker, asking the question, "What have you to offer in place of our program?" has become a habit with the politically inclined portion of our Democratic brethren.

I am always somewhat amused when I hear this question put by a majority party politician, for invariably he gives me the impression that he has his fingers crossed when he asks it. He always appears to me to be afraid when he asks the question that he might hear a good answer to it. Moreover, I have usually found that when he asks this question he immediately proceeds to do his best to prevent it from being answered. It is perhaps for this reason that our friends seldom inquire simply, "What is your program for recovery?" They always qualify and becloud their question by adding to it some such words as these, "Don't you believe in relief?", or "Don't you believe in public works?", or "Are you in favor of letting women and children starve?", or "Would you stop appropriations for relief when there are 20,000,000 people on relief rolls?"

Gentlemen will recall that each time someone on the other side of the aisle interrupted the gentleman from New York [Mr. FISH] with this stock question, "What have you got to offer?" the inquiry was accompanied with an interrogatory accusation to the effect that the gentleman from New York was in favor of letting people starve or that he was at least against relief-work appropriations. It required most of that gentleman's time to deny these accusations, and when finally, apparently for the purpose of putting an end to such questions, he explained that he had voted for all of the relief and public-works appropriations, his questioners seemed to take it that he had made a rather damning admission for a Republican.

Now, the fact is that no Republicans are opposed to the expenditure by the Government of such funds as may be necessary to furnish emergency work and relief to those who have lost their jobs and whom private industry cannot employ under present conditions. They are not opposed to public works. The Public Works bill of the last session passed the House with a clear Republican majority. Every relief bill passed with a Republican majority. Do our inquiring Democratic friends ever stop to consider what this means? It means that, although there was a Democratic majority in the House in the Seventy-third Congress of nearly 3 to 1, all of the public works and relief measures, which the Democrats have the habit of claiming as entirely their own and which they now accuse us of opposing, would have become law by Republican votes alone even if there had not been a single Democrat in Congress.

This is true not only of the relief and public-works measures but of the so-called "reform" measures as well. Personally, I voted for all such measures and would do so again.

But because we have always recognized and still recognize the necessity of emergency relief, both direct and indirect, that does not mean that we are wholly satisfied with the majority organization's plan for national recovery. Because we agree with you that it is the province of government to see that people do not starve; it does not mean that we agree with you that the way to permanent recovery lies solely along the path of expenditures either for doles or made work.

The principal difference between the minority and the majority viewpoints, as I see it, is this: Republicans believe

that no permanent recovery can be brought about until the 20,000,000 people who have lost their jobs in private industry and are now on relief are again put to work in private industry. We know that under existing conditions private industry by its own unaided efforts cannot reemploy these men, and we believe that legislation will have to be passed to enable and to aid industry to do this. The Democratic House organization, on the other hand, does not believe this; and its plan, therefore, does not contemplate any legislation making it possible for industry to reemploy the unemployed. The majority theory seems to be merely that if an emergency relief program is big enough and is continued long enough the depression somehow or other will die a natural death, and that then private industry of its own volition will resume its normal functions, and that thereby prosperity will return.

The same fundamental difference of opinion exists between the minority and the majority as to plans for permanent farm relief, for the permanent care of the aged, for the proper protection of our workers against injurious and ruinous foreign competition, and for the permanent solution of the several other problems which now vex the country and which will have to be solved, we think, by means other than the mere continuance of and the sole reliance upon an emergency spending program.

Now, in direct answer to the question, What have you to offer? I wish to submit to my Democratic friends the following program, and in doing so I should like them to bear in mind the statement made at the outset of these remarks, namely, that, as emergency legislation, all Republicans recognize and favor the continuance of necessary expenditures for emergency work and relief, and that this program, therefore, is in addition to such necessary emergency legislation. I wish to state also that in submitting this outline I do not contend that it represents the views of every Republican in the House. No single program of any kind could do that, whether it be Republican or Democratic. In principle, however, I believe the majority of Republicans and, without question, all of the liberal Republicans, favor such a program. Certain it is, at any rate, that they would like to have such a program at least considered by the House. And I might add also in passing that Republicans are not alone in this desire, for there are a great many progressive Democrats here. I venture to say that if the majority organization would relax the gag rule it passed on the opening day of this session so that a real affirmative program for permanent recovery could be considered, I am of the opinion that enough liberal-minded Democrats would join the Republicans to pass the greater portion of it.

Here, then, is an outline of the program we should like to have submitted to the Members of this body:

We urge immediate consideration and enactment by the Seventy-fourth Congress of a comprehensive legislative program looking toward permanent economic, industrial, and agricultural recovery and security.

We believe that such permanent recovery and security can be brought about only through the reemployment in private industry of the twenty millions of workers who have lost their jobs and are now on relief, and, through the rehabilitation of the twenty millions of our agricultural population, most of whom are also virtually without purchasing power.

To this end we favor enactment of legislation embracing the following:

First. The spread of employment in private industry by shortening hours of labor to whatever extent may be necessary to reemploy all who are able to do the work required by modern industry.

Second. Federal aid to private industry to enable it to make the necessary change from the old system of long hours and low wages to a new system of shorter hours and higher wages.

Third. Assurance to employers that in operating business and industry with increased employment they will have a fair opportunity of receiving a reasonable return on their legitimately and usefully invested capital, and assurance to employees that they shall receive wages sufficient to give them not only a mere living but a purchasing power wherewith to buy back the products of industry.

Fourth. Unemployment insurance to protect the employee in temporary emergency.

Fifth. An old-age pension sufficient to retire, in decency and comfort, those who have passed the age of their economic usefulness and to remove them from competition with those who have not reached that age.

Sixth. A comprehensive and uniform system of farm-mortgage refinancing at a rate of interest which the farmer can afford to pay and in an amount sufficient to liquidate his existing mortgages.

Seventh. Assurance to the farmer of at least the cost of production plus a reasonable profit on that part of his commodity actually sold and consumed in this country.

Eighth. Adequate tariff protection against all foreign commodities sold in this country in competition with our own, and in cases where tariffs do not afford such protection, then we insist upon resort either to quotas or embargoes or both.

Ninth. Stabilization of the currency through definite legislation enactment and not through decrees issued in the discretion of the Chief Executive.

Tenth. Return of all Federal legislative power to Congress, and resumption by Congress of the duties imposed on it by the Constitution.

Now, I hope none of our friends on the other side will say that this program is too general, or that the majority organization already favors most of it. That seems to be a rather usual majority reply to many constructive minority proposals. Let me anticipate such criticism, however, by saying, first, that specific bills covering most of the points here outlined were introduced in Congress at the last session and that bills covering all of them have been or will be introduced at this session. At another time I hope I may have an opportunity to address myself further to these specific bills. As for the majority party having already approved any part of this proposed legislation, there is, of course, no record of that whatever. The precise contrary is true. By gag rules, by unprecedented parliamentary maneuvers, and through other devious methods by which a majority in this body can prevent consideration of measures, every bill introduced in the Seventy-third Congress looking toward enactment of the permanent program here outlined was killed.

We hope we may be able at this session to secure consideration of at least some of the measures here proposed. We are going to try our best to bring this about. We are going to introduce the bills. We are going to urge your committees, all of which will be composed of 3 Democrats to 1 Republican, to report out the bills. If they refuse, as they did in the Seventy-third Congress, we will try to bring them out by the petition route, which the majority organization, by its opening-day gag rule, has made so difficult. We may succeed and we may not. But whether we succeed or whether we fail, we will at least have given an answer to the question asked here today, What kind of a program have you to offer?

THE LADIES HERMITAGE ASSOCIATION OF NASHVILLE, TENN.

Mr. TURNER. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes and offer a resolution which I ask the Clerk to read.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read as follows:

*Be it resolved by the officers and members of the Ladies Hermitage Association assembled in regular meeting on this the 2d day of January 1935:*

First. That we acclaim with pleasure and pride the election of the Honorable JOSEPH WELLINGTON BYRNS, the Representative from the Fifth Congressional District of Tennessee, as Speaker of the National House of Representatives, and we tender to him our very cordial congratulations upon his reception of this distinguished honor and responsibility as the reward of a long and illustrious service and the expression of the highest confidence and esteem.

Second. That as Tennesseans we have in especial keeping and care the home of President Andrew Jackson, we rejoice in the

bestowal of this honor upon an illustrious Tennessean who is so loyal to the traditions of the Hermitage and to the principles of government and patriotism of Andrew Jackson; and we remember with pride that just 100 years ago that other great statesman and Tennessean, James Knox Polk, a devoted friend of Jackson, assumed the office of Speaker and then for 4 years rendered therein a distinguished service—having immediately succeeded in that office another Tennessean, the Honorable John Bell, whose name is also illustrious in our history.

Third. That as a symbol of our affectionate regard and our patriotic pride, we hereby direct that the officers of the Ladies Hermitage Association procure and present to Mr. BYRNS, in behalf of the association, a gavel made of hickory from the Hermitage, for his use while presiding as Speaker and to be kept by him always in remembrance of its meaning.

Fourth. That we wish for Mr. BYRNS a long and pleasant service in the exalted position to which he is now being called.

Mrs. Rean E. Falk, regent; Mrs. E. W. Graham, vice regent; Mrs. James E. Caldwell, second vice regent; Mrs. Paul De Witt, secretary; Mrs. Lyon Childress, treasurer; Miss Louise Grundy Lindsley; Mrs. Edgar M. Foster; Mrs. Geo. F. Blackie; Mrs. Jesse Overton; Mrs. E. A. Lindsey, and Mrs. Walter Stokes.

Mr. TURNER. Mr. Speaker, on yesterday I received from the Ladies Hermitage Association, of Nashville, Tenn., the resolution which has just been read. With this resolution came a beautiful gift, with the request that I present it to you, our distinguished Speaker. On this gift is inscribed "Hon. JOSEPH W. BYRNS, Speaker, Seventy-fourth Congress, by the Ladies Hermitage Association, January 8, 1935."

This gift is a gavel, a symbol of order, and it was carved from the heart of an old hickory tree grown on the grounds of the Hermitage, the former home of that national hero, Andrew Jackson; and while it typifies the strength, courage, and character of Old Hickory in peace and in war, it also typifies the love, good will, and best wishes the good women of the Hermitage Association bear in their hearts for you.

Every Tennesseean is proud of your success and has watched with increasing interest your upward climb from your boyhood days on the farm to the Speakership of the greatest legislative body in the world. [Applause.] This great honor, the capstone of your long political career, has been won by devoted service to your State and Nation and your square dealings with your fellow man in all walks of life.

One hundred and twenty years ago this day Andrew Jackson, with a strong patriotic army of 6,000 men, conquered the British at New Orleans, which resulted in, we hope, lasting peace between two great nations of the world. May this gavel, which I know will be wielded in fairness, honesty, and good will for all your associates, help you preserve order in your effort to bring to this Nation peace, security, and prosperity.

Appreciating the great honor the Ladies Hermitage Association has conferred on me, it affords me great pleasure to present to you, my long-time friend and associate, this beautiful gavel from your loyal friends and admirers of Tennessee. [Applause.]

The SPEAKER. I ask the House to indulge me just a few moments while I express my appreciation to these noble ladies, the members of the board of regents of the Ladies Hermitage Association in my home city, who have expressed themselves in such complimentary terms in the resolution which has been presented through my friend and colleague the gentleman from Tennessee, Mr. TURNER. I am grateful to them for this expression of friendship; and you would understand, my friends, just how deep is my gratitude to them if you knew the ladies in question. They are among the most prominent ladies in Tennessee and represent the Ladies Hermitage Association, which has been chartered by the State of Tennessee to preserve the Hermitage, the home of Andrew Jackson, where now repose his remains and those of his faithful and beloved wife. I particularly cherish this gavel, fashioned as it was from hickory which grew around that splendid old home, preserved, as I say, by these ladies, just as it was when Old Hickory left it.

I am immensely pleased also that this gavel should be presented to me upon this day, the anniversary of the great Battle of New Orleans, a battle, my friends, which guaranteed for all time to come the supremacy of our Nation upon the high seas. This day is dedicated in my own State and in the Nation to the memory of Andrew Jackson, that noble Tennessean whom we regard as one of the greatest Americans, one of the greatest soldiers, one of the greatest Presidents, and one of the greatest patriots who has lived in the history of our country. [Applause.]

Mr. BULWINKLE. Mr. Speaker, I would request that the Speaker, in revising his remarks, insert therein a statement of the fact that President Jackson was born in North Carolina.

Mr. McSWAIN. What about South Carolina?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. LARRABEE, indefinitely, on account of death in family.

ORDER OF BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, to answer several questions, permit me to say that I shall move to adjourn until tomorrow. On tomorrow the independent offices appropriation bill will be reported. It is expected that all day tomorrow will be devoted to general debate, without any limitation. We contemplate continuing general debate the next day and, if possible, to put some limitation upon the debate, with the hope of finally passing the independent offices appropriation bill on Friday.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 9, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

117. A letter from the Secretary of the Treasury, transmitting report of the Surgeon General of the Public Health Service for the fiscal year 1934 (H. Doc. No. 3); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

118. A letter from the Acting Director United States Botanic Garden, transmitting a report on travel performed by employees of the United States Botanic Garden from Washington, D. C., to other points and return during the fiscal year 1934; to the Committee on the Library.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CULKIN: A bill (H. R. 3242) to authorize the erection on the battlefield of Sacketts Harbor, N. Y., of a monument to Maj. Gen. Jacob Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 3243) to provide for the commemoration of the Battle of Sacketts Harbor, in the State of New York; to the Committee on Military Affairs.

Also, a bill (H. R. 3244) to amend section 19 of the World War Veterans' Act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 3245) to authorize the acquisition for military and other purposes of a certain small tract of land adjoining the reservation of Madison Barracks, in the State of New York; to the Committee on Military Affairs.

Also, a bill (H. R. 3246) declaring the policy of the United States with respect to irrigation and reclamation; to the Committee on Irrigation and Reclamation.

By Mr. JONES: A bill (H. R. 3247) to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas, and for other purposes; to the Committee on Agriculture.

By Mr. HOEPPEL: A bill (H. R. 3248) to extend to war veterans, borrowing on their insurance policies, equality with banks and other financial institutions obtaining loans through Federal facilities; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 3249) to humanize the Economy Act (Pub., No. 2, 73d Cong.) as it pertains to widows of veterans

who served in one or more wars; to the Committee on Expenditures in the Executive Departments.

By Mr. SOMERS of New York: A bill (H. R. 3250) to create a national bank of the United States and to provide an adequate and stable monetary system in order to regulate the price level and the purchasing power of money within the United States and to regulate the activities of all banks; to the Committee on Banking and Currency.

By Mr. RAMSPECK: A bill (H. R. 3251) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes; to the Committee on the Civil Service.

By Mr. SAUTHOFF: A bill (H. R. 3252) to prohibit the use of the mails, certain periodicals, and broadcasting stations having a range covering more than one State, to the advertising of loans for which interest in excess of 15 percent per annum is charged, and providing a penalty; to the Committee on the Post Office and Post Roads.

By Mr. TERRY: A bill (H. R. 3253) to provide for the relief of public-school districts and other public-school authorities, and for other purposes; to the Committee on Banking and Currency.

By Mr. DONDERO: A bill (H. R. 3254) to exempt certain small firearms from the provisions of the National Firearms Act; to the Committee on Ways and Means.

By Mr. LESINSKI: A bill (H. R. 3255) authorizing the dredging of a channel in Detroit River east of Grosse Isle and west of Stony Island; to the Committee on Rivers and Harbors.

By Mr. HIGGINS of Connecticut: A bill (H. R. 3256) directing the Comptroller General to adjust the account between the United States and the State of Connecticut; to the Committee on the Judiciary.

By Mr. LAMNECK: A bill (H. R. 3257) to provide for the appointment as warrant officers, United States Army, of classified clerks, War Department, with 30 years' service as such, and also commissioned service, United States Army, during the World War; to the Committee on Military Affairs.

By Mr. FLANNAGAN: A bill (H. R. 3258) to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco-inspection service, and for other purposes; to the Committee on Agriculture.

By Mr. WITHROW: A bill (H. R. 3259) to limit the car length of trains which may be operated upon railroads by common carriers engaged in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3260) to amend an act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine", approved August 2, 1886, as amended, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 3261) to provide for the exemption from Federal income taxation of farmers' cooperative organizations; to the Committee on Ways and Means.

By Mr. KING: A bill (H. R. 3262) to exclude intraterritorial transportation, traffic, and service in the Territory of Hawaii from the operation of the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

By Mr. PETTENGILL: A bill (H. R. 3263) to amend paragraph (1) of section 4 of the Interstate Commerce Act, as amended February 28, 1920 (U. S. C., title 49, sec. 4); to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER: A bill (H. R. 3264) for the improvement of the Youghiogheny River Watershed, Pa.; to provide flood control; and to encourage agricultural, industrial, and economic development; to the Committee on Rivers and Harbors.

By Mr. BLAND: A bill (H. R. 3265) to liberalize the retirement law for members of the former Life Saving Service; to the Committee on Interstate and Foreign Commerce.

By Mr. LLOYD: A bill (H. R. 3266) authorizing the maintenance and use of a banking house upon the United States military reservation at Fort Lewis, Wash.; to the Committee on Military Affairs.

By Mr. FISH: A bill (H. R. 3267) to provide for the payment by installments to veterans of the face value of their adjusted-service certificates and to discontinue interest charges on loans; to the Committee on Ways and Means.

By Mr. LLOYD: A bill (H. R. 3268) regulating salaries of officers and agents of corporations engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. LEHLBACH: A bill (H. R. 3269) providing for the sale of Port of Newark Army base to the city of Newark; to the Committee on Military Affairs.

By Mr. RANDOLPH: A bill (H. R. 3270) to authorize appropriations for the relief of unemployment through the performance of useful public work on land under the control of the Forest Service, and for other purposes; to the Committee on Agriculture.

By Mr. COCHRAN: A bill (H. R. 3271) to make permanent the additional office of district judge created for the eastern district of Missouri; to the Committee on the Judiciary.

By Mr. ROMJUE: A bill (H. R. 3272) providing for the establishment of the Gen. John J. Pershing National Military Park near Laclede, in Linn County, Mo.; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 3273) to amend section 92, title 5, United States Code (R. S., par. 1778); to the Committee on the Judiciary.

By Mr. BLAND: Resolution (H. Res. 40) amending rule X, clause 9, rule XI, clause 7, and rule XI, clause 9, of the rules of the House of Representatives; to the Committee on Rules.

By Mr. LEHLBACH: Resolution (H. Res. 41) for a rule for the consideration of private bills; to the Committee on Rules.

By Mr. McFARLANE: Resolution (H. Res. 42) appointing a special committee to investigate the Patent Office; to the Committee on Rules.

By Mr. LEA of California: Joint resolution (H. J. Res. 67) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. FERGUSON: Joint resolution (H. J. Res. 68) appropriating sums for the relief of the beef-cattle industry; to the Committee on Appropriations.

By Mr. HIGGINS of Massachusetts: Concurrent resolution (H. Con. Res. 3) proposing the withdrawal of diplomatic recognition of Mexico until such time as the policies and conduct of the said Mexican Government in relation to educational and religious institutions of all creeds and nationalities justify a resumption of relations, and further proposing that Josephus Daniels be immediately relieved as Ambassador to Mexico; to the Committee on Foreign Affairs.

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## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 3274) for the relief of Johnstown Building & Loan Association Co., Johnstown, Ohio; to the Committee on Claims.

By Mr. BRUNNER: A bill (H. R. 3275) for the relief of Fred L. Seufert; to the Committee on Claims.

By Mr. BURNHAM: A bill (H. R. 3276) to authorize the appointment of Arthur S. Billings, former lieutenant, United States Navy, to such grade and rank on the active list, and for other purposes; to the Committee on Naval Affairs.

By Mr. CANNON of Wisconsin: A bill (H. R. 3277) for the relief of Pete K. Moniushka; to the Committee on Military Affairs.

Also, a bill (H. R. 3278) for the relief of Joseph Kopcik; to the Committee on Military Affairs.

By Mr. CARLSON: A bill (H. R. 3279 for the relief of Mike L. Sweeney; to the Committee on Military Affairs.

By Mr. CARY: A bill (H. R. 3280) granting a pension to Charlotte A. Mercer; to the Committee on Pensions.

By Mr. COSTELLO: A bill (H. R. 3281) for the relief of Edna M. Callahan and Anna Scott; to the Committee on Claims.

Also, a bill (H. R. 3282) for the relief of Nina Drips; to the Committee on Claims.

Also, a bill (H. R. 3283) for the relief of the Community Investment Co., Inc.; to the Committee on Claims.

By Mr. CULKIN: A bill (H. R. 3284) for the relief of Ford O. Gotham; to the Committee on Claims.

Also, a bill (H. R. 3285) authorizing a preliminary examination and survey of the Oswego, Oneida, Seneca, and Clyde Rivers in Oswego, Onondaga, Oneida, Madison, Cayuga, Wayne, Seneca, Tompkins, Schuyler, Yates, and Ontario Counties, N. Y., with a view to the controlling of floods; to the Committee on Flood Control.

Also, a bill (H. R. 3286) for the relief of Albert W. Wright; to the Committee on Claims.

Also, a bill (H. R. 3287) for the relief of Frank P. Redfield; to the Committee on Claims.

Also, a bill (H. R. 3288) for the relief of Smith-Canastota, Inc., successor to Bridge & Souter Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 3289) for the relief of Elbert Scott; to the Committee on Claims.

Also, a bill (H. R. 3290) for the relief of Charles E. Adams; to the Committee on Military Affairs.

Also, a bill (H. R. 3291) for the relief of Rose Louise Trapolino; to the Committee on Claims.

Also, a bill (H. R. 3292) for the relief of Westcott Chuck Co.; to the Committee on Claims.

Also, a bill (H. R. 3293) for the relief of Ward Bell; to the Committee on Claims.

Also, a bill (H. R. 3294) for the relief of James McCumber; to the Committee on Claims.

Also, a bill (H. R. 3295) for the relief of W. Glenn Larmouth; to the Committee on Claims.

Also, a bill (H. R. 3296) for the relief of Ernest W. Reichel; to the Committee on Military Affairs.

Also, a bill (H. R. 3297) for the relief of Clarence L. Stevens; to the Committee on Claims.

Also, a bill (H. R. 3298) for the relief of Frank D. Lowe; to the Committee on Claims.

Also, a bill (H. R. 3299) for the relief of William Burke; to the Committee on Claims.

Also, a bill (H. R. 3300) for the relief of W. Glenn Larmonth; to the Committee on Claims.

Also, a bill (H. R. 3301) granting a pension to Katie Roch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3302) granting a pension to Cora Dawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3303) granting a pension to Ella Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3304) granting a pension to Mary P. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3305) granting a pension to Cora B. Gardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3306) granting a pension to Agnes Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3307) granting an increase of pension to Mary Wilder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3308) granting an increase of pension to Mrs. Edwin Crandall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3309) granting an increase of pension to Addie M. Eggleston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3310) granting an increase of pension to Eunice A. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3311) granting an increase of pension to Laura Joles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3312) granting an increase of pension to Emogene Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3313) granting an increase of pension to Margaret J. Merrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3314) granting an increase of pension to Erzelia A. Lackey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3315) granting an increase of pension to Ida Bloss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3316) granting an increase of pension to Adela Carman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3317) granting an increase of pension to Eliza Pickard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3318) granting an increase of pension to Jennie Everett; to the Committee on Invalid Pensions

Also, a bill (H. R. 3319) granting an increase of pension to Alwilda E. Seymour; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3320) granting an increase of pension to Mary H. Ackley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3321) granting an increase of pension to Margaret Van Dresar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3322) granting an increase of pension to Florine F. Seaman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3323) granting an increase of pension to Annie Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3324) granting an increase of pension to Anna E. Tyler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3325) granting an increase of pension to Lorinda Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3326) granting an increase of pension to Frances M. Hayden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3327) granting an increase of pension to Mary Coombs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3328) granting an increase of pension to Mary Hennessey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3329) granting an increase of pension to Nancy E. Fish; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3330) granting an increase of pension to Katie Ingersoll; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3331) granting an increase of pension to Jennie Skelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3332) granting an increase of pension to Martha J. Carlton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3333) granting an increase of pension to Frances E. Mack; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3334) granting an increase of pension to Sarah Jane Dempster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3335) granting an increase of pension to Alice W. Butts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3336) granting an increase of pension to Catherine Grunert; to the Committee on Invalid Pensions.

By Mr. DALY: A bill (H. R. 3337) for the relief of James Akeroyd & Co.; to the Committee on Claims.

By Mr. DARDEN: A bill (H. R. 3338) for the relief of Henry Bess, otherwise known as "Lewis Russ" and as "Francis Smith"; to the Committee on Military Affairs.

Also, a bill (H. R. 3339) for the relief of James N. Hudson; to the Committee on Military Affairs.

Also, a bill (H. R. 3340) for the relief of Jesse S. Post; to the Committee on Military Affairs.

Also, a bill (H. R. 3341) granting an increase of pension to Annie S. Wynne; to the Committee on Pensions.

Also, a bill (H. R. 3342) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Mary Cato; to the Committee on Claims.

Also, a bill (H. R. 3343) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Emma A. Quillan; to the Committee on Claims.

Also, a bill (H. R. 3344) for the relief of Howard Lewter; to the Committee on Claims.

By Mr. FERGUSON: A bill (H. R. 3345) granting a pension to Joseph K. Sullivan; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 3346) for the relief of Harry Stanbrough Monell, formerly chairman War Department Claims Board Transportation Service; to the Committee on Military Affairs.

By Mr. FLETCHER: A bill (H. R. 3347) for the relief of Ralph A. Streets; to the Committee on Military Affairs.

By Mr. GIFFORD: A bill (H. R. 3348) for the relief of Nathan A. Buck; to the Committee on Claims.

By Mr. HANCOCK of New York: A bill (H. R. 3349) granting a pension to Mary Metzger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3350) granting a pension to Nettie J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3351) granting a pension to Minnie Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3352) granting an increase of pension to Bridget Haley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3353) granting an increase of pension to Matilda A. Button; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3354) granting an increase of pension to Malinda Staring; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3355) granting an increase of pension to Emma Hanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3356) granting an increase of pension to Catherine B. McCarthy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3357) granting an increase of pension to Elizabeth Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3358) granting an increase of pension to Jennie V. Myer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3359) granting an increase of pension to Amy J. Kirkpatrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3360) granting an increase of pension to Sarah Seward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3361) granting an increase of pension to Caroline Appelt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3362) granting an increase of pension to Nettie Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3363) granting an increase of pension to Hattie J. Doolittle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3364) for the relief of Benjamin Solari, alias Benjamin Lauri; to the Committee on Military Affairs.

Also, a bill (H. R. 3365) for the relief of Lily M. Miller; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3366) for the relief of Victor Oscar Gokey; to the Committee on Naval Affairs.

Also, a bill (H. R. 3367) for the relief of Harriet DeLarm, widow of Nelson DeLarm; to the Committee on Military Affairs.

By Mr. HARTLEY: A bill (H. R. 3368) granting compensation to Philip R. Roby; to the Committee on War Claims.

By Mr. HILL of Alabama: A bill (H. R. 3369) for the relief of the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 3370) for the relief of Carrie K. Currie, doing business as "Atmore Milling & Elevator Co."; to the Committee on Claims.

By Mr. JENKINS of Ohio: A bill (H. R. 3371) granting a pension to Alexander Lane; to the Committee on Pensions.

Also, a bill (H. R. 3372) for the relief of the Mohawk Coal Co.; to the Committee on Claims.

By Mrs. KAHN: A bill (H. R. 3373) for the relief of Anna S. Carrigan; to the Committee on Foreign Affairs.

By Mr. LEHLBACH: A bill (H. R. 3374) for the relief of Carl Ullmann & Co.; to the Committee on Claims.

Also, a bill (H. R. 3375) for the relief of William H. Chambliss; to the Committee on Claims.

Also, a bill (H. R. 3376) for the relief of Michael Giannetti; to the Committee on Claims.

Also, a bill (H. R. 3377) to renew and extend certain letters patent; to the Committee on Patents.

Also, a bill (H. R. 3378) authorizing Frederick W. Van Duyne, colonel, United States Army, to accept the decoration of the Legion of Honor tendered him by the Republic of France; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3379) authorizing the appointment of Charles W. Albright as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. MAVERICK: A bill (H. R. 3380) for the relief of Maj. Wilbur Rogers; to the Committee on Military Affairs.

By Mr. RAMSPECK: A bill (H. R. 3381) authorizing the President to order George H. McKee before a retiring board for a hearing of his case, and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 3382) for the relief of Nana K. Joiner; to the Committee on Claims.

By Mr. RANDOLPH: A bill (H. R. 3383) to provide a preliminary examination of the Greenbrier River and its tributaries in the State of West Virginia, with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 3384) to provide a preliminary examination of the Cheat River and its tributaries in the State of West Virginia, with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 3385) to provide for a preliminary examination of the Potomac River and its tributaries, with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 3386) to provide a preliminary examination of the Monongahela River and its tributaries in the State of West Virginia, with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 3387) for the relief of Olive Parsons; to the Committee on Claims.

Also, a bill (H. R. 3388) for the relief of Jessie D. Bowman; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 3389) for the relief of Art Metal Construction Co. with respect to the maintenance of suit against the United States for the recovery of any income or profits taxes paid to the United States for the calendar year 1918 in excess of the amount of taxes lawfully due for such period; to the Committee on Claims.

By Mr. SHANLEY: A bill (H. R. 3390) for the relief of Austin L. Tierney; to the Committee on Naval Affairs.

Also, a bill (H. R. 3391) granting a pension to Ida D. Fletcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3392) granting a pension to Frank C. Comstock; to the Committee on Invalid Pensions.

By Mr. SCHUETZ: A bill (H. R. 3393) for the relief of Alex Krause; to the Committee on Military Affairs.

Also, a bill (H. R. 3394) granting a pension to Charles H. Workman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3395) for the relief of Julius Nowak; to the Committee on Claims.

Also, a bill (H. R. 3396) granting a pension to Ida M. Tillotson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3397) for the relief of Harold L. Goslin; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 3398) for the relief of Walter C. Paplow; to the Committee on Naval Affairs.

By Mr. SNYDER: A bill (H. R. 3399) granting a pension to Albert S. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3400) granting a pension to Josephine Rutter; to the Committee on Invalid Pensions.

By Mr. TABER: A bill (H. R. 3401) granting a pension to Laura E. Stacy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3402) granting a pension to Sarah E. Schott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3403) granting a pension to Louise C. Jones; to the Committee on Pensions.

Also, a bill (H. R. 3404) granting a pension to Lucy E. Emens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3405) granting a pension to Lydia E. Perkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3406) granting a pension to Anna L. Rumsey; to the Committee on Invalid Pensions.

By Mr. TERRY: A bill (H. R. 3407) for the relief of Alpha Vint; to the Committee on Claims.

Also, a bill (H. R. 3408) for the relief of R. W. Jones; to the Committee on Claims.

Also, a bill (H. R. 3409) for the relief of C. C. Young; to the Committee on Claims.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

69. By Mr. FISH: Petition of 17 citizens of Middletown, N. Y., favoring a unified system of air defense; to the Committee on Military Affairs.

70. By Mr. ROMJUE: Petition of the American Institute of Mining and Metallurgical Engineers, calling attention of proper committees, Members of Congress, and the administrative officials of the Government to the importance of providing adequate support to the United States Bureau of Mines and the United States Geological Survey; to the Committee on Mines and Mining.

## HOUSE OF REPRESENTATIVES

### WEDNESDAY, JANUARY 9, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou Divine and Universal Light, Lord of life and day, all Thy works shall praise Thy name in earth and sky and sea. In these times of momentous problems, remind us that we are called to be fervent and diligent in all good things. Spirit of God, let our lives work out in righteousness of purpose, in kindliness of disposition toward men, and in most devout reverence toward our Heavenly Father. Do Thou touch our souls with infinite skill, that glorious aspiration may leap from every breast, that goodness and zeal may abound with gentleness and knowledge. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### INDEPENDENT OFFICES APPROPRIATION BILL, 1936

Mr. WOODRUM, from the Committee on Appropriations, reported the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, which was read the first and second times and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

#### INVESTIGATION OF UTILITIES ENGAGED IN INTERSTATE COMMERCE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to make a statement for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, the Committee on Interstate and Foreign Commerce, through counsel, for the past 3 years has been making an investigation of all utilities doing business in interstate commerce, especially with reference to holding companies. This report is about ready to be filed. If it does not interfere with any bill that is up for consideration, I should like to review the report on Friday after the Journal and disposition of matters on the Speaker's table, and I therefore ask unanimous consent to address the House for 45 minutes at that time.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House for 45 minutes on Friday next immediately after the reading of the Journal and disposition of business on the Speaker's table. Is there objection?

Mr. DIRKSEN. Mr. Speaker, reserving the right to object, may I ask if this report will be available to the Members of the House before that time?

Mr. RAYBURN. It is in the hands of the Printer at this time. Whether or not it will be available by Friday I cannot say. It will depend on how fast the Printer does his work.

The reason I make that statement at this time is that the various groups which have been involved in an investigation of the holding companies—that is, the Power Commission, the Federal Trade Commission, and the Committee on Interstate and Foreign Commerce—are working on a bill that I hope to introduce in the next few days, but before that is done I should like to call attention to this report, so that when it is available the Members of the House may meet it probably with a better understanding.

Mr. DIRKSEN. If the report were made available, it would be easier for the Members to follow the gentleman's line of reason and perhaps ask pertinent questions.

Mr. RAYBURN. The report will be here within a few days.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### INDEPENDENT OFFICES APPROPRIATION BILL, 1936

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill, H. R. 3410, the independent offices appropriation bill, 1936; and pending that motion, I ask unanimous consent that general debate continue throughout the day, the time to be controlled and divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH], the minority member, and myself. I may say, Mr. Speaker, that it is the intention of the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself to make our respective statements explanatory of the bill as soon as the House convenes tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3410, with Mr. PARSONS in the chair.

The Clerk read the title of the bill.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Will the gentleman from Massachusetts yield some time?

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, during the last campaign the question was very frequently asked, What would the Republicans have done if they had been in power? Of course, it is entirely a speculative question. We were so badly in the minority that any suggestion of legislation was not received with approbation by the majority. Unfortunately, I think, for the country, the same condition exists now as between majority and minority representation. I believe that a strong, virile minority, under our system of government, is beneficial to the country as a whole.

However, this condition does not exist in the Seventy-fourth Congress, so I think that the groundwork ought to be laid now by the minority for suggested legislation on which we can establish a constructive program that can be brought to the attention of the people during the next 2 years.

I am not at all fooled into the belief that suggestions coming from our side of the House will be particularly well received by the majority, irrespective of how meritorious they may be. Nevertheless, I think we owe this duty not only to our constituents but to the country at large to place before the Congress our ideas.

As a member of the Ways and Means Committee, my work for a good many years past has been confined to taxation and tariff matters. So the suggestions I want to offer are based, naturally, upon what little knowledge I may have acquired over a period of years on these two subjects.

None of the suggestions that I am about to offer is new. They have been before the Congress before, but this makes no difference whatsoever provided they are meritorious.

I will now submit to this House a list of five measures which I have already introduced having to do with the general subject matter of taxation and tariff. They are as follows:

H. R. 1424. Imposing a manufacturers' excise tax.

H. R. 2075. Relating to the taxation of incomes in the so-called "community-property States."

H. J. Res. 66. Providing for a constitutional amendment doing away with the tax-exempt feature of future issues of Federal, State, and municipal bonds.

H. R. 182. Providing for the repeal of the processing tax and the discontinuance of rental and benefit payments under the Agricultural Adjustment Act.

H. R. 3422. Providing for the termination of the President's power to enter into foreign-trade agreements.

I submit for the consideration of Congress and the people the constructive, beneficial character of the five measures to which I have referred. I do this not as a partisan Republican, which I am proud to say I consider myself to be, but, as I think, in the interest of the country, that such legislation as I have referred to shall be given the most careful consideration of the Congress.

PROCESSING TAX

Let me say a few words about H. R. 182, which relates to the repeal of the processing tax, so-called, included in the Agricultural Adjustment Act.

When this measure was under consideration in the last Congress I opposed it as bitterly as I knew how, and my opposition, in my judgment, has been justified by the operation of that bill during the time it has been on the statute books. There never was a more iniquitous or unfair tax than the processing tax. There was never a more sectional tax than the processing tax. There never was a tax less beneficial to the Federal Treasury than the processing tax, and there are other objections that I could raise to it.

I shall refer in a moment to the manufacturers' excise tax, and the one objection that was raised in this House when the Ways and Means Committee reported the manufacturers' excise tax in the Seventy-second Congress was the fact that it originally included a tax on food and clothing. We took the bill back to the committee and amended it to provide exemption for food, clothing, medicine, and the necessities of life; yet those are exactly what the processing tax assessed when the Congress adopted the Agricultural Adjustment Act.

You tax every bit of cotton cloth manufactured in this country. You add to the price of every loaf of bread sold to the people of this country. You add tremendously to the cost of living by increasing the cost of the necessities of life that are taxed by the processing tax. And what is done with the money? It does not go into the Federal Treasury. It does not benefit the Federal Treasury. If I am not mistaken, we appropriated $300,000,000 to carry this into effect, and it is of no benefit to anybody but the people who are raising the necessities of life.

Now, I say it is sectional. Let me call attention to the way the proceeds are distributed. It is of no benefit to the Federal Treasury whatsoever. The Government is simply a clearing house, collecting the tax from the consumer and passing it out to the producers. This is all that the law does.

Let me now call attention to some figures; and I shall ask unanimous consent, Mr. Chairman, to extend my remarks and to include therein a table of figures.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Let me call attention to just a few illustrations of this sectionalism that I speak of. Here are the amounts paid out up to October 31, the latest details I could get:

California paid in processing taxes $16,915,930.38 and received in benefits $2,637,983.01.

Connecticut paid $2,445,132.91 and received $320,561.85.

Illinois, almost $92,000,000, as against $18,537,687.61 of receipts.

Maine paid $2,509,824.26 and received nothing.

New York paid $58,213,425.88, and you received back, my friends, the magnificent sum of $162,894.08.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. TREADWAY. If I can secure a little more time I shall be very pleased to yield, and I think I can perhaps get some more time.

Mr. TABER. I wonder if the gentleman would not tell us what percentage of the total collections were used up in overhead.

Mr. TREADWAY. The gentleman from Illinois yesterday claimed he knew all about this percentage of overhead, and he had it figured at 8 or 9 percent. I think it is very much higher than that, because I think the gentleman will agree with me that in two different instances we made appropriations to carry on this work, one an appropriation of $200,000,000 and one of $100,000,000.

Mr. REED of New York. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. REED of New York. It costs the State of New York $300,000 to administer it and it receives $2,000.

Mr. TREADWAY. Undoubtedly every State can give the same illustration.

Mr. MARSHALL. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. MARSHALL. Will the gentleman's table give these figures for each State?

Mr. TREADWAY. I have in addition to the ones I am reading instances where the State has expended little and received ample return. Minnesota expended about thirty-four and one-half million dollars and received back ten and one-half million dollars. Pennsylvania paid $17,000,000 and received back $9,600,000.

Rhode Island paid in $4,224,000 and received back $2,176.

Now, let me read a little on the other side of the picture.

Mr. HOPE. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. HOPE. I should like to ask the gentleman if the figures he has quoted are sums paid by the consumers or are they paid by the manufacturers? It seems to me that there is a great difference whether the taxes are paid by the consumers themselves or whether they are paid by the manufacturers and passed on to the consumers of other States.

Mr. TREADWAY. The latter is the process that the law provides. Take the cotton tax, 4.6 cents per pound. That, I understand, is paid on the processing of the raw cotton processed into ginned cotton. That is why cotton cloth is costing so much more.

Mr. HOPE. The gentleman has not answered my question. I wanted to know whether the figures he is quoting were those paid by the manufacturers or those paid by the consumers.

Mr. TREADWAY. Eventually they must be paid by the consumers in other places. I think the best answer to the gentleman's question I can give is that the manufacturer must be the one who pays in the first place, and then it is passed on to the consumer wherever the goods may be used, and these are the amounts paid for processing in these respective States. In many cases, perhaps because of keen competition, the manufacturer must himself absorb the tax. I have even known of firms being put out of business by reason of having to pay this tax. In my own district a small packing concern which had been in business for generations was forced to discontinue operations because it could not pay the processing tax. A Justice of the United States Supreme Court who preferred some of the products of this small concern to those of other establishments was quite disappointed when he ordered a ham and was advised that the company had been forced to close its doors.

The figures I have quoted are official statistics from the Agricultural Adjustment Administration, and I think that that is the only direct information that we can get.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. JONES. If the gentleman did away with the processing tax, would he do anything at all to level the price on the producers of surplus crops who cannot get the advantage of the tariff that some of the other States do get advantage of?

Mr. TREADWAY. I see the drift of the gentleman's inquiry. It is a fair line of inquiry, but to my mind, without

having studied the problem, as I know the gentleman from Texas has, this is so sectional and unfair that some other system of equalizing the crop values should be studied and found.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes more to the gentleman from Massachusetts.

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. JONES. To express the thought—and it may not work out so perfectly—that this simply completes the circle and puts all of the sections on the same basis.

Mr. TREADWAY. I think that is wrong.

Mr. JONES. One other question. The gentleman realizes that the processing tax is limited by the difference between the parity price for agricultural products and the prevailing price, and if the parity price is ever reached the processing tax automatically goes off.

Mr. TREADWAY. It never will be reached as long as it is as beneficial to certain States as it is.

Mr. JONES. It will be reached if the program is carried.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. HOPE. It seems to me that the figures which the gentleman has quoted are entirely valueless in proving the amount that the people in the various States pay in processing taxes. The products upon which those taxes are paid may be distributed and sold in many States.

Mr. TREADWAY. I agree to a certain extent with the gentleman, but, nevertheless, it does raise in every State the cost of the necessities of life. That is the point that I maintain, no matter whether it is sold in Massachusetts or in Kansas, and that is my principal objection to the tax.

I should like now to call attention in just a word or two to two or three other States, showing just the reverse of the figures that I have been reading. Arkansas paid in processing taxes $674,000 and received back $16,994,000. Texas paid $14,000,000 and received back $67,000,000. Oklahoma paid $4,894,000 and received back $26,518,000. Those are outstanding illustrations of the unfairness to the citizens of various States in the levying of these processing taxes.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I am sure I shall have to decline to yield further after the gentleman asks a brief question.

Mr. BOILEAU. Does not that indicate that these States that have paid such small processing taxes are not manufacturing States and that they actually pay their whole share?

Mr. TREADWAY. It indicates quite plainly that they are getting paid for their goods in other States from some source.

Mr. BOILEAU. They pay a small amount because they are not manufacturing States.

Mr. TREADWAY. My State should not be obliged to pay for the gentleman's suit of clothes because they are manufactured in another State.

Mr. BOILEAU. If I buy my suit of clothes in Arkansas I pay the tax there.

Mr. TREADWAY. We could get into a very long argument about that. I call attention now to the report of the Secretary of Agriculture on this very subject matter in respect to what has happened by the laying of these processing taxes. Here is an extract from the Secretary's recent report. He said:

> The most serious objection to the processing tax, and one which merits careful consideration, is that the greatest burden falls on the poorer people.

A tax which bears most heavily on the poor is unjustifiable and should at once be stricken from the statute books.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. REED of New York. When you take into consideration the great mass of consumers, the people who are in distress, the processing tax has added from 50 cents to 75 cents on every sack of flour that they buy.

Mr. TREADWAY. And how much on every loaf of bread they buy from the baker? From 1 to 3 cents.

MANUFACTURERS' EXCISE TAX

I now pass to the next measure that I have referred to. I have reintroduced, with very few changes, the so-called "manufacturers' excise tax", which was submitted to Congress in the Seventy-second Congress by the Ways and Means Committee. At the rate of 2¼ percent, with food, clothing, and medicine exempted, that bill would raise $450,000,000. As things are, with the administration spending billions of dollars, $450,000,000 will not go very far toward balancing the Budget. Nevertheless, the manufacturers' excise tax is a fair form of taxation, and one that I commend to the people of the country for careful study.

The bill was not accepted by Congress, and since then many States have adopted a State sales tax. As far as I know of the various State sales taxes, they are all different from the manufacturers' excise tax, which is a wholesale tax, so that in a way they do not conflict. I have added a section to this bill which will give an opportunity for consideration of that point—whether or not the Federal Government should cooperate with the States in allocating a certain sum to States to be used in place of the State sales tax. I am not saying that I advocate it, but I do think it is well worth the consideration of the House.

COMMUNITY-PROPERTY TAX

The third measure which I have introduced was before the Ways and Means Committee last year. It is known as the "community-property tax bill." We had exhaustive hearings on it by a subcommittee, so exhaustive, intentionally so exhaustive, that there was no chance for the measure to be brought onto the floor, even if it could have been passed in the committee, of which, of course, I am not at all certain.

The States of Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, and Washington have what is called the "community-property system", whereby each spouse is deemed to be the owner of one-half the marital property and income. Thus, if the husband has a salary of $10,000, he makes an income-tax return on $5,000 and his wife on $5,000; and they together pay a total tax of but $260, whereas if the salary had been taxed as a unit, as it is in the 40 States not having the community-property system, the tax would be $415. This represents a saving of 37 percent. Following is a table showing the amount of saving upon incomes of different sizes:

*Tax advantages in community-property States*

| Net income of husband | Present tax in 40 States (act of 1934) | Present combined tax on husband and wife in community-property States | Tax advantage | Percent of tax saved |
|---|---|---|---|---|
| $5,000 | $80 | $80 | None | 0 |
| $8,000 | 248 | 188 | $60 | 24.2 |
| $10,000 | 415 | 260 | 155 | 37.3 |
| $20,000 | 1,589 | 1,070 | 519 | 32.7 |
| $50,000 | 8,869 | 5,503 | 3,366 | 37.9 |
| $100,000 | 30,594 | 18,513 | 12,081 | 39.5 |

NOTE.—Tax computed on salary of married man with no dependents, with maximum credit for earned income. In community-property States, the husband and wife are deemed to have divided the $2,500 exemption.

If the privilege of allowing separate returns is removed from 8 States, then the whole 48 States will be taxed alike. As it is, 8 States have an advantage over the other 40 States, which means a loss of revenue estimated by the experts to be anywhere from twenty to thirty million dollars a year.

Mrs. KAHN. Will the gentleman yield?

Mr. TREADWAY. I gladly yield to my friend from California, who is from a community-property tax State.

Mrs. KAHN. I was going to ask why could not the other 40 States, if they so desired, have a similar law?

Mr. TREADWAY. They could. The lady is always correct. I have never known her to be in error. Therefore, the

lady is recommending that 40 States follow the example of 8 States. Why should not the 8 States follow the example of the 40 States?

Mrs. KAHN. Because the example of the eight States is such a good one.

Mr. TREADWAY. I do not agree with that statement, in spite of its coming from my good friend from California.

One general principle of taxation that we ought to carefully preserve is uniformity and equality. That does not exist where we permit the husband and wife to divide the husband's income for taxation purposes.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. JENKINS of Ohio. If the gentleman will pardon me for suggesting it, the words "community property" are so confusing and misleading that I wonder if the gentleman would not take about a half minute to explain that?

Mr. TREADWAY. I will do that in my extension of remarks. It is pretty generally known, but I agree with the gentleman it should be made a matter of record, and I will make it a matter of record.

TAX-EXEMPT SECURITIES

The next is House Joint Resolution 66, which provides for a constitutional amendment doing away with the tax-exempt feature of all future issues of Federal, State, and municipal bonds. That subject has been before Congress also for quite some time.

A decision of the Supreme Court made many years ago prevents the Federal Government from taxing the instrumentalities of the States and the States from taxing the instrumentalities of the Federal Government. As a result a tremendous abuse of nontaxable securities has grown up, with the outstanding issues aggregating some $50,000,000,000. I do not have the figures showing the amount of revenue lost thereby, and I do not know whether it is possible to estimate it very definitely, but our expert, Mr. Parker, has provided me with some estimates. He states that if all outstanding bonds were made subject to Federal tax, the probable revenue would be in the neighborhood of $180,000,000. However, since only future issues would be taxed under my proposal, the revenue would be small at first but would continue to increase as new bonds were issued and existing obligations were refunded.

However, to my mind the amount of revenue to be derived is of secondary consideration. The major objective is to do away with the present subsidy to wealth, as a result of which the tax base is rapidly being narrowed and the burden of taxation shifted to those least able to bear it.

The amount of tax exemptions that there is today is increasing by leaps and bounds, as new bonds are being issued. Of course, we want to play fair. I have known a time when I thought that financial matters were not handled entirely in a fair and proper manner, particularly with reference to the payment of Government bonds; but that is another subject.

As I have said, the constitutional amendment that I suggest would apply only to future issues, and not past issues. It is a very resourceful form of fair taxation, and there is no reason in the world why one investor should have an opportunity to secure a more favorable type of investment than some other investor not as familiar with stock-market procedure. Nor is there any good reason why the Federal and State Governments should continue to provide a means whereby the wealthy can escape all taxation. So I submit that the sooner we have that constitutional amendment submitted to the States, the better it will be for the Federal Government and for the average taxpayer.

RECIPROCAL TRADE AGREEMENTS

Now, my fifth bill relates to a measure which we discussed at length in the last Congress, and one which I intend to continue to discuss. Perhaps it will be a waste of breath, in a sense, but nevertheless it is a subject that we want to have before the people.

I have submitted a bill calling for the repeal of the so-called "reciprocal-tariff law", which was put through by the "strong arm" last year. Little consideration was given in either branch to that measure. It did away with all control by Congress over the tariff and places this country at the mercy of foreigners in making tariff rates. I am opposed to the principle. I am going to continue to fight that kind of legislation. Therefore I am submitting this bill for its repeal. It should never have gone on the statute books. It is a favorite, I know, of the Secretary of State, whom I admire most highly; but in that particular I differ with him most strenuously. There never should be any star-chamber proceedings whereby any official of another government could sit down and regulate our control over our imports. [Applause.] I am against it. I think every red-blooded American should be. Up to this time the only agreement that has been put through, as far as I know, is with Cuba. It was made behind closed doors, with the Secretary of State from Cuba sitting in to tell us what our rates of tariff should be. I am reliably informed that a number of other agreements are in course of negotiation, particularly with several South American countries, which will permit the importation of additional commodities to supplant those now produced in this country. I am against the law and will continue to raise my voice in this House in opposition to that type of legislation.

I opposed the reciprocal-tariff measure from beginning to end when it was before the House, and I am just as strong in my opposition today. My contention that it provided for an unconstitutional delegation of the taxing power has been strengthened by the decision of the Supreme Court rendered last Monday in connection with section 9 (c) of the National Industrial Recovery Act, the so-called "hot oil" decision.

Aside from this technical objection, I believe that any reduction of duties at this time will be a bad thing for the country; that it will close down more factories, increase unemployment, further depress agricultural prices, and in general defeat the whole purpose of the recovery program.

The present arrangement of trying to secure larger foreign markets for certain of our products by allowing increased importations of other products, to the detriment of our own producers and workers, is to me unsound and un-American.

Mr. MAY. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. MAY. I was interested in the figures which the gentleman was giving as to the amount of taxes received by Southern and Western States in the processing tax. From the figures it would indicate that there is quite a disparity.

Mr. TREADWAY. Quite so.

Mr. MAY. The gentleman admits that for a period of probably 60 years——

Mr. TREADWAY. Oh, I hope we shall not be obliged to consider it that long. I think the law ought to go off the statute books tomorrow.

Mr. MAY. The gentleman will admit that the processing taxes levied upon their own production——

Mr. TREADWAY. I will admit nothing favorable to the processing tax. The gentleman will get no admission out of me of anything good about the processing tax or the reciprocal tariff either.

Mr. MAY. Mr. Chairman, will the gentleman yield that I may finish my question?

Mr. TREADWAY. I yield briefly.

Mr. MAY. In view of the fact that by a high protective tariff system for many years the Southwest has had withdrawn from it all its wealth, does the gentleman object to their getting some of it back by a tax on their own products? [Applause.]

Mr. TREADWAY. If the gentleman likes that kind of a doctrine, he is welcome to it.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Georgia.

Mr. COX. I have been wondering whether the gentleman's objection has been due largely to the fact that it in part takes away from Congress the right of control or to the probable fact that under the law the tendency will be to bring tariffs down?

Mr. TREADWAY. I never have seen the time when we did not have the machinery to reduce tariffs efficiently when

the argument is proven that they should be reduced. The power has been lodged with the Tariff Commission to make recommendations of changes, but the President should not be given the power to negotiate treaties concerning the contents of which Congress has nothing to say.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. TREADWAY. In conclusion I want to suggest to my Republican colleagues that they adopt something of the procedure that I have undertaken here in the introduction of these five measures. In their particular line of duty or in their committee work the Members who see defects in recent legislation could be of assistance by offering suggestions, introducing bills, and making speeches on them during the next few months, so that when the Seventy-fourth Congress is drawing to a close and the next campaign is under way we would at least have a program of endeavor which we could present to the voters of the country for their approbation and the return to power of the Republican Party. [Applause.]

[Here the gavel fell.]

The table showing collections and disbursements under the processing-tax law follows:

*Processing-tax collections and rental and benefit payments to Oct. 31, 1934*

| State | Collections | Payments | |
|---|---|---|---|
| | | Rentals and benefits | Removal of surplus |
| Alabama | $10,552,719.63 | $15,481,957.06 | |
| Arizona | 441,226.56 | 650,309.78 | |
| Arkansas | 674,623.02 | 16,994,112.91 | |
| California | 16,915,930.38 | 2,637,983.01 | $3,865,143.93 |
| Colorado | 5,911,259.58 | 2,408,705.93 | 2,293,987.00 |
| Connecticut | 2,445,132.91 | 320,561.85 | |
| Delaware | 613,231.61 | 108,092.80 | |
| Florida | 830,996.12 | 768,097.90 | |
| Georgia | 24,978,382.55 | 14,736,194.86 | 81,119.00 |
| Hawaii | 684,469.61 | | |
| Idaho | 631,202.17 | 3,089,893.51 | |
| Illinois | 91,990,189.28 | 18,537,687.61 | 34,962,882.60 |
| Indiana | 9,261,687.77 | 12,807,227.19 | |
| Iowa | 16,466,680.15 | 31,770,368.12 | |
| Kansas | 17,209,051.99 | 39,428,940.19 | |
| Kentucky | 6,622,101.57 | 4,559,418.63 | |
| Louisiana | 3,380,877.39 | 8,223,366.55 | |
| Maine | 2,509,824.26 | | |
| Maryland and District of Columbia | 7,079,455.30 | 1,406,677.23 | 2,441,941.99 |
| Massachusetts | 29,026,184.03 | 302,818.99 | |
| Michigan | 6,597,983.49 | 2,113,802.31 | |
| Minnesota | 34,514,277.59 | 10,529,918.98 | 51,821,495.86 |
| Mississippi | 1,017,395.03 | 15,211,357.81 | |
| Missouri | 24,397,658.68 | 15,447,131.19 | 51,961,027.15 |
| Montana | 2,410,586.66 | 6,743,575.00 | |
| Nebraska | 6,348,597.97 | 19,863,745.01 | 15,482,368.23 |
| Nevada | 159,996.22 | 58,642.54 | |
| New Hampshire | 2,570,240.60 | 13,085.90 | |
| New Jersey | 5,053,324.88 | 125,405.96 | |
| New Mexico | 180,476.97 | 1,396,762.94 | |
| New York | 58,213,425.88 | 162,894.08 | |
| North Carolina | 41,256,015.35 | 11,233,510.59 | |
| North Dakota | 1,472,251.53 | 16,014,606.10 | |
| Ohio | 18,936,793.42 | 9,811,080.28 | 585,729.87 |
| Oklahoma | 4,894,878.52 | 26,518,848.52 | |
| Oregon | 3,791,324.83 | 2,754,938.41 | 5,894,035.94 |
| Pennsylvania | 17,082,863.99 | 963,816.91 | |
| Puerto Rico | | 1,158,051.50 | |
| Rhode Island | 4,226,500.81 | 2,176.84 | |
| South Carolina | 23,197,395.61 | 10,299,060.13 | |
| South Dakota | 634,294.75 | 10,480,629.18 | |
| Tennessee | 7,720,783.33 | 7,167,913.09 | |
| Texas | 14,642,609.99 | 67,167,913.09 | |
| Utah | 1,097,946.94 | 892,930.65 | |
| Vermont | 391,764.50 | 27,331.36 | |
| Virginia | 8,814,547.06 | 2,232,305.89 | |
| Washington and Alaska | 5,476,623.50 | 4,435,970.69 | |
| West Virginia | 1,405,820.35 | 213,903.74 | |
| Wisconsin | 5,067,975.26 | 3,877,385.85 | |
| Wyoming | 281,840.36 | 546,165.96 | |
| | 550,081,419.95 | 421,697,389.40 | 169,389,731.57 |

SUMMARY

| | | |
|---|---|---|
| Taxes collected | | $550,081,419.95 |
| Expenditures: | | |
| Administration | $31,227,196.51 | |
| Rental and benefit payments | 421,697,389.40 | |
| Removal of surplus | 169,389,731.57 | |
| | | 622,314,317.48 |

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. JONES].

Mr. JONES. Mr. Chairman, at a later time I expect to go more fully into certain phases of the suggestions made by the gentleman from Massachusetts; but his speech and his statements are so full of holes and so false in their premises from my viewpoint and, I think, from the national viewpoint that I cannot refrain from saying a few words at the present time.

The gentleman decries sectionalism, yet almost in the same sentence he defends sectionalism. Nobody who has studied the question one moment believes that a protective tariff can be of any appreciable benefit to commodities like cotton and wheat and other commodities which are produced for the world market, yet the people who grow these commodities must pay the increased price on the tariff-protected articles.

I have always said that whatever policy is established should be a national policy. We should have a tariff for all or a tariff for none. [Applause.] The only purpose of the processing fees is to complete the circle, making the tariff, as nearly as possible, national in character. The gentleman tries to make that sectionalism because, forsooth, certain States which for 60 years have been paying tribute to his State are getting more of the proceeds from the processing fees while his State is getting more of the proceeds from the protective tariff. [Applause.] That just balances it. What is sauce for the goose is sauce for the gander. If his argument were true, then because New England and perhaps New York loan more money and therefore receive more in total interest rates than the southern and western sections of the country, we should abolish interest because it is sectional.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. O'CONNOR. Do not include New York with Massachusetts.

Mr. JONES. I will withdraw the names of particular places. I was using them merely as illustrations for the purpose of showing the faulty logic of the gentleman from Massachusetts.

Mr. O'CONNOR. If the gentleman will yield further, he will remember, I am sure, that we supported the processing tax and were happy to do so. [Applause.]

Mr. JONES. I agree with the gentleman thoroughly. He is always broad-gaged. I thank him and the many others like him who have stood for a broad general policy. I was simply presenting an illustration, that is all; but here is the proposition: Whatever is necessary to complete the circle and to put every American citizen on the same dead level of equality with every other American citizen, I am for; are not you?

Now, I asked the gentleman from Massachusetts what he would do to put the surplus-producing farmer on the same level with the others, and he said, "Oh, some system ought to be worked out." But in the many years his party has been in power they have not worked out a system; and we have. [Applause.] Unless he offers a better one let us keep the one we have. If he does not want his manufacturers to pay a processing fee, let them pay a proper price for their raw materials and automatically the processing fee goes off. Most of them are willing to do this but cannot unless their competitors do. This enables them all to be on the same level in this regard. It is merely a way of getting a proper price for the farmers' products. Surely the gentleman does not want to grind down the farmers' price below a living level. The gentleman represents a great manufacturing State. We glory in its accomplishments. I am sure that in their heart of hearts they will recognize the innate fairness of a just price to all Americans.

We have nothing against the manufacturers. They must operate if we are to prosper. On the other hand, the producer must live if the factory is to continue to spin. The South and West are integral parts of the American Union, and so is the East. If Massachusetts pays a larger percentage of the processing fees, it is because she is fortunate enough to have more factories. Surely they would not be selfish enough to claim the advantages of the tariff without according the producer a similar restoration through the proceeds of the processing fees. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. JONES. I yield.

Mr. MAY. I am afraid my friend from Texas in his enthusiasm has wandered into a misstatement of facts. He made the statement that the party of the gentleman from Massachusetts had never constructed a system, if I understood him right. They did have a system, but it was particularly beneficial to one section of the country instead of being beneficial to all.

Mr. JONES. I mean other than a sectional system; I mean that they had not formulated a national system. I thank the gentleman for his correction. One of the things that has been wrong with this country is that there have been certain sectional policies which benefited only a few and which drained the lifeblood from the veins of large sections of the country and caused paralysis to come on in the business and economic structure. We cannot have a balanced country any more than we can have a balanced body if the blood flows just one way. In a great many instances in this country the blood has been flowing one way only, and it has caused paralysis in certain sections, with ultimate injury to all. I hope the gentleman will lift up his eyes and see beyond the fog. We want to be fair to him, and I am sure he wants to be fair to us. Let us have a truly national policy. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the Government of the United States is one of the biggest business institutions in the whole world. In order to handle the affairs of this Government it is necessary for the Chief Executive to have helpers. He has to have expensive heads of all the numerous bureaus that have grown up during the wasteful system that has been in vogue for so many years. He has to have ones in authority for all of the independent offices. He has to have heads of his 10 departments; and with all this horde of helpers it is but natural that the President of the United States, whether Democrat or Republican, must once in a while get those in places of power and authority whose actions none of us may approve. Like any other class, there are some off-colored ones; there are some who do not measure up to standard, who are inefficient and incompetent.

When any officials are not doing their duty, the President welcomes information about it. When there is any housecleaning to do in his administration, he wants to do it himself. The responsibility rests upon us Democrats. If criticism is in order, we Democrats want to do it. We do not want any meddling Republicans criticizing any part of our Democratic administration.

May I say that while I back my President and while I back his administration in all endeavors to carry out his constructive policies in an attempt to bring this Government back to normalcy, whenever I find that there is waste or incompetency or inefficiency in any bureau or any department, I feel it my duty as a member of the Democratic Party and of the new-deal administration to call it to the attention of the Chief Executive. [Applause.]

I am today calling the attention of the President in the White House to the fact that we have one bureau Congress created which makes no attempt to carry out the purpose and intent of Congress when it was created, but in order to try to avoid its responsibility to the Members of Congress it foolishly contends that it is a corporation and is not responsible in any way to the will of the Congress.

Regardless of its ridiculous contention, it is a quasi-Government institution. It had $2,000,000,000 of its bonds underwritten by this Government. There is in this bill an item appropriating for its office, for its board, for the salaries of its personnel, the sum of $264,000. When it asks for and accepts $264,000 from this Government to pay the salary of its personnel and its expenses and it has $2,000,000,000 of its bonds guaranteed by this Government, it cannot come in here with the excuse that it is a corporation and not subject to the control of the Membership of this Congress. All of you know what board I am referring to. I am referring to the Federal Home Loan Bank Board and the Home Owners' Loan Corporation.

I pick out that Board as exemplifying the quintessence of arrogancy, of inefficiency, of incompetency, and of direct failure and refusal to carry out the will and purpose of this Congress. This creature has become greater than its creator. It talks about being a corporation and not responsible to Congress. Why, it has received its life and existence from the Congress, and it is responsible to this Congress and to the people of this country, for it has been given authority to use $2,000,000,000 of bonds that are underwritten by the taxpayers of this Nation and for which the United States Government is responsible.

I do not believe that there is a Member of this House who will defend it, unless it is some Member who has just been elected and has not been in office long enough to know just how it has misused its authority, and has ignored and denied the people all over the United States of their rights, and caused thousands of worthy home owners to lose their homes.

They are responsible for inexcusable and untold suffering in every State of this Union, and for allowing thousands of needed homes to be foreclosed and taken from worthy home owners.

They have made loans to bankrupts, big loans, $5,000, $6,000, $7,000, $8,000, $9,000, and $10,000, when not one payment back on some of them will ever be made, and have denied little loans of $1,000, $1,500, and $2,000 to worthy citizens, good men and good women, when their property was ample security, because, forsooth, they could not get a gilt-edge Dun & Bradstreet report, and could not find any financiers to sign with them and underwrite them. They have without hesitation promptly closed loans for friendly banking institutions who wanted their frozen assets cashed, but the poor widow living in California, living in Texas, or living in Virginia, or up in Michigan, is denied all relief, because the first thing they do is to get a Dun & Bradstreet report on the washerwoman. [Laughter.]

This woman will probably want a little loan of $1,200 to save the roof over the heads of herself and little children, upon which home she has been paying for years and has reduced the mortgage until it is good security. Yet they hold up her loan and they write back to her, telling her, "You must get two financiers to underwrite you and to sign your notes with you before we can make a loan."

They have held up loans in their legal department on the most frivolous matter that they could dream of after some of the best lawyers in the State have passed the titles. For instance, after one of the most distinguished lawyers of my State had passed the title for them as their lawyer they wrote back and told him that he had made a great mistake; that before they could close the loan he would have to get a quitclaim deed from the wife of a man through whose name the title had passed some 25 years previously. This lawyer wrote back and told them if they would examine the abstract carefully they would find out at that time the man was single and did not marry until some 15 years after he had deeded the property.

They have refused to make loans on the most inconsistent excuses imaginable. For instance, there was one small loan of a few thousand dollars that was denied because, forsooth, the man was getting a salary of $150 a month. They wrote back that any man who received a salary of $150 a month did not need a loan from them.

I remember another case where a traveling man was getting $225 a month salary, but he had to maintain himself. His affidavit showed that he had to wear the very best of clothes in order to be presentable when he went in to sell the goods of his employer, and it took every dollar of his salary to maintain his family. That application was turned down, because they said any man who got $225 a month was not entitled to a loan from them. Then they would turn down others because their salary was only $150, which income they did not deem sufficient.

I wish every Member of this House would go down there to their office here in Washington, and make them show you

all of the different ridiculous forms which they make an applicant sign, all of the different questionnaires that the applicant must sign, that the holder of his mortgage must sign, that the county appraiser must sign, that their preliminary appraiser must sign, that their private appraiser must sign, and their Dun & Bradstreet reporter must furnish. Have them show you all of their forms they require. It is the most ridiculous, unbusinesslike, and outrageous procedure I have ever witnessed for any so-called "business institution" in this land to pursue.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. I am very much interested in the gentleman's remarks and I would like to ask him a question. I believe the gentleman from Texas is a member of the Appropriations Committee of this House. I would like to know how he feels, in view of the activities of this bureau, with reference to the sum of $4,000,000,000 for public works without earmarking any of it as to how it is going to be spent?

Mr. BLANTON. When we reach that Public Works matter I shall have some remarks to make. I am speaking now of this one particular bureau, and I want to use my time in trying to get these facts to the President of the United States. I think he ought to remove every one of them from the top to the bottom. [Applause.] I have always been against big lump-sum appropriations. I believe in specific appropriations. The only way we can have the will of Congress respected by bureau officials is to properly earmark every big sum that we appropriate.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. In my State there has been a great deal of criticism in reference to the delay in making these loans. Will the gentleman tell us how that works out in Texas? How long does one have to wait before a loan can be gotten through?

Mr. BLANTON. There have been good loans in my State that went to the legal department as far back as May of last year and they have been held up, up, and up. Then on December 15 they had the audacity to write every one of their representatives in my State that "we will make no further loans." They gave as their excuse, "Our money has been exhausted."

Mr. BACON. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from New York.

Mr. BACON. I understand there is enough money in the Home Owners' Loan Corporation to take care of all of the applications which have reached the legal division.

Mr. BLANTON. Their claim is that there is enough left to complete the loans on applications that have been approved and are now in their legal department, but by that I have been given to understand that they mean applications that are awaiting some little objection to title being cleared up, for I know of applications that were submitted to their county attorney and he submitted his opinion that the abstract showed good title, yet have been held up for months and months on account of one little excuse and another, and the home owner has been informed that his loan cannot be closed because their money is exhausted. They notified every appraiser and every county attorney in my district that after December 15, 1934, they would accept no more applications.

Mr. BACON. There are 350,000 applications that have not reached the legal division.

Mr. BLANTON. And they were filed many months ago.

Mr. BACON. Yes; some of them filed in 1933. Can the gentleman suggest what we are going to do to take care of these 350,000 applications that have not yet reached the legal division?

Mr. BLANTON. I will tell you what I would do if I had my way. I would eliminate from this bill every single word of the provision that appropriates $264,000 for their salaries, and I would leave them suspended in the air without an infernal cent until they find out and admit that this Congress has control over them—an institution for which Congress has bound the people and the taxpayers to the extent of $2,000,000,000 in bonds.

Mr. O'CONNOR and Mr. MARTIN of Massachusetts rose.

Mr. BLANTON. I yield first to the gentleman from New York.

Mr. O'CONNOR. I think there is some confusion. The gentleman from New York just referred to the Home Owners' Loan Corporation, and, as I understand the gentleman from Texas, the gentleman is not talking about that organization.

Mr. BLANTON. I am talking about both of them, the Federal Home Loan Bank Board and the Home Owners' Loan Corporation, because John H. Fahey, T. D. Webb, William F. Stevenson, Fred W. Catlett, and H. E. Hoagland run both of them.

Mr. O'CONNOR. I thought the gentleman was talking about the Federal home-loan bank.

Mr. BLANTON. The Federal Home Loan Bank Board is the head of the whole institution.

Mr. O'CONNOR. The gentleman received most of his applause on the minority side, but as I recall that was a creature of the administration of Mr. Hoover, and we had nothing to do with the establishment of that Board.

Mr. KNUTSON. Oh, no.

Mr. BLANTON. I want that Board to understand that neither the Democrats on my side of the aisle nor the Republicans on the other side are approving anything they are doing down there. [Applause.]

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to express my very great pleasure in that the gentleman is getting into his stride and relieving the Republicans of a lot of trouble, but I want to make this suggestion——

Mr. BLANTON. I yield not for a speech, but a question.

Mr. GIFFORD. I will ask the gentleman this question: Does not the gentleman think there was a great deal of justification for the flimsy excuses offered recently by the Home Loan Board for not making these mortgages because it was unwise to tell the people that they were running out of money until after election, when they could tell them? [Laughter.]

Mr. BLANTON. Mr. Chairman, the unfortunate thing about our good friend, the distinguished gentleman from Cotuit, is that he is always thinking of politics. [Laughter.] He is never thinking about questions in which the people are interested. The people are tired of politics. They want constructive matters considered. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 10 additional minutes to the gentleman from Texas.

Mr. PIERCE and Mr. KNUTSON rose.

Mr. BLANTON. I will yield to both of my colleagues in a moment.

I have one case in mind where a woman had a splendid home. She used to be in affluent circumstances. This residence was built on some of the finest residential lots in my home city. She paid $17,000 in cash, besides using materials that were on the ground, in building this modern brick residence. She had a substantial garage with servants' quarters. The place was splendidly landscaped with plants and trees and flowers. She wanted a loan of less than $7,000 on it to prevent it from being foreclosed. She also had a farm out in the country that brought her in some revenue. They wrote her and told her she would have to be underwritten by at least two men of financial standing.

I had her write back and offer her two sons. One of them was a stockholder in one of the best-paying little corporations in my State, the Abilene Daily Reporter-News. Besides his stock he owned in it, for 17 years he had been getting a salary of $250 a month. He was a single man. She had another son who was manager for the West Texas Utilities Co., getting $175 a month. She offered these two sons to sign with and underwrite her, and the Dallas office

wrote back and told her they had a private report that the boys were just barely making enough to live on and they could not close the loan. I told them it was because they had turned down their county appraiser and were sending some unimportant, uninformed representative out from Dallas, 200 miles away; and when they investigated it, they found I was correct, and, after more than a year's delay, finally made the loan.

This leads me to call your attention to another situation. The appraiser in that county is one of the best-informed men in my State. His father years ago represented my district in this House when it was composed of 80 counties in Texas. This man's uncle was Hon. Francis Cockrell, a former United States Senator from Missouri; and there is not a finer man or a man of greater business experience and ability in my home State than Fred Cockrell. He knew every citizen in the county. He knew every piece of property in his home city. He knew the history of the people and of the property. He had lived there for 40 years. He was the appraiser there for Taylor County; and on June 4, 1934, without ever seeing him or knowing anything derogatory about him, and without notice to him, this office shunted him aside and appointed another in his place. I sent them a statement and a request from the newspapermen of my home city, from the mayor and certain city and county officials, from many of the merchants, from the banks, from the chamber of commerce, and leading business men of my city, certifying to his competency and worthiness and requesting that they not boycott this appraiser but allow him to have his appraisal and do him justice. They appointed, yet for 6 months they did not send Judge Cockrell a single appraisal, and when I wrote Jim Shaw, the manager at Dallas, about it, here is the answer I got:

The Washington office insisted upon another appraiser for Taylor County, and Mr. J. L. McDavid was approved.

And when I made them answer specific questions they admitted:

We have sent 155 requests for appraisal to Mr. J. L. McDavid since June 4, 1934.

We did not send any requests for appraisals to Mr. Fred Cockrell in August 1934. We did not send any requests for appraisal to Mr. Cockrell in September 1934. We have not sent any requests for appraisal to Mr. Cockrell so far during the month of October 1934.

You are advised that Mr. Cockrell has never been discharged.

We have never notified Mr. Fred Cockrell that he has been discharged simply because he has not been discharged. However, I will say frankly, as stated above, he has not been given any appraisal.

Mr. Cockrell does not get any pay unless he is given an appraisal. During all these months he has waited for the appraisals ready to appraise them. He received nothing because they did not send him any. He was unjustly boycotted. Then Manager Shaw further says:

I saw no reason why we should notify Mr. Cockrell that Mr. McDavid had been approved by the Board at Washington as the appraiser for Taylor County.

Also, he said:

Inasmuch as we had been instructed by the regional appraiser to get another man, I saw no reason why we should notify you in regard to the matter.

They do not have to notify Members of Congress that appraisers appointed by them have been boycotted. Every other appraiser in my district, then consisting of 19 counties, I selected. I selected the 19 county appraisers and the 19 county attorneys for my 19 counties, and all of the balance of them had given entire satisfaction, and no complaint was made about any of them except Judge Cockrell.

They made no objection against any of the other 18 appraisers and none against any of my 19 county attorneys. They were all satisfactory.

They did not want Mr. Cockrell, because they said he was too old, yet one of my other appraisers was several years his senior. I wrote back that they had a member on their Board here in Washington who must be too old, because one member of their Board is 71 years old, and I said that if they wanted to take Mr. Cockrell off on account of his age they ought to take the member of the Board off first.

There was a birthday party held the other day here at the other end of the Capitol by Senators, and all three of them were over 70 years of age. One of them, the most active man in this Capitol, one who knows more about the business of this Government than almost any other, and one of our ablest statesmen, a distinguished Senator from Virginia, celebrated his seventy-eighth birthday at that party in the other end of the Capitol.

Now, I want to read another thing, because you ought to know how the arrogant chairman of this Board violates the understanding we have all had concerning appointments. I have talked with over a hundred of you colleagues and I find that he has treated all of you just as he has treated me, and has tried to ignore our rights.

I wrote him and told him the administration had allowed us to appoint these appraisers, and we have appointed them, and Judge Cockrell had served for months and I wanted to know whether he was going to abide by it and resume sending appraisals to Judge Cockrell.

He wrote back:

Let me say first that our Board never extended to Democratic or any other Congressman the right to name county appraisers in the counties in their district. No such proposal was ever brought to the attention of the Board so far as I am able to learn, and no authority was ever given by the Board to anyone to make such a commitment.

Every county appraiser in my 19 counties was selected by me. Every county attorney in my 19 counties was selected by me.

Mr. COX. And he knows it is untrue?

Mr. BLANTON. He knows it is untrue. He has ignored us and avoided his responsibility, and I hope our good President will remove him and all of his Board, and Manager Shaw in Dallas, for they have no business drawing salaries. Here is the agreement signed by every member of the Texas delegation, and by both of our United States Senators, and that was approved by Hon. James A. Farley, the chairman of our Democratic National Committee:

WASHINGTON, D. C., *June 9, 1933.*

Hon. JAMES A. FARLEY,
*Chairman National Democratic Executive Committee,*
*Washington, D. C.*

DEAR MR. FARLEY: The Texas delegation in Congress has unanimously agreed upon the following:

The two Senators are to control the following patronage: District and appellate judges, district attorneys, United States marshals, internal-revenue collectors, custom officers, postmasters in their respective home cities, all State-wide appointments, and all appointments requiring confirmation of Senate.

The Congressman in each district is to control, subject to above, all postmasters in his district, all appointees in his district to be made by Mr. Morgenthau, the Reconstruction Finance Corporation, the Census Bureau, the Agricultural Department, the Treasury Department, and other appointments in his district not State-wide.

Until a successor for the Briggs district has qualified, appointments in that district, not controlled by Senators, are to be jointly controlled by the present three Congressmen-at-large.

Until January 1, 1935, the present Representatives of districts shall control in the counties of their present existing districts, and the redistricting is not to be recognized until January 1, 1935. We ask that this agreement be respected by all departments and offices.

Morris Sheppard, senior Senator; Tom Connally, junior Senator; Martin Dies, Thomas L. Blanton, Fritz G. Lanham, W. D. McFarlane, O. H. Cross, Jos. W. Bailey, Jr., Sterling P. Strong, Luther A. Johnson, Hatton W. Sumners, Marvin Jones, Ewing Thomason, R. M. Kleberg, Milton H. West, Joe H. Eagle, J. J. Mansfield, Wright Patman, Morgan G. Sanders, Geo. B. Terrell, J. P. Buchanan, Sam Rayburn, Texas delegation in Congress.

The above agreement was first arranged by the Members of the House, who requested the Senators to join them.

Gentlemen, if you colleagues want to make this arrogant Board find out there is a Congress here operating and that Members of the House of Representatives have certain rights, and that Congress created their Board and gave them $2,000,000,000 of the people's bonds to spend, take this salary item of $264,000 out of this bill and cut their money off, and you will have them climbing up here on their hands and knees to you. They will then find out that you are here.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BLANTON. I am going to make them know that I am here, Mr. Chairman. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Chairman, the gentleman from Texas [Mr. BLANTON], in discussing the Home Owners' Loan Corporation, has raised a very serious question of future policy: As I stated in the question that I asked him, there are over 350,000 American citizens, men and women, who have made applications for home owners' loans whose applications have not yet reached the legal division. As I understand it, there is sufficient money in the Home Owners' Loan Corporation to take care of the applications that have already reached that division. I submit, however, that if we stop there, we are discriminating in favor of some American citizens against others, relieving some distressed cases and ignoring others, under an arbitrary hit-and-miss rule that certainly does not appeal to my sense of fairness. I should like to see the Home Owners' Loan Corporation continued, so that the application of every American citizen eligible under the act may have serious consideration given it. This policy of consideration should be extended at least to every case in the files of the Home Owners' Loan Corporation on the date of its shut-down order, or on November 15, 1934. It has not been the fault of many of these distressed home owners, now facing foreclosures on their homes, that their applications have not reached the legal division. Many of those applications that have not reached the legal division have been in process since the fall of 1933. There have been, no doubt, avoidable and unavoidable delays up and down the line. It would be extremely unfair to wind up the Home Owners' Loan Corporation by simply considering only those cases where the applicants for relief have been fortunate enough to have their applications reach the legal division.

Mr. Chairman, I do not know what the policy of the administration may be as to the future. Personally, I believe that the Home Owners' Loan Corporation, if it is sound and if it has been well administered, should be continued. If it is not sound, if it has not been well administered, and it is the proposal of the administration to discontinue it, then there should be some congressional investigation of what has gone on.

I emphasize the fact that these more than 350,000 citizens whose applications have been filed for many months will receive no consideration whatsoever unless this Congress makes some provision to have their applications considered to a final conclusion on their merits.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. BACON. Yes.

Mr. KELLER. Is any provision being made at the present time for the thing the gentleman is talking about?

Mr. BACON. The continuance of the Home Owners' Loan Corporation will require an authorization act, which will have to come from the Banking and Currency Committee. The Appropriations Committee has no authority in the matter.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. BACON. Yes.

Mr. SHORT. Is it not true that many of these applicants have gone to considerable expense in filing their applications?

Mr. BACON. There is no question about that, and they are now being left high in the air.

Mr. BOLTON. Has the gentleman any information as to the percentage of loans which have been granted out of those applied for?

Mr. BACON. I particularly checked up the percentage of loans granted as against applications in two States, New York and Ohio. These were chosen because they represented States where the applications were the heaviest. I have gone over the entire list, and the results vary widely. In New York, for instance, the number of net applications on December 6 totaled 120,605, of which 56,310 were finally closed, and 15,237 in the legal division. This left 49,058 applications in various stages of consideration, many of them no doubt nearly ready for submission to the legal division, in an absolutely suspended status. In other words, out of the total number of net applications in New York, 41 percent were left in the suspended status, to be thrown out entirely if the business of the Corporation is to be wound up. And this quite irrespective of the progress of the application in each individual case.

In Ohio there were 170,034 net applications, of which 59,510 were finally closed and 43,125 were in the legal division on the date of the Corporation's closing order. This left 67,399 applications remaining, which were placed in a suspended status. The percentage in Ohio of so-called "closed and legal-division applications" of the entire number of net applications runs about the same as in New York, nearly 59 percent.

The percentages of closed and legal-division cases in other States runs very low in some cases; in others, extraordinarily low.

Mr. KENNEY. Mr. Chairman, does the gentleman agree with me that we ought to authorize up to $2,000,000,000 to carry on this work and take care of the other applicants in this country?

Mr. BACON. As I say, it is not a question of appropriation; it is a question of authorizing the further issuance of bonds; and that is a matter which will have to come from the Committee on Banking and Currency. The Committee on Appropriations has no authority in the matter.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. BACON. Yes.

Mr. WOODRUM. It ought to be stated in that connection that the funds for the appropriation of the Home Loan Bank Board and the Home Owners' Loan Corporation are collected from the applicants and are covered into the General Treasury and merely have to be reappropriated.

Mr. BACON. The gentleman may be correct.

Mr. WOODRUM. It is a self-sustaining organization.

Mr. BACON. I am not at this time criticizing the administration of the Home Owners' Loan Corporation. I am raising the question of future policy. If it is sound, it ought to be continued. If it is being stopped because it is not sound, or because it has not been well administered, then Congress should investigate.

Mr. WOODRUM. I quite agree with the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, I had not intended to speak today, but I rise to point out that not all of the Members on this side of the House are in accord with the position of my distinguished friend, the gentleman from Massachusetts [Mr. TREADWAY], on the question of the processing tax. In the first place, the figures which were cited by the gentleman from Massachusetts as showing the States which pay the tax are absolutely valueless for that purpose, because those figures are taken from the Bureau of Internal Revenue and simply show the taxes which are collected in the various States. Those taxes, while paid in the first instance by the manufacturer, are paid in the end by the consumers of the product, and the only way that you can get any accurate figures as to the amount of processing tax that the people of any State pay would be to find out the consumption of the particular product in the State and multiply it by the amount of processing tax.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. Yes.

Mr. CHRISTIANSON. Would not the amounts paid in the different States be in the same proportion as population? In other words, do not the people of the different States tend to eat approximately the same amount of bread per capita, do they not eat approximately the same amount of pork, and do they not wear approximately the same amount of cotton cloth, and would the total amount of

processing tax paid in the United States on any commodity divided by the population of the country and multiplied by the population of various States give approximately the States' respective contributions?

Mr. HOPE. I think that certainly would be approximately correct. Furthermore, I cannot see that the fact some States receive a larger portion of the tax than others is in itself an argument against the fairness of the tax. The agricultural States which receive the greater proportion of these payments cannot from the very fact that they are largely agricultural receive the benefits which other legislation has given industrial States.

Now I believe that the processing tax is based on pretty good Republican doctrine. I am a believer in the protective-tariff system, and a processing tax, after all, is only a complement to the tariff, because it affords protection on those products which are on an exportable basis and which cannot be protected by a tariff on imports. There is no reason that I can see why any Republican who believes in the tariff system and believes in protecting the industries of this country in that way should not be willing to protect the great industry of agriculture, which cannot be fully protected by a tariff in the case of crops where we have an exportable surplus.

I want to call the attention of this committee to the fact that the first processing tax bill which passed either House of Congress was a Republican bill, namely, the Norbeck bill, which passed the Senate at a time when the Republicans were in control of that body.

Now it is true, as the gentleman from Massachusetts [Mr. TREADWAY] says, that a processing tax does not bring any revenue to the Government. Neither does a tariff, which is effective in protecting domestic industry, bring any appreciable revenue if the rate is high enough to protect the industry in question. If we levied a tariff for revenue only, in practically all cases it would be much lower than one for protection.

Now, the amount that the average individual pays out in the way of processing tax is comparatively inconsequential. The tax on wheat, for instance, when translated into the amount which the consumer of a loaf of bread pays, amounts to about one-half cent per loaf. You can figure it out for yourselves. A bushel of wheat, upon which a processing tax of 30 cents is paid, will make 60 loaves of bread. The cost is one-half cent per loaf, as far as the tax is concerned, and if the price of bread has risen to any greater extent it is because of the effect of the N. R. A. codes and other increased costs.

Not only is that true, but in some cases a part of the processing tax is paid by the farmers themselves. I think it is generally conceded that in the case of the tax on hogs at least a part of it is being paid by the farmers. To that extent it is not being paid by the consumer. So that the man who is getting the money in that case is actually, I am afraid, paying a part of it out of his own pocket.

Furthermore, the consumers of this country have this protection as far as the processing tax is concerned, in that under the provisions of the law itself the tax can never be higher than an amount necessary to equal the parity price for the product in question. By "parity price", of course, is meant a price which assures to the farmer the same buying power for his dollar that everyone else has. In other words, that the farmer can sell his goods for a price which will enable him to buy on the same basis that he sells.

Under the provisions of the law itself the tax can never be higher than the amount necessary to raise the price to parity. As a matter of fact, it has not been enough, in practically all cases, to bring a parity price. The price that the consumer is paying today is less than he would pay if agriculture was getting a parity price for its products.

In conclusion let me submit this: I do not believe the gentleman from Massachusetts [Mr. TREADWAY], or any gentleman on this floor, would begrudge the farmer a fair price or a parity price for his products. It does not make any difference to the consumer how that parity price is paid. If the consumer is going to pay the farmer the price that he ought to receive for his products, what difference does it make whether he pays part of it in the form of a processing tax and part of it in the initial price that he pays the producer, or whether he pays it all when he buys the product? In other words, what difference is there in paying a dollar a bushel for wheat when you buy it from the farmer or paying the farmer 70 cents and paying a 30-cent processing tax?

I do not want to take up any more time this afternoon. Some time later I hope to discuss this subject at greater length, but I do submit that there is no reason why any Republican should object, in theory at least, to the payment of a processing tax on agricultural products, at least where that tax is not larger than an amount necessary to bring a parity price. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas [Mr. HOPE] has expired.

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Chairman, I am somewhat surprised at the remarks of the gentleman from Texas [Mr. BLANTON] with reference to the Home Owners' Loan Corporation. I am not familiar with the operation of that organization in the State of Texas, but I am familiar with it in the State of New Mexico. I consider it one of the finest organizations, one of the finest agencies we have in the State of New Mexico. People have received courteous treatment there. Their requests are granted as quickly as possible, consistent with the merits of the request. Some time before election they ran out of money and the applicants were told frankly at that time that the organization was without funds. We did not wait until after the election. We told them before. I had nothing whatever to do with the selection of personnel.

Mr. BLANTON. Will the gentleman yield?

Mr. DEMPSEY. Yes; I yield.

Mr. BLANTON. Does the gentleman know that a very small percent of the meritorious applications for home loans in his State have been granted and the loans made?

Mr. DEMPSEY. I do not know the percent that have been granted, but I do know that we have received no complaint until such time as the funds were exhausted.

Mr. BLANTON. The gentleman was elected only last November.

Mr. DEMPSEY. Yes; last November.

Mr. BLANTON. The gentleman has not represented his constituents in Congress during all of 1934 and most of 1933.

Mr. DEMPSEY. During 1934 I was N. R. A. State director for the State of New Mexico, and I was director of the National Emergency Council for the State of New Mexico.

Mr. BLANTON. Appointed by whom?

Mr. DEMPSEY. Appointed by the President to represent the N. R. A. and appointed by the National Emergency Council to represent it.

Mr. BLANTON. The gentleman has not yet had time to hear from all of those widows and others in New Mexico who have not been granted loans.

Mr. DEMPSEY. I do not receive communications from all the widows in the State of New Mexico, only some; but I may say to the gentleman from Texas that those from whom I have received communications have no complaint in this regard except the lack of funds.

In fairness to the organization, I do want to state that we have an efficient organization administering the funds of this Corporation in our State, and I wish to see it continued. [Applause.]

Mr. Chairman, I yield back the balance of my time.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 20 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Chairman, first of all, I wish to thank our distinguished colleague from Texas for the magnificent statement he has just made concerning the home owners' loan situation. There is not a Member on either side of this House who has been in office during the last 2 years but who knows that the most harrowing experience that comes to a Representative is the pleas and letters from home owners in danger of being set out on the street, and the

official delays, the bureaucratic difficulties, and the uncertainties surrounding their cases. I am delighted to think that our friend from Texas has taken it upon himself to clear up the matter. While he is at it and doing such a fine job in the matter of the Home Owners' Loan Corporation, I wish he would continue his efforts throughout the entire new deal and make it workable.

Mr. HOEPPEL. Mr. Chairman, will the gentleman yield?

Mr. EATON. I am sorry, but I am afraid I shall have to get along without the gems of wisdom that fall from the lips of the gentleman from California.

I venture at this time to make a few observations upon the message delivered by the President of the United States in this House on January 4. I look upon this message in the nature of a speech from the throne, and I am sorry that it has not had the opportunity of being fully discussed on the floor of the House as it deserves to be. I may say in passing that I have supported the program of the President of the United States in every way within my power as a member of the Republican opposition; and as he proceeds in his great task I propose to do everything I can to assist him and do as little as I can to obstruct him when I think his proposals are sound and workable; but in his presentation of this particular message I feel that it is my duty as a Member of this House to call attention to certain statements contained therein.

To begin with, I look upon this message as one of the cleverest pieces of political propaganda that we have heard in a long while. It reveals a rare mastery of mob psychology. It contains a message to the left, wrapped in the uncertainties and generalities that are so appealing to that type of mind. It makes an appeal to the right, very sincere, very clear, and very concise; and then it appeals to those in between. As a piece of political propaganda, it leaves out no group susceptible of partisan influence. It makes me think of a doggerel I used to hear when a youth up in Massachusetts concerning the ingredients of a New York cocktail:

A little whisky to make it strong,
A little water to make it weak,
A little lemon to make it sour,
A little sugar to make it sweet.

[Laughter.]

I shall now call attention to a few of the President's statements in his message, and do so not in the spirit of criticism, but for the purpose of clarification:

We have undertaken a new era of things.

That is his first statement. I want to know who "we" is; and I want to know the nature of this "new order of things." If the statement is for the purpose of announcing that the United States Government is going to create a new social order, I say that history has rendered a verdict that this is impossible. No government in the history of the world has ever created a new social order. A social order grows out of the vast and unplumbed individual and social complex of all the people. Let me illustrate: The Anglo-Saxons came across from the swamps of Germany and settled in the little island that is now England. They had a certain spiritual concept of freedom. They were conquered by the Danes; they were conquered by the Normans; yet through all the vicissitudes of 2,000 years it has been impossible for any government, for any conquering power, for any vicissitude of time and chance to change the essential characteristics and social genius of that people.

America started as the expression of a great spiritual concept. It is characteristics of the South, characteristics of the North, characteristics of every intelligent American in this land that determines the broad outlines upon which we will have to develop in all the progress we may make through the ages. We may travel by oxcart, we may travel by automobile, but, whatever the conveyance, we will move forward upon the spiritual and fundamental principles that are now and have always been characteristic of the American society and the American people. So when the President of the United States says that we have undertaken a new order of things I want to know how far the Government of the United States is going to interfere as a government with the normal, the natural, workings of the American character and of American institutions.

He then goes on to say that a part of our great progress under this administration consists in substantial benefits to our agricultural population, to increased industrial activity, and in profits to our merchants. What is there so surprising or new about that? Why, these achievements have existed in this Nation ever since it started, and I sincerely hope and pray that they will continue to exist in all the years to come.

Let us pass over to another statement:

In spite of our efforts, in spite of our talk, we have not weeded out the overprivileged and we have not effectively lifted up the underprivileged.

The President of the United States says we have not "weeded out the overprivileged." This is a fateful statement for the Chief Executive of this Nation to make. Whom does he mean by the "overprivileged" and how does he propose to weed them out? Is he going to weed them out by confiscation of their property? Is he going to weed them out by taxing them on a different basis than other citizens?

How is he going to weed them out, and who are the overprivileged? Let us ask a question or two. Supposing a gentleman is fortunate enough to have had intelligent ancestors who invested in real estate, we will say for example, on Manhattan Island, and now, without having lifted a finger in productive toil or produced a dollar, he is able to enjoy the privilege of a million-dollar yacht, a city mansion, and a country estate. Does the President hold this gentleman to be overprivileged? I think myself he is. But how, by fair and constitutional methods, are you going to get rid of him?

Mr. FITZPATRICK. Will the gentleman yield?

Mr. EATON. Just for a question.

Mr. FITZPATRICK. Does the gentleman believe in taxing that man so that the men who do not have any income may live?

Mr. EATON. My answer to that is, I am not offering my solution of that difficulty. I am discussing a statement made by the President of the United States that we have to "weed out" those people.

Mr. FITZPATRICK. The gentleman would not call it an injustice to tax them?

Mr. EATON. I do not call it an injustice to tax any man for the reasonable support of his Government. I hold that any American citizen who has the protection of this Government and who is able to produce anything worth while should bear a part of the burden of this Government, whether he be rich or poor.

Mr. CULKIN. Will the gentleman yield?

Mr. EATON. I yield to the gentleman from New York.

Mr. CULKIN. In the view of the administration, is any Democrat overprivileged?

Mr. EATON. The gentleman will have to ask the gentleman from Texas. He evidently considers himself underprivileged in his influence with this administration.

Mr. HOOK. Will the gentleman yield?

Mr. EATON. I yield to the gentleman from Michigan.

Mr. HOOK. Would it not help in weeding out the overprivileged to distribute some of the profits of the machines down to the common mass of people by putting in unemployment insurance, the 30-hour week, and old-age pensions?

Mr. EATON. I have long been in favor of unemployment insurance and have been instrumental in helping to put it into effect in industries with which I have been connected. I am in favor of old-age pensions, and I hold that the social implications involved in the invention of machinery are more important than the immediate economic effects of the machinery itself. For instance, in front of my house they are building a road. They have a machine there which tears up as much road as 200 men with picks and shovels. The machine costs $14,000. That machine has put 200 men out of a job. I hold when that machine was invented one of the chief purposes of the machine ought to have been

to improve the condition of the 200 men instead of putting them out on the street.

Mr. HOOK. Does it not put them out of jobs without giving the profit to the man that owns the machine or equitably distributing it to the great masses?

Mr. EATON. The gentleman need not worry about profits, because there are not any now anywhere.

Mr. HOOK. They were taken away under the Hoover administration.

Mr. EATON. No. That is when there were profits. We have not had any since he left office. We are hoping to get some back after 1936.

Mr. FITZPATRICK. Did the gentleman read the morning paper about an income-tax increase of nearly a million dollars?

Mr. EATON. If the gentleman will make a conspectus of that which he wishes me to read, I will attend to it after this speech is over.

I wish to close with what I think is the most important problem confronting the people of this country. As outlined in this address the President says, "The Federal Government must and shall quit this business of relief."

Mr. Chairman, I am not a novice, I am not a dreamer, and I am not a "new dealer." I have spent 20 years of my life in various industries of this country acting upon fixed principles for the distribution of wealth by higher wages, shorter hours, and improved conditions of wealth production. I believed that the industry of this Nation is the chief instrument of civilization. I believe so now. When this depression came on I believed that the center of the depression was the unemployment of people. We are never going to get a final solution of anything until we mass the brains and character of this Nation, regardless of politics or section, for the solution of this problem of employment. The President comes in here with a program to spend two, three, or four million dollars for relief by means of temporary work under Government control, under political control, and under political administration. I think that such a proposal is simply trifling with the problem. Mr. Chairman, I say that the problem of gainful employment for all employable people in America today goes to the very foundation of our civilization and of our future. Unless we can solve that problem we shall perish.

There are only two possible methods yet devised for solving the problem of unemployment. One is the method adopted in Europe whereby the government becomes everything and the citizen nothing. In the application of that method every liberty for which men have fought for a thousand years is sacrificed for the alleged purpose of securing economic freedom and economic security without appreciable successful result.

The other method is the American method, in which the individual operates under his own power and with only enough government to protect and control him. He enjoys the profits of his work and shares with his neighbors the opportunity for such profitable service. In our American plan the so-called "profit motive" is much more than a motive. It is the very essence of all legitimate enterprise.

One of these two principles must obtain and it cannot obtain if our Government is partly European and partly American. What, then, is our duty? I believe it is the duty of the President of the United States to call to Washington the business people of this country—the banking people, the labor people, and the members of this and other legislative bodies—and demand that we achieve a complete understanding and unity of purpose and objective.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. EATON. I yield to the gentleman from New York.

Mr. FITZPATRICK. In 1929 President Hoover called the business men of this country together and they promised to help out. What did they do? They returned to their homes and laid off thousands and thousands of people and cut down salaries. Did they keep their promise to President Hoover?

Mr. EATON. We had a gathering of bankers in this town a few weeks ago under the benign influence of the new-deal administration. It was a touching and lachrymose incident. The President of the United States went over and wept on their necks and they wept on his neck and then he expressed the hope that they would retain their confidence in the American people, whereas the fact is that the American people had lost confidence in them. Some of them are even losing confidence in him, I am sorry to say, and nothing came of the matter.

Then the great industrial leaders met down here at some health resort and drew up a program. It was sent up to the Government, and Mr. Hopkins hove bricks through it and called it names and it was put in the wastebasket. That is stupidity par excellence, and unless the business people of this country, the labor people of this country, the politicians of this country, the educators of this country get together in the interest of the United States of America, and not in the interest of any political party or any sect or section, we are going to enter into a new Dark Ages, and our great, glorious civilization, which has been the hope of the world for 150 years, will come to grief.

I do not believe that every business man in America is a criminal. I do not believe that every banker is a crook. Neither do I believe that all politicians are 100-percent pure. There is probably just as much stupidity and ignorance and inefficiency and selfishness among the politicians of this Nation as among any other class. But we still have the brains and the character, if we can find the will, to join hands in the interest of our beloved country and find an American solution of its problems.

In the light of present conditions this message of the President of the United States raises questions so vital, so central and far-reaching in their implications, that he ought to clarify them. He ought to tell us whom he proposes to weed out and how. He ought to tell us whether he is going to adopt the European or the American method of solving the unemployment problem. He ought to tell us whether or not he will now summon to his side the statesmanship, the business, the education, the finance, the labor of this country and unite with them to lift this Nation up upon the pathway of permanent progress. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, when my distinguished, attractive, and eloquent friend from New Jersey began his diatribe by expressing his admiration for the President, his satisfaction that he had cooperated in the last Congress, and affirmed his intention to continue such cooperation, I was led to the high hope that perhaps the millennium was coming, when we, as a body of legislators, might try to arrive at a proper solution of great problems without partisan consideration. But my hopes were very soon shattered, because he referred to the fact that the people of the country were losing confidence in the President, and then entered into a very critical discussion of the President's message to this body. I do not know upon what the gentleman bases his idea that the people of this country are losing confidence in the President. Certainly it is not upon results of the election in November. Certainly it is not based, sir, upon the sunlit faces and the hearty applause and the new hope that shines in the countenances of the American people whenever and wherever he moves out among the people of this country and speaks to them. Neither do I agree with the gentleman that the people have lost confidence in this body. They do criticize us at times, perhaps, and no doubt we often deserve that criticism, and I hope the day will never come when we are above the criticism of the people whom we represent. If we cannot take it, then we ought not to come here.

My friend finds principal fault with the President's message because, he avers, it is a little to the left and a little to the right and a little to the center. There, according to the gentleman, is a little for the sweet and a little for the bitter, and so on.

I can well understand that my distinguished friend, with his background and his contacts and his political philosophy, cannot understand any government that is trying to be operated for all the people—for the people on the left and

the people on the right and the people in the center [applause]—and the gentleman has entirely missed a proper concept of the new deal and the new order, because that is exactly what it is. It is an effort on the part of the Government to give all the people—the people to the right, the people at the bottom, and the people in the middle, as well as the people at the top—a fair, square chance to enjoy some of the benefits of government. [Applause.]

Yes; it is a new order, and it is new just as surely as we live today, and it marches forward. I do not know, sir, whether the goal of economic prosperity and happiness lies in the center just straight ahead of us. I do not know whether we shall have to go more to the left or back to the right, but I believe I know one thing. I believe the goal to which we are driving is ahead of us and not behind us whence we came [applause], and I believe the American people look to the leadership of Franklin D. Roosevelt—not to Congress, not to the Democratic Party, not to the Republican Party—but look to the leadership of Franklin D. Roosevelt, because of their confidence in the man, his sincerity, his high purpose, and his steadfast determination to put his administration above low, partisan considerations. They look to him; they do not look to us; and they follow him and they applaud him.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New Jersey.

Mr. EATON. Am I to understand that the gentleman's position is that the great legislative branch of our Government has become simply a rubber stamp and that we might just as well go out of existence and not figure in the government of this Nation?

Mr. WOODRUM. No; I do not say that, but I say that the outstanding figure, the leader, the man to whom the people look, is Franklin D. Roosevelt. They expect the national legislative body to cooperate, to scrutinize, and, now that the period of emergency is over, to give the Chief Executive the full benefit of their independent judgment in matters of vital concern. This is what we should do, and I believe this is what we shall do.

Mr. EATON. Will the gentleman answer this question: Is it possible for a rubber-stamp Congress to give independent judgment on these questions?

Mr. WOODRUM. If I thought this was a rubber-stamp Congress, I would go back home and starve to death with the rest of the lawyers trying to practice law. [Laughter.] I do not think it is a rubber-stamp Congress. I think during the period of this national emergency it has been quite proper for Congress to follow the President and yield to his judgment on emergency legislation. I do not think the legislative body lost any dignity by following and trusting this great leadership. That is what we have done. Members have their individual opinions, and now that the period of emergency has passed——

SEVERAL MEMBERS. Has it passed?

Mr. WOODRUM. I think the period of the emergency has passed—that is, the necessity for passage of emergency legislation—and I believe that the President feels that the time has come when we can take an inventory of what has been done, of the mistakes that have been made—and there may have been mistakes—and put into effect measures of permanent recovery.

Mr. EATON. I wish I could accept the gentleman's statement as true. But we have now 12,000,000 unemployed and a national debt of $35,000,000,000. I do not think we are out of the woods.

Mr. WOODRUM. I did not say that we were out of the woods. I think we were justified in the things that we did. We were 12 years under the leadership of the gentleman's party, and we were sinking lower and lower into the abyss from which we are trying to crawl out. [Applause.] What solution did the gentleman or his party offer for it?

Mr. EATON. I should like to make this observation that you say you are trying to lift the Nation up to the level of 1926, where it was under that inefficient Republican administration.

Mr. WOODRUM. I do not think that is right at all. I think the object of this administration is to try to pull back to an equilibrium economically in this country. I yield back the remainder of my time.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Chairman, I have asked for this time, not for the purpose of discussing the independent offices appropriation bill but rather to discuss a subject that I believe is uppermost in the minds of many of our people. I think it fair to say that more of our people are thinking about the subject that I am about to discuss than any other piece of legislation that will come before the Seventy-fourth Congress. I have in mind the cash payment of the adjusted-service certificates to the veterans of the World War. This piece of legislation is understood by many, but there are a great many people who feel that in passing legislation of this kind we are attempting to place the soldier upon a pedestal and say to him, "We are going to pay you compensation at the expense of the rest of the taxpayers of the United States." That is not true at all. As a matter of fact, every piece of emergency legislation which has been passed in the last two sessions of Congress has had for its objective the distribution of purchasing power, and what we intend to do through the cash payment of the adjusted-service certificates is to use the soldier as a vehicle for the proper distribution of that purchasing power.

In normal times the law of supply and demand applies. If you have a supply of foodstuffs and manufactured articles in the country and, on the other hand, you have a demand for those foodstuffs and manufactured articles on the part of your people, automatically those two elements get together and create business. That is in normal times. These are not normal times, however. Today we have an ample supply of both foodstuffs and manufactured articles, so much so that the Federal Government has definitely embarked on a program of reducing production. On the other hand, we surely have the demand. Five million heads of families are on the relief rolls. These people are not eating as they would normally eat. They have not the clothing they would normally wear, and they have not the shelter they would normally have. So today, surely, we have the two elements of supply and demand. If the times were normal, they would get together and create business; but instead of getting together they seem to be as far apart as they were a year ago. The trouble is that the people who have the demand have neither the cash nor credit with which to buy the things they need. They have no purchasing power. The people of this country and you, the Members of Congress, realize that regardless of any achievements we may make in the wiping out of sweatshops, and that is very fine, in the line of guaranteeing bank deposits, which is also necessary, or in the line of reducing production, we are not going to have any semblance of normalcy unless we can get this basic law of the land, the law of supply and demand, to operate by distributing emergency purchasing power.

I am a great admirer of the President of the United States, although I am not of the Democratic Party. I have supported his program almost 100 percent. I feel, however, that he has been terribly misinformed and ill-advised as to veterans' matters. I will continue to support him, because I do admire him, and I do believe that he has a definite program and is trying to the best of his ability to carry out that program. I also believe that under his leadership we have made definite steps toward recovery in these United States. If there is a fallacy in the President's program, that fallacy is that the President has attempted to distribute this emergency purchasing power through the regular channels of trade, namely, the banks. Through the Reconstruction Finance Corporation and the Federal Reserve System the Government has liquidated the banks, and the banks that are now open are liquid. I realize that it was the theory of the administration that if the banks were made liquid and had plenty of money on hand they would loan this money to individuals and corporations, and in that way establish

pay rolls and distribute this much-needed purchasing power through the normal channels of trade; but it has not worked, because it is not practicable. The Government can liquidate the banks, but the banker dictates what further use is to be made of the money. The banks are not lending money on tangible values, and by tangible values I mean homes and farms and small businesses. Inasmuch as this effort to distribute purchasing power through the regular channels of trade has failed, then I know of but one practical way in which purchasing power can be distributed, and that is through the cash payment of the adjusted-service certificates to the veterans of the World War. [Applause.]

We do not say that the cash payment of the adjusted-service certificates is a cure-all for all our troubles—not at all—but we do say that it could very well supplement the extensive public-works program that we are going to undertake.

More than 4 years ago, when I was first elected to Congress, one of my first official acts was to urge the immediate cash payment of the adjusted compensation to the veterans of our Nation. Since that time the need for the cash payment has become increasingly greater and all arguments against the cash payment have collapsed.

During the past several years our Government has made strenuous efforts toward the restoration of normal conditions, and while relief has been provided to some extent, and while the foundation for recovery may have been laid, the fact remains that very little substantial gain has been made. Unemployment has not decreased in spite of all efforts to date.

PAYMENT OF ADJUSTED COMPENSATION WILL RESTORE NORMAL CONDITIONS

Regardless of cost, we have tried almost every scheme that has been suggested. We now demand that the one sound plan which has a real chance to correct the cause of our trouble be enacted—the immediate cash payment of the adjusted compensation.

The cash payment is urgently needed, it will pay a just debt to our veterans, it will be of enormous benefit to our Nation, it can be done without increased taxes and will in fact effect a saving to the Government of millions of dollars annually.

The cash payment is the one plan which holds real promise of restoring normal conditions to business and agriculture. After all, our problem is not merely to feed and clothe the needy, but to bring the country back to normal conditions, so that men and women and our veterans may again find opportunity and employment to adequately support themselves and their families.

Reduced to fundamental terms, our economic trouble is this: Our farms, mines, and factories can produce all we can consume, but our people, the consumers, have no money with which to purchase the products of farm and factory, and as a result both consumer and producer suffer alike.

Under normal conditions these two factors—supply and demand—balance each other, and the result is business, employment, and prosperity. The trouble is that we are now suffering from about 20 years of selfish human manipulation of the factors of supply and demand. Our trouble is entirely man made, and to contend that we cannot now correct these conditions is to admit that we are incapable of self-government.

It is true that in order to correct these conditions we may have to trample on the toes of a few special interests, but these special interests must submit and return to the people of this country some of the special privileges which have been granted them and discontinue the abuses which have accompanied the recent period of exploitation.

We believe most thoroughly in our American institutions and form of government, but it is time that the rules of the game should be changed so as to again give every man an equal chance and prevent the special interests from continuing to pauperize our veterans and every other class of citizens.

MUST TAKE PROFIT OUT OF WAR

We would today have no so-called "veterans' problems" if before we enter any war we would honestly figure its entire cost, including the care of our war disabled. War hysteria and the propaganda spread by war profiteers has blinded our Nation to the cost of its wars and to its obligation to our veterans. It is high time that we take the private profits out of war and squarely meet our obligations to the boys who served their country in our last Great War.

NATION OWES DEBT TO VETERANS

Our Nation and this Congress has been niggardly indeed in paying its obligation and expressing its gratitude to the boys who marched into the face of death to serve the flag they loved. It is already too late for us to compensate in a material way those brave men who have already left this life. We must not wait until other thousands of veterans have gone on before we discharge to them the small obligation represented by the adjusted compensation.

The investigation into war profits of the munitions makers shows clearly why they willingly enlisted in the World War. The munitions makers enlisted in return for billions of dollars in profits.

A Government which granted to one individual who faced no danger a profit of millions of dollars cannot refuse to the veterans who faced death itself the payment of their small adjusted compensation and retain any vestige of national honor.

While the munitions makers were piling up millions in profits, the soldier in the ranks was exposed to every form of danger and privation conceivable to war-crazed minds. This service he gladly rendered to his country without regard for his personal safety or welfare and all for a salary of $1 per day, most of which went to the support of his dependents. Can there be any justice in now refusing to pay the adjusted compensation to the veteran who served in the ranks?

NO COST TO TAXPAYERS

The cash payment of the adjusted compensation can be accomplished immediately and without cost if our Government will take back from the private interests our constitutional right of control over our monetary system. The special interests who were given control over our monetary system found it to be to their private profit to deflate our currency and credit system. This deflation continued to such an extent that in 1929 we were required to surrender 167 cents worth of value in payment for every 100 cents worth of debts.

For example, a recent study shows that our average annual tax bill—Federal, State, city, and county—amounts to $15,000,000,000. With a 167-cent dollar we were required to surrender $25,000,000,000 worth of value to pay the $15,000,000,000 tax bill. The same ratio applied with equal effect to all debts, public and private, as well as interest.

During the session of Congress just past we undertook monetary legislation which has served to reduce the commodity value of the dollar from 167 cents as of 1929 to 130 cents as of 1934. This is progress in the right direction, but what we must seek to do is further reduce the value of the dollar until a dollar represents 100 cents in commodity value and then maintain that value.

HUGE TREASURY SURPLUS LYING IDLE

As a further result of the monetary legislation undertaken in the last session of Congress, we find that the Treasury of the United States holds at the present time gold and silver to the value of $9,400,000,000. The total amount of currency in circulation as of December 1, 1934, was $5,516,000,000. This leaves a balance of $3,884,000,000 in gold and silver lying idle in the Treasury and useful to no one. Remember that while this almost $4,000,000,000 in gold and silver lies idle in the Treasury, the rank and file of our citizens suffer from want of a medium of exchange—purchasing power—and our producers have no market for their goods. Why, therefore, should we not use a portion of this idle four billions of dollars to pay to the veterans the adjusted compensation? The adjusted compensation is a just debt

to our veterans, long ago acknowledged by our Government. It is also one of the most effective means of providing a large volume of purchasing power without delay, red tape, or partiality.

WILL DISTRIBUTE PURCHASING POWER

While, on the one hand, the payment of the adjusted compensation will reduce our funded debt, on the other hand, it will place an average of nearly $1,000,000 of cash purchasing power into every county in every State of our Nation. The great bulk of the purchasing power thus created will go directly into trade channels, where it will "turn over" at least two or three times immediately, with a resultant two or three million dollars worth of business in every county.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. WITHROW] has expired.

Mr. WIGGLESWORTH. I yield the gentleman 5 additional minutes.

Mr. WITHROW. The great value of increased purchasing power will be readily admitted if we will recall the substantial business revival which occurred during the C. W. A. period. That business revival was due to the purchasing power which was distributed at the grass roots by the C. W. A.

The purchasing power distributed by the C. W. A. was of great benefit, even though the C. W. A. program itself may have been encumbered by administrative detail, favoritism, and even graft. Think, then, how great will be the benefit of the cash payment of the adjusted compensation, which will distribute two thousand one hundred million in cash to the grass roots within 30 days and without administrative expense, favoritism, or graft. The C. W. A. helped by distributing four hundred millions spread out over a period of 90 days. The adjusted compensation will distribute two billion one hundred million in the short period of 30 days.

The result of this will be an immediate and almost miraculous increase in business and employment.

The bonus payment will not serve to benefit any one class alone. The veterans to whom this debt is owed represent a most complete cross section of our entire population. The money will be paid to farmers, merchants, business and professional men—men in all walks of life. Every business and industry will feel its benefit.

I said that the idle $4,000,000,000 in the Treasury is useful to none—in fact, this idle four billion does us a great deal of harm. It is the idle four billion that causes our dollar to retain its commodity value of $1.30 and prevents a dollar in currency from representing 100 cents in commodity value. The use of a portion of this idle four billion will serve, then, not only to pay a debt to our veterans and restore business and commerce but will also help to correct our monetary system.

I know that the reduction of the value of the dollar to the 100 cents on a commodity basis, and the utilization of the excess cash in the Treasury, will be regarded with horror by some as being inflation. It is in fact reflation, but even if it were inflation it would be an inflation which will have an immediate and beneficial effect, because it will be immediately reflected and enlarged in terms of purchasing power and commerce.

Let those who fear inflation look to the present activities of our Government. They will find a quiet and insidious inflation now taking place but without benefit to the rank and file of our citizens. Look to the activities of the Reconstruction Finance Corporation, and you will note that the R. F. C. has been operating almost entirely on inflation. A small amount of bonds has been sold to the public, but the great bulk of R. F. C. money has come directly from the Treasury—three billion in notes of the R. F. C. and five hundred million on stock of the R. F. C. This money from the Treasury has been turned over by the R. F. C. to banks and railroads.

There can be no question but that the transaction of turning R. F. C. notes into cash is pure inflation. But it is inflation in favor of those special interests which shout most loudly against inflation, and therefore no protest has been made.

Mr. DINGELL. Will the gentleman yield?

Mr. WITHROW. I yield.

Mr. DINGELL. Does the gentleman not believe that it is more to their concern who is getting the expansion?

Mr. WITHROW. There is no question about that.

Mr. DINGELL. That is the point involved.

Mr. WITHROW. There is no question about that. The R. F. C. poured money into the banks, where it stagnated, because the banks then failed to perform their functions as lenders and credit agencies and became mere depositories and money changers.

Inflation which pours money into the locked vaults of banks is of benefit to no one. I for one am opposed to any further devaluation of the dollar if all of the profit from this transaction goes into the locked vaults of banks or remains idle in the Treasury.

If, however, the additional purchasing power made possible by inflation is placed directly in the hands of veterans, in the hands of consumers, "at the grass roots", then there will be a direct and immediate benefit to the entire country.

Mr. McFARLANE. Will the gentleman yield right there for a question?

Mr. WITHROW. I yield.

Mr. McFARLANE. Through that system of expansion of bank currency by the bond route, the Government pays interest on those bonds that are issued. Under the Patman bill for the payment of the soldiers' bonus there will not be any such interest paid. Does the gentleman not suppose that is another big reason why the money interests are so strongly opposed to the cash payment of the bonus?

Mr. WITHROW. There is no question about it.

DIRECT BENEFIT TO EVERYONE

The procedure which we propose through the adjusted-compensation payment would directly benefit the rank and file of the citizens of our Nation. The veteran, merchant, farmer, and professional man will get the direct benefits of increased purchasing power immediately.

The payment of the adjusted compensation gets to the root of our problem. It restores purchasing power directly to consumers.

I realize that this legislation has been threatened with a Presidential veto, but I call your attention to the fact that no just benefits to World War veterans have ever been granted except over the veto of the President who occupied the White House at the time the legislation was considered. The citizens of our Nation recognize our debt to our veterans and will no longer tolerate the treatment which has been afforded to our veterans in the past. The fact that overwhelming public opinion now demands the immediate cash payment of the adjusted compensation, even over the veto of the President, is proof sufficient of the merit of this legislation.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 2 additional minutes to the gentleman from Wisconsin [Mr. WITHROW].

VETERANS ASK ONLY FOR JUSTICE

Mr. WITHROW. The veterans of this Nation are asking Congress only for what is justly due them. They are not asking for charity. They know that they were "short changed" in the figuring of the amount due them when the Adjusted Compensation Act was passed in 1925. They know that the railroads and war contractors were paid in cash and at an interest rate double that of the veterans' adjusted compensation. They know that this debt was honestly due in 1931 rather than 1945, the present maturity date of the certificates.

The veterans of this Nation realize that the cash payment of the adjusted compensation this month or next month will be almost all that is needed to restore normal conditions to this country. They know that the money due them will give them a fresh start. They ask only for a square deal for veterans through the immediate cash payment of the adjusted compensation.

Every veteran, farmer, merchant, professional and business man has a right to demand that his Congressman and Senator support the immediate cash bonus payment because it is just, honest, and necessary.

I am certain that the people of Wisconsin and of the Nation do not intend that the banks, railroads, and other special interests who have received a substantial measure of relief from the Government shall receive preferred treatment, while the payment of this just obligation to our veterans is neglected.

The people of the State of Wisconsin make the just demand that the adjusted compensation be paid immediately. I back my people in that just demand and will fight for the cash payment to the last ditch. I call on the veterans of Wisconsin and of the Nation to actively join in this fight by getting in touch with their Congressmen, Senators, and the President.

In closing, may I remind you, gentlemen, that the American soldier has never failed his country. Others may have failed—diplomats, statesmen, financiers, and leaders—but our soldiers have always carried our glorious flag to victory in our hours of greatest need. They have never failed us. We must not fail our veterans now. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I desire to discourse very briefly on the subject of the continuance of the activities of the Home Owners' Loan Corporation. I have in mind the introduction of a bill, and I want to do all I can toward the end that the Home Owners' Loan Corporation may be granted an additional $2,000,000,000 in bonds and $200,000,000 in cash for the payment of delinquent taxes and for remodeling of homes and buildings within the requirement of the original act.

In my city and State we have had some experience with the operation of the Home Loan Act. As a matter of fact, Michigan was second in the field in the total amount of loans obtained. I recall that prior to coming to the inaugural ceremonies of the President in 1933 I saw almost every day an unfortunate family out on the sidewalk, the mother with her babe in her lap and the youngsters surrounding her, sitting in the chairs in the midst of whatever of their possessions was set out there by the constable under a writ of eviction. The unfortunate father meanwhile was hopelessly and aimlessly looking for a job. Since the Home Owners' Loan Corporation came into being this condition in the city of Detroit has been entirely eliminated, as it has been eliminated quite generally in the State of Michigan.

The management of the H. O. L. C. has, it is true, in some instances been altogether too liberal in making loans, but the liberality was on the side of poverty and right. It is my impression that ultimately the H. O. L. C. will take care of itself without any loss whatever to the Government. I pray that I may never again see the day when the unfortunate people of my constituency are cast out into the streets.

In this Congress we have an opportunity of continuing this, perhaps the greatest institution of the last Congress, perhaps the most successful of all the agencies started by the Seventy-third Congress. It involves no additional cost or burden insofar as the Government is concerned, nor does it place a tax burden upon the people of the Nation. It does, however, give a new security to the man of whom the President thought when the new deal was inaugurated; it preserves the home with all that it means in this Nation. The preservation of the home, in my opinion, means the preservation of the foundation of this Government. It means stability; and my personal viewpoint is that, in spite of some of the deficiencies, in spite of some of the weaknesses of the physical structure or the dereliction of certain individuals, that the H. O. L. C. surpassed all expectations and must be continued. I shall cite a specific example why the life of this agency should be extended. I know there are countless examples which might be cited by every Member. An individual came to me who at one time was the recipient of a salary of about $100 a week. He purchased a home, for which he paid $16,000. Subsequently his salary was reduced to the point where he received only $45 a week, but he was steadily employed. It seems that a fraternal organization in the first instance had advanced the money on the mortgage. When the mortgage expired the fraternal organization needed the money and could not further extend it. They recommended that the mortgagor go to the H. O. L. C. The fraternal organization was willing to accept the Home Owners' Loan bonds. So he went to the H. O. L. C., but, due to the lateness of his application and the exhaustion of the resources of the Corporation, he could not receive assistance from this source, but in turn was referred to a bank as a good moral and financial risk. Now, the man was willing and able to make reduced payments, was anxious to retain his equity of $12,000, but he had to have his loan refinanced. He appealed to the banker, but the banker told him that they had altogether too many real-estate loans already and did not care for any more. So as a consequence of being unable to refinance with the original holder of the mortgage, inability of the H. O. L. C. to assist him, and the unwillingness or inability of the banker to make a loan, although, as I want to point out, the distressed property owner is a good moral and financial risk, this man stands at the point of losing his home, with no one to turn to for help. It seems to me the Government owes help to this class of people.

Mr. FERGUSON. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. Besides all the social aspects of this situation, we have a legal aspect, and many cases brought about like this: An agreement was reached between the man that owned the property and the man who owned the mortgage and they made the agreement because the mortgage had been taken over by the H. O. L. C. previously. It was the supposition that the agreement would go through and the Government would be the third party to that agreement. There are thousands of cases where an agreement has been reached because they thought the deal would go through. Now, if we discontinue this organization there will be thousands of agreements that have put both parties out and they cannot be carried through because of the failure of the Government as a third party.

Mr. DINGELL. I thank the gentleman for his observations.

Mr. Chairman, because of the avalanche of protests which I received in my office from my people—and most of the Members have received them, too—I hastened to Washington on or about the middle of November and discussed the situation with Mr. Delano, General Manager of the H. O. L. C. He told me that it was the temporary policy of the Corporation under the circumstances to give the bankers an opportunity to see what they would do during the period of 60 days, of November and December, and then if the bankers failed to meet the situation something of necessity would have to be done about it by act of Congress. I ascertained that there were 900,000 applications which the Corporation could not take care of. In the light of past experience it is generally conceded that one-third, or 300,000, will be screened out without cost to the Corporation. That leaves 600,000 applications to be taken care of.

The average loan in the State of Michigan was about $2,800, but as a matter of safety we should apply an additional $200, making it $3,000. The 600,000 applicants will therefore require approximately $1,800,000,000 of additional bonds to be taken care of. It is my impression that the Congress should make provision for this amount during this session, and do so at the earliest possible moment.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DINGELL. Mr. Chairman, I asked Mr. Delano why it was not possible to proceed with examinations of all these applications now. He frankly told me it would cost about $40 per application, and with 600,000 applications on file it would involve payment of $24,000,000 out of the capital structure which is to be used for making loans to the present

applicants; therefore, it is impossible for the Corporation, even though anticipating the favorable action of Congress, to make these examinations now. He did, however, assure me if Congress made sufficient provision to take care of the applicants without delay that the Corporation is in shape because of its trained personnel and past experience to proceed expeditiously to handle the applications at a most rapid rate and at a minimum of inconvenience to the distressed. We in the State of Michigan have been fortunate in that the Comstock administration passed a moratorium act which will save the home owner from being thrown out into the street until the H. O. L. C. can render aid. We have been advising our people who did not come in under the H. O. L. C. provisions and whose applications were not acted upon to take advantage of the Michigan moratorium act.

Mr. HOUSTON. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Kansas.

Mr. HOUSTON. In the event that an extension is granted and a new appropriation is made, should not those who have made application and whose application has been on file for almost a year have priority rights over new applicants?

Mr. DINGELL. Yes; and I presume that will be the policy of the H. O. L. C.

Mr. KELLER. Will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Illinois.

Mr. KELLER. Is there no governmental policy so far in reference to this matter?

Mr. DINGELL. I understand that Mr. Fahey wishes an extension of the activities of the H. O. L. C. if the bankers do not take up the slack.

Mr. KELLER. But they do not.

Mr. DINGELL. They do not. I agree with the gentleman. I served notice on the Members of the House that I intend to introduce a bill to provide relief for all present eligible applicants. I must insist that the Government serve the people, especially so, since banks and mortgage institutions failed to extend the necessary relief. [Applause.]

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOEPPEL].

Mr. HOEPPEL. Mr. Chairman and Members of the Committee, a few minutes ago, when I requested a Republican colleague, the gentleman from New Jersey, to yield to me, he declined to yield and at the same time suggested that I was possessed with superior wisdom, which, naturally, I disclaim. I am afraid my Republican colleague, the gentleman from New Jersey, indicated—at least he did to me—that he must have been suffering from political dyspepsia, judging from the manner in which he berated our party and our accomplishments.

I rise this afternoon to speak on the question of the Economy Act and to relate what it is doing to some of our veterans, whom I will describe as the "forgotten veterans."

Under the provisions of the present Economy Act the President is authorized to increase, decrease, or change the benefits to which our veterans and their dependents may be entitled. While it is my belief that the President desires to act humanely, nevertheless, I recognize that it is physically impossible for any individual to give sufficient of his time and energy to familiarize himself, personally, with questions as involved as those pertaining to veterans. For that reason the President must rely upon General Hines, and those associated with him in the Veterans' Administration, in discharging the responsibilities imposed upon him in the Economy Act.

UNIFORM PENSION LEGISLATION ESSENTIAL

It is my hope that this Congress will not adjourn without enacting a uniform pension law in which the rights and benefits to veterans will be predicated entirely upon legislative enactment.

I have some very pertinent facts which I should like to present to the Congress so that the Members will know what occurred when we enacted the economy bill. These facts are all embodied in documentary evidence which I have here in my possession.

Referring to the peace-time disabled veterans, whose pension awards are inadequate, I wish to call your attention to individuals who became maimed in service, in line of duty, and whose benefits were reduced from as high as $160 per month to as low as $34 per month. Would any here present suffer the loss of an arm for $34 per month? Another individual who lost his right hand in service has been reduced from $80 to as low as $6 per month. These are the rates which are being paid today.

Mr. KELLER. Did he lose his right hand in service?

Mr. HOEPPEL. Yes; this is a service-connected disability, incurred in peace-time service. I understand that the reason this individual receives only $6 per month is because he is employed by the Government in an insignificant capacity, but, may I ask, is such reduction to a maimed disabled veteran just?

I refer to another instance where a veteran was reduced from $150 to $45 per month under the provisions of the Economy Act. On September 30 of last year the award of $45 per month pension was also withdrawn, and the veteran today receives absolutely no pension nor compensation. I am personally acquainted with this comrade and visited him at his home. For the past 6 or 8 years he has been totally disabled and bed-ridden. He has a tube in his side and his widowed mother, who is without means of support, must give him constant care. A pathetic incident involved in this case is that while the veteran was in receipt of a fair pension award he amassed a small sum in a local bank, which sum was also lost to him through the failure of the bank, thus adding to his unfortunate plight. This veteran's compensation was reduced to $45 per month because he enlisted after the armistice. The $45 per month, which he received as a totally disabled peace-time veteran, was taken from him because the Veterans' Administration ruled his tubercular condition was presumptive. Certainly no individual in America, not even a member of the National Economy League, would countenance or approve of such inhuman consideration to a totally disabled veteran, and which, moreover, reacts so unfortunately upon his noble-spirited widowed mother.

The Economy Act removed approximately 13,000 veterans from the rolls as World War veterans and placed them in a category of peace-time veterans because of the Executive order establishing a different date as to the termination of the World War, notwithstanding that the official date is recognized as July 1921. This is a discrimination against this class of veterans which should be recognized and corrected by the Congress.

Another instance, of which I have documentary evidence, is the case of a Reserve officer who was totally disabled as a result of an airplane accident. For the past 2 years this young lieutenant has been in an Army hospital. For sometime his pay as a Reserve officer was continued, but for the past year he has received absolutely no compensation of any kind. Reserve officers, called into active service, who are totally disabled in such service, are assuredly entitled to more consideration than the small gratuity of $45 per month which today is the existing rate in such cases.

I refer further to enlisted men of the regular service, who entered the service with the intention to retire after having completed 30 years of active service. Numbers of these men, becoming injured or because of failing health after they have acquired credit for 25 or more years of service, are no longer able to perform active service and are, in many instances, summarily discharged. In recognition of their service and disabilities they may, if totally disabled, acquire title to a maximum pension of $45 per month, but this is usually accomplished only after long delays. Some of these individuals, personally known to me, are totally disabled because of airplane accidents or other physical hazards of the service. A number of such individuals served with distinction as officers during the World War. Nevertheless, under existing law, they receive no more consideration in reference to vet-

eran benefits than does a recruit of 1 day's service. It is my contention that individuals in this category should be given retirement on the basis of their rank and years of service to thus save them from pauperism which follow their discharge and the award of an insignificant pension. To establish this principle would be merely giving the peace-time disabled veteran equal consideration with the civil-service employee, who after 5 years of service, if disabled, is entitled to retirement with one-thirtieth of the retired pay of a civil-service employee for each year of service rendered.

Another inhumanity in connection with the Economy Act is illustrated in the case of a veteran who served in the Philippines during the insurrection. As a result of such service he contracted leprosy, but was discharged as passive, or cured, from the Carville, La., leper hospital. He was receiving until recently $150 per month pension. He migrated to California and lived near my district. Because of increasing age and physical impairment the old malady (leprosy) began to assert itself. In addition, he became practically blind. Against his wishes he was returned to the Carville leper hospital and his pension was reduced from $150 to $15 per month. Our Government sent this man to the Philippines where he contracted leprosy and we now have him forcibly detained in the leper colony in Louisiana—yet we reduce his compensation to $15 per month.

Another instance of injustice on the part of the Government is that of hospitalization of the retired personnel of the Army, Navy, Marine Corps, and Coast Guard. All individuals in this group, many of whom served in as many as three wars, are denied entry to Veterans' Administration hospitals, even if disabled as a result of combat, except under emergency, and, even though emergent, they are not admitted to Veterans' Administration hospitals unless prior authority has been obtained from Washington. Under the classification covering entry to Veterans' Administration hospitals the retired personnel of the services are in the last category. Retired personnel who are seriously ill are only too frequently judged not emergent, and as a result many of them die before they can obtain hospital treatment through the Army or Navy hospitals—often at distant points—which are open to them. In this connection I wish to read an extract from a letter which speaks for itself and evidences the fact that the injustices of which I complain should be speedily corrected.

First Sgt. Archie Cooper, a member of the Ninth Cavalry, stationed at Fort Riley, Kans., was retired on the 31st of August. Arrived in Los Angeles on September 21. He was suffering from some cause which only the medical profession could explain, I not being familiar with such terms. However, I escorted him to the hospital at Sawtelle on November 9. They would not admit him because he was a retired soldier. He was sent to Letterman General Hospital on November 19, just 10 days after, and died there November 23, just 4 days after being admitted.

This comrade and others have been refused admission to Veterans' Administration hospitals with such statements as "Take him out of here. This is no place for retired enlisted men." There are other instances of this kind which have been submitted to me.

Mr. WOODRUM. Mr. Chairman, will the gentleman yield?

Mr. HOEPPEL. Yes.

Mr. WOODRUM. I do not think the gentleman meant to give his voice the inflection he used in making that statement. The gentleman does not mean that this man was treated discourteously, but simply means that they have no authority under the law to admit such a man.

Mr. HOEPPEL. Replying to the gentleman from Virginia, I would say that in the instance just referred to no discourtesy was shown, but in another instance with which I am conversant arbitrary statements were made by the examining physician, for which he was severely reprimanded by the Veterans' Administration after a thorough investigation had been made of my report against him.

COMPTROLLER GENERAL'S DECISION INHUMAN, UNFAIR

Basically, this inhuman treatment, directed at the retired personnel, is due to a decision of the Comptroller General, who ruled that even though an officer or man may have served in two or more wars the mere fact that he is on the retired list precludes him from consideration as a "veteran", notwithstanding the fact that every enlisted man involved has been furnished with from one to three discharges from separate war periods. In my opinion, the Comptroller General ought to be a bit more human in his interpretation of the laws pertaining to the retired personnel and veterans of our wars.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. HOEPPEL. Yes.

Mr. BOILEAU. Does not the gentleman think the blame for that should be placed rather on the Congress than on the Comptroller General? After all, we should make the law clear enough to take care of the various matters as we want them taken care of, rather than put the blame on the Comptroller General.

Mr. HOEPPEL. The gentleman is correct, and under the provisions of the act of July 3, 1930, legislation was enacted annulling the decision of the Comptroller and clarifying the term "veteran." The Economy Act, however, repealed the act of July 3, 1930, and as a consequence the Comptroller General's decision again prevails.

Mr. BOILEAU. That is not the Comptroller's fault, but is the fault of Congress.

Mr. HOEPPEL. The Comptroller must be held responsible for his decision. I do believe, however, that the President, under the provisions of the Economy Act, can correct, by regulation, the Comptroller's decision as to what the term "veteran" includes.

Mr. WOODRUM. The gentleman ought to make it clear that it is not the fault of General Hines or the Comptroller, but is because of congressional action or failure of Congress to take action.

Mr. HOEPPEL. With respect to the Economy Act, yes.

May I call the attention of the Committee to another instance of a most flagrant type of discrimination—that is, the discrimination predicated against the officers of the regular service who were retired because of wounds received in battle? We have 175 officers, if I recall correctly, who are retired from the service because of disability incurred in combat. These officers cannot enter a Veterans' Administration facility, even though they require treatment for a disability incurred in combat. General Hines states inferentially in a letter, which I have in my hand, that even though a veteran served only 1 day in the World War he is entitled to enter a Veterans' Administration hospital, but an officer who may have been wounded in France and who requires hospitalization for that specific injury is denied entry to a Veterans' Administration hospital, notwithstanding these officers are willing to pay to the Veterans' Administration the same amount of compensation for their maintenance that they would be required to pay if they entered an Army or Navy hospital.

A retired comrade who was admitted to the Veterans' Administration hospital at Boston under emergency, since admittance to the hospital has had both legs amputated well above the knees. Under existing regulations, notwithstanding that this veteran served in two wars, the Veterans' Administration will not furnish him with artificial limbs nor with a wheel conveyance. They will, however, furnish such appliances to a World War veteran who served only 1 day. This unfortunate veteran, with his low retired pay and a wife and family to support, and who is unable to purchase these appliances, must thus languish in the hospital minus both legs and far from the influence of his loved ones, because of the Comptroller's decision that veterans of two or more wars who are on the retired list are not "veterans."

Strange as it may seem, nevertheless it is true that while we deny an officer hospitalization in a Veterans' Administration facility, even though he requires hospitalization for disability incurred in combat, we do pay the widows of such officers a pension.

Another inhuman and expensive discrimination which ought to be corrected is that which pertains to admission to soldiers' homes. There is only one United States Soldiers'

Home and only one United States Naval Home in the United States where retired personnel of the Army or Navy may be domiciled; and, regardless of residence, if a retired individual desires to enter either of these homes, he must bear his own traveling expense, either to Washington or Philadelphia, even though he comes from as remote a place as the Philippine Islands to enter such home.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. HOEPPEL. I thank the gentleman from Virginia for his courtesy and consideration.

In addition, if a retired individual is admitted to the United States Soldiers' Home here in Washington, D. C., he is compelled to pay a maintenance charge of $15.75 per month, even though in some instances his total retired pay and allowances, after 30 years' service, are less than $36 per month.

Another instance of discrimination is the requirement that officers and men on the retired list, if they become insane, are permitted to enter the psychopathic hospital here in Washington, D. C., only—St. Elizabeths. A recent case involved an officer who, becoming insane on the west coast, was transported to St. Elizabeths with attendants, and the attendants returned to the west coast, all of which was a needless expense to the Government, inasmuch as the Veterans' Administration maintains one of the most modern of psychopathic hospitals in the very shadow of the home of the patient. Thus, under the existing discrimination, the Government was forced to make unnecessary expenditures for transportation and, at the same time, the unfortunate officer was removed from the influence of family contacts and virtually isolated 3,000 miles distant from his home and relatives.

The same condition applies when retired personnel enter the Soldiers' Home here in Washington or the Naval Home at Philadelphia. This requirement is inhuman toward the veteran of 30 or more years' service and could be easily corrected in the interest of economy by reciprocal agreements or arrangements, or an Executive ruling that retired personnel of the services are to be considered as "veterans", and as such they would then have equality with all other veterans and be permitted to enter soldiers' homes nearest their places of residence.

OTHER INJUSTICES REQUIRING CORRECTION

In my opinion, pensions to widows and dependent parents of veterans whose death occurred in or as a result of combat should be increased. Likewise pensions to widows with dependents of World War and Spanish War veterans should be increased, as the amounts today received are inadequate.

An unfair decision of the Veterans' Administration, which rules that insurance payments received by a widow shall be classed as income, prevents many Spanish veterans' widows from receiving a pension, and is thus a penalty on thrift and even common sense. To be more specific, if a veteran is insured for $1,001, with a policy payable to his widow, and notwithstanding that this entire amount may be required to pay the expense of his final illness and burial, nevertheless, because the widow received payment of $1,001 on a life-insurance policy, she is denied pension for 1 year in accordance with the existing income-tax provisions.

Disability allowances should be restored to certain World War veterans who are less than 100-percent disabled.

The "causative factor", which removed many worthy emergency officers from the emergency officers' retired list, in my opinion, should be eliminated, or, at least, less drastically applied.

The present provision which reduces pension or compensation awards while veterans are temporarily in hospitals, in my opinion, should also be eliminated, although this provision may be justified in the case of veterans permanently domiciled in a soldiers' home. It perhaps would be more just, however, to the veteran involved if the per capita cost of domiciliary care were deducted from his compensation and the balance paid to him with the provision that no service-connected disabled veteran shall receive less than $15 per month while in such institution.

Spanish War veterans, and veterans who served in the Philippine Insurrection or the China Relief Expedition, with inadequate and even no medical facilities available to them, in my opinion, are treated the most unfairly of all war veterans. In a majority of instances, with no record kept of their disabilities during service, these men, 30 or more years after the termination of the war, are unable to establish service connection for their existing disabilities. It is my opinion that the disabilities of this class of veterans should be considered as service connected and that pension should be paid to them at the same rate which today applies to presumptive service-connected World War veterans; that is, a maximum of $75 per month for total disability.

In addition to discriminations within the Veterans' Administration, the Bureau of Internal Revenue also discriminates against our various veterans by exempting World War veterans from income tax on their compensation payments, while at the same time emergency officers, likewise disabled in war service, must pay income tax on their retired pay, and all veterans receiving pensions must also pay income tax on pensions received. For example, veterans with service-connected disabilities, who did not leave the United States, are exempt from income tax on their compensation whereas emergency officers, disabled as a result of combat, are required to pay income tax on their retired pay. This discrimination is flagrantly unfair and should be corrected.

Veterans borrowing on their life-insurance policies are required to pay interest at the rate of 6 percent per annum on such loans, which rate is higher than some private insurance companies exact of their policyholders. Inasmuch as the Government, through postal savings, lends more than $1,000,000,000 of postal savings to the private bankers, without security, at 2½ percent, it is obvious that when the Government exacts from its own veterans 6 percent on insurance loans which are fully protected, that interest rate is exorbitant and palpably unjust to this class of borrowers. It should be reduced to not more than 3 percent.

These and other discriminations directed against our peace-time and war-time veterans should be corrected, and could easily be corrected through the enactment of a uniform pension bill. I am introducing bills to correct some of the most glaring of these inequities and others which my limited time precludes me from enumerating; but, in the meantime, we must recognize that the only permanent solution of our legislative difficulties respecting veterans, and the only reasonable answer to their plea for a square deal, is the enactment of uniform pension legislation dealing with the problem on a strict basis of equity and which will forever remove the existing disgraceful discriminations that are a travesty on justice and an outrage to democracy. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I wish to say to the new Members, who perhaps would not notice the fact unless it were called to their attention, that we have a Committee on Expenditures in the Government. It happens that I am ranking member of that committee on the minority side. Last year the committee did not investigate expenditures in the executive departments; it was apparently not thought wise to look into the expenditures of the administration. However, I am hoping that this session the committee will do a little of this work, for which it was created.

The gentleman from Texas has today very severely criticized one activity of the present administration, but criticisms of this nature were conspicuously lacking during the last session of the Congress. Because of the failure of this committee to function, I took several occasions to speak on the floor of the House relative to this subject, and you will recognize that it seems to be the only forum available for that purpose.

A day or two ago I made the statement that the President's message clearly said that in July our national indebtedness

would be $31,000,000,000 and that by the following July it would be $35,000,000,000 and asked you to add thereto the contingent liability, which would probably increase this to thirty-six billion.

Because the gentleman from Wisconsin who preceded me is so sure—and because the Speaker in his admirable radio address a few days ago practically said that the President would in all probability lose out in the matter of the prepayment of the bonus—we must now also anticipate that an additional two billion will have to be paid, increasing the total indebtedness to thirty-eight billion by July 1936. And when we consider the scant progress toward recovery which we have made during the past 2 years, we may even look forward to an indebtedness of $40,000,000,000.

I take the floor at this time to discuss a few related matters. I am not in opposition to many of the recovery measures. I greatly favored the Home Owners' Loan Act. But why was politics played with human misery for 3 or 4 long months, when it was well known that the funds were about to be exhausted? Why were many applicants allowed to hope and to expect that they would be taken care of when it was known that the money was giving out? Why was notice of this delayed until a few days after the election? If my party had done that, we would have heard a lot from you about it. Perhaps, my own party might have done it; but we know the political master mind guiding your policies. The gentleman from Texas [Mr. BLANTON] has said that the trouble with me is that I see a political side to many questions. Any man who has had to fight in an election like the recent one with his opponents in control of the F. E. R. A. war chest, and nevertheless tried to point out the dangers which he believed existed, and the failures that have occurred in recovery measures—in other words, to be a Republican—has had to show some courage in any part of these United States.

You say to us that you want to have something constructive presented. Well, you have had it lately, have you not? After all of this handing of the olive branch to the bankers, getting the business men to Washington and asking them to cooperate with something in the way of a constructive suggestion, did they not meet at White Sulphur Springs and formulate a definite program for recovery? Were there not many prominent Democrats among them, and did they not file a formal report and send it to the President, who is reported to have been too busy to see them, but who allowed Mr. Hopkins—the so-called "gay, impulsive Mr. Hopkins"—to ridicule it? I thank Mr. Frank Kent for designating him by that and other impressive names. I give Hopkins credit for being remarkably able, though he seems to care little about Congressmen. When he decides to grant relief, he does it as promptly and directly as possible. Evidently he would cut all red tape if he could. He is a very able man, but, oh, as Frank Kent said, "What a conceited ass!" Write him as polite a letter as possible, and you may not even receive a reply thereto. At least I did not, and mine were very polite letters.

The Congress has had to grant relief through him, but should we not have the right and the duty to investigate his policies and methods without being insulted? We have attempted in this country both to exalt the President of the United States and to place the entire burden upon him. But it sometimes seems to me that we desire that he shall take all the blame in case of failures so that we may, ourselves, be rid of possible criticism.

Those business men who were at White Sulphur Springs brought back a plan of real cooperation. It was handed to Mr. Hopkins and—to the delight of the newspapermen—he is reported to have said, "Don't make me cry." It evidently seemed a great joke to those familiar with his wisecracking. Mr. Ickes is also reported to have waxed sarcastic. Do they really want constructive criticism? No! My attention has been called to a forceful speech recently made by a prominent Republican, who stated that it is self-evident that the plan of the "brain trust" is that a sick, suffering, and despairing people should be kept in that condition until they shall finally be willing to accept anything, and "until our social aims are achieved."

I now refer to the President's recent message. He stated in effect that even if we may have failed in many of our objectives, at least "the morale of the Nation has been restored." But has it, indeed? What about the morale of the veterans who cry for the prepayment of the soldiers' bonus? They are now able to say, "If you can spend vast sums of money for all these other things, certainly you can pay this debt to us." I, for one, who have supported several Presidents in their opposition to this prepayment, am going to find that I have a difficult task to excuse myself for not voting for it now in view of the sort of other expenditures called for in that message. We are all of us to be placed in a most difficult position. No wonder that in California there is an Upton Sinclair with extraordinary views—who came very near to being adopted by the Democratic Party. No wonder there is a Dr. Townsend, who now suggests that everyone over 60 should receive $200 a month. A large number of our Senators and Representatives will be forced by the mass of the people to give consideration even to a proposal of that sort. The morale of the Nation has been preserved, indeed!

In fact, the mass of the people of this country has been awakened to the thought that the Government must care for them. The old doctrine that the Government should be supported by the people seems to have gone, and now in its place is the idea that things must be done by or through the Government to care for not only the needs of the people but their desires as well.

Those men who met at White Sulphur Springs had a trying and difficult task. They engaged in it with a serious and cooperative spirit. They were not there as "new dealers" or as "old dealers." But in place of their constructive business suggestions, comes a message that faith in recovery is to be placed chiefly in the further expenditure of $4,000,000,000 for more public works. Analyze this proposition, and you realize its futility. We cannot put those three and a half million unemployed to work on projects of this nature. A large proportion of the unemployables are not fitted for or able to engage in work of that sort. We read that in our own districts planning boards have already recommended large undertakings, such as the building of roads which will be wide race tracks for the future and would divert most of the traffic from established communities, where money has been invested in homes and businesses established by which an honest living—or at least a partial living—might be made by selling food and merchandise to the passers-by. This would be another blow to the small storekeeper and the owner of the wayside stand, already hard hit by the chain stores and other large monopolies of trade, which we patronize, even though we may curse them as monopolistic. Of course we patronize them, for they furnish goods more cheaply, but they do not purchase our local produce; and if the small stores are to be further hit, where will our people sell their merchandise?

And what of the present public-works system of giving employment? The other day I heard a man say, "I can win on a lottery ticket easier than I can get a job on these public-works projects. Contractors desire skilled labor, or at least what they can regard as efficient labor. Somehow I never can qualify."

The President seems to have recognized this and now recommends a different method. It is indeed difficult to criticize the present administration. Errors which have occurred are acknowledged and policies changed before a real chance for criticism is had. So in the case of these public works. What does the President say now? "This time the Government or governments will carry on the work, and it will not be done by contractors." Seemingly in the future political appointees are to carry out these projects. Have we not had about enough of political mechanisms as exemplified by the C. W. A.?

Our bureaucrats sneered at the recommendations of the business men that direct aid should be given the unemployed.

You gentlemen who have taken the floor today and are to do so later, advocating unemployment insurance, why do you not favor the present expenditures and the giving of direct aid, which might be dignified by the name of "unemployment insurance"? It would probably cost the Government 40 percent less than it costs under this Public Works program. E. R. A.! You know what it has been accomplishing in your districts. It is fine to have improved school grounds and water holes. It is fine to have ditches dug and leaves raked up. But now the President in his message admits that it was all wrong. "Let us build things for future generations."

Take those race-track roads of which I spoke. They may be good for the people in years to come, and even for us after we have relocated our communities, but will such things bring about immediate recovery? Now, if we pay the E. R. A. worker $12 a week for a job that is manufactured for him to do, will he be fooled? Will that restore independence and manhood to him, as is so often claimed? Will it make him feel under any less of an obligation merely because he is given work that may be of a more permanent nature? There may be a class of people in this country to whom this argument would apply, but I am one who has confidence in our people to the extent of believing that, given time to themselves, they would work to improve their own properties and thus themselves add as much to our national wealth. Would they not feel just as manly doing that if they were frankly told that the depression existed through no fault of theirs and were the recipients of financial aid to tide them over it under the name of unemployment insurance?

Yet the plea of the business men for this direct and less costly aid was brushed contemptuously aside. "Don't make me cry", said Mr. Hopkins.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. GIFFORD] has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman from Massachusetts 10 additional minutes.

Mr. GIFFORD. What has been your experience with regard to the expenditure of E. R. A. money recently, where they have decentralized the authority from the principal cities within your States and opened regional offices? Previously the man in charge of an E. R. A. project went to the local office and little delay ensued; but now these matters are first submitted to the smaller regional office, then to the State office, and then to Washington, and papers have to be made out in quintuplicate, with every question carefully answered and every proposition approved by a considerable number of Government inspectors and office employees, so that time after time weeks will elapse before the proposal is approved and the men actually set to work. Apparently no one has the authority to cut the red tape so essentially a part of a bureaucratic government.

Now they want to make it a governmental function to construct all public works in this slow, cumbersome manner.

I do not assert that in any democratic form of government you can proceed otherwise if the people are to be protected. But the Government should not embark in general business of this sort. It was never intended that it should.

I have the President's preelection speeches made in 1932. What reading they now make, in the light of what he has done since that election, although to be sure he prepared his alibi in advance. He must be given credit for having practically said then, "If it comes to a case of saving a people from starvation, I will abandon all these principles, including a balanced Budget, reduced taxes, fewer bureaus."

Marvelous speeches he made in favor of these things then. And, judged by those speeches, marvelous are the things he has done since election.

Do you really want Republicans to frame a constructive policy? No! No matter what we might advance, you would be contemptuous of it. It is our plain duty to point out what we honestly regard as the weaknesses, the failures, and the dangers in your program, of course; but we have also presented constructive programs for recovery. Indeed, I think that the Republicans might be glad to accept almost unchanged the platform of your own Democratic State convention held in Georgia on October 4. What have you to say about that? The great State of Georgia, a Democratic State never before known to criticize a President of that party, held this convention, and the keynoter said, "While the motives of the President are white as the driven snow, and while we are pleased that he has made Georgia his second home"—and then went ahead to repudiate everything in the new deal. The demand was made that the dollar be stabilized at once and that there be a stop to spending money. Then, right after the election, as I read in the press, the Governor of the State of Georgia, with certain other Governors, succeeded in prevailing on the President and Mr. Hopkins to issue an edict that hereafter the same wages will be paid for Federal work as are paid for similar work of a private nature in each locality. I pleaded on the floor of the House last year that that be done, and how I was criticized for so doing! There were echoes of it in my own campaign when the statement was made that I was unwilling for the laboring man to be paid 45 cents an hour.

We know that in the South employers have been accustomed to get labor at rather cheap rates, living expenses being relatively low, and we can well understand how the whole private industry of that section was disrupted when the Government suddenly stepped in and paid so much more than the prevailing wage scale under the E. R. A. If I may be "political", a gentleman from Georgia said to me on one occasion, "If the Republicans had done that, a Republican would not dare to live in Atlanta." I was not surprised. Now that this has been accomplished and labor is not to be paid so much by the Government down there, perhaps they will feel less bitter about other phases of the new deal, however.

Replying to the gentleman from Texas and others who are criticizing the administrators of the new deal, especially those in charge of the Home Owners' Loan Corporation, I would say that probably these men are doing the best they can, being merely bureaucrats under orders. One man who served the President almost as no other man ever did, who served with more force and energy than any other person of whom we know—and how he did crack down on business!—General Johnson, now freed from the chains of loyalty, has recently written an article which all of you should read and enjoy. I have it here and should like to read it all, but it is available to everyone. In it he says:

> We have the wealth; we have the courage; we have everything but just one thing.

And he affirms that that must be forthcoming at once. That one thing—a trite word now—is "confidence." Yes; that is all we lack. But where is this confidence to come from? Have we really got to wait for it until every social reform has been achieved?

The President said that we are convalescing. Perhaps we are slightly convalescent, for nature is always at work; but it would be rather difficult to establish that fact through the testimony of William Green, president of the American Federation of Labor, and other equally observant students of the times. We may be on the road to recovery from our national ills, but we are now told that this is the time to probe still deeper for the cause and that we should not wait until the patient has been cured. Why will the President, in whom we have vested this vast authority, not speak the words needed for a swift return of confidence? General Johnson is urging him to do it; the business world is urging him.

Every 2 years we have to go to our constituents with an accounting of what we have done in Washington and are dependent upon their approval for our return to office. Shall we have to continue to evade the real issues and tell them that we have delegated our authority to the President, who has in turn delegated it to the heads of the many bureaus, such as the Home Owners' Loan Corporation? Of course, you can tell your people to lay all the blame for failures on the President, if you still wish to do so. But now even the Supreme Court has spoken and admonished us.

Congressmen, get back on your job; shape your own policies.

Do not any longer make the people believe that there is only one man in the country who has the ability and the heart to act for their true, best interests. Gentlemen, let us get back to our appointed task now. As one of the Members on this side of the House, I desire to vote with you for real recovery measures. Above all things else, we need a restoration of confidence. I want the processing tax repealed, for one thing. It is not that we of New England, for example, are unwilling to give financial assistance to the sunny South—that beautiful sunny South, with its thousands and thousands of acres where God made it possible for the people to raise all the cotton desired. But now it appears that they wish to sell that cotton abroad for as high a price as possible, buy back as cheap goods as they can, and forget about the rest of the country. In the old days we on the sand and rocks of New England toiled hard or sailed the Seven Seas, saved a little money by frugality and prudence, investing it as capital in manufacturing plants which supplied a market for your raw products. With the imposing of the processing tax our manufacturers were told that the consumers who bought the finished cotton goods would be the ones to pay it in the end, but now the cotton manufacturers say that the consumers do not buy enough goods so that they can get out even because of the increased prices, due to that tax primarily. This curtailment in purchasing has hurt them seriously.

General Johnson said:

> My N. R. A. failed utterly because they fixed prices and made them higher at a time when the people could not pay them.

Some plants I know of did make money under the N. R. A., but merely because they positively fixed high prices and took a profit on a much decreased volume of business. Is that the result desired?

The people of the Nation really do pay this processing tax, of course—when they are able to buy. Take one item, overalls. We in New England are not now selling as many as formerly. Are they not wearing them in the South any more? Have they found something to take their place in the manner that paper bags have displaced cotton bags for wheat, now that the latter have been found reasonably durable and so much less expensive?

Have you not learned that there is a point beyond which we cannot go? How can the customer be forced to buy at advanced prices or refrain from using cheaper substitutes?

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 2 additional minutes to the gentleman from Massachusetts.

Mr. GIFFORD. A man prominent in business told me this story with regard to cotton: Cotton was selling at from 5 to 6 cents a pound. We went off the gold standard, and it jumped to 11. Being an exportable article, it was one of the commodities the price of which rose at that time; but other things did not go up correspondingly, and the President was obliged to acknowledge that what he believed would happen with the abandoning of the gold standard and fixing of the dollar's price at 59 cents had not occurred. The scheme had proven a dismal failure in that respect. Then along came the processing tax, and the price of cotton rose another 5 cents, making it 16 cents to the consumer. The N. R. A. came along and put it up still another 5 cents, so that now the consumer was forced to pay 21 cents instead of the 5 or 6 he had previously paid. It is natural that the textile manufacturers became discouraged.

Mr. Chairman, as the days pass and all these problems present themselves anew, I wish to be helpful, if possible. I trust that some of the criticisms which I have made today may also be regarded as constructive suggestion, in effect. I ask you to consider General Johnson's recent statement and see if you do not agree with him in your hearts. I endorse much of what he says. I endorse the suggestions contained in the Georgia State convention platform, as I know many of you do, although you may not dare to say so. If they feel like that in that State, it is safe to say that adjacent sections of the country feel the same. I shall try not to be too "political", Mr. Chairman, but I shall expect to give voice to my own convictions in these matters. If I were in a private business which had been sick but was beginning to pick up a little, and I found myself faced with a huge new indebtedness, it would not tend to hasten my recovery. It may be that an ailing nation will feel the same about it.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. TRUAX].

Mr. TRUAX. Mr. Chairman, I think that contemporary historians will recall the fact that a great evangelist who emanated from my own fair State of Ohio coined this phrase: "It is the hit dog that yelps the loudest."

It may be strange to some of you, but not to one who has followed farm legislation for the past 12 years—and, I repeat, it may be strange to some of you—to hear these vehement and somewhat violent protestations against the so-called "iniquities" of the processing tax by gentlemen who represent the great industrial East. I call the attention of the Members to the fact that for 12 long years the farmer of this great country of ours was the underdog; that for 12 long years the farmer had his nose to the grindstone; and that for 12 long years he suffered most acutely and keenly because of the discrimination against the American farmer by certain sections of the industrial East.

I remind the gentlemen on this side and do not wish to call up painful recollections upon the part of those on the other side, that these superopponents of the American farmer were led by that high priest of the American bankers, so well personified, typified, and represented by the greatest Secretary of the Treasury (?) since Alexander Hamilton, the Honorable Andrew Mellon. I remind the older Members that in 1926 and 1927 this body and the body on the other side of the Capitol twice passed the bill known as the "McNary-Haugen bill", when your great Agricultural Committees were headed by one of the great agricultural leaders of the West, Mr. Haugen, and by the Senator from the Northwest [Mr. MCNARY]. When this body twice passed that bill and enacted it into law, Mr. Mellon was the power behind the throne that caused the bill to be twice vetoed by the late Calvin Coolidge; and upon the veto of that most meritorious legislation began the real downfall of this country, a downfall that spelled doom and disaster for every citizen in this land, a downfall or a side slip, if you please, that ended only when the great mass of citizens of this country went to the polls in 1932 and elected a man to the Presidency who had fought for the common people instead of for the vested interests of this country. He looked upon this appalling chaos that had been brought about, when all of the farmers of the country were prostrate, when they were being foreclosed and losing their farms at the rate of 3,000 every time the sun rose and set, and it was then that this great leader of our party, this great leader of the common people of this country, recommended to the Congress that they pass the agricultural bill which embraces the well-known processing tax.

The speech of the first gentleman from Massachusetts, in which he gave you the amount of fees collected and the amount returned to various States, is the most convincing argument for the continuation of this processing tax that I have heard made on the floor of this House. It demonstrates to you and it demonstrates to the country at large that at last these superindustrial States of the East, which for 12 long years have opposed and blocked beneficial legislation, have been conquered and all the claims that we made for this bill have been proven. It shows that at last the consumers of these various sections mentioned—and call it sectional if you will—are forced to pay a fair price for the farmers' products. They are paying the price now and they have elevated the price of hogs $2.50 per 100 pounds more than when Hoover retired as President. The processing tax today has elevated the price of hogs almost nearly as much as the entire amount we were receiving for hogs under the previous administration and the previous form of government.

I am sorry to relate, Mr. Chairman, that thousands of farmers were foreclosed. It pains me to relate that thou-

sands of home owners are about to be foreclosed unless relief, and speedy relief, is given these worthy people. I am informed that in one county, the county of Cuyahoga, the county seat of which is the city of Cleveland, there will be approximately 15,000 home owners foreclosed within the next 6 months unless relief is given. I may state also on authority that approximately 5,000 home owners are about to lose their homes in the county of Summit, of which Akron is the county seat. I know that no man in this great land of ours or no individual has given greater thought or effort to the solution of this problem than has the President of the United States.

Two years ago I had the privilege and honor of discussing foreclosures with the President of the United States. I had the privilege of having him read a letter written by a little girl 13 years old residing in Mansfield, Ohio. The President read this letter to me. He was interested. He afterward had the mother and the girl call upon him at the White House. He wrote a letter to the director of the Home Owners' Loan Corporation in Ohio. That was 2 years ago, but up to date that loan has not been granted; not entirely because of bureaucratic red tape, but at first by the opposition of the greedy money lenders who would not accept Government bonds until this Government guaranteed the principal of these bonds. I am not criticising entirely this bureau that we have heard so much about today. In my own State they have done a pretty good job, but the funds are not sufficient. They cannot take care of half of the distressed cases existing at the present time.

There have been introduced in this body a dozen or so bills increasing the amount of bonds from one billion to three or five billion dollars. I assume this House will take favorable action. However, in the meantime thousands of distressed home owners will lose their homes.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield the gentleman an additional 5 minutes.

Mr. TRUAX. Why should thousands of distressed home owners lose their homes simply because they are unemployed, out of a job, unable to pay the interest and to pay taxes?

This is what is happening in this country of ours. One gentleman has stated that 350,000 applications are pending with the H. O. L. C. and no help in sight for these distressed people.

I call the attention of the House to the fact that 2 years ago I introduced in this House a bill that would have suspended all foreclosures; that would have given a moratorium of 1 year until any distressed farmer or distressed home owner could refinance his mortgage. I am again introducing this bill, only I have made the time stipulation 5 years—5 years in which any man or any woman who is about to lose his or her home may have time to refinance such loans or to refinance such mortgages and save the dearest thing in all the world for them.

We speak of confidence. We all ask for confidence. We say that a restoration of confidence is necessary to create business and turn the wheels of industry once again. How can you expect to have confidence, my friends, when you are about to lose all that you have had and worked hard and toiled for?

So I call your attention to this bill once again, and I ask at this time unanimous consent, Mr. Chairman, that this bill, which is a short one, may be inserted as an extension of my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The bill is as follows:

A bill to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, approved March 3, 1933; to restore confidence and prevent confiscation of homes and farms by money lenders by providing for a suspension of real-estate foreclosures for a period of 5 years

*Be it enacted, etc.*, That the act of July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States", as amended by the acts of February 5, 1903, June 15, 1906, June 25, 1910, March 2, 1917, January 7, 1922, May 27, 1926, February 11, 1932, and March 3, 1933, be, and it is hereby, amended by adding thereto an amendment to chapter VIII, section 75, by adding thereto subsection "S" to read as follows:

"BANKRUPTCY—STAY OF PROCEEDINGS

"SECTION 1. If on or within 5 years after the day this act takes effect any farmer or home owner or owner of real property occupied by such owner is unable to pay and is in default in the payment of either principal or interest of any debt secured by a mortgage on such farm or real property, or of taxes, the nonpayment of which constitutes a default under such mortgage, such default shall constitute an act of bankruptcy, and such farmer or owner of real property being, therefore, unable to pay his or her debts as they fall due shall be deemed insolvent and a bankrupt for the purpose of this title.

"SEC. 2. No proceeding to foreclose or otherwise to enforce any claim against or out of the farm home or real property of such bankrupt and no sale on foreclosure, execution, or otherwise shall be instituted, further prosecuted, held, or made on or within 5 years after the day this act takes effect except upon petition in bankruptcy duly filed in a court of the United States pursuant to the act of July 1, 1898, entitled 'An act to establish a uniform system of bankruptcy throughout the United States', as heretofore amended."

Mr. TRUAX. I want you to read this bill and study it. It is simple. It is merely an amendment to the National Bankruptcy Act, over which Congress has full and complete and plenary power. It is up to this body. You have it in your power, you have it in your grasp to stop every foreclosure in this great country of ours the day you enact this bill into law.

It is constitutional. The Frazier-Lemke farm bankruptcy bill, which is based on the same principle, has been held constitutional by eight Federal judges, and I believe, as most of you believe, it will be eventually held constitutional by the United States Supreme Court.

I may say that your greatest help in the restoration of confidence in this country is to provide for the security of your home, to make it inviolate, so that the ruthless money lender, the greedy Shylock, cannot come into your home and say, "I will dispossess you and take from you the hard-earned savings of your years of toil and work."

Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. RANDOLPH] such time as he may desire.

Mr. RANDOLPH. Mr. Chairman, there is in the District of Columbia at this very hour a distressing and alarming crime condition which portends not only trouble for those who reside in the National Capital in the months that are just ahead but also far-reaching results to the country.

I was gratified yesterday, in talking with the Chairman of the House District Committee, to find that she is ready to cause a sweeping investigation of crime conditions in the District of Columbia.

Such an investigation during this Congress would result not only in far-reaching benefits to the National Capital but also benefits to the country at large. We who come here as Members of Congress hardly realize the alarming condition which faces the National Capital. As Members of this legislative body, we are directly responsible for conditions in Washington and for the welfare of those who reside here.

There is in Washington a wide-spread and dangerous idea that the District is comparatively free of crime of a serious nature.

There is absolutely no basis for such an impression, when, as a matter of proven fact, Washington is one of the most crime-ridden cities in the United States in proportion to population.

This broad charge is unimpeachably established by the crime statistics taken from official records following a study of crime conditions in the District.

The statistics are presented herewith. The records from which these figures were obtained are available for examination by any individual or body seeking a solution to Washington's serious crime problem.

That there is an abnormal amount of serious crime in Washington is shown by the record of the fiscal year of 1934, which is as follows:

| | |
|---|---|
| Persons murdered in the District | 81 |
| Persons killed through manslaughter by negligence | 36 |
| Persons assaulted, with intent to kill, dangerous weapons, etc | 239 |
| Persons robbed, storekeepers, bank clerks, pay-roll messengers, etc | 961 |
| Houses and other places entered and burglarized | 2,638 |
| Automobiles stolen for criminal and other purposes | 3,169 |
| Grand larceny, thefts (except autos) $5 and over in value | 1,056 |
| Rape, mayhem, arson, forgery, extortion, embezzlement, and other felonies | 695 |
| Total of felonies recorded by the Metropolitan Police | 8,875 |

Here is how Washington compares with other cities:

There are in the United States eight cities of approximately the same size as Washington. The following tabulation of crime rates, based on the number of crimes for each 100,000 inhabitants, proves that Washington's crime rate is abnormal.

These figures are computed from crime records for the first 9 months of 1934 only. They are, therefore, approximately 25 percent under the figures for the whole year.

| City | Population | Murder | Robbery | Burglary | Grand larceny | Auto theft |
|---|---|---|---|---|---|---|
| Pittsburgh | 669,117 | 2.5 | 89.8 | 113.3 | 58.2 | 278.5 |
| San Francisco | 634,394 | 2.3 | 32.7 | 289.4 | (1) | 404.0 |
| Milwaukee | 578,249 | .4 | 9.5 | 110.6 | 50.7 | 104.5 |
| Buffalo | 573,076 | 2.2 | 34.3 | 114.0 | 34.3 | 188.9 |
| Washington | 486,869 | 10.3 | 99.7 | 393.2 | 168.8 | 480.8 |
| Minneapolis | 464,356 | 4.1 | 97.3 | 305.6 | 29.6 | 490.4 |
| New Orleans | 458,762 | 10.1 | 15.5 | 139.1 | (1) | 157.8 |
| Cincinnati | 451,160 | 12.9 | 49.6 | 185.0 | 92.3 | 201.9 |
| Newark | 442,337 | 3.6 | 95.0 | 691.5 | (1) | 417.1 |

[1] No report available.

In comparison with these other cities, it will be noted, Washington's crime rate is as follows: Murder, second; robbery, first; burglary, second; grand larceny, first; auto theft, second.

How, in the face of these facts, can anyone contend, with logic, that there is no serious crime in Washington?

In proportion to population Washington had in 1934 two and one-half times as many murders as New York and 40 percent more murders than Chicago.

The complete record of murders in the District and the disposition of murder cases by the authorities is as follows:

| | |
|---|---|
| Murders reported to the police | 81 |
| Cleared by arrest | 77 |
| Fugitives | 2 |
| Unsolved | 2 |
| Suicide at time of murder | 4 |
| Died before prosecution | 1 |
| Action of the grand jury: | |
| Ignored for lack of sufficient evidence | 6 |
| Indicted in first degree | 38 |
| Indicted in second degree | 8 |
| Indicted for manslaughter | 20 |
| Action of the district attorney: | |
| In 38 first-degree indictments: | |
| Pleas of guilty to second-degree murder accepted | 12 |
| Pleas of guilty to manslaughter accepted | 14 |
| Nol-prossed | 2 |
| Brought to trial in criminal court | 8 |
| Awaiting trial | 1 |
| Fugitive after indictment | 1 |
| In 8 second-degree indictments: | |
| Pleas of guilty to manslaughter accepted | 2 |
| Nol-prossed | 2 |
| Brought to trial in criminal court | 4 |
| In 20 manslaughter indictments: | |
| Pleas of guilty to manslaughter accepted | 8 |
| Nol-prossed | 7 |
| Brought to trial in criminal court | 5 |
| Action of the criminal court: | |
| In the 8 first-degree cases brought to trial: | |
| Guilty of second-degree murder | 2 |
| Guilty of manslaughter | 2 |
| Acquittals | 3 |
| Unsound mind | 1 |
| In the 4 second-degree cases brought to trial: | |
| Guilty of manslaughter | 2 |
| Acquittals | 2 |
| In the 5 cases of manslaughter brought to trial: | |
| Guilty of manslaughter | 2 |
| Acquittals | 3 |

The penalty for first-degree murder is death in the electric chair, the penalty for second-degree murder is from 20 years to life imprisonment, and the penalty for manslaughter is from 1 to 15 years in the penitentiary.

Of the murder cases resulting in conviction, either after trial or upon guilty pleas, sentences imposed were: 3 for life, 4 for 30 years, 1 for 25 years, 6 for 20 years, and the balance, under the lighter manslaughter penalties, ranged from 1 to 2 years up to 1 sentence of 3 to 12 years.

The following table shows the number of crimes committed, the number cleared by arrest; and the race, sex, and age of those arrested and charged with the commission of the crimes:

| Fiscal year 1934 | | | Arrests | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 21 | | | | 17 to 21 | | | | Under 17 | | | |
| Crime | Number reported | Cleared by arrest | Male | Female | White | Colored | Male | Female | White | Colored | Male | Female | White | Colored |
| Murder | 81 | 78 | 68 | 13 | 12 | 69 | 1 | | | 1 | 1 | | | 1 |
| Robbery | 970 | 478 | 524 | 21 | 200 | 345 | 90 | 2 | 35 | 57 | 10 | | | 10 |
| Housebreaking | 2,674 | 1,939 | 1,228 | 4 | 168 | 1,064 | 557 | 18 | 241 | 334 | 62 | | 2 | 60 |
| Other felonies | 5,150 | 3,881 | 1,462 | 153 | 697 | 918 | 453 | 15 | 252 | 216 | 236 | 1 | 127 | 110 |
| Total | 8,875 | 6,376 | 3,282 | 191 | 1,077 | 2,396 | 1,101 | 35 | 528 | 608 | 309 | 1 | 129 | 181 |

SUMMARY

| | |
|---|---|
| Total felonies reported to the police | 8,875 |
| Total cleared by arrest | 6,376 |
| Total of persons arrested | 4,919 |
| Total colored | 3,185 |
| Total white | 1,734 |
| Total males | 4,692 |
| Total females | 227 |
| Total over 21 | 3,473 |
| Total 17 to 21 | 1,136 |
| Total under 17 | 310 |

Out of a total of 8,875 felonies, 6,376 were cleared by arrest, and in which 4,919 persons were arrested; there were a total of only 1,244 grand-jury indictments.

The following figures are from the annual report of the district attorney for the fiscal year 1934:

| | |
|---|---|
| Criminal cases | 1,244 |
| Completed during 1934 (fiscal year) | 1,166 |
| Continued to fall term of criminal court | 78 |
| Convicted after jury trial | 166 |
| Convicted on pleas entered | 755 |
| Indictments nolle prossed | 192 |
| Acquittals | 49 |
| Dismissed on motion | 4 |
| Awaiting trial, in jail | 10 |
| Awaiting trial, on bond | 57 |
| Postponed, fugitives, etc | 143 |

In addition to the felonies, as shown in the foregoing figures, there were in the District during the fiscal year 1934 a total of 57,958 misdemeanors, municipal regulations and traffic cases.

These cases are handled by the police, the corporation counsel's office, and the police, juvenile, and municipal courts principally.

Cases thus handled were as follows:

| | |
|---|---|
| Police court of the District of Columbia | 54,823 |
| Juvenile court of the District of Columbia | 2,261 |
| Municipal court of the District of Columbia | 45 |
| Court of Appeals of the District of Columbia | 144 |
| Supreme Court of the United States | 1 |
| Lunacy proceedings | 669 |
| Total | 57,958 |

Of the total, 25,602 were traffic cases and 29,221 were so-called "District of Columbia cases."

In 1933 the total of such cases was 50,430, or 7,528 less than in 1934.

The corporation counsel's office handles the tremendous number of District of Columbia and traffic cases with only four assistant corporation counsels in police court.

Mr. WOODRUM. Mr. Chairman, that concludes the general debate for today. General debate will continue tomorrow. I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PARSONS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 3410, the independent offices appropriation bill, and had directed him to report that they had come to no resolution thereon.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that I may proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, I have today introduced a bill known as the "farmers' emergency relief bill." I have introduced it at the request of a number of constituents in my State and a number of farm and labor organizations throughout the country.

In introducing the bill by request, I do not feel that I personally must necessarily be in favor of all of the provisions of the bill or of any of them. I do feel, however, that when organizations of citizens in this country desire to petition Congress for redress for conditions which they believe to exist, that they have the right under the Constitution to be heard and that they ought to have an opportunity for the consideration of such a bill. I trust that the committee that will have charge of it will hold hearings and give the movers of the bill ample opportunity to be heard.

Mr. MICHENER. Will the gentleman yield?

Mr. BURDICK. Yes.

Mr. MICHENER. The gentleman does not mean that he is apologizing for the bill?

Mr. BURDICK. No; I mean to say that I am not personally in favor of all of the many provisions of the bill, but have introduced it only by request. Does that make it perfectly clear to the gentleman?

Mr. MICHENER. Yes; but I thought the gentleman's statement was rather unusual.

Mr. BURDICK. It is an unusual bill, and that is the reason for it. [Laughter.]

### LEAVE OF ABSENCE

Mr. DALY, by unanimous consent, was given leave of absence for 2 days, on account of illness in his family.

### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I may say to the House that the Committee on Committees of the majority is ready to report and there will be a caucus tomorrow at 4 o'clock to verify their action. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Thursday, January 10, 1935, at 12 o'clock noon.

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## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. WOODRUM: Committee on Appropriations. H. R. 3410. A bill making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes; without amendment (Rept. No. 5). Referred to the Committee of the Whole House on the state of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XIII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WOODRUM: A bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. DEEN: A bill (H. R. 3411) authorizing an appropriation for the eradication and control of the screw worm; to the Committee on Agriculture.

By Mr. DUFFEY of Ohio: A bill (H. R. 3412) to amend the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

By Mr. KENNEDY of Maryland: A bill (H. R. 3413) to amend the act of Congress entitled "An act to repeal and reenact chapter 100, 1914, Public Law No. 108, to provide for the restoration of Fort McHenry, in the State of Maryland, etc."; to the Committee on Military Affairs.

By Mr. KENNEY: A bill (H. R. 3414) to authorize the raising of funds by lottery for the purpose of providing additional means of defraying the cost of government, and for other purposes; to the Committee on Ways and Means.

By Mr. O'MALLEY: A bill (H. R. 3415) providing that the Collector of Internal Revenue for the United States be required to certify to the Secretary of War of the United States a list of the names of individuals in the United States setting forth their respective incomes, such list to be used for the purpose of Army service, and for other purposes; to the Committee on Ways and Means.

By Mr. WILCOX: A bill (H. R. 3416) to establish the Fort Caroline National Monument in Duval County, Fla.; to the Committee on the Public Lands.

Also, a bill (H. R. 3417) providing for the purchase of a site and the erection thereon of a public building at Miami Beach, in the State of Florida; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3418) providing for the purchase of a site and the erection thereon of a public building at Orlando, in the State of Florida; to the Committee on Public Buildings and Grounds.

By Mr. McSWAIN (by request): A bill (H. R. 3419) to repeal a portion of section 12 of the act approved May 18, 1917 (40 Stat. 82); to the Committee on Military Affairs.

Also (by request), a bill (H. R. 3420) to amend the act entitled "An act to amend an act entitled 'An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department, approved February 24, 1923', approved April 21, 1928", so as to include the Navy; to the Committee on Military Affairs.

Also (by request), a bill (H. R. 3421) to authorize credit in disbursing officers' accounts covering shipment of privately owned automobiles from October 12, 1927, to October 10, 1929; to the Committee on Military Affairs.

By Mr. TREADWAY: A bill (H. R. 3422) to terminate the authority of the President to enter into reciprocal trade agreements; to the Committee on Ways and Means.

By Mr. TINKHAM: A bill (H. R. 3423) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years; to the Committee on Naval Affairs.

Also, a bill (H. R. 3424) providing for the preparation of plans and estimate of cost of erecting a Hall of Fame; to the Committee on Public Buildings and Grounds.

By Mr. MANSFIELD: A bill (H. R. 3425) to authorize the acquisition of a site and the erection thereon of a Federal building at Lagrange, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3426) to authorize the acquisition of a site and the erection thereon of a Federal building at El Campo, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3427) to authorize the acquisition of a site and the erection thereon of a Federal building at Hallettsville, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. SUMNERS of Texas: A bill (H. R. 3428) to amend section 109 of the United States Criminal Code so as to except officers of the United States Naval and Marine Corps Reserve not on active duty from certain of its provisions; to the Committee on the Judiciary.

Also, a bill (H. R. 3429) to provide for the appointment of two additional judges for the southern district of New York and two additional judges for the southern district of California; to the Committee on the Judiciary.

Also, a bill (H. R. 3430) to amend the act approved May 14, 1930, entitled "An act to reorganize the administration of Federal prisons; to authorize the Attorney General to contract for the care of United States prisoners; to establish Federal jails; and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 3431) authorizing the filling of vacancies in certain judgeships; to the Committee on the Judiciary.

By Mr. PARKS: A bill (H. R. 3432) for improvement of the Ouachita River from Camden to Arkadelphia, Ark.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 3433) to amend the first paragraph of section 24 of an act entitled "An act to codify, revise, and amend the laws relating to the judiciary"; to the Committee on the Judiciary.

Also, a bill (H. R. 3434) to provide for the appointment of one additional district judge for the eastern and western districts of Arkansas; to the Committee on the Judiciary.

By Mr. McSWAIN (by request): A bill (H. R. 3435) to amend section 2 of the act entitled "An act to give wartime rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to prohibit persons who have been subsequently separated from the service under other than honorable conditions from bearing the official title and upon occasions of ceremony wearing the uniform of the highest grade held by them during the war service; to the Committee on Military Affairs.

Also (by request), a bill (H. R. 3436) to prohibit the making of photographs, sketches, or maps of vital military and Navy defensive installations and equipment, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 3437) to authorize appropriations for the creation of a public airport for national defense in or near Washington, D. C., and as a national shrine to pioneer aviators, and for other purposes; to the Committee on Military Affairs.

By Mr. CHRISTIANSON: A bill (H. R. 3438) to provide that Federal funds apportioned to the States for highway construction for the fiscal years ending June 30, 1936, and June 30, 1937, need not be matched by State funds; to the Committee on Roads.

By Mr. KENNEY: A bill (H. R. 3439) to regulate the pay of officers and men of the National Guard, and of the officers of the Reserve Corps, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 3440) to provide for the retirement with pay of officers and men of the National Guard, and for other purposes; to the Committee on Military Affairs.

By Mr. FULMER: A bill (H. R. 3441) to provide for the purchase of a site and the construction of a post-office building at Batesburg, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3442) to provide for the purchase of a site and the construction of a post-office building at Lexington, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3443) to provide for the purchase of a site and the construction of a post-office building at St. Matthews, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3444) to provide for the purchase of a site and the construction of a post-office building at Barnwell, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3445) to provide for the purchase of a site and the construction of a post-office building at Bamberg, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3446) to provide for the purchase of a site and the construction of a post-office building at Leesville, S. C.; to the Committee on Public Buildings and Grounds.

By Mr. DISNEY: A bill (H. R. 3447) to provide a right-of-way; to the Committee on Military Affairs.

By Mr. WILCOX: A bill (H. R. 3448) to provide for the construction of a canal from Lake Harney to the Indian River in the State of Florida; to the Committee on Rivers and Harbors.

By Mr. DRIVER: A bill (H. R. 3449) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, to provide an interest rate of 3 percent per annum on loans to agricultural improvement districts; to the Committee on Agriculture.

By Mr. GAMBRILL: A bill (H. R. 3450) authorizing an appropriation for the erection of a memorial to the officers and men of the United States Navy who lost their lives as a result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes; to the Committee on the Library.

By Mrs. NORTON: A bill (H. R. 3451) to amend section 115a of the Code of Law for the District of Columbia approved March 3, 1901, as amended, relating to lunacy proceedings; to the Committee on the District of Columbia.

By Mr. NICHOLS: A bill (H. R. 3452) to promote safety in connection with the operation of commercial motor vehicles in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DEEN: A bill (H. R. 3453) to provide old-age compensation for the citizens of the United States; to the Committee on Ways and Means.

By Mr. CALDWELL: A bill (H. R. 3454) to amend the Reconstruction Finance Corporation Act; to the Committee on Banking and Currency.

By Mr. BUCK: A bill (H. R. 3455) to modify the provisions of law relating to holders of contracts for carrying air mail on primary routes; to the Committee on the Post Office and Post Roads.

By Mr. McCORMACK: A bill (H. R. 3456) to provide for the construction of six vessels for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Interstate and Foreign Commerce.

By Mrs. NORTON (by request): A bill (H. R. 3457) to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia, to prescribe penalties for the violation of the provisions of this act, and for other purposes; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3458) to amend the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes", and to further amend said act by adding at the end thereof new sections nos. 5 and 6; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3459) to amend an act approved May 1, 1906, entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3460) to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3461) to regulate foreclosure of mortgages and deeds of trust in the District of Columbia; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3462) to amend an act entitled "An act to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4,

1913", and for other purposes; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3463) to regulate the business of making small loans in the District of Columbia, and to amend an act to regulate the business of loaning money, etc., approved February 4, 1913; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3464) to amend certain sections of the Code of Law of the District of Columbia, approved March 3, 1901, as amended, relating to descent and distribution; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3465) permitting the laying of pipe lines across New York Avenue NE., in the District of Columbia; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 3466) to prevent enticement for lewd purposes in the District of Columbia; to the Committee on the District of Columbia.

By Mr. EICHER: A bill (H. R. 3467) to authorize the Secretary of War, upon the recommendation of the Chief of Engineers, to adjust, settle, and pay claims of drainage districts and levee districts for damages on account of increased seepage and/or increased cost of drainage resulting from certain improvements on the Mississippi River and its tributaries; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 3468) to amend title 1 of the Agricultural Adjustment Act of the Seventy-third Congress, printed as Public, No. 10, and to provide additional relief by increasing agricultural purchasing power; to the Committee on Agriculture.

By Mr. CANNON of Wisconsin: A bill (H. R. 3469) to authorize the Secretary of War to reconvey to the city of Milwaukee lands donated by said city but no longer needed by the United States Government; to the Committee on Military Affairs.

By Mr. RUDD: A bill (H. R. 3470) to make promotion to second grade of special clerk automatic after 1 year of satisfactory service in the first grade; to the Committee on the Post Office and Post Roads.

By Mr. BURDICK (by request): A bill (H. R. 3471) designated as the farmers' emergency relief bill; to the Committee on Agriculture.

By Mr. DICKSTEIN: A bill (H. R. 3472) to amend section 23 of the Immigration Act of February 5, 1917 (39 Stat. 874); to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 3473) to clarify the application of the contract-labor provisions of the immigration laws to actors; to the Committee on Immigration and Naturalization.

By Mr. DIMOND: A bill (H. R. 3474) authorizing the sale of certain lands near Homer, Alaska, for use in connection with the Jesse Lee Home; to the Committee on the Public Lands.

By Mr. HOEPPEL: A bill (H. R. 3475) to readjust the allowances of retired enlisted men of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

By Mr. McSWAIN (by request): A bill (H. R. 3476) to amend section 1860 of the Revised Statutes, as amended, to permit retired officers and enlisted men of the Army, Navy, and Marine Corps to hold civil office in any Territory of the United States; to the Committee on Military Affairs.

By Mr. RANDOLPH: A bill (H. R. 3477) relating to the incorporation of Trinity College, of Washington, D. C., organized under and by virtue of a certificate of incorporation pursuant to the incorporation laws of the District of Columbia, as provided in subchapter 1 of chapter 18 of the Code of Laws of the District of Columbia; to the Committee on the District of Columbia.

By Mr. BIERMANN: A bill (H. R. 3478) to discontinue the prosecution of the project for a 9-foot channel depth in the upper Mississippi River, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. GIFFORD: A bill (H. R. 3479) to authorize the conveyance of certain land of the lighthouse reservation at Chatham, Mass., to the town of Chatham; to the Committee on Interstate and Foreign Commerce.

By Mr. MEAD: A bill (H. R. 3480) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. FIESINGER: A bill (H. R. 3481) to amend the act of Congress, approved June 9, 1910, for preventing collisions of vessels and to regulate equipment of certain motorboats on the navigable waters of the United States by adding a new section 6a thereto.

By Mr. McDUFFIE: A bill (H. R. 3482) to amend the act of May 19, 1926, "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the Governments of the Latin-American Republics in military and naval matters"; to the Committee on Military Affairs.

By Mr. PARKS: A bill (H. R. 3483) directing the extension of farm loans by Federal land banks for a period of 2 years, and for other purposes; to the Committee on Banking and Currency.

By Mr. TINKHAM (by request): A bill (H. R. 3484) to provide for the construction of an interocean ship canal of lock design connecting the waters of the Atlantic and Pacific Oceans; to the Committee on Interstate and Foreign Commerce.

By Mr. DIES: Joint resolution (H. J. Res. 69) creating in the Department of Justice a Bureau of Alien Deportation; to the Committee on Immigration and Naturalization.

By Mr. WILCOX: Joint resolution (H. J. Res. 70) designating the United States naval base at Key West, Fla., as a winter base for submarines of the United States Navy; to the Committee on Naval Affairs.

By Mr. DICKSTEIN: Joint resolution (H. J. Res. 71) to provide for the return to the Philippine Islands of unemployed Filipinos resident in the continental United States or the Territories thereof, to authorize appropriations to accomplish that result, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. DINGELL: Joint resolution (H. J. Res. 72) directing the President of the United States to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New Jersey, supporting payment of adjusted-service certificates; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York: A bill (H. R. 3485) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claim of Squaw Island Freight Terminal Co., Inc., of Buffalo, N. Y., against the United States, in respect of loss of property occasioned by the breaking of a Government dike on Squaw Island; to the Committee on Claims.

Also, a bill (H. R. 3486) granting a pension to Margaret Proctor; to the Committee on Pensions.

Also, a bill (H. R. 3487) for the relief of Benjamin J. Crowley; to the Committee on Naval Affairs.

Also, a bill (H. R. 3488) for the relief of Alexander Stanley Lazik; to the Committee on Naval Affairs.

By Mr. ASHBROOK: A bill (H. R. 3489) granting a pension to Francis Sipe; to the Committee on Invalid Pensions.

By Mr. AYERS: A bill (H. R. 3490) for the relief of E. A. Anderson; to the Committee on Claims.

Also, a bill (H. R. 3491) for the relief of the Great Northern Railway Co.; to the Committee on Claims.

By Mr. BACHARACH: A bill (H. R. 3492) granting a pension to Mary A. M. Lafferty; to the Committee on Pensions.

Also, a bill (H. R. 3493) granting a pension to Jennie R. Scull; to the Committee on Pensions.

Also, a bill (H. R. 3494) granting an increase of pension to Sarah Ayres; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3495) granting a pension to Della Dabbs; to the Committee on Pensions.

Also, a bill (H. R. 3496) granting an increase of pension to Mary J. Goodwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3497) granting an increase of pension to Jennie Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3498) granting an increase of pension to Amanda L. Dare; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3499) granting an increase of pension to Rachel P. Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3500) granting an increase of pension to Ellen McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3501) granting an increase of pension to Mary A. Brokaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3502) granting an increase of pension to Cora C. Cheever; to the Committee on Pensions.

Also, a bill (H. R. 3503) granting an increase of pension to Leonie E. Fisher; to the Committee on Pensions.

By Mr. BOEHNE: A bill (H. R. 3504) granting a pension to Ethel K. Massie; to the Committee on Pensions.

Also, a bill (H. R. 3505) for the relief of Louis Bender; to the Committee on Claims.

By Mr. BOYLAN: A bill (H. R. 3506) for the relief of George Raptis; to the Committee on Claims.

Also, a bill (H. R. 3507) for the relief of Frederick Harris; to the Committee on Naval Affairs.

By Mr. BUCKLER of Minnesota: A bill (H. R. 3508) to restore certain lands to the Red Lake Indian Reservation, State of Minnesota; to the Committee on the Public Lands.

By Mr. CANNON of Wisconsin: A bill (H. R. 3509) for the relief of the legal guardian of Nick Vasilzevic; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 3510) for the relief of Forrest Mobley; to the Committee on Naval Affairs.

By Mr. COCHRAN: A bill (H. R. 3511) for the relief of Harry Masterson; to the Committee on Claims.

By Mr. DEEN: A bill (H. R. 3512) for the relief of H. B. Arnold; to the Committee on Claims.

By Mr. DIMOND: A bill (H. R. 3513) for the relief of Archie P. McLane and Hans Peter Jensen; to the Committee on Claims.

By Mr. DOBBINS: A bill (H. R. 3514) granting a pension to Mary J. Phelps; to the Committee on Invalid Pensions.

By Mr. DUNCAN: A bill (H. R. 3515) for the relief of Minnie D. Hines; to the Committee on Claims.

Also, a bill (H. R. 3516) granting a pension to Sarah C. Burnett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3517) granting a pension to Edna A. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3518) granting a pension to Mary C. McKarin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3519) granting a pension to Frankie E. Ligon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3520) granting a pension to Jane Salmons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3521) granting a pension to John H. Kunkel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3522) granting a pension to Daniel F. Glenn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3523) granting a pension to Bertha E. Haroff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3524) granting a pension to Elizabeth Hindman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3525) granting a pension to Ida Adamson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3526) granting a pension to Jane S. Murphy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3527) granting a pension to Mary C. Wilkerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3528) granting a pension to Edna A. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3529) granting a pension to Mariah E. Groom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3530) granting a pension to Mary F. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3531) granting a pension to Louisa Wainscott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3532) granting a pension to Levina E. Starks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3533) for the relief of Joseph J. McMahon; to the Committee on Military Affairs.

Also, a bill (H. R. 3534) granting a pension to Mary E. Brewer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3535) granting an increase of pension to Eliza Mulvania; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3536) granting an increase of pension to Nancy A. Smalley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3537) granting an increase of pension to Margaret L. Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3538) granting an increase of pension to Sarah A. Cunningham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3539) granting an increase of pension to Mary E. Redman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3540) granting an increase of pension to Anna Mapel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3541) granting an increase of pension to Nannie Blades; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3542) granting an increase of pension to Maria Berghoff; to the Committee on Invalid Pensions.

By Mr. EICHER: A bill (H. R. 3543) granting a pension to Sarah A. Bond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3544) granting a pension to Delia Louck; to the Committee on Invalid Pensions.

By Mr. ENGLEBRIGHT: A bill (H. R. 3545) for the relief of W. J. Conley; to the Committee on Claims.

By Mr. FADDIS: A bill (H. R. 3546) for the relief of Sarah Elizabeth Ballentyne; to the Committee on Claims.

By Mr. FULMER: A bill (H. R. 3547) for the relief of Thomas Lee Mitchum; to the Committee on Military Affairs.

By Mr. GAMBRILL: A bill (H. R. 3548) granting a pension to Elise Dammeyer; to the Committee on Pensions.

By Mr. HAINES: A bill (H. R. 3549) granting a pension to Elizabeth A. C. Bigham; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 3550) to extend the benefits of the United States Employees' Compensation Act to Victor C. McKenzie; to the Committee on Claims.

By Mr. HOLLISTER: A bill (H. R. 3551) for the relief of the owner of the steamboat *Kanawha;* to the Committee on Claims.

By Mr. HOPE: A bill (H. R. 3552) for the relief of P. C. Trump; to the Committee on Claims.

Also, a bill (H. R. 3553) granting a pension to Elmer W. Haas; to the Committee on Pensions.

By Mr. HOUSTON: A bill (H. R. 3554) for the relief of Amos F. Westerfield; to the Committee on Military Affairs.

Also, a bill (H. R. 3555) for the relief of John I. Saunders; to the Committee on Claims.

By Mr. KENNEDY of Maryland: A bill (H. R. 3556) for the relief of Sophie Carter; to the Committee on Claims.

Also, a bill (H. R. 3557) for the relief of Helena C. VonGroning and Stephan VonGroning; to the Committee on Claims.

Also, a bill (H. R. 3558) for the relief of Capt. Walter S. Bramble; to the Committee on Military Affairs.

Also, a bill (H. R. 3559) for the relief of John L. Alcock; to the Committee on Claims.

Also, a bill (H. R. 3560) for the relief of Joseph Chapman, husband, and J. Henry Chapman and Roberta L. Chapman, children of Annie Chapman; to the Committee on Claims.

Also, a bill (H. R. 3561) for the relief of Fred M. Cramer; to the Committee on War Claims.

Also, a bill (H. R. 3562) for the relief of Mary A. Cox; to the Committee on Claims.

Also, a bill (H. R. 3563) for the relief of Alice May Rochow; to the Committee on Claims.

Also, a bill (H. R. 3564) for the relief of John H. Gattis; to the Committee on Claims.

By Mr. KING: A bill (H. R. 3565) to authorize the Secretary of War to effect exchange of certain right-of-ways in Hawaii; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 3566) providing compensation to M. J. Harbinson for injuries sustained while in the Government service at and on the Belknap Reservation, Mont., engaged as a moundsman; to the Committee on Claims.

By Mr. LESINSKI: A bill (H. R. 3567) to authorize a preliminary examination and survey of Detroit River, Mich.; to the Committee on Rivers and Harbors.

By Mr. McSWAIN: A bill (H. R. 3568) granting a pension to Bertha Falk Garrett; to the Committee on Pensions.

Also, a bill (H. R. 3569) authorizing the President to present the Distinguished Flying Cross to Air Marshal Italo Balbo and Gen. Aldo Pellegrini, of the Royal Italian Air Force; to the Committee on Military Affairs.

By Mr. MAAS: A bill (H. R. 3570) for the relief of May Dorwin; to the Committee on Claims.

Also, a bill (H. R. 3571) for the relief of James Darcy, alias James Hurley; to the Committee on Military Affairs.

Also, a bill (H. R. 3572) for the relief of Enza A. Zeller; to the Committee on Claims.

Also, a bill (H. R. 3573) for the relief of Jens H. Larsen; to the Committee on Claims.

Also, a bill (H. R. 3574) for the relief of Nellie T. Francis; to the Committee on Claims.

Also, a bill (H. R. 3575) for the relief of Mrs. Lawrence Chlebeck; to the Committee on Claims.

By Mr. MARCANTONIO: A bill (H. R. 3576) for the relief of Joseph Ricco; to the Committee on Claims.

By Mr. O'BRIEN: A bill (H. R. 3577) granting an increase of pension to Lee A. Scalf; to the Committee on Pensions.

By Mr. PARKS: A bill (H. R. 3578) for the relief of R. K. Garfield; to the Committee on Claims.

Also, a bill (H. R. 3579) for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.; to the Committee on Claims.

By Mr. POWERS: A bill (H. R. 3580) granting a pension to Rebekah E. R. Ramsey; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 3581) granting a pension to Joke Campbell; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 3582) granting a pension to Margaret Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3583) granting a pension to Lester C. Gay; to the Committee on Pensions.

Also, a bill (H. R. 3584) granting a pension to Joshua S. Mullins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3585) granting a pension to Nannie M. Brock; to the Committee on Pensions.

Also, a bill (H. R. 3586) granting a pension to Frances Brummette; to the Committee on Pensions.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 3587) for the relief of George E. Hibert; to the Committee on Pensions.

By Mr. SAUTHOFF: A bill (H. R. 3588) granting a pension to Emma Hartson; to the Committee on Pensions.

By Mr. SCHULTE: A bill (H. R. 3589) for the relief of John Magdun; to the Committee on Claims.

By Mr. STACK: A bill (H. R. 3590) for the relief of Mary Robinson; to the Committee on Claims.

Also, a bill (H. R. 3591) for the relief of Emma L. Albrecht; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 3592) for the relief of Florida O. McLain, widow of Calvin E. McLain, who died from injuries received by being struck by a Government Civilian Conservation Corps truck in the city of Knoxville, Tenn., on August 23, 1934; to the Committee on Claims.

By Mr. THOMASON: A bill (H. R. 3593) for the relief of Norris K. Oliver; to the Committee on Claims.

Also, a bill (H. R. 3594) for the relief of Matthew J. Isaac; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 3595) for the relief of Edward S. Ryan; to the Committee on Military Affairs.

Also, a bill (H. R. 3596) for the relief of William H. Ames; to the Committee on Claims.

Also, a bill (H. R. 3597) for the relief of Kendrick Welles Diller; to the Committee on Claims.

Also, a bill (H. R. 3598) for the relief of Evangelos Karacostas; to the Committee on Claims.

Also, a bill (H. R. 3599) for the relief of Annie M. Ayer; to the Committee on Claims.

Also, a bill (H. R. 3600) for the relief of Stephen J. Crotty; to the Committee on Military Affairs.

Also, a bill (H. R. 3601) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Mary A. McCourt; to the Committee on Claims.

Also, a bill (H. R. 3602) authorizing the Secretary of the Navy to advance on the retired list of the Navy, David J. Mahoney, retired, to chief boilermaker, retired; to the Committee on Naval Affairs.

Also, a bill (H. R. 3603) granting a pension to Addie E. Kittredge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3604) to place William H. Clinton on the retired list of the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 3605) granting a pension to Emma E. Durgin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3606) granting a pension to Agnes M. Jackman; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 3607) granting an increase of pension to Fred Faulkner; to the Committee on Pensions.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

71. By Mr. BEAM: Resolution of the City Council of Chicago, Ill., regarding applications filed with the Home Owners' Loan Corporation on which action has not been taken; to the Committee on Banking and Currency.

72. By Mr. BLAND: Petition of 33 citizens of Northumberland County, Va., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Labor.

73. By Mr. BOEHNE: Petition of E. H. Fisher, New Middletown, Ind., and others who favor legislation for the Townsend plan of old-age pensions; to the Committee on Pensions.

74. Also, petition of T. W. Records, New Harmony, Ind., and others who favor legislation for the Townsend plan of old-age pensions; to the Committee on Pensions.

75. By Mr. COLDEN: Petition signed by residents of the Seventeenth California District and C. L. Kelton, Torrance, and 9 others; Leslie A. Dix, Los Angeles, and 19 others; Frieda Appel Thomason, president Townsend Club, No. 47, Los Angeles, and 10 others; Carrie M. Benley, Los Angeles, and 9 others; Henry Huffman, Gardena, and 9 others; Minnie J. Broom, Gardena; Lydia Vane, Los Angeles, and 9 others; William C. Ralston, Wilmington, and 29 others, aggregating 102 names, advocating the passage of a bill providing for the Townsend plan of old-age revolving pensions; also the passage of a bill creating a Nation-wide Federal retail sales tax to provide the revenue necessary to meet the requirements of said old-age revolving pension plan; to the Committee on Labor.

76. By Mr. PFEIFER: Petition of the Chamber of Commerce of the State of New York, New York City, favoring maintenance of American merchant marine; to the Committee on Merchant Marine, Radio, and Fisheries.

77. Also, petition of the Chamber of Commerce of the State of New York, New York City, favoring continuance of the Federal Reserve System; to the Committee on Banking and Currency.

78. Also, petition of the Chamber of Commerce of the State of New York, New York City, favoring legislation making mandatory the deportation of alien criminals; to the Committee on Immigration and Naturalization.

79. Also, petition of the Chamber of Commerce of the State of New York, New York City, concerning financial essentials of recovery; to the Committee on Banking and Currency.

80. Also, petition of Brotherhood of Painters, Decorators, and Paperhangers of America, favoring the passage of the workers unemployment and social insurance bill; to the Committee on Labor.

81. Also, petition of the National Die Casting Workers League, Inc., Brooklyn, N. Y., urging support of the workers' unemployment and social insurance bill; to the Committee on Labor.

82. Also, petition of the American Institute of Mining and Metallurgical Engineers, New York, favoring proper maintenance and development of the mineral industries; to the Committee on Mines and Mining.

83. By Mr. KENNEY: Concurrent resolution of the Senate of the State of New Jersey, memorializing the Federal Government for the immediate cash payment at face value of adjusted-service certificates; to the Committee on Ways and Means.

84. By Mr. LAMNECK: Petition of E. Bruce Jacobs and other citizens of Columbus, Ohio, urging that adequate appropriation be made to continue the Nye munitions investigation; to the Committee on Appropriations.

85. By Mr. RUDD: Petition of United Polish Societies of Jamaica, 108–11 Sutphin Boulevard, Jamaica, Long Island, N. Y., favoring the continuation of the Home Owners' Loan Corporation and additional appropriation for same; to the Committee on Banking and Currency.

# SENATE

## THURSDAY, JANUARY 10, 1935

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Father of infinite power and love, Creator of the world and tender Shepherd of the souls of men: Sanctify each day to us that throughout our brief sojourn on earth we may concentrate our little strength on life and love and duty as we find them here. Speak to us, Lord, as we wait in the hush of Thy presence, that the voice of Thy stillness may persuade us to repentance for the past, to holiness in the present, and to faith in the future of Thy revealing love. We ask it in the name of Him who is Thy Word made flesh, Jesus Christ our Lord. Amen.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day, Monday, January 7, 1935, when, on request of Mr. ROBINSON, and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Caraway | Gore | Maloney |
| Ashurst | Clark | Guffey | Minton |
| Austin | Connally | Hale | Moore |
| Bachman | Coolidge | Harrison | Murphy |
| Bankhead | Copeland | Hatch | Murray |
| Barkley | Costigan | Hayden | Neely |
| Bilbo | Couzens | Johnson | Norris |
| Bone | Cutting | Keyes | Nye |
| Borah | Davis | King | O'Mahoney |
| Brown | Dickinson | Lewis | Pittman |
| Bulkley | Dieterich | Logan | Pope |
| Bulow | Donahey | Lonergan | Radcliffe |
| Burke | Duffy | Long | Reynolds |
| Byrd | Fletcher | McCarran | Robinson |
| Byrnes | Frazier | McGill | Russell |
| Capper | Gerry | McNary | Schall |
| Schwellenbach | Thomas, Utah | Vandenberg | Walsh |
| Sheppard | Trammell | Van Nuys | Wheeler |
| Steiwer | Truman | Wagner | White |
| Thomas, Okla. | | | |

Mr. AUSTIN. I wish to announce the necessary absence of the Senator from New Jersey [Mr. BARBOUR], and I desire that the announcement stand for the day.

I also desire to announce that my colleague [Mr. GIBSON] is necessarily absent in the Philippine Islands on the business of the Senate.

I desire further to announce the unavoidable absence of the Senator from South Dakota [Mr. NORBECK] and the junior Senator from Delaware [Mr. TOWNSEND].

The Senator from Wyoming [Mr. CAREY] is necessarily absent on account of a death in his family.

I wish also to announce that the Senator from Minnesota [Mr. SHIPSTEAD] is unavoidably absent, as are the senior Senator from Delaware [Mr. HASTINGS] and the Senator from Rhode Island [Mr. METCALF].

Mr. LEWIS. I beg to announce the absence of the Senator from North Carolina [Mr. BAILEY], who is necessarily detained on official business.

I also announce the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] on an official errand in the Philippine Islands.

At this time I also announce the absence of the Senator from Louisiana [Mr. OVERTON] and the Senator from Alabama [Mr. BLACK], occasioned by illness.

I desire further to announce that the Senator from Georgia [Mr. GEORGE] is unavoidably detained from the Senate, and that the Senator from South Carolina [Mr. SMITH] is absent because of illness in his family.

Mr. DUFFY. I wish to announce that my colleague [Mr. LA FOLLETTE] is necessarily detained by reason of illness in his family.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

### REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Naval Affairs, as follows:

*To the Congress of the United States:*

Pursuant to the act of March 3, 1915, which established the National Advisory Committee for Aeronautics, I submit herewith the annual report of that Committee for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 10, 1935.*

(NOTE: Report accompanied similar message to the House of Representatives.)

### REPORT OF COUNCIL OF NATIONAL DEFENSE

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Military Affairs:

*To the Congress of the United States:*

In compliance with paragraph 5, section 2, of the Army Appropriation Act, approved August 29, 1916, I transmit herewith the Eighteenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 10, 1935.*

### REPORT OF COMMISSION ON THE ERECTION OF MEMORIALS, ETC., IN ARLINGTON MEMORIAL AMPHITHEATER

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Military Affairs, as follows:

*To the Congress of the United States:*

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the Annual Re-

port of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 10, 1935.*

REPORT OF SURGEON GENERAL OF PUBLIC HEALTH SERVICE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, transmitting, pursuant to law, the report of the Surgeon General of the Public Health Service for the fiscal year ended June 30, 1934, which, with the accompanying report, was referred to the Committee on Finance.

SPECIAL RAILWAY MAIL TRANSPORTATION CONTRACTS

The VICE PRESIDENT laid before the Senate a letter from the Postmaster General, reporting, pursuant to law, relative to special contracts made with railroad companies for the transportation of the mails, which was referred to the Committee on Post Offices and Post Roads, as follows:

Hudson & Manhattan Railroad Co., between Hudson Terminal Station, New York, N. Y., and Journal Square, Jersey City, N. J.;

Rio Grande Southern Railroad Co., Victor A. Miller, receiver, between Ridgway and Durango, Colo.;

Colorado & Southern Railway Co., between Denver and Leadville, Colo.;

Denver & Rio Grande Western Railroad Co., between Thistle and Marysvale, Utah;

Copper River & Northwestern Railway Co., between Cordova and Kennecott, Alaska;

The Alaska Railroad, between Seward and Fairbanks, Alaska; and

Pacific & Arctic Railway and Navigation Co., between Skagway and White Pass, Alaska.

INDIAN IRRIGATION PROJECTS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a report showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year June 30, 1934, which, with the accompanying report, was referred to the Committee on Indian Affairs.

REPORTS OF DEPARTMENT OF AGRICULTURE

The VICE PRESIDENT laid before the Senate a letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, the following reports, which were referred as indicated:

A report on Federal-aid road work for the fiscal year ending June 30, 1934; and

A report concerning appropriations for national forest roads and trails for the fiscal year ended June 30, 1934; to the Committee on Post Offices and Post Roads.

A report showing the proceeds from the sale of waste paper during the fiscal year ended June 30, 1934; to the Committee on Appropriations.

CLAIM OF DR. GEORGE W. RITCHEY

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of Dr. George W. Ritchey against the United States, which, with the accompanying report, was referred to the Committee on Claims.

DELINQUENT ACCOUNTS OF FEDERAL OFFICERS

The VICE PRESIDENT laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, a report showing officers—and one administrative office—of the Government who were delinquent in rendering or transmitting their accounts to the proper offices in Washington during the fiscal year ended June 30, 1934, and whether the delinquency was waived, together with a list of officers who, upon final settlement of their accounts, were found to be indebted to the Government and had failed to pay the same into the Treasury of the United States, which, with the accompanying report, was referred to the Committee on Claims.

ANNUAL REPORT OF SECRETARY OF THE SENATE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Senate, transmitting, pursuant to law, a statement of the receipts and expenditures of the Senate for the fiscal year ended June 30, 1934, which, with the accompanying statement, was ordered to lie on the table and to be printed.

REPORTS OF LIBRARIAN OF CONGRESS AND REGISTER OF COPYRIGHTS

The VICE PRESIDENT laid before the Senate a letter from the Librarian of Congress, transmitting, pursuant to law, his annual report, together with the report of the register of copyrights, for the fiscal year ended June 30, 1934, which, with the accompanying reports, was referred to the Committee on the Library.

TRAVEL EXPENSES, BOTANIC GARDEN

The VICE PRESIDENT laid before the Senate a letter from the Acting Director of the United States Botanic Garden, reporting, pursuant to law, relative to travel expenses in connection with official business of the Botanic Garden during the fiscal year ended June 30, 1934, which was referred to the Committee on the Library.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Senate of the State of New Jersey, which was referred to the Committee on Finance.

THE ONE HUNDRED AND FIFTY-NINTH LEGISLATURE
OF THE STATE OF NEW JERSEY,
SENATE OF NEW JERSEY,
*Statehouse, Trenton, N. J.*

SENATE CONCURRENT RESOLUTION

Introduced and adopted by the senate, December 17, 1934, and concurred in by the house of assembly, December 17, 1934

A concurrent resolution memorializing the Federal Government for the immediate cash payment at face value of adjusted-service certificates

Whereas the immediate cash payment of adjusted-service certificates issued by the United States Government to veterans of the World War will increase tremendously the purchasing power of millions of the consuming public, distributed uniformly throughout the Nation; and will provide relief for those holders thereof who are in dire need and distress because of the present unfortunate economic conditions; and will lighten immeasurably the burden which cities, counties, and States are now required to carry for relief; and

Whereas the payment of said certificates will not create any additional debt, but would discharge and retire an acknowledged contract obligation of the Government: Now, therefore, be it

*Resolved by the Senate of the State of New Jersey (the house of assembly concurring)*, That since the Government of the United States is now definitely committed to the policy of spending additional suns of money for the purpose of hastening recovery in the present economic crisis, the Legislature of the State of New Jersey recommend the immediate cash payment at face value of said adjusted-service certificates; and be it further

*Resolved*, That copies of this resolution, duly certified, be forwarded to the President of the United States, to the Secretary of the Senate of the United States, to the Clerk of the House of Representatives of the United States, and to the United States Senators and Congressmen who will represent the State of New Jersey in the next Congress.

I hereby certify that the above resolution is a true and official copy of the resolution adopted by the senate on December 17, 1934, and concurred in by the house of assembly on December 17, 1934.

CHARLES F. VAN CAMP,
*Secretary of the Senate.*

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Common Council of Milwaukee, Wis., favoring the early acquisition of the properties of the two major telegraph companies by the Government and their operation on the basis of service at cost by the Post Office Department, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a resolution adopted by the Council of the City of Portland, Oreg., favoring the enactment of legislation providing for the construction and maintenance of transmission lines and distribution systems by the Government within the Bonneville Dam project, which was referred to the Committee on Commerce.

He also laid before the Senate resolutions adopted at Chicago, Ill., by the National Association of Marketing Teachers, favoring the publication of the census of American business and for a census of trades and services every 2 years, which were referred to the Committee on Commerce.

Mr. ROBINSON (for Mr. TYDINGS) presented a petition of Carroll County Branch of the Women's International League for Peace and Freedom, of Westminster, Md., praying for a continuance of the investigation of munitions makers, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also (for Mr. TYDINGS) presented a resolution adopted by the Maryland Bar Association, favoring the prompt ratification of the World Court protocols, which was ordered to lie on the table.

Mr. FLETCHER presented petitions of sundry citizens of the State of Florida, praying for the building by the Government of a cross-State canal in Florida to relieve unemployment, which were referred to the Committee on Commerce.

Mrs. CARAWAY presented a petition of sundry citizens of the State of Arkansas, praying for the enactment of legislation providing old-age pensions, which was referred to the Committee on Pensions.

Mr. CAPPER presented a resolution adopted by the Chamber of Commerce of Parsons, Kans., favoring the enactment of legislation granting the Interstate Commerce Commission power to regulate rates for all common carriers, and also legislation to permit transcontinental railroads to compete more freely with water-borne traffic through the Panama Canal, which was referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a petition from the legislative committee of the Order of Railway Conductors, Department of Kansas, praying for the enactment of legislation limiting the car length of trains, providing for the repeal of the long-and-short-haul clause of the Interstate Commerce Act, the supervision by the Government of bus and truck transportation, and the strengthening of the Railroad Retirement Act, which was referred to the Committee on Interstate Commerce.

Mr. COPELAND presented a resolution adopted at a meeting of the board of directors of the American Institute of Mining and Metallurgical Engineers, New York City, N. Y., favoring the granting of adequate support to the Bureau of Mines and the Geological Survey for the performance of their functions of promoting safety and efficiency and conserving and developing natural resources, etc., which was referred to the Committee on Mines and Mining.

He also presented a resolution of the Medical Society of the District of Columbia, expressing the attitude of that society toward the medical care of indigents in the District of Columbia, which was referred to the Committee on the District of Columbia.

Mr. WAGNER. I ask permission to have printed in the RECORD and appropriately referred a number of resolutions received from various highly esteemed organizations of my State.

There being no objection, the resolutions were ordered to be printed in the RECORD and referred as indicated below:

To the Committee on Banking and Currency:

WOODSIDE CIVIC ASSOCIATION,
*Woodside, Long Island, January 7, 1935.*

HON. ROBERT F. WAGNER,
*United States Senator, Washington, D. C.*

HONORABLE SIR:

Whereas there exists, and has existed, in the county of Queens for the past several years a very serious condition among the home owners of this county, caused by the financial distress and the lack of new mortgage financing; and

Whereas the Home Owners' Loan Corporation was established for the purpose of affording assistance to the distressed home owners; and

Whereas we deem it of vital importance to the security of our social standing and the financial stability of our country that the home owners be protected against loss of their homes; and

Whereas more than 23,000 applications have been filed in the county of Queens for refinancing by the Home Owners' Loan Corporation; and

Whereas it is a fact that approximately 8,000 applicants have not been able to receive the benefit of refinancing by the Home Owners' Loan Corporation because of a shortage of appropriations; and

Whereas these 8,000 home owners have no other available source of relief and are in immediate danger of losing their homes, causing irreparable damage to the families affected and to the community at large; and

Whereas it appears unfair that out of 23,000 applications, of which 15,000 have received the benefit of refinancing, to neglect those 8,000 applicants without any prior warning:

Therefore, we, the following members of the Woodside Civic Association, of Queens County, city and State of New York, in the interest of these 8,000 home owners respectfully petition the above Members of Congress to put forth and enact such legislation at the coming session of Congress which take care of as many of these distressed cases as are worthy of consideration.

Yours very truly,

WOODSIDE CIVIC ASSOCIATION,
WM. A. KUELLIN, *President.*
ELLEN T. BOWES, *Secretary.*

To the Committee on Foreign Relations:

Whereas the National Revolutionary Party, in defiance of democratic procedure and by military force, is now in complete control of the executive, legislative, and judicial branches of the Government of Mexico and has used and is using its power to enforce a totalitarian despotism upon a helpless people and, under the guise of constitutional government, to violate the natural rights of man, proscribe freedom of worship and personal liberty; and

Whereas Gen. Plutarco Elias Calles, the acknowledged leader of the National Revolutionary Party, and his associates have been for several years and are now responsible for the murder, robbery, imprisonment, or exile of priests, religious and thousands of innocent men, women, and children, and also for the closing, desecration, and seizure of churches, schools, seminaries, and private property; and

Whereas the Mexican Government as now controlled is substituting atheism and communism for Christianity and slavery for freedom; and

Whereas millions of citizens of the United States sympathize with the betrayed, oppressed, and suffering people of Mexico and wish to show their sympathy and to attract the fair-minded attention of their fellow citizens to the atrocities committed by a godless minority: Therefore be it

*Resolved*, by the members of Council No. 794, Knights of Columbus, Lindenhurst, Long Island, at regular meeting assembled:

1. That we fervently pray that the reign of terror in Mexico shall cease.

2. That we do everything in our power, by word and by act, to make the facts of such oppression and persecution known to the people of the United States.

3. That we protest against the crimes of this anti-Christian tyranny and also against any intervention by the Government of the United States or its representatives in support of the National Revolutionary Party of Mexico.

4. That we refrain from trade relations which are profitable to the supporters of the National Revolutionary Party and urge tourists not to visit Mexico.

5. That copies of this resolution be sent to the President of the United States, the Secretary of State, the Secretary of the Treasury, the United States Senators from New York, and our Congressmen.

FRANK K. FREVELE,
*Grand Knight.*
W. J. ALLAN, *Recorder.*

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Whereas the National Revolutionary Party, in defiance of democratic procedure and by military force, is now in complete control of the executive, legislative, and judicial branches of the Government of Mexico, and has used and is using its power to enforce a totalitarian despotism upon a helpless people, and, under the guise of constitutional government, to violate the natural rights of man, proscribe freedom of worship and personal liberty; and

Whereas Gen. Plutarco Elias Calles, the acknowledged leader of the National Revolutionary Party, and his associates, have been for several years and are now responsible for the murder, robbery, imprisonment, or exile of priests, religious, and thousands of innocent men, women, and children, and also for the closing, desecration, and seizure of churches, schools, seminaries, and private property; and

Whereas the Mexican Government, as now controlled, is substituting atheism and communism for Christianity, and slavery for freedom; and

Whereas millions of citizens of the United States sympathize with the betrayed, oppressed, and suffering people of Mexico, and wish to show their sympathy, and to attract the fair-minded attention of their fellow citizens to the atrocities committed by a godless minority: Therefore be it

*Resolved*, by the members of Endicott (N. Y.) Council, No. 1839, Knights of Columbus, at regular meeting assembled—

1. That we fervently pray that the reign of terror in Mexico shall cease.

2. That we do everything in our power, by word and by act, to make the facts of such oppression and persecution known to the people of the United States.

3. That we protest against the crimes of this anti-Christian tyranny, and also against any intervention by the Government of

the United States or its representatives in support of the National Revolutionary Party of Mexico.

4. That we refrain from trade relations which are profitable to the supporters of the National Revolutionary Party and urge tourists not to visit Mexico.

5. That copies of this resolution be sent to the President of the United States, the Secretary of State, the Secretary of the Treasury, the United States Senators from New York and our Congressmen.

Dated December 31, 1934.

L. S. OSBORN, *Grand Knight.*
EUGENE J. EHLICH, *Recorder.*

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Whereas the National Revolutionary Party, in defiance of democratic procedure and by military force, is now in complete control of the executive, legislative, and judicial branches of the Government of Mexico, and has used, and is using, its power to enforce a totalitarian despotism upon a helpless people, and under the guise of constitutional government to violate the natural rights of men, proscribe freedom of worship and personal liberty; and

Whereas Gen. Plutarco Elias Calles, the acknowledged leader of the National Revolutionary Party, and his associates have been for several years, and are now, responsible for the murder, robbery, imprisonment or exile of priests, religious, and thousands of innocent men, women, and children, and also for the closing, desecration, and seizure of churches, schools, seminaries, and private property; and

Whereas the Mexican Government, as now controlled, is substituting atheism and communism for Christianity, and slavery for freedom; and

Whereas millions of citizens of the United States sympathize with the betrayed, oppressed, and suffering people of Mexico and wish to show their sympathy and to attract the fair-minded attention of their fellow citizens to the atrocities committed by a godless minority: Therefore, be it

*Resolved*, by the members of Thomas Dongan Council, No. 1251, Knights of Columbus, at regular meeting assembled:

1. That we fervently pray that the reign of terror in Mexico shall cease.

2. That we do everything in our power, by word and by act, to make the facts of such oppression and persecution known to all the people of the United States.

3. That we protest against the crimes of this anti-Christian tyranny and also against the intervention by the Government of the United States or its representatives in support of the National Revolutionary Party in Mexico.

4. That we refrain from trade relations which are profitable to the supporters of the National Revolutionary Party and urge tourists not to visit Mexico.

5. That copies of this resolution be sent to the President of the United States, the Secretary of State, the Secretary of the Treasury, the United States Senators from the State of New York, and to our Congressmen.

Dated December 27, 1934.

E. L. KEMZINGER,
*Grand Knight.*
EDWARD J. SHLUCTER, JR.,
*Recorder.*

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Whereas the National Revolutionary Party, in defiance of democratic procedure and by military force, is now in complete control of the executive, legislative, and judicial branches of the Government of Mexico, and has used and is using its power to enforce a totalitarian despotism upon a helpless people, and, under the guise of constitutional government, to violate the natural rights of man, proscribe freedom of worship and personal liberty, and

Whereas General Plutarco Elias Calles, the acknowledged leader of the National Revolutionary Party, and his associates, have been for several years and are now responsible for the murder, robbery, imprisonment, or exile of priests, religious, and thousands of innocent men, women, and children, and also for the closing, desecration, and seizure of churches, schools, seminaries, and private property, and

Whereas the Mexican Government, as now controlled, is substituting atheism and communism for Christianity, and slavery for freedom, and

Whereas, millions of citizens of the United States sympathize with the betrayed, oppressed, and suffering people of Mexico, and wish to show their sympathy, and to attract the fair-minded attention of their fellow citizens to the atrocities committed by a godless minority: Therefore be it

*Resolved*, by the members of St. Anne's Council, No. 2429, Knights of Columbus, at regular meeting assembled:

1. That we fervently pray that the reign of terror in Mexico shall cease.

2. That we do everything in our power, by word and by act, to make the facts of such oppression and persecution known to the people of the United States.

3. That we protest against the crimes of this anti-Christian tyranny and also against any intervention by the Government of the United States or its representatives in support of the National Revolutionary Party of Mexico.

4. That we refrain from trade relations which are profitable to the supporters of the National Revolutionary Party and urge tourists not to visit Mexico.

5. That copies of this resolution be sent to the President of the United States, the Secretary of State, the Secretary of the Treasury, the United States Senators from New York, and our Congressmen.

Dated January 10, 1935.

JOSEPH HOHAHAN,
*Grand Knight.*
FRANK MCKNIGHT,
*Recorder.*

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Whereas the National Revolutionary Party, in defiance of democratic procedure and by military force, is now in complete control of the executive, legislative, and judicial branches of the Government of Mexico, and has used, and is using, its power to enforce a totalitarian despotism upon a helpless people, and under the guise of constitutional government to violate the natural rights of man, proscribe freedom of worship and personal liberty; and

Whereas Gen. Plutarco Elias Calles, the acknowledged leader of the National Revolutionary Party, and his associates, have been for several years and are responsible now for the murder, robbery, imprisonment, or exile of priests, religious, and thousands of innocent men, women, and children, and also for the closing, desecration, and seizure of churches, schools, seminaries, and private property; and

Whereas the Mexican Government, as now controlled, is substituting atheism and communism for Christianity, and slavery for freedom; and

Whereas millions of citizens of the United States sympathize with the betrayed, oppressed, and suffering people of Mexico, and wish to show their sympathy, and to attract the fair-minded attention of their fellow citizens to the atrocities committed by a godless minority: Therefore be it

*Resolved*, By the members of Colon Council, No. 309, Knights of Columbus, at regular meeting assembled:

1. That we fervently pray that the reign of terror in Mexico shall cease.

2. That we do everything in our power, by word and by act, to make the facts of such oppression and persecution known to the people of the United States.

3. That we protest against the crimes of this anti-Christian tyranny and also against any intervention by the Government of the United States or its representatives in support of the National Revolutionary Party of Mexico.

4. That we refrain from trade relations which are profitable to the supporters of the National Revolutionary Party and urge tourists not to visit Mexico.

5. That copies of this resolution be sent to the President of the United States, the Secretary of State, the Secretary of the Treasury, the United States Senators from New York, and our Queens County Congressmen.

Dated January 3, 1935.

Frank O'Meara, grand knight; Herbert Moore, recorder; Rev. Mathew P. Kelly, chairman; Hon. George J. Ryan; Hon. Thomas C. Kadien; Pierce H. Power; Edward M. Galligan, D. D.; John J. DeLuca; Farrell Duffy, committee.

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ST. SAVIOR'S ROMAN CATHOLIC CHURCH,
SIXTH STREET AND EIGHTH AVENUE,
*Brooklyn, N. Y., December 10, 1934.*

Hon. PLUTARCO ELIAS CALLES,
*President of Mexico, Mexico City, Mexico.*

DEAR SIR:

*Resolved*, That the Holy Name Society of St. Savior's Roman Catholic Church files protest with you against the activity of your Government in suppression of the rights of man, and specifically the right to worship as one's conscience dictates and to receive the benefits of a free religious education.

Whereas your Government has denied the people of your country liberty of religious worship, of education, of speech, and of the press, and we protest with our whole heart and soul against this anti-Christian tyranny. The policy of your Government is not anti-Catholic but anti-God, aiming to drive all religion from the country, and by the power of God it will strike back at your people unless the condition is corrected; and

Whereas we wish for Mexico prosperity in its national life, in its economic and social life. We wish it the more honestly when we ask primarily a fidelity to the fundamental rights of liberty of conscience, freedom of religious worship, freedom of education, freedom of the press, and freedom of assembly and petition; be it finally

*Resolved*, That as Christian men, who believe in God and all that is right and just, we present our plea, asking that you please act, that justice be done, common justice for man, which is the security of every man and every nation.

ST. SAVIOR'S ROMAN CATHOLIC CHURCH,
LEO V. DOWNEY, *Chairman.*

(Copies sent to Hon. Franklin Delano Roosevelt; Hon Plutarco Elias Calles, President of Mexico; Hon. Gov. H. H. Lehman; Hon. Senator R. S. Copeland.)

## THE WORLD COURT

Mr. HALE presented several petitions, resolutions, and papers favoring the prompt ratification of the World Court protocols, and asked that they be printed in the RECORD,

There being no objection, the communications were ordered to lie on the table and to be printed in the RECORD, as follows:

CLARK MEMORIAL METHODIST EPISCOPAL CHURCH,
*Portland, Maine., December 10, 1934.*

Senator FREDERICK HALE,
*Washington, D. C.*

DEAR SENATOR HALE: I enclose herewith petitions properly signed relative to the World Court issue. You will note that you are requested to read them in full into the CONGRESSIONAL RECORD during the first week in January.

Sincerely yours,

ERNEST W. ROBINSON.

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RESOLUTION ENDORSING THE THREE PENDING WORLD COURT TREATIES FOR CONSIDERATION BY THE METHODIST EPISCOPAL MINISTERS OF PORTLAND, MAINE, 1934

Whereas the road to peace lies through the development of satisfactory pacific methods of settling international disputes rather than through any hope that in an increasingly complex world misunderstandings will cease to arise; and

Whereas the World Court has in its 12 years of existence successfully settled 47 questions, some of which if left long unsettled would probably have led to war; and

Whereas both major parties have endorsed our adherence to the Court, thus removing the measure from the field of partisan politics; and

Whereas the Senate has approved our adherence under certain conditions, and the Department of State has declared that those conditions are fully met by the three treaties now awaiting the Senate's consent to ratification: Therefore be it

*Resolved*, That the ministers of the Methodist Episcopal Churches in Portland, Maine, declare their agreement with the support of the pending Court treaties by the denomination as a whole, and urge both Maine Senators to use their best efforts to insure early and favorable action upon the Court treaties by the Senate in the 1935 session; and be it further

*Resolved*, That the senior Senator from this State is hereby requested to read this resolution in full into the CONGRESSIONAL RECORD during the first week in January.

Approved by the Methodist Ministers' Association of Portland and vicinity at its regular meeting of December 3, in Portland, Maine, and ordered signed and forwarded.

ELWIN L. WILSON, *Secretary.*

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RESOLUTION ENDORSING THE WORLD COURT TREATIES FOR CONSIDERATION BY THE PORTLAND (MAINE) MINISTERIAL ASSOCIATION

Whereas the United States has been on record before the world since the First Hague Conference in 1899 as advocating the judicial settlement of certain kinds of international disputes; and

Whereas the World Court has been successfully applying the judicial method to disputes between nations for the past 12 years and the Senate 8 years ago voted that the United States should adhere to this Court if certain conditions were met; and

Whereas in the judgment of the Department of State, of the American Bar Association, and of other competent bodies, the Senate's conditions are fully met by the three treaties which the United States signed, under Executive authority, 5 years ago, but which still await the Senate's consent to ratification: Therefore be it

*Resolved*, That the Ministerial Association of Portland, Maine, hereby earnestly requests the Senate to give its consent early in the 1935 session to ratification of the three pending World Court treaties so that the adherence of the United States to the Court may be completed without further and needless delay.

Favorably acted upon by the Ministers' Union of Portland and vicinity at regular meeting, held October 8, 1934.

A. W. WENTWORTH, *Secretary.*

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RESOLUTION ENDORSING THE PENDING WORLD COURT TREATIES FOR CONSIDERATION BY THE CONGREGATIONAL MINISTERS OF PORTLAND, MAINE, 1934

Whereas one of the purposes of the Congregational Christian Churches is to promote just and friendly international relations; and

Whereas the application of the principles of international law to the settlement of disputes between nations is one effective means of strengthening the forces of peace and justice; and

Whereas the World Court has dealt so wisely with the 47 questions it has settled to date that in every instance its decision has been accepted by the nations involved in the dispute although the Court has no enforcing power; and

Whereas the adherence of the United States would increase the Court's prestige and influence and would thus help to lessen the wide-spread fear of war: Therefore be it

*Resolved*, That the Congregational Christian ministers of Portland, Maine, express to the Maine Senators and the members of the Foreign Relations Committee of the Senate their earnest hope that the Senate will give its consent early in the 1935 session to the three Court treaties which, when ratified, will complete the adherence of this country to the Court; and be it further

*Resolved*, That the senior Senator from this State is hereby requested to read this resolution in full into the CONGRESSIONAL RECORD during the first week of the session.

Rev. F. Jefferson Neal, minister of the St. Lawrence Congregational Church; Rev. Rodney W. Roundy, superintendent of the Congregational-Christian Conference of Maine; Rev. Willard H. Palmer, assistant superintendent of the Congregational-Christian Conference of Maine; Rev. Walter K. Miller, minister of the Stevens Avenue Congregational and North Deering Churches; Rev. John C. Schroeder, minister of the State Street Congregational Church; Rev. Morris H. Turk, former minister of the Williston Congregational Church; Rev. John Rossnagel, Jr., minister of the West Congregational Church; Rev. Cornelius E. Clark, minister of the Woodfords Congregational Church.

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RESOLUTION ENDORSING THE THREE PENDING WORLD COURT TREATIES FOR CONSIDERATION BY THE PROTESTANT EPISCOPAL CLERGY IN PORTLAND, MAINE, 1934

Whereas the General Convention of the Protestant Episcopal Church is on record as approving the adherence of the United States to the World Court; and

Whereas both major parties have endorsed the court and the Senate has voted for our adherence if certain conditions are met; and

Whereas in the judgment of the Department of State and other competent bodies the interests of the United States are fully protected and the reservations of the Senate fully met by the three treaties which the United States accordingly signed, under Executive authority, in 1929, and which when ratified will complete our adherence; and

Whereas our entry into the court would tend to increase the dependence of nations throughout the world upon pacific substitutes for war, and thus to help stabilize international relations; Therefore be it

*Resolved*, That the clergy of the Protestant Episcopal Churches in Portland, Maine, hereby urge the Senate of the United States to consent to ratification of the World Court treaties early in the 1935 session.

BENJAMIN BREWSTER,
*Bishop of Maine.*
J. LUTHER GLASIER,
*Dean of St. Luke's Cathedral.*
LLEWELLYN O. DIPLOCK,
*Priest in Charge, St. Alban's, South Portland.*
W. NEVIN ELLIOTT,
*Trinity Church, Portland.*
ROBERT W. PLANT,
*St. Mary's Rectory, Falmouth.*
CHAS. F. ODELL,
*St. Peter's Church.*

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AMERICAN ASSOCIATION OF UNIVERSITY WOMEN,
WATERVILLE CHAPTER,
*Waterville, Maine, December 4, 1934.*

Senator HALE,
*United States Senate, Washington, D. C.*

MY DEAR HONORABLE HALE: A resolution endorsing the three pending World Court treaties was sent to the faculty of Colby College for consideration. The Waterville chapter of the American Association of University Women wished also to endorse these resolutions as a part of their international relations committee program as follows:

Whereas the United States has advocated the judicial settlement of certain types of international disputes since the time of the First Hague Conference in 1899; and

Whereas the World Court has been successfully applying the judicial method to the settlement of international disputes for 12 years; and

Whereas the Senate voted for our adherence to the Court in 1926 if certain conditions were met and the United States signed, under Executive authority, the three pending World Court treaties, because, in the judgment of the Department of State and other competent bodies, they do fully meet the Senate's conditions and will, when ratified, complete our adherence: Therefore be it

*Resolved*, That the Waterville chapter of the American Association of University Women express its earnest hope that the Senate of the United States will give its consent early in the 1935 session to ratification of the three pending World Court treaties so that the United States may complete its adherence to the Court and thus make clear to all the world its support of the settlement of international disputes by judicial process.

The Waterville branch of the American Association of University Women also wishes you support the Court treaties on the floor of the Senate.

Respectfully yours,

BARBARA E. JOHNSON,
*Chairman International Relations Committee,*
*Waterville Branch, A. A. U. W.*

COLBY COLLEGE,
*Waterville, Maine, December 10, 1934.*

Senator FREDERICK HALE,
*Washington, D. C.*

MY DEAR SENATOR HALE: At the regular monthly meeting of the faculty of Colby College, held on Wednesday, November 14, the following resolution endorsing the three pending World Court treaties was presented by Prof. William J. Wilkinson, head of the department of history and political science, and was by unanimous vote, accepted and adopted as expressing the true sentiment of this body:

Whereas the United States has advocated the judicial settlement of certain types of international disputes since the time of the First Hague Conference in 1899; and

Whereas the World Court has been successfully applying the judicial method to the settlement of international disputes for 12 years; and

Whereas the Senate voted for our adherence to the Court in 1926 if certain conditions were met, and the United States signed, under executive authority, the three pending World Court treaties, because, in the judgment of the Department of State and other competent bodies, they do fully meet the Senate's conditions and will, when ratified, complete our adherence: Therefore be it

*Resolved*, That the faculty of Colby College expresses its earnest hope that the Senate of the United States will give its consent early in the 1935 session to ratification of the three pending World Court treaties so that the United States may complete its adherence to the Court and thus make clear to all the world its support of the settlement of international disputes by judicial process.

We respectfully request that you support the Court treaties on the floor of the Senate.

Yours very truly,

FRANKLIN W. JOHNSON.

AGRICULTURAL RELIEF IN WESTERN MINNESOTA

Mr. SCHALL. Mr. President, I ask leave to insert in the RECORD a letter I received late yesterday from one of my constituents in western Minnesota relative to relief for both people and animals and ask that this letter be referred to the Committee on Agriculture. The writer specifically mentions Senators BORAH, LA FOLLETTE, and NORRIS in the hope that they might lend a helping hand, and cites urgent need for aid.

The letter comes from an area in my State that is greatly in need of help, where crops failed entirely, where about the only feed they have for their animals is Russian thistles, and they cost $10 or so a ton. The cost of straw and hay is prohibitive to people on relief. The loss of their animals has lessened chances for the farmers to recover from their plight. The situation is becoming dramatic and calls for immediate action and help.

There being no objection, the letter was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

DAWSON, MINN., *January 5, 1935.*

Senator THOMAS D. SCHALL,
*Washington, D. C.*

DEAR SENATOR: Imperative that Government ship in here at once adequate quantities of food; we mean pork, beef, lard, butter, cheese, sugar, rice, clothing, mattresses, woolen as well as cotton blankets, and fuel to take care of some 1,500 families on relief in Lac Qui Parle County. This county has had 2 years of drought and the supply of surplus commodities is about exhausted at court house, and hard telling when any will arrive again.

Farmers are in need of hay, feed, and straw, and the $25 allowance for every 30 days amounts to nothing when you consider price of feed, corn $1 a bushel, barley same, oats 65 cents a bushel, hay $25 to $28 a ton. How do you think it can be done? It simply can't be, that's all.

I wish you would make a determined effort to get this increased to $50. Families residing in country towns are cut off from hay and feed for their milch cows, etc., so essential to family needs. I would appreciate to learn from where such orders emanate. From 25 to 50 carloads of hay and straw are said to be stored at different points in this county—of what use when not distributed? So the patience of our disheartened farmers is about exhausted. It is rumored that a possible 1,000 farmers propose to seize these animal necessities within the next few days and distribute them among themselves. Is that to be the climax caused by the set-up just put into effect in Minnesota—chamber of commerce firms to handle distribution?

It has been rumored that a possible cut of 40 percent may come in State allowance for relief. In that event it is very essential to secure action at once along the lines herein outlined. And I venture to say 15 or more counties of western Minnesota are much the same in this respect.

Kindly contact Senator BORAH, whose activities on behalf of relief I have watched with considerable interest. Also suggest you contact Senator NORRIS, Senator LA FOLLETTE et al., also Harry Hopkins, Lawrence Westbrook, Keith Sutherland, and the President if necessary to secure action.

A meeting will be held here on Wednesday evening, January 9, and would appreciate to have a report from you if possible by then so I could inform audience of what may be expected.

How does this strike you?

If Government is unable to provide feed and hay so as to assure farmers of keeping all their stock, let Government buy up certain percent and put the unemployed to work butchering them here at home in each drought county and have meat distributed by those unemployed and those on small budgets to our needy families, as I proposed last April 28 at large meeting at Montevideo, Minn. Thus food would be distributed in place of promises and large figures, which do not feed starving people.

What has become of all meat from cattle bought in eight Central and Southwest States? No figures available on number bought, pounds of meat processed, and money invested in such stock. Number of condemned animals buried, even without being skinned.

What about Government opening up a tannery or tanneries and shoe factories, using all the hides from these animals and furnish shoes, and so on, for our millions in need of them. (That might become a real new deal.)

Sincerely yours,

I. L. GRAVEN.

WORLD COURT PROTOCOLS (EXEC. REPT. NO. 1)

As in executive session,

Mr. ROBINSON. From the Committee on Foreign Relations I report the protocols relating to the World Court, with a resolution of adherence, and ask that the report may be printed.

The VICE PRESIDENT. The executive report will be received and printed.

Mr. VANDENBERG. Mr. President, I offer a proposed reservation to the resolution of adherence to the World Court and ask that it may be printed and lie upon the table.

The VICE PRESIDENT. The reservation will be received, printed, and lie on the table.

REPORT OF SELECT COMMITTEE ON INVESTIGATION OF CAMPAIGN EXPENDITURES

Mr. BYRNES, from the Select Committee on Investigation of Campaign Expenditures (pursuant to S. Res. 73, 73d Cong.), submitted a report relative to the investigation of senatorial campaign expenditures in 1934 (Rept. No. 11).

PERMISSION TO INTRODUCE BILLS AND JOINT RESOLUTIONS

Mr. GORE. Mr. President, I desire to give notice of my intention to introduce a joint resolution proposing to amend the National Recovery Act with reference to "hot oil" or contraband oil, and possibly other measures. The measure referred to is patterned after the Webb-Kenyon Act and other acts which have been sustained by the Supreme Court. The draft has not as yet been completed, and I should like to ask unanimous consent to hand it to the Secretary of the Senate after the Senate adjourns.

The VICE PRESIDENT. Is there objection?

Mr. MCNARY. Mr. President, I did not understand the nature of the request.

The VICE PRESIDENT. The Senator from Oklahoma gives notice of intention to introduce one or more joint resolutions touching certain legislation and asks unanimous consent that he may hand the measures to the Secretary after the Senate shall adjourn. Is there objection? The Chair hears none.

Mr. CONNALLY. Mr. President, I desire to submit a request similar to that made by the Senator from Oklahoma [Mr. GORE]. I have had the bill in question drafted, but I am changing one paragraph, and I should like to have permission similar to that granted the Senator from Oklahoma.

The VICE PRESIDENT. Is there objection? The Chair hears none.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. MURPHY:

A bill (S. 533) granting a pension to John B. Wandell; to the Committee on Pensions.

A bill (S. 534) to extend certain letters patent, and for other purposes; to the Committee on Patents.

A bill (S. 535) for the relief of William Cornwell and others; and

A bill (S. 536) for the relief of Ada Mary Tornau; to the Committee on Claims.

By Mr. BYRNES:

A bill (S. 537) for the relief of C. O. Meyer; and

A bill (S. 538) for the relief of H. Kaminski & Co., Kaminski Hardware Co., and the Carolina Hardware Co.; to the Committee on Claims.

By Mr. STEIWER:

A bill (S. 539) for the relief of Charles Y. Wilson; to the Committee on Military Affairs.

A bill (S. 540) for the relief of Fred Luscher; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 541) to prohibit the transportation in interstate commerce of advertisements of intoxicating liquors, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 542) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture and Forestry.

By Mr. MURRAY:

A bill (S. 543) to promote the safety of employees and travelers upon common carriers engaged in interstate commerce by railroad by compelling such carriers to maintain tracks, bridges, and appurtenances thereto in safe and suitable condition; to the Committee on Interstate Commerce.

By Mr. THOMAS of Oklahoma:

A bill (S. 544) for the relief of Charles Edwin Doyle (with accompanying papers); to the Committee on Naval Affairs.

By Mr. SHEPPARD:

A bill (S. 545) to prohibit the making of photographs, sketches, or maps of vital military and naval defensive installations and equipment, and for other purposes;

A bill (S. 546) for the relief of Miles Thomas Barrett (with accompanying papers); and

A bill (S. 547) for the relief of Alfred W. Kliefoth (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 548) for the relief of H. L. Roberts & Co.;

A bill (S. 549) for the relief of Augusta Burkett, widow of Alexander Burkett (with accompanying papers);

A bill (S. 550) for the relief of Lota Tidwell, the widow of Chambliss L. Tidwell (with accompanying papers);

A bill (S. 551) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (with accompanying papers);

A bill (S. 552) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (with accompanying papers);

A bill (S. 553) to authorize the settlement of individual claims for personal property lost or damaged, arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War (with accompanying papers);

A bill (S. 554) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (with accompanying papers);

A bill (S. 555) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department (with accompanying papers);

A bill (S. 556) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department (with accompanying papers);

A bill (S. 557) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department (with accompanying papers);

A bill (S. 558) for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department (with accompanying papers);

A bill (S. 559) to authorize the settlement, allowance, and payment of certain claims (with accompanying papers);

A bill (S. 560) for the relief of the Western Electric Co., Inc. (with accompanying papers);

A bill (S. 561) to reimburse officers, enlisted men, and civilian employees of the Army and their families and dependents, or their legal representatives, for losses sustained as a result of the hurricane which occurred in Texas on August 16, 17, and 18, 1915 (with accompanying papers); and

A bill (S. 562) to authorize credit in disbursing officers' accounts covering shipment of privately owned automobiles from October 12, 1927, to October 10, 1929 (with accompanying papers); to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 563) for the relief of the Jay Street Terminal, New York (with accompanying papers); to the Committee on Claims.

By Mr. LOGAN:

A bill (S. 564) extending the classified executive civil service of the United States; to the Committee on Civil Service.

By Mr. NEELY:

A bill (S. 565) for the relief of James L. Barnett; to the Committee on Civil Service.

A bill (S. 566) for the relief of George Yusko; and

A bill (S. 567) for the relief of Sarah Lloyd; to the Committee on Military Affairs.

A bill (S. 568) granting a pension to George W. Criss;

A bill (S. 569) granting an increase of pension to William C. Milliner; and

A bill (S. 570) granting a pension to Frederick L. Kniceley; to the Committee on Pensions.

By Mr. RUSSELL:

A bill (S. 571) to exempt a limited quantity of cotton produced by small producers from the cotton-ginning tax; to the Committee on Agriculture and Forestry.

By Mr. BORAH:

A bill (S. 572) to repeal a part of section 5 of the National Recovery Act; to the Committee on Finance.

A bill (S. 573) to amend paragraph (8) of section 1 of the Interstate Commerce Act, as amended; to the Committee on Interstate Commerce.

A bill (S. 574) relative to Members of Congress acting as attorneys in matters where the United States has an interest; to the Committee on the Judiciary.

A bill (S. 575) to amend the Mining Act of May 10, 1872, as amended; to the Committee on Mines and Mining.

A bill (S. 576) granting a pension to Genoa Stewart (with accompanying papers); to the Committee on Pensions.

A bill (S. 577) to provide for the acquisition of a site and the erection thereon of a Federal building at Wallace, Idaho; to the Committee on Public Buildings and Grounds.

A bill (S. 578) authorizing the Secretary of the Interior to permit citizens of Bear Lake County, Idaho, to obtain timber from Lincoln County, Wyo., for domestic purposes; to the Committee on Public Lands and Surveys.

(Mr. BORAH introduced Senate bill 579, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. McCARRAN:

A bill (S. 580) to prevent the adulteration, misbranding, and false advertising of food, drugs, and cosmetics, in interstate and foreign and other subject commerce, for the purposes of safeguarding the public health, preventing deceit upon the purchasing public, and promoting fair competition, with respect of commerce in such products; to the Committee on Commerce.

By Mr. HALE:

A bill (S. 581) for the relief of Harold E. Seavey; to the Committee on Claims.

A bill (S. 582) granting a pension to Charles W. Locke (with accompanying papers);

A bill (S. 583) granting an increase of pension to Mary G. Walsh;

A bill (S. 584) granting an increase of pension to Margaret Thompson;

A bill (S. 585) granting an increase of pension to Martha L. Trefethen;

A bill (S. 586) granting an increase of pension to Josie M. Smart;

A bill (S. 587) granting a pension to Warren A. Small;

A bill (S. 588) granting an increase of pension to Joanna A. Small;

A bill (S. 589) granting an increase of pension to Charlotte W. Stevens;

A bill (S. 590) granting a pension to Alice H. Palmer;

A bill (S. 591) granting a pension to Roy M. Osborne;

A bill (S. 592) granting an increase of pension to George Neill;

A bill (S. 593) granting an increase of pension to Julia L. Morrison;

A bill (S. 594) granting an increase of pension to Frances V. Morrill;

A bill (S. 595) granting a pension to Angie L. Moulton;

A bill (S. 596) granting a pension to Nellie B. Leighton;

A bill (S. 597) granting a pension to Martha W. Keeler;

A bill (S. 598) granting an increase of pension to Mary M. Joy; and

A bill (S. 599) granting a pension to Lillian M. Johnson; to the Committee on Pensions.

By Mr. HASTINGS:

A bill (S. 600) to amend sections 211, 245, and 312 of the Criminal Code, as amended; to the Committee on the Judiciary.

By Mr. HALE:

A bill (S. 601) granting an increase of pension to Susie D. Hanscome;

A bill (S. 602) granting a pension to Mary A. Gillon;

A bill (S. 603) granting a pension to William M. Forrest;

A bill (S. 604) granting a pension to Nellie Fredericks;

A bill (S. 605) granting an increase of pension to Mary Coles;

A bill (S. 606) granting a pension to William Conley;

A bill (S. 607) granting a pension to Elsie Blanchard;

A bill (S. 608) granting an increase of pension to Elizabeth Burrell;

A bill (S. 609) granting a pension to Mary L. Bryant;

A bill (S. 610) granting a pension to Alice L. Preston; and

A bill (S. 611) granting a pension to Rachel A. Bosworth; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 612) for the benefit of the Omaha and Winnebago Indians of Nebraska; and

A bill (S. 613) to add certain public-domain land in Montana to the Rocky Boy Indian Reservation; to the Committee on Indian Affairs.

By Mr. SCHWELLENBACH:

A bill (S. 614) extending the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; to the Committee on Finance.

By Mr. NYE:

A bill (S. 615) to provide for the restoration, through exchange, of certain timberlands to the Yosemite National Park, Calif., and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. McNARY:

A bill (S. 616) authorizing the removal of rock from the submarine and destroyer base reservation at Astoria (Tongue Point), Oreg.; to the Committee on Naval Affairs.

A bill (S. 617) for the relief of Roy Alvey Jones; to the Committee on Military Affairs.

A bill (S. 618) to authorize the acquisition of land for industrial sites in the vicinity of the Bonneville Dam in the Columbia River;

A bill (S. 619) to amend section 27 of the Merchant Marine Act, 1920; and

A bill (S. 620) to authorize the periodic construction of channels for fishing purposes in the Siltcoos and Takenitch Rivers, in the State of Oregon; to the Committee on Commerce.

A bill (S. 621) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Suncrest Orchards, Inc.; to the Committee on Claims.

A bill (S. 622) granting a pension to Fred Burns;

A bill (S. 623) granting a pension to Grace V. Foster; and

A bill (S. 624) for the relief of Edward M. Brown; to the Committee on Pensions.

A bill (S. 625) providing for the purchase of a site and the erection thereon of a public building for the use of station A, a station of the post office at Portland, Oreg.; to the Committee on Public Buildings and Grounds.

A bill (S. 626) to amend the Agricultural Adjustment Act so as to include hops as a basic agricultural commodity; and

A bill (S. 627) authorizing and directing the Secretary of the Treasury to reimburse Carrol D. War for the losses sustained by him by reason of the negligence of an employee of the Civilian Conservation Corps; to the Committee on Agriculture and Forestry.

A bill (S. 628) to convey certain lands to Clackamas County, Oreg., for public-park purposes; and

A bill (S. 629) to provide for the acquisition of certain timberlands and the sale thereof to the State of Oregon for recreational and scenic purposes; to the Committee on Public Lands and Surveys.

By Mr. ROBINSON:

A bill (S. 630) to amend section 36 of the Emergency Farm Mortgage Act of 1933, as amended, to provide an interest rate of 3 percent per annum on loans to agricultural improvement districts; to the Committee on Agriculture and Forestry;

A bill (S. 631) for the relief of Ernest F. Blair;

A bill (S. 632) to provide for the commemoration of the Battle of Helena, in the State of Arkansas;

A bill (S. 633) for the relief of Isaac Pierce;

A bill (S. 634) to authorize the sale of a portion of the Fort Smith National Cemetery Reservation, Ark., and for other purposes; and

A bill (S. 635) for the relief of Ira N. Saffell; to the Committee on Military Affairs.

A bill (S. 636) granting a pension to Eleanora Emma Bliss;

A bill (S. 637) granting a pension to Hosea M. Jones;

A bill (S. 638) granting a pension to Roland Burkhart;

A bill (S. 639) granting an increase of pension to Elizabeth Dunn;

A bill (S. 640) granting an increase of pension to Roy E. George;

A bill (S. 641) granting a pension to Lizzie Knight;

A bill (S. 642) granting an increase of pension to Laura I. Robinson; and

A bill (S. 643) granting an increase of pension to Sidney H. Bailey; to the Committee on Pensions.

A bill (S. 644) for the relief of the First National Bank of Lake Village, Ark.;

A bill (S. 645) for the relief of James W. Green, Jr.;

A bill (S. 646) to carry out the findings of the Court of Claims in the case of W. W. Busby, administrator of the estate of Evelina V. Busby, deceased, against the United States; and

A bill (S. 647) for the relief of Emma Fein; to the Committee on Claims;

A bill (S. 648) for the relief of Harry Roland Burgess; to the Committee on Naval Affairs.

A bill (S. 649) to restore the right to compensation to Roberta K. Dillon; to the Committee on Finance.

By Mr. FLETCHER:

A bill (S. 650) amending section 23 of the Merchant Marine Act of 1920; to the Committee on Commerce.

A bill (S. 651) for the relief of Harry Flanery;

A bill (S. 652) for the relief of Harold S. Shepardson; and

A bill (S. 653) for the relief of James W. Carmichael, deceased; to the Committee on Military Affairs.

A bill (S. 654) authorizing the exchange of the lands reserved for the Seminole Indians in Florida for other lands; to the Committee on Indian Affairs.

A bill (S. 655) for the relief of C. W. Zaring & Co.;
A bill (S. 656) for the relief of Webster & Hull;
A bill (S. 657) for the relief of J. R. Osgood;
A bill (S. 658) for the relief of K. W. Boring;
A bill (S. 659) for the relief of Walter J. Bryson Paving Co.;
A bill (S. 660) for the relief of Kate E. Kemon;
A bill (S. 661) for the relief of Walter L. Rasasco; and
A bill (S. 662) for the relief of Merrill-Stevens Dry Dock & Repair Co.; to the Committee on Claims.

A bill (S. 663) to prevent Government officials from accepting any fidelity or surety bond running to the United States in certain cases, and for other purposes; to the Committee on the Judiciary.

A bill (S. 664) granting a pension to Laura F. Carmichael;
A bill (S. 665) granting a pension to Elise M. Lum;
A bill (S. 666) granting a pension to Ida Miller;
A bill (S. 667) granting a pension to Minnie Phelps; and
A bill (S. 668) granting a pension to Minnie L. Stewart; to the Committee on Pensions.

A bill (S. 669) to amend the Reconstruction Finance Corporation Act so as to extend provisions thereof to corporations, associations, and individuals to aid in constructing and maintaining facilities for the growing, harvesting, marketing, storing, warehousing, and/or processing of forest products; to the Committee on Banking and Currency.

By Mr. HARRISON:

A bill (S. 670) for the relief of Eliza Boykin; to the Committee on Claims.

By Mr. ROBINSON (for Mr. TYDINGS):

A bill (S. 671) to amend the Interstate Commerce Act, as amended, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 672) for the relief of the city of Baltimore; to the Committee on the Judiciary.

A bill (S. 673) authorizing the Secretary of Agriculture to convey certain lands to the Maryland-National Capital Park and Planning Commission of Maryland, for park purposes; to the Committee on Agriculture and Forestry.

A bill (S. 674) authorizing the President to order Maj. E. P. Duval before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; to the Committee on Military Affairs.

A bill (S. 675) to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to Ethel Smith McDaniel, widow of Travis McDaniel;
A bill (S. 676) for the relief of George F. Jones;
A bill (S. 677) for the relief of Mary E. Roney;
A bill (S. 678) for the relief of Louis E. LeBrun;
A bill (S. 679) for the relief of James T. Webster and Mary A. Webster;
A bill (S. 680) for the relief of Howard E. Tolson;
A bill (S. 681) for the relief of Richard Riggles;
A bill (S. 682) for the relief of William Zeiss, administrator of William B. Reaney, survivor of Thomas Reaney and Samuel Archbold;
A bill (S. 683) for the relief of John L. Alcock;
A bill (S. 684) for the relief of Brown & Cunningham, of Port Deposit, Md.;
A bill (S. 685) for the relief of the Sanford & Brooks Co.;
A bill (S. 686) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Dora M. Jeffery;
A bill (S. 687) conferring jurisdiction upon the United States District Court for the Northern District of California to hear, determine, and render judgment upon the claim of Fred Ownes;
A bill (S. 688) for the relief of Lucretia Norris;
A bill (S. 689) for the relief of Mary Kress, Myer Toor, and Theresa Toor;
A bill (S. 690) to extend the benefits of the United States Employees' Compensation Act of September 7, 1916, to Anna S. Matthews;
A bill (S. 691) for the relief of Herbert J. Myers;
A bill (S. 692) for the relief of Emma Gregory;
A bill (S. 693) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Lillian Stecher Waldecker, formerly Lillian A. Stecher;
A bill (S. 694) for the payment of the claims of the Fidelity Trust Co. of Baltimore, Md., and others; and
A bill (S. 695) for the relief of the firm of Levenson & Zenitz (with accompanying papers); to the Committee on Claims.

A bill (S. 696) for the relief of Sylvan M. Levy; and
A bill (S. 697) for the relief of George J. Hannigan; to the Committee on Naval Affairs.

A bill (S. 698) granting a pension to John Doane Gardiner;
A bill (S. 699) granting a pension to Mary Amanda Jones;
A bill (S. 700) granting an increase of pension to George W. King;
A bill (S. 701) granting an increase of pension to Catherine Merritt;
A bill (S. 702) granting a pension to Mary Schlining;
A bill (S. 703) granting a pension to Annie J. Maddox;
A bill (S. 704) granting a pension to Annie Cantwell;
A bill (S. 705) granting a pension to Abbie V. Hull; and
A bill (S. 706) granting an increase of pension to Fannie B. Kinsella; to the Committee on Pensions.

By Mr. HAYDEN:

A bill (S. 707) to amend the act of May 19, 1926, entitled "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin American Republics in military and naval matters"; to the Committee on Territories and Insular Affairs.

By Mr. DIETERICH:

A bill (S. 708) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Velie Motors Corporation; to the Committee on Claims.

A bill (S. 709) to incorporate the United States Civil Legion; to the Committee on the Judiciary.

A bill (S. 710) authorizing the State of Illinois to abandon the Illinois and Michigan Canal in Illinois, and to grant to the State of Illinois all right, title, and interest of the United States in and to the land comprising the right-of-way of the Illinois and Michigan Canal as the same was routed and constructed through the public lands of the United States, in the State of Illinois, pursuant to the act of Congress of the United States of March 2, 1827, and in and to the 90 feet of land on each side of said canal, vested in the State of Illinois, pursuant to the act of Congress of the United States, of March 30, 1822; to the Committee on Commerce.

By Mr. SCHALL:

A bill (S. 711) relating to the appointment of a district judge of the District Court of the United States for the State of Minnesota, and to amend the act of March 2, 1925 (43 Stat. L., ch. 397, p. 1098); to the Committee on the Judiciary.

By Mr. CLARK:

A bill (S. 712) for the relief of A. H. Marshall; and
A bill (S. 713) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on Claims.

A bill (S. 714) providing for the establishment of the General John J. Pershing National Military Park, near Laclede, in Linn County, Mo.; to the Committee on Military Affairs.

(Mr. LEWIS introduced Senate bill 715, which was referred to the Committee on Patents, and appears under a separate heading.)

By Mr. BYRD:

A bill (S. 716) granting a pension to Julius Hampton, Jr.;
A bill (S. 717) granting a pension to Annie Wright;
A bill (S. 718) granting a pension to Laura E. Myers;
A bill (S. 719) granting an increase of pension to Emily Semple Wood;
A bill (S. 720) granting a pension to Barbara Oertel;
A bill (S. 721) granting a pension to Neva Dobbins;
A bill (S. 722) granting a pension to Daniel Pierce; and

A bill (S. 723) granting a pension to Grace A. Coates; to the Committee on Pensions.

A bill (S. 724) for the relief of James T. Moore; to the Committee on Military Affairs.

A bill (S. 725) for the relief of Henry Harrison Griffith;

A bill (S. 726) for the relief of Robbie Coates;

A bill (S. 727) for the relief of James E. Haynes;

A bill (S. 728) for the relief of Elton Firth;

A bill (S. 729) for the relief of A. F. Amory;

A bill (S. 730) for the relief of the Virginia Engineering Co., Inc.; and

A bill (S. 731) to confer jurisdiction upon the Court of Claims to hear and determine the claim of the legal representatives of Henry H. Sibley, deceased; to the Committee on Claims.

By Mr. WAGNER:

A bill (S. 732) for the relief of Zinsser & Co.; and

A bill (S. 733) for the relief of William Burke; to the Committee on Military Affairs.

A bill (S. 734) to amend sections 5136 and 5153 of the Revised Statutes, as respectively amended; to the Committee on Banking and Currency.

A bill (S. 735) for the relief of Wiener Bank Verein; and

A bill (S. 736) for the relief of Louise Fox; to the Committee on Foreign Relations.

A bill (S. 737) to amend section 4 of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, as amended; to the Committee on Commerce.

A bill (S. 738) to aid in providing the people of the United States with adequate facilities for park, parkway, and recreational area purposes, and to provide for the transfer of certain lands, chiefly valuable for such purposes, to States and political subdivisions thereof; and

A bill (S. 739) to provide for the establishment of a national monument on the site of Fort Stanwix in the State of New York; to the Committee on Public Lands and Surveys.

A bill (S. 740) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard;

A bill (S. 741) for the relief of the Union Shipping & Trading Co., Ltd.;

A bill (S. 742) for the relief of Charles A. Lewis;

A bill (S. 743) to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.; and

A bill (S. 744) for the relief of Harriet V. Schindler; to the Committee on Claims.

By Mr. VAN NUYS:

A bill (S. 745) increasing the fees of jurors in United States courts; to the Committee on the Judiciary.

A bill (S. 746) for the relief of Joseph M. Thomas, alias Joseph Thomas, alias Thomas O'Donnell (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 747) for the relief of Joe G. Baker (with accompanying papers); to the Committee on Claims.

A bill (S. 748) granting a pension to Sarah C. Hackleman (with accompanying papers);

A bill (S. 749) granting a pension to Jesse Cotton (with accompanying papers);

A bill (S. 750) granting a pension to Grace V. Lawrence (with accompanying papers); and

A bill (S. 751) granting a pension to Emma M. Webb (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 752) to amend section 177 of the Judicial Code; to the Committee on the Judiciary.

A bill (S. 753) to carry out the findings of the Court of Claims in the case of the Wales Island Packing Co.; to the Committee on Foreign Relations.

A bill (S. 754) to amend section 21 of the act approved June 5, 1920, entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States; to the Committee on Commerce.

A bill (S. 755) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, no. 25036, August 9, 1859; to the Committee on Post Offices and Post Roads.

A bill (S. 756) for the relief of Arthur Van Gestel, alias Arthur Goodsell; to the Committee on Military Affairs.

A bill (S. 757) granting an increase of pension to Kate O'Donnell Wood; to the Committee on Pensions.

A bill (S. 758) for the relief of Jacob G. Ackerman;

A bill (S. 759) for the relief of Joseph Schoenbach;

A bill (S. 760) for the relief of Harry P. Hollidge;

A bill (S. 761) for the relief of Marion Von Bruning (nee Marion Hubbard Treat);

A bill (S. 762) for the relief of Marion Von Bruning (nee Marion Hubbard Treat);

A bill (S. 763) for the relief of A. W. Duckett & Co., Inc.;

A bill (S. 764) for the relief of the Globe Shipping Co., Inc., of New York, N. Y. (successors of the Globe Shipping Co.);

A bill (S. 765) for the relief of M. T. Stark, Inc.;

A bill (S. 766) for the relief of Messrs. M. Aronin & Sons;

A bill (S. 767) for the relief of Cowtan & Tout, Inc.;

A bill (S. 768) for the relief of Louis Godick;

A bill (S. 769) for the relief of Valle & Co., Inc.;

A bill (S. 770) for the relief of A. and M. Karagheusian, Inc.;

A bill (S. 771) for the relief of Schapiro Bros.;

A bill (S. 772) for the relief of B. Lindner & Bro., Inc.;

A bill (S. 773) for the relief of Sorenson & Co., Inc.;

A bill (S. 774) for the relief of Epstein Underwear Co.;

A bill (S. 775) for the relief of Etna Watch Co.;

A bill (S. 776) for the relief of Messrs. Stein & Blaine;

A bill (S. 777) for the relief of Bengol Trading Co., Inc.;

A bill (S. 778) for the relief of W. K. Webster & Co.;

A bill (S. 779) for the relief of William Wrigley, Jr., Co., Inc., of New York City, N. Y.;

A bill (S. 780) for the relief of the Standard Dredging Co.;

A bill (S. 781) for the relief of the estate of George B. Spearin, deceased;

A bill (S. 782) for the relief of the Sound Construction & Engineering Co., Inc.;

A bill (S. 783) for the relief of the Snare & Triest Co.;

A bill (S. 784) for the relief of the Snare & Triest Co., now Frederick Snare Corporation;

A bill (S. 785) for the relief of Robbins-Ripley Co., Inc.;

A bill (S. 786) for the relief of the North American Dredging Co.;

A bill (S. 787) for the relief of J. Henry Miller, Inc.;

A bill (S. 788) for the relief of the International Mercantile Marine Co.;

A bill (S. 789) for the relief of H. P. Converse & Co.;

A bill (S. 790) for the relief of the Compagnie Generale Transatlantique;

A bill (S. 791) for the relief of the city of New York;

A bill (S. 792) authorizing the Court of Claims of the United States to hear and determine the claims of the estate of George Chorpenning, deceased;

A bill (S. 793) for the relief of Charles F. Bond, receiver of the partnership of Thorp & Bond, New York, N. Y.; and

A bill (S. 794) for the relief of the Bowers Southern Dredging Co.; to the Committee on Claims.

By Mr. AUSTIN (for Mr. GIBSON):

A bill (S. 795) for the relief of F. Whitney Harrington; to the Committee on Military Affairs.

A bill (S. 796) granting a pension to Mary A. Smith; to the Committee on Pensions.

A bill (S. 797) to provide for establishing and maintaining a public airport for the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 798) for the relief of Wallace Shippee;

A bill (S. 799) for the relief of Yvonne Hale; and

A bill (S. 800) for the relief of the United Marble Cos., Inc., Rutland, Vt.; to the Committee on Claims.

A bill (S. 801) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920;

A bill (S. 802) to provide for the designation of beneficiaries by employees subject to the provisions of the Civil Service Retirement Act of May 29, 1930, as amended, and for other purposes;

A bill (S. 803) to provide for a special clerk and liaison officer; and

A bill (S. 804) for the retirement of employees in the classified civil service to include employees in the legislative branch; to the Committee on Civil Service.

By Mr. CAPPER:

A bill (S. 805) granting a pension to Annie Jones (with accompanying papers); to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 806) extending for 2 years the provisions of the act entitled "An act for the relief of unemployment through the performance of useful public work, and for other purposes", approved March 31, 1933; to the Committee on Education and Labor.

By Mr. HARRISON:

A bill (S. 807) granting an honorable discharge to Henry Hilbun; to the Committee on Military Affairs.

By Mr. HAYDEN:

A bill (S. 808) for the relief of Harry H. A. Ludwig; to the Committee on Civil Service.

A bill (S. 809) for the relief of Julius McKindry Henderson; to the Committee on Military Affairs.

A bill (S. 810) equalizing annual leave of employees of the Department of Agriculture stationed outside the continental limits of the United States; to the Committee on Agriculture and Forestry.

A bill (S. 811) authorizing the issuing of certificates of arrival to persons born in the United States who are now aliens; to the Committee on Immigration.

A bill (S. 812) authorizing the Arizona State Highway Commission to construct, maintain, and operate a toll or free bridge across the Colorado River at or near Parker, Ariz., within the Colorado River Indian Reservation; and

A bill (S. 813) authorizing the Secretary of Commerce to establish a fish-cultural station in Arizona; to the Committee on Commerce.

A bill (S. 814) for the relief of John Mulhern; and

A bill (S. 815) for the relief of Jessie Blout; to the Committee on Claims.

A bill (S. 816) to provide for the commemoration of the Battle of Big Dry Wash, in the State of Arizona; and

A bill (S. 817) for the relief of W. I. Johnson; to the Committee on Public Lands and Surveys.

A bill (S. 818) granting a pension to Lewis G. Simpson; and

A bill (S. 819) granting an increase of pension to Lorenzo D. Walters; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 820) relating to costs in radio proceedings before the Federal Communications Commission; to the Committee on Interstate Commerce.

By Mrs. CARAWAY:

A bill (S. 821) making eligible for retirement under the same conditions as now provided for officers of the Regular Army Capt. Oliver A. Barber, an officer of the United States Army during the World War, who incurred physical disability in line of duty:

A bill (S. 822) for the relief of Henry Brown; and

A bill (S. 823) for the relief of Benjamin H. Southern; to the Committee on Military Affairs.

A bill (S. 824) for the relief of Thomas S. Garen; and

A bill (S. 825) for the relief of Frank S. Harrison; to the Committee on Naval Affairs.

A bill (S. 826) for the relief of James Rowland;

A bill (S. 827) for the relief of Samuel H. McAlexander;

A bill (S. 828) for the relief of Clarence Winborn;

A bill (S. 829) for the relief of William F. Slatton;

A bill (S. 830) for the relief of Claude L. Pyle;

A bill (S. 831) for the relief of Frank R. Garner, formerly second lieutenant, United States Army;

A bill (S. 832) for the relief of James F. Dubberly;

A bill (S. 833) providing for reimbursement of the St. Louis Southwestern Railway Co. for expenditure in revetment work on the Arkansas River during the flood of 1927;

A bill (S. 834) for the relief of Carl L. Moore;

A bill (S. 835) for the relief of Robert L. Martin;

A bill (S. 836) for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, Jr.;

A bill (S. 837) for the relief of Calvary Cemetery, Little Rock, Ark.;

A bill (S. 838) for the relief of E. A. Ahrens;

A bill (S. 839) for the relief of L. L. Stokes; and

A bill (S. 840) for the relief of James E. Fitzgerald; to the Committee on Claims.

A bill (S. 841) granting a pension to Norfleet Hughes;

A bill (S. 842) granting a pension to Ernest McCord;

A bill (S. 843) granting an increase of pension to Mary A. Stutler;

A bill (S. 844) granting a pension to Charlie A. Stacks;

A bill (S. 845) granting a pension to Edie A. Kimberly;

A bill (S. 846) granting a pension to Theta B. Spring;

A bill (S. 847) granting a pension to Anna J. Darby;

A bill (S. 848) granting an increase of pension to Henry W. McLain;

A bill (S. 849) granting a pension to Jessie B. Auer;

A bill (S. 850) granting a pension to Ernest J. Hollis;

A bill (S. 851) granting a pension to E. Corinne Miller; and

A bill (S. 852) granting a pension to Jennie Railey; to the Committee on Pensions.

By Mr. CONNALLY:

A bill (S. 853) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes; to the Committee on Mines and Mining.

By Mr. NEELY:

A bill (S. 854) to provide for cooperation with the States and Territories in providing and administering old-age pensions; to the Committee on Education and Labor.

By Mr. KING:

A joint resolution (S. J. Res. 20) to prohibit the exportation of arms or munitions of war from the United States under certain conditions; to the Committee on Foreign Relations.

By Mr. COUZENS:

A joint resolution (S. J. Res. 21) authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. LONERGAN:

A joint resolution (S. J. Res. 22) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. BORAH:

A joint resolution (S. J. Res. 23) giving consent of the Congress of the United States to the States of Washington, Oregon, and Idaho, or any two of said States, to agree upon the jurisdiction to be exercised by said States over boundary waters between any two or more of said States; to the Committee on Interstate Commerce.

By Mr. FLETCHER:

A joint resolution (S. J. Res. 24) to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital; to the Committee on Military Affairs.

By Mr. GORE:

A joint resolution (S. J. Res. 25) to amend section 9 of Public Law No. 67, Seventy-third Congress, otherwise known

and cited as the "National Industrial Recovery Act"; to the Committee on Mines and Mining.

A joint resolution (S. J. Res. 26) to prohibit the shipment in interstate and foreign commerce of petroleum and the products of petroleum produced in contravention of State laws, and for other purposes; to the Committee on Finance.

LICENSING OF CORPORATIONS ENGAGED IN INTERSTATE OR FOREIGN COMMERCE

Mr. BORAH. I introduce a bill for reference to the Committee on the Judiciary and ask that it may be printed in the RECORD.

There being no objection, the bill (S. 579) to provide for the licensing of corporations engaged in interstate or foreign commerce, and for other purposes, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD as follows:

A bill to provide for the licensing of corporations engaged in interstate or foreign commerce, and for other purposes

*Be it enacted, etc.*, That this act may be cited as the "Corporation Licensing Act of 1935."

LICENSE REQUIRED FOR INTERSTATE OR FOREIGN BUSINESS

SEC. 2. On and after —— days from the date of enactment of this act, it shall be unlawful for any corporation (except a bank, a common carrier subject to the Interstate Commerce Act, as amended, a common carrier or, insofar as engaged in radio broadcasting, a licensee, subject to the Communications Act of 1934, a China Trade Act corporation, or a corporation the majority of the stock of which is held by the United States or any agency or instrumentality thereof or corporations engaged in publishing newspapers, magazines, or books) organized under the laws of the United States or the District of Columbia, or of any State, Territory, or possession of the United States, or of any foreign country, to engage directly or indirectly in interstate or foreign commerce, without first having obtained a license therefor from the Federal Trade Commission (hereinafter referred to as the "Commission"); and for the purposes of this act a corporation shall be deemed to be engaged in interstate or foreign commerce if it holds control (through stock ownership, a voting trust or trusts, a holding company or companies, or any other direct or indirect means) of a corporation engaged in interstate or foreign commerce, or of two or more corporations any one of which is engaged in interstate or foreign commerce. As used in this act, the term "interstate or foreign commerce" means commerce between any place in a State, Territory, or possession of the United States, or the District of Columbia, and any place outside thereof; or between points within the same State or within the District of Columbia, but through any place outside thereof.

ISSUANCE OF LICENSES

SEC. 3. (a) Before any license shall be issued under this act the applicant corporation shall file with the Commission a sworn statement with respect to its operations, which shall include information concerning its organization and financial structure, the character of its transactions in interstate or foreign commerce, the terms, position, rights, and privileges of the different classes of its securities outstanding, the terms on which its securities have been offered to the public or otherwise, the property taken by the corporation at the time of its organization, and the consideration paid therefor in money or otherwise, its bonded indebtedness and the interests of the promoters therein, the personnel and salaries of its management, its charter and bylaws, the number and local distribution of its stockholders, contracts made with promoters and with financial interests with respect to the organization of the corporation, management and service contracts, special legislation relating to the corporation, its profits and losses for not more than the — preceding fiscal years, and such further information with respect to the operations of the corporation as the Commission may by regulation require as necessary or appropriate in the public interest or for the protection of investors.

(b) Application for such licenses shall be made, and the licenses shall be issued, in such manner as the Commission shall by regulation prescribe. Each such license shall contain such terms and conditions as the Commission shall prescribe as necessary or appropriate to carry out the purposes of this act, shall be effective from the date specified therein, and shall continue in effect until suspended or revoked.

(c) The Commission shall by order deny the application for a license of any applicant corporation which fails to comply with the provisions of subsection (a) of this section, or if the Commission finds that the applicant corporation is an unlawful trust or combination in violation of the antitrust laws as designated in section 1 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, that it is a party to any contract, combination in the form of trust, or otherwise, or conspiracy in restraint of trade or commerce in violation of such laws, or that it is monopolizing, or attempting to monopolize, or combining or conspiring with any other person to monopolize, any part of such trade or commerce.

REVOCATION OF LICENSES

SEC. 4. After appropriate opportunity for notice and hearing, the Commission is authorized by order to suspend or revoke any such license if it finds that the corporation to which the license was issued has violated any provision of this act or any rule, regulation, or order of the Commission make thereunder; and the Commission shall revoke the license of any corporation which has been finally adjudged guilty by a Federal court, in any proceeding, civil or criminal, of a violation of the antitrust laws.

REPORTS AND EXAMINATIONS

SEC. 5. (a) Each corporation which obtains a license under this act shall make an annual report to the Commission, certified if required by the rules and regulations of the Commission by independent public accountants, which shall contain such information with respect to the organization, capitalization, properties, earnings, profits, dividends, and business methods of the corporation, as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors. Each such corporation shall also make such special reports, similarly certified, as the Commission shall from time to time require for the purpose of keeping itself informed with respect to the operations of the corporation, and in the event that any such corporation shall increase its capital or issue any bonds, notes, debentures, or similar obligations it shall submit a statement with respect thereto to the Commission. The Commission may prescribe, in regard to reports and statements made pursuant to this section, the form or forms in which the required information shall be set forth, the items or details to be shown in the balance sheet and the earning statement, and the methods to be followed in the preparation of reports, in the appraisal or valuation of assets and liabilities, in the determination of depreciation and depletion, in the differentiation of recurring and nonrecurring income, in the differentiation of investment and operating income, and in the preparation, where the Commission deems it necessary or desirable, of separate and/or consolidated balance sheets or income accounts of any person directly or indirectly controlling or controlled by the corporation, or any person under direct or indirect common control with the corporation; but in the case of the reports and statements of any corporation whose methods of accounting are prescribed, or whose securities are registered, under the provisions of any law of the United States, or any rule or regulation thereunder, the rules and regulations of the Commission with respect to such reports and statements shall not be inconsistent with the requirements imposed by such law or rule or regulation in respect of the same subject matter.

(b) The Commission is further authorized to provide for periodical or special examinations of the corporations which obtain licenses under this Act and to establish a schedule of reasonable fees for such examinations and for the issuance of licenses under this Act. All such fees shall be collected by the Commission in such manner as it may direct, and the amount of all fees so collected shall be covered into the Treasury as miscellaneous receipts.

INVESTIGATIONS

SEC. 6. (a) The Commission may, in its discretion, make such investigations as it deems necessary to determine whether any person has violated or is about to violate any provision of this Act or any rule or regulation thereunder, and may require or permit any person to file with it a statement in writing, under oath or otherwise as the Commission shall determine, as to all the facts and circumstances concerning the matter to be investigated. The Commission is authorized, in its discretion, to publish information concerning any such violations, and to investigate any facts, conditions, practices, or matters which it may deem necessary or proper to aid in the enforcement of the provisions of this Act, in the prescribing of rules and regulations thereunder, or in securing information to serve as a basis for recommending further legislation concerning the matters to which this Act relates.

(b) For the purpose of any such investigation, or any other proceeding under this Act, any member of the Commission or any officer designated by it is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records which the Commission deems relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or any State at any designated place of hearing.

(c) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, and other records. And such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All processes in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found. Any person who shall, without just cause, fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, and other records, if in his power so to do, in obedience to the subpena of the Commission, shall be guilty of a misdemeanor and, upon conviction, shall be subject to a fine of not more than $1,000 or to imprisonment for a term of not more than 1 year, or both.

(d) No person shall be excused from attending and testifying or from producing books, papers, contracts, agreements, and other records and documents before the Commission, or in obedience to the subpena of the Commission or any member thereof or any officer designated by it, or in any cause or proceeding instituted by the Commission under this act, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

INJUNCTIONS AND PROSECUTION OF OFFENSES

SEC. 7. (a) Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this act, or of any rule or regulation thereunder, it may in its discretion bring an action in the proper district court of the United States, the Supreme Court of the District of Columbia, or the United States courts of any Territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, and upon a proper showing a permanent or temporary injunction or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices to the Attorney General, who may, in his discretion, institute the necessary criminal proceedings under this act.

(b) Upon application of the Commission the district courts of the United States, the Supreme Court of the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States, shall also have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this act or any order of the Commission made in pursuance thereof.

COURT REVIEW OF ORDERS

SEC. 8. (a) Any person aggrieved by an order issued by the Commission in a proceeding under this act to which such person is a party (except an order under section 4 revoking a license for violation of the antitrust laws) may obtain a review of such order in the Circuit Court of Appeals of the United States, within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall be forthwith served upon any member of the Commission, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, and enforce or set aside such order, in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Commission. The finding of the Commission as to the facts, if supported by substantial evidence, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court, affirming, modifying, and enforcing or setting aside, in whole or in part, any such order of the Commission, shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Commission's order.

JURISDICTION OF OFFENSES AND SUITS

SEC. 9. The district courts of the United States, the Supreme Court of the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States, shall have exclusive jurisdiction of violations of this act or the rules and regulations thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by this act or the rules and regulations thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by this act or rules and regulations thereunder, or to enjoin any violation of such act or rules and regulations may be brought in any such district or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review, as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347). No costs shall be assessed for or against the Commission in any proceeding under this title brought by or against it in the Supreme Court or such other courts.

RULES AND REGULATIONS

SEC. 10. The Commission is authorized to prescribe such rules and regulations and to issue such orders as may be necessary to carry out the provisions of this act.

PENALTIES

SEC. 11. Any corporation subject to this act, or any officer, director, agent, or employee thereof, that willfully violates any provision of this act, shall, upon conviction thereof, be fined not more than $——— or imprisoned not more than — years, or both, and each day that any such violation continues shall be deemed a separate offense

SEPARABILITY OF PROVISIONS

SEC. 12. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provisions to other persons or circumstances shall not be affected thereby.

RESERVATION OF RIGHT TO ALTER, AMEND, OR REPEAL

SEC. 13. The right to alter, amend, or repeal this act is hereby expressly reserved.

REVIVING OF CERTAIN PATENTS

Mr. LEWIS. I introduce a bill for the reviving of certain patents. I ask to have the bill referred to the Committee on Patents, but I owe it to the Senate to say that I was counsel in the matter to which these patents refer, and on the defeated side. This bill is for the purpose of overcoming that adverse opinion.

I feel that I owe that statement to the Senate. While my relation to the matter as counsel will end with this statement, I give it to the Senate, and ask to have the bill referred to the Committee on Patents.

The bill (S. 715) (introduced by Mr. LEWIS) to revive certain patents was read twice by its title and referred to the Committee on Patents.

AMENDMENTS TO APPROPRIATION BILLS

Mr. WHEELER submitted an amendment intended to be proposed by him to the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

For the establishment, equipment, and maintenance of a meteorological station upon a site to be selected by the Secretary at Missoula, Mont., $10,000, to be immediately available.

Mr. WHEELER also submitted an amendment intended to be proposed by him to the Treasury and Post Office Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the bill to insert the following:

For the establishment, equipment, and maintenance of an assay office at Helena, Mont., $22,000, to be immediately available.

AMERICAN CONSERVATION WEEK

Mr. WAGNER submitted the following concurrent resolution (S. Con. Res. 3), which was referred to the Committee on Public Lands and Surveys:

Whereas under the inspiring leadership of President Cleveland it became the settled policy of this Nation to conserve its natural resources; and

Whereas the establishment of an American conservation week will have the desired effect of bringing the American people to realize in the words of that great conservationist, President Roosevelt, that "the conservation of our natural resources and their proper use constitute the fundamental problem which underlies almost every other problem of our national life": Therefore be it

*Resolved by the Senate (the House of Representatives concurring)*, That the President of the United States is requested to issue each year a proclamation designating the first week in April as American conservation week and inviting the people of the United States to observe that week in schools, churches, museums, parks, and other suitable places, with ceremonies appropriate to the occasion.

INVESTIGATIONS BY THE FINANCE COMMITTEE

Mr. HARRISON. As Chairman of the Committee on Finance, I submit a resolution, which is the usual form of resolution adopted at the beginning of each Congress, and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will read the resolution.

The Chief Clerk read the resolution (S. Res. 37) as follows:

*Resolved*, That the Committee on Finance, or any subcommittee thereof be, and hereby is authorized to sit during the sessions or recesses of the Seventy-fourth Congress at such times and places as they may deem advisable; to make investigations into internal revenue, customs, currency, and coinage matters, and other matters within its jurisdiction, and to compile and prepare statistics and documents relating thereto as directed from time to time by the Senate and as may be necessary; and to report from time to time to the Senate the result thereof; to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses of such committee shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. FLETCHER. Mr. President, I make no objection to the resolution, but it ought to go to the Committee to Audit and Control the Contingent Expenses of the Senate. I submitted a similar resolution which took that course.

Mr. ROBINSON. I do not understand that the resolution carries an appropriation.

Mr. FLETCHER. It provides for clerical help.

Mr. HARRISON. It provides for clerical help, but, may I say to the Senator, that at previous sessions of Congress when a similar resolution has been offered it has never been referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. FLETCHER. I submitted one the other day on behalf of the Committee on Banking and Currency, and it was insisted that it should go to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. The Chair is advised that the rule is that such resolutions ought to go to the Committee to Audit and Control the Contingent Expenses of the Senate, and that is necessary unless unanimous consent otherwise be given. Is there objection to the present consideration of the resolution?

Mr. HARRISON. I withdraw the resolution if there is any objection to it. It is a resolution similar to others which have been adopted time after time in the past, authorizing the Finance Committee to have hearings and providing for clerical help and assistance. There has never been any objection heretofore raised to the adoption of similar resolutions.

Mr. McNARY. Mr. President, may I inquire if the resolution is in the usual form?

Mr. HARRISON. Yes; it is in the usual form of such resolutions.

Mr. McNARY. I have no objection.

Mr. BYRNES. Mr. President, may I inquire what reason the Senator has for not having the resolution go to the Audit and Control Committee when all similar resolutions have been sent to that committee? It could be acted on today in all probability; and, if not today, surely tomorrow.

Mr. HARRISON. Such resolutions have never gone to any committee heretofore. This is a little different from the ordinary resolution of this character. A little more power is given to the committee in the resolution than is usually given to other committees in such resolutions.

Mr. BYRNES. I object to its present consideration.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

### HEARINGS BEFORE COMMITTEE ON INTERSTATE COMMERCE

Mr. WHEELER submitted the following resolution (S. Res. 38), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Interstate Commerce, or any subcommittee thereof, hereby is authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

### ADDITIONAL ASSISTANT CLERKS FOR CERTAIN SENATORS

Mr. BYRNES submitted the following resolution (S. Res. 39), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That whenever during the remainder of the present session of Congress, a Senator shall file with the Chairman of the Committee to Audit and Control the Contingent Expenses of the Senate a statement showing the necessity for an additional clerical assistant to enable him to discharge the duties of his office, such Senator may appoint one assistant clerk to be paid from the contingent fund of the Senate at $1,500 per annum until the end of the present session of Congress.

### INVESTIGATION OF "KICK-BACK RACKET"

Mr. WALSH submitted the following resolution (S. Res. 40), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That Senate resolution numbered 228, agreed to May 30, 1934, authorizing the Committee on Education and Labor to investigate the "kick-back racket" in public works and construction, hereby is continued in full force and effect until the end of the Seventy-fourth Congress.

### CORNER IN DECEMBER SUGAR FUTURES

Mr. VANDENBERG. Mr. President, I offer the following Senate resolution, which I send to the desk, and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 41), as follows:

Whereas it is generally understood that a group of so-called "long traders" in sugar, operating through the New York Coffee and Sugar Exchange, cornered the market in December futures, forcing an ultimate settlement with so-called "short traders" who were speculative sellers; and

Whereas this corner in sugar for domestic consumption resulted, in part, from the use of market limitations created by the Jones-Costigan Act and in part by the price-fixing decrees of the Cuban Government in respect to sugar sales in the continental United States; and

Whereas any such speculation at home and any such price manipulation and price fixing abroad threatens the welfare of domestic consumers and may threaten the welfare of domestic producers and, in any event, jeopardizes the integrity of the Jones-Costigan Act and may nullify its domestic purposes: Therefore be it

*Resolved*, That the Secretary of Agriculture is requested to report to the Senate (a) all information at the disposal of the Department and the Agricultural Adjustment Administration respecting this December corner in sugar and the ultimate results as found by the exchange and by these Departments; (b) the history of the dealings of all Government Departments with the merchandising of the 1934 Cuban sugar quota in the United States; (c) the names of all so-called "long" and "short" traders in December futures on the New York Coffee and Sugar Exchange; (d) the names of the board of directors of the New York Coffee and Sugar Exchange and the personnel of the Cuban Sugar Stabilization Institute, and the identification of any banks or other financial institutions in the United States known to have been connected with the financing, or the refusal to finance, the 1934 Cuban sugar crop; and (e) such recommendations as he may care to make for additional legislation to protect the Jones-Costigan Act and for legislation, if deemed necessary, to control commodity dealings on the New York Coffee and Sugar Exchange.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. ROBINSON. Mr. President, to so much of the Senator's resolution as calls for information I interpose no objection, but in view of the fact that he calls upon a Cabinet officer to recommend legislation I shall object to the present consideration of the resolution.

The VICE PRESIDENT. Objection is heard.

Mr. VANDENBERG. I ask that the resolution may go over under the rule.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. VANDENBERG. I should like to have permission to print in the RECORD a brief statement indicating the necessity for the resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

December sugar futures were involved in market speculation on the New York Coffee and Sugar Exchange last month. The result seems to have been a so-called "corner" on available December sugar and a so-called "squeeze" which required composition between the longs and the shorts.

I do not presume or pretend to prejudge the equities involved. I make no charges against anybody. It is exceedingly difficult to get at the facts except as information is available from official and exchange sources. My resolution simply asks a preliminary presentation to the Senate of the official facts. Advisable subsequent action may be determined in the light of these ultimate facts.

It may well be that the public interest did not actually suffer in this particular instance. It may be that the only victims were the short sellers who were caught upon the horns of their own self-created dilemma. But the episode challenges the inquiry whether or not the conditions created by the Jones-Costigan Act may not invite other and more far-reaching manipulations to the jeopardy of the public interest.

It seems clear that one factor in the recent December corner was the act of the Cuban Government, responsive to Cuban sugar interests, in pegging the price to be paid for sugar in the United States upon the Cuban supply; that this could not be attempted except as the competition of domestic sugar disappeared from the domestic market through the operation of limitation quotas upon domestic production, and that it could not be done except as the Cuban supply, withheld for subsequent higher prices, was financed from New York. In other words, we are put on notice to inquire whether the Jones-Costigan Act has not unwittingly encouraged market manipulation inimical to the people of the United States.

The whole sugar policy of the administration has been amazingly generous to Cuba, not only in respect to the Jones-Costigan Act but also in respect to the subsequent Cuban reciprocal treaty. We are put on notice by the chain of events, in respect to December sugar futures, to inquire whether this generosity does not unintentionally permit our actual exploitation.

The situation which existed in December on the New York Coffee and Sugar Exchange puts us on further notice to inquire whether during the existence of governmental limitations upon domestic sugar production it is not self-defensively necessary to control market speculation in this commodity.

Full facts are important to correct judgments; and the full facts need to include not only information regarding what actually happened but also the identity of all the actors in the drama and the full record of activities by our own governmental departments charged with sugar administration and with Cuban relations.

Mr. COSTIGAN. Mr. President, the resolution as read was not clearly heard here. May I ask the able Senator from Michigan whether it looks toward securing desirable information with respect to the possible bearing of market transactions upon the price of sugar?

Mr. VANDENBERG. That and nothing more, other than other available information which may relate to the whole general subject. I am seeking only the official information available at the Department of Agriculture respecting this situation. I may say to the Senator that I have come to no conclusions in my own mind respecting the matter, but I am perfectly clear that the situation is one which involves the integrity of the act which the able Senator from Colorado championed last year.

Mr. COSTIGAN. Like the Senator from Michigan, I am much interested in having information developed with respect to the effect of the market operations spoken of on any prices of sugar in the United States market since the Sugar Act was adopted, and trust I may have an opportunity to confer with the Senator from Michigan during the day about the precise form of the resolution.

Mr. ROBINSON. Mr. President, I merely wish again to call the attention of the Senator from Michigan to the fact that it is unusual to call upon members of the Cabinet to recommend legislation. That is a matter which clearly is within the province of the Executive. Any information which the Cabinet member may have is, of course, available for the Senator's use; but I suggest to him that before the matter is called up again he consider revising the resolution.

Mr. VANDENBERG. Mr. President, there is something to be said for the Senator's suggestion. I will confer with him, and with the Senator from Colorado, and I shall anticipate no difficulty in reaching an agreement which will permit passage of the resolution when it comes up, under the rule, on the next calendar day.

### INVESTIGATIONS BY THE COMMERCE COMMITTEE

Mr. COPELAND submitted the following resolution (S. Res. 42), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Commerce, or any subcommittee thereof, hereby is authorized to sit during the sessions, recesses, and adjourned periods of the Seventy-fourth Congress at such times and places as it may deem advisable, to make investigations into all matters within its jurisdiction, and to compile and prepare statistics and documents in relation thereto, as directed from time to time by the Senate and as may be necessary, and to report in due course to the Senate the result thereof, to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses incurred in pursuance hereof shall be paid from the contingent fund of the Senate, and the committee is authorized to order such printing and binding as may be necessary for its use.

### SELECT COMMITTEE TO STUDY METHODS OF PRODUCTION AND DISTRIBUTION OF ELECTRICITY

Mr. AUSTIN (for Mr. GIBSON) submitted the following resolution (S. Res. 43), which was referred to the Committee on Interstate Commerce:

Whereas there exists a large and growing need for low-cost electricity and means for its production and distribution; and

Whereas the time is now propitious for the development of methods for such production and distribution: Therefore, be it

*Resolved*, That a select committee of the Senate, consisting of five Members, to be appointed by the President of the Senate, is authorized and directed to make a study of methods for production and distribution of electricity and confer with and advise the President concerning plans for their adoption. The committee shall report to the Senate, as soon as practicable, the results of its investigation, together with its recommendations, if any, for further necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

### DECISION OF UNITED STATES SUPREME COURT IN OIL CASES

Mr. GORE. Mr. President, the decision of the Supreme Court, handed down last Monday, holding void a certain part of the National Recovery Act has been printed in the CONGRESSIONAL RECORD. It is still in type. In view of its importance, I ask that the majority opinion be printed as a public document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

### THE WASHINGTON EXPERIMENT IN CHARACTER EDUCATION

Mr. COPELAND. Mr. President, I hold in my hand a report on the Washington Experiment in Character Education submitted by Frank W. Ballou, superintendent of schools, Washington, D. C., read at Cooperative Test Service Conference, New York City, November 1, 1934. Our committee investigating crime held its hearings and decided that juvenile delinquency is the most important aspect of this American problem. I also hold in my hand an editorial which appeared in the Washington Post of January 1, 1935, entitled "Character Education", dealing with the same question. I ask that the report and the editorial may be printed in the RECORD.

There being no objection, the report and the editorial were ordered to be printed in the RECORD, as follows:

For several reasons I am particularly happy to address this meeting in New York City. In the first place, New York is my home State, and I always take pleasure in returning to it. In the second place, the character-education experiment, which we are inaugurating in Washington, owes its inception to Senator ROYAL S. COPELAND, of New York, and is greatly indebted also to the Rochester Athenaeum and Mechanics Institute, of which Col. John A. Randall is president.

Senator COPELAND was particularly instrumental in securing the congressional appropriation for inaugurating the experiment in Washington. Moreover, many details of the plan, as we are inaugurating it in Washington, are based on the philosophy and practices which have for a number of years been in operation in the Mechanics Institute of Rochester, where Colonel Randall has organized and promoted a definite program of character education and personality development in that institution.

This paper on the character-education experiment in Washington is divided into two quite distinct parts. Part I deals with

the origin, purpose, methodology, set-up, appropriation, and ultimate evaluation of the experiment. Part II deals with the manner in which this experiment, as conceived and inaugurated in Washington, does now or will ultimately affect the purpose and philosophy of education, the program of studies, the methods of teaching, and the objectives and outcomes of education.

PART I

The character-education experiment which was systematically inaugurated in the public schools of Washington in September 1934 grew out of the investigation of crime and racketeering conducted by a committee of the United States Senate of which Senator ROYAL S. COPELAND, of New York, is chairman, and the other members are Senator ARTHUR H. VANDENBERG, of Michigan, and Senator LOUIS MURPHY, of Iowa. The committee found that the cost of crime in the Nation is approximately $13,000,000,000 annually, that this staggering sum represents one-fourth of our national income, and that it is more than three times our total expenditure for education.

The committee also found that the average age of criminals in America is 23 years, that the largest age group is 19 years, and the next largest 18 years. These age groups clearly indicate that crime in America today is committed largely by comparatively young people. Any effort, therefore, by the duly constituted authorities of government and social welfare to reduce crime must be made in behalf of the young people of the Nation, many of whom are now in our public schools, or who have only recently left public school instruction. While the cost of crime can be definitely estimated in terms of billions of dollars annually, the cost of crime in terms of reduced efficiency of our people, degeneracy of our individual and collective moral conduct, and the general unhappiness resulting from crime, are beyond mental comprehension and beyond estimation.

In this experiment a systematic attempt will be made to establish character training as one of the fundamental outcomes of systematic education. The experiment will attempt to determine to what extent, under the conditions existing in a large public-school system, it is possible to affect the attitudes and conduct of young people through the systematic instruction offered in the classroom, through the extracurricular activities, and through the general organization of the school. Within the experiment, as reasonably excellent facilities and resources as are available will be provided with a view of creating as favorable conditions as possible for carrying on the experiment. How much, if any, additional cost these improved facilities require will also be determined.

The experiment is being inaugurated in 10 schools selected for that purpose. Schools were selected where the principals and the teachers were not only willing but interested to try the experiment, and where other resources seemed to offer the largest possibility of success. It is hoped that the experiment will be continued over a period of at least 3 years. It is expected that other Washington schools may be helped in their respective character-training programs by what goes on in the schools in which the experiment is being systematically carried on. The experiment will be formally extended to other schools as rapidly as they are ready, and the financial and other resources are available for carrying it on.

The experiment is being inaugurated in 10 selected, typical schools representing the whole school system. These are 2 elementary schools, 2 vocational schools, 2 junior high schools, 2 senior high schools, 2 senior night high schools.

Each type of school includes a school for white pupils and a school for colored pupils. The project is being inaugurated in the fourth grade of the elementary schools, in the seventh grade of the junior high schools, in the seventh grade of the vocational schools, and in the tenth grade of the senior high schools. As each beginning class completes the year, the project will be carried forward with the class and initiated again with the entering class. Obviously, at the end of the 3-year period each class now beginning the experiment will be graduated from the school. As a result, therefore, at the end of 3 years, the experiment will cover completely each school level. In addition, we shall also have had experience with the vocational schools, 1 for boys and 1 for girls, and also with 2 night schools. In general, the experiment will encompass all types of pupils in a large-city school system.

In general, approximately 28 administrative and supervisory school officers, 277 teachers, and 5,575 pupils are participating in the experiment during this year.

In preparation for the beginning of the experiment, an institute or conference was held for a period of 3 weeks, beginning June 25. These 3-hour conferences were held daily for 3 weeks and were participated in by the superintendent, the 2 first assistant superintendents in charge of junior and senior high schools, the 2 assistant superintendents in charge of elementary schools, the assistant superintendent in charge of the project, the 2 assistant superintendents in charge of the research departments, the 2 supervising principals of the division in which the 2 elementary schools were located, the director of the attendance department, the director of the community-center department, the statistical officer of the system, the principals of the schools, with their assistant principals, and the presidents of the 2 teachers colleges.

In these daily conferences the program for inaugurating the experiment was developed. The conferences were presided over by Dr. W. W. Charters, of Ohio State University, who was assisted by Dr. Ben D. Wood, of Columbia University; Dr. Ralph W. Tyler, of Ohio State University; and Dr. Charles R. Mann, director emeritus of the American Council on Education. Other educational consultants will be secured from time to time as the work progresses.

Congress authorized the expenditure of approximately $70,000 for the additional personnel necessary for the experiment. These are 1 assistant superintendent in charge, 14 statistical clerks, 18 research assistants and counselors, 2 night high-school principals on full time, and outside educational consultants for advice and counsel as the experiment progresses. Funds for equipment and supplies were not appropriated and hence are being taken out of regular appropriations.

The departments of educational research in the white schools and in the colored schools have been assigned the responsibility for evaluating the results of the experiment. In setting up a testing program to be carried on at the beginning of the experiment, they have had the advice and counsel and assistance of Dr. Ralph W. Tyler, of Ohio State University; Dr. Ben D. Wood, of Columbia University; and Dr. Charles R. Mann, of the American Council on Education.

PART II

Having considered the origin, purpose, methodology, etc., of the experiment, your attention is now invited to some of the fundamental educational considerations which are explicit or are implied in the Washington experiment on character education, in which an attempt will be made to establish character training and development as a fundamental outcome of systematic education.

In this experiment character education is not a new subject of instruction added to the program of studies; it is not teaching morals; rather, as we conceive it, it has to do with every aspect of our educational thinking and of our educational practice. Ultimately, it will concern itself also with all organizations of young people avowedly furnishing programs of character training as well as with all those other instrumentalities, agencies, and situations in the community which influence the attitude of mind and the behavior of young people.

Part II deals with some of the possible changes likely to be desirable or necessary as a result of this experiment in the purpose and philosophy of education, the program of studies and training and desired outcomes, the methods of teaching, school organization and administration, and in amount of available information regarding children.

THE PURPOSE AND PHILOSOPHY OF EDUCATION

A century ago it was the primary purpose of education to teach everybody to read and write with a reasonable degree of proficiency. To a very large extent that very desirable purpose has been realized. If education today were limited to the three R's, it would be as inadequate for the needs of American life at the present time as would be the covered wagon, the horse car, the stagecoach, the spinning wheel and loom, the sailboat, the fireplace, candles, bows and arrows, wells and pumps, the flail and the log cabin.

Today we have advanced far beyond that limited purpose of education and are confronted with the fundamental necessity of developing a higher level of character among the young people of our country. Indispensable as they are, mastery of the three R's is no longer the fundamental purpose of American education. The fundamental purpose of American education is efficient citizenship, which requires not only that people be able to read and write, but that they also be well informed through information acquired at school and be trained in ideals of social justice, which should be observed and practiced in democratic society. The establishment of higher ideals of social justice depends on inculcating in the hearts and minds of young people the compelling ideals of conduct which shall control their thoughts and actions. This is the combined task of the home, the church, and the school as well as all other instrumentalities and conditions which affect the attitudes and actions of developing youth.

If character training is to be one of the outcomes of education, it must be encompassed in the scope and definition of the purpose of education. Heretofore, the results achieved by pupils in the public schools may have been, as Senator COPELAND states, too largely recorded in terms of achievement in subject matter represented by grades earned in the elementary schools and by grades and quantitative units in the senior high schools. Somehow the results of the pursuit of subject matter and of other activities in the school should find their way into the activities, behavior, and conduct of young people. The purpose of education should be redefined to include the ideals of social justice, cooperative living, and the privileges and responsibilities of good citizenship, in addition to present intellectual achievements and manual skills.

Some of the basic principles of the character education program were worked out in the summer conference and agreed to by the members of the conference. Some of these relating to the purpose and philosophy of education were formulated by Dr. Charters in the following language:

"1. The personal aim of education is to help each child develop the desire and the power to make the right choice in any conduct situation.

"2. All education is self-education. In every school the children who are being educated actively participate in planning school activities, in carrying the plans out, and in evaluating the success of their efforts.

"3. Attitudes, desires, and urges are controlling factors in behavior. To help the child learn to want to do right is a major responsibility of schooling.

"4. Clear thinking is essential in meeting new situations and changing conditions effectively. Helping children learn to think their way through in perplexing situations is a major obligation of schooling.

"5. Fundamental habits, virtues, and conventions care adequately for wide areas of behavior. Such habits, when of durable value, should be developed by the school within the situations to which they apply.

"6. Growth and personality are best promoted when children think and act in situations which are real to them. Reality to the children concerned is a prime consideration in selecting the activities that make up the program of every school."

PROGRAM OF STUDIES AND TRAINING AND DESIRED OUTCOMES

The heart of the character-education experiment in Washington is the program of studies and training which is deemed necessary to establish character training and development as a fundamental outcome of systematic education.

Heretofore the major interests of the school have been intellectual training and the development of certain manual skills. While physical education and training has come into our school program, nevertheless it does not yet reach effectively all pupils.

Various extracurricular activities are found in the programs of most progressive school systems, but many teachers minimize their educational value and only reluctantly share the professional responsibility of the faculty for supervising them. This is not said for the purpose of criticizing the teaching profession; but rather to show how much remains to be done professionally before some of the more recent additions to our educational practices find their proper places in our program of instruction.

In a very real sense all education is character education. School programs have usually concerned themselves with certain personality traits which aid in the mastery of subject matter, such as thoroughness, scholastic ambition, and achievement under competition. In the character-education experiment in the public schools of Washington we are interested in a wider range of activities as well as a more definite statement of generally recognized behavior patterns.

In the character-education conference held during the summer, 10 areas of experience were set up. These 10 areas of experience are for exploration by pupils and are in marked contrast to the more restricted areas ordinarily set up for the schools. Definite outcomes to be achieved in each area were also defined. It yet remains to be determined just what outcomes we shall undertake to achieve in the three major types of the school system, namely, elementary, junior, and senior high schools.

The areas to which all children of the schools will be exposed and the outcomes that each at the level of his capacity should achieve are presented in the following statement adopted by the summer conference:

"Part I. An analysis of the fields of experience and a statement of desired results in each of these fields. For the purposes of this study, the committee suggests the following areas—

"1. Health activities.
"2. Intellectual activities.
"3. Economic activities.
"4. Vocational activities.
"5. Political activities.
"6. Recreational activities.
"7. Sex, parenthood, and family life.
"8. Social activities.
"9. Aesthetic activities.
"10. Religious activities.

"Desired results in each of these areas:

"1. Health activities: The field of health activities is understood to include both mental and physical health. Every child—

"(a) Is interested in his own mental and physical health and that of the community.

"(b) Establishes an adequate set of personal health habits based on the facts of physiology, psychology, and hygiene.

"(c) Promotes mental and physical health activities of home, school, and community.

"(d) Has a clear understanding of the important relationships that exist between mental, moral, and physical health.

"(e) Reads health information in magazines and newspapers with intelligence.

"2. Intellectual activities: Every child—

"(a) Sees both the social and the scholarly values of the subject matter pursued in his courses and desires to make it his own.

"(b) Thinks independently and discusses important matters with intelligence.

"(c) Gets a satisfying after-effect from his classroom exercises.

"(d) Sets for himself advancing goals and standards of excellence.

"(e) Has an intelligent respect for scholarship.

"(f) Has facility in reading and in the use of oral and written English.

"3. Economic activities: Every child—

"(a) Understands the considerations underlying the spending, saving, earning, and giving of money.

"(b) Uses money intelligently.

"(c) Is interested and intelligently informed about current economic problems and forms his own tentative solutions.

"(d) Understands the workings of the common economic institutions with which he comes in contact, such as banking, retailing, etc., from the consumer's point of view.

"(e) Sees the economic institutions of society as agencies for promoting social welfare.

"(f) Reads with facility economic materials written for the layman.

"4. Vocational activities: Every child—

"(a) Appreciates the dignity and importance of labor.

"(b) Enjoys the experience of working at his daily tasks.

"(c) Studies with intelligence the occupations that may be open to him and makes his choices in terms of their opportunities and his own capacities and limitations.

"(d) Understands the basic structure and functions of the industrial life of the Nation.

"(e) Reads and understands the materials in this field written for the layman.

"5. Political activities: Every child—

"(a) Has an ingrained and intelligent respect for law.

"(b) Is interested and intelligently informed on the current political problems and forms his own tentative solutions.

"(c) Accepts the obligation of every citizen to participate in the civic life of his community, State, and Nation.

"(d) Understands the workings of governmental agencies with which he comes in contact, such as courts, Congress, and local commissions, from the point of view of the citizen.

"(e) Sees political institutions as methods of promoting social welfare.

"(f) Reads discussions of political issues with intelligence.

"6. Recreational activities: Every child—

"(a) Thinks of recreation as a component part of his life and finds a place for recreation in his daily program.

"(b) Enjoys participation in a variety of well-selected recreational activities.

"(c) Establishes the beginnings of wholesome leisure-time activities.

"(d) Acquires attitudes and habits of cooperation, good sportsmanship, and leadership in recreational activities.

"7. Sex, parenthood, and family life: Every child—

"(a) Sees sex as one of the great moving factors of civilization.

"(b) Has an understanding of reproduction as a biological process.

"(c) Participates intelligently and with good will in the life of his own family.

"(d) Sees the family as the basic unit of society.

"8. Social activities: Every child—

"(a) Has a concept of himself as a valuable member of his group with opportunities and obligations.

"(b) Participates in group activities from inner interest rather than from outer compulsion.

"(c) Practices the ideals of fair play and friendliness in his group relations.

"(d) Appreciates the values of friendship and chooses friends with these values in mind.

"(e) Consistently seeks to understand the point of view of other people.

"(f) Has mastered the courtesies involved in living happily with others.

"(g) Is quick to appreciate the efforts and contributions of other members of the group.

"(h) Realizes that his own personal development is the greatest contribution that he can make to the group, and accords every other member of the group the right to develop in his own way.

"(i) Analyzes situations and makes choices with understanding and with consideration for the welfare of others.

"(j) Uses the contributions of his groups to advance his own plans for wholesome development.

"9. Aesthetic activities: Every child—

"(a) Has good taste.

"(b) Has an intelligent interest in art, literature, music, and drama.

"(c) Has an understanding of those arts as major factors in the evolution of civilization.

"(d) Has an appreciation of the aesthetic arts, and within his capacity expresses himself through several media.

"(e) Likes to read literature, visit exhibitions of art, attend the theater, and listen to musical programs.

"10. Religious activities: While it is the obligation of the church and not the function of the public schools to give religious instruction, every child should—

"(a) Respect religious ideals.

"(b) Perceive the influence of religious thought in civilization.

"Part II: Groups of personality traits—

"1. Intelligence: Resourcefulness, brightness, keenness, discrimination, objectivity, ability to plan, foresight.

"2. Honesty: Fairness, justice, integrity, open-mindedness, tolerance, sincerity.

"3. Friendliness: Courtesy, kindness, neighborliness, generosity, sympathy, understanding.

"4. Efficiency: Accuracy, skill, carefulness, neatness, speed.

"5. Cooperativeness: Self-control, teamwork, dependability, responsibility, tact.

"6. Forcefulness: Initiative, drive, persistence, confidence, industry, concentration, courage, enthusiasm, ambition."

The outcomes have been stated in two forms in order to clarify two important aspects of the problem. While a casual reading might suggest that either form is complete in itself, a critical study will show that each part supplements the other.

Part I indicates the approach to the problem. Character develops through experience. The outcomes suggested in part I focus attention on the growth of children through participation in the varied activities of the school. Part I becomes a basis for constructing and evaluating a school program. The inadequacy of this analysis of the fields of experience lies in the fact that it does not clearly define the ultimate goals of character education. Unless those responsible for the school program have these

generalized ideals constantly in mind, the possibilities inherent in school situations cannot be realized.

Part II is a statement of goals. Groups of personality traits have been utilized since the beginnings of recorded time to designate certain desirable behavior patterns. These concepts are based on racial experience. They are familiar and convenient statements of our ideals. Used as an approach to the problem of character education, traits tend to become platitudes because generalizations have meaning only in relation to the experiences from which they are drawn. Abstract concepts have no meaning for children except as they may be led to make their own generalizations on the basis of their own experiences, deriving their own concepts and ideals as their predecessors have done. Used as outcomes by which to check the school program, such concepts have real and permanent value to all concerned with the educational process.

Those who are participating in the character-education experiment in Washington are clearly of the opinion that our program of individualized instruction based on the individual interests, needs, and capacities of children, will make inevitable a reorganization of the program of studies and activities in the various levels of the school system. However, such curriculum reorganization must await the accumulation of adequate information concerning individual pupils. The officers and teachers in charge will be continuously aware of this problem and will accumulate information from time to time which will be used in its ultimate solution.

METHODS OF TEACHING

Character education and training is an individual matter. Methods of teaching must recognize the individual child, his needs, capacities, and interests. The teacher must be a teacher of children rather than merely of subjects.

Individualized education is one of the major considerations in the character-education experiment in Washington. We are emphasizing the facts that the whole personality of the child, intellectual, aesthetic, social, physical, moral, etc., is involved in his education; that the development of social and moral qualities is as important as the development of intellectual qualities represented by the acquisition of information; and that the extra-school life and home conditions of the child must be taken into consideration by the school if the school is to be reasonably successful in the development and training of the child.

In the Washington experiment we recognize that the reeducation of teachers to these newer points of view is one of the major tasks of those in charge of the experiment. Through the leadership of the principal, through the work of the counselors, through the supervision and direction of the assistant superintendent in charge of the experiment, and through systematic courses, which it is hoped will be offered in the local universities, it is hoped that prompt and satisfactory progress will be made in giving teachers and officers and all others connected with the experiment, a thoroughgoing knowledge of the basic principles involved in these newer views of the educational process, and the morale necessary for the success of the experiment.

The summer conference worked out the following criteria by which teachers might judge whether or not their instruction could be characterized as individualized instruction. These criteria were stated in the form of questions as follows:

1. Is your objective the improvement of the individual as a social being?
2. Is the pupil successful in doing what has been assigned to him? Does the child realize that he is successful, and does he get that satisfaction which comes only from success?
3. Is the pupil really interested in what he is doing and satisfied by doing it?
4. Does the pupil work aggressively without external compulsion?
5. Is your prescription based upon sufficient information regarding the abilities, interests, and needs of the pupil as a social being?
6. Do you recognize that your prescriptions are instrumental and provisional rather than objectives made and handed down which must be achieved at all cost?
7. Does your prescription take account of extraschool influences upon the learning habits of your pupils?
8. Is your judgment of the success of the pupil based upon what you think the pupil can do, or is it a mass standard?

ADMINISTRATION

We have shown how the character-education experiment in Washington is likely to affect our conception of the philosophy of education, the program of studies, and training, educational outcomes, and methods of teaching. The philosophy underlying the Washington experiment in character education is likely also to affect the organization and administration of the school system.

In Washington we look upon the problem of organization and administration of the schools as a problem primarily concerned with establishing the most favorable conditions under which the educational process may be carried on. Obviously, if established rules and regulations do not promote conditions favorable for classroom instruction and the achievement of worthy educational outcomes, then those rules and regulations should be modified.

The administrative and supervisory officers in Washington pride themselves in following a cooperative procedure in the handling of all administrative and supervisory problems. They have adopted many provisions looking toward flexibility in the organization and administration of the schools. A large amount of freedom and initiative is reposed in the principals of buildings and, in general, a decentralized rather than a centralized plan of school administration for the city is in operation.

At the summer institute on character education, the members of the conference worked out a list of 30 or more evidences of flexibility and adaptation in the organization and operation of the schools.

The following subjects were listed as evidence of flexibility in the administration of the schools: Promotion by subjects, an open list of textbooks, credit for approved outside work, individual freedom in teaching methods, limited requirements specified for graduation, and semiannual promotions. These are typical illustrations of an attempt to allow freedom to administrative and supervisory officers to operate their schools in the interests of individual children.

Some examples of the adaptation of school organization to the needs of individual pupils are: Homogeneous grouping of pupils, course of study modifications, elective subjects in the senior high schools and to some extent in the junior high schools, special classes for various types of pupils, and special schools, such as trade schools, technical schools, and commercial high schools.

These observations are presented without any possibility of their amplification in this paper. They are presented only as evidence of the fact that the administrative and supervisory officers in Washington are aware of the important problem confronting them of undertaking to modify administrative practices in school organization and administration to the end that individualized instruction shall be encouraged.

CUMULATIVE-RECORD CARD

If individualized instruction is to prevail, if courses of study and methods of teaching are to be adapted to the individual needs of boys and girls, and if the educational outcomes to be desired are to be individualized, officers and teachers must have a larger amount of information concerning boys and girls than has heretofore formed the basis for the establishment of our educational practices. It ought to be obvious to everyone that the educational process cannot be made to fit the individual child unless we know all of the facts about that child that condition his learning. We have set for ourselves the task of accumulating for every child all available information that is related to his education and training.

As a means of recording some of this information we have adopted the cumulative record cards for elementary, junior, and senior high schools prepared and published by the American Council on Education. On this card will be reported not merely the child's progress in mastery of subject matter from year to year, but also an unusual amount of information regarding his extracurricular activities and his character traits.

In addition, each teacher will be expected from time to time to submit to the school office a report on significant character traits as she has observed them. There will also be available for the use of the principal of the school and the counselor the intelligence quotients, and the results of achievement tests for all pupils. In addition, our research departments will make clinical examinations of special cases. We propose also to make a clinical study of every pupil who gives any evidence of juvenile delinquency. In this study we shall have the cooperation of the juvenile court, the police department, and the various social agencies dealing with juvenile delinquency.

While the character-education program is intended primarily as a preventive measure against juvenile delinquency, a thoroughgoing clinical study of every case of juvenile delinquency will be not only necessary in the handling of such cases but the results of such study will furnish much information which will be of value to the officers for general use.

SUMMARY

The Washington experiment in character education requires a shift of emphasis in our educational thinking, from subject matter to be taught to the development of personalities in those being taught. This change of point of view respecting the educational process must necessarily be gradual because it involves a reeducation of the present members of the teaching profession, not only in the purpose of education but in subject matter and in methods of instruction. As instruction becomes more individualized, the individual needs, capacities, and future careers of young people may be more clearly and more definitely provided for insofar as systematic education is concerned.

The final success or failure of the experiment will depend, to a large degree, on the success of the teacher in the classroom in putting into effect a modified philosophy of education and a modified technique in teaching; on the success of the officers in exercising a helpful leadership in the project and in establishing as favorable an administrative situation as possible for the experiment; and from the encouragement of an informed professional and public opinion. The full measure of the success or failure of the experiment can be observed only in terms of the character and conduct produced in the young people who participate in the experiment, observed years hence when these same young people are the citizens of a new social order in which better living conditions abound, happier individual lives are lived, and a higher degree of social justice prevails.

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REPORT OF THE GUIDANCE PROGRAM OF MCKINLEY HIGH SCHOOL FOR 1933–34

By Irene T. Blythe

In the fall of 1933, the principals of McKinley High School, recognizing that responsibility for guidance had become a vital part of secondary education, instituted a guidance program.

Because of the varied curriculum at McKinley, and the wide spread of individual differences, the need for guidance in this school seemed to be particularly urgent.

Having recognized this need, the principals set about the organization of a guidance staff by coordinating existing committees, and adding new personnel. The guidance staff, as finally organized, consisted of a chairman of guidance, a third semester counselor, an adjustment committee, a college committee, a placement bureau, and a student advisory board with a faculty adviser.

Before this staff was organized, only such guidance was attempted as could be done during the opening period by the section teachers, with the exception of maladjusted cases which were referred to the adjustment clinic. The new set-up was not meant to supersede this work of the section teachers, but to supplement it.

Three vital phases of guidance—personality adjustments, educational guidance, and vocational guidance—were undertaken by this staff. The objectives were to provide each student with a program adapted to his or her ability and planned toward a definite end, i. e., either college entrance, some trade skill, or a thorough business training; and, to adjust each pupil so that he should have a happy and profitable high-school experience that would lead to a permanent adjustment to life.

Each member of the staff assumed a definite responsibility, as follows:

Beginning with the second semester, the third-semester counselor, assisted by two other teachers on the guidance staff, interviewed each third-semester student, a total of 375 personal interviews. During these interviews an effort was made to discover the interests, aptitudes, and desires of each student, and to arrange his program of curricular and extracurricular activities to utilize and develop his talents to the best advantage to himself and to the school and society. In addition to the regular interviews, the third-semester counselor visited the homes of several maladjusted students in an effort to bring about a closer cooperation between school and home.

The college committee functions both as an advisory and a certification committee. Approximately 165 third-semester students, who had expressed an interest in going to college, were referred to this committee by the third-semester counselor. The college committee planned a definite college-preparatory program for each student. In addition, 75 upper-semester students were referred to this committee by the student advisory board. Many students sought the advice of the college committee of their own accord.

The adjustment committee handled maladjusted cases referred to them. In this work they were assisted by the Child Guidance Clinic and Dr. Gilbert, of Gallinger Hospital. This committee provided for 20 third-semester assemblies for the purpose of school orientation and vocational guidance.

The placement bureau, composed of a chairman from the business department, a teacher from the home-economics department, and a teacher from the shops, assumed responsibility for the distributive phase of guidance for graduates and some other students. Letters to parents of Tech students, alumni, and employers brought in employment calls. Grants of money from the P. T. A., the alumni, the seniors, and the Phoebe Hearst Foundation financed the placement bureau. Fifty students were placed before June 8, 1934. More students will be placed as soon as they are graduated.

The chairman of guidance, who is also faculty adviser to the student advisory board, with the assistance of the Vocational Guidance Association, the Kiwanis Club, and the Y. M. C. A., arranged 2 guidance assemblies and 35 vocational talks for seniors and fourth-semester students. The attendance at these talks averaged 125. A survey of the occupational choices of seniors was made and the results used in arranging the vocational talks and in compiling for the public library a list of occupations of interest to Washington high-school students.

Forty-one vocational interviews with Washington leaders in the professions and trades were arranged for seniors requesting them.

Other guidance activities of the student advisory board included the interviewing of 15 maladjusted students, the drawing up of a school code for voluntary signature of all students, and the conducting of the third-semester orientation assemblies. The chairman of guidance worked with each member of the guidance staff in carrying out the special work assumed by the individual members.

To assist in carrying out the various plans, 20 blank forms, letters, questionnaires, and so forth, were printed through the courtesy of the printing department. The third-semester questionnaire and cumulative-record envelop furnished the basis for the complete record of each student. These records, which are to be added to each semester, will be filed in the office of the placement bureau when the student is graduated.

Many other school organizations cooperated in the guidance program. The Tech librarian established a special shelf of guidance books and pamphlets. The faculty adviser of the school paper arranged for a series of vocational articles to be published in Tech Life. At a conference held with the chief librarian of the District, the facilities of the public library were offered for the use of students seeking occupational information.

It is hoped that it may be possible next year to extend this guidance work to more students and to better adapt it to the needs of McKinley High School.

[From the Washington Post, Tuesday, Jan. 1, 1935]

CHARACTER EDUCATION

The superintendent of schools in New York City expresses a thought in his annual report that must run through the minds of many persons who see innovations that were scarcely dreamed of a few years ago appearing in the educational system. "Is our youth today so weak", he asks, "that he will fall easily into crime or delinquency if school is not nicely adjusted to his tastes?"

The question is of particular interest to Washingtonians who have heard much recently of the so-called "character education" experiment being conducted in certain schools of the District.

Inadequate or improper schooling is closely related to delinquency. Warden Lawes, of Sing Sing, in studying the records of 500 convicts, found that 225 left school before completing the sixth grade, 111 finished grammar school, 71 went to high school for a single year, 22 were graduated from high school, and only 5 finished college.

Schooling is not, of course, a guaranty of good citizenship. But it may be a powerful influence in the development of character, insofar as it means a trained supervision during the formative period. Perhaps the most pungent criticism of the schools today is that they have failed to fill in the gap left by the disintegration of the modern family.

It is no surprise to learn from recent surveys that more and more women are deserting their hearthstones for the field of business, either under stress of the depression or because of a more liberal concept of woman's place in modern life. In such circumstances, the influence of the home is necessarily weakened. Children are likely to grow up without having the principles of virtue and diligence instilled into their consciousness. Forward-looking educators are attempting to supplant this deficiency by character training in the schools.

There is no set curriculum in character education, no textbooks, no special classes, no apparent difference from any other program. But efforts are being made to gage the capabilities of children and to assist them in the fortification of their weak points. These incipient weaknesses may result from malnourishment, physical defects, emotional quirks, mild complexes, or even home conditions.

It is not a case of catering to a child's weaknesses nor, as the New York educator suggests, a case of "putting him on a diet of educational milk-toast." It is an intelligent effort to apply modern knowledge of social and physical science, to keep pace with the demands of the day. While still in the experimental stage, if early indications are fulfilled, these new educational trends will do much to promote the development of those robust qualities characteristic of the best type of American citizen.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered in my home city of Topeka, Kans., December 11, 1934, by Frank N. Belgrano, Jr., national commander of the American Legion. The address is well worth the careful attention of the Senate and the country and contains an unusually clear and logical presentation of the case in favor of the immediate cash payment of the veterans' adjusted-compensation certificates.

I also wish to repeat at this time that I am in favor of immediate cash payment of these adjusted-service certificates and hope to have the opportunity of casting my vote for immediate payment at a very early date in the session.

I send the address to the desk with the request that it be printed as a part of my remarks at this time.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

My fellow Americans, for this splendid tribute I express to you the sincere thanks and gratitude of the entire American Legion. It is a rare privilege and a high honor to speak to a gathering of such outstanding citizens. You are business men of America. I am one of you. We speak the same language, and therefore I am sure we shall understand one another. It is a business matter that I want to discuss with you here—a business that is of vital importance to every American citizen, whatever may be his field of activity.

When I became national commander of the American Legion, I did not cease to be a business man. The Legion is a business. Ours is the duty of striving with all of our strength, in all of our thoughts, to safeguard and perpetuate the principles of true Americanism; to work without rest to make this a land of peace and contentment for all citizens who cherish the name "America." That is the greatest business any group of sincere citizens can undertake.

The average business man, the average citizen, knows little about the extensive work of the Legion. Because it can be made to sound more sensational in headlines, you know that we recommend immediate payment of adjusted-service certificates, commonly misnamed the "bonus." You also know that we have demanded, and will continue to demand, the adoption of an adequate Federal program for the care of our World War comrades who sacrificed their health and their future in defense of our country.

But our vast Americanism program, our child-welfare work, and our contributions to high community service do not seem to make sensational news, and therefore the average citizen knows little about them. I am grateful to you for this opportunity to discuss with you the American Legion's entire field of endeavor.

It is not my nature to dodge issues. Therefore, I shall speak first about the subject of our program which has excited the most controversy. It is the question of paying the adjusted-service certificates or, if you prefer, the bonus. At our convention at Miami we adopted by an overwhelming vote a resolution which said that since the Federal Government is embarked upon a program of spending tremendous sums, we recommend the immediate cash payment of these certificates as an effective relief measure and an effective means of further hastening recovery without adding to the national debt.

I have said it before, and I repeat it here, that I stand squarely behind that resolution, and in doing so I do not have to compromise with my business conscience. From the day we were mustered out of service, following that great conflict which history knows as the World War, the representatives of the people of these United States, in Congress assembled, determined that as a matter of common justice some adjustment in compensation had to be made to those who rendered service in the armed forces of the Nation. Year after year, from that day on, this question was the subject for continuous debate in the Halls of Congress. Prolonged talk over the method for meeting this recognized obligation finally terminated when the Sixty-eighth Congress, in May 1924, enacted the law known as the "World War Compensation Act." To correct the injustices to service men during the World War, Congress decided not to pay us then, but 20 years later. The World War Compensation Act authorized the issuance of certificates providing additional compensation of $1 for each day of service in the United States, and $1.25 for each day of foreign service, with interest to date of maturity. These certificates became effective as of January 1, 1925, and were payable at face value in 1945.

The majority of World War veterans never ceased to believe that Congress should have definitely settled this admitted debt at the time the law was enacted. But on numerous occasions in recent years we of the Legion declined to press our case in a patriotic effort to help the Federal Government balance its Budget. Times, however, have changed.

As an expedient for hastening recovery, for priming the machinery of business, and for meeting relief requirements, our Government is spending billions of dollars. Under these circumstances we of the Legion say that now, if ever, is the time to pay a debt It will have to be paid, so why not now, when prodigious spending is the governmental policy? Why add to the national debt when the same purpose can be served by paying off a debt? I submit that thought to you as a matter of sound business.

Now right here I want to make one point very clear. Let no man misunderstand my position. I do not say that the Government's policy is right or wrong. Politics will have no place in my administration as national commander of the American Legion. My sole object is to present to you, as concisely as I can, the Legion's case in asking the Government to discharge this debt immediately as part of its program for relief and economic reconstruction.

A better vehicle for this purpose cannot be found. Does anyone think the veterans will put this money in a sock and keep it there? If they do, they know nothing of the desperate conditions of hundreds of thousands of veterans. This money will be used to pay necessary bills at the corner grocery store, it will help to pay rents that are long past due, it will go to hard-pressed merchants to discharge the accounts of harder-pressed veterans, it will find its way quickly into every channel of business and trade. If you need new financial stimulus, here is a method for getting it without creating more debt.

I am conscious that some business men will say that we are not entitled to the interest on our certificates. Look back at the time these promissory notes were pledged. The dollar then was a hundred cents dollar. On the lowered dollar value of today we are asking no more than that to which we are entitled. This whole question is misunderstood, because it has been a political football for years, and it is high time to take it out of politics permanently.

The press has been filled with offers of a compromise. My answer to that is short and brief. There is no compromise to make. I have a mandate from the organization I have the honor to lead. I shall follow it to the letter. It is not the side which feels that its cause is righteous that comes forward with offers of an armistice. It invariably is the side that knows its cause is lost. We have made to the Government a common-sense business proposition. I believe the country will support it and the Government will adopt it.

When it comes to the question of protecting disabled veterans and providing care for their dependents, I compromise with no man. We of the Legion say first that this is a solemn obligation of the Federal Government, not of the States or the local communities, and certainly not a problem for private charity. The sacrifice these men made was for the whole Nation. Now, because of their sacrifice, these veterans are in need, and it is the whole country's duty to respond generously.

In our convention at Chicago a year ago we laid down a program of adequate care for all disabled veterans, a program that is fair to the country without being unfair to the veterans. We called it the "four-point program." Congress passed legislation last winter making effective the first three points. There remains the fourth point, stating that the widows and children of deceased veterans shall not be without governmental protection. We advocate this protection only when dependents of deceased veterans are in need, and I am sure no good citizen will argue with us the right of this position.

The American Legion seeks only to restore to productivity as far as possible maimed and sickened bodies among the 5 percent of us who were tolled off to do the fighting for the rest of us. This principle, with minor variations, has been America's policy since 1636. We do not seek to place soldiers in a more elevated position than the honorable one they occupy in the hearts of the American people. The Legion merely bends its efforts to restore levels disturbed by war and its collaterals.

This is an unselfish service. There are some who from selfish motives would have you believe that we seek these benefits for ourselves; that the Legion lives to obtain Treasury drafts for its own membership. In the first place, the services of our rehabilitation division are open to any veteran of the World War. We do not permit solicitation of membership among veterans who come to us for advice or assistance in connection with their claims.

Now, in the language of business, let us examine the other side of the ledger. In a brief way, I have endeavored to show you that the things we ask of the Government are only those things we believe veterans are entitled to have. But what do we contribute to the welfare of our country? We give it the same kind of service in peace that we gave in war. That is a service that cannot be measured in terms of dollars and cents. It cannot be bought! It springs from that same fountain of devotion which inspired us when we dropped our civilian vocations and left our classrooms to fight for the flag we all love. I say, without fear of successful contradiction, that the Legion is the greatest patriotic organization in our country today.

In the American Legion, duty to God and country comes first. I wish that was true of all of our citizens. As a business man I am far less concerned about economic conditions, unsettled as they are, than the apathetic attitude of many of our citizens toward an enemy that has stolen into our gates unseen. It is a menace to the progress of our country and a threat to our American Government. I refer to the invading army of alien "ism", a force that has grown so strong that it now boldly proclaims its un-American tenets publicly.

In the Legion there is only one "ism." That is Americanism. We hold that there is no room for any other "ism" in America, and we are mobilized to a man to fight for that principle, to safeguard for posterity the high ideals which have given us on this continent the greatest Nation of free people under the sun. We do not say that government is static, nor that all progress ended a century and a half ago. We do say, without equivocation, that we shall continue to progress, as we have in the past, as Americans, and in our own American way. That is an ideal to which every true American can affirm unflinching allegiance without interfering with his individual political views or religious creed.

Our convention in Miami adopted a number of resolutions, all of which shall have equal standing and importance as my mandates this year. But there was one which stated that Americanism should be our primary activity in 1934. In accepting that mandate I want you to know that I shall keep foremost the need for pure Americanism as the keynote of our endeavors. And because I hope to have the earnest support of every patriotic citizen in that work, I think you who are not members of our organization should know what the Legion means by Americanism.

First, it means love of country above all else. In the preamble of our Constitution we associated ourselves together "for God and country." That fortress we shall hold to the last man. Next, we stand for equal rights, personal liberty, freedom of speech, and the right of every citizen to worship God according to his own belief. We hold that a strong, healthy childhood today means a strong, healthy America tomorrow. To that end we stand for full educational opportunities, proper instruction in good sportsmanship, and careful guidance in the building of alert minds and healthy bodies. We hold that un-American and subversive influences must be driven from our institutions of learning, high and low. We demand the eradication of these influences wherever they are found. We stand for community service in its highest forms. We stand for law observance and law enforcement. We stand for international understanding without entangling alliances. We hold that in America, American citizens should come first. And we stand for unqualified allegiance to the flag that is our ideal and our hope.

The American Legion is an organization of action. We do not preach these things and forget them. We work for them and fight for them. No part of our program is more deserving of public recognition than our activities in the field of child welfare. Through our National Child Welfare Committee and our 11,000 posts, we are fighting in Congress, the State legislatures, and the municipal councils for the adoption of adequate laws to protect American childhood against exploitation. We are putting our full strength behind the movement for immediate ratification of a constitutional amendment permanently outlawing child labor. Nor do our child-welfare interests end there.

Throughout this land there are thousands upon thousands of children, the dependents and orphans of World War veterans, who are in need. They cannot wait for cities, States, or Nation to pass laws for their protection. They must be fed, clothed, and sheltered. The American Legion is undertaking to do just that for these children. In order to meet this deserving need we established an endowment fund of $5,000,000. One-half of the

income from this endowment is devoted to child welfare. In this year of great need, every penny of the amount allocated to child welfare, estimated at $82,300, will be spent for direct aid for the orphans and needy children of World War veterans. Not a dollar of it will be used for salaries, administration, or any other purpose but the feeding and care of suffering children. The Legion will assume all costs for overhead out of its income from membership dues.

Supplementing this fund for direct aid will be $18,000 from the Forty and Eight, the Legion's fun and honor society, and $3,000 from the Eight and Forty, the fun and honor society of the American Legion Auxiliary. So, if the need be established, this year our child-welfare division will have a total of $103,300 for direct relief. This is an increase of $34,300 over last year. The individual relief work of the State departments and posts of the Legion and the auxiliary will increase this sum materially. In the Legion year just closed our known distribution of direct financial aid was $713,798.91, and if complete statistical reports were available from all of our posts and department units it is estimated that this amount could be more accurately stated as $1,000,000. The known financial aid rendered met the essential needs of about 215,385 children.

For educational and legislative work in connection with our child-welfare program in various States, the auxiliary has contributed $10,000, and in addition to the $18,000 for direct relief from the Forty and Eight, that splendid organization is appropriating sufficient money to pay the necessary expenses of conferences in various parts of the country by those interested in our child-welfare work.

Our Americanism program also recognizes that youth activities must be properly guided. If our Nation and our form of government is to survive we must consider today what kind of citizens we shall have tomorrow. The American Legion is considering that vital question. In every community in the country you will find Legion posts promoting interest in healthful outdoor activities, coaching junior baseball teams, organizing Boy Scout troops, and teaching our adolescents the meaning of good sportsmanship and good citizenship through those mediums which appeal to youth.

In recent years the American school system suffered dangerous curtailments because of depression-inspired economies in State and municipal governments. They would have suffered more if it had not been for the Legion. Henceforth, they shall suffer much less if the Legion has any influence at all. One of the last things that should feel the knife of economy is the public school. Some things can wait but childhood cannot wait. The months lost from the classrooms now are lost for good. Last year thousands of schools were kept going because legionnaires went to their aid. The National Education Association awarded certificates of honor to more than a thousand Legion posts for their outstanding accomplishments in this crisis. We are determined as a united organization that this year there shall be no maldistribution of economy at the expense of the schools.

In demanding an adequate national defense and the enactment of a universal service law we of the Legion are fighting the battle of every American citizen. We can all agree that war is a crime against enlightened civilization; but no good citizen can agree that America shall remain unprepared as long as the spirit of war and conquest flames abroad. We demand an adequate national defense not to foster war but to promote peace. America never will seek a war, but an unarmed America invites attack. The progress of science has ended our day of splendid isolation, if it ever existed.

Our national defense program embraces only minimum requirements for the protection of our shores and our commerce. For the Navy we demand the immediate construction of every ship authorized by the London Treaty, and the men to man them; for the Army, sufficient strength to guarantee that no enemy force ever shall set foot on American soil, with a National Guard and Reserve to form the nucleus of a citizen army in time of war; and an adequate air defense of our coasts and possessions, with the necessary personnel, modern equipment and reserves for that vital purpose.

We of the Legion are ever ready to lend our strength to every honorable and sincere movement in the direction of international good will and peace. Our proposal for a universal service law is a step in that direction. The Legion plan provides for the conscription of capital, industry, and man power in time of war, and the use of each in the service of the Nation without special preference or profit. In effect, we propose to take the profit out of war. That is one example the United States can set for the rest of the world without impairing our ability to defend ourselves if war is forced upon us. When war becomes a profitless business war will cease to exist.

My fellow countrymen, travel the length and breadth of this Nation and wherever you go there you will find the good works of the Legion. You will find legionnaires rendering service in its highest forms—you will see community houses, parks, playgrounds, swimming pools, athletic fields, all built by legionnaires. You will find our men carrying relief to the needy and enlightenment to the unschooled. In time of disaster your legionnaires are ever ready, ever willing. We continue to serve; we always shall.

Honest men can have an intelligent difference of opinion. All men do not agree with all things. We do not expect everyone to agree with all of our policies. We shall fight for them because we are convinced they are just. But in our efforts to perpetuate the ideals and institutions of America, in our program to promote those things which will make this a happier land for all citizens, in our demand for a proper national defense, we have a right to expect the whole-hearted support of every loyal citizen. We invite that support and cooperation from you in the fulfillment of this great program.

PRINTING IN THE RECORD

Mr. FLETCHER. Mr. President, I have no objection to the request just made; but I venture to call the attention of the Senate to the cost of putting matter into the RECORD. We are encumbering the RECORD, and have gotten in the habit of putting in it everything that is offered here by any Senator. It costs $45 a page to print material in the RECORD; and I ask Senators not to burden the RECORD with material that is not pertinent to pending legislation or otherwise helpful.

I take it that the matter presented at this time applies to pending legislation, and I shall not object to having it printed; but I desire to call attention to the expense involved, because we have gotten in the habit of offering matter to be printed in the CONGRESSIONAL RECORD which is very costly and often does not do any good.

I ask to have printed in the RECORD a copy of the resolution adopted by the Joint Committee on Printing on this subject.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The resolution is as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON PRINTING,
*Washington, April 26, 1934.*

*To the Members of the Senate and House of Representatives:*

Under authority of section 13 of the Printing Act, approved January 12, 1895 (sec. 181, title 44, U. S. C., p. 1426), the Joint Committee on Printing at a meeting held this day adopted the following resolutions with reference to the printing of public documents and extraneous matter in the CONGRESSIONAL RECORD:

PRINTING OF DOCUMENTS

*Resolved by the Joint Committee on Printing,* That the attention of the President of the Senate and the Speaker of the House of Representatives be invited to the following provisions of law relating to orders for the printing of House and Senate documents and that they be requested to cause compliance therewith:

1. Either House may order the printing of a document not already provided for by law, but only when the same shall be accompanied by an estimate from the Public Printer as to the probable cost thereof. Any executive department, bureau, board, or independent office of the Government submitting reports or documents in response to inquiries from Congress shall submit therewith an estimate of the probable cost of printing to the usual number. Nothing in this section relating to estimates shall apply to reports or documents not exceeding 50 pages (sec. 140, title 44, U. S. C., p. 1423).

2. Printing and binding for Congress, when recommended to be done by the Committee on Printing of either House, shall be so recommended in a report containing an approximate estimate of the cost thereof, together with a statement from the Public Printer of estimated approximate cost of work previously ordered by Congress, within the fiscal year (sec. 145, title 44, U. S. C., p. 1424).

3. Resolutions for printing extra copies, when presented to either House, shall be referred immediately to the Committee on Printing who, in making their report, shall give the probable cost of the proposed printing upon the estimate of the Public Printer; and no extra copies shall be printed before such committee has reported (sec. 133, title 44, U. S. C., p. 1423).

*Resolved further,* That the Public Printer be, and he is hereby, directed to return to the respective House for further consideration all orders for printing that are not made in compliance with the foregoing provisions of law, accompanied by an estimate of the probable cost thereof together with a statement of the estimated approximate cost of work previously ordered by Congress within the fiscal year.

PRINTING IN THE RECORD

Whereas section 13 of the Printing Act of January 12, 1895 (sec 181, title 44, S. S. C., p. 1426), provides that, while the CONGRESSIONAL RECORD shall be substantially a verbatim report of the proceedings, the Joint Committee on Printing "shall take all needed action for the reduction of unnecessary bulk", and

Whereas the act of March 1, 1919 (sec. 4, title 44, U. S. C., p. 1415), provides that the Joint Committee on Printing shall have power to adopt and employ such measures as, in its discretion, may be deemed necessary to remedy any neglect, delay, duplication, or waste in the public printing and binding, and the distribution of Government publications; therefore, be it

*Resolved by the Joint Committee on Printing,* That, in order to reduce unnecessary bulk and to prevent delay in the publication of the CONGRESSIONAL RECORD, and to remedy waste in the appropriations for printing and binding, no extraneous matter in excess of two pages in any one instance may be printed in the CON-

GRESSIONAL RECORD by a Member under leave to print or to extend his remarks, unless the same is accompanied by an estimate from the Public Printer of the probable cost thereof, but this restriction shall not apply to communications from State legislatures, addresses, or articles by the President and the members of his Cabinet, the Vice President, or a Member of Congress. The Public Printer is hereby directed to return to the respective House any matter submitted for the CONGRESSIONAL RECORD which is in contravention of this resolution and to comply with the provisions herein.

Respectfully,

DUNCAN U. FLETCHER, *Chairman.*

ADDRESS BY DONALD RICHBERG RELATIVE TO RECOVERY MEASURES

Mr. LEWIS. Mr. President, I tender and ask to have printed in the CONGRESSIONAL RECORD the address of Hon. Donald Richberg, Executive Director of the National Emergency Council, Town Hall, Washington, D. C., January 6, 1935, touching the bills that are now presented before the Senate under the designation of recovery measures.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

As the story appears in the Old Testament there were three afflictions visited upon Job. First, there came a depression which made him poor; second, came boils which made him ill; and finally, came three friendly economists who nearly drove him insane explaining that it was good for him to suffer and that any complaint or effort to change conditions showed a lack of faith in the wisdom and justice of the Almighty.

There is a very long and interesting debate recorded between Job and the three economists which Job won by a very clever strategy. First he asked three questions which no economist has ever been able to answer:

1. "How hast thou helped him that is without power?"
2. "How savest thou the arm that hath no strength?"
3. "How hast thou counseled him that hath no wisdom?"

Then he completed the rout of his opponents by praying that the Almighty would answer him directly, and that his adversary would write a book.

Of course, as soon as the economists started writing books, it became evident to any man with a logical mind, like Elihu, the lawyer, that they had no answers for Job's questions. It was also made clear that they had no remedy for the depression or the boils—in fact they didn't know what had caused either one. Yet they condemned Job, not because he didn't try to cure himself, but because he didn't cheerfully accept depressions and boils as inevitable products of economic laws which were decreed by the inscrutable wisdom of the Creator and well understood by all sound economists.

This attitude of Job's self-righteous friends kindled the wrath of Elihu, who was also annoyed at Job for trying to justify his own do-nothing policy, instead of justifying the Lord for letting things happen to a man who wouldn't help himself, who just tore his clothes, shaved his head, and sat in the ashes scraping his skin.

So Elihu, like a good lawyer, reproved his client vigorously for not recognizing that the laws were just and the administration of justice was perfect and that as a good citizen he should not complain or criticize the law. If Job were energetic and resourceful he would go to work making new laws and interpreting old laws, so that not only would the law be perfect and just but also it would help him to get rid of depressions and boils and to make money and enjoy good health.

About this time, when Job must have been considerably confused by all the economic and legal advice he had been getting, a voice came out of the whirlwind and said:

"Who is this that darkeneth counsel by words without knowledge? Gird up now thy loins like a man; for I will demand of thee, and answer thou Me."

And then a revelation came to Job of the vastness of life and its possibilities and of the tremendous achievements of mankind which cannot be prognosticated or explained by thousands of volumes of dry statistics and dull theorizing—deeds which are inspired by the great gift of imagination and accomplished by the courage and faith and comradeship which clothe human efforts with the dignity of a purpose that may be called divine.

In the light of this revelation Job bowed down before his Creator, saying: "I know that Thou canst do everything." There might have come to Job in that moment the vision of a long line of future economists who, generation after generation, would seek to prove that things could not happen which were going to happen or had already happened, and to prove that the ordained way of life must continue to be cruel and mean and selfish because they had not the imagination with which to see how the world could change and how things which were wrong today could be made right tomorrow.

Anyhow it is recorded that Job repented of having talked so much about things he did not understand and about things that were, as he said, "too wonderful for me." He girded up his loins and worked his way out of the depression. The economists made a burnt offering of their books, which were poetically described as seven bulls and seven rams. Job prayed for them and under divine inspiration he established the Job Foundation for Economic Research—so that his adversaries could go on writing books. And with that gentle humor which even survived boils and depressions he had engraved above the entrance: "No doubt but ye are the people; and wisdom shall die with you."

What a beautiful lesson has been written in the Book of Job for those wise men of every age who, always pointing out what is wrong and never finding out what is right, "darkeneth counsel by words without knowledge."

Two years ago the people of the United States were coasting down the road to ruin. Industry was stagnant, agriculture was prostrate, our banking system was on the verge of collapse. There was intolerable unemployment, which had been increasing for years. Uncounted millions of our people were destitute and had already suffered or were facing loss of homes and every other hold upon economic security.

Of what value were constitutional guaranties of liberty to citizens denied an opportunity to earn a living? Of what value were the protections of law and order to those who had no property and no means of livelihood to be protected? It was becoming apparent to millions of long-suffering men and women that a government must do more than merely preserve an existing order; that it must do more than merely sanction whatever economic system happened to develop. A government must make sure that a sound economic system is developed, because the political freedom and security of a people depend upon their economic freedom and security.

The national administration, coming into power in the spring of 1933, was compelled to find quick measures of relief from dangers which were not underestimated then by those most anxious to belittle and to forget them now. It was necessary to act at once to change conditions for which there were no precedents, by methods for which there could be no precedents.

The same combination of destructive forces had brought about a political revolution in many other nations and thereby had created a military dictatorship through which an economic order could be reestablished. The supreme problem in America less than 2 years ago was to find the means of exerting a political power great enough to control the forces of disintegration while still preserving the fundamental principles and processes of self-government.

In the histories of the future how little argument will survive over the merits and demerits of every action taken, every device employed, every Federal agency created in the spring of 1933. How petty will appear in retrospect the partisan attacks and smart witticisms of clever and learned critics, in contrast with the gigantic fact that America rose out of the depths of the depression with practically no civil disorder and with the governments of the States and the United States still functioning under their constitutional safeguards of individual liberty and social security.

There is the record of a civic victory which, in the long view of history, will loom greater than most of the triumphs of military genius on the decisive battlefields of the world. Today we are handicapped in many ways in any effort to appraise the value of the recovery program. In the first place, it is difficult for human beings to measure the worth of men or policies near at hand.

As Gerald Massey wrote:

"To those who walk beside them, great men seem
Mere common earth; but distance makes them stars."

In the same way laws and political policies need time and distance, and aging to acquire the power and majesty of noble institutions. A good many harsh things were said by highly intelligent people about the Constitution of the United States when it was first submitted for approval and while it was being subjected to various explanations and interpretations by its sponsors.

Indeed, the Supreme Court of the United States and a great many other courts have been busily interpreting provisions of that Constitution for nearly 150 years, and nobody is quite sure what they all mean, even now. So perhaps the fact that section 7 (a) of the National Industrial Recovery Act has had to be interpreted somewhat frequently in the last year only indicates that in time this brief statement of a profoundly important principle may be as well understood and enforced as the constitutional guaranty of "due process of law."

The gravest difficulty, however, in a contemporaneous appraisal of the recovery program lies in the effort to evaluate each new Federal agency and each separate policy of each agency by itself; and in the confessed inability of most critics even to see the program as a whole. The plain fact is that there are so many factors involved in the reconstruction of a political economic system that it is impossible to plan and administer a host of activities so that every effort will be in harmony with a cooperative advance all along the line.

The separate objectives of a thousand pressure groups within our own borders, the influence upon our domestic economy of the failures and successes of industrial and political programs of other nations, all produce kaleidoscopic changes in the economic pattern from day to day—which would make a mockery of any plans of recovery and reconstruction which might be prepared with the scientific precision of an engineer's blueprint.

The present administration recognized on the one hand the futility of continuing a wishful reliance on laissez faire, and on the other hand the folly of trying to plan in advance all the details of a national progress through a maze of ever-changing conditions to a predetermined goal. As in every era, when delayed evolution accumulates the speed and confusion of revolution, the master of public affairs has been found in the man who does not fear to do the first things first, and to adopt the obvious common-sense remedy for an obvious evil, without waiting for erudite scholars and cautious statesmen to perfect a complete and

consistent program of political economy, which human wisdom cannot devise and human ability cannot execute.

Over 70 years ago a great President was guiding this Nation through another crucial period. Then as now many voices clamored for a fixed policy and a rigid program; and James Russell Lowell wrote a few sentences which we might wisely apply to the conditions of today. He wrote:

"Mr. Lincoln's policy was a tentative one and rightly so. He laid down no program which must compel him to be inconsistent or unwise, no cast-iron theorem to which circumstances must be fitted as they rose, or else be useless to his ends. Mr. Lincoln, as it seems to us in reviewing his career, though we have sometimes in our impatience thought otherwise, has always waited, as a wise man should, till the right moment brought up all his reserves. One would be apt to think, from some of the criticisms made on Mr. Lincoln's course * * * that the chief object of a statesman should be rather to proclaim his adhesion to certain doctrines than to achieve their triumph by quietly accomplishing his ends. In our opinion, there is no more unsafe politician than a conscientiously rigid doctrinaire, nothing more sure to end in disaster than a theoretic scheme of policy that admits of no pliability for contingencies.

"Mr. Lincoln's perilous task has been to carry a rather shaky raft through the rapids, making fast the unrulier logs as he could snatch opportunity, and the country is to be congratulated that he did not think it his duty to run straight at all hazards, but cautiously to assure himself with his setting-pole where the main current was, and to keep steadily to that. * * * Whatever were his wishes, it was no less duty than policy to mark out for himself a line of action that would not further distract the country, by raising before their time questions which plainly would soon enough compel attention and for which every day was making the answer more easy * * *. While every day was bringing the people nearer to the conclusion which all thinking men saw to be inevitable from the beginning, it was wise in Mr. Lincoln to leave the shaping of his policy to events. In this country, where the rough and ready understanding of the people is sure at last to be the controlling power, a profound common-sense is the best genius for statesmanship. Hitherto the wisdom of the President's measures has been justified by the fact that they have always resulted in more firmly uniting public opinion. One of the things particularly admirable in the public utterances of President Lincoln is a certain tone of familiar dignity, which, while it is perhaps the most difficult attainment of mere style, is also no doubtful indication of personal character. There must be something essentially noble in an elective ruler who can descend to the level of confidential ease without forfeiting respect, something very manly in one who can break through the etiquette of his conventional rank and trust himself to the reason and intelligence of those who have elected him. No higher compliment was ever paid to a nation than the simple confidence, the fireside plainness, with which Mr. Lincoln always addresses himself to the reason of the people."

It has been my purpose thus far to indicate that the test of the recovery program of the administration must be found in the effects of that program as a whole rather than in a meticulous analysis of the theoretical objectives and apparent results of each item in that program. I know of nothing more ludicrous than the efforts of those who, having criticized practically every measure and its administration, then find themselves faced with the unhappy choice of either denying the obvious fact of a vast improvement in the condition of the country—or trying to demonstrate that all good results have come in spite of unsound political policies and that we would be much better off if none of the new-deal measures had been tried.

The actual and definite effect of some of these supposedly retarding measures can be summed up rapidly.

A banking system which was in a state of collapse has been restored to health and public confidence. Over 50,000,000 bank accounts are now insured.

An agricultural population which was mostly bankrupt, generally despairing, and in certain areas on the verge of forcible resistance to tax collections and foreclosures, has been rehabilitated to a remarkable degree. Prices of basic commodities previously declining below cost of production have been raised to about the desirable level of pre-war parity.

In the fields of industry, starvation wages, excessive hours of work, child-labor, and cut-throat practices have been largely eliminated in businesses employing millions of wage earnings and investments of billions of dollars. Between four and five million workers have been reemployed in either part-time or full-time jobs. Additional and improved employment has relieved the distress of other millions who were previously employed on part-time work at utterly inadequate wages.

Through Federal relief of financial pressures, over 1,500,000 homes in cities and in rural areas have been saved from foreclosure. More than $5,000,000,000 have been disbursed in loans and other advances by the R. F. C. that have saved thousands of corporate institutions and protected the investments and savings of uncounted millions of our people.

In the relief of destitution, between 3,000,000 and 6,000,000 families have been maintained through Federal aid, which has furnished the means of subsistence continually for between 12,000,000 and 20,000,000 men, women, and children. Through public works and the Civilian Conservation Corps, over a million men have been directly given useful, self-respecting employment.

In this summary report of benefits conferred by some of the major Federal activities in relief, recovery, and reconstruction, there is no mention made of scores of other contributions to the advancement of the general welfare, no mention of extensive planning and research and administrative betterments of public services which are producing permanent economic and social gains.

Nor will I ask to evaluate the benefits conferred generally on 125,000,000 people who have been released from living in the nightmare of increasing unemployment, profitless labor, and spreading destitution all around them, and whose economic security has been restored and strengthened by new and powerful safeguards.

It has been my purpose only to sum up the obvious and undeniable benefits conferred directly upon millions of farmers, millions of wage earners, millions of property owners, and millions of the unemployed, easing their crushing burdens, relieving their intolerable distress, and replacing their desperate fears with hope and confidence.

Over at the Job Foundation for Economic Research, worthy scholars who have been studying statistics, charts, and diagrams, and analyzing, under microscopes, the detailed workings, the methods and objectives of every part of the recovery program may shake their puzzled heads in a mournful unison of disapproval. They have been rereading Adam Smith and Ricardo and perhaps a revised edition of Malthus, and the earlier, but not the later writings of John Stuart Mill. They have again dusted off the iron law of wages and patched up the ill-balanced scales of supply and demand.

Somehow the logic of events is running contra to the logic of their theories. Physical scientists will agree that people cannot lift themselves by their boot straps. But by human cooperation in production, and exchange, and finance, such miracles are commonplace. Theoretically, if you devaluate the dollar, prices should rise; but they don't rise. Theoretically, if you increase wages, prices should rise; but they don't rise. When Jones lends Smith $10, no more buying power or wealth has been created; but in practical effect a purchasing power of about $20 may have been made out of $10.

Theoretically, the political economy of a nation should be determined by the predictable operation of so-called "economic" laws, but it is, in fact, determined by the unpredictable currents of the emotions, as well as the physical needs, of masses of human beings. These emotions proceed from a constant conflict between fleshly appetites and spiritual strivings; and under their stimulus men fight and prey upon each other, work together and help each other, build churches in the midst of slums, hospitals in the breeding grounds of pestilence, and temples of peace on the edge of every battlefield.

It is a part of the wisdom of a leader of democracy to yield and to appeal to logic and illogic, to reason and emotion as necessity demands. He may not presume to know just what the people ought to do, but he makes it his business to know just what the people want to do. And in the long run he will find that, in helping people to do what they want to do, he is, like Job, fulfilling the purposes of divine Providence.

We are making steady progress toward economic recovery in this country today because the Government of the United States is trying to aid the masses of the people to do what they want to do. In the cities they don't want to starve; they don't want charity; they do want to earn a living by useful work. On the farms they don't want to work for nothing; they don't want to work only for the tax collector and the mortgage holder and the commission merchant. They want to work for themselves and to get a fair price for their products.

So the Government has undertaken in a simple, straightforward way to help the farmer get a fair price and to help the city worker get a fair wage; and to help all able-bodied idle workers get employment. The Government is trying to do this job in a way not only conforming to its legal powers but also conforming to the traditions of American life and the desire of the American people to preserve individual liberty and democratic institutions of self-government.

Accordingly the Government must place its main reliance upon bringing about a better cooperation in the conduct of private enterprises—within each enterprise, within each trade or industry and between trades and industries. To just the extent, however, that such cooperation cannot be voluntarily obtained, or if obtained, proves ineffective to meet existing needs, there is imposed a greater burden and responsibility of planning, direction and control of production and exchange by the Government.

The simple fact—unqualified by political or economic theory—is that work must be provided for the working population of a nation. An equally simple fact is that there must be a continuing exchange of work products, which calls for the continuing intelligent adjustment of production and consumption.

When it was apparent that private initiative had failed to develop the cooperative power to meet these needs—so that private property under private direction would provide a reasonable continuity of employment for all those who must work in order that they might live—then it became necessary for the Government to undertake temporarily to provide relief or work for the idle while attempting to bring about the necessary reorganization and coordination of private enterprises to meet fully their responsibilities in the competitive capitalistic economy which most of the American people desire to preserve.

Now, if we are to give a fair trial to our effort to develop successfully, and to avoid a radical change of, our economic system, we need to concentrate our attention on a few fundamental difficulties in the way of eliminating the worst evils and retaining the chief advantages of competitive private industry, by cooperative processes.

In all the welter of doubting and debate over political and economic theories and programs, only a fanatic would attempt to define one problem whose solution is most essential to economic recovery.

Weighty issues of fiscal and monetary policy must be settled. Problems of agricultural adjustment and of industrial reemployment must be solved; and every problem presented to the N. R. A. or the A. A. A. carries with it a score or more of related problems of vital significance.

Despite these difficulties, I should like to point out, in the maze of debatable issues, one problem which everyone will agree is at least of critical importance and in regard to which there is perhaps more talk and less constructive action than any other.

The Agricultural Adjustment Administration has frequently emphasized the fact that agricultural recovery depends upon a substantial increase of industrial production and the reemployment of several million workers in trade and industry. It needs no elaborate statistics to demonstrate that the burdens of relief from destitution and relief from financial pressures would be largely lifted by an expanding industrial production, particularly in the heavy industries. This does not mean that slums would disappear, that top-heavy railroad financial structures would be made secure, that inflated real-estate values would be reestablished, that farm and city mortgage payments could be easily met, or that all the pressing questions of social and economic security would be answered, merely by the reemployment of idle workers in the production of durable goods.

If we had a vast expansion in this industrial field, there would still remain the fundamental need of maintaining a balance between agricultural and industrial activity, a balance between production and consumption, a balance between exports and imports, a balance between credit extensions and ability to pay. In a word, a general business revival will not mean a lasting recovery unless with our reviving energies and financial powers we go to work to reconstruct our economic system, so that it will be self-improving instead of self-destructive.

The rehabilitation of our deteriorated industrial plants and transportation systems and the construction of better housing for several million families would provide work directly and indirectly for all our able-bodied unemployed. During their employment the service trades and consumption goods industries would prosper. Farmers would make more money. Investments in private corporations, in mortgages, in municipal bonds, would become more valuable; land values and rents would rise.

But—with the experience of other booms behind us—let us look ahead and ask how the vast debts created in any new period of credit expansion would be paid? In the boom period of 1921 to 1929 we spent seven billions improving the railroads, and other billions in building concrete highways and motor vehicles and all the accessories of motor transportation which would take traffic from the railroads. We had to stop building finally because we could not use all the facilities we had built.

In this same period we built office buildings, apartments, and hotels utterly beyond our existing ability to use them. We expanded industrial plants in the same reckless way, until we had provided the means of producing more than we could then absorb. This expanding process also reduced the number of workers necessary to operate our industrial machine, so that when we stopped employing men to build additions to our industrial plant we had an unemployment problem of millions of dislocated workers on our hands and a financial problem of billions of dollars invested in properties that could not possibly earn a return.

Thus all thoughtful men realize that in the end the continuity and steady advance of prosperity depends very largely upon maintaining a balance between production and consumption which depends considerably upon the equitable distribution of the rewards of huge cooperative enterprises. Where there is a balance of power between economic interests and where fair competition is maintained, we may have a continuing adjustment of prices or wages to approximate economic justice. I am willing to pay tribute to the economic theory that only through fair competition in a free market can we determine what is a fair price. It is one of my principal objections to State socialism that it can provide no safe measure of a fair price and a fair wage.

But if we are to obtain a balanced competitive economy it seems to be inescapable logic that a continuing balance of the economic powers of competing interests must be developed and maintained. If control through an overwhelming economic or political power is vested in any one economic interest, we have the evils and tyrannies inherent in fascism, communism, or any form of State socialism. But at the same time, through preserving the irresponsibility of a competitive system, we have not gained the responsibility which under State socialism would be imposed upon the Government.

The primary control of trade and industry, under our present economic system, goes automatically to those who use money and property for the establishment of a private business designed to produce profits, out of which compensation will be obtained for the use of property and the services of management. The entire responsibility for the preservation and use of property, and for the meeting of pay-roll obligations to labor, rests upon management. Those who accept this responsibility must be allowed the power to fulfill their obligations. Of course, a different situation would be presented if a group of workers were engaging in a cooperative enterprise, accepting the risks of loss and inability to pay wages. In that case the sharing of control would conform to the principle that only those who accept the responsibilities of management should exercise the powers of management.

If, however, the workers in an enterprise have no voice in the determination of terms and conditions of employment, there will exist a lack of economic balance, which will continually menace the stability of the economic system. Such a condition results not only in a lack of balance between the conflicting interests of employer and employee, but also a lack of balance between producing and purchasing power; because the worker's ability to influence his wage gives him also some control over his purchasing power. It is inevitable in a competitive system that each producer will seek to reduce his labor costs and to increase the profits of ownership and management. Thereby producers in the aggregate reduce mass purchasing power and increase capital investments, while at the same time they diminish the possibility of the profitable use of capital and gradually prepare the way for a breakdown in production and exchange, a depression of business, and the necessary wiping out of capital values, which have been unduly inflated by this process.

Therefore, it was recognized as one of the most important requirements of the National Industrial Recovery Act, to provide for strengthening the collective power of the wage earners by protecting the freedom of their association for mutual aid and for the creation of an adequate power of collective bargaining.

It is my earnest conviction that there is nothing more necessary to the improvement of our industrial system and the maintenance of a balanced economy than the adequate organization of labor, free from any control by representatives of the competing economic interest of ownership and management.

There are many difficulties in the way of realizing the objectives of section 7 (a) of the National Industrial Recovery Act, but chief among these are, first, the unwillingness of many employers of labor to give up an existing advantage in power to protect and to promote self-interest, and, second, the traditional suspicion and hostility of labor organizations to accepting the obligations and fulfilling the responsibilities that must go with the power to determine the success or failure of private enterprise.

In my opinion, the solution of these difficulties and the establishment of a sound policy of labor relations, which will be acceptable alike to progressive-minded employers and labor organizations, are absolutely vital to a real and lasting industrial recovery.

There are many employers today who are thoroughly reconciled to collective bargaining, who are entirely willing to maintain cooperative relations with independent labor organizations, if they could be assured that, having relinquished a measure of control over their enterprises, they could rely upon a full acceptance of their responsibilities by the labor organizations with which they made agreements.

The acceptance of such responsibilities by labor organizations would necessarily include these understandings: First, when satisfactory relations had been established by contract they would not be destroyed, either because of differences between their members and other employers, or because of internal dissensions among the employees themselves, or because of a temporary inability to agree upon the extension or interpretation of an existing contract. These assurances would not mean giving up the fundamental right to strike against a particular employer because of differences with that employer which could not be adjusted. They would involve the making of every reasonable effort to arrive at an agreement and the willingness ordinarily to submit unsettled controversies to at least a temporary determination through some impartial agency.

There is no question that many existing labor organizations would guarantee the continuity of peaceful labor relations if they could receive corresponding assurances from employers, such as: First, that no effort would be made by an employer or his agents to interfere with their freedom of association, selection of their representatives, and unembarrassed advocacy of their interests. Second, that free access would be given to all the pertinent facts regarding the conduct and profitableness of the enterprise in which the employees are engaged. Third, that the employer would not seek to modify his contractual relations under pressures from other employers; and that he also would use every reasonable effort to arrive at agreements or submit unsettled issues to an impartial adjudication.

There are today some groups of employers and some labor organizations that have no faith in, and are unwilling to enter into, genuine cooperative labor relationships. There are employers whose self-willed determination to rule or ruin their own affairs, regardless of the general welfare, is a serious obstacle to any lasting improvement of our economic system. There are labor organizations so imbued with theories of class interest, so unwilling to accept responsibilities to the general welfare, that they cannot be expected to join in good faith in a cooperative program. But I venture to believe that the vast majority of employers and employees are sick and tired of industrial warfare; that they are genuinely willing to share the responsibilities of cooperation in the peaceful adjustment of all the conflicting interests of management and labor.

It seems to me that public opinion might easily be mobilized in support of a labor policy, under which the use of economic or physical coercion would be outlawed in the relations of employers and employees.

The Federal Government and the States have provided means for the extension of governmental aid to those who desire to maintain the continuity of employment and to provide for the peaceful adjustment of all conflicts of interest. Only the arbitrary refusal of one party to use these opportunities should justify

coercive efforts by the other. If we are not able to move definitely, as a matter of public policy, in this direction, we face the strong probability of a greater intensity in industrial conflicts, more bitter uses of violence and coercion on both sides, and increased demands for the exercise of governmental power to compel an end of industrial warfare. We also face the grave difficulty of bringing about any lasting industrial recovery so long as this vital measure of cooperation cannot be achieved.

The forceful organization of labor, the herding of unwilling men either into company unions by employer coercion, or into independent unions by intimidation cannot establish those free and voluntary associations necessary for cooperative action to protect the worker-consumer interests.

The employer who seeks to control the organization of workers by fraud or coercion is, whether he knows it or not, working toward a Fascist economy—a political control of industry in behalf of property interests. The labor organization that attempts by force and violence to compel workers to accept the discipline of an organization to which they do not wish to belong, is, whether it knows it or not, working toward a Communist economy—a political control of industry by labor interests.

The sequence of events should be obvious—the compulsions of force can never be exerted under any government without in some way receiving the sanction of the government. Our constitutional guaranties of liberty are not being maintained when one economic interest is permited to exploit another by coercive means. So that the struggle for coercive power must be in the end a struggle to control the government.

Time and your patience will not permit me to elaborate this theme. What I have said, however, will permit me to state one far-flung conclusion without reviewing all the premises: We are engaged in a political struggle as fundamentally important as the revolutionary movements of 150 years ago that swept away autocracies and laid the foundations of the democratic governments of the nineteenth century. There is a great emotional current moving in the direction of a new resort to the forceful organization of masses of people under the control of militant, ruthless minorities—political and economic dictatorships that openly deride the idealism of liberty and individual advancement—and that set the standard of social progress through a disciplined service to the State—which means in fact service to the programs of a professional ruling class.

Here in the United States we are engaged in one of the major conflicts between the opposing theories of individual liberty and social discipline. If we are to uphold the traditional idealism of our Republic, we must qualify our competitive freedom by the restraints inherent in any cooperative enterprise. Otherwise the increasing intensity of ruthless competition will be very easily and rapidly transformed into actual warfare—such as we have seen develop all too often out of industrial struggles. And out of warfare will come as always the triumph of organized force and the enthronement of a power intolerant of the freedom of democratic institutions.

No groups will play a greater part in determining the destiny of America than the organizations of employers and employees, who may either draw us all closer together in their desire and ability to cooperate for the common good or may drive us all apart in making war upon each other for the advancement of their immediate special interests. Having questioned the wisdom of some economists, let me pay tribute to the ultimate wisdom of one by ending with a quotation from John Stuart Mill, who wrote, regarding employers and employees, this suggestion:

"Both these classes must learn by practice to labor and combine for generous or at all events for public and social purposes, and not, as hitherto, solely for narrowly interested ones."

In that education lies our greatest hope of achieving economic security and freedom.

### THE CALENDAR

The VICE PRESIDENT. The morning business is closed. The calendar under rule VIII is in order.

Mr. CLARK proceeded to address the Senate on the subject of the Munitions Industry. After having spoken about 5 minutes—

Mr. McNARY. Mr. President, I rise to a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Oregon will state it.

Mr. McNARY. It was my understanding that we had just reached the order of the calendar, and that it is only by unanimous consent that the calendar can be displaced at this time. If I am correct, may I not ask the Senator from Missouri to let us finish the morning hour and make his remarks at its conclusion?

Mr. CLARK. I will say to the Senator that I had given notice of an intention to speak today, and the morning business seemed to have been concluded.

Mr. McNARY. Oh, no; I think the Senator is wholly wrong. The Senator, having given his notice, should have made his remarks at the conclusion of the morning hour; but we have not disposed of the morning hour or of the calendar.

Mr. CLARK. If the Senator desires to make a point of order, of course, it will be well taken.

Mr. McNARY. I do not intend to do it. I do not want to do it. I suggest that the Senator voluntarily surrender the floor, and at the conclusion of the morning business he can go ahead and finish his remarks.

Mr. CLARK. If there is any pending business before the Senate, I have no disposition to interfere with it.

Mr. McNARY. I do not know. I am told that there are some bills on the calendar which the Senator from Utah [Mr. KING] desired to bring up. Personally, I shall not make the objection; but the objection could be made.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. COUZENS. Prior to the time when its present occupant took the chair, the Vice President stated that the calendar was in order under rule VIII. That had just come before us when the present occupant of the chair recognized the Senator from Missouri. I think we ought to proceed to consider the calendar, under rule VIII, which was asked for particularly by the Senator from Utah [Mr. KING].

Mr. CLARK. Of course, if the Senator from Michigan desires to make the point of order, it will be well taken.

Mr. LEWIS. Mr. President, I may add that the Senator from Utah had some special bills touching the District of Columbia which he desired to have considered. He has left his seat temporarily, assuming that the Senator from Missouri [Mr. CLARK] would occupy the floor for some time.

The PRESIDENT pro tempore. The calendar will be called.

(Mr. CLARK's speech entire appears at the conclusion of the consideration of bills on the calendar, p. 271.)

### EXEMPTION FROM TAXATION OF CERTAIN PROPERTY IN THE DISTRICT

The first business on the calendar was the bill (S. 364) to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia.

Mr. McNARY. Mr. President, I am not at all conversant with the bill; but I certainly cannot permit it to be passed by unanimous consent unless we have some description of its purposes. In the absence of the chairman of the committee I certainly shall have to object, unless some Senator can explain the bill.

Mr. CAPPER. Mr. President, the report of the committee on the bill is before the Senate at this time. The bill is similar to other measures which have been passed at previous sessions, and which then had the favorable report of the Senate Committee on the District of Columbia. The bill came before the Senate too late for action at the last session. I am sure there is no reason why it should not have the approval of the Congress at this time, in view of the fact that other patriotic societies have had similar legislation in their favor.

Mr. McNARY. Did the committee report the bill unanimously?

Mr. CAPPER. The report of the committee was unanimous, both at the last session and at this session.

Mr. McNARY. Was the bill passed by the Senate at the last session?

Mr. CAPPER. It was reported too late for action at the last session.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the property situated in square numbered 137 in the city of Washington, District of Columbia, described as lot 35, occupied and used by the Daughters of Union Veterans of the Civil War, is hereby exempt from all taxation so long as the same is so occupied and used, subject to the provisions of section 8 of the Act of March 3, 1877, as amended and supplemented (D. C. Code, title 20, sec. 712), providing for exemptions of church and school property.

BILL PASSED OVER

The bill (S. 396) to amend section 1180 of the Code of Law for the District of Columbia with respect to usury was announced as next in order.

Mr. BULKLEY. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

RECORDING OF DEEDS OF TRUST AND MORTGAGES IN THE DISTRICT

The bill (S. 397) to provide for recording of deeds of trust and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes, was announced as next in order.

Mr. WHEELER. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. KING. Mr. President, I understood that the Senator from Missouri [Mr. CLARK] was to occupy the floor, and I was called out to attend a committee meeting. I wanted to have considered the District bills which are now upon the calendar. Have any of them been passed over?

The PRESIDENT pro tempore. Senate bills 396 and 397 were passed over.

Mr. KING. Senate bill 396 may be passed over temporarily; but I ask that the Senate recur to Senate bill 397.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which was read.

Mr. KING. Mr. President, this measure appears rather formidable, but as a matter of fact it is not so formidable as it seems to be. It was disclosed quite recently, in some investigations conducted, and in certain cases which were passed upon by the courts, that trust deeds which had been executed to secure large issues of bonds had been released before payment had been made. As I understand, the recorder was imposed upon and given to understand that the obligations which the trust deed had been given to secure had been discharged. There seem to have been no adequate provisions of law or regulations by the recorder's office for the protection of bondholders against entry upon the record of a release of trust deeds prior to the payment of the obligations for which the trust deeds were given as evidence of security. In other words, trust deeds were released upon the records, though the bonds were not paid. Senator Blaine, when in the Senate, and members of the committee carefully considered the questions outlined and reported favorably a bill, of which the pending measure contains substantially the same provisions.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.—*

DEFINITIONS

SECTION 1. When used in this act the following terms shall, unless the text otherwise indicates, have the following respective meanings:

"Recorder" shall mean the recorder of deeds of the District of Columbia or anyone authorized by law to act for him.

"Court" shall mean the Supreme Court of the District of Columbia or one of the justices thereof.

"Deed of trust" means a deed of trust, a mortgage, or any other instrument conveying or pledging real estate in the District of Columbia as security for a debt.

"Note" shall include any note or notes, bond or bonds, or other evidence or evidences of debt secured by a deed of trust.

"Release" shall mean a deed of release or other instrument which releases real estate from the effects of a deed of trust.

"Trustee" shall include trustees under a deed of trust, a mortgagee or mortgagees, or anyone having power of sale under a mortgage pledging or conveying real estate in the District of Columbia as security for a debt.

ADDITIONAL DUTIES OF RECORDER

SEC. 2. That the recorder, except upon order of the court, shall not accept for record nor record any deed of trust nor any release thereof except in accordance with the provisions of this act.

IDENTIFYING NOTES

SEC. 3. (a) No deed of trust, except as otherwise provided herein, shall be accepted for record or recorded by the recorder unless the note secured thereby shall have been identified by him by stamping or imprinting thereon over his signature the words:

"This is (one of) the promissory note(s) described in a deed of trust to the trustee(s) named hereon, said deed of trust being recorded ———— as instrument no. ——.

"Recorder of Deeds,
"District of Columbia."

(b) All notes presented to the recorder for identification as provided herein shall be identified by him in the manner prescribed in this section, and said notes shall be identified and available for return on the same day they are presented.

(c) The fee to be charged for said identification shall be $1 for the first note secured under any one instrument with an additional charge of 10 cents for each additional note secured thereunder: *Provided, however,* That the fee herein provided for shall be in addition to the established fee now charged for recording deeds of trust.

PRESENTATION OF CANCELED NOTES

SEC. 4. (a) No release, except as otherwise provided herein, shall be accepted for record or recorded by the recorder unless the note secured by the instrument being released shall be presented to the recorder marked "Paid" and duly canceled: *Provided, however,* That where any note is lost, destroyed, or otherwise unavailable for presentation to the recorder upon affidavit as to the facts in reference thereto filed with the recorder and the posting with said recorder of a bond, approved by the court, assuring the payment of such note in full, or upon evidence that a sufficient amount of money to assure the payment of such note in full has been deposited in the registry of the court as hereinafter provided, the recorder shall accept for record and record said release.

(b) Partial releases may be accepted for record and recorded by the recorder upon presentation to him of evidence satisfactory to him that the amount required by the terms of the deed of trust authorizing such release in part has been paid and that such payment has been endorsed upon the note secured by said deed of trust: *Provided, however,* That if the recorder shall refuse to record any such release, such refusal shall be subject to review by the court by bill in equity: *And provided further,* That where any note is lost, destroyed, or otherwise unavailable for the endorsement of said payment thereon, upon affidavit as to the facts in reference thereto filed with the recorder and the posting with said recorder of a bond, approved by the court, assuring the payment of the amount required by the terms of the deed of trust authorizing such release in part, or upon evidence that a sufficient amount of money to assure the payment of the amount required by the terms of the deed of trust authorizing such release in part has been deposited in the registry of the court as hereinafter provided, the recorder shall accept for record and record said partial release.

(c) In accordance with the provisions of this section the clerk of the court shall accept and deposit in the registry of the court any moneys presented to him for such deposit to assure the payment of any note unavailable for presentation to the recorder as provided for in this section; and upon request said clerk of the court shall certify to the recorder the fact that such moneys have been so deposited for said note.

(d) Upon petition to the court by any party or parties claiming any money deposited in the registry of the court as provided for in this section, the court upon satisfactory proof shall order the payment of said funds so deposited to the party or parties entitled thereto, without poundage or commission.

(e) The fee to be charged for examining any paid and canceled note or notes or evidence of payment presented in connection with recording any release as herein provided, shall be 50 cents for the first note or evidence of payment examined in connection with any release, with an additional fee of 5 cents for each additional note or evidence of payment examined in connection with such release: *Provided, however,* That the fee herein provided for shall be in addition to the established fee now charged for recording any release.

(f) In any case where the owner and holder of a note shall consent to the release, in whole or in part, of real estate from the effect of a deed of trust, under conditions not provided by the terms of said deed of trust, the owner of said real estate may file a bill in equity in the court setting forth such facts, and if said court finds that the owner and holder of said note did so consent to the recording of said release, said court shall enter an order directing said recorder to accept and record said release.

(g) In any case where the owner of real estate is entitled to have the same released, in whole or in part, from the effect of a deed of trust, in accordance with the terms thereof, which said terms involve the doing of any act or thing or the performance of any condition other than the payment of money, said owner may file a bill in equity in said court setting forth that he has complied with the terms of said deed of trust, and if said court finds that said owner has so complied, said court shall enter an order directing said recorder to accept and record said release.

PUBLIC UTILITIES EXEMPT

SEC. 5. Deeds of trust executed by any corporation operating under the supervision, control, or regulation of the Interstate Commerce Commission or any public utilities commission or like body of any State or possession of the United States or of the District of Columbia, or any release thereof, shall be exempt from the provisions of this act.

CORPORATE TRUSTEES EXEMPT

SEC. 6. (a) The provisions of this act, except as to section 7 hereof, shall not apply to any deed of trust or release in which the

trustee, or one of the trustees, named is a banking institution authorized by its charter or by law to act as trustee and doing business under the supervision of the Comptroller of the Currency: *Provided*, That said banking institution has signified its willingness to act as such trustee by its signature and seal to the deed of trust before the same is recorded.

(b) If an individual shall be named as cotrustee with such banking institution and the individual trustee shall die before all the terms and provisions of the deed of trust have been executed, all the powers, estate, and duties conferred and granted by the deed of trust shall, upon the death of said individual trustee, vest in such banking institution with like force and effect as if such institution had been originally named as sole trustee.

(c) In the event such banking institution is named in a deed of trust as sole trustee or as cotrustee with an individual trustee, the recorder, upon request, shall identify the note secured by said deed of trust in the manner provided and for the fees prescribed in section 3 of this act.

BANKING DEPOSITORY

SEC. 7. No clause or provision contained in any deed of trust hereafter executed providing for the payment or redemption in part or in whole of the indebtedness secured thereby by deposit of funds for that purpose shall be valid unless the depository so named shall be a banking institution doing business under supervision of the Comptroller of the Currency and the banking institution so named shall have signified its willingness to act as such depository by its signature and seal to the deed of trust before same is recorded, and if such payment or redemption by deposit shall be made pursuant to a privilege of anticipation reserved in the deed of trust, 30 days' previous notice of the time of such payment or redemption shall be given, which notice shall be published twice a week in a newspaper having general circulation in the District of Columbia for three successive weeks during said 30-day period, and such notice shall specify the serial number or numbers of the note or notes to be redeemed or paid and the date at which it is intended to redeem or pay the same. When such banking institution shall certify to the recorder that it holds on deposit the sum required by the deed of trust to be paid for the release in whole or in part of said deed of trust, the recorder shall accept for record and record such release.

SEC. 8. The duties of the recorder as now defined by law are hereby enlarged to embrace and include all the duties imposed by this act. The recorder is authorized to employ such additional personnel as may be necessary to carry out the duties imposed upon him by this act within appropriations authorized for his office, the salaries of such personnel to be fixed in accordance with the Classification Act of 1923, as amended.

SEC. 9. The provisions of this act shall become effective 90 days after its passage: *Provided, however*, That this act shall not apply either to deeds of trust recorded prior to the date this act shall become effective or to any subsequent release thereof.

SAVING CLAUSE

SEC. 10. If any section, subsection, sentence, clause, phrase, or requirement of this act be for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions thereof. The Congress of the United States hereby declares that it would have passed this act, and each section, subsection, sentence, clause, phrase, and requirement thereof, irrespective of the fact that any one or more of the sections, subsections, sentences, clauses, phrases, or requirements thereof may hereafter be declared unconstitutional or invalid.

THE "NUMBERS" RACKET

The bill (S. 398) to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto was announced as next in order.

Mr. McNARY. Mr. President, I think the chairman of the committee should make a brief explanation of this bill.

Mr. KING. I shall be glad to do so. The measure is one of considerable importance. It passed the Senate at the last session without objection. It then had the unanimous approval of the Committee on the District of Columbia.

The bill was recommended by Mr. Garnett, the United States district attorney for the District of Columbia; by Mr. Prettyman, the corporation counsel; and by Mr. Bride, the latter being the predecessor of Mr. Prettyman as corporation counsel. It was recommended likewise by the District Commissioners.

In brief, this is the purpose of the bill: It has become a racket here to sell "numbers", and little school children and people of limited means are induced to buy these "numbers." It is a gambling lottery most invidious and very injurious. The existing law makes no provision for dealing with the sale of "numbers", and the pending measure merely writes the word "numbers" into the statute, so as to enable the authorities to deal with the sale of "numbers", as well as with the existing forms of lottery and gambling. There are a few other provisions, but of minor importance.

Mr. WHEELER. Does the bill deal only with gambling?

Mr. KING. That is all.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted etc.*, That the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplementary thereto, constituting a code of law for the District of Columbia, be, and the same hereby are, amended as follows:

Section 863 of such act is hereby amended to read as follows:

"SEC. 863. If any person shall within the District keep, set up, or promote, or be concerned as owner, agent, or clerk, or in any other manner, in managing any policy lottery or policy shop, or the game or device known as the 'game of numbers', or shall sell or transfer any ticket, certificate, bill, token, or other device purporting or intended to guarantee or assure to any person or entitle him to a chance of drawing or obtaining a prize, to be drawn in any lottery, or in the game or device commonly known as 'policy lottery' or 'policy' or 'numbers', or shall, for himself or another person, sell or transfer, or have in his possession for the purpose of sale or transfer, or shall aid in selling, exchanging, negotiating, or transferring a chance or ticket in or share of a ticket in any policy lottery or game of numbers, or any such bill, certificate, token, or other device, he shall be fined not more than $1,000 or be imprisoned not more than 3 years, or both. The possession of any such tickets, certificates, bills, slips, tokens, or other device shall be prima facie evidence of purpose or intent of selling, transferring, exchanging, or negotiating the same."

SEC. 2. Section 865 of such act is hereby amended to read as follows:

"SEC. 865. Whoever shall in the District set up or keep any gaming table, or any house or part thereof, vessel, or place, on land or water, for the purpose of gaming, or for the purpose of buying, selling, or dealing in numbers, or any slips, tokens, certificates, or devices in connection therewith, or gambling device commonly called 'A B C', 'faro bank', 'E O', 'roulette', 'equality', 'keno', 'thimbles', or 'little joker', 'numbers', or any kind of gaming table or gambling device adapted, devised, and designed for the purpose of playing any game of chance for money or property, or shall induce, entice, and permit any person to bet or play at or upon any such gaming table or gambling device, or suffer a game to be played by which money or any article or thing is lost or won, shall be punished by imprisonment for a term of not more than 5 years. The possession of any such gaming table or any other gambling device, or numbers slips, certificates, tickets, or tokens, shall be prima facie evidence of the unlawful use thereof and of the purpose of gaming or gambling or of inducing or permitting betting or playing, on the part of the lessee, occupant, or owner of such house, vessel, or place where such gaming table or other gambling device, or numbers slips, certificates, tickets, or tokens may be found."

SEC. 3. Section 866 of such act is hereby amended to read as follows:

"SEC. 866. Whoever in the District knowingly permits any gaming table, bank, or device to be set up or used for the purpose of gaming in any house, building, vessel, shed, booth, shelter, lot, vehicle, or other premises or property to him belonging or by him occupied, or of which at the time he has possession or control, shall be punished by imprisonment in the jail for not more than 1 year or by a fine not exceeding $1,000, or both."

SEC. 4. Section 869 of such act is hereby amended to read as follows:

"SEC. 869. It shall be unlawful for any person or association of persons to bet, gamble, or make books or pools on the result of any trotting or running race of horses, or boat race, or race of any kind, or on any election, or any contest of any kind, or game of baseball, or the game known as 'numbers', or any like game. Any person or association of persons violating the provisions of this section shall be fined not exceeding $500 or be imprisoned not more than 1 year, or both."

SEC. 5. Section 911 of such act is hereby amended to read as follows:

"SEC. 911. Upon complaint, under oath, before the police court, or a United States commissioner, setting forth that the affiant believes and has good cause to believe that there are concealed in any house or place articles stolen, taken by robbers, embezzled, or obtained by false pretenses, forged or counterfeited coins, stamps, labels, bank bills, or other instruments, or dies, plates, stamps, or brands for making the same, books or printed papers, drawings, engravings, photographs, or pictures of an indecent or obscene character, or instruments for immoral use, or any gaming table, device, or apparatus kept for the purpose of unlawful gaming, or any lottery tickets or lottery policies, or any book, paper, memorandum, or device for or used in recording any bet or deposit of money or thing or consideration of value received for any share, ticket, certificate, writing, bill, slip, or token in any pool or lottery or as a wager on or in connection with any race, game, contest, election, or other gambling transaction or device of an unlawful nature as defined in sections 863, 864, 865, 866, 868, and 869, of the act of March 3, 1901, as amended and supplemented, particularly describing the house or place to be searched, the things to be seized, substantially alleging the offense in relation

thereto and describing the person to be seized, the said court or United States commissioner may issue a warrant to the marshal or any officer of the Metropolitan Police commanding him to search such house or place for the property or other things, and, if found, to bring the same, together with the person to be seized, before the police court.

"The said warrant shall have annexed to it, or inserted therein, a copy of the affidavit upon which it is issued, and may be substantially in the form following:

"Whereas there has been filed before ——— an affidavit, of which the following is a copy (here insert). These are therefore to command you to enter (here describe the place) and there diligently search for the said articles, goods, or chattels in the said affidavit described, and that you bring the same, or any part thereof, found on said search, and also the body of ———, before the police court, to be dealt with and disposed of according to law."

SEC. 6. Section 914 of such act is hereby amended to read as follows:

"SEC. 914. If the accused be discharged, the property or other things seized shall be returned to the person in whose possession they were found. If he be convicted, the property stolen, embezzled, or obtained by false pretenses shall be returned to its owner, and the other articles before described, including vehicles used in the transportation of apparatus or other devices used in gambling of every kind and description, shall be destroyed under direction of the court."

SALE OF DERELICT PROPERTY

The bill (S. 399) to amend section 416 and 417 of the Revised Statutes relating to the District of Columbia was announced as next in order.

Mr. KING. Mr. President, this is not an important bill. Under the law, certain property, for instance, bicycles, and other articles which may be derelicts upon the streets is taken into custody by the police department. They hold these articles for 6 months and then sell them at public auction. The limit placed upon the property which may be so disposed of is $50. The District Commissioners recommend, and the recommendation is fortified by the report of the police authorities, that the value of property which may be so sequestered and sold be raised from $50 to $100.

There is a unanimous report by the Committee on the District of Columbia itself and the bill is recommended by the District Commissioners.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That section 416 of the Revised Statutes relating to the District of Columbia be amended by striking out the word "fifty" where it occurs in said section, and inserting in lieu thereof the words "one hundred."

SEC. 2. That section 417 of the Revised Statutes relating to the District of Columbia be amended so as to read as follows:

"SEC. 417. All property, except perishable property and animals, that shall remain in the custody of the property clerk for the period of 6 months, with the exception of motor vehicles which shall be held for a period of 3 months, without any lawful claimant thereto after having been three times advertised in some daily newspaper of general circulation published in the District of Columbia, shall be sold at public auction, and the proceeds of such sale shall be paid into the policemen's fund; and all money that shall remain in his hands for said period of 6 months shall be so advertised, and if no lawful claimant appear shall be likewise paid into the policemen's fund."

ADMISSION OF STEPCHILDREN TO THE PUBLIC SCHOOLS

The bill (S. 400) to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition was announced as next in order.

Mr. KING. Mr. President, under the present law children of officers and certain other employees of the Government who are residing in Washington are permitted to enter the public schools without making payment of tuition. It has been disclosed that there are stepchildren in this world, and some of the officers and other persons who come within the category of the bill have stepchildren. This measure merely extends the privilege enjoyed by children to stepchildren.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That the ninth paragraph following the heading "furniture" under the caption "public schools" in section 1 of the act entitled "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1930, and for other purposes", approved February 25, 1929, is amended to read as follows:

"The children and stepchildren of officers and men of the United States Army, Navy, and Marine Corps, and children and stepchildren of other employees of the United States stationed outside the District of Columbia shall be admitted to the public schools without payment of tuition."

PRACTICE OF THE HEALING ART

The bill (S. 401) to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929, was announced as next in order.

Mr. WHEELER. Let that bill go over.

Mr. KING. Mr. President, I am sure the Senator will not object when he understands the purpose of the bill.

The only change made in the existing law by this measure is in the substitution of the corporation counsel of the District of Columbia as one of the board in place of the United States district attorney. The district attorney, Mr. Garnett, feels that his duties are such that he should not be called upon to pass upon such questions, which are purely local in their character, which are brought before the board. He contends that the corporation counsel should be a member of the board. The Commissioners share this view, and the District Committee takes the same view.

The PRESIDENT pro tempore. Is there objection?

Mr. WHEELER. I have no objection.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That sections 4 and 46 of the act to regulate the practice of the healing art to protect the public health in the District of Columbia, approved February 27, 1929, be, and the same are hereby, amended to read as follows:

"SEC. 4. There is hereby created a commission on licensure to practice the healing art in the District of Columbia, consisting of the president of the Board of Commissioners of the District of Columbia, the United States Commissioner of Education, the corporation counsel of the District of Columbia, the superintendent of public schools of the District of Columbia, and the health officer of the District of Columbia, each ex officio. The commission shall elect a president and a vice president. The health officer shall be the secretary and treasurer of the commission. The commission shall make and from time to time may alter such rules as it deems necessary for the conduct of its business, and for the execution and enforcement of the provisions of this act. It shall adopt a common seal, and from time to time alter the same as to it seems proper. The courts shall take judicial notice of such seal.

"SEC. 46. It shall be the duty of the Commissioners of the District of Columbia and of the major and superintendent of police of said District to enforce the provisions of this act. Criminal prosecution, except for perjury, and proceedings looking toward the suspension or revocation of licenses or registration and toward the issue of injunctions, under the provisions of this act, shall be conducted by the corporation counsel for the District of Columbia."

UNLAWFUL ENTRY ON PRIVATE PROPERTY

The bill (S. 402) to amend section 824 of the Code of Laws for the District of Columbia was announced as next in order.

Mr. KING. Mr. President, we have an anomalous provision in the present law. Prosecutions may be initiated against individuals who enter occupied buildings unlawfully and unlawfully retain possession, but there is no provision for dealing with persons who enter buildings which are unoccupied. So that if a man has 2 houses, 1 occupied and 1 unoccupied, he may initiate criminal proceedings against the trespasser who enters the occupied premises; but criminal proceedings may not be instituted against individuals who trespass upon his unoccupied property.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That section 824 of the Code of Laws for the District of Columbia be, and the same is hereby, amended to read as follows:

"SEC. 824. Unlawful entry on private property: Any person who, without lawful authority, shall enter, or attempt to enter, a private dwelling against the will of the lawful occupant thereof, or being therein, without lawful authority to remain therein, shall refuse to quit the same on the demand of the lawful occupant thereof; or any person who, without lawful authority, shall enter, or attempt to enter, an unoccupied private dwelling against the will or consent of the lawful owner thereof, or his duly authorized agent, or being therein, without lawful authority to remain therein, shall refuse to quit the same on the demand of the lawful owner thereof or his duly authorized agent, shall be deemed guilty of a misdemeanor, and on conviction thereof shall be punished by a fine not exceeding $50 or imprisonment in the jail for not more than 6 months, or both, in the discretion of the court."

ACQUISITION OF LAND IN THE DISTRICT

The bill (S. 404) to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, it has been disclosed in condemnation proceedings that frequently when substantially all of the property has been taken for a public use a small segment remains and that it possesses but little value. Recently, I am advised, in condemnation proceedings by the District the larger part of a lot containing a house was taken, leaving a very small area which has but little, if any, value to the owner.

This measure merely provides that in such condemnation proceedings the Government may enlarge, so to speak, if it desires, the privilege or the right to take property and include the entire tract. It is a measure which has been recommended by the Commissioners and has received a great deal of study at the hands of the committee.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That in order to promote the orderly and proper development of the seat of government of the United States, the Commissioners of the District of Columbia, or agencies of the United States authorized by law to acquire real estate, be, and they are hereby, authorized and empowered to acquire, in the public interest, by gift, dedication, exchange, purchase, or condemnation, fee simple title to land, or rights in or on land or easements or restrictions therein, within said District, for public uses, works, and improvements authorized by Congress, in excess of that actually needed for and essential to the usefulness of such public uses, works, and improvements, in order to preserve the view, appearance, light, and air and to enhance the usefulness of such public works and improvements, to prevent the use of private property adjacent to such public works and improvements in such a manner as to impair the public benefit derived from the construction thereof, or to prevent inequities or hardship to the owners of adjacent private property by depriving them of the beneficial use of their property.

SEC. 2. The Commissioners of the District of Columbia or agencies of the United States authorized by law to acquire real estate are further authorized, upon completion of public improvements, to subdivide and sell at public or private sale, or exchange, any such excess land, and to carry out such purpose or purposes, to convey any lands acquired in excess of that actually needed and which is not essential to the usefulness of such public works, with such reservations concerning the future use and occupation of such real estate as may in their discretion be necessary to protect such public improvements; and any and all moneys received from any sale or transfer of land in accordance with the provisions of this act shall be covered into the Treasury of the United States, and where the property sold was acquired under an appropriation authorized for the use of the District of Columbia, any and all moneys received from such sale shall be deposited in the Treasury to the credit of the revenues of the District of Columbia: *Provided, however,* That whenever the authorities of the United States or the District of Columbia having jurisdiction over such acquired land, or rights or easements, shall elect to retain any or all of the same for use of the United States or the District of Columbia, the said authorities are authorized to use said land, rights, or easements for park, playground, highway, or alley purposes, or for any other lawful purpose which the said authorities shall deem advantageous or in the public interest.

SEC. 3. That whenever land is purchased, as provided in this act, in excess of that needed in connection with a particular project or improvement, any and all appropriations available for the payment of the purchase price, costs, and expenses incident to such project or improvement are hereby authorized for use in the payment of the purchase price, costs, and expenses of any and all excess land purchased in connection with such project or improvement, as provided in this act.

SEC. 4. That whenever excess land is condemned by the Commissioners of the District of Columbia in accordance with the provisions of this act, the condemnation proceedings for the acquisition of such land shall be in accordance with chapter 15, subchapter 1 of chapter 15, and/or sections 1608 to 1610, inclusive, of the Code of Laws for the District of Columbia: *Provided,* That any and all appropriations available for the payment of awards, damages, and costs in condemnation proceedings under chapter 15 of the Code of Laws for the District of Columbia are hereby authorized for use in the payment of awards, damages, and costs in any and all condemnation proceedings under said chapter 15 for the acquisition of excess land, as provided in this act: *Provided further,* That any and all appropriations available for the payment of awards, damages, and costs in condemnation proceedings under subchapter 1 of chapter 15 and/or sections 1608 to 1610, inclusive, of the Code of Laws for the District of Columbia are hereby authorized for use in the payment of awards, damages, and costs in any and all condemnation proceedings under said subchapter 1 of chapter 15 and/or said sections 1608 to 1610, inclusive, for the acquisition of excess land, as provided in this act: *And provided further,* That in any and all cases where such excess land is condemned, no assessments for benefits shall be levied by the jury in respect to the acquisition of said excess land.

SEC. 5. That whenever excess land is condemned by agencies of the United States, other than the Commissioners of the District of Columbia, as provided in this act, the condemnation proceedings for the acquisition of such land shall be in accordance with an act approved March 1, 1929, as amended, or any law or laws in effect at the time of such condemnation for the acquisition of land in the District of Columbia for use of the United States: *Provided,* That any and all appropriations available for the condemnation of land under said act approved March 1, 1929, as amended, are hereby authorized for use in the payments of awards, damages, and costs in any and all condemnation proceedings under said act, as amended, for the acquisition of excess land, as provided in this act.

SEC. 6. That the portion of the act approved February 25, 1907, entitled "An act to amend an act entitled 'An act to amend an act entitled "An act to establish a Code of Laws for the District of Columbia", regulating proceedings for condemnation of land for streets'" (34 Stat. 930; ch. 1195, sec. 491g), reading: "And where part of any lot, piece, parcel, or tract of land has been dedicated for the opening, extension, widening, or straightening of the street, avenue, road, or highway, the jury, in determining whether the remainder of said lot, piece, parcel, or tract is to be assessed for benefits, and the amount of benefits, if any, to be assessed thereon, shall also take into consideration the fact of such dedication and the value of the land so dedicated" is hereby repealed.

SEC. 7. With the exception of section 6, none of the provisions of this act shall be construed as repealing any provisions of existing law pertaining to the condemnation or acquisition of streets, alleys, or land, or the law or laws relating to the subdividing of lands in the District of Columbia.

SEC. 8. If any provision of this act is held invalid, the remainder of the act shall not be affected thereby.

SAFETY ON THE PUBLIC HIGHWAYS

The bill (S. 408) to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes, was announced as next in order.

Mr. McNARY. Mr. President, I think the chairman of the committee might well define this bill and its purposes.

Mr. KING. Mr. President, the able Senator from Nevada [Mr. McCARRAN] reported the bill, and I see he has risen, no doubt for the purpose of making such explanation as might be desired.

Mr. McCARRAN. Mr. President, this bill is in the interest of public safety on the highways and streets within the District of Columbia. It provides that anyone who while driving a vehicle on the public highways is arrested for being under the influence of liquor or narcotics shall be deprived of the right thereafter to enjoy a license to drive on the public highways unless he can make satisfactory showing, by bond or other obligation, of his ability to insure the protection of the public. That is the general gist and tenor of the bill. It is approved by the District Commissioners and by the District corporation counsel.

Mr. McNARY. May I ask the Senator whether this bill was before the Senate at the last session?

Mr. McCARRAN. It was, and it was passed by the Senate at the last session, but did not receive consideration by the House.

Mr. McNARY. Did it fail to come up in the House, or was it defeated?

Mr. McCARRAN. I am not certain of the history of the bill in the House.

Mr. KING. My recollection is that it did not receive consideration on the floor of the House.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That this act shall in no respect be considered as a repeal of any of the provisions of the Traffic Acts for the District of Columbia but shall be construed as supplemental thereto.

SEC. 2. The motor-vehicle operator's permit and all of the registration certificates of any person who shall by a final order or judgment have been convicted of or shall have forfeited any bond or collateral given for a violation of any of the following provisions of law, to wit—

Driving while under the influence of intoxicating liquor or narcotic drugs, as provided in section 10 of the act of Congress approved March 3, 1925, as amended, and commonly known as the "Traffic Acts";

Leaving the scene of an automobile accident in which personal injury occurs without making identity known, as provided in section 10 of said Traffic Acts;

A conviction of an offense in any other State, which if committed in the District of Columbia would be a violation of any of the aforesaid provisions of the Traffic Acts of the District of Columbia;

shall be suspended by the Commissioners of the District of Columbia or their designated agent and shall remain so suspended and shall not at any time thereafter be renewed, nor shall any other motor vehicle be thereafter registered in his name until he shall give proof of his ability to respond thereafter in damages resulting from the ownership or operation of a motor vehicle and arising by reason of personal injury to or death of any one person of at least $5,000, and, subject to the aforesaid limit for each person injured or killed, of at least $10,000 for such injury to or the death of two or more persons in any one accident, and for damage to property of at least $1,000 resulting from any one accident. Such proof in said amounts shall be furnished for each motor vehicle owned or registered by such person. If any such person shall fail to furnish said proof, his operator's permit and registration certificates shall remain suspended and shall not at any time thereafter be renewed, nor shall any other motor vehicle be thereafter registered in his name until such time as said proof be given. If such person shall not be a resident of the District of Columbia the privilege of operating any motor vehicle in the District of Columbia and the privilege of operation within the District of Columbia of any motor vehicle owned by him shall be withdrawn until he shall have furnished such proof: *Provided,* That in case of both residents and nonresidents, however, if it shall be duly established to the satisfaction of the said Commissioners or their designated agent, and the said Commissioners or their designated agent shall so find (a) that any such person so convicted, or who shall have pled guilty or forfeited bond or collateral, was, upon the occasion of the violation upon which such conviction, plea, or forfeiture was based, a chauffeur or motor-vehicle operator, however designated, in the employ of the owner of such motor vehicle; or a member of the same family and household of the owner of such motor vehicle, and (b) that there was not, at the time of such violation, or subsequent thereto, up to the date of such finding, any motor vehicle registered in the District of Columbia in the name of such person convicted, entering a plea of guilty or forfeiting bond or collateral, as aforesaid, then in such event, if the person in whose name such motor vehicle is registered shall give proof of ability to respond in damages, in accordance with the provisions of this act (and the said Commissioners or their designated agent shall accept such proof from such person), such chauffeur or other person, as aforesaid, shall thereupon be relieved of the necessity of giving such proof in his own behalf. It shall be the duty of the clerk of the court in which any such judgment or order is rendered or other action taken to forward immediately to the said Commissioners or their designated agent a certified copy or transcript thereof, which said certified copy or transcript shall be prima facie evidence of the facts therein stated.

SEC. 3. The operator's permit and all of the registration certificates of any person, in the event of his failure to satisfy every judgment arising from an accident, or accidents, happening subsequently to the effective date of this act and which shall have become final by expiration, without appeal, of the time within which appeal might have been perfected or by final affirmance on appeal, rendered against him by a court of competent jurisdiction in the District of Columbia or any State, or in a district court of the United States, for damages on account of personal injury, or damages to property in excess of $100, resulting from the ownership or operation of a motor vehicle by him, his agent, or any other person with the express or implied consent of the owner, shall be forthwith suspended by the said Commissioners or their designated agent upon receiving a certified copy of such final judgment or judgments from the court in which the same is or are rendered showing such judgment or judgments to have been still unsatisfied more than 30 days after the same became final, and shall remain so suspended and shall not be renewed, nor shall any other motor vehicle be thereafter registered in his name while any such judgment remains unstayed, unsatisfied, and subsisting, nor until every such judgment is satisfied or discharged, except by a discharge in bankruptcy, and until the said person gives proof of his ability to respond in damages, as required in section 4 of this act for future accidents. It shall be the duty of the clerk of the court in which any such judgment is rendered to forward immediately upon the expiration of said 30 days to the said Commissioners or their designated agent a certified copy of such judgment or a transcript thereof. In the event the defendant is a nonresident it shall be the duty of the said Commissioners or their designated agent to transmit to the commissioner of motor vehicles (or officer in charge of the issuance of operators' permits and registration certificates) of the State of which the defendant is a resident a certified copy of the said judgment. If after such proof has been given any other such judgment shall be recovered against such person for any accident occurring before such proof was furnished, and after the effective date of this act, such permit and certificates shall again be and remain suspended while any such judgment remains unsatisfied and subsisting: *Provided, however,* That (1) when $5,000 has been credited upon any judgment or judgments rendered in excess of that amount for personal injury to or the death of one person as the result of any one accident; (2) when, subject to the limit of $5,000 for each person, the sum of $10,000 has been credited upon any judgments rendered in excess of that amount for personal injury to or the death of more than one person as the result of any one accident; or (3) when $1,000 has been credited upon any judgment or judgments rendered in excess of that amount for damage to property as the result of any one accident resulting from the ownership or operation of a motor vehicle by such judgment debtor, his agent, or any other person, with his express or implied consent, then and in such event such payment or payments shall be deemed a satisfaction of such judgment or judgments for the purposes of this section only: *And provided further,* That a judgment debtor to whom this section applies may, for the sole purpose of giving authority to the Commissioners or their designated agent to authorize the judgment debtor to operate a motor vehicle thereafter, on due notice to the judgment creditor, apply to the court in which the trial judgment was obtained for the privilege of paying such judgment in installments, and the court, in its discretion and without prejudice to any other legal remedies which the judgment creditor may have, may so order, fixing the amounts and times of payment of the installments. While the judgment debtor is not in default in payment of such installments, the Commissioners or their designated agent upon his giving proof of ability to respond in damages for future accidents, as herein provided, may, in their discretion, restore or refrain from suspending his operator's permit and registration certificate or certificates; but such permit and certificate or certificates shall be suspended as hereinbefore provided if and when the Commissioners or their designated agent are satisfied that the judgment debtor has failed to comply with the terms of the court order.

Whenever any motor vehicle, after the passage of this act, shall be operated upon the public highways of the District of Columbia by any person other than the owner, with the consent of the owner, express or implied, the operator thereof shall, in case of accident, be deemed to be the agent of the owner of such motor vehicle, and the proof of the ownership of said motor vehicle shall be prima facie evidence that such person operated said motor vehicle with the consent of the owner.

If any such motor-vehicle owner or operator shall not be a resident of the District of Columbia, the privilege of operating any motor vehicle in the District of Columbia and the privilege of operation within the District of Columbia of any motor vehicle owned by him shall be withdrawn, while any final judgment procured against him for damages, including personal injury or death caused by the operation of any motor vehicle, in the District of Columbia or elsewhere, shall be unstayed, unsatisfied, and subsisting, for more than 30 days, and until he shall have given proof of his ability to respond in damages for future accidents as required in section 4 of this act.

The operation by a nonresident or by his agent of a motor vehicle on any public highway of the District of Columbia shall be deemed equivalent to an appointment by such nonresident of the director of vehicles and traffic or his successor in office to be his true and lawful attorney upon whom may be served all lawful processes in any action or proceedings against such nonresident growing out of any accident or collision in which said nonresident or his agent may be involved while operating a motor vehicle on any such public highway, and said operation shall be a signification of his agreement that any such process against him, which is so served, shall be of the same legal force and validity as if served upon him personally in the District of Columbia. Service of such process shall be made by leaving a copy of the process with a fee of $2 in the hands of the director of vehicles and traffic or in his office, and such service shall be sufficient service upon the said nonresident: *Provided,* That the plaintiff in such action shall first file in the court in which said action is commenced an undertaking in form and amount, and with one or more sureties, approved by said court, to reimburse the defendant, on the failure of the plaintiff to prevail in the action, for the expenses neces-

sarily incurred by the defendant, including a reasonable attorney's fee in an amount to be fixed by the said court, in defending the action in the District of Columbia: *And provided further*, That notice of such service and a copy of the process are forthwith sent by registered mail by the plaintiff, or his attorney, to the defendant, and the defendant's return receipt appended to the writ and entered with the declaration, or such notice of such service and a copy of the process may be served upon the defendant in the manner provided by section 105 of the Code of Laws for the District of Columbia. The court in which the action is pending may order such continuances as may be necessary to afford the defendant a reasonable opportunity to defend the action, and no judgment by default in any such action shall be granted until at least 20 days shall have elapsed after service upon the defendant, as hereinabove provided, of a copy of the process and notice of service of said process upon the director of vehicles and traffic.

SEC. 4. Proof of ability to respond in damages when required by this act may be evidenced by the written certificate or certificates of any insurance carrier, duly authorized to do business within the District of Columbia, or in the case of a nonresident by an insurance carrier authorized to transact business in any of the several States, that it has issued to or for the benefit of the person named therein a motor-vehicle liability policy or policies as defined in this act which, at the date of said certificate or certificates, is in full force and effect and designating therein by explicit description or by other appropriate reference all motor vehicles with respect to which coverage is granted by the policy certified to. The said Commissioners or their designated agent shall not accept any certificate or certificates unless the same shall cover all motor vehicles registered in the name of the person furnishing such proof. Additional certificates as aforesaid shall be required as a condition precedent to the registration of any additional motor vehicle or motor vehicles in the name of such person required to furnish proof as aforesaid. Said certificate or certificates shall certify that the motor-vehicle liability policy or policies therein cited shall not be canceled except upon 10 days' prior written notice thereof to the said Commissioners or their designated agent.

Such proof may be the bond of a surety company duly authorized to do business within the District of Columbia or a bond with at least two individual sureties, each owning unencumbered real estate in the District of Columbia, approved by a judge of a court of record, and filed with the said Commissioners or their designated agent, which said bond shall be conditioned for the payment of the amounts specified in section 2 hereof and shall not be cancelable except after 10 days' written notice to the said Commissioners or their designated agent. Such bond in the case where individual sureties are offered shall contain a schedule of the real estate of said sureties and shall constitute a lien in favor of the District of Columbia upon said real estate, which lien shall exist in favor of any holder of any final judgment thereafter rendered on account of damage to property over $100 in amount or injury to any person or persons caused by the operation of such person's motor vehicle. Said bond shall be recorded by the principal named therein among the land records of the District of Columbia before the same is filed with the Commissioners or their designated agent. If a final judgment rendered after the filing of the bond as aforesaid against the principal named in the surety or real-estate bond for damages sustained to person or property while said bond remains in force or effect shall not be satisfied within 30 days after its rendition, the judgment creditor may, for his own use and benefit and at his sole expense, bring an action in the name of the District of Columbia against the company or persons executing such bond.

Such proof of ability to respond in damages may also be evidence presented to the said Commissioners or their designated agent of a deposit by such person with the clerk of the Supreme Court of the District of Columbia of a sum of money, the amount of which money shall be $11,000. The said clerk shall accept such deposit and issue a receipt therefor. But the said clerk shall not accept a deposit of money where any judgment or judgments, therefore recovered against such person as a result of damages arising from the operation of any motor vehicle, shall not have been paid in full. Such money shall be held by the said clerk to satisfy, in accordance with the provisions of this act, any execution issued against such person in any suit arising out of damage caused by the operation of any motor vehicle owned or operated by such person. Money so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages, including injury to property, and personal injury or death, as a result of the operation of a motor vehicle.

SEC. 5. The said Commissioners or their designated agent shall be notified of the cancelation or expiration of any motor-vehicle liability policy of insurance certified under the provisions of this act or of any surety or real-estate bond at least 10 days before the effective date of such cancelation or expiration. In the absence of such notice of cancelation or expiration said policy of insurance shall remain in full force and effect. Upon receipt of such notice of cancelation or expiration the said Commissioners or their designated agent shall require other evidence of ability to respond in damages, and upon failure to furnish the same before the effective date of such cancelation or expiration the operator's permit and all of the registration certificates of the person failing to comply herewith shall be suspended by the Commissioners or their designated agent and shall remain so suspended until such other evidence of ability to respond in damages shall have been given.

SEC. 6. The director of vehicles and traffic shall, upon request, furnish any insurer, person, or surety a certified abstract of the operating record of any person subject to the provisions of this act, which abstract shall fully designate the motor vehicles, if any, registered in the name of such person, and if there shall be no record of any conviction of such person of a violation of any provision of any statute or regulation relating to the operation of a motor vehicle or of any injury or damage caused by such person as herein provided the said director shall so certify. The said director shall collect for each such certificate the sum of $1.

SEC. 7. The director of vehicles and traffic shall furnish any person who may have been injured in person or property by any motor vehicle, upon written request, with all information of record in his office pertaining to the evidence of the ability of any operator or owner of any motor vehicle to respond in damages.

SEC. 8. Any operator or any owner whose operator's permit or certificate of registration shall have been suspended as herein provided shall immediately return to the director of vehicles and traffic his operator's permit, certificate of registration, and the number plates issued thereunder. If any person shall fail to return to the said director the operator's permit, certificate of registration, and the number plates issued thereunder as provided herein, the said director shall forthwith direct any member of the Metropolitan Police of the District of Columbia to secure possession thereof and to return the same to the office of the said director. Any person failing to return on demand such operator's permit or such certificate and number plates shall be guilty of a misdemeanor and shall be fined not more than $100, and each day such person shall fail to return the same shall constitute a separate offense.

SEC. 9. The said Commissioners or their designated agent may cancel such bond or return such evidence of insurance, or the clerk of the Supreme Court of the District of Columbia may, with the consent of the said Commissioners or their designated agent, return such money to the person furnishing the same, provided 3 years shall have elapsed since the filing of such evidence or the making of such deposit, during which period such person shall not have violated any provision of the traffic acts referred to in section 2, and provided no suit or judgment for damages on account of personal injury or damage to property in excess of $100 resulting from the operation of a motor vehicle by him or his agent shall then be outstanding against such person; and the affidavit of such person that he has not so violated the motor vehicle laws and that there are then outstanding against him no suits or judgments for damages as aforesaid, shall be sufficient proof thereof in the absence of evidence to the contrary then before the Commissioners or their designated agent. The said Commissioners or their designated agent may direct the return of any money to the person who furnished the same upon the acceptance and substitution of other evidence of his ability to respond in damages, or, at any time after 3 years from the expiration of the latest registration or permit issued to such person, provided no written notice shall have been filed with the director stating that such suit had been brought against such person by reason of the ownership, maintenance, or operation of a motor vehicle and upon the filing by such person with the said Commissioners or their designated agent of an affidavit that he has abandoned his residence in the District of Columbia or that he has made bona fide sale of any and all motor vehicles owned by him and does not intend to own or operate any motor vehicle in the District of Columbia for a period of one or more years.

SEC. 10. Any person who by any other law of the District of Columbia is required to make provision for the payment of loss occasioned by injury to or death of persons or damage to property shall, to the extent of such provision so made and not otherwise, be exempt from this act.

SEC. 11. Any person who shall forge or, without authority, sign any evidence of ability to respond in damages as required by the said Commisisoners or their designated agent in the administration of this act shall be fined not less than $100 nor more than $1,000 or imprisoned not to exceed 1 year, or both.

SEC. 12. "Motor-vehicle liability policy", as used in this act, shall be taken to mean a policy of liability insurance issued to the person therein named as insured by an insurance carrier authorized to transact business in the District of Columbia, or in the case of a nonresident, by an insurance carrier authorized to transact business in any of the several States, which policy shall designate, by explicit description or by appropriate reference, all motor vehicles with respect to which coverage is intended to be granted by said policy, and shall insure the insured named therein and any other person using or responsible for the use of any such motor vehicle with the consent, express or implied, of such insured, against loss from the liability imposed upon such insured by law or upon such other person for injury to or death of any person, other than such person or persons as may be covered, as respects such injury or death by any workmen's compensation law, or damage to property except property of others in charge of the insured or the insured's employees growing out of the maintenance, use, or operation of any such motor vehicle in the United States of America; or which policy shall, in the alternative, insure the person therein named as insured against loss from the liability imposed by law upon such insured for injury to or death of any person, other than such person or persons as may be covered as respects such injury or death by any workmen's compensation law, or damage to property, except property of others in charge of the insured or the insured's employees, growing out of the operation or use by such insured of any motor vehicle, except a motor vehicle registered in the name of such insured, and

occurring while such insured is personally in control, as driver or occupant, of such motor vehicle within the United States of America, to the amount or limit of $5,000, exclusive of interest and costs, on account of injury to or death of any one person, and, subject to the same limit as respects injury to or death of one person, of $10,000, exclusive of interest and costs, on account of any one accident resulting in injury to or death of more than one person; and of $1,000 for damage to property of others, as herein provided, resulting from any one accident; or a binder pending the issuance of any such policy, or an endorsement to an existing policy as hereinafter provided: *Provided*, That this section shall not be construed as preventing such insurance carrier from granting any lawful coverage in excess of or in addition to the coverage herein provided for, nor from embodying in such policy any agreements, provisions, or stipulations not contrary to the provisions of this act and not otherwise contrary to law: *Provided, however*, That separate concurrent policies covering, respectively, (a) personal injury or death, as aforesaid, and (b) property damage, as aforesaid, shall be considered a motor-vehicle liability policy within the meaning of this act.

No motor-vehicle liability policy shall be issued or delivered in the District of Columbia until a copy of the form of policy shall have been on file with the superintendent of insurance for at least 30 days, unless sooner approved in writing by the superintendent of insurance, nor if within said period of 30 days the superintendent of insurance shall have notified the carrier in writing that in his opinion, specifying the reasons therefor, the form of policy does not comply with the laws of the District of Columbia. The superintendent of insurance shall approve any form of policy which discloses the name, address, and business of the insured, the coverage afforded by such policy, the premium charged therefor, the policy period, the limit of liability, and the agreement that the insurance thereunder is provided in accordance with the coverage defined in this section as respects personal injury and death or property damage, or both, and is otherwise subject to all the provisions of the act.

Such motor-vehicle liability policy shall be subject to the following provisions, which need not be contained therein:

(a) The liability of any company under a motor-vehicle liability policy shall become absolute whenever loss or damage covered by said policy occurs, and the satisfaction by the insured of a final judgment for such loss or damage shall not be a condition precedent to the right or duty of the carrier to make payment on account of such loss or damage. No such policy shall be canceled or annulled as respects any loss or damage by any agreement between the carrier and the insured after the said insured has become responsible for such loss or damage, and any such cancelation or annulment shall be void. Upon the recovery of a final judgment against any person for any such loss or damage, if the judgment debtor was at the accrual of the cause of action insured against liability therefor under a motor-vehicle liability policy, the judgment creditor shall be entitled to have the insurance money applied to the satisfaction of the judgment. But the policy may provide that the insured, or any other person covered by the policy, shall reimburse the company for payments made on account of any accident, claim, or suit involving a breach of the terms, provisions, or conditions of the policy; and further, if the policy shall provide for limits in excess of the limits designated in this section, the insurance carrier may plead against such judgment creditor, with respect to the amount of such excess limits of liability, any defenses which it may be entitled to plead against the insured. Any such policy may further provide for the prorating of the insurance thereunder with other applicable valid and collectible insurance.

(b) The policy, the written application therefor (if any), and any rider or endorsement which shall not conflict with the provisions of this act shall constitute the entire contract between the parties.

(c) The insurance carrier shall, upon the request of the insured, deliver to the insured for filing, or at the request of the insured shall file direct, with the said Commissioners or their designated agent an appropriate certificate as set forth in section 4 hereof.

(d) Any carrier authorized to issue motor-vehicle liability policies as provided for in this act may, pending the issuance of such a policy, execute an agreement, to be known as a binder; or may, in lieu of such a policy, issue an endorsement to an existing policy, each of which shall be construed to provide indemnity or protection in like manner and to the same extent as such a policy. The provisions of this section shall apply to such binders and endorsements.

SEC. 13. The following words, as used in this act, shall have the following meanings:

(a) The singular shall include the plural. The masculine shall include the feminine and neuter, as requisite.

(b) "Person" shall include individuals, partnerships, corporations, receivers, referees, trustees, executors, and administrators; and shall also include the owner of any motor vehicle as requisite, but shall not include the District of Columbia.

(c) "Motor vehicle" shall include trailers, motorcycles, and tractors.

(d) "Public highway" shall include any street, road, or public thoroughfare.

SEC. 14. The said Commissioners shall make rules and regulations necessary for the administration of this act.

SEC. 15. Nothing herein shall be construed as preventing the plaintiff in any action at law from relying for security upon the other processes provided by law.

SEC. 16. If any part, subdivision, or section of this act shall be deemed unconstitutional, the validity of its remaining provisions shall not be affected thereby.

SEC. 17. This act shall go into effect 90 days after its passage and approval by the President of the United States.

The PRESIDENT pro tempore. That completes the calendar.

MUNITIONS INDUSTRY

Mr. CLARK. Mr. President, at the last session of the Congress the Senate authorized and commanded the appointment of a select committee of seven Senators, to be appointed by the Vice President, which committee was ordered by this body as follows:

(a) To investigate the activities of individuals, firms, associations, and of corporations, and all other agencies in the United States engaged in the manufacture, sale, distribution, import, or export of arms, munitions, or other implements of war; the nature of the industrial and commercial organizations engaged in the manufacture of or traffic in arms, munitions, or other implements of war; the methods used in promoting or effecting the sale of arms, munitions, or other implements of war; the quantities of arms, munitions, or other implements of war imported into the United States, and the countries of origin thereof, and the quantities exported from the United States and the countries of destinations thereof; and

(b) To investigate and report upon the adequacy or inadequacy of existing legislation, and of the treaties to which the United States is a party, for the regulation and control of the manufacture of and traffic in arms, munitions, or other implements of war within the United States, and of the traffic therein between the United States and other countries; and

(c) To review the findings of the War Policies Commission and to recommend such specific legislation as may be deemed desirable to accomplish the purposes set forth in such findings and in the preamble to this resolution; and

(d) To inquire into the desirability of creating a Government monopoly in respect to the manufacture of armaments and munitions and other implements of war, and to submit recommendations thereon.

I have set out these instructions and limitations at the outset of my remarks because I do not believe that it is possible to have a clear conception of the nature and scope of the investigation which has been in progress under the direction of your select committee unless we also have clearly outlined in our minds the outlines and extent of the subject which has been expressly confided by the Senate to that agency.

For one who has not fully considered or carefully kept in mind the extent of the inquiry directed by this body, it is easy to fall into the error which has been sedulously cultivated in the land by munition makers and their satellites that the committee has exceeded its jurisdiction in the inquiry so far as it has yet progressed; or else into the opposite but equally fatal error of believing that the jurisdiction of your committee is so limited that its purpose has been accomplished, and that it should now give way to some new agency constituted for the purpose of hastily throwing together legislation to be submitted to the Congress. These views are equally mistaken and, in my judgment, equally fatal to the accomplishment of the broad, humanitarian designs for the welfare of our own country and the world, which the Senate must have had in mind in the creation of the select committee, because those designs run through every sentence and clause of the resolution authorizing the committee.

Mr. President, I am very proud of the fact that I was honored by you by appointment as one of the members of this committee. I am very proud of the opportunity of being associated with my colleagues on the committee in what I regard as a great work for our country and for humanity. I am proud of the singleness of purpose which has actuated the members of the committee from the day of our appointment; the lack of political or factional dissension. I am infinitely proud of the very essential results which already have been obtained on a relatively very small appropriation in disclosing facts which should materially sway the judgment of all mankind on the greatest problem which confronts the peoples of the world—that of the prevention of war.

Boy and man, I have witnessed investigations at this end of the Capitol and the other for nearly as many years as I am old. I should like to say in justice to my colleagues on

the committee that this committee has been able to go far with little expenditure because there has been no minority on the committee—no minority, I mean, in the sense that there has been no one on the committee out of sympathy with the Senate's mandate, no one on the committee actuated by desire to protect some special interest and to prevent the committee from hewing to the line and letting the chips fall where they might. There has never been a dispute on the committee as to the course our investigation should take, and no attempt has ever been made from within the committee to protect any favored interest or favored individual from the disclosure of any essential facts which could shed light on the recommendations which we are instructed to make to the Senate. Let me also pay tribute in passing to the devotion of my colleagues, who, during the recess of Congress, might have remained at home or vacationed in other parts of the Nation or traveled in other lands on official or semiofficial business or individually, but who chose through many weeks to pursue a very laborious and wearisome investigation in the hope that the facts adduced might be of ultimate importance in the prevention of war.

The occasion for my remarks today is the fact that the committee has exhausted, and more than exhausted, the very moderate authorization of funds which was granted us at the last session. I violate no confidence when I say their very small and very efficient staff worked without compensation during the last month of our vitally important hearings because they themselves believed in the importance of the investigation, as the committee did, and because they were willing to take a risk on the belief of the Senate that their labors had been justifiable and entitled to compensation.

The Senator from North Dakota [Mr. NYE], chairman of the committee, has by direction of the committee presented a resolution to the Senate authorizing a further appropriation of public funds for the completion of this investigation. It is to that proposition that I address myself at this time. I should like to make it clear at the outset that while, so far as I know, there has been no difference of opinion on the committee whatever as to the importance of our investigation up to date or of the necessity for pursuing it to its ultimate conclusion wherever the quest may lead, in what I shall say as to the results of the investigation or the conclusions to be drawn from the testimony so far adduced I speak only for myself. I speak today on my own responsibility as a Member of the Senate and a member of the committee as to the reasons which actuate me in asking the Senate to continue this investigation by a further grant of funds. My colleagues on the committee are entirely capable of expressing their own reasons, as they will, for arriving at the same result. The thing which I wish to make abundantly clear is that there has never been even any discussion, much less a consensus of opinion, as to what the recommendations of the committee will be.

Mr. President, it has been my conception since the passage by the Senate of the resolution authorizing the appointment of our committee that the scope of our authority had to do with the question of the prevention of war—the noblest conception of all time so far as nations are concerned. By the very terms of the resolution we were directed to investigate the question of the influence of private profit on war. For what purpose? To limit private profit in war, to prevent the extortionate profiteering from which our Nation suffered in the last war, is, I grant, a desirable object in itself; but when compared with the terrific wastes of youth and life and blood and treasure which inevitably accompany war, it is very small. My theory in voting for the resolution was that it might contribute in some degree to ferreting out the processes by which men who do not fight wars but grow rich through other men's sacrifices foment the very discords through which they grow fat and swollen. My theory was, and is, that it was the intention of the Senate—certainly I know that it was the intention back of that swelling tide of public sentiment in the Nation which forced the adoption of the resolution—to find out as exactly as might be the extent to which greed for private profit contributes to the possibility of the United Sates being engaged in war.

In other words, Mr. President, I believe that there has been great confusion of thought between the idea of limitation on war profits as a measure of national economy and the absolute elimination of profit or increased compensation to any corporation or individual in the event of war. One has to do with economy in time of war, the other with the prevention of war.

I believe that altogether too much attention has been paid to the moral as against the economic side of war. All sensible men and women in the world have been agreed for many years on the immorality of war. Yet we continually glorify war.

A few weeks ago we celebrated Armistice Day. Throughout all the allied countries bands blared, troops marched, men and women in uniform paraded, salutes were fired, orators paid eloquent tribute to the memory of the dead and the heroism of our troops. This was well. I participated in some of the exercises myself. The heroism of the participants in that great struggle, the memories of the dead, the claims of the living sufferers from its dread effects should never be forgotten.

I say with the greatest possible earnestness that in my judgment the greatest service that can be rendered to all those who suffered in the great war—civil or military, young or old, alive or dead—is a frank exposure of the absolute needlessness of that struggle and of the sacrifices that were made then and of the misery that is still following in its train of consequences. This involves the proposition of a consideration of the identities and activities of men who profited from the war to the extent of hundreds of millions and came out with whole hides. And this again leads us nowhere unless we pursue it to the extent of finding out the system by which men may again make many millions of profits out of war by contract, while young lads are being drafted and killed for a dollar a day, or whatever the country pleases to pay them.

Mr. President, of course, we all know of the horrors of the World War, of the vast outpouring of blood and treasure, of the sacrifice of youth, the breaking down of morale, the engendering of hate, the desolation of territory, the destruction of all laws. We who sit in this body know that since 1918 the whole world has been passing through the fiery furnace of the aftermath of war. When that great cataclysm was nominally ended—and it has never been more than nominally ended, because its economic and moral effects are still marching on—bankruptcy or its equivalent was on every hand; international credit, even international honesty, had been so seriously undermined as almost to be completely destroyed; loss of morale, suspicions, animosities, jealousies, rancorous hates were on every hand. No competent economist who studies the calamitous events of the last two decades can fail to realize that in the largest and most tragic sense we are still today paying the bill for the Great War in the starvation, misery, and death which the present awful depression has imposed upon the nations of the earth. We are still paying the price in innocent suffering for the madness which engulfed the world.

Mr. President, I said a moment ago that too much attention has been paid, and to too little avail, to the moral phases of war and too little to the economic phases. The moral arguments cannot be controverted but have come to be considered as platitudes more to be recognized in the breach than in the observance. There has not been in modern times any moral justification for war between civilized nations. No moralist or philosopher worthy of the name has ever been able to defend it. The peoples of the world have universally abhorred it. Yet when the greed for gain of the few or the wiles of ambitious politicians have again sent the youth of the lands to the shambles, the fanfare of military music, the promise of glory, and the fiery exhortations of patriotism have overcome these moral scruples.

In more modern times no nation has admittedly waged a war of aggression. Invariably the plea is "for the defense

of the fatherland", even if it involves the wanton invasion of foreign territory. No armament program is ever authorized by any parliament or congress for purposes of offense. The staggering military and naval budgets which have steadily led to the economic enslavement of the greater portion of the world's population are, in every country, jammed through under the cloak of the pretext of "national defense." The universal recognition of the immorality of war has not prevented the development of the familiar condition of competitive armaments which must of necessity—and, as a matter of fact, does—create war.

Let me today, Mr. President, for a few brief moments, as a preliminary to the proper discussion of the testimony already adduced before our committee, emphasize the economic as well as the moral vice of war. Too few of us have realized that the doctrine of "peace on earth, good will toward men" represents not only the greatest moral declaration of all time but the greatest economic necessity ever expressed.

The nations of the earth must finally subscribe either to the principle of war and want or they must subscribe to the doctrine of peace and plenty. So long as the world expects and prepares for wars, it will have them. But even if it were true that preparation for war would end war—a proposition denied by the whole history of the world—the present rate of expenditure for armament will soon absolutely bankrupt the world, even without the aid of another war.

Yet men are so filled with fear by the propaganda of armament makers that it is commonly said that peace is an idealistic conception of which there is yet no hope of attainment. When men say that the time is not yet come for stopping armament expenditures, they are saying that the time has not yet come for economic recovery. Nations can and will insist on saving expenditures on armament when their peoples realize that the profits of munition makers are the chief cause of their poverty.

In the course of the hearings of our committee it has constantly been asserted and reasserted, directly and indirectly, by the representatives of our greatest munition manufacturers that war is inevitable and unescapable. It is even intimated that those who in the event of war would lurk behind the lines manufacturing munitions in the expectation of reaping hundreds of millions of dollars in war profits are more truly patriotic than those of us, more humbly placed, who could not possibly make a penny's worth of profit out of war, but who are the fathers and mothers of lads who would be tossed into the bloody maw of war to make those great profits possible, and who therefore desire, so far as may be in their power, to reduce that possibility to the minimum. They say that the abolition of war is impossible. I am not yet, I hope, an old man. Yet in my own generation, I can recall when that great scientist, Dr. Langley, was laughed to his death for his conception that men might fly through the air. But we have witnessed the conquest of the air by man in a few brief years. I can remember, as a small boy, the time when the submarine was considered merely an interesting experiment, whose possibility had been demonstrated, but the practicability of which was most vigorously disputed. I can well recall the day when, as a lad of tender years, I was privileged to tag along behind a delegation from this body and a larger delegation from the other House which journeyed down to the Peace Monument at the foot of Capitol Hill to witness, in open-mouthed wonder, a demonstration of the so-called "horseless carriage." Yet we have all lived to see the automobile encompass the earth. We have seen smallpox, that dreaded plague, conquered and brought under absolute control. We have seen the fearful threat of yellow fever nearly eliminated from the world by the heroism and genius of Walter Reed and Gorgas and their associates. We have seen the sinister international trade in narcotics, not, unhappily, absolutely abolished but reduced to a minimum by determined international cooperative effort. Are we, then, to say to a generation which has witnessed such remarkable advances in the field of science, of medicine, of bacteriology, and of law that advancement in the elimination of the greatest curse of mankind is a chimerical dream?

The latent fear of another war must be dissipated before the world can truly move forward to economic recovery. No matter what steps are taken to improve our national and international monetary and trade relations, they will not long endure while the fear of war still bulks large in the background of human affairs.

Scarcely a thoughtful man in business or public life today fails to realize that fear of war is always at hand to shatter the carefully prepared plans for economic recovery of the peoples of every land.

If any large industry found itself in financial difficulties, faced with ruin, and discovered a tremendous waste which, if stopped, could be immediately converted into profit, the stockholders of the corporation would be entitled to hold the management liable if it did not take steps to effect this saving and prevent bankruptcy. In that same sense the peoples of the world are entitled to say that their governments are grossly incompetent when they continue to squander the savings of the people, past and future, on armament. Who of us can deny that the governments of the world are collectively incompetent so long as they permit the continuation of this condition, fraught with so much of tragedy and misery to mankind? Any bona fide effort, backed by real public sentiment on the part of two or three of the great nations, would stop this criminal and senseless waste of the people's wealth on preparation for war. This effort has never really been made, as is completely illustrated in the last Naval Disarmament Conference, when all the negotiators, surrounded in each case by professional naval advisers, devoted themselves throughout to endeavoring to see how much concession each could get for his own armament rather than in bona fide efforts to disarm.

Past expenditures for armament have nearly bankrupted all the principal nations of the world, and continued expenditures on the present increasing scale will soon complete bankruptcy without war. If another war shall come, the very survival of civilization will be at stake.

Spending more and more for armament each year by any country means only that other countries will retaliate in kind by spending more and more; and thus the vicious circle has widened to encompass the economic destruction of nearly the entire world. We have only to go back to the years immediately preceding the World War for absolute confirmation of this statement. No one who has studied the diplomatic correspondence made public since the war, through the fall of the Governments of Germany, Austria-Hungary, and Russia can doubt that the naval-building competition between England and Germany, and the increasingly grandiose mobilization schemes of France and Russia on the one hand, and Germany and Austria on the other, were primary causes of the conflict. The very preparedness which had been urged in every nation as a purely defensive measure made war inevitable when once the spark was supplied by the murder of the Austrian Archduke.

Any business faced with financial difficulties must almost invariably do one of two things in order to survive. It must increase its income to more than its losses by increased volume of business, or it must decrease its expenses so that its outgo is less than its income. First of all it will, if possible, reduce its overhead.

The overhead of every nation in the world today is expenditure for war—for war past, present, and future. In normal times more than three-fourths of our Budget consists in paying the debts of past wars and getting ready for future wars. In a very real sense nearly all the unprecedentedly large, extraordinary expenditures being made by the Government at this period are properly chargeable to war. The nations which proclaim themselves too poverty-stricken to pay any portion of their just debts incurred by the borrowing of actual cash from us, are yet able to spend staggering sums in getting ready for another war. In this country there is bitter assertion that the immediate payment of the adjusted-compensation certificates—an obligation now grown

stale in many quarters as a reminder of debts still owing on the last war—would bankrupt the Government. Yet at the same time it is seriously proposed in high quarters that we double our already stupendous appropriations on armament in prospect of the next war, to create a new set of veterans and veterans' problems. The propaganda of munition manufacturers is never directed toward paying the debts of former wars but always to selling newer and vaster weapons for wars and threats of wars in the future.

Figures for armament in the world at the present time are doubtful in their accuracy and difficult of determination, owing to the varying rate of exchange and the habit of nations concealing large portions of their lay-out for arms, as well as the existence of vast "private" or unofficial armies now being maintained in several European countries, whose costs do not appear in the official government budgets. But from the best figures available, based largely on the League of Nations' yearbook, the world expenditures for armament last year were certainly not less than five and may exceed seven billions of dollars.

Employment and plenty in any land depend upon industrial and agricultural prosperity, which in turn depends upon credit. Credit is the creature of thrift. No man can assert that it is thrift to waste five to seven billion dollars a year upon armament—to say nothing of the extremely dangerous effects of such expenditures in actually producing wars.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Missouri yield to the Senator from Idaho?

Mr. CLARK. I yield.

Mr. BORAH. What will be the probable military and naval expenditures of this Government for the next fiscal year?

Mr. CLARK. I am not able to estimate the probability, but I have seen repeated statements that estimates were to be submitted practically doubling the expenditure of the United States for both military and naval purposes.

Mr. NYE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from North Dakota?

Mr. CLARK. Certainly.

Mr. NYE. In the most recent issue of the Army and Navy Journal I notice that the budget of the Army and the Navy this year calls for $899,000,000.

Mr. BORAH. I understood that such expenditures were to be so increased that they would run close to $1,000,000,000.

Mr. CLARK. I think when the various elements attributable to the Army and Navy are considered, not only the Army and Navy themselves but other elements which enter into the purchase of munitions, the budget for this year will be well above $1,000,000,000.

Mr. President, little serious effort has yet been made to approach the subject of war from a merely business standpoint. Few attempts have been made to bring home the problem from the angle of mere dollars and cents. Until recently few efforts have been made to point out the dire effects of the munition makers' trade on the continuation of wars.

War is bad business because economically war is dope. Like dope it offers to the economic system temporary stimulation, brief periods of false and feverish activity, artificial markets, soaring prices, spurious flights of industry. Like dope it has its awful morning after.

We awake to find the horrible reaction of our horrible sleigh ride—our financial nervous system wrecked, our currencies trodden under heel, our soaring prices crashed, and our fictitious markets collapsed. Nations are left clogged with unemployment and dislocated labor, clogged with overproduction from the false stimulation of war, from the maldistribution of gold, and from the frantic and hopeless post-war efforts to keep oversized plants running to capacity to pay interest upon useless and unproductive war expansions.

War and depression—ugly, misshapen, inseparable twins—must be considered together. Each is a catapult for the other. The present world-wide depression is a direct result of the World War. Every war in history has been followed by a major depression. Nearly every war in history has been instigated in times of depression by the few who have vested interests in the profits of war. Together war and depression form a vicious circle whirling the welfare of mankind and the good things of life to oblivion.

Without pausing now to inquire as to the manner in which the cycle originated, it is vital that we recognize fully how depression and war are inextricably linked that both must be eliminated to insure prosperity and progress.

There is no aspect of war that is not bad business except to a handful of armament and munition manufacturers. Even in their case it can be shown that for the most part even the sorry profits of the war traffic are largely illusory in the long run and that those businesses which depend chiefly upon war contracts are highly speculative enterprises, ulcers and centers of contagion in every nation's economic body. Like dope, war is a false stimulant for every kind of business, but it is only that and nothing more.

We awakened to find that by the end of the war the United States had cast away without hope of recompense over 10 percent of our carefully stored-up national wealth; that England had squandered over 30 percent of hers, France 50 percent, Germany 50 percent.

The total sum of the world's real essential wealth which was dissipated will probably never be accurately ascertained. The best estimates of the direct and recognized loss in money values range between one hundred and eighty and one hundred and ninety-five billions. Perhaps the very careful and well documented estimate of one hundred and eighty-six billions in the study on Direct and Indirect Costs of the Great World War by the Carnegie Foundation for Industrial Peace, under the direction of Professor Bogart, of the University of Illinois, is as nearly accurate as any may be. But Professor Bogart and certain eminent European statisticians have estimated that if the indirect cost be added, including the employment of the ordinary actuarial rules of the countries involved for loss of life and incapacity to work because of wounds, the total cost is not less than $337,000,000,000—a sum exceeding the entire estimated wealth of the United States.

The number of civilians who directly and indirectly lost their lives as a result of the conflict involves so many complications that it may be fairly said to defy accurate computation. An able and exhaustive study by Prof. Trebinann Hersh, professor of statistics at the University of Geneva, estimates the loss of life among civilians, directly and indirectly caused by the war, to be above twenty-eight millions, and he estimates the total casualties of the World War to be approximately forty-two millions.

Gen. Tasker H. Bliss, the American member of the Supreme War Council, once said that all of the causes of the World War could be summed up in one: "Too many men wandering around Europe with guns in their hands."

Yet today, 16 years after the armistice, there are at least a million and a half more men under arms in Europe than there were in 1914. Outlay for armament has leaped year by year by the hundred of millions until it is now certainly not less than five billions, and may reach a much larger figure.

The powder magazine has again been prepared for war. The train is laid. Any casual spark may set it off. Yet the whole world stands by complacently viewing the possibility of another catastrophe which might well mean the actual obliteration of our civilization.

The last war was the most horrible in all history. That the next will be still more terrible and destructive no one who has even casually observed the advance of modern science and listened even for a moment to the predictions of military experts can doubt. In terms of the war system the era of coal is past; the World War was fought in the petroleum age; the next combat will be waged amid the unpredictable horrors of the electrical era.

Already we have weapons many times more deadly than those in use in the last war. The mechanization of armies has opened undreamed-of possibilities in land armaments—swarming fleets of tanks and armored cars; airplanes filling the air like locusts by the thousands, faster than the wind; winged arsenals, piercing far behind the lines into metropolitan centers and industrial districts, carrying the horrors of war home to civilian noncombatants; newer and more deadly gases; more destructive shells and bombs; faster ships, remote control.

It is easily conceivable that pilotless planes, controlled by radio from a distance, could carry the new bombs to cities far back of the line. One of the larger bombs can destroy a whole block of houses, even if it only hits in the vicinity. Small bombs can destroy factories, office buildings, schools, hospitals, or apartments with one direct hit. In another war we may look to see shrapnel rain in every street. Incendiary bombs, light in weight because they require no penetrating power, can be rained upon cities in such number that they will become flaming infernos.

Gas bombs would cover whole cities and countrysides with mantles of death. A distinguished French physicist has estimated that 100 airplanes, each carrying 1 ton of gas, could cover Paris with a blanket of gas 120 feet thick. One hour's work on a still day to annihilate the population of a great city!

An eminent German soldier, Lieutenant General Altrock, has frankly stated the prospects for another war in these words:

> The population over a large area may expect destruction at any moment. The next war will take the form of mass murder of the civilian population rather than a conflict between armies.

The last war abundantly proved that any weapons whatever will be availed of by nations struggling desperately for existence, no matter what their character. The next war will see, in addition to the horrors of poison gas, the unknown terrors of bacteriological warfare—planes dashing across a continent or a sea dropping mass cultures of plague and influenza, cholera, and typhus, supplementing machine-gun fire with streptococci, and adding new classifications to the traffic in munitions.

For the statesmen of the world to permit the present insane competition in armaments to continue, with the certainty that it precipitate in this generation or the next another catclysm of unpredictable horrors, is stupendous and incredible folly.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Illinois?

Mr. CLARK. I yield to the Senator.

Mr. LEWIS. May I ask the able Senator from Missouri if his committee—on which he is rendering such excellent service, and which is itself serving this Government so splendidly—is giving consideration to the question of whether the Government of the United States should take charge of or supervise and control the manufacture of armaments in America?

Mr. CLARK. I will say to the Senator that that is one of the subjects specifically confided to the consideration of the committee by the Senate resolution creating the committee, and one of the subjects upon which we are instructed to make a recommendation to the Senate. There has been no consideration in the committee as a whole as to the conclusions to be drawn in that regard from the testimony heretofore adduced. We simply have not yet reached that point.

Mr. LEWIS. I appreciate the Senator's reply.

Mr. CLARK. The theory so often advanced in armament propaganda—that the best way for a nation to be insured of peace is for it constantly to outdo its neighbors in preparation for war—is contrary to the entire experience of mankind. No sane man would pretend that the best way to preserve peace among individuals is for each to go at all times armed to the teeth. Trivial misunderstandings, petty quarrels, inconsequential arguments, grow quickly into bloodshed when each disputant has ready to his hand deadly weapons which, though perhaps intended for defense, may be as readily turned to purposes of offense; and nations are but aggregations of individuals.

Experience has proved that peace treaties, excellent in themselves, cannot be relied upon to prevent war when all parties to any trivial international dispute are in possession of enormous armament. Competitive purchase of armament by nations between whom there may exist natural rivalries is itself a primary cause of war. Disarmament is the only road to permanent peace. That way lies the hope of the world. To that course the statesmanship of the nations must bend its steps. On every other path lurk desolation and madness and despair.

Let me say in passing that we in the United States have been very free to assume an attitude of disdain for the course pursued by other nations in the matter of disarmament, to proclaim our own superiority and our own integrity. It was called to the attention of the Senate by special message from the President at the last session and has been more than once alluded to during the hearings of our committee that a convention for dealing with limitation of armaments was permitted to molder forgotten in the Foreign Relations Committee of this body for a decade. Admitting that the convention was far from perfect, and actually accomplished only a very small step forward in the direction of limitations of arms, the refusal of the Senate to take any action whatever in regard to it has certainly given ground to the suspicion on the part of other nations that we are not as sincere as we have represented ourselves in the matter of the limitation of armament. Any experienced judge or lawyer would, in a similar case between individuals, look askance at our pretensions as an eager suitor in view of the great number of continuances for which we have ourselves been responsible.

Moreover, Mr. President, we have ourselves been by no means free from blame and responsibility for the thwarting of disarmament efforts in other respects. While loudly proclaiming our devotion to the cause of armament reduction, we in the last Congress certainly aroused suspicion throughout the world and probably caused the beginning of another disastrous naval building race by authorizing the squandering, in this time of profound depression, of upward of a billion dollars of the taxpayers' money for the construction of additional warships. Think of the paradox and the madness of money sweated out of the taxpayers of our country, in this time of awful stress, for purposes of reconstruction, being expended for agencies which are particularly designed for and have no other possible purposes than those of destruction!

Progress toward disarmament will be much advanced when the peoples of the world can be made to understand how much the matter of munition makers' profits has entered into the competition in armaments, with its inevitable end in war and ruin.

Mr. President, I cannot say with too great emphasis that as a result not only of my service on the special committee but also as a result of such industrious private research as I have been able to make, it is my profound belief that one of the primary causes of war is the making of private profit out of war. Without the private control of the prime war industries, there would be no active propaganda and promotion of the competitive armaments of nations. Without this insane competition of armaments, the danger of war would be enormously reduced.

At the disarmament conference a few years ago, Arthur Henderson, the great English statesman and publicist, made this statement as showing the effects of the international armaments ring:

> In one town in England there stands as a war memorial a gun captured from the enemy during the Great War. On one part of the gun there is the inscription recording how British troops, with great heroism, captured it in a hard-fought action; on another part of this gun is the name of the British firm by which it had been manufactured!

A multitude of other facts have been slowly coming to light. When the British troops stormed the Dardanelles—one of the most difficult military enterprises in all history—they were fired on by Turks using guns made by a British firm,

financed by a French bank. It has been established that French aluminum, exported to Germany through Switzerland, served to kill French soldiers and make possible Zeppelin raids on Paris and London. It has long since been proved that there existed in Switzerland during the World War rolling mills whose chief business was to remove German trade marks from steel in transit from Germany to France.

After the war, Krupp, the great German munitions maker, sued in the British courts to collect from Vickers, the British Armament Trust, royalties for guns manufactured in England for killing German soldiers under licenses which Krupp had granted Vickers for the use of Krupp patents. Rather than go to court, Vickers settled by giving Krupp some Vickers stock. One American submarine firm sued in the Mixed Claims Commission on the ground that over 400 submarines manufactured in Germany during the war—the use of which brought about our entrance into the war—were infringements of the patents for which they had granted licenses to firms in Prussia and Austria.

Schneider-Creusot, the great French Armament Trust, owns Skoda, the vast munitions plant in Czechoslovakia. Through Skoda, Schneider contributed important funds to set up Hitler in Germany. Hitler's conduct of German affairs makes for war scares in France, boosts the French military budget, and enables Schneider to sell more munitions at home. Vickers, the great British Munitions Trust, is closely affiliated with Mitsubishi, of Japan, and Schneider, of France, while Krupp owns stock in Vickers.

The existence of an international munitions ring, with many ramifications, has been generally admitted for a considerable period. This was vividly called to the attention of the Senate at the last session by an article which the Senator from Idaho [Mr. BORAH] read into the RECORD; but the suggestion for a real investigation of American munition manufacture in its relationship to the international picture, and to our own position with regard to war preparations, was met with the protest that if there were an international munitions ring it was entirely abroad, and no Americans had anything to do with it. Nevertheless, the Senate believed the subject to be of such vital import that it authorized the appointment of the special committee for that purpose.

Mr. President, as I have said, this investigation is far from complete, yet already we have gone far enough to develop facts of the very greatest importance to our country and to the world. Speaking not for the committee but individually I have no hesitation in saying that in my opinion the investigation of your committee has already exposed most of the fallacies which have been advanced as arguments for the necessity of the private manufacture of munitions.

The excuses of the armament manufacturer and militarist have always been naive. Alfred Nobel, who established a peace prize out of a fortune made out of profits from the manufacture of dynamite and explosives, once said:

> My factories may end war sooner than your congresses. The day when two army corps will be able to destroy each other in one second all civilized nations will recall in horror and abandon their armies.

With similar sophistry, Hiram Maxim, who invented the machine gun which, without dispute, has killed more people than any machine of death ever invented, said:

> The quick-firing gun is the greatest life-saving device ever invented.

So, in the same sardonic vein, a leading British military expert, Major General Fuller, has written:

> The shifting of danger from the fighting man onto the civilian is likely to cause such a reaction against war that universal peace will be established. It is far more likely that warlike inventions rather than peaceful continents will one day be able to whisper into the ear of this troubled world "pax vobiscum."

According to this sinister philosophy, entire civilian populations must be murdered before anything can be done to stop the moral and economic wastes of war.

Incidentally, the case of Hiram Maxim throws an interesting sidelight on one of the chief contentions of the munition makers, to the effect that private manufacture of munitions is necessary to afford scope to American inventive genius. We would be led to believe that the United States is greatly aided in the preparation for war by the invention of new death-dealing instruments by our citizens. But, unfortunately, it does not work out that way. Inventions of new weapons or processes by Americans are of no especial advantage to the United States in the sense of making us better prepared. Experience has proved—and the testimony in our present investigation has abundantly disclosed—that armament secrets soon become the secrets of every nation in the world—for a price. Maxim invented his machine guns in America but manufactured them in England and sold them and licensed their manufacture around the world. In the World War his invention resulted in the death of thousands of American boys.

An American invented the submarine, but submarines were sold and licensed around the world, and their use was the reason generally assigned for our entrance into the war. We have ascertained that our War and Navy Departments have not only permitted but encouraged the sale of powder manufactured according to the very latest formulas to possible enemies of the United States, and that our leading manufacturers of munitions have been willing to construct plants for foreign nations and to instruct foreigners in the "know how" of munition manufacture. We have seen the plans for the latest quick-firing gun—developed partly at Government expense and with Government personnel—hawked to a foreign government with the consent of the Department itself.

Our committee has found indisputable evidence of the intimate connection of leading American munition firms with leading firms in their own particular lines in the chief countries in the world. We found our greatest firm of submarine manufacturers in practical partnership with Vickers, the great British Munitions Trust, parceling out the world between them with an agreement that whichever got the business in certain territory would split the profit with the other, and with a working agreement with Mitsui of Japan.

It has frequently been urged that private as against Government manufacture of munitions is necessary to supply plant capacity as a stand-by for the Government in time of war, and to supply employment for American labor in time of peace from contracts obtained in other countries. But we have found our armament manufacturers repeatedly soliciting business with the avowed intention of doing the work in factories in Holland, Italy, England, or elsewhere with which they had intimate relationship. In one case we found the American Ambassador to Italy instructed to intercede on behalf of one Italian firm as against another on work to be done for the Italian Government because the real bidder was an American firm, but the work was to be done in an Italian plant utilizing Italian labor. Surely such activities could not build up American plant capacity, nor could they give employment to American labor.

We established the fact that our greatest manufacturer of explosives, dominating the American chemical field behind a vicious embargo, is in practical partnership with Imperial Chemical Industries, the great British Chemical Trust, and with the great Chemical Trust of Germany. We found this great American munition firm ready to construct factories in Japan for the manufacture of the latest form of explosives. And we found this firm actually encouraged by the War and Navy Departments to disclose for cash their latest formulas and processes to nations which were recognized by the Departments as possible prospective enemies of the United States.

We have established the fact that where American inventions or formulas have once been patented or registered in a foreign country and a license to use them, which involves familiarity with their essentials, has passed into the hands of people abroad, they can then be employed in case of war by a foreign government—even against the United States—with or without the consent of the licensee.

We have found that in many parts of the munitions trade corruption of public officials in the sale of the instruments of death was a commonly accepted part of the business.

We had before us a letter from the chief official of a great American munitions concern to his friend and associate, the responsible head of the greatest British munitions manufacturer, in which he said:

> We all know that the real foundation of all South American business is graft.

We have become familiar with such terms as "greasing the ways" and "doing the needful", "performing the necessary" as accepted trade terms of the munitions industry.

We listened to the testimony of the representative of a great American arms manufacturer who unblushingly admitted that he had himself been guilty of the bribery of a Central American high official, that he had reported the matter to his company, and had been neither reprimanded nor discharged.

We found that the Government of the United States itself has been employed in furthering the sale of munitions abroad; that a United States cruiser had been ordered to Constantinople to demonstrate the efficiency of a naval gun, the product of a private factory. We found the project for sending a flotilla of submarines as a sales argument for private manufacturers and demonstration around the coast of South America favorably received by the Chief of Naval Operations. We found the officers of American ships of war on official duties in foreign waters being employed as sales boosters for guns manufactured by Bethlehem Steel. We learned with amazement that American ambassadors and consular officers had been instructed to intercede with foreign governments for the sale of the products of particular munition manufacturers.

We discovered that an official mission of American naval officers had been loaned to Peru, who, in addition to their pay and allowances as American naval officers, had been lavishly paid by the Peruvian Government. The chief service of this mission was to assist in the sale and installation of American submarines in the Peruvian Navy. Incidentally, it was discovered that the particular member of the naval mission whose business it was to inspect the submarines on behalf of Peru was actually selected and detailed upon the recommendation of the company whose submarines were to be inspected. And then, when these submarines had been sold to Peru, we found an officer on the active list of the Navy loaned to Peru's rival and prospective opponent, Colombia, as an adviser on defenses, and there prescribing an American rapid-fire gun as a harbor defense against the very submarine which our naval mission had helped to sell the other country. We learned with shame that this Commander Strong of the Navy had not been above demanding and receiving a commission from the purveyors of munitions at a time when he was drawing a salary from the United States and one from Colombia for rendering disinterested services as an expert. In passing, I may say that in my judgment, if we are to permit the loan of American naval officers to other nations in fiduciary capacities we are under at least a moral obligation to see that they do not plunder the nations to which they are loaned, and at least render honest service to the nations to which they are loaned and from which they are receiving additional compensation.

We learned that American manufacturers of poison gases had engaged in every sort of intrigue in the promotion of revolution in Cuba and South America; that one of them had actually employed an alleged Christian missionary in Central America as an agent and demonstrator of his wares; that another actually had the hardihood to approve and defend before our committee the conduct of one of his agents in taking hapless prisoners from South American dungeons and making them unwilling subjects for demonstrations of his gases.

We read the correspondence of a manufacturer of poison gas, in which he proposed to superintend the erection of poison-gas plants in a South American country, accurately describing the gas which was best for killing and those gases which were best for incapacitating, and we read his offer to train alien armies in the use of these gases. We have been chagrined to learn that this same man has been permitted by the War Department to use his status as a lieutenant colonel in the Reserve Corps of the United States Army and to exploit that official connection as a selling argument for his poison gases. We have examined an elaborate and ornate prospectus for this concern containing all the principal officers in the uniform of the United States Army and containing glowing letters of recommendation to the former head of the Chemical Warfare Service and the present head of the Militia Bureau of the Army—a course calculated to lend the impression to foreigners unfamiliar with our language and institutions that there was some connection between the Government and this poison-gas concern.

Our committee was informed by the most responsible Government officials of the frequently successful efforts on the part of munition manufacturers to evade and defeat the President's embargo on the export of munitions to Bolivia and Paraguay, between which countries war is now raging. We have found that in the present state of our law there is no way in which the Government may defeat such evasions on the part of those who deliberately wish to practice them.

Incidentally, Mr. President, I may say that it was discovered by the committee in the course of its investigation that the obstacle to a bona fide embargo on exportation of arms to the Chaco lies in an obscure clause in a half-forgotten treaty with Bolivia, and by instruction of the Committee on Munitions it is my intention to introduce into this body as soon as it can be prepared a resolution authorizing the President of the United States to denounce that particular clause of that particular treaty in order that he may have an opportunity of enforcing a bona fide embargo.

One of the greatest fields of investigation which has been confided to your special committee is the subject of war profits by industry. We were especially directed to make investigation of that subject. We were especially directed to review the findings of the War Policies Commission.

This has involved an examination of the plans which have been prepared during the last 15 years by the War Plans Division of the War Department in coordination with a similar division in the Navy Department.

In pursuance of this subject we have discovered that one American concern engaged in the manufacture of munitions earned enough profits during the World War to purchase out of its surplus practical control of the largest manufacturer of automobiles in the world. We have demonstrated that war profits running into the hundreds of millions of dollars were earned by that one concern alone.

It has been disclosed that this company, whose stock advanced during the period of the war from approximately $20 a share to approximately a thousand dollars a share, had first and last, and still does have the effrontery to hold itself out as practically a partner of the United States Government; and we found in their correspondence with high officials of the War and Navy Departments practical substantiation of this outrageous assumption; and then we learned that during the most crucial period of the war, while Germany was girding herself for the supreme effort to break through the line, the construction of necessary powder plants for the Government was held up for more than 3 months while the Du Ponts haggled like fishwives with the Government as to the compensation they were to receive for their services in constructing and operating the plant with Government funds. It was testified before our committee by the executives of the Du Pont Co. itself that the dispute with the Government as to compensation was occasioned in part by their insistence on the right to pay huge bonuses to their own executives and their own employees. Yet at that very time American boys were being drafted without any negotiation as to pay for their service at the point of the bayonet; and today the Messrs. du Pont and those with whom they act are contributing funds for propaganda against compensation for services in the last war because it interferes with balancing the Budget in preparation for a future war.

Mr. President, there has been in recent years a great deal of loose talk about eliminating the profit from war by the limitation by contract of profit to a certain fixed return to

be based on a percentage of a theoretical valuation of the plant value devoted to the public service. Such a theory, Mr. President, is a delusion and a snare, no matter by whom it may be advocated.

The advocates of such a plan speak of limitation of profit to a percentage of plant value devoted to war manufacture, the value to be based on a period of adjustment. But we have all seen the fixing of rate basis for public utilities complicated by matters of original costs, costs of reproduction new, depreciation, overhead costs during construction, and the myriad other elements which are advanced for consideration lead to nearly interminable delay before commissions and courts. We have had the admission from the War Plans Division of the War Department that after 15 years they have no basis of fact on any single corporation on which the return for that corporation could be figured. It is easily to be seen from this statement how futile and ineffective would be the theory of limiting war profits to a percentage of the capital involved when the country is at war, when a hundred and fifty contracts a day, involving hundreds of millions of dollars, are being negotiated by Government agencies. The mere outline of the proposition is sufficient to show its absurdity.

Another fallacy is the theory commonly advanced for the Government to allow the concerns engaged in war industries to earn huge profits and then to recoup them through the device of excess-profit taxes and high income taxes. But to evidence the ineffectiveness of this method our committee has had before it the case of Mr. Alfred I. du Pont. It has appeared that in the course of 3 years he received an income in excess of $26,000,000, and that during that period he paid no income tax whatever, since he had legally, and without evasion of the law, offset his profits by losses in the stock market. The case of Mr. du Pont abundantly illustrates the fact that when the Government once permits swollen munitions profits to go into the pockets of private individuals it cannot hope to recapture them under our present income-tax system. The way toward the hope of prevention of war certainly lies in the direction of keeping profits out of munition makers' pockets rather than in the hope of recovering them after the munition makers have had a chance to dissipate them in some other way.

Furthermore, Mr. President, our committee has found a deliberate course of action on the part of great munition companies to prevent any effective action on the part of our Government looking toward international disarmament. We have all been familiar with the efforts of a group of shipbuilding companies, acting through the agency of a marplot by the name of Shearer, in sabotaging a conference on naval reduction a few years ago.

But in addition to these activities, which had previously been disclosed, our committee has discovered repeated instances of the efforts of American munition manufacturers to destroy efforts toward international accord on the subject of armament. We have read letters from executives of American munition firms to their European associates and partners describing as " pernicious " all efforts to bring about an agreement of that kind. We have been apprised of the fact that munition manufacturers in this country had been informed weeks in advance of the appointment of the American Commission to the Geneva Conference of 1925, of the personnel of the Commission, and we also learned the fact that the munition makers have been permitted to contact and consult officials or these delegates weeks before their appointment had been made or before any announcement of the personnel had been given to the public. We learned that under the pretense of keeping down action adverse to American sporting weapons and powders a conference called by the Secretary of Commerce sent forward a recommendation that the American delegates to the Geneva Conference insist upon the elimination of pistols and revolvers as military weapons—and this despite the fact that all informed military men know that pistols are part of the prescribed equipment of every cavalryman, every artilleryman, every machine gunner, every tank man, every officer, and nearly every noncommissioned officer in every army in the world. Yet the United States Department of Commerce lent its weight to such recommendation and put the representatives of the munitions industry in contact with the American delegates to the disarmament conference before they had been even appointed.

It is certainly not too much to say, Mr. President, that our committee has already disclosed facts which prove that every effort looking toward American participation in disarmament has been consistently opposed by organized propaganda in behalf of the munitions industry. The further investigation of this subject I believe to be absolutely necessary to the carrying out of the mandate of the Senate to its committee.

I would not wish and could not hope to review in detail all the proper subjects for investigation which have already been opened up and to some extent examined by our committee. My personal opinion is that such an investigation might go on nearly indefinitely, with great benefit to our people and to the peoples of the world. But suffice it for my present purpose to say that it is my opinion and that of our committee that we should be able—although we do not promise—that the present scope of our investigation may be completed within a budget of $100,000. In comparison with some of the estimates for military and naval purposes, I hold this demand to be exceedingly small. And since this is the only known appropriation by the Government in the interest of peace, it certainly seems that the Budget cannot possibly be overbalanced on the side of the prevention of war.

Mr. President, I should be derelict in my duty as a member of your committee if I should close without mention of the plans on the part of the War Department which your committee has uncovered and exposed. These are plans represented by actual proposals for statutes, which have already been prepared and are in the files of the War Department. They have purposely not been sent to the Congress for consideration, because by their own admission, careful consideration by Congress might defeat their adoption. It is the admitted and announced purpose of the War Plans Division, which has been officially approved by the Secretary of War and the Secretary of the Navy to hold this proposed legislation until a state of war shall have been declared. And then, of course, Mr. President, as all of us who have had experience in legislative matters are well aware and as the officials of the War and Navy Departments who concocted the plans are well aware, when war actually existed they could send their measures to Congress and any attempt to examine or amend them would be trodden under foot in the hysteria which accompanies war.

Any disposition on the part of any Senator or Representative in Congress to examine the measures or to amend them, debate, or consider them would be howled down as disloyal action in front of the enemy and a disposition to paralyze the effective armament of the Government in time of war. As a matter of fact, the chief of the War Planning Division, in response to a direct question from me, admitted that this was the fact and the theory of withholding these recommendations from Congress until after the declaration of war.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER (Mr. LOGAN in the chair). Does the Senator from Missouri yield to the Senator from Illinois?

Mr. CLARK. I yield to the Senator from Illinois.

Mr. LEWIS. May I ask the Senator from Missouri, in view of this very important and remarkable statement, which undoubtedly must have been sustained by some evidence, was there proof before the committee that the officers of the War Department had made the basis of their action a declaration of war by our Government against some other government or some other government's declaration of war against our Government? Does the Senator intend to leave that conclusion as a fact or as a presumption drawn from certain testimony presented from assumption of certain witnesses?

Mr. CLARK. I possibly did not make myself clear to the Senator. These measures have been prepared jointly in the War Planning Division of the Army and Navy. They have been printed and published in an official public document in the War and Navy Departments, a document the supply of which unfortunately was exhausted within 24 hours after its publication, but of which the committee was able to obtain copies. It is stated in that document that these measures, which have been drawn and which it is contemplated will be enacted immediately after a declaration of war with any country, are to be kept in the files and sent to Congress for consideration, not when they might be considered coolly and calmly in time of peace as prospective war measures, but in the hysteria which inevitably accompanies a declaration of war.

Mr. LEWIS. May I add that if these statements are borne out by the facts, it is a very amazing situation?

Mr. CLARK. I can say further to the Senator from Illinois that it is my intention—and I so announced to the committee—to introduce the measures making up this program on my own responsibility as a Senator, not because I favor them necessarily in any case, certainly not in all cases, but because I think they should be introduced at this time and referred to the appropriate committees for calm and deliberate consideration before any declaration of war.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. CLARK. I yield.

Mr. COSTIGAN. Was any expert opinion expressed before your committee justifying offsetting Mr. du Pont's income of a good many million dollars by reported losses on the stock exchange, as suggested by the able Senator from Missouri a few moments ago?

Mr. CLARK. I have not been able to make any technical examination of that matter, I will say to the Senator, but I understood from the Department's report that Mr. du Pont's return was entirely legal and that there was no suggestion whatever of any impropriety or any fraud on his part. I think the Senator from North Dakota will bear me out in that.

Mr. NYE. That is correct.

Mr. LEWIS. Mr. President, may I add it is well that we should understand the position taken by the Senator? Is it a correct statement that the profits, whatever they were, have been offset by the losses of speculation on the part of the owner of the profits through his undertakings on the stock market?

Mr. CLARK. I am not familiar with the details of the return. Our investigators reported, however, that the returns for several years were in proper form, and that the Department had approved them. I understand there was no suggestion whatever of any illegality or fraud. I simply mentioned the matter for the purpose of illustrating that the theory so often advanced of permitting huge profits to accumulate in the hands of munition makers and then to recapture them by heavy income taxes frequently proves erroneous.

Mr. COSTIGAN. Mr. President, will the Senator from Missouri or the Senator from Illinois be good enough to advise the Senate in what year or years his claim of offsetting losses was made by Mr. du Pont?

Mr. LEWIS. I yield to the Senator from Missouri, who may more definitely answer the question.

Mr. CLARK. I have forgotten the exact years. I will be glad to find them and put them in the RECORD for the Senator.

Mr. COSTIGAN. Is it known whether such an offsetting claim could be advanced under the income-tax laws as now amended?

Mr. CLARK. As I say, I am not familiar with the details of the returns, for the reason that the point with which our committee was concerned was the ultimate fact that with this large income no income was recaptured by the Government in the shape of income taxes.

Mr. MURPHY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Iowa?

Mr. CLARK. I yield.

Mr. MURPHY. As to the current year, I will say to the Senator from Colorado, the taxpayer could make a claim for losses only as against like gains, and to the extent of $2,000 only.

Mr. COSTIGAN. I thank the Senator; and will say, if the Senator from Missouri will allow me, that the statement of the Senator from Missouri was of a nature calculated to shock Members of the Senate.

Mr. CLARK. I will say that the circumstances shocked me.

Mr. MURPHY. Mr. President, will the Senator from Missouri yield further?

Mr. CLARK. I yield to the Senator.

Mr. MURPHY. I will state that the point the Senator from Missouri seeks to have emphasized is that, while Mr. du Pont had a profit of $28,000,000 arising from the manufacture of war munitions, no part of that profit was subject to tax because he became the beneficiary of deductions for losses, and that, in his view, a more effective means of reaching the profits is not through the income tax, but with prohibition at the source.

Mr. CLARK. That is precisely my point.

Mr. LEWIS. Therefore, we may gather that whatever transpired appears to have been wholly within the law and in compliance with our present enacted statute.

Mr. CLARK. In accordance with the law as it was in effect at that time, I will say to the Senator. I am not informed as to what is the effect under the present law.

Mr. LEWIS. Is the Senator aware whether there has been any change to meet a situation such as he describes?

Mr. CLARK. No; we made no examination of that point because in the committee our interest was simply in the fact that this tremendous profit received largely from the munitions business had not been recaptured by the Government through income taxes.

Mr. HATCH. Mr. President, I should like to interrupt the Senator, with his permission.

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. CLARK. I am glad to yield to the Senator from New Mexico.

Mr. HATCH. I am not sure that I understood the statement of the Senator from Iowa, but if I did understand it correctly, under the existing law that practice would not be permitted. Is that correct?

Mr. MURPHY. The Senator is correct, according to my understanding.

Mr. CLARK. Mr. President, our committee up to date has made only cursory investigation of the specific provisions of the measures, but we have certainly been able to develop some of the reasons for the desire on the part of the War Department to withhold their submission until after a declaration of war, when they can be put through under whip and spur as measures of immediate national defense.

We have discovered that at least there lurks in the proposed measures the authority for an absolute press censorship. We have also found that there is existent a plan for the abrogation of section (a) of the National Recovery Act and for the absolute draft of labor. We have read the proposal for the draft of the Nation's young men as cannon fodder. At the same time we have been advised from most responsible sources that industry can only be induced to do its best in a war by cajolery and kind words; and this despite the fact that during peace time the very industries which would be our principal defenders in time of war have been exactly the industries which, during the last year and a half, have most stoutly resisted the imposition of any codes of fair competition.

I have already announced, and I intend to carry through, an intention to introduce in this body the measures intended to be shoved through in the event of war, with the least possible consideration. My introduction of those meas-

ures will connote not the slightest approval or support of them. I will introduce them simply because I believe it better for the Congress and the people to have the measures before them for consideration at leisure in peace time than to have them crammed down their throats without consideration after a declaration of war. Is it not better calmly to consider the possibility of an absolute press censorship and a draft of all labor now before any war is in prospect for us than to find those authorizations emerge as jokers in unconsidered bills passed in the first hysteria of war?

Mr. President, I have gone into what must necessarily be merely details of the progress of our investigations up to date, yet these random details must certainly show the importance of the investigation as a whole. We, at least, have not scrupled to lay bare without fear or favor the skeletons in our own closet, and in that regard our efforts have had reverberations throughout the world. In Great Britain a resolution for a similar investigation was defeated with contumely and scorn. Yet, so strong was the popular support of the movement, within the same fortnight a real investigation was promised, with appropriate apologies by the same ministerial spokesman who had first been loudest in decrying it.

In France, only week before last, the adoption of a heavily swollen military budget was bitterly resisted in a savage debate in which former Air Minister Cot led the onslaught for an investigation similar to ours as a substitute for the huge increase in appropriation for the military which had been requested by the ministry.

These indications in foreign lands lead us to believe that our labors have not been without response and that important results may follow.

I have said already that it is the unanimous opinion of our committee that we have by no means completed the consideration of the subjects heretofore assigned to us by the Senate. I do not desire at this time to discuss the subjects which remain for investigation, further than casually to mention some of them.

We have not yet touched the subject of the financing of war. Yet all men know that that question involves one of the greatest incentives to war.

We have reason to believe that the millions of profits made by a few banking firms were major influences in taking the United States into war and incurring the huge debts under which we are still staggering. Until we have investigated the banking interests behind the American munition interests we cannot be said to have fulfilled our mandate from this body.

We have also yet to investigate the matter of shipbuilding and steel manufacture. Particularly, I may say, I think there should be some investigation of the reason for the fact that unit-cruiser costs for the United States Navy were $8,000,000 in December 1932, $12,000,000 in August 1933, and $16,000,000 in August 1934, without any appreciable increase in either labor or material costs. I believe that any adequate inquiry into this subject would, many times over, amount to a saving of the entire expense of our investigation.

Mr. President, I do not desire to make further analysis in detail of the evidence which has been produced before our committee. We have already uncovered facts of the most far-reaching importance, so far as the determination of our own national policies is concerned.

This is important in itself. But if, as now appears most probable, the demands of liberals in other countries, based on our investigations, should lead to similar disclosures in other lands, there are likely to be developments in the prevention of war which will ring around the world.

Mr. President, our committee has still much to do. We have focused public attention throughout the world on a great problem. Already we have been the recipients of a barrage of abuse from the munition makers and their sympathizers, from some sections of the press, and from some public officials.

We have been advised publicly and privately that our policy of placing openly and frankly in the record any pertinent evidence which comes to us from any source is likely to injure the business abroad of American munition makers. We have been told, moreover, that the placing in the record of the transactions of our munition makers with foreign officials is likely to injure our prestige abroad. It has been suggested that the general effect of the whole of our investigation may be to injure our foreign trade and that, therefore, we should desist.

To no such doctrines do I subscribe. Rather do I conceive this subject of the prevention of war to be of such importance that I say, with Bruce Barton: "Let's advertise this hell."

Only so can we arrive at the causes of war. Therefore I speak today in behalf of the continuance of the investigation to its logical conclusion.

Mr. VANDENBERG. Mr. President, before the Senator takes his seat may I ask him a question?

Mr. CLARK. Yes; I shall be glad to answer it if I can.

Mr. VANDENBERG. I want to ask the Senator, with his knowledge and preliminary information respecting disclosures which yet remain to be made, whether he is not in a position to assert that if the inquiry were now abandoned, it would stifle utterly vital information to which the American people are entitled?

Mr. CLARK. I do not think there can be any question whatever as to the entire correctness of the Senator's statement.

Mr. POPE obtained the floor.

Mr. NYE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Dakota?

Mr. POPE. I am glad to yield.

Mr. NYE. In view of the very excellent presentation by the Senator from Missouri [Mr. CLARK] of the findings thus far of the Munitions Investigating Committee and in the light of what I know is going to come during the balance of the afternoon from the Senator from Idaho [Mr. POPE], I do not know what may be left to say upon the subject. In any event, I desire to give notice at this time of my intent to ask to be heard on this subject upon the convening of the Senate on Monday of next week.

Mr. POPE. Mr. President, as a member of the Special Committee of the United States Senate to Investigate the Munitions Industry, it seems appropriate that I submit some observations on the work of the committee and some conclusions as to what has been shown.

On May 6, 1915, a German U-boat of American patent and design torpedoed and sank the *Lusitania*, drowning 114 American citizens. The Germans claimed that the ship contained a large supply of American-made ammunition for the Allies. This tragedy aroused the indignation of the American people, and was one of the main events that led the United States into the World War.

The people did not then know that the German submarine which was destroying American lives and property was an American invention, designed by American genius, and licensed to German armament makers by an American company for substantial profits.

Neither did the people realize that in the demands of exporters for protection of their legal right to sell and ship their products to the warring nations, the arms makers were playing a most important part in shaping a policy of our Government that was leading the country inevitably into the war.

The people generally thought only of the fact that Germany was immediately responsible for the destruction of American lives and property; that such acts were an invasion of our legal rights, an outrage on American citizens, and a just cause for war. Our passions were aroused, and we entered the war.

Without any doubt whatever the German policy of submarine attacks upon merchant ships was the direct cause of American participation in the war.

Thus appeared one of the tragic paradoxes of the munitions business which developed from the committee hearings—the destruction of American lives and property by submarines of American invention, placed in the hands of

a potential enemy by an American firm which asserts high motives of peace and patriotism.

Other paradoxes, as bewildering as they are dangerous to the peace and safety of our country, appeared during the investigation. They will be mentioned later in this discussion.

The evils attending the manufacture and sale by private enterprise of munitions of war are not of recent origin. They were recognized by the statesmen at the Versailles Peace Conference. These evils were of such a nature as to be a menace to the future peace of the world. So impressed were the delegates with the gravity of this matter that they adopted the following provision in section 8 of the League of Nations Covenant:

> The members of the League agree that the manufacture by private enterprise of munitions of war is open to grave objections. The council shall advise how the evil effects attending such manufacture can be prevented, due regard being had to the necessities of those members of the League which are not able to manufacture the munitions and implements of war necessary for their safety.

Their deep concern continued; and within 2 months after the close of the Peace Conference, representatives of 28 nations met at St. Germain-en-Laye to formulate a treaty to control the trade in arms and munitions. The United States was represented by Frank L. Polk, Henry White, and Gen. Tasker H. Bliss. A convention was agreed upon, and the representatives of the 28 countries signed it. Most of the nations represented at the Conference ratified the convention, but it was never ratified by the United States.

Here begins the sorry role played by the United States in blocking the efforts of the nations to control the arms traffic. On numerous occasions other nations and the League of Nations urged the United States to ratify the treaty, pointing out that so long as one great arms-manufacturing nation failed to cooperate, the traffic could not be controlled. Still nothing was done by the United States, which had the effect of blocking the treaty.

On April 12, 1923, the League of Nations Council adopted a resolution requesting the United States to—

> state its views as to the manner in which it would be willing to cooperate with other nations in the control both of the traffic in arms and the private manufacture of arms * * *."

In response to this resolution the United States wrote a very discouraging reply, giving no indication of a desire to cooperate with the other nations.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Idaho yield to the Senator from Arkansas?

Mr. POPE. I yield.

Mr. ROBINSON. Will the Senator state the date of that resolution, and the reply, if he can do so?

Mr. POPE. Yes. The resolution was dated April 12, 1923. The date of the reply was within a few weeks after that. However, on December 14, 1923, our country must have undergone some change of heart, for she accepted an invitation to participate in another conference to be held at Geneva, Switzerland, to deal with the private traffic in arms. In 1925 such a conference was held, with former Senator Theodore H. Burton as chairman of the American delegation.

The story of this effort is a sad one. After weeks of conference a convention was agreed upon and was signed by all the delegates, including the Americans. It was presented to the Senate of the United States and referred to the Committee on Foreign Relations on January 11, 1926. There it remained, without action, until June 1934. On May 18, 1934, President Roosevelt sent a message to the Senate requesting that the 1925 arms treaty be acted upon. On June 15, the Foreign Relations Committee having acted upon it favorably, it was ratified by unanimous action of the Senate, with reservations that certain other nations approve it. The treaty is, therefore, not effective, and will not be until the conditions are met.

During the present investigation by the special committee, it appeared from the evidence that before the 1925 conference took place, an international union of gunmakers—the Union of Gunmakers of Liege—communicated with certain American armament firms advising them of the forthcoming conference, and suggesting that they formulate a plan to prevent effective restriction on the trade in arms, and suggesting that they contact the United States Government officials. It further appears that Secretary Hoover, of the Department of Commerce, called a conference of various armament firms to consider what action should be taken.

The evidence showed that the arms makers were in close touch with the United States delegation at Geneva, and possessed information as to who would be named as delegates several days before the appointments were announced. Letters introduced at the hearing before the committee indicated that the arms firms were satisfied, before the delegation was selected, that the international proposals for restrictions on the traffic would be defeated, and that their business would be safe for this generation. The original proposals for control of the traffic were seriously weakened and the armament firms were satisfied.

Even then the treaty remained in the Senate without action until the spring of 1934, as before stated.

In 1921, long before the Geneva Conference above referred to was held, a League of Nations committee, after some careful investigation, set forth the objections generally raised against private manufacture of armaments. The committee reported that armament firms have organized international armament rings, have disseminated false reports about military and naval programs of different countries, have tried to bribe government officials, have fomented war scares, and have sought to influence public opinion through the control of newspapers.

In his message of May 18, 1934, President Roosevelt used strong language concerning the menace of the uncontrolled activities of the manufacturers and merchants of engines of destruction. He said:

> The private and uncontrolled manufacture of arms and munitions and the traffic therein has become a serious source of discord and strife. * * * The peoples of many countries are being taxed to the point of poverty and starvation in order to enable governments to engage in a mad race in armament, which, if permitted to continue, may well result in war. This grave menace to the peace of the world is due in no small measure to the uncontrolled activities of the manufacturers and merchants of engines of destruction, and it must be met by the concerted action of the peoples of all nations.

The record of our Government in failing to cooperate with other nations of the world to control the traffic in arms for all the years following the war, until last year, is not one of which we may be proud. The activities of munition makers during that period, as disclosed by the evidence before the committee, has stirred the peoples of the world. Public interest has been intense and wide-spread, not only in this country but in other countries as well. I know of no investigation in recent years that has made so large an appeal.

Expressions of interest and approval have come from thousands of individuals and from all kinds of organizations. Resolutions of business clubs, churches, schools, bar associations, farm organizations, and other groups, have been received by members of the committee. I happen to know that resolutions are being prepared for action by several State legislatures during the coming winter. The demand for a complete and thorough investigation is almost universal.

The people of other countries are becoming active in demanding investigations. As the Senator from Missouri [Mr. CLARK] said, recently Premier Ramsay MacDonald announced that England would appoint a royal commission to investigate the arms industry in England, and a strong demand has arisen in France for a similar inquiry. I am advised that movements are under way in some of the South American countries to hold such investigations.

The United States deserves great credit for the leadership that has been manifested by the investigation of a subject of such great importance to the peace of the world.

The committee, under Senate Resolution 206, was instructed specifically to investigate the nature of the organizations engaged in the manufacture or trade in arms, the methods used in promoting such trade, and legislation and treaties for the regulation and control of the traffic, to review

the findings of the War Policies Commission, to inquire into the advisability of creating a Government monopoly for the manufacture of arms and munitions, and to submit recommendations for legislation.

A partial investigation has been made. The evidence so far submitted warrants, in my opinion, the following findings, among others:

First. Bribery is generally accepted as a necessary element in the promotion of foreign armament sales.

Second. Arms-manufacturing companies of the various nations are linked together under patent and sales agreements which provide for exchange of secret processes, division of profits, and division of sales territories.

Third. Armament firms working in competition or in association with other companies have stimulated armament races between friendly countries.

Fourth. Agencies of the United States Government have encouraged the promotion of foreign armament sales. The United States War and Navy Departments have released military designs to private armament firms and have served as sales-promotion agents in foreign markets.

Fifth. Armament firms have sold to both sides in time of war and have sold arms to revolutionary and government factions in civil war.

Sixth. Armament firms, in cooperation with Army and Navy officials, have supported large Army and Navy appropriations and have opposed embargoes and other restrictions on arms. They oppose international processes and organizations for the pacific settlement of disputes between nations.

Seventh. Armament firms have sold arms and implements of war to Germany, enabling that nation to rearm in violation of the Versailles Treaty.

Eighth. Armament firms made huge profits during the World War.

BRIBERY A COMMON PRACTICE

Throughout the evidence like a thread runs the fact that bribery is regarded by arms salesmen as an essential element in the sale of war material abroad. Scores of letters to this effect from arms salesmen in many parts of the world were received in evidence. Mr. L. Y. Spear, vice president of the Electric Boat Co., in a letter to Vickers, said:

> The real foundation of all South American business is graft.

(Exhibit 68.)

Sir Basil Zaharoff, in one of his letters to an American firm, referred to this practice as "doing the needful." The Soley Armament Co., a British firm, informed A. J. Mirandy, of the American Armament Co., that "we fully understand that armament deals are not usually done without officials getting greased." (Exhibit 29.)

It appeared that in 1932 the Du Pont Co. paid a large fee to a son of the then President of the Argentine, apparently in connection with a scheme to prevent the construction of a Government powder factory in Argentina (pp. 1173–1193). Curtiss-Wright officials in Bolivia reported that the controller general of Bolivia, Lopez, was understood to be a "silent partner" in the firm of Webster & Ashton, agents for Curtiss and other American armament firms. (Exhibits 300–301.) The Electric Boat Co. in 1929 offered a commission of $20,000 to Juan Leguia, son of the late President Leguia of Peru, on each of two submarines to be built for the Peruvian Navy. (Exhibit 41.) Over a period of 11 years, from 1919 to 1930, the Electric Boat Co. paid special commissions totaling $766,000 to Sir Basil Zaharoff, the supermunitions salesman and mystery man of Europe.

These are but a few of the numerous instances of graft, bribery, and special commissions that were brought to the attention of the committee. They merely illustrate the statement of Mr. Spear that the business of armament firms in foreign sales is based largely upon bribery and graft.

INTERNATIONAL AGREEMENTS OF ARMS INDUSTRIES

The evidence showed that many large armament firms of various nations are closely associated in the sale of their products throughout the world; that they divide profits, allocate territory, protect each other's interests, and act in concert against outside competition. The evidence further shows that firms in all the principal arms-producing countries operate under license agreements providing for the exchange of patents and secret processes.

The principal agreements revealed by the committee were those between Electric Boat and Vickers, Ltd., of England; between Electric Boat Co. and Whitehead & Co., of Hungary; between Electric Boat and La Sociedad Espanola de Construcion Naval, of Spain; between Electric Boat and Cockerill, of Belgium; De Schelde, of Holland; Cantieri Navali Della Spezia, of Italy; and Mitsubishi, of Japan; between E. I. du Pont de Nemours Co. and Imperial Chemical Industries, Ltd., of England; between Du Pont and Dynamite Aktiengesellschaft and Koln-Rottweiler, of Germany; and between Du Pont and Mitsui, of Japan. It appeared that Electric Boat Co. had such an arrangement with an armament firm in Germany before the World War, under which the use of patents in manufacturing submarines was permitted. After the outbreak of war Germany, of course, continued the manufacture of submarines, sometimes called "U-boats", without paying royalties to the American firm. Reference has been made to the sinking of the *Lusitania* and other American ships by submarines of American patent and design.

Another illustration of how these agreements operate is found in testimony given by Mr. Henry R. Carse, president of the Electric Boat Co., on September 5, 1934. During the Tacna-Arica dispute the firm of Vickers was selling its submarines to Chile while the Electric Boat Co. was selling to Peru. The closest sort of secret cooperation between the two companies was shown. On September 24, 1928, Mr. C. W. Craven, a representative of Vickers, wrote to Mr. Spear, vice president of the Electric Boat, stating:

> I am trying to ginger up the Chileans to take three more boats, and I want to ask if you will accept the same royalty as you did last time. You will remember that this was 10,000 per boat.

The president of the American firm stated that it was their practice to "split the difference."

In a letter from Commander Craven to Mr. Carse, he said:

> Even today we are bound to secrecy, so will you please promise me not to let your little friends from the other South American country know what is going on at present.

So there was an American salesman of Electric Boat in Peru and a British salesman of Vickers in Chile selling submarines. The evidence showed they apparently engaged in the keenest sort of competition and then divided the profits.

When the State Department of the United States, after a long period of negotiation, finally succeeded in bringing about a resumption of diplomatic relations between Peru and Chile, Mr. Carse wrote as follows:

> It is too bad that the pernicious activities of our State Department have put the brake on armament orders from Peru by forcing the resumption of formal diplomatic relations with Chile. My friends advise me that this gesture means that all contemplated orders must go over until next year.

STIMULATING ARMS RACES BETWEEN FRIENDLY COUNTRIES

This leads us to a discussion of the acts of armament firms in stimulating races between friendly countries in preparing for war. Sometimes such firms were in actual competition and at other times they were in association under agreements such as I have referred to.

It appeared from the evidence that the Electric Boat Co. was engaged in a campaign to sell submarines to Brazil and Argentina. Brazil adopted a huge naval program in 1933, largely as the result of activities of armament firms in that territory. Argentina was loath to embark on a naval program unless, as stated by Commander Aubrey, compelled to to do so by the building program of Brazil. Writing in 1924, Aubrey told his employer, the Electric Boat Co., that "in this business we will have to be tactful and a little diplomatic", as negotiations in Brazil and Argentina were coming to a head at the same time.

Many other cases of arms competition were brought out by the evidence. Curtiss-Wright sold 54 planes to China from January 1932 to April 1934. From January 1, 1934, to August 31, 1934, United Aircraft sold 41 military planes and other air equipment to China at a total cost of over $1,000,000.

As a result of these armament sales to China, Japanese newspapers launched an attack on American policy in China, while the Japanese Government increased appropriations for military air forces to meet the menace of foreign building. At the same time American firms were exporting to Japan raw materials to be used in the manufacture of munitions and military equipment. The sales of scrap iron and steel to Japan increased from 208,000 tons in 1929 to 547,000 tons in 1933, an increase of 163 percent.

I venture to say that no fair-minded person can read the record of the hearings of this committee without being forced to the conclusion that the frequent disputes and wars between South American States are largely a result of the activities of armament salesmen in that territory.

GOVERNMENT AID TO ARMS SALES

The evidence further discloses that governments aid and encourage sales to foreign customers, and even permit private firms to use the latest designs, inventions, and specifications for that purpose. This is done on the principle that a strong domestic armament industry is vital to national defense. It appears that this has been done in numerous instances where it might prove detrimental to the national defense. Not only has encouragement been given by governmental agencies but officials of the Government have even acted as sales agents for armament firms.

A memorandum, dated August 5, 1933, released by the War and Navy Departments and circulated by the Bureau of Aeronautics, states that "the War and Navy Departments will encourage the American aeronautical industry in developing foreign business and assist in such development so far as consistent with national policy and the needs of the national defense."

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Idaho yield to the Senator from Colorado?

Mr. POPE. I yield.

Mr. COSTIGAN. Does the evidence justify a like conclusion to that recently stated by the able Senator with respect to the activities of munitions makers in other parts of the world serving as a cause of war?

Mr. POPE. So far as evidence has been received, it appears the same practices prevail in other parts of the world. As a matter of fact, in the South American field, which is a rather open field for the munition makers, the foreign firms pursue exactly the same practice.

Testimony of aviation company officials indicated that recent designs on aircraft are released if sufficiently large orders are received from abroad. An April 1934 Curtiss-Wright informed the Peruvian Government that it would be able to furnish Peru with the—

> most modern fighting unit of its type ever developed—a type furnished only to the United States Army Air Corps. * * * Provided that we have a contract for at least 10 planes, we will be able to secure permission from the United States Government to build for Peru.

(Exhibit 413.)

On September 17, 1932, the Bureau of Aeronautics of the Navy Department approved a request from the United Aircraft Corporation to transfer to the Brazilian Government 29 airplanes then under construction for the United States Navy. (Exhibit 507.)

The evidence shows that American aviation companies are supplying foreign governments with airplanes of substantially the type used by the United States Army and Navy. Not only that, it appears that some American companies may have supplied military secrets in order to secure foreign orders. (Exhibits 448, 449.)

Another method of assisting the armament firms appears in the case of the Navy Department permitting the United States cruiser *Raleigh* to exhibit to Turkish Government officials the three antiaircraft guns on the vessel. This took place on March 28, 1929, in the harbor of Constantinople. (Exhibit 228.)

The evidence reveals the fact that a fleet of submarines was sent to South America for the purpose of assisting in the sale of submarines by the Electric Boat Co. This occurred in 1920. In that connection Admiral Niblack, Chief of Naval Intelligence, gave directions "to agitate this subject and see if it cannot be consummated."

Another method of assisting armament firms in making sales is sending Army or Navy missions or lending Army or Navy officials to foreign governments to advise them on their defense programs.

Two United States naval officers, attached to a mission, visited the Groton plant of the Electric Boat Co. before they left for Peru "to practically take charge of the Peruvian Navy." (Exhibit 59.) The mission, which remained in Peru for nearly 10 years, drew up an elaborate naval program providing for the purchase of warships and submarines in the United States. The agent of the Electric Boat Co. asserted that Admiral Woodward, head of the mission in 1924, "had been of great help altogether in securing contracts." (Exhibit 67.) The mission allowed the company to name an American officer to pass on submarine specifications.

A striking instance of the assistance of a Government official appears in the case of Lt. Comdr. James H. Strong. While Strong was in the employ of the United States Government and during the Leticia controversy between Peru and Colombia he was permitted to advise the Colombian Government on plans for defense against Peru. He prepared such plans in the office of the Driggs Ordnance & Engineering Co. In the plans he recommended the guns of that company. On the same day a letter from the Driggs Ordnance Co. to the Colombian Government gave lists and prices of the arms recommended by Lieutenant Commander Strong.

The plans prepared by Strong were for the defense of Atlantic and Pacific ports of Colombia against possible naval attack by Peru with submarines which had been recommended by the earlier American mission in Peru. It appeared that Lieutenant Commander Strong was receiving compensation from three different sources. The United States Government was paying his regular salary, the Colombian Government was paying him for his services as technical adviser, and the Driggs Ordnance & Engineering Co. was providing him compensation by carrying an account for him with the New York Stock Exchange and paying Strong the profits.

In this connection I read an excerpt from a letter by Lt. Comdr. James H. Strong written while in the regular service of the United States Navy and employed as technical adviser to the Colombian Government, to Mr. Ignacius Miranda, an official of the Driggs Ordnance & Engineering Co. The excerpt reads as follows (written in ink):

> UNITED STATES NAVY YARD, PHILADELPHIA, PA.,
> NAVAL AIRCRAFT FACTORY, CHERRY COTTAGE,
> *Box 85, Leni, Pa., August 14, 1933.*
>
> DEAR IGGY: Many thanks for your note regarding the sale of New York Ship. I agree with you in taking a little profit and then grabbing the stuff back again in the reaction of another little gain.
>
> Two paragraphs omitted—
>
> Sincerely yours,
>
> JIMMY STRONG.

While all this was going on, the State Department, in cooperation with the League of Nations, was using its good offices to bring about a pacific settlement of the Leticia controversy between Colombia and Peru.

Another way of assisting private firms is the practice of the Bureau of Aeronautics of the Department of Commerce in sending military pilots to organize training schools for foreign governments. This was done in 1931 by sending such pilots to the Nanking Government in China. (Exhibit 551).

In January 1933, officials of the United Aircraft Co. wrote:

> While it is believed that all of these men are entirely familiar with Boeing Corsair equipment, it might be advisable for the Boeing organization in Seattle to take them through the plant before they sail.

The method by which salesmen for the arms manufacturing concerns induce governments to assist them is well illustrated by a letter written by Sir Basil Zaharoff, to the Electric Boat Co. on November 3, 1925. Sir Basil said:

* * * The American Ambassador in Spain is a very clever gentleman and I think you should arrange for instructions to be sent him from your State Department for him to tell the Spaniards that the United States Government worked very harmoniously with the Electric Boat Co. * * * The English Government will be difficult to move in the same direction, but when you inform me that your government has given the necessary instructions to their Ambassador in Madrid, I will have no difficulty in persuading the British to do ditto, ditto, ditto.

(Exhibit 32.)

It will be recalled that Sir Basil Zaharoff is the gentleman who is now in retirement in his chateau at Balincourt near Paris, protected by a strong gate and high walls around the chateau; guarded by Hindu bodyguards and a brace of dogs. He is enjoying the Grand Cross of the Order of the British Empire conferred by King George, the Grand Cross of the Legion of Honor of France, and the Grand Cross of the Order of the Savior of Greece. Of him it has been said that the gravestones of a million men shall be his monument—their dying groans his epitaph.

The evidence before our committee showed he received nearly a million dollars in special commissions on United States armament sales, on which he tried to evade the payment of an income tax. He has visited the United States and paid his respects to the President.

Assistance by Government officials is not always limited to promoting sales of war materials manufactured in this country, where the matter of plant capacity and national defense might be involved. Such assistance is sought for foreign manufacturers who have working agreements with American concerns. In 1933 Electric Boat Co. requested the State Department to intercede in behalf of an Italian company, a licensee of Electric Boat Co. in competition with other Italian companies for a contract from the Italian Government. The State Department replied that the American Ambassador in Italy had been "authorized to lend your representative such appropriate assistance as he may consider warranted under the circumstances."

It is only fair to say, however, that in a letter of June 30, 1933, written by Under Secretary of State Mr. William Phillips, this policy was apparently reversed. Mr. Phillips said the Department of State could not appropriately take such action.

The close relationship existing between certain Government Army and Navy officials and the private arms industry, as disclosed by the evidence, has been a matter of constant surprise to the members of the investigating committee. Secret data has been furnished by the Government to some of the large armament firms by the War Department, which such Department does not desire to have disclosed to the Senate investigating committee, another arm of the Government.

In a letter dated August 8, 1934, Gen. Douglas MacArthur called the attention of the Du Pont Co. to "the necessity of safeguarding these secret data from being made public by the Senate committee."

It appeared from the evidence that the Du Pont Co., on its own authority, placed a stamp upon its correspondence which it did not wish to be made public, and represented that it was acting under the instructions of the War and Navy Departments. Members of the committee pointed out that neither the company nor the War Department had the authority to disregard the process of the United States Senate.

In this connection, about the time of the transfer of control of the Remington Arms Co. to the Du Pont Co. in 1933, a staff meeting of the Remington Co. was held at which a report was made by Mr. E. C. Hadley, of the Remington Co. I read from the minutes of the meeting:

Mr. Hadley stated that Major Casey (prominent Du Pont official), at Wilmington, had informed the United States Ordnance Department that it was our wish that they would consider the Remington Co. in the same light as they consider the Du Pont Co.—that is, almost a subdivision of their own department.

Du Pont Co.—almost a subdivision of the Ordnance Department of the United States Government!

I must say this is exactly the idea one gets from the documentary evidence submitted to the committee.

As a logical growth of this idea I will now read the views of the Du Pont Co. as to the duty of Congress and as to ownership of this country as expressed by Maj. K. K. V. Casey, head of the smokeless powder department of the Du Pont Co., in a memorandum dated July 27, 1933, found in the files of that company. In the fifth paragraph of the memorandum Major Casey says:

Congress is too short-sighted to see the necessity of appropriating funds to keep manufacturers of military materials in business. The Army and Navy would spend money if they could get it, and because they cannot get it are doing all they possibly can do, and that is to help us make sales to other nations. This is our country and not the country of Congress.

This memorandum speaks for itself. Comment is unnecessary. If the members of this body and the people of the country are astounded at this claim by the Du Pont Co., the members of the committee are less so because day after day evidence of the enormous power and influence of the munitions makers was received. That statement of Major Casey is not an idle boast. It is an impatient expression of the arrogant attitude of the company—an attitude of contempt for Congress and for the people throughout the country, in mines, marts, fields, and factories, who must furnish the men to fight and die in the next war to make the world safe for the Du Ponts.

We tender this claim of ownership of the country by the Du Pont Co. to the Congress and the country for their consideration.

SELLING TO BOTH SIDES IN WAR

It was a common practice of arms manufacturing concerns to sell to both sides during war. During the Leticia dispute between Colombia and Peru, Du Pont sold 88,000 pounds of TNT to the Peruvian Government and, at the same time, sold 340,000 pounds to the Atlas Powder Co. for shipment to the Colombian Government.

It is just as common for these firms to sell to both factions in civil conflicts. Before the overthrow of President Machado of Cuba on August 13, 1933, Federal Laboratories of Pittsburgh had been selling tear gas and other military equipment to the Cuban Government—that is, the regular government under Machado. (Exhibits 602–604.)

On August 18, 1933, President Young of Federal Laboratories wrote a letter to revolutionary Mendieta expressing "our congratulations to you and your associates on the marvelous outcome in Cuba." On September 4, after the overthrow of Mendieta, Federal Laboratories promptly entered into negotiations to sell equipment to both factions. President Young offered a Cuban agent, Texidor, "a commission of 10 percent on all business done with the Menocal-Mendieta group and a commission of 10 percent to 20 percent on all business done with the Grau group." I assume that he thought, perhaps, the Grau group might be more difficult to do business with.

It appeared from the evidence that some of the large armament firms were in a position to "alter the political balance of power" of the smaller states of the world. For instance, the Soley Armament Co., Ltd., of England, stated in a letter to an American firm:

The stocks which we control are of such magnitude that the sale of a big block of them could alter the political balance of power of the smaller states involving corresponding complications from the point of view of finance and industry.

(Exhibit 256.)

SUPPORT BY ARMAMENT MAKERS OF MILITARY AND NAVAL APPROPRIATIONS; AND OPPOSITION TO EMBARGOES AND ALL EFFORTS FOR PEACEFUL SETTLEMENT OF INTERNATIONAL DISPUTES

It appeared repeatedly from the testimony that armament firms were constantly active in their support of large appropriations for the Navy and War Departments of the Government. They were working in close cooperation with Army and Navy officials to influence the committees and Members of Congress to vote for such appropriations. In spite of protests to the contrary, testimony revealed that some of these firms maintained agents whose business it was to entertain Members of Congress and to lobby in behalf of such legislation.

For several years efforts had been made by statesmen of the world to apply embargoes and impose restrictions on the shipment of arms and ammunition. Various measures have been introduced in Congress, notably resolutions offered by Representative HAMILTON FISH and by the late Senator Theodore G. Burton. Letters received in evidence showed in some detail the methods pursued and the results of efforts of representatives of munitions companies and War and Navy officials in bringing about the defeat of this legislation. Mr. F. J. Monahan of the Remington Arms Co. referred to embargoes and similar efforts as "crazy ideas."

On May 18, 1934, Congress adopted a joint resolution to prohibit the sale of arms and ammunition from the United States to Bolivia and Paraguay. On May 28 such sale was forbidden in a proclamation signed by President Roosevelt. Some of the armament firms not only opposed the adoption of measures restricting trade in arms, but have defied the national policy and have circumvented the President's proclamation.

On June 6, 1934, Mr. Lammot du Pont, president of the Du Pont Co., wrote a letter to President Roosevelt assuring him of the willingness of his company to cooperate with the arms embargo measures.

On June 7, the next day, the Du Pont office in Buenos Aires received an inquiry from its agent in Paraguay calling for quotations on 2,000 kilos of TNT, undoubtedly for the Government of Paraguay. The Du Pont agent wrote to the Imperial Chemical Industry explaining that Du Pont "could not quote from this end owing to the embargo on munitions and military propellants decreed by President Roosevelt. In view of the fact that there is no similar embargo in England, we suggest that you quote price to your office in Buenos Aires, who in turn would advise Ferreira (the agent in Paraguay)." (Exhibit 477.)

Under the sales agreement between Du Pont and I. C. I., Du Pont receives a commission on all sales made by I. C. I. in South America.

The evidence further disclosed that the Curtiss-Wright Export Co. instructed its agent to find out whether airplane parts could be shipped to Chile "for assembly and fabrication for such countries as Colombia, Ecuador, Peru, Bolivia, and so forth." (Exhibit 364.) The agent replied that there seemed to be no objection to the manufacture of planes in Chile for export to the other South American countries.

Since the World War, the responsible statesmen of most nations of the world have been making an effort to develop machinery for the preservation of peace. Every President of the United States has emphasized the necessity for cooperative effort among the nations to promote peace. Disarmament conferences have been held. Conventions to control traffic in arms have been formulated. The Kellogg-Briand Pact for the outlawry of war has been adopted. Membership in the World Court has been urged by every President since the war.

What has been the attitude of the munition makers toward these efforts? Contempt for the policies of the President and the State Department regarding peaceful settlement of international disputes, and hostility toward efforts for disarmament have been revealed in the correspondence of several of these concerns.

For instance, as before stated, L. Y. Spear, vice president of the Electric Boat Co., wrote to Vickers, its associate in England, in 1928, that "It is too bad the pernicious activities of our State Department have put the brake on armament orders from Peru by forcing the resumption of formal diplomatic relations with Chile."

Again, in a letter written by Sir Charles Craven, of Vickers, in January 1933, he expressed concern lest "Geneva or any other troublesome organization abolish the large submarines."

The irony of the situation appears in a letter written in October 1924, by Commander Aubrey, South American agent for the Electric Boat Co., in which he proposed to secure the appointment as official representative of Peru to the conference on control of arms and munitions, to be held at Geneva in 1925. Wrote Commander Aubrey:

> I feel that I can do something good for Peru and as well as the cause of the submarines in South America. My flag will be "no quotas in submarines" construction in South America and classify it as a "defensive weapon."

Although the Electric Boat Co. had no objection to his appointment, except the expenses, he did not attend the conference.

Of course, the philosophy of all munition makers is that preparedness is the best way to prevent war. Repeatedly the Du Ponts have quoted the advice of Washington to prepare for war in time of peace. Mr. Irénée du Pont further insisted that the best way to fight a war is to establish a monarchy.

It is interesting to observe the fervor with which the munition makers plead for preparedness and national defense. All their activities are justified by them on the ground that they promote preparedness. They believe not only in preparedness for the United States, but preparedness for all the other nations to whom they can sell their arms. In the sale of implements of destruction they are internationalists, but in all efforts for disarmament, for controlling traffic in munitions, for cooperation in the process of peaceful settlement of international disputes, they are intense nationalists.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Missouri?

Mr. POPE. I yield.

Mr. CLARK. As a matter of fact they are just as much in favor of preparedness for prospective enemies of the United States as for the United States itself, are they not?

Mr. POPE. Exactly so.

Mr. CLARK. And correspondence adduced before the committee shows that in many instances acts have been encouraged by Army and Navy officials conducive to that end.

Mr. POPE. Exactly. The position of the munitions manufacturers is that all nations should be prepared; that, of course, we should be prepared to protect our national interests, but that all other nations should be equally well prepared, and that, of course, has the effect for them of affording them a tremendous market for their products.

AIDING GERMANY TO REARM

The story of the activities of arms makers in the rearming of Germany in violation of the Versailles Treaty is another striking illustration of the extent to which they go in their pursuit of profits.

At the Paris Peace Conference at the close of the World War the allied and associated powers took good care to see that Germany and her allies were disarmed. In articles 126, 168, and 170 of the Treaty of Versailles Germany was compelled to destroy her munitions industries. She was forbidden to export or import—I now quote from the treaty—"arms, munitions, and war materials of every kind." She was permitted to manufacture just enough war materials to comply with the treaty. Germany was given assurances by the victorious Allies that this requirement was a preliminary step to general disarmament as expressed in part V of the treaty. Clemenceau, as president of the peace conference, gave further assurance of that purpose in his statement to the German delegation before signing the treaty.

That this promise has not been kept to Germany is one of the tragic post-war developments. The sorry part the United States has played in such efforts as were made by the allied nations to carry out the promise has already been mentioned.

The evidence before our committee has clearly disclosed the fact that Germany has been rearming in violation of the treaties. The part great armament firms of Europe and America have played in this matter is one of the important features of this investigation. I have already pointed out the activities of these concerns in preventing the allied nations from effectively controlling the trade in arms and

munitions. Let us now see what they have done to help Germany rearm in violation of the treaties.

The files of the American firms examined by the committee reveal that the peace treaties have been disregarded not only by the German arms industry but by private firms in France, Great Britain, and the United States. The firms in the great arms manufacturing countries have sold airplanes and engines, have engaged in the sale of contraband arms and ammunition, have sold propellants and explosives which are convertible into, or easily used for, military purposes, and have formed interlocking relationships with each other through patent and process agreements.

It was shown that the Curtiss-Wright and United Aircraft groups increased their sales of airplanes and engines enormously through the years of 1933 and 1934. The sales to Germany by United Aircraft increased from $2,000 in 1931 to $1,445,000 in the first 8 months of 1934. This included, in 1933, shipment of 29 engines, and during the first 8 months of 1934, 176 engines, 2 Boeing transports, and 6 planes, described as "mail planes."

Pratt & Whitney, a subsidiary of the United Aircraft Co., in 1933 signed an agreement with the Bavarian Motor Works, giving that German company the authority to build air-cooled engines similar to those in use in the United States Army. Under the original agreement the Bavarian Motor Works paid $200 for each engine manufactured. Later the agreement was modified to avoid the necessity of royalty reports and a flat royalty of $50,000 a year was paid to Pratt & Whitney.

In 1926 the Du Pont Co. entered into a license agreement with the Koln-Rottweiller and Dynamite Aktiengesellschaft, formerly the Alfred Nobel Co., of Germany. Under this agreement an exchange of patents and secret inventions covering all kinds of explosives for so-called "industrial purposes" was provided. The agreement covered smokeless propellants, fuses, igniters, and other devices. It was admitted that these products could be used for military purposes.

Reports from the European sales offices of American firms in 1933 and 1934 showed a tremendous increase in the contraband of arms and ammunition in Germany. (Exhibit 508.)

It further appeared that, as early as April 1924, Col. William N. Taylor, foreign representative of the Du Pont Co., and an unusually capable observer, advised his company of a confidential report made by a number of the war departments of Europe.

The conclusion of this report—

Said Colonel Taylor—

is that a German-English group * * * are endeavoring to get the military supplies of Europe into their hands in the hope of making a large profit through future reequipment of the European armies.

The report of Colonel Taylor goes on to state that German, French, and English armament firms were getting together for the purpose of controlling the business. In 1926 Colonel Taylor made a further report to the Du Pont Co. in which he stated that the English firm of Nobel & Co. (now I. C. I. with whom Du Pont Co. is affiliated) was cooperating with Koln-Rottweiller, of Germany, in the manufacture of powder and cartridges, and that materials were being shipped to Holland, assembled and transshipped to Germany. Correspondence obtained from the Du Pont Co. files disclose that it was generally known among arms manufacturers of Europe that the Nobel Co., through its interlocking business connections with German manufacturers, had powerful influence with governments. At any rate, little action was taken by the English or French Government to stop the rearming of Germany in violation of the treaties.

Recently both England and France have announced a policy and have made appropriations for largely increasing their air forces on account of Germany's activity in that field. Also, press reports indicate that responsible officials of the United States Government have been working on a plan to increase combat planes from the present figure of some 800 to about 2,500. Probably the greatest threat of war on a large scale now comes from Germany. Certainly a very heavy responsibility rests upon the private arms makers for this situation which confronts the world today.

PROFITS

It is clear, of course, that the lure of profits is the primary motive of the munition makers. While the record of the hearings are filled with protestations by representatives of the industry of their patriotism, one must conclude that their first consideration is profits. In a letter written by Mr. Monaghan, one of the high officials of the Remington Co. (exhibit 907), referring to a delicate situation in connection with the sale of ammunition to Bolivia and Paraguay, in 1933, he used this significant language:

Very sorry the red-hot situation did not develop into immediate business, but I can imagine your playing both the Bolivian and Paraguan ministers for anything that might materialize. * * * The main object is to get the business. * * *

Following the reading of this letter into the record, Mr. Monaghan was asked:

That is a perfectly correct statement, is it not, that the main object was to get the business?

Mr. MONAGHAN. Yes, sir.

That the manufacture of munitions is profitable in war time was very clearly shown by the evidence. The total profits of the Du Pont Co. as a result of the World War amounted to $265,871,625.93. The earnings increased from $4,997,000 in 1914 to $86,000,000 in 1915. These profits permitted a large expansion of the industrial holdings of the company after the war. In 1919 the company invested $50,000,000 in the chemical and dye industry, acquiring a controlling interest in some 30 domestic and foreign corporations. The company also acquired 10,000,000 shares of General Motors stock, or about 24 percent of the entire stock issue of that company. In 1933 the Du Pont Co. had 14 wholly owned subsidiary companies, 18 partially owned subsidiaries, and direct investments in other companies. The assets of the Du Pont Co. were increased from $74,000,000 in 1913 to $308,000,000 in 1918 and $351,000,000 in 1927.

The original investment of the Pratt & Whitney Aircraft Co. was $1,000, for which 5,000 shares of no-par stock were issued at 20 cents a share. The returns for the year 1932 on the original $1,000 were at least $11,437,250—or 1,143,724 percent.

From the official records of the Bureau of Internal Revenue interesting facts were disclosed as to profits during the war.

The Atlas Powder Co. in 1917 made 27 percent on invested capital.

Colt's Patent Firearms Co. made in 1916, 60 percent; in 1917, 64 percent; and in 1918, 51 percent.

Midvale Steel & Ordnance Co. made in 1917, 43 per cent.

Savage Arms Corporation in 1917, 65 percent, and in 1918, 43 percent.

The Western Cartridge Co. made in 1916, 49 percent; in 1917, 35 percent; and in 1918, 39 percent.

The Winchester Repeating Arms Co. made in 1918, 22 percent.

The Newport News Shipbuilding & Drydock Co. made in 1917, 86 percent; in 1918, 72 percent; in 1919, 70 percent; and in 1920, 75 percent.

The Bethlehem Loading Co., a subsidiary of Bethlehem Steel, made in 1918, 362 percent; capital, $41,000; net income, $151,000.

There can be no doubt that the arms and munitions business is a profitable one during war.

Mr. NYE. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. NYE. I wonder if the Senator will not concur in the statement that many of these stupendous profits were derived from the so-called "cost-plus" contracts with the Government.

Mr. POPE. Oh, yes. It appeared during the hearings that these cost-plus contracts were tremendously profitable contracts for the munition makers.

CONCLUSION

While our investigation of the munitions industry is only partially complete, the evidence discloses many grave abuses, ranging from unscrupulous methods in the promotion of foreign munitions sales to obstructing disarmament efforts. The failure of the great nations to prevent the supplying of arms to Germany in violation of the provisions of the Versailles Treaty, the failure of peace efforts in the Gran Chaco, and the limited effectiveness of arms embargoes, suggest the powerful influence of the munitions industry. The fact that the governments have aided and encouraged these private interests on the assumption that such action is necessary to the national defense in time of war has presented a strange paradox. While the statesmen of the great powers have been constantly declaring the necessity of disarmament, and holding conferences to accomplish it, Government officials and departments have been aiding the armament makers in sales of war materials, and thus arming the nations of the world.

On the one hand we have our officials sitting in disarmament conferences, making statements that disarmament is necessary for the peace of the world. On the other hand we have departments of the same government working closely with the munition makers, helping them to promote foreign sales to arm the nations of the world.

Another strange paradox appears. While the United States is seeking to strengthen its national defense by the invention and use of superior designs, the Army and Navy officials of the United States are releasing such designs to private firms to promote foreign sales. In that way our potential enemies are being constantly given the advantages that are thought to be necessary for our superior national defense.

As a result of all this we find the nations of the world arming in peace time as never before, spending larger sums of money on armaments, imposing heavier burdens upon the taxpayers, and engaging in a race in armaments that is threatening the peace of the world.

Despite all our declarations for peace, despite the earnest desire for peace among the peoples of the world, despite constant efforts for disarmament and for the establishment of processes for the pacific settlement of international disputes, the nations of the world seem to be in the grip of some monster that is driving them on to destruction. The next world war is a matter of common discussion. Preparations for it are feverishly under way in all the world. It appeared that the concern of our own War Department was to be prepared for "the next war." In almost every statement that was made there was an assumption of "the next war", and the probable time when it would occur, and that we must be prepared for it. The prospective legislation mentioned by the Senator from Missouri [Mr. CLARK] was drawn up in order to be prepared for "the next war." That it is inevitable is widely assumed.

It is believed this investigation will in part furnish the answer to the queston as to what is driving the nations on in the course they have been following since the war. It is hoped that appropriate action, both in national legislation and in concerted action among the nations, to remedy the evils of the traffic in arms, will in large measure relieve humanity from the constant menace of war.

AUTHORIZATION FOR COMMITTEE HEARINGS

Mr. BYRNES. Mr. President, I send to the desk certain resolutions which I report back favorably from the Committee to Audit and Control the Contingent Expenses of the Senate, and ask that they be considered at this time.

Mr. AUSTIN. Mr. President, is the Senator presenting a request for immediate consideration?

Mr. BYRNES. I will say to the Senator from Vermont that these are only formal resolutions, authorizing certain committees to conduct hearings and to pay for stenographers, as to which there is no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina?

There being no objection, the following resolutions reported this day by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate were severally considered and agreed to:

Senate Resolution 4, submitted by Mr. GEORGE on January 4, 1935:

*Resolved*, That the Committee on Privileges and Elections, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 9, submitted by Mr. LOGAN on January 4, 1935:

*Resolved*, That the Committee on Mines and Mining, or any subcommittee thereof, hereby is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 22, submitted by Mr. GORE on January 7, 1935:

*Resolved*, That the Committee on Interoceanic Canals, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

Senate Resolution 23, submitted by Mr. PITTMAN on January 7, 1935:

*Resolved*, That the Committee on Foreign Relations, or any subcommittee thereof be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 27, submitted by Mr. WAGNER on January 7, 1935:

*Resolved*, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 34, submitted by Mr. KING on January 7, 1935:

*Resolved*, That the Committee on the District of Columbia, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HATCH in the chair), as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

ADJOURNMENT TO MONDAY

Mr. ROBINSON. I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 31 minutes p. m.) the Senate adjourned until Monday, January 14, 1935, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate January 10, 1935*

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

The following-named persons for appointment to the offices to which they were appointed during the last recess of the Senate, as follows:

To be Envoys Extraordinary and Ministers Plenipotentiary of the United States of America—

TO ECUADOR

Antonio C. Gonzalez, of New York.

TO PANAMA

George T. Summerlin, of Louisiana.

TO URUGUAY

Julius G. Lay, of the District of Columbia.

TO COLOMBIA

William Dawson, of Minnesota.

Meredith Nicholson, of Indiana, now Envoy Extraordinary and Minister Plenipotentiary to Paraguay, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Venezuela.

PROMOTIONS IN THE FOREIGN SERVICE

The following-named persons for promotion in the Foreign Service of the United States, effective as of July 1, 1934, as follows:

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

Harris N. Cookingham, of New York.
Louis H. Gourley, of Illinois.
Donald R. Heath, of Kansas.
Robertson Honey, of New York.
Winthrop R. Scott, of Ohio.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

Ellis O. Briggs, of Maine.
Harold M. Collins, of Virginia.
Allan Dawson, of Iowa.
William E. De Courcy, of Texas.
Charles L. DeVault, of Indiana.
Howard Donovan, of Illinois.
Albert M. Doyle, of Michigan.
Richard B. Haven, of Illinois.
Thomas S. Horn, of Missouri.
Clarence E. Macy, of Colorado.
Walter H. McKinney, of Michigan.
Horatio Mooers, of Maine.
John J. Muccio, of Rhode Island.
Christian M. Ravndal, of Iowa.
Thomas H. Robinson, of New Jersey.
E. Talbot Smith, of Connecticut.
Christian T. Steger, of Virginia.
Francis H. Styles, of Virginia.
George P. Waller, of Alabama.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

William H. Beach, of Virginia.
William E. Beitz, of New York.
Roy E. B. Bower, of California.
George H. Butler, of Illinois.
Leo J. Callanan, of Massachusetts.
Selden Chapin, of Pennsylvania.
Prescott Childs, of Massachusetts.
Lewis Clark, of Alabama.
Winthrop S. Greene, of Massachusetts.
William M. Gwynn, of California.
Julian F. Harrington, of Massachusetts.
George F. Kennan, of Wisconsin.
Edward P. Lawton, of Georgia.
Dale W. Maher, of Missouri.
Gordon P. Merriam, of Massachusetts.
C. Warwick Perkins, Jr., of Maryland.
Samuel Reber, of New York.
Joseph C. Satterthwaite, of Michigan.
Edward J. Sparks, of New York.
Robert B. Streeper, of Ohio.
George Tait, of Virginia.
Cyril L. F. Thiel, of Illinois.
William Clarke Vyse, of the District of Columbia.
Angus I. Ward, of Michigan.
S. Walter Washington, of West Virginia.
McCeney Werlich, of the District of Columbia.
Clifton R. Wharton, of Massachusetts.
Lloyd D. Yates, of the District of Columbia.
Whitney Young, of New York.

From Foreign Service officer, unclassified, at $3,000, to Foreign Service officer of class 8:

Glenn A. Abbey, of Wisconsin:
George M. Abbott, of Ohio.
George D. Andrews, Jr., of Tennessee.
La Verne Baldwin, of New York.
Henry A. W. Beck, of Indiana.
Sidney A. Belovsky, of New York.
H. Merrell Benninghoff, of New York.
Daniel M. Braddock, of Michigan.
Joseph L. Brent, of Maryland.
James E. Brown, Jr., of Pennsylvania.
Robert Y. Brown, of Alabama.
Sidney H. Browne, of New Jersey.
William W. Butterworth, Jr., of Louisiana.
Cavendish W. Cannon, of Utah.
Warren M. Chase, of Indiana.
Norris B. Chipman, of the District of Columbia.
Oliver Edmund Clubb, of Minnesota.
Paul C. Daniels, of New York.
Horace J. Dickinson, of Arkansas.
Gerald A. Drew, of California.
John B. Faust, of South Carolina.
Cecil Wayne Gray, of Tennessee.
Carlos C. Hall, or Arizona.
Raymond A. Hare, of Iowa.
Landreth M. Harrison, of Minnesota.
Lawrence Higgins, of Massachusetts.
Phil H. Hubbard, of Vermont
Morris N. Hughes, of Illinois.
Cloyce K. Huston, of Iowa.
Perry N. Jester, of Virginia.
Gerald Keith, of Illinois.
Kenneth C. Krentz, of Iowa.
Bertel E. Kuniholm, of Massachusetts.
George D. LaMont, of New York.
John S. Littell, of New York.
Odin G. Loren, of Washington.
Andrew G. Lynch, of New York.
Edward S. Maney, of Texas.
James S. Moose, Jr., of Arkansas.
James L. Park, of Pennsylvania.
Kennett F. Potter, of Missouri.
Hugh F. Ramsay, of the District of Columbia.
Edward B. Rand, of Louisiana.
Charles S. Reed, 2d, of Ohio.
Alan S. Rogers, of California.
Albert W. Scott, of Missouri.
Horace H. Smith, of Ohio.
W. Quincy Stanton, of New York.
Joseph I. Touchette, of Massachusetts.
Henry S. Villard, of New York.
Robert S. Ward, of Ohio.
Carlos J. Warner, of Ohio.
Thomas C. Wasson, of New Jersey.
(Miss) Frances E. Willis, of California.
George H. Winters, of Kansas.
Archer Woodford, of Kentucky.

The following-named persons, now Foreign Service officers, unclassified, and vice consuls of career, to be consuls of the United States of America:

Glenn A. Abbey, of Wisconsin.
George M. Abbott, of Ohio.
George D. Andrews, Jr., of Tennessee.
La Verne Baldwin, of New York.
Henry A. W. Beck, of Indiana.

Sidney A. Belovsky, of New York.
H. Merrell Benninghoff, of New York.
Daniel M. Braddock, of Michigan.
Joseph L. Brent, of Maryland.
James E. Brown, Jr., of Pennsylvania.
Robert Y. Brown, of Alabama.
Sidney H. Browne, of New Jersey.
William W. Butterworth, Jr., of Louisiana.
Cavendish W. Cannon, of Utah.
Warren M. Chase, of Indiana.
Norris B. Chipman, of the District of Columbia.
Oliver Edmund Clubb, of Minnesota.
Paul C. Daniels, of New York.
Gerald A. Drew, of California.
John B. Faust, of South Carolina.
Cecil Wayne Gray, of Tennessee.
Carlos C. Hall, of Arizona.
Raymond A. Hare, of Iowa.
Landreth M. Harrison, of Minnesota.
Lawrence Higgins, of Massachusetts.
Phil H. Hubbard, of Vermont.
Morris N. Hughes, of Illinois.
Cloyce K. Huston, of Iowa.
Perry N. Jester, of Virginia.
Gerald Keith, of Illinois.
Kenneth C. Krentz, of Iowa.
Bertel E. Kuniholm, of Massachusetts.
George D. LaMont, of New York.
John S. Littell, of New York.
Odin G. Loren, of Washington.
Andrew G. Lynch, of New York.
Edward S. Maney, of Texas.
James S. Moose, Jr., of Arkansas.
James L. Park, of Pennsylvania.
Kennett F. Potter, of Missouri.
Hugh F. Ramsay, of the District of Columbia.
Edward B. Rand, of Louisiana.
Charles S. Reed, 2d, of Ohio.
Alan S. Rogers, of California.
Albert W. Scott, of Missouri.
Horace H. Smith, of Ohio.
W. Quincy Stanton, of New York.
Joseph I. Touchette, of Massachusetts.
Henry S. Villard, of New York.
Robert S. Ward, of Ohio.
Carlos J. Warner, of Ohio.
Thomas C. Wasson, of New Jersey.
(Miss) Frances E. Willis, of California.
George H. Winters, of Kansas.
Archer Woodford, of Kentucky.

The following-named Foreign Service officers to be diplomatic and consular officers of the grades to which they were appointed during the last recess of the Senate, as follows:

CONSULS GENERAL

George A. Bucklin, of Oklahoma.
Paul R. Josselyn, of Iowa.
Clarence J. Spiker, of the District of Columbia.
Nathaniel P. Davis, of New Jersey.
Joseph E. Jacobs, of South Carolina.
Dayle C. McDonough, of Missouri.
Orme Wilson, of New York.

CONSULS

Frederick P. Hibbard, of Texas.
Jefferson Patterson, of Ohio.
Stuart E. Grummon, of New Jersey.

SECRETARIES IN THE DIPLOMATIC SERVICE

Arthur F. Tower, of New York.
Charles E. Allen, of Kentucky.
Fletcher Warren, of Texas.
Oliver Edmund Clubb, of Minnesota.
Nathaniel P. Davis, of New Jersey.
Paul J. Gray, of Maine.
George Atcheson, Jr., of California.
Joseph E. Jacobs, of South Carolina.
Frank C. Lee, of Colorado.
William W. Corcoran, of Massachusetts.
John Carter Vincent, of Georgia.
Leo J. Keena, of Michigan.

Williamson S. Howell, Jr., of Texas, now a Foreign Service officer of class 2 and a secretary in the Diplomatic Service, to be also a consul general of the United States of America.

C. Porter Kuykendall, of Pennsylvania, now a Foreign Service officer of class 6 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

Dorsey Gassaway Fisher, of Maryland, now a Foreign Service officer, unclassified, and a vice consul of career, to be also a secretary in the Diplomatic Service of the United States of America.

UNITED STATES CIRCUIT JUDGE

William Denman, of California, to be United States circuit judge for the ninth circuit, to succeed William B. Gilbert, deceased.

UNITED STATES ATTORNEY

Arthur Roe, of Illinois, to be United States attorney for the eastern district of Illinois, to succeed Paul F. Jones, resigned.

MEMBERS OF RAILROAD RETIREMENT BOARD

The following-named persons to be members of the Railroad Retirement Board for the terms indicated, to which offices they were appointed during the last recess of the Senate:

Murray Latimer, of New York (chairman), for a term of 2 years from June 27, 1934.

John T. Williamson, of Illinois, for a term of 3 years from June 27, 1934.

Lee M. Eddy, of Missouri, for a term of 4 years from June 27, 1934.

MEMBERS OF THE NATIONAL MEDIATION BOARD

John Carmody, of New York, for the term expiring February 1, 1935. (Appointed during the last recess of the Senate.)

James W. Carmalt, of the District of Columbia, for the term expiring February 1, 1936. (Appointed during the last recess of the Senate.)

William M. Leiserson, of Ohio, for the term expiring February 1, 1937. (Appointed during the last recess of the Senate.)

MEMBERS OF THE FEDERAL COMMUNICATIONS COMMISSION

George Henry Payne, of New York, for the term of 2 years from July 1, 1934. (Appointed during the last recess of the Senate.)

Irvin Stewart, of Texas, for the term of 3 years from July 1, 1934. (Appointed during the last recess of the Senate.)

Norman S. Case, of Rhode Island, for the term of 4 years from July 1, 1934. (Appointed during the last recess of the Senate.)

Paul A. Walker, of Oklahoma, for the term of 5 years from July 1, 1934. (Appointed during the last recess of the Senate.)

Thad H. Brown, of Ohio, for the term of 6 years from July 1, 1934. (Appointed during the last recess of the Senate.)

Eugene O. Sykes, of Mississippi, for the term of 7 years from July 1, 1934. (Appointed during the last recess of the Senate.

Anning S. Prall, of New York, to be a member of the Federal Communications Commission for the unexpired term of 1 year from July 1, 1934, vice Hampson Gary.

MEMBER OF THE FEDERAL POWER COMMISSION

Frank R. McNinch, of North Carolina, for the term expiring June 22, 1939 (reappointment). (Appointed during the last recess of the Senate.)

FEDERAL TRADE COMMISSIONERS

W. A. Ayres, of Kansas, for the remainder of the term expiring September 25, 1940, vice James M. Landis. (Appointed during the last recess of the Senate.)

Garland S. Ferguson, Jr., of North Carolina, for a term of 7 years from September 26, 1934 (reappointment). (Appointed during the last recess of the Senate.)

FEDERAL HOUSING ADMINISTRATOR

James A. Moffett, of New York, to be Federal Housing Administrator for a term of 4 years from June 30, 1934, to which office he was appointed during the last recess of the Senate.

SECURITIES AND EXCHANGE COMMISSION

The following-named persons to be members of the Securities and Exchange Commission for the terms indicated, to which offices they were appointed during the last recess of the Senate:

Ferdinand Pecora, of New York, for the term expiring June 5, 1935.

Robert E. Healy, of Vermont, for the term expiring June 5, 1936.

James M. Landis, of Massachusetts, for the term expiring June 5, 1937.

George C. Mathews, of Wisconsin, for the term expiring June 5, 1938.

Joseph P. Kennedy, of New York, for the term expiring June 5, 1939.

MEMBERS OF THE FEDERAL RESERVE BOARD

Adolph C. Miller, of the District of Columbia, for a term of 12 years from August 10, 1934 (reappointment). (Appointed during the last recess of the Senate.)

Marriner S. Eccles, of Utah, for the unexpired portion of the term of 10 years from August 10, 1928, vice Eugene R. Black, resigned. (Appointed during the last recess of the Senate.)

MEMBER OF THE FEDERAL HOME LOAN BANK BOARD

Henry E. Hoagland, of Ohio, for a term of 6 years from July 22, 1934, vice Walter H. Newton. (Appointed during the last recess of the Senate.)

MEMBER OF THE PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

Riley E. Elgen, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years from July 1, 1934, to which office he was reappointed during the last recess of the Senate.)

DIRECTOR OF THE BUREAU OF MINES

John Wellington Finch, of Idaho, to be Director of the Bureau of Mines, he having been appointed during the recess of the Senate, vice Scott Turner, resigned.

PUBLIC PRINTER

August E. Giegengack, of New York, to be Public Printer, to which office he was appointed during the last recess of the Senate, vice George H. Carter, resigned.

ARCHIVIST OF THE UNITED STATES

Robert D. W. Connor, of North Carolina, to be Archivist of the United States, to which office he was appointed during the last recess of the Senate.

ASSISTANT SECRETARY OF THE TREASURY

Josephine A. Roche, of Colorado, to be Assistant Secretary of the Treasury, to fill an existing vacancy. (Miss Roche is now serving under temporary commission issued during the recess of the Senate.)

ASSAYER OF ASSAY OFFICE

Joseph S. Buford, of New York, N. Y., to be Assayer of the United States Assay Office at New York, N. Y., in place of Burt G. Shields, resigned. (Mr. Buford is now serving under temporary commission issued during the recess of the Senate.)

SUPERINTENDENT OF ASSAY OFFICE

Sigmund Solomon of New York, N. Y., to be Superintendent of the United States Assay Office at New York, N. Y., in place of Niles R. Becker. (Mr. Solomon is now serving under temporary commission issued during the recess of the Senate.)

COLLECTORS OF CUSTOMS

Austin J. Mahoney, of Rochester, N. Y., to be collector of customs for customs collection district no. 8, with headquarters at Rochester, N. Y., in place of Andrew Wiedenmann, resigned.

Harry M. Brennan, of Louisville, Ky., to be collector of customs for customs collection district no. 42, with headquarters at Louisville, Ky., to fill an existing vacancy.

These officers are now serving under temporary commissions issued during the recess of the Senate.

COLLECTORS OF INTERNAL REVENUE

James L. O'Toole, Jr., of Pittsburgh, Pa., to be collector of internal revenue for the twenty-third district of Pennsylvania, in place of David L. Lawrence, resigned.

Philemon C. Merrill, of Safford, Ariz., to be collector of internal revenue for the district of Arizona, to fill an existing vacancy.

Fred C. Martin, of Bennington, Vt., to be collector of internal revenue for the district of Vermont, to fill an existing vacancy.

These officers are now serving under temporary commissions issued during the recess of the Senate.

APPOINTMENTS IN THE PUBLIC HEALTH SERVICE

Dr. Ralph S. Lloyd to be assistant dental surgeon, to rank as such from July 2, 1934.

Passed Asst. Surg. Ralph L. Lawrence to be surgeon, to rank as such from June 30, 1934.

Dr. Melvin H. Pike to be assistant surgeon, to rank as such from July 10, 1934.

Dr. Warren P. Dearing to be assistant surgeon, to rank as such from July 10, 1934.

Dr. Alex G. Gilliam to be assistant surgeon, to rank as such from July 10, 1934.

Dr. Leonard A. Scheele to be assistant surgeon, to rank as such from July 10, 1934.

Dr. Ralph J. Mitchell to be assistant surgeon, to rank as such from July 10, 1934.

Dr. William H. Gordon to be assistant surgeon, to rank as such from July 10, 1934.

Dr. James C. Archer to be assistant surgeon, to rank as such from July 12, 1934.

Asst. Dental Surg. John H. Francis to be passed assistant dental surgeon, to rank as such from July 1, 1934.

Asst. Dental Surg. Charles B. Galt to be passed assistant dental surgeon, to rank as such from July 1, 1934.

Asst. Dental Surg. Robert A. Scroggie to be passed assistant dental surgeon, to rank as such from August 1, 1934.

Asst. Dental Surg. Kenneth J. White to be passed assistant dental surgeon, to rank as such from August 1, 1934.

Asst. Dental Surgeon Leonard R. Etzenhouser to be passed assistant dental surgeon, to rank as such from August 1, 1934.

Asst. Dental Surgeon Leland E. Weyer to be passed assistant dental surgeon, to rank as such from August 15, 1934.

Asst. Dental Surgeon Donald H. Soper to be passed assistant dental surgeon, to rank as such from August 15, 1934.

Asst. Sanitary Engineer James H. LeVan to be passed assistant sanitary engineer, to rank as such from June 19, 1934.

Asst. Sanitary Engineer Vincent B. Lamoureux to be passed assistant sanitary engineer, to rank as such from June 20, 1934.

Asst. Sanitary Engineer Robert W. Kehr to be passed assistant sanitary engineer, to rank as such from June 23, 1934.

Asst. Surg. Thurman H. Rose to be passed assistant surgeon, to rank as such from June 1, 1934.

Asst. Surg. Victor H. Vogel to be passed assistant surgeon, to rank as such from June 15, 1934.

Asst. Surg. Joseph G. Pasternack to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Robert H. Onstott to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. William G. Workman to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Alfred B. Geyer to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Roy E. Butler to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. R. C. Arnold to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. John L. Wilson to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. George C. Van Dyke to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Donald W. Patrick to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Llewellyn L. Ashburn to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Oliver C. Williams to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Thomas B. McKneely to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Marion K. King to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Robert K. Maddock to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Robert B. Flinn to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Leland J. Hanchett to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Austin V. Deibert to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Leslie McC. Smith to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Waldemar J. A. Wickman to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. F. Paul Burow to be passed assistant surgeon, to rank as such from July 1, 1934.

Asst. Surg. Jack G. Mearns to be passed assistant surgeon, to rank as such from September 9, 1934.

Dr. Frederick J. Brady to be assistant surgeon, to rank as such from August 20, 1934.

Dr. Thomas H. Tomlinson, Jr., to be assistant surgeon, to rank as such from August 22, 1934.

Passed Asst. Surg. Guy H. Paget to be surgeon, to rank as such from September 19, 1934.

Asst. Surg. C. Benjamin Spencer to be passed assistant surgeon, to rank as such from October 8, 1934.

Surg. Clarence H. Waring to be senior surgeon, to rank as such from August 22, 1934.

Surg. Marion S. Lombard to be senior surgeon, to rank as such from September 21, 1934.

Surg. Carl Michel to be senior surgeon, to rank as such from September 22, 1934.

Surg. Robert L. Allen to be senior surgeon, to rank as such from September 22, 1934.

Surg. James F. Worley to be senior surgeon, to rank as such from September 25, 1934.

Surg. Ora H. Cox to be senior surgeon, to rank as such from September 21, 1934.

Dr. John R. Heller, Jr., to be assistant surgeon, to rank as such from October 15, 1934.

Dr. Charles S. Sample, Jr., to be assistant surgeon, to rank as such from October 24, 1934.

Senior Surg. Joseph R. Ridlon to be medical director, to rank as such from October 24, 1934.

Senior Surg. Randolph M. Grimm to be medical director, to rank as such from October 28, 1934.

Dr. Arthur B. Price to be assistant surgeon, to rank as such from November 3, 1934.

Dr. Anthony Donovan to be assistant surgeon, to rank as such from December 20, 1934.

These officers are now serving under temporary commissions issued during the recess of the Senate.

SUPERVISING INSPECTOR, BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION

George Fried, of New York, now holding recess appointment, to the position of supervising inspector, Bureau of Navigation and Steamboat Inspection.

APPOINTMENTS AND PROMOTIONS IN THE COAST GUARD

Boatswain (Life Saving) Charles Walker to be district commander, with the rank of lieutenant, to rank as such from August 1, 1934, in place of District Commander Howard Wilcox, retired.

Chief Boatswain (Life Saving) Irwin Burton Steele to be district commander, with the rank of lieutenant, to rank as such from July 26, 1934, in place of District Commander John Kelly, deceased.

Ensign Charles B. Arrington to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Robert T. Alexander to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Edward A. Eve, Jr., to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Howard A. Morrison to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Eric A. Anderson to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Marion Amos to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Halmer J. Webb to be lieutetnant (junior grade), to rank as such from May 15, 1934.

Ensign Frank A. Erickson to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Victor F. Tydlacka to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign William D. Shields to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Richard E. Morell to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Aden C. Unger to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign George I. Holt to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Simon R. Sands, Jr., to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Donald M. Morrison to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Henry U. Scholl to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Christopher Copeland Knapp to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Joseph E. Madacey to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Elmer E. Comstock to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Elmer J. J. Suydam to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Rufus E. Mroczkowski to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign James Plakias to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Oscar C. B. Wev to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Ned W. Sprow to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign William I. Swanston to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign William E. Creedon to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Henry A. Meyer to be lieutenant (junior grade), to rank as such from May 15, 1934.

Ensign Preston B. Mavor to be lieutenant (junior grade), to rank as such from May 15, 1934.

Capt. Benjamin M. Chiswell to be commodore on the retired list, to rank as such from October 1, 1934.

Chief Boatswain (Life Saving) Martinus Peter Jensen to be district commander, with the rank of lieutenant, to rank as such from October 29, 1934, in place of District Commander James F. Phillips, deceased.

Commander Howard E. Rideout to be captain, to rank as such from October 1, 1934, in place of Capt. Benjamin M. Chiswell, retired.

Commander Ralph W. Dempwolf to be captain, to rank as such from October 1, 1934, in place of Capt. Harold D. Hinckley, retired.

Commander Roger C. Weightman to be captain, to rank as such from October 1, 1934, in place of Capt. Muller S. Hay, retired.

These officers are now serving under temporary commissions issued during the recess of the Senate.

APPOINTMENTS IN THE REGULAR ARMY

*To be professor of physics at the United States Military Academy*

Capt. Gerald Alford Counts, Corps of Engineers, from May 26, 1934, under the provisions of an act of Congress approved May 26, 1934.

MEDICAL CORPS

*To be captain in the Medical Corps with rank from date of appointment*

Otto Christian, former captain, Medical Corps.

*To be first lieutenants with rank from July 1, 1934*

First Lt. Gordon G. Bulla, Medical Corps Reserve.
First Lt. William Albert Todd, Jr., Medical Corps Reserve.
First Lt. Floyd Lawrence Wergeland, Medical Corps Reserve.
First Lt. Robert Stultz Brua, Medical Corps Reserve.
First Lt. James Willis Howard, Medical Corps Reserve.
First Lt. James Sherwood Taylor, Medical Corps Reserve.
Capt. Jenner Garnett Jones, Medical Corps Reserve.
First Lt. Eaton Wesley Bennett, Medical Corps Reserve.
First Lt. Burt Held, Medical Corps Reserve.
First Lt. Alfonso Michael Libasci, Medical Corps Reserve.
First Lt. Frank Owings Alexander, Medical Corps Reserve.
First Lt. Reinhardt Ludwig Schmidtke, Medical Corps Reserve.
First Lt. John Edwin Granade, Medical Corps Reserve.
First Lt. Clifford Otto Bishop, Medical Corps Reserve.
First Lt. Robert Estes Blount, Medical Corps Reserve.
First Lt. Emmett Leroy Kehoe, Medical Corps Reserve.
First Lt. William Joseph Power, Medical Corps Reserve.
First Lt. Lawrence Carter Ball, Medical Corps Reserve.
First Lt. John Knox Cullen, Medical Corps Reserve.
First Lt. Kenneth Ross Hagen, Medical Corps Reserve.
First Lt. Allan Arthur Craig, Medical Corps Reserve.
First Lt. James Emile Graham, Medical Corps Reserve.
First Lt. Jay Franchel Gamel, Medical Corps Reserve.
First Lt. Paul Byron Reis, Medical Corps Reserve.
First Lt. William Hugh Latimer Westbrook, Jr., Medical Corps Reserve.
First Lt. William Fred Patient, Medical Corps Reserve.
First Lt. James Leslie Snyder, Medical Corps Reserve.
First Lt. Raymond Richard Johanson, Medical Corps Reserve.
First Lt. Thair Cozzens Rich, Medical Corps Reserve.
First Lt. Frank Hugh Lane, Medical Corps Reserve.
First Lt. Byron Glen McKibben, Medical Corps Reserve.
First Lt. John DeWitt Morley, Medical Corps Reserve.
First Lt. Frederic Ebelhare Cressman, Medical Corps Reserve.
First Lt. Robert Tuthill Gants, Medical Corps Reserve.
First Lt. Edward Beebe Payne, Medical Corps Reserve.
First Lt. George Foster Peer, Medical Corps Reserve.
First Lt. Robert LaShore Callison, Medical Corps Reserve.
First Lt. William Sterling Hargan, Medical Corps Reserve.

*To be first lieutenants with rank from December 1, 1934*

First Lt. Charles Edwards Spellman, Medical Corps Reserve.
First Lt. James Bowdoin Stapleton, Medical Corps Reserve.
First Lt. Tom French Whayne, Medical Corps Reserve.
First Lt. Joseph Garber Cocke, Medical Corps Reserve.
First Lt. Ralph Torrey Stevenson, Medical Corps Reserve.
First Lt. John Benson Grow, Medical Corps Reserve.
First Lt. Byron Ludwig Steger, Medical Corps Reserve.
First Lt. Louie Render Braswell, Medical Corps Reserve.
First Lt. Paul Hamilton Jenkins, Medical Corps Reserve.
First Lt. Ray Edward Currie, Medical Corps Reserve.
First Lt. Heinz Kuraner, Medical Corps Reserve.
First Lt. Raphael Allen Edmonston, Medical Corps Reserve.
First Lt. Knox Dunlap, Medical Corps Reserve.
First Lt. Stephen Dominic Berardinelli, Medical Corps Reserve.
First Lt. Clarence Harold White, Medical Corps Reserve.
First Lt. Eugene Rhea Chapman, Medical Corps Reserve.
First Lt. Fred William Seymour, Medical Corps Reserve.
First Lt. Joseph Arthur Baird, Medical Corps Reserve.
First Lt. Aubrey L. Jennings, Medical Corps Reserve.
First Lt. William Titus Sichi, Medical Corps Reserve.
First Lt. William Warren Roe, Jr., Medical Corps Reserve.
First Lt. Wayne Ross Weaver, Medical Corps Reserve.
First Lt. Donald Davis Flickinger, Medical Corps Reserve.
First Lt. Albert Marion Richmond, Medical Corps Reserve.
First Lt. Donald Meyers Ward, Medical Corps Reserve.
First Lt. Angvald Vickoren, Medical Corps Reserve.
First Lt. Irving Hoos Schwab, Medical Corps Reserve.
First Lt. William Earl Barry, Medical Corps Reserve.
First Lt. Edmund Oliver Gates, Medical Corps Reserve.
First Lt. Kenneth Malcolm Soderstrom, Medical Corps Reserve.
First Lt. George Walter McCoy, Jr., Medical Corps Reserve.
First Lt. John William O'Donnell, Medical Corps Reserve.
First Lt. Fred Howenstine Mowrey, Medical Corps Reserve.
First Lt. Lucius George Thomas, Medical Corps Reserve.
First Lt. Hubert Thaddeus Marshall, Medical Corps Reserve.
First Lt. Robert Denton Smith, Medical Corps Reserve.
First Lt. William Byrd Stryker, Medical Corps Reserve.

DENTAL CORPS

*To be first lieutenant with rank from September 1, 1934*

First Lt. John Castle Hampson, Dental Corps Reserve.

*To be first lieutenant with rank from October 1, 1934*

First Lt. Charles Joseph Cashman, Dental Corps Reserve.

*To be first lieutenant with rank from December 1, 1934*

First Lt. Dean Stirling Beiter, Dental Corps Reserve.

VETERINARY CORPS

*To be second lieutenants with rank from July 1, 1934*

Second Lt. William Edwin Jennings, Veterinary Corps Reserve.
Second Lt. Curtis William Betzold, Veterinary Corps Reserve.

*To be second lieutenants with rank from December 1, 1934*

Second Lt. James Bernhard Nichols, Veterinary Corps Reserve.
Second Lt. Albert Arthur Roby, Jr., Veterinary Corps Reserve.
Second Lt. Andrew Jesse Sirilo, Veterinary Corps Reserve.
Second Lt. Daniel Stevens Stevenson, Veterinary Corps Reserve.
Second Lt. Ray Swartley Hunsberger, Veterinary Corps Reserve.
Second Lt. William Francis Collins, Veterinary Corps Reserve.

MEDICAL ADMINISTRATIVE CORPS

*To be second lieutenants with rank from July 1, 1934*

Pvt. Wilfred Arthur Emond, Medical Department.
Staff Sgt. Harland William Layer, Medical Department.
Sgt. Eugene Gordon Cooper, Medical Department.
Staff Sgt. Arthur Melville Henderson, Medical Department.
Sgt. William Robert Chamberlain, Medical Department.

*To be second lieutenants with rank from December 21, 1934*

Sgt. Everett Walter Partin, Medical Department.
Technical Sgt. Andy Vaughan Little, Medical Department.
Staff Sgt. Richard Case, Medical Department.
Staff Sgt. Omar Kenneth Andrews, Medical Department.
Corp. Eli Egbert Daman, Medical Department.

CHAPLAINS

*To be chaplains with the rank of first lieutenant*

First Lt. John Simeon Kelly, Chaplains' Reserve, with rank from July 12, 1934.

First Lt. John Thomas Kilcoyne, Chaplains' Reserve, with rank from August 9, 1934.

First Lt. Stanley Joseph Reilly, Chaplains' Reserve, with rank from November 13, 1934.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Carl Herndon Seals, Infantry (detailed in General Staff Corps), September 14, 1934, with rank from July 1, 1920.

Maj. Edward Fuller Witsell, Chemical Warfare Service, October 25, 1934, with rank from July 1, 1920.

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Eugene Mead Caffey, Corps of Engineers (detailed in Judge Advocate General's Department), September 11, 1934, with rank from July 1, 1933.

Capt. Edgar Ambrose Jarman, Infantry (detailed in Judge Advocate General's Department), July 28, 1934, with rank from September 23, 1928.

Capt. Guy Malcolm Kinman, Infantry (detailed in Judge Advocate General's Department), July 28, 1934, with rank from December 7, 1928.

Capt. Francis Harold Vanderwerker, Field Artillery (detailed in Judge Advocate General's Department and promoted captain, Field Artillery, during the recess of the Senate), October 11, 1934, with rank from October 1, 1934.

TO QUARTERMASTER CORPS

Lt. Col. John Ashley Warden, Cavalry (assigned to duty with Quartermaster Corps), September 7, 1934, with rank from March 1, 1933.

Maj. John McDonald Thompson, Cavalry (assigned to duty with Quartermaster Corps), July 25, 1934, with rank from December 4, 1924.

Capt. James Horace Barbin, Infantry (detailed in Quartermaster Corps), August 17, 1934, with rank from April 4, 1923.

Capt. Howard Haines Cloud, Infantry (detailed in Quartermaster Corps), August 29, 1934, with rank from July 1, 1920.

Capt. Richard Woodhouse Johnson, Infantry (detailed in Quartermaster Corps), September 20, 1934, with rank from March 3, 1929.

Capt. William Francis Marshall, Jr., Infantry (detailed in Quartermaster Corps), September 5, 1934, with rank from March 1, 1934.

Capt. Senius John Raymond, Infantry (detailed in Quartermaster Corps), August 17, 1934, with rank from July 1, 1920.

Capt. Herbert Edson Willis, Infantry (detailed in Quartermaster Corps), June 27, 1934, with rank from March 10, 1932.

Capt. Barlow Winston, Infantry (detailed in Quartermaster Corps), August 15, 1934, with rank from March 17, 1926.

Capt. Lloyd Raymond Wolfe, Infantry (detailed in Quartermaster Corps), August 30, 1934, with rank from May 20, 1929.

First Lt. Kester Lovejoy Hastings, Infantry (detailed in Quartermaster Corps), August 15, 1934, with rank from March 16, 1923.

First Lt. Charles Andrew Jones, Jr., Chemical Warfare Service, October 16, 1934, with rank from May 16, 1926.

First Lt. Gustave Harold Vogel, Coast Artillery Corps (detailed in Quartermaster Corps), September 11, 1934, with rank from October 2, 1925.

Second Lt. Carl Norton Sciple, Coast Artillery Corps (detailed in Quartermaster Corps), July 19, 1934, with rank from June 10, 1932.

Second Lt. Jesse Huckett Veal, Coast Artillery Corps (detailed in Quartermaster Corps), August 17, 1934, with rank from June 11, 1931.

TO FINANCE DEPARTMENT

Capt. Columbus Bierce Lenow, Infantry (detailed in Finance Department), September 22, 1934, with rank from January 1, 1933.

Capt. Sidney Cushman Page, Cavalry (detailed in Finance Department and promoted captain, Cavalry, during the recess of the Senate), November 3, 1934, with rank from October 1, 1934.

TO SIGNAL CORPS

First Lt. Samuel Selden Lamb, Infantry (detailed in Signal Corps), November 26, 1934, with rank from April 25, 1931.

First Lt. William Milstead Talbot, Coast Artillery Corps (detailed in Signal Corps), with rank from November 1, 1934.

First Lt. Terence John Tully, Infantry (detailed in Signal Corps), October 13, 1934, with rank from November 5, 1925.

TO CHEMICAL WARFARE SERVICE

Capt. William Mayer, Field Artillery (detailed in Chemical Warfare Service), July 3, 1934, with rank from July 1, 1920.

First Lt. John Robert Burns, Infantry, October 31, 1934, with rank from March 9, 1932.

TO CAVALRY

First Lt. David Andrew Watt, Jr., Corps of Engineers, August 27, 1934, with rank from December 19, 1933.

TO COAST ARTILLERY CORPS

First Lt. Merson Leon Skinner, Infantry, November 21, 1934, with rank from February 25, 1932.

Second Lt. Frank Ward Ebey, Infantry, July 11, 1934, with rank from June 10, 1932.

TO INFANTRY

Lt. Col. James Blyth, Quartermaster Corps, October 1, 1934, with rank from November 5, 1927.

Second Lt. Merrick Hector Truly, Air Corps, with rank from June 11, 1931.

TO AIR CORPS

First Lt. Henry Malone Bailey, Infantry (detailed in Air Corps), July 16, 1934, with rank from September 15, 1933.

Second Lt. John Glenn Armstrong, Coast Artillery Corps (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Harry Nelson Burkhalter, Jr., Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Douglas Moore Cairns, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Gabriel Poillon Disosway, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Dwight Divine, 2d, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Robin Bruce Epler, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Percival Ernest Gabel, Corps of Engineers (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Winton Summers Graham, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Sydney Dwight Grubbs, Jr., Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Thomas Burns Hall, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Millard Loren Haskin, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Franklin Stone Henley, Cavalry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Travis Monroe Hetherington, Coast Artillery Corps (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Frank Patterson Hunter, Jr., Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Nelson Parkyn Jackson, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Richard Thomas King, Jr., Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Victor Haller King, Cavalry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Stephen B. Mack, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Harold Roth Maddux, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Edward Deane Marshall, Cavalry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Donald Gordon McGrew, Cavalry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Richard John Meyer, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Richard Mattern Montgomery, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Thomas Samuel Moorman, Jr., Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Carlyle Walton Phillips, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Charles Hoffman Pottenger, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Bruce von Gerichten Scott, Cavalry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. William Oscar Senter, Coast Artillery Corps (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Jewell Burch Shields, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Earl Francis Signer, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Vernon Cleveland Smith, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Milton Frederick Summerfelt, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Cordes Fredrich Tiemann, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. William Livingston Travis, Field Artillery (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Karl Truesdell, Jr., Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. James Dennis Underhill, Infantry (detailed in Air Corps), with rank from June 13, 1933.

Second Lt. Felix Louis Vidal, Jr., Infantry (detailed in Air Corps), with rank from June 13, 1933.

PROMOTIONS IN THE REGULAR ARMY

*To be Colonels*

Lt. Col. Joseph Fulton Taulbee, Quartermaster Corps, from July 1, 1934.

Lt. Col. Hiram Marshall Cooper, Infantry, from August 1, 1934.

Lt. Col. Troup Miller, Cavalry, from August 24, 1934.

Lt. Col. Benjamin Franklin Miller, Field Artillery, from September 1, 1934.

Lt. Col. William Waller Edwards, Cavalry, from September 1, 1934.

Lt. Col. John Alexander Barry, Cavalry, from September 1, 1934.

Lt. Col. William Whitelaw Gordon, Cavalry, from September 1, 1934.

Lt. Col. Raymond Sidney Bamberger, Adjutant General's Department, from September 1, 1934.

Lt. Col. Malcolm Peters Andruss, Coast Artillery Corps, from September 1, 1934.

Lt. Col. Albert Hecker Mueller, Cavalry, from September 1, 1934.

Lt. Col. Samuel James Sutherland, Infantry, from September 1, 1934.

Lt. Col. Franc Lecocq, Coast Artillery Corps, from September 1, 1934.

Lt. Col. Emory Sherwood Adams, Adjutant General's Department, from September 1, 1934.

Lt. Col. Charles Leslie Mitchell, Infantry, from October 1, 1934.

Lt. Col. Odiorne Hawks Sampson, Quartermaster Corps, from October 1, 1934.

Lt. Col. Alfred Brandt, Infantry, from October 1, 1934.

Lt. Col. Charles Augustine Thuis, Infantry, from October 1, 1934.

Lt. Col. Townsend Whelen, Ordnance Department, from October 1, 1934.

Lt. Col. Charles Smith Hamilton, Infantry (transferred from Quartermaster Corps during the recess of the Senate), from October 1, 1934.

Lt. Col. Harry Lightfoot Jordan, Infantry, from October 1, 1934.

Lt. Col. Ralph Willcox Kingman, Infantry, from October 1, 1934.

Lt. Col. Donald Davie Hay, Infantry, from October 1, 1934.

Lt. Col. Claire Raymond Bennett, Quartermaster Corps, from October 1, 1934.

Lt. Col. Henry Wyatt Fleet, Infantry, from October 1, 1934.

Lt. Col. Francis Henry Burr, Infantry, from October 1, 1934.

Lt. Col. Robert Truman Phinney, Infantry, from October 1, 1934.

Lt. Col. Charles Haynes Mason, Infantry, from October 1, 1934.

Lt. Col. Nicholas William Campanole, Infantry, from October 1, 1934.

Lt. Col. Reginald Heber Kelley, Infantry, from October 1, 1934.

Lt. Col. Joseph Oswald Mauborgne, Signal Corps, from October 1, 1934.

Lt. Col. Joseph Michael Cummins, Infantry, from October 1, 1934.

Lt. Col. Thomas Cebern Musgrave, Infantry, from October 1, 1934.

Lt. Col. Converse Rising Lewis, Infantry, from October 1, 1934.

Lt. Col. Max Clayton Tyler, Corps of Engineers, from October 1, 1934.

Lt. Col. Ulysses Simpson Grant, 3d, Corps of Engineers, from October 1, 1934.

Lt. Col. Julian Larcombe Schley, Corps of Engineers, from October 1, 1934.

Lt. Col. Richard Curtis Moore, Corps of Engineers, from October 1, 1934.

Lt. Col. Frederic Harrison Smith, Coast Artillery Corps, from October 1, 1934.

Lt. Col. Marion William Howze, Judge Advocate General's Department, from October 1, 1934.

Lt. Col. Olan Cecil Aleshire, Quartermaster Corps, from October 1, 1934.

Lt. Col. George Arthur Lynch, Infantry, from October 1, 1934.

Lt. Col. George Wilbur Cocheu, Coast Artillery Corps, from October 1, 1934.

Lt. Col. Charles Herman Patterson, Coast Artillery Corps, from October 1, 1934.

Lt. Col. Lewis Turtle, Coast Artillery Corps, from October 1, 1934.

Lt. Col. Clifford Jones, Coast Artillery Corps, from October 1, 1934.

Lt. Col. Louis Cass Brinton, Jr., Coast Artillery Corps, from October 1, 1934.

Lt. Col. Robert Morgan Lyon, Infantry, from October 1, 1934.

Lt. Col. William Mechling Colvin, Coast Artillery Corps, from October 1, 1934.

Lt. Col. Benjamin Edwards Grey, Infantry, from October 1, 1934.

Lt. Col. Elvid Hunt, Infantry, from October 1, 1934.

Lt. Col. Dorsey Read Rodney, Cavalry, from October 1, 1934.

Lt. Col. Alexander Mortimer Milton, Cavalry, from October 1, 1934.

Lt. Col. Campbell Blackshear Hodges, Infantry, from October 1, 1934.

Lt. Col. Jacob Winfield Scott Wuest, Air Corps, from October 1, 1934, subject to examination required by law.

Lt. Col. Stephen Wilson Winfree, Cavalry, from October 1, 1934.

Lt. Col. Arthur Emmett Ahrends, Infantry, from October 1, 1934.

Lt. Col. Charles Franklin Severson, Infantry, from October 1, 1934, subject to examination required by law.

Lt. Col. Harry Surgisson Grier, Infantry, from October 1, 1934, subject to examination required by law.

Lt. Col. Charles Beatty Moore, Infantry, from October 1, 1934.

Lt. Col. Clark Lynn, Adjutant General's Department, from October 1, 1934.

Lt. Col. Ben Frazer Ristine, Infantry, from October 1, 1934.

Lt. Col. Albert Gilmor, Coast Artillery Corps, from October 1, 1934, subject to examination required by law.

Lt. Col. Stuart Ainslee Howard, Adjutant General's Department, from October 1, 1934.

Lt. Col. John Francis Franklin, Infantry, from October 1, 1934.

Lt. Col. John Southworth Upham, Infantry, from October 1, 1934.

Lt. Col. Irving Monroe Madison, Infantry, from October 1, 1934.

Lt. Col. Ellery Farmer, Infantry, from October 1, 1934.

Lt. Col. Everett Newton Bowman, Infantry, from October 1, 1934.

Lt. Col. Jesse Duncan Elliott, Infantry, from October 2, 1934.

Lt. Col. Daniel Murray Cheston, Infantry, from October 13, 1934.

Lt. Col. James Madison Churchill, Infantry, from October 19, 1934.

Lt. Col. Luther Rice James, Infantry, from November 1, 1934.

Lt. Col. Andrew Davis Chaffin, Infantry, from November 1, 1934.

Lt. Col. Frederick Wegener Boschen, Finance Department, from November 1, 1934.

Lt. Col. Louis Farrell, Infantry, from November 13, 1934.

Lt. Col. Charles Otto Schudt, Finance Department, from December 5, 1934.

Lt. Col. William Franklin Robinson, Jr., Infantry, from December 16, 1934.

*To be lieutenant colonels*

Maj. Roy Howard Coles, Signal Corps, from July 1, 1934.

Maj. Henry Dorsey Farnandis Munnikhuysen, Quartermaster Corps, from July 4, 1934.

Maj. Philip Stearns Gage, Coast Artillery Corps, from July 17, 1934.

Maj. Robert Lawrence Eichelberger, Adjutant General's Department, from August 1, 1934.

Maj. Monte Jackson Hickok, Coast Artillery Corps, from August 14, 1934.

Maj. Robert Charles Frederick Goetz, Field Artillery, from August 24, 1934, subject to examination required by law.

Maj. Edwin Forrest Harding, Infantry, from September 1, 1934.

Maj. Theodore Mosher Chase, Coast Artillery Corps, from September 1, 1934.

Maj. Arthur Rutledge Underwood, Infantry, from September 1, 1934.

Maj. Robert Sears, Ordnance Department, from September 1, 1934.

Maj. Joseph Plassmeyer, Cavalry, from September 1, 1934.

Maj. Lee Dunnington Davis, Infantry, from September 1, 1934.

Maj. Edwin Russell Van Deusen, Field Artillery, from September 1, 1934.

Maj. Frank Leroy Purdon, Infantry, from September 1, 1934.

Maj. Merl Paul Schillerstrom, Infantry, from September 1, 1934.

Maj. Carlin Curtis Stokely, Infantry, from September 1, 1934.

Maj. Louis Philip Ford, Infantry, from September 1, 1934.

Maj. John May McDowell, Field Artillery, from September 1, 1934.

Maj. Clifford Bluemel, Infantry, from September 1, 1934.

Maj. William Hood Simpson, Infantry, from October 1, 1934.

Maj. William Charles Koenig, Coast Artillery Corps, from October 1, 1934.

Maj. John Charles Fremont Tillson, Jr., Cavalry, from October 1, 1934.

Maj. Vernon George Olsmith, Infantry, from October 1, 1934.

Maj. Ralph Ernest Jones, Infantry, from October 1, 1934.

Maj. Herbert Hamilton Acheson, Coast Artillery Corps, from October 1, 1934.

Maj. Willis Shippam, Coast Artillery Corps, from October 1, 1934.

Maj. Frank Dexter Applin, Signal Corps, from October 1, 1934.

Maj. Rollin Larrabee Tilton, Coast Artillery Corps, from October 1, 1934.

Maj. Raymond Eliot Lee, Field Artillery, from October 1, 1934.

Maj. Louis Blaine Bender, Signal Corps, from October 1, 1934.

Maj. Francis Page Hardaway, Coast Artillery Corps, from October 1, 1934.

Maj. Frederic Alton Price, Coast Artillery Corps, from October 1, 1934.

Maj. Edward Prescott Noyes, Coast Artillery Corps, from October 1, 1934.

Maj. William David Frazer, Coast Artillery Corps, from October 1, 1934.

Maj. George Fleming Moore, Coast Artillery Corps, from October 1, 1934.

Maj. George Lane Van Deusen, Signal Corps, from October 1, 1934.

Maj. Leopoldo Mercader, Infantry, from October 1, 1934.

Maj. Cuthbert Powell Stearns, Cavalry, from October 1, 1934.

Maj. Courtney Hicks Hodges, Infantry, from October 1, 1934.

Maj. Rollo Curtin Ditto, Chemical Warfare Service, from October 1, 1934.

Maj. Charles Carter Reynolds, Quartermaster Corps, from October 1, 1934.

Maj. Frederick Martin Armstrong, Infantry, from October 1, 1934.

Maj. Isaac Joshua Nichol, Infantry, from October 1, 1934.

Maj. William Patrick Kelleher, Infantry, from October 1, 1934.

Maj. Robert Menees Milam, Field Artillery, from October 1, 1934.

Maj. Gordon Louis Finley, Judge Advocate General's Department, from October 1, 1934.

Maj. Herbert Joseph Wild, Corps of Engineers, from October 1, 1934.

Maj. Harleigh Parkhurst, Field Artillery, from October 1, 1934.

Maj. Alvin Colburn, Infantry, from October 1, 1934.

Maj. Walter Preston Tyler, Infantry, from October 1, 1934.

Maj. John Douglas Kilpatrick, Quartermaster Corps, from October 1, 1934.

Maj. Sheppard Blunden Philpot, Infantry, from October 1, 1934.

Maj. Shields Warren, Infantry, from October 1, 1934.

Maj. Charles Clement Cresson, Judge Advocate General's Department, from October 1, 1934.

Maj. William Richards Blair, Signal Corps, from October 1, 1934.

Maj. Drury Kemp Mitchell, Quartermaster Corps, from October 1, 1934.

Maj. George Francis Lemon, Ordnance Department, from October 1, 1934.

Maj. Clarence Herbert Tingle, Quartermaster Corps, from October 1, 1934.

Maj. John Quincy MacDonald, Ordnance Department, from October 1, 1934.

Maj. Leon Elie Lyon, Corps of Engineers, from October 1, 1934.

Maj. Neill Edwards Bailey, Quartermaster Corps, from October 1, 1934.

Maj. Francis Marion Maddox, Infantry, from October 1, 1934.

Maj. Le Roy Reeves, Judge Advocate General's Department, from October 1, 1934.

Maj. Charles Stephen Buck, Infantry, from October 1, 1934.

Maj. Theodore Hall, Judge Advocate General's Department, from October 1, 1934.

Maj. Alfred Wainwright Bloor, Infantry, from October 1, 1934.

Maj. Walter Michael Krimbill, Judge Advocate General's Department, from October 1, 1934.

Maj. Frederick William Browne, Finance Department, from October 1, 1934.

Maj. Lee Stephen Tillotson, Judge Advocate General's Department, from October 1, 1934.

Maj. Frank Wade Halliday, Judge Advocate General's Department, from October 1, 1934.

Maj. Frank M. Holmes, Finance Department, from October 1, 1934.

Maj. Clarence McCain McMurray, Infantry, from October 1, 1934.

Maj. Guy Ichabod Rowe, Quartermaster Corps, from October 1, 1934.

Maj. George Stevens Gay, Field Artillery, from October 1, 1934.

Maj. John Magruder, Field Artillery, from October 1, 1934.

Maj. Per Ramee, Infantry, from October 1, 1934.

Maj. Harrison Cressy Browne, Infantry, from October 1, 1934.

Maj. Harley Cleveland Dagley, Cavalry, from October 1, 1934.

Maj. William Nichols Porter, Chemical Warfare Service, from October 1, 1934.

Maj. George Howard Brett, Air Corps, from October 1, 1934.

Maj. Maurice Benjamin Willett, Chemical Warfare Service, from October 1, 1934.

Maj. Robert Edward Jones, Infantry, from October 1, 1934.

Maj. Alexander Warner Cleary, Infantry, from October 1, 1934.

Maj. George Marshall Parker, Jr., Infantry, from October 1, 1934.

Maj. John Herman Hood, Coast Artillery Corps, from October 1, 1934.

Maj. Richard Stearns Dodson, Coast Artillery Corps, from October 1, 1934.

Maj. Christopher Dudley Peirce, Coast Artillery Corps, from October 1, 1934.

Maj. Joseph Fredrick Cottrell, Coast Artillery Corps, from October 1, 1934.

Maj. Wallace Loring Clay, Ordnance Department, from October 1, 1934.

Maj. Walter Lucas Clark, Ordnance Department, from October 1, 1934.

Maj. Charles McHenry Steese, Ordnance Department, from October 1, 1934.

Maj. Richard Ferguson Cox, Coast Artillery Corps, from October 1, 1934.

Maj. James Luke Frink, Quartermaster Corps, from October 1, 1934.

Maj. Creswell Garlington, Corps of Engineers, from October 1, 1934.

Maj. Beverly Charles Dunn, Corps of Engineers, from October 1, 1934.

Maj. Donald Hilary Connolly, Corps of Engineers, from October 1, 1934.

Maj. Raymond Foster Fowler, Corps of Engineers, from October 1, 1934.

Maj. David McCoach, Jr., Corps of Engineers, from October 1, 1934.

Maj. Edgar Warren Taulbee, Cavalry, from October 1, 1934.

Maj. Dwight Knowlton Shurtleff, Ordnance Department, from October 1, 1934.

Maj. Francis Henry Miles, Jr., Ordnance Department, from October 1, 1934.

Maj. Fred Clute Wallace, Field Artillery, from October 1, 1934.

Maj. Burton Oliver Lewis, Ordnance Department, from October 1, 1934.

Maj. Herbert Raymond Odell, Field Artillery, from October 1, 1934.

Maj. Reginald Bifield Cocroft, Coast Artillery Corps, from October 2, 1934, subject to examination required by law.

Maj. Clyde Andrew Selleck, Field Artillery, from October 13, 1934.

Maj. Kenneth Bailey Harmon, Ordnance Department, from October 19, 1934.

Maj. Ernest Joseph Dawley, Field Artillery, from October 20, 1934.

Maj. Elmore Beach Gray, Coast Artillery Corps, from November 1, 1934.

Maj. Herbert O'Leary, Ordnance Department, from November 1, 1934.

Maj. Harry Dwight Chamberlin, Cavalry, from November 1, 1934.

Major James Irvin Muir, Infantry, from November 1, 1934.

Maj. John Julius Waterman, Field Artillery, from November 1, 1934.

Maj. Frank Drake, Coast Artillery Corps, from November 1, 1934.

Maj. Meade Wildrick, Coast Artillery Corps, from November 1, 1934.

Maj. Frederick Arthur Holmer, Coast Artillery Corps, from November 1, 1934.

Maj. Daniel Huston Torrey, Adjutant General's Department, from November 1, 1934.

Maj. John Millikin, Cavalry, from November 1, 1934.

Maj. Durward Saunders Wilson, Infantry, from November 1, 1934.

Maj. Maurice Duncan Welty, Infantry, from November 1, 1934.

Maj. Charles Albert Chapman, Coast Artillery Corps, from November 1, 1934.

Maj. Frank Floyd Scowden, Quartermaster Corps, from November 6, 1934.

Maj. Herbert Edgar Marshburn, Infantry, from November 13, 1934, subject to examination required by law.

Maj. Charles Hines, Coast Artillery Corps, from December 5, 1934.

Maj. Jack Whitehead Heard, Cavalry, from December 16, 1934.

*To be majors*

Capt. Christiancy Pickett, Field Artillery, from July 1, 1934.

Capt. Luis Felipe Cianchini, Infantry, from July 1, 1934.

Capt. Roy Carter Hilton, Infantry, from July 4, 1934.

Capt. John Cooper Adams, Field Artillery, from July 17, 1934.

Capt. Theodore Besson Apgar, Cavalry, from August 1, 1934.

Capt. Ernest Terrill Barco, Field Artillery, from August 14, 1934.

Capt. Lester Amiel Daugherty, Field Artillery, from August 20, 1934.

Capt. Leland Adrian Miller, Ordnance Department, from August 24, 1934.

Capt. Raymond Edward O'Neill, Air Corps, from August 26, 1934.

Capt. Robert Alexander Laird, Corps of Engineers, from August 30, 1934.

Capt. Frank Melvin S. Johnson, Corps of Engineers, from September 1, 1934.

Capt. Porter Prescott Lowry, Coast Artillery Corps, from September 1, 1934.

Capt. Jerome Jackson Waters, Jr., Field Artillery, from September 1, 1934.
Capt. William Almond Shely, Infantry, from September 1, 1934.
Capt. John Urban Ayotte, Infantry, from September 1, 1934.
Capt. Charles Heyward Barnwell, Jr., Infantry, from September 1, 1934.
Capt. Thomas Grafton Hanson, Jr., Cavalry, from September 1, 1934.
Capt. Edward George Herlihy, Infantry, from September 1, 1934.
Capt. George Albert Moore, Cavalry, from September 1, 1934.
Capt. James Madison Shelton, Cavalry, from September 1, 1934.
Capt. Arnold John Funk, Infantry, from September 1, 1934.
Capt. Alexander Shepherd Quintard, Field Artillery, from September 1, 1934.
Capt. Harry Allen Skerry, Corps of Engineers, from September 1, 1934.
Capt. John Battista La Guardia, Corps of Engineers, from September 1, 1934.
Captain Roscoe Stewart Parker, Cavalry, from September 1, 1934.
Capt. Norman Minus, Infantry, from September 1, 1934.
Capt. Heywood Shallus Dodd, Cavalry, from September 1, 1934.
Capt. Kent Craig Lambert, Cavalry, from September 1, 1934.
Capt. George Edward Huthsteiner, Cavalry, from September 22, 1934.
Capt. Maurice Morgan, Coast Artillery Corps, from October 1, 1934.
Capt. Sylvester Emery Nortner, Corps of Engineers, from October 1, 1934.
Capt. Frank Wiltshire Gano, Corps of Engineers, from October 1, 1934.
Capt. John Leonard Pierce, Infantry, from October 1, 1934.
Capt. John Joseph Atkinson, Field Artillery, from October 1, 1934.
Capt. Charles Frederick Houghton, Cavalry, from October 1, 1934.
Capt. Lowell Warde Rooks, Infantry, from October 1, 1934.
Capt. Samuel Davies Bedinger, Field Artillery, from October 1, 1934.
Capt. Malcolm Vaughn Fortier, Infantry, from October 1, 1934.
Capt. John Walter Nicholson, Infantry, from October 1, 1934.
Capt. Thomas Allan Young, Infantry, from October 1, 1934.
Capt. Ray Bradford Conner, Finance Department, from October 1, 1934.
Capt. John Lloyd McKee, Infantry, from October 1, 1934.
Capt. Glenn Luman Allen, Infantry, from October 1, 1934.
Capt. Charles Rouse Jones, Infantry, from October 1, 1934.
Capt. Willard Stewart Paul, Infantry, from October 1, 1934.
Capt. Robert Henry Chance, Infantry, from October 1, 1934.
Capt. Harry Augustine Buckley, Cavalry, from October 1, 1934.
Capt. March Hugo Houser, Chemical Warfare Service, from October 1, 1934.
Capt. Willfred Rowell Higgins, Infantry, from October 1, 1934.
Capt. Jesse Plez Green, Infantry, from October 1, 1934.
Capt. Howard Winthrop Turner, Field Artillery, from October 1, 1934.
Capt. William Audley Taber, Infantry, from October 1, 1934.
Capt. Henry Garner Sebastian, Infantry, from October 1, 1934.
Capt. Wesley Crowell Brigham, Field Artillery, from October 1, 1934.
Capt. Cyrus Higginson Searcy, Infantry, from October 1, 1934.
Capt. Leon Edward Norris, Infantry, from October 1, 1934.
Capt. Frederick Irving Eglin, Air Corps, from October 1, 1934.
Capt. Jack Lester Meyer, Quartermaster Corps, from October 1, 1934.
Capt. Turner Ransom Sharp, Quartermaster Corps, from October 1, 1934.
Capt. Ira Augustus Correll, Cavalry, from October 1, 1934.
Capt. Clay Irvin Hoppough, Signal Corps, from October 1, 1934.
Capt. Remi Paul Hueper, Finance Department, from October 1, 1934.
Capt. William Joshua Jackson, Quartermaster Corps, from October 1, 1934.
Capt. Walter Earl Seamon, Infantry, from October 1, 1934.
Capt. Fred During, Infantry, from October 1, 1934.
Capt. John Robert Francis, Infantry, from October 1, 1934.
Capt. Rene Eugene Fraile, Adjutant General's Department, from October 1, 1934.
Capt. Allan Johnson, Infantry, from October 1, 1934.
Capt. Peter Francis Meade, Quartermaster Corps, from October 1, 1934.
Capt. Clinton Rush, Infantry, from October 1, 1934.
Capt. Barret DeTuberville Lambert, Infantry, from October 1, 1934.
Capt. Arthur Jack Stark, Infantry, from October 1, 1934.
Capt. George Louis Danforth, Field Artillery, from October 1, 1934.
Capt. Ward Currey Goessling, Field Artillery, from October 1, 1934.
Capt. Harold Burton Gibson, Cavalry, from October 1, 1934.
Capt. Victor Roland Woodruff, Field Artillery, from October 1, 1934.
Capt. Gustav Adolph Mellanchton Anderson, Infantry, from October 1, 1934.
Capt. Melvin Selmer Williamson, Cavalry, from October 1, 1934.
Capt. Robert William Yates, Field Artillery, from October 1, 1934.
Capt. Dana Caswell Schmahl, Field Artillery, from October 1, 1934.
Capt. Wilbur Granville Dockum, Field Artillery, from October 1, 1934.
Capt. Clinton Mansfield Lucas, Field Artillery, from October 1, 1934.
Capt. Harry Adamson, Infantry, from October 1, 1934.
Capt. Samuel Gilbert Fairchild, Field Artillery, from October 1, 1934.
Capt. Leslie Leonard Connett, Infantry, from October 1, 1934.
Capt. Owen Rivers Rhoads, Infantry, from October 1, 1934.
Capt. Carl Russell Adams, Coast Artillery Corps, from October 1, 1934.
Capt. Joe L. Ostrander, Infantry, from October 1, 1934.
Capt. George Walter Hovey, Coast Artillery Corps, from October 1, 1934.
Capt. Elmer Forrest Wallender, Infantry, from October 1, 1934.
Capt. Carl Eugene Driggers, Infantry, from October 1, 1934.
Capt. Harry Vincent Hand, Infantry, from October 1, 1934.
Capt. Ben Menadue Sawbridge, Field Artillery, from October 1, 1934.
Capt. Dominic Joseph Sabini, Field Artillery, from October 1, 1934.
Capt. Herman Feldman, Quartermaster Corps, from October 1, 1934.
Capt. Ned Blair, Infantry, from October 1, 1934.

Capt. Ernest Alvin Kindervater, Quartermaster Corps, from October 1, 1934.
Capt. Jared Irwin Wood, Infantry, from October 1, 1934.
Capt. Gordon Cogswell Irwin, Signal Corps, from October 1, 1934.
Capt. Everett Marion Yon, Infantry, from October 1, 1934.
Capt. Grady Henry Pendergrast, Infantry, from October 1, 1934.
Capt. Robert Earle Frye, Infantry, from October 1, 1934.
Captain John Harvey Fye, Field Artillery, from October 1, 1934.
Capt. George Mood MacMullin, Infantry, from October 1, 1934.
Capt. Nicholas Szilagyi, Infantry, from October 1, 1934.
Capt. Frederick Weston Hyde, Infantry, from October 1, 1934.
Capt. Charles Royal Lehner, Field Artillery, from October 1, 1934.
Capt. Rosser Lee Hunter, Infantry, from October 1, 1934.
Capt. Carroll Arthur Powell, Signal Corps, from October 1, 1934.
Capt. Feodor Otto Schmidt, Infantry, from October 1, 1934.
Capt. James Francis Brittingham, Field Artillery, from October 1, 1934.
Capt. Frank Clide De Langton, Cavalry, from October 1, 1934.
Capt. Oscar Bergstrom Abbott, Infantry, from October 1, 1934.
Capt. George Seymour McCullough, Infantry, from October 1, 1934.
Capt. Carter Roderick McLennan, Cavalry, from October 1, 1934.
Capt. Geoffrey Galwey, Cavalry, from October 1, 1934.
Capt. Louis Garland Gibney, Cavalry, from October 1, 1934.
Capt. David Seth Doggett, Field Artillery, from October 1, 1934.
Capt. Thomas Grady Jenkins, Infantry, from October 1, 1934.
Capt. Roy Dayton Burdick, Corps of Engineers, from October 1, 1934.
Capt. Leslie Carlyle Wheat, Infantry, from October 1, 1934.
Capt. Lawrence Harold Bixby, Field Artillery, from October 1, 1934.
Capt. Walter Compere Lattimore, Field Artillery, from October 1, 1934.
Capt. Charles James Booth, Cavalry, from October 1, 1934.
Capt. Russell Hubbard Dixon, Field Artillery, from October 1, 1934.
Capt. Everett Marshall Graves, Field Artillery, from October 1, 1934.
Capt. William Tuttle Hamilton, Cavalry, from October 1, 1934.
Capt. William Valentine McCreight, Infantry, from October 1, 1934.
Capt. John Henry Ringe, Infantry, from October 1, 1934.
Capt. Virgil Bell, Infantry, from October 1, 1934.
Capt. Frederick Vernon Edgerton, Infantry, from October 1, 1934.
Capt. William Granville Purdy, Infantry, from October 1, 1934.
Capt. Chesley Ray Miller, Infantry, from October 1, 1934.
Capt. Frederick Francis Duggan, Cavalry, from October 1, 1934.
Capt. Walter Lee Mitchell, Infantry, from October 1, 1934.
Capt. Robert Franklin Dark, Infantry, from October 1, 1934.
Capt. Mimucan Dabney Cannon, Infantry, from October 1, 1934.
Capt. Harry Howard Baird, Cavalry, from October 1, 1934.
Capt. Ralph Slate, Infantry, from October 1, 1934.
Capt. Nathan Eugene McCluer, Field Artillery, from October 1, 1934.
Capt. Ernest John, Infantry, from October 1, 1934.
Capt. Ralph Marshal Caulkins, Infantry, from October 1, 1934.
Capt. William Taylor Bauskett, Jr., Cavalry, from October 1, 1934.
Capt. Claudius Leo Lloyd, Infantry, from October 1, 1934.
Capt. Carlisle Barksdale Cox, Cavalry, from October 1, 1934.
Capt. Joseph Lester Brooks, Quartermaster Corps, from October 1, 1934.
Capt. Carlos Watkins Bonham, Field Artillery, from October 1, 1934.
Capt. Sidney James Cutler, Field Artillery, from October 1, 1934.
Capt. William Mathew Cline, Quartermaster Corps, from October 1, 1934.
Capt. Theodore James Sledge, Infantry, from October 1, 1934.
Capt. Lessley Eugene Spencer, Coast Artillery Corps, from October 1, 1934.
Capt. Henry Hardy Slicer, Coast Artillery Corps, from October 1, 1934.
Capt. Stanley Gloninger Saulnier, Infantry, from October 1, 1934.
Capt. Will Hughes Gordon, Infantry, from October 2, 1934.
Capt. Thomas Cole Brown, Infantry, from October 13, 1934.
Capt. Thomas Joseph Johnston, Chemical Warfare Service, from October 14, 1934.
Capt. John Marion Rhodes, Quartermaster Corps, from October 19, 1934.
Capt. George Everett Hill, Jr., Signal Corps, from October 20, 1934.
Capt. Dudley Blanchard Howard, Air Corps, from November 1, 1934.
Capt. Willard Wadsworth Irvine, Coast Artillery Corps, from November 1, 1934.
Capt. Charles Emerson Boyle, Field Artillery, from November 1, 1934.
Capt. William Doughty Evans, Coast Artillery Corps, from November 1, 1934.
Capt. William Benjamin Tuttle, Infantry, from November 1, 1934.
Capt. Donald Armpriester Stroh, Infantry, from November 1, 1934.
Capt. Edwin Adolph Henn, Field Artillery, from November 1, 1934.
Capt. Russell Thomas George, Coast Artillery Corps, from November 1, 1934.
Capt. Thomas Clyde McCormick, Field Artillery, from November 1, 1934.
Capt. Alfred Mynderse Goldman, Field Artillery, from November 1, 1934.
Capt. Erskine Ashley Franklin, Cavalry, from November 1, 1934.
Capt. Albert Miller Jackson, Coast Artillery Corps, from November 1, 1934.
Capt. George Raymond Owens, Coast Artillery Corps, from November 1, 1934.
Capt. Andrew Davis Bruce, Infantry, from November 1, 1934.
Capt. John Edward Maher, Cavalry, from November 1, 1934.
Capt. Joseph Philip Kohn, Coast Artillery Corps, from November 1, 1934.
Capt. Dallas Loyd Knoll, Quartermaster Corps, from November 1, 1934.
Capt. Robert Justin Van Buskirk, Coast Artillery Corps, from November 1, 1934.
Capt. Floyd Emerson Galloway, Air Corps, from November 1, 1934.
Capt. John Edwin Selby, Cavalry, from November 1, 1934.
Capt. Herbert Everett Watkins, Cavalry, from November 1, 1934.
Capt. Henry Yost Lyon, Infantry, from November 1, 1934.

Capt. Joseph Anthony Cistero, Infantry, from November 1, 1934.
Capt. Thomas William Freeman, Infantry, from November 1, 1934.
Capt. Paxton Sterrett Campbell, Infantry, from November 1, 1934.
Capt. William Ross Irvin, Cavalry, from November 1, 1934.
Capt. Alfred Lyons Baylies, Cavalry, from November 1, 1934.
Capt. Roy Leo Schuyler, Infantry, from November 1, 1934.
Capt. Charles Torrance McAleer, Signal Corps, from November 1, 1934.
Capt. Louis DeSaussure Hutson, Infantry, from November 1, 1934.
Capt. Lathan Hunter Collins, Cavalry, from November 6, 1934.
Capt. Loren Prescot Stewart, Infantry, from November 13, 1934.
Capt. Frederick Linwood Topping, Coast Artillery Corps, from December 1, 1934.
Capt. Nathaniel Lewis Simmonds, Quartermaster Corps, from December 1, 1934.
Capt. William Florence O'Donoghue, Infantry, from December 1, 1934.
Capt. Alan Walter Jones, Infantry, from December 1, 1934.
Capt. Myron Weldon Tupper, Quartermaster Corps, from December 5, 1934.
Capt. Charles Richard Doran, Field Artillery, from December 9, 1934.
Capt. Candler Asbury Wilkinson, Cavalry, from December 16, 1934.

*To be captains*

First Lt. Hugh Chester Downey, Air Corps, from July 1, 1934.
First Lt. John Joseph Powers, Quartermaster Corps, from July 1, 1934.
First Lt. John Canning Wade, Corps of Engineers, from July 1, 1934.
First Lt. George William Goddard, Air Corps, from July 2, 1934.
First Lt. Charles Wingate Reed, Ordnance Department, from July 4, 1934.
First Lt. William John McCarthy, Coast Artillery Corps, from July 9, 1934.
First Lt. Jack Greer, Air Corps, from July 17, 1934.
First Lt. Guy Kirksey, Air Corps, from July 25, 1934.
First Lt. Thomas Herbert Chapman, Air Corps, from July 25, 1934.
First Lt. John Michael McDonnell, Air Corps, from July 26, 1934.
First Lt. Harry Hobson Mills, Air Corps, from August 1, 1934.
First Lt. Robert Van Thomas, Quartermaster Corps, from August 1, 1934.
First Lt. Angier Hobbs Foster, Air Corps, from August 1, 1934.
First Lt. Harry Grattan Dowdall, Infantry, from August 14, 1934.
First Lt. Edwin Sullivan, Air Corps, from August 20, 1934.
First Lt. Carroll Ray Hutchins, Quartermaster Corps, from August 24, 1934.
First Lt. John Raymond Drumm, Air Corps, from August 26, 1934.
First Lt. Oliver Kendall Robbins, Air Corps, from August 30, 1934.
First Lt. John Fidelis Connell, Finance Department, from August 30, 1934.
First Lt. John Sherman Gullet, Air Corps, from September 1, 1934.
First Lt. Roy Judson Caperton, Infantry, from September 1, 1934.
First Lt. Paul Kellam, Infantry, from September 1, 1934.
First Lt. John Raglan Glascock, Air Corps, from September 1, 1934.
First Lt. Enoch Graf, Quartermaster Corps, from September 1, 1934.
First Lt. Isaac Devaus Van Meter, Quartermaster Corps, from September 1, 1934.
First Lt. Ray L. Owens, Air Corps, from September 1, 1934.
First Lt. Charles Benjamin Leinbach, Field Artillery, from September 1, 1934.
First Lt. Henry Leonard Kersh, Field Artillery, from September 1, 1934.
First Lt. Lloyd Russell Garrison, Field Artillery, from September 1, 1934.
First Lt. Charles Gage Brenneman, Air Corps, from September 1, 1934.
First Lt. Raymond George Miller, Field Artillery, from September 1, 1934.
First Lt. Clyde Milton Hallam, Field Artillery, from September 1, 1934.
First Lt. Nicoll Fosdick Galbraith, Field Artillery, from September 1, 1934.
First Lt. William Adrian Enos, Field Artillery, from September 1, 1934.
First Lt. Norman Joseph Eckert, Field Artillery, from September 1, 1934.
First Lt. Hugh Cort, Field Artillery, from September 1, 1934.
First Lt. George Vardeman McPike, Air Corps, from September 1, 1934.
First Lt. Jasper Ewing Brady, Jr., Infantry, from September 1, 1934.
First Lt. George Good Cressey, Air Corps, from September 1, 1934.
First Lt. Clarence Edgar Crumrine, Air Corps, from September 1, 1934.
First Lt. Harry Kirsner, Quartermaster Corps, from September 1, 1934.
First Lt. Corley Perry McDarment, Air Corps, from September 1, 1934.
First Lt. Russell Hay Cooper, Air Corps, from September 1, 1934.
First Lt. Gaylord Leon Phipps, Infantry, from September 1, 1934.
First Lt. Henry Guy Woodward, Air Corps, from September 7, 1934.
First Lt. Clifford James Moore, Quartermaster Corps, from September 17, 1934.
First Lt. John Ross Morgan, Air Corps, from September 22, 1934.
First Lt. Roscoe Caleb Wriston, Air Corps, from October 1, 1934.
First Lt. Charles Edwin Thomas, Jr., Air Corps, from October 1, 1934.
First Lt. Frederick Andrew Johnson, Air Corps, from October 1, 1934.
First Lt. Henry William Brandhorst, Infantry, from October 1, 1934.
First Lt. Leonard Roberts Smith, Infantry, from October 1, 1934.
First Lt. Stanley Noble Partridge, Infantry, from October 1, 1934.
First Lt. James Bumer Jordan, Air Corps, from October 1, 1934.
First Lt. Albin Nace Caldwell, Quartermaster Corps, from October 1, 1934.
First Lt. Arvel Joshua Monger, Infantry, from October 1, 1934.
First Lt. John Hamilton Judd, Infantry, from October 1, 1934.
First Lt. Thomas Jefferson Ford, Chemical Warfare Service, from October 1, 1934.
First Lt. Charles Richardson Smith, Infantry, from October 1, 1934.
First Lt. Raymond Edward Shum, Infantry, from October 1, 1934.
First Lt. Kenton Parkes Cooley, Infantry, from October 1, 1934.
First Lt. Lester Erasmus Gruber, Infantry, from October 1, 1934.
First Lt. Fay Smith, Infantry, from October 1, 1934.

First Lt. Alfred Nelson Taylor, Infantry, from October 1, 1934.

First Lt. Jack Edmund Rycroft, Infantry, from October 1, 1934.

First Lt. Ben Robert Jacobs, Infantry, from October 1, 1934.

First Lt. Mark Christian Neff, Infantry, from October 1, 1934.

First Lt. Jefferson Buckner Willis, Infantry, from October 1, 1934.

First Lt. Lewis Dabney Hixson, Infantry, from October 1, 1934.

First Lt. Clyde Girard Banks, Infantry, from October 1, 1934.

First Lt. Ivan Downes Yeaton, Field Artillery, from October 1, 1934.

First Lt. Thomas Everett Winstead, Infantry, from October 1, 1934.

First Lt. Harry Cullins, Infantry, from October 1, 1934.

First Lt. Alfred Edwin McKenney, Infantry, from October 1, 1934.

First Lt. Henry Bosard Ellison, Infantry, from October 1, 1934.

First Lt. Joe Arthur Hinton, Infantry, from October 1, 1934.

First Lt. William Paul Hayes, Infantry, from October 1, 1934.

First Lt. Earl Monroe Miner, Infantry, from October 1, 1934.

First Lt. Eugene Lemuel Miller, Infantry, from October 1, 1934.

First Lt. Reuben Ellis Jenkins, Infantry, from October 1, 1934.

First Lt. Patrick Francis Powers, Chemical Warfare Service, from October 1, 1934.

First Lt. Howard E. Pulliam, Infantry, from October 1, 1934.

First Lt. Millard Fillmore Willet Oliver, Infantry, from October 1, 1934.

First. Lt. Thomas Alfred Northam, Infantry, from October 1, 1934.

First Lt. James Robert Manees, Infantry, from October 1, 1934.

First Lt. Roland Samuel Henderson, Infantry, from October 1, 1934.

First Lt. James Cecilius White, Infantry, from October 1, 1934.

First Lt. Norman Drysdale Gillet, Chemical Warfare Service, from October 1, 1934.

First Lt. Jack Clemens Hodgson, Air Corps, from October 1, 1934.

First Lt. Walter L. Reynold, Infantry, from October 1, 1934.

First Lt. Carlisle Clyde Dusenbury, Infantry, from October 1, 1934.

First Lt. James Leland Bolt, Infantry, from October 1, 1934.

First Lt. John Harvey Becque, Chemical Warfare Service, from October 1, 1934.

First Lt. Theodore Thomas Teague, Signal Corps, from October 1, 1934.

First Lt. Eugene Vincent Elder, Signal Corps, from October 1, 1934.

First Lt. Carter Weldon Clarke, Signal Corps, from October 1, 1934.

First Lt. Ralph Gordon Richards, Quartermaster Corps, from October 1, 1934.

First Lt. Paul La Rue Neal, Signal Corps, from October 1, 1934.

First Lt. Ray Guy Harris, Air Corps, from October 1, 1934.

First Lt. Harry Earl Reed, Infantry, from October 1, 1934.

First Lt. Kameil Maertens, Infantry, from October 1, 1934.

First Lt. James Cole Shively, Air Corps, from October 1, 1934.

First Lt. Clifford Smith, Quartermaster Corps, from October 1, 1934.

First Lt. Charles Vernon Barnum, Infantry, from October 1, 1934.

First Lt. James Culver Cluck, Air Corps, from October 1, 1934.

First Lt. Richard Geter Rogers, Quartermaster Corps, from October 1, 1934.

First Lt. Joseph Felix Routhier, Finance Department, from October 1, 1934.

First Lt. Robert Taylor Strode, Field Artillery, from October 1, 1934.

First. Lt. Russell Dean Powell, Field Artillery, from October 1, 1934.

First Lt. Charles Rudolph Carlson, Field Artillery, from October 1, 1934, subject to examination required by law.

First Lt. Harold Charles Raymond, Field Artillery, from October 1, 1934.

First Lt. Charles Herbert Day, Field Artillery, from October 1, 1934.

First Lt. Thomas Oscar Foreman, Field Artillery, from October 1, 1934.

First Lt. Harry Lee Watts, Jr., Field Artillery, from October 1, 1934.

First Lt. Harold Engerud, Cavalry, from October 1, 1934.

First Lt. Raymond Thomas Joseph Higgins, Field Artillery, from October 1, 1934.

First Lt. Walter Talcott Wilsey, Quartermaster Corps, from October 1, 1934.

First Lt. Albert James Hastings, Field Artillery, from October 1, 1934.

First Lt. Seward Lincoln Mains, Jr., Field Artillery, from October 1, 1934.

First Lt. Herbert Glendonne Messer, Signal Corps, from October 1, 1934.

First Lt. Charles Kellogg McAlister, Field Artillery, from October 1, 1934.

First Lt. Thomas Francis Keefe, Field Artillery, from October 1, 1934.

First Lt. Edward Harold Metzger, Field Artillery, from October 1, 1934.

First Lt. Clinton Steele Berrien, Field Artillery, from October 1, 1934.

First Lt. John Edward McCarthy, Infantry, from October 1, 1934.

First Lt. Courtland Moshier Brown, Air Corps, from October 1, 1934.

First Lt. Keith Kirkman Tatom, Infantry, from October 1, 1934.

First Lt. Harry Walter Killpack, Infantry, from October 1, 1934.

First Lt. Paul Revere Taylor, Infantry, from October 1, 1934.

First Lt. William Noel Amis, Air Corps, from October 1, 1934.

First Lt. Alva Edison McConnell, Quartermaster Corps, from October 1, 1934.

First Lt. Hez McClellan, Air Corps, from October 1, 1934.

First Lt. Harold Hibbard Carr, Air Corps, from October 1, 1934.

First Lt. Carley Lawrence Marshall, Infantry, from October 1, 1934.

First Lt. William Ernest Donegan, Infantry, from October 1, 1934.

First Lt. Rufus Benjamin Davidson, Air Corps, from October 1, 1934.

First Lt. Stanley Milward Umstead, Air Corps, from October 1, 1934.

First Lt. Robert Smith Williams, Quartermaster Corps, from October 1, 1934.

First Lt. Roland Birnn, Air Corps, from October 1, 1934.

First Lt. Stanton Thomas Smith, Air Corps, from October 1, 1934.

First Lt. Harry Leo Zeller, Quartermaster Corps, from October 1, 1934.

First Lt. Stephen Edward Stancisko, Field Artillery, from October 1, 1934.

First Lt. Edward Vincent Freeman, Quartermaster Corps, from October 1, 1934.

First Lt. Norman Crawford Caum, Infantry, from October 1, 1934.

First Lt. Earl Thomas McCullough, Infantry, from October 1, 1934.

First Lt. Clarence Lee King, Infantry, from October 1, 1934.

First Lt. Evers Abbey, Air Corps, from October 1, 1934.

First Lt. Otto Lucratus McDaniel, Field Artillery, from October 1, 1934.

First Lt. Allan Francis Sullivan, Infantry, from October 1, 1934.

First Lt. William Clarkson Huggins, Field Artillery, from October 1, 1934.

First Lt. Thomas Walter Roane, Infantry, from October 1, 1934.

First Lt. Herbert Hunter Harris, Infantry, from October 1, 1934.

First Lt. James Alva Murphey, Infantry, from October 1, 1934.

First Lt. William Daniel Schas, Infantry, from October 1, 1934.

First Lt. William Robert Schaefer, Field Artillery, from October 1, 1934.

First Lt. Moses Alexander, Infantry, from October 1, 1934.

First Lt. Kenneth Edgar Kline, Infantry, from October 1, 1934.

First Lt. Donald Dewey McCaskey, Infantry, from October 1, 1934.

First Lt. Allen Agee Goodwyn, Infantry, from October 1, 1934.

First Lt. Ralph Elmer Alexander, Infantry, from October 1, 1934.

First Lt. Robert Howard Wylie, Quartermaster Corps, from October 1, 1934.

First Lt. Charles Drysdale Simmonds, Infantry, from October 1, 1934.

First Lt. Albert Pierson, Infantry, from October 1, 1934.

First Lt. Sylvian Gaston Kindall, Infantry, from October 1, 1934.

First Lt. John Hancock Holder, Quartermaster Corps, from October 1, 1934.

First Lt. Joseph Popenjoy Bailey, Air Corps, from October 1, 1934.

First Lt. Francis Pat Booker, Air Corps, from October 1, 1934.

First Lt. Kenneth Campbell McGregor, Air Corps, from October 1, 1934.

First Lt. Rafael Louis Salzman, Infantry, from October 1, 1934.

First Lt. Riley Finley Ennis, Infantry, from October 1, 1934.

First Lt. Clarence Frost Horton, Air Corps, from October 1, 1934.

First Lt. George Francis Wooley, Jr., Field Artillery, from October 1, 1934.

First Lt. Clarence Edward Jones, Quartermaster Corps, from October 1, 1934.

First Lt. Lawrence Cornwallis Collins, Infantry, from October 1, 1934.

First Lt. John Joseph Johnson, Coast Artillery Corps, from October 1, 1934.

First Lt. Porter Tate Gregory, Coast Artillery Corps, from October 1, 1934.

First Lt. George Henry Bardsley, Ordnance Department, from October 1, 1934.

First Lt. Ray Edward Dingeman, Coast Artillery Corps, from October 1, 1934.

First Lt. Harry Albert Kuhn, Chemical Warfare Service, from October 1, 1934.

First Lt. Arthur Edmond Wilson, Coast Artillery Corps, from October 1, 1934.

First Lt. George Cobb Wynne, Quartermaster Corps, from October 1, 1934.

First Lt. George Franklin Nichols, Coast Artillery Corps, from October 1, 1934.

First Lt. Harry Frederick Meyers, Coast Artillery Corps, from October 1, 1934.

First Lt. Ola Aloysius Nelson, Coast Artillery Corps, from October 1, 1934.

First Lt. Thomas North, Field Artillery, from October 1, 1934.

First Lt. William Chauncey Hutt, Quartermaster Corps, from October 1, 1934.

First Lt. Arthur Nicholas Ziegler, Infantry, from October 1, 1934.

First Lt. Henry Lee Kinnison, Jr., Cavalry, from October 1, 1934.

First Lt. Robert Homer Soule, Infantry, from October 1, 1934.

First Lt. Pardoe Martin, Air Corps, from October 1, 1934.

First Lt. John Augustus Hunt, Quartermaster Corps, from October 1, 1934.

First Lt. Raymond Rudolph Brown, Air Corps, from October 1, 1934.

First Lt. William Ernest Griffin, Coast Artillery Corps, from October 1, 1934.

First Lt. Edwin Charles Lickman, Infantry, from October 1, 1934.

First Lt. Rudolph George Schmidt, Quartermaster Corps, from October 1, 1934.

First Lt. Frank Willard Bullock, Signal Corps, from October 1, 1934.

First Lt. Ralph Willerton French, Quartermaster Corps, from October 1, 1934.

First Lt. David Lyddall Hardee, Infantry, from October 1, 1934.

First Lt. Joseph Elmer Monhollan, Infantry, from October 1, 1934.

First Lt. Whitfield Putnam Shepard, Infantry, from October 1, 1934.

First Lt. Clifton Tredway Hunt, Corps of Engineers, from October 1, 1934.

First Lt. Helmuth Ernest Beine, Infantry, from October 1, 1934.

First Lt. Robert Scurlark Moore, Finance Department, from October 1, 1934.

First Lt. Aloysius Joseph Tagliabue, Infantry, from October 1, 1934.

First Lt. Cleon Lyle Williams, Infantry, from October 1, 1934.

First Lt. David Ray Nimocks, Infantry, from October 1, 1934.

First Lt. Archie Bird Whitlow, Infantry, from October 1, 1934.

First Lt. William Thrower Fitts, Jr., Infantry, from October 1, 1934.

First Lt. Fredrik Lorentsen Knudsen, Jr., Infantry, from October 1, 1934.

First Lt. Jesse Thomas Harris, Infantry, from October 1, 1934.

First Lt. Crowell Edward Pease, Field Artillery, from October 1, 1934.

First Lt. Claude Bertram Avera, Quartermaster Corps, from October 1, 1934.

First Lt. William John McKiernan, Jr., Air Corps, from October 1, 1934.

First Lt. Newton Wesley Jones, Field Artillery, from October 1, 1934.

First Lt. Elden Quincy Faust, Quartermaster Corps, from October 1, 1934.

First Lt. Arthur Ellis Dewey, Quartermaster Corps, from October 1, 1934.

First Lt. Edwin Ray McReynolds, Air Corps, from October 1, 1934.

First Lt. David Glenn Lingle, Air Corps, from October 1, 1934.

First Lt. Michael Vincent Gannon, Field Artillery, from October 1, 1934.

First Lt. Emmett Augustus Niblack, Field Artillery, from October 1, 1934.

First Lt. Harry Van Horn Ellis, Quartermaster Corps, from October 1, 1934.

First Lt. Robert Morris Webster, Air Corps, from October 1, 1934.

First Lt. Ralph Hamilton Tate, Chemical Warfare Service, from October 1, 1934.

First Lt. Harold Spigelmyre, Quartermaster Corps, from October 1, 1934.

First Lt. Frank Harl Curtis, Infantry, from October 1, 1934.

First Lt. William Stanard Keller, Finance Department, from October 1, 1934.

First Lt. Thomas Harold Christian, Infantry, from October 1, 1934.

First Lt. Paul Revere Smith, Chemical Warfare Service, from October 1, 1934.

First Lt. Thearl Ward Essig, Infantry, from October 1, 1934.

First Lt. Frank Blanton Lindley, Infantry, from October 1, 1934.

First Lt. Carter Marion Kolb, Infantry, from October 1, 1934.

First Lt. Harold Almon Gardyne, Finance Department, from October 1, 1934.

First Lt. Grover Adlai Summa, Infantry, from October 1, 1934.

First Lt. Sam Purswell, Infantry, from October 1, 1934.

First Lt. George Jackson Rawlins, Cavalry, from October 1, 1934.

First Lt. Charles Backes, Air Corps, from October 1, 1934.

First Lt. Kent J. Nelson, Infantry, from October 1, 1934.

First Lt. Jesse Earl Canary, Infantry, from October 1, 1934.

First Lt. Richard Evans Glasson Opie, Infantry, from October 1, 1934.

First Lt. John Weckerling, Infantry, from October 1, 1934.

First Lt. Forbie Hiram Privett, Infantry, from October 1, 1934.

First Lt. James Bowcott Howat, Infantry, from October 1, 1934.

First Lt. Sigmund Franklin Landers, Air Corps, from October 1, 1934.

First Lt. Lawrence Eugene Heyduck, Field Artillery, from October 1, 1934.

First Lt. Milo Neil Clark, Air Corps, from October 1, 1934.

First Lt. Ernest Anthony Elwood, Field Artillery, from October 1, 1934.

First Lt. Lewis Peyton Jordan, Infantry, from October 1, 1934.

First Lt. Frederick Reinhold Undritz, Infantry, from October 1, 1934.

First Lt. Franklin Harwood Canlett, Field Artillery, from October 1, 1934.

First Lt. John DeLorme Eason, Infantry, from October 1, 1934.

First Lt. Richard Randolph Winslow, Infantry, from October 1, 1934.

First Lt. Charles Franklin Hudson, Infantry, from October 1, 1934.

First Lt. George Alfred MacKay, Chemical Warfare Service, from October 1, 1934.

First Lt. Harrison Gage Crocker, Air Corps, from October 1, 1934.

First Lt. John Myres Rocks, Quartermaster Corps, from October 1, 1934.

First Lt. Frank Scott Frickelton, Quartermaster Corps, from October 1, 1934.

First Lt. Ole Gunnar Hoaas, Corps of Engineers, from October 1, 1934.

First Lt. Dorcy LeRoy Decker, Quartermaster Corps, from October 1, 1934.

First Lt. Edward John Morris, Quartermaster Corps, from October 1, 1934.

First Lt. Fernand George Dumont, Infantry, from October 1, 1934.

First Lt. John James Carney, Infantry, from October 1, 1934.

First Lt. Ned Schramm, Air Corps, from October 1, 1934.

First Lt. Joseph Mathew Matson, Quartermaster Corps, from October 1, 1934.

First Lt. Don McNeal, Signal Corps, from October 1, 1934.

First Lt. Victor Lafayette Robinson, Quartermaster Corps, from October 1, 1934.

First Lt. Milton Edward Wilson, Quartermaster Corps, from October 1, 1934.

First Lt. Jesse Anthony Madarass, Air Corps, from October 1, 1934.

First Lt. Edward Morris Robbins, Air Corps, from October 1, 1934.

First Lt. James Weston Hammond, Air Corps, from October 1, 1934.

First Lt. Leonard Francis Felio, Quartermaster Corps, from October 1, 1934.

First Lt. Robert Emmet Coughlin, Corps of Engineers, from October 2, 1934.

First Lt. Gaylord Burnam Kidwell, Quartermaster Corps, from October 2, 1934.

First Lt. Edwin Joseph McAllister, Infantry, from October 3, 1934.

First Lt. Albert Pierpont Barnes, Field Artillery, from October 5, 1934.

First Lt. William James Daw, Signal Corps, from October 9, 1934.

First Lt. Otto Ellis, Field Artillery, from October 13, 1934.

First Lt. Chester Arthur Horne, Field Artillery, from October 14, 1934.

First Lt. David Wood Griffiths, Corps of Engineers, from October 15, 1934.

First Lt. Arthur William Pence, Corps of Engineers, from October 19, 1934.

First Lt. Leslie Richard Groves, Jr., Corps of Engineers, from October 20, 1934.

First Lt. Frederic Bates Butler, Corps of Engineers, from November 1, 1934.

First Lt. Leverett Griggs Yoder, Corps of Engineers, from November 1, 1934.

First Lt. Harry Alexander Montgomery, Corps of Engineers, from November 1, 1934.

First Lt. Mark Mayo Boatner, Jr., Corps of Engineers, from November 1, 1934.

First Lt. David Ayres Depue Ogden, Corps of Engineers, from November 1, 1934.

First Lt. Karl Browne Schilling, Corps of Engineers, from November 1, 1934.

First Lt. Elmer Ellsworth Barnes, Corps of Engineers, from November 1, 1934.

First Lt. William Wesley Wanamaker, Corps of Engineers, from November 1, 1934.

First Lt. Beverly Carndine Snow, Corps of Engineers, from November 1, 1934.

First Lt. Richard Lee, Corps of Engineers, from November 1, 1934.

First Lt. Howard Louis Peckham, Corps of Engineers, from November 1, 1934.

First Lt. Charles Richard Bathurst, Corps of Engineers, from November 1, 1934.

First Lt. Wendell Phillips Trower, Corps of Engineers, November 1, 1934.

First Lt. Robert Gilbert Lovett, Corps of Engineers, from November 1, 1934.

First Lt. Cornman Louis Hahn, Corps of Engineers, from November 1, 1934.

First Lt. Edwin Potter Lock, Jr., Corps of Engineers, from November 1, 1934.

First Lt. George Brooke McReynolds, Field Artillery, from November 1, 1934.

First Lt. Morris Williams Gilland, Corps of Engineers, from November 1, 1934.

First Lt. David Terrill Johnson, Corps of Engineers, from November 1, 1934.

First Lt. Randolph Piersol Williams, Air Corps, from November 1, 1934.

First Lt. Newell Lyon Hemenway, Corps of Engineers, from November 1, 1934.

First Lt. Arthur Joseph Sheridan, Corps of Engineers, from November 1, 1934.

First Lt. James George Christiansen, Corps of Engineers, from November 1, 1934.

First Lt. Benjamin Franklin Chadwick, Corps of Engineers, from November 1, 1934.

First Lt. Heath Twichell, Corps of Engineers, from November 1, 1934.

First Lt. Joseph Jones Twitty, Corps of Engineers, from November 1, 1934.

First Lt. Harrison Shaler, Ordnance Department, from November 1, 1934.

First Lt. Edmund Wilson Searby, Field Artillery, from November 1, 1934.

First Lt. Roger Manning Wicks, Field Artillery, from November 1, 1934.

First Lt. Robert Everett York, Corps of Engineers, from November 1, 1934.

First Lt. Chester Krum Harding, Corps of Engineers, from November 1, 1934.

First Lt. William Clarence Bennett, Jr., Corps of Engineers, from November 1, 1934.

First Lt. Claude Henry Chorpening, Corps of Engineers, from November 1, 1934.

First Lt. George Vernon Keyser, Field Artillery, from November 1, 1934.

First Lt. Frank Otto Bowman, Corps of Engineers, from November 1, 1934.

First Lt. Joseph Shirley Gorlinski, Corps of Engineers, from November 1, 1934.

First Lt. Albert Riani, Corps of Engineers, from November 1, 1934.

First Lt. Orville Ernest Walsh, Corps of Engineers, from November 1, 1934.

First Lt. Peter Paul Goerz, Corps of Engineers, from November 1, 1934.

First Lt. William Aylett Callaway, Infantry, from November 1, 1934.

First Lt. Howard Voorheis Canan, Corps of Engineers, from November 1, 1934.

First Lt. Vere Alfred Beers, Corps of Engineers, from November 1, 1934.

First Lt. Doswell Gullatt, Corps of Engineers, from November 1, 1934.

First Lt. John Bell Hughes, Corps of Engineers, from November 1, 1934.

First Lt. Lawrence Bradford Bixby, Field Artillery, from November 1, 1934.

First Lt. Harry Crawford, Field Artillery, from November 1, 1934.

First Lt. William Washington Webster, Field Artillery, from November 1, 1934.

First Lt. John Hamilton Hinds, Field Artillery, from November 1, 1934.

First Lt. John Marks Moore, Coast Artillery Corps, from November 1, 1934.

First Lt. George Gage Eddy, Ordnance Department, from November 1, 1934.

First Lt. Charles Edward Morrison, Cavalry, from November 1, 1934.

First Lt. William Powell Blair, Field Artillery, from November 6, 1934.

First Lt. William James Epes, Field Artillery, from November 13, 1934.

First Lt. John Hinton, Field Artillery, from November 19, 1934.

First Lt. Eric Spencer Molitor, Field Artillery, from December 1, 1934.

First Lt. Richard August Ericson, Coast Artillery Corps, from December 1, 1934.

First Lt. James Vincent Carroll, Field Artillery, from December 1, 1934.

First Lt. Arthur Emil Mickelsen, Signal Corps, from December 1, 1934.

First Lt. Paul Boyle Kelly, Coast Artillery Corps, from December 1, 1934.

First Lt. Ernest Calhoun Norman, Field Artillery, from December 1, 1934.

First Lt. Christian Knudsen, Cavalry, from December 1, 1934.

First Lt. William Bobbs Miller, Infantry, from December 1, 1934.

First Lt. Charles Rolland Gildart, Field Artillery, from December 1, 1934.

First Lt. Richard Carrick Babbitt, Infantry, from December 1, 1934.

First Lt. Francis Bassett Valentine, Air Corps, from December 1, 1934.

First Lt. Charles Edward Hixon, Field Artillery, from December 1, 1934.

First Lt. Hammond McDougal Monroe, Infantry, from December 1, 1934.

*To be first lieutenants*

Second Lt. John Bourke Daly, Field Artillery, from July 1, 1934.

Second Lt. William Henry Tunner, Air Corps, from July 1, 1934.

Second Lt. Robert Tryon Frederick, Coast Artillery Corps, from July 1, 1934.

Second Lt. Ralph Edward Koon, Air Corps, from July 1, 1934.

Second Lt. Verdi Beethoven Barnes, Field Artillery, from July 2, 1934.

Second Lt. Howard Graham Bunker, Air Corps, from July 4, 1934.

Second Lt. Edward Cassel Reber, Field Artillery, from July 9, 1934.

Second Lt. Henry Leo Flood, Infantry, from July 17, 1934.

Second Lt. Allison Richard Hartman, Coast Artillery Corps, from July 25, 1934.

Second Lt. Stuart Glover McLennan, Air Corps, from July 25, 1934.

Second Lt. John Alexander Samford, Air Corps, from July 26, 1934.

Second Lt. Douglas Glen Ludlam, Ordnance Department, from August 1, 1934.

Second Lt. Legare Kilgore Tarrant, Coast Artillery Corps, from August 1, 1934.

Second Lt. Harry Warren Halterman, Infantry, from August 1, 1934.

Second Lt. William Mattingly Breckinridge, Infantry, from August 1, 1934.

Second Lt. Arthur Richard Thomas, Coast Artillery Corps, from August 1, 1934.

Second Lt. Paul Anthony Leahy, Coast Artillery Corps, from August 1, 1934.

Second Lt. Madison Clinton Schepps, Infantry, from August 1, 1934.

Second Lt. James Lowman Hathaway, Cavalry, from August 1, 1934.

Second Lt. Douglas Crevier McNair, Field Artillery, from August 14, 1934.

Second Lt. Fred Obediah Tally, Air Corps, from August 16, 1934.

Second Lt. Walter Emerson Finnegan, Cavalry, from August 19, 1934.

Second Lt. Russell Blair, Infantry, from August 20, 1934.

Second Lt. Charles Ralph Pinkerton, Ordnance Department, from August 23, 1934.

Second Lt. Edwin Augustus Cummings, Infantry, from August 24, 1934.

Second Lt. Powhatan Moncure Morton, Cavalry, from August 25, 1934.

Second Lt. Lionel Charles McGarr, Infantry, from August 26, 1934.

Second Lt. James Melvin Lamont, Infantry, from August 30, 1934.

Second Lt. Montgomery Breck Raymond, Coast Artillery Corps, from August 30, 1934.

Second Lt. Noble James Wiley, Jr., Infantry, from September 1, 1934.

Second Lt. Wilhelm Paul Johnson, Infantry, from September 1, 1934.

Second Lt. Roger Maxwell Ramey, Air Corps, from September 1, 1934.

Second Lt. Horace Lincoln Beall, Jr., Infantry, from September 1, 1934.

Second Lt. Carl Ferdinand Fritzsche, Infantry, from September 1, 1934.

Second Lt. John Peter Doidge, Infantry, from September 1, 1934.

Second Lt. Forrest Gordon Allen, Air Corps, from September 1, 1934.

Second Lt. Leigh Austin Fuller, Jr., Infantry, from September 1, 1934.

Second Lt. John Thomas Murtha, Jr., Air Corps, from September 1, 1934.

Second Lt. Ralph Joseph Butchers, Infantry, from September 1, 1934.

Second Lt. John Severin Knudsen, Infantry, from September 1, 1934.

Second Lt. Samuel Egbert Anderson, Air Corps, from September 1, 1934.

Second Lt. Everett Davenport Peddicord, Coast Artillery Corps, from September 1, 1934.

Second Lt. James Gallagher Bain, Coast Artillery Corps, from September 1, 1934.

Second Lt. August William Schermacher, Coast Artillery Corps, from September 1, 1934.

Second Lt. Robert Franklin Tomlin, Coast Artillery Corps, from September 1, 1934.

Second Lt. Louis Test Vickers, Coast Artillery Corps, from September 1, 1934.

Second Lt. Joseph Arthur Bulger, Air Corps, from September 1, 1934.

Second Lt. Kilbourne Johnston, Infantry, from September 1, 1934.

Second Lt. Robert Bernard Beattie, Infantry, from September 1, 1934.

Second Lt. Ralph Harold Sievers, Quartermaster Corps, from September 1, 1934.

Second Lt. John Raymond Gilchrist, Infantry, from September 1, 1934.

Second Lt. Frank Rudolph Maerdian, Infantry, from September 1, 1934.

Second Lt. George Francis Will, Infantry, from September 1, 1934.

Second Lt. George Ferrow Smith, Air Corps, from September 1, 1934.

Second Lt. Allen Wilson Reed, Air Corps, from September 1, 1934.

Second Lt. Arthur William Meehan, Air Corps, from September 1, 1934.

Second Lt. Frank Leonard Bock, Infantry, from September 1, 1934.

Second Lt. Thomas Joseph Moran, Infantry, from September 1, 1934.

Second Lt. James Elmer Totten, Infantry, from September 1, 1934.

Second Lt. Truman Hempel Landon, Air Corps, from September 1, 1934.

Second Lt. Charles Frank Howard, Infantry, from September 1, 1934.

Second Lt. Hampden Eugene Montgomery, Jr., Infantry, from September 1, 1934.

Second Lt. Elmer Wentworth Gude, Infantry, from September 7, 1934.

Second Lt. Maurice Clinton Bisson, Air Corps, from September 17, 1934.

Second Lt. Harry Edgar Wilson, Air Corps, from September 22, 1934.

Second Lt. Charles Bowler King, Infantry, from October 1, 1934.

Second Lt. Robert Williams Warren, Air Corps, from October 1, 1934.

Second Lt. John Francis Wadman, Air Corps, from October 1, 1934.

Second Lt. Delmar Taft Spivey, Air Corps, from October 1, 1934.

Second Lt. Maury Spotswood Crallé, Infantry, from October 1, 1934.

Second Lt. Ramon Antonio Nadal, Infantry, from October 1, 1934.

Second Lt. Carroll Huston Prunty, Cavalry, from October 1, 1934.

Second Lt. August Walter Kissner, Air Corps, from October 1, 1934.

Second Lt. Edgar Elliott Enger, Infantry, from October 1, 1934.

Second Lt. LaVerne George Saunders, Air Corps, from October 1, 1934.

Second Lt. Tito George Moscatelli, Infantry, from October 1, 1934.

Second Lt. Louis Russell Delmonico, Infantry, from October 1, 1934.

Second Lt. George Henry Lawrence, Infantry, from October 1, 1934.

Second Lt. George Clinton Willette, Infantry, from October 1, 1934.

Second Lt. Francis Henry Boos, Infantry, from October 1, 1934.

Second Lt. Gaulden McIntosh Watkins, Infantry, from October 1, 1934.

Second Lt. Thomas Lilley Sherburne, Jr., Field Artillery, from October 1, 1934.

Second Lt. John Francis Farra, Jr., Infantry, from October 1, 1934.

Second Lt. Stanhope Brasfield Mason, Infantry, from October 1, 1934.

Second Lt. Eugene Thomas Lewis, Infantry, from October 1, 1934.

Second Lt. Allen Thayer, Infantry, from October 1, 1934.

Second Lt. Emmett O'Donnell, Jr., Air Corps, from October 1, 1934.

Second Lt. John Oliver Williams, Infantry, from October 1, 1934.

Second Lt. Richard Wetherill, Jr., Infantry, from October 1, 1934.

Second Lt. Donald Winston Titus, Air Corps, from October 1, 1934.

Second Lt. Emmett Felix Yost, Air Corps, from October 1, 1934.

Second Lt. Alfred Henry Parham, Infantry, from October 1, 1934.

Second Lt. James William Lockett, Infantry, from October 1, 1934.

Second Lt. Paul DeWitt Adams, Infantry, from October 1, 1934.

Second Lt. Evan McLaren Houseman, Infantry, from October 1, 1934.

Second Lt. Ralph Thomas Nelson, Infantry, from October 1, 1934.

Second Lt. Robert Kinder Taylor, Air Corps, from October 1, 1934.

Second Lt. James Morrow Ivy, Infantry, from October 1, 1934.

Second Lt. Gellert Arthur Douglas, Infantry, from October 1, 1934.

Second Lt. William Grant Caldwell, Infantry, from October 1, 1934.

Second Lt. William Thomas Moore, Infantry, from October 1, 1934.

Second Lt. Paul Jones Mitchell, Infantry, from October 1, 1934.

Second Lt. Alfred Benjamin Denniston, Quartermaster Corps, from October 1, 1934.

Second Lt. James Wilson Brown, Jr., Air Corps, from October 1, 1934.

Second Lt. William Columbus Sams, Air Corps, from October 1, 1934.

Second Lt. Robert Harper Kelly, Air Corps (transferred from Infantry during the recess of the Senate), from October 1, 1934.

Second Lt. Joseph Franklin Trent, Infantry, from October 1, 1934.

Second Lt. Edward Felix Shepherd, Quartermaster Corps, from October 1, 1934.

Second Lt. Andrew Thomas McNamara, Infantry, from October 1, 1934.

Second Lt. Thomas Mason Tarpley, Jr., Infantry, from October 1, 1934.

Second Lt. James Francis Olive, Jr., Air Corps, from October 1, 1934.

Second Lt. Edgar Alexander Sirmyer, Jr., Air Corps, from October 1, 1934.

Second Lt. Thomas Webster Steed, Air Corps, from October 1, 1934.

Second Lt. Paul Elliott MacLaughlin, Infantry, from October 1, 1934.

Second Lt. Robert Edward Lee Pirtle, Air Corps, from October 1, 1934.

Second Lt. Wilbur Erickson, Air Corps, from October 1, 1934.

Second Lt. Lilburn Dimmitt Fator, Air Corps, from October 1, 1934.

Second Lt. Archibald Meyer Kelley, Air Corps, from October 1, 1934.

Second Lt. Ralph Orville Brownfield, Air Corps, from October 1, 1934.

Second Lt. Joel Edward Mallory, Air Corps, from October 1, 1934.

Second Lt. Lindsay Mansfield Bawsel, Air Corps, from October 1, 1934.

Second Lt. Donald Russell Lyon, Air Corps, from October 1, 1934.

Second Lt. Warren Herbert Higgins, Air Corps, from October 1, 1934.

Second Lt. Stanley Keith Robinson, Air Corps, from October 1, 1934.

Second Lt. Willard Reno Shephard, Air Corps, from October 1, 1934.

Second Lt. George Washington Hansen, Air Corps, from October 1, 1934.

Second Lt. Minton William Kaye, Air Corps, from October 1, 1934.

Second Lt. Aubry Lee Moore, Air Corps, from October 1, 1934.

Second Lt. Ronald Roosevelt Walker, Air Corps, from October 1, 1934.

Second Lt. Lloyd Harrison Tull, Air Corps, from October 1, 1934.

Second Lt. Francis Marion Zeigler, Air Corps, from October 1, 1934.

Second Lt. Carl Frederick Theisen, Air Corps, from October 1, 1934.

Second Lt. Frederic Ernst Glantzberg, Air Corps, from October 1, 1934.

Second Lt. Eugene Herbert Rice, Air Corps, from October 1, 1934.

Second Lt. Leland Samuel Stranathan, Air Corps, from October 1, 1934.

Second Lt. Ernest Keeling Warburton, Air Corps, from October 1, 1934.

Second Lt. LeRoy Hudson, Air Corps, from October 1, 1934.

Second Lt. Roland Ogden Strand Akre, Air Corps, from October 1, 1934.

Second Lt. Paul Ellis Shanahan, Air Corps, from October 1, 1934.

Second Lt. Roger Vincent Williams, Air Corps, from October 1, 1934.

Second Lt. Andrew Fred Solter, Air Corps, from October 1, 1934.

Second Lt. Frederick Archibald Pillet, Air Corps, from October 1, 1934.

Second Lt. William Hugh McArthur, Air Corps, from October 1, 1934.

Second Lt. Reginald Heber, Air Corps, from October 1, 1934.

Second Lt. Homer LeRoy Sanders, Air Corps, from October 1, 1934.

Second Lt. Draper Frew Henry, Air Corps, from October 1, 1934.

Second Lt. Robert Dilger Johnston, Air Corps, from October 1, 1934.

Second Lt. Walter Robertson Agee, Air Corps, from October 1, 1934.

Second Lt. Charles Harold Earnest, Air Corps, from October 1, 1934, subject to examination required by law.

Second Lt. Hansford Wesley Pennington, Air Corps, from October 1, 1934.

Second Lt. Guy Frost Hix, Air Corps, from October 1, 1934.

Second Lt. Donald Wells Buckman, Air Corps, from October 1, 1934.

Second Lt. Murray Clarke Woodbury, Air Corps, from October 1, 1934.

Second Lt. Norman Herbert Ives, Air Corps, from October 1, 1934.

Second Lt. Paul Bernard Wurtsmith, Air Corps, from October 1, 1934.

Second Lt. William Alexander Robert Robertson, Air Corps, from October 1, 1934.

Second Lt. Robert Edward Lee Choate, Air Corps, from October 1, 1934.

Second Lt. Edwin Roland French, Air Corps, from October 1, 1934.

Second Lt. John Williams Persons, Air Corps, from October 1, 1934.

Second Lt. William Chamberlayne Bentley, Jr., Air Corps, from October 1, 1934.

Second Lt. Sam Williamson Cheyney, Air Corps, from October 1, 1934.

Second Lt. Max Harrelson Warren, Air Corps, from October 1, 1934.

Second Lt. Edwin Lee Tucker, Air Corps, from October 1, 1934.

Second Lt. Ralph Columbus Rhudy, Air Corps, from October 1, 1934.

Second Lt. Isaac William Ott, Air Corps, from October 1, 1934.

Second Lt. Edward Holmes Underhill, Air Corps, from October 1, 1934.

Second Lt. Trenholm Jones Meyer, Air Corps, from October 1, 1934.

Second Lt. John Joseph Keough, Air Corps, from October 1, 1934.

Second Lt. William Houston Maverick, Air Corps, from October 1, 1934.

Second Lt. William Pryor Sloan, Air Corps, from October 1, 1934.

Second Lt. George Frost Kinzie, Air Corps, from October 1, 1934.

Second Lt. Albert Boyd, Air Corps, from October 1, 1934.

Second Lt. James Wayne McCauley, Air Corps, from October 1, 1934.

Second Lt. Thomas Robert Starratt, Air Corps, from October 1, 1934.

Second Lt. Edward Harrison Alexander, Air Corps, from October 1, 1934.

Second Lt. Frank Alton Armstrong, Jr., Air Corps, from October 1, 1934.

Second Lt. William Albert Matheny, Air Corps, from October 1, 1934.

Second Lt. John Patrick Kenny, Air Corps, from October 1, 1934.

Second Lt. Lambert Spencer Callaway, Air Corps, from October 1, 1934.

Second Lt. Reginald Franklin Conroy Vance, Air Corps, from October 1, 1934.

Second Lt. William Lecel Lee, Air Corps, from October 1, 1934.

Second Lt. David Dunbar Graves, Air Corps, from October 1, 1934.

Second Lt. Haywood Shepherd Hansell, Jr., Air Corps, from October 1, 1934.

Second Lt. William Truman Colman, Air Corps, from October 1, 1934.

Second Lt. Paul Mueller Jacobs, Air Corps, from October 1, 1934.

Second Lt. Dudley Durward Hale, Air Corps, from October 1, 1934.

Second Lt. Herbert Leonard Grills, Air Corps, from October 1, 1934.

Second Lt. Benjamin Scovill Kelsey, Air Corps, from October 1, 1934.

Second Lt. Thomas Lee Mosley, Air Corps, from October 1, 1934.

Second Lt. Raymond Lloyd Winn, Air Corps, from October 1, 1934.

Second Lt. Leonard Franklin Harman, Air Corps, from October 1, 1934.

Second Lt. Kingston Eric Tibbetts, Air Corps, from October 1, 1934.

Second Lt. Richard Henry Lee, Air Corps, from October 1, 1934.

Second Lt. Robert Wilson Stewart, Air Corps, from October 1, 1934.

Second Lt. Lewis R. Parker, Air Corps, from October 1, 1934.

Second Lt. Walter Archibald Fenander, Air Corps, from October 1, 1934.

Second Lt. William Maurice Morgan, Air Corps, from October 1, 1934.

Second Lt. Richard Irvine Dugan, Air Corps, from October 1, 1934.

Second Lt. Edwin Minor Day, Air Corps, from October 1, 1934.

Second Lt. Jack Weston Wood, Air Corps, from October 1, 1934.

Second Lt. James Herbert Wallace, Air Corps, from October 1, 1934.

Second Lt. Horace Fennell Sykes, Jr., Corps of Engineers, from October 1, 1934.

Second Lt. Raymond Leslie Hill, Corps of Engineers, from October 1, 1934.

Second Lt. Frank Lee Blue, Jr., Corps of Engineers, from October 1, 1934.

Second Lt. George Arthur Lincoln, Corps of Engineers, from October 1, 1934.

Second Lt. Kenneth David Nichols, Corps of Engineers, from October 1, 1934.

Second Lt. Don Zabriskie Zimmerman, Air Corps, from October 1, 1934.

Second Lt. Ernest Ward Carr, Corps of Engineers, from October 1, 1934.

Second Lt. James Adolph Ostrand, Jr., Corps of Engineers, from October 1, 1934.

Second Lt. Charles Theodore Tench, Corps of Engineers, from October 1, 1934.

Second Lt. Frank Hartman Forney, Corps of Engineers, from October 1, 1934.

Second Lt. Frederick Rodgers Dent, Jr., Air Corps, from October 1, 1934.

Second Lt. Harold Huntley Bassett, Air Corps, from October 1, 1934.

Second Lt. Paul Williams Thompson, Corps of Engineers, from October 1, 1934.

Second Lt. Howard Moore, Air Corps, from October 1, 1934.

Second Lt. John Floyd McCartney, Corps of Engineers, from October 1, 1934.

Second Lt. Carl Roemer Jones, Corps of Engineers, from October 1, 1934.

Second Lt. James Lee Majors, Air Corps, from October 1, 1934.

Second Lt. Alvin Galt Viney, Corps of Engineers, from October 1, 1934.

Second Lt. Walter King Wilson, Jr., Corps of Engineers, from October 1, 1934.

Second Lt. Bruce Douglass Rindlaub, Corps of Engineers, from October 1, 1934.

Second Lt. Herbert Milwit, Corps of Engineers, from October 1, 1934.

Second Lt. Ward Terry Abbott, Corps of Engineers, from October 1, 1934.

Second Lt. Benjamin Richard Wimer, Corps of Engineers, from October 1, 1934.

Second Lt. John Lloyd Person, Corps of Engineers, from October 1, 1934.

Second Lt. Harry Gage Montgomery, Jr., Air Corps, from October 1, 1934.

Second Lt. Frank Eugene Fries, Corps of Engineers, from October 1, 1934.

Second Lt. Thomas Atkins Adcock, Corps of Engineers, from October 1, 1934.

Second Lt. Thomas Jahn Sands, Field Artillery, from October 1, 1934.

Second Lt. John Stein Walker, Field Artillery, from October 1, 1934.

Second Lt. James Burt Evans, Field Artillery, from October 1, 1934.

Second Lt. Frederic Henry Chaffee, Field Artillery, from October 1, 1934.

Second Lt. Roger James Browne, Air Corps, from October 1, 1934.

Second Lt. Joseph Jennings Ladd, Air Corps, from October 1, 1934.

Second Lt. Richard David Wentworth, Field Artillery, from October 1, 1934.

Second Lt. Robert George Henry Meyer, Signal Corps, from October 1, 1934.

Second Lt. William Jonathan Thompson, Field Artillery, from October 1, 1934.

Second Lt. James Percy Hannigan, Field Artillery, from October 1, 1934.

Second Lt. John Gresham Minniece, Jr., Cavalry, from October 1, 1934.

Second Lt. DeVere Parker Armstrong, Field Artillery, from October 1, 1934.

Second Lt. Merle Russell Thompson, Coast Artillery Corps, from October 1, 1934.

Second Lt. Douglas Golding Dwyre, Field Artillery, from October 1, 1934.

Second Lt. Clayton Earl Hughes, Field Artillery, from October 1, 1934.

Second Lt. Paul Singer Thompson, Field Artillery, from October 1, 1934.

Second Lt. Franklin Pierce Miller, Field Artillery, from October 1, 1934.

Second Lt. Dominick Joseph Calidonna, Signal Corps, from October 1, 1934.

Second Lt. David Ferdinand Brown, Field Artillery, from October 1, 1934.

Second Lt. Thomas Ludwell Bryan, Jr., Air Corps, from October 1, 1934.

Second Lt. John Knox Poole, Air Corps, from October 1, 1934.

Second Lt. Philip Henry Draper, Jr., Field Artillery, from October 1, 1934.

Second Lt. Richard Lee Scott, Infantry, from October 1, 1934.

Second Lt. Paul Elias, Coast Artillery Corps, from October 1, 1934.

Second Lt. Paul William Shumate, Cavalry, from October 1, 1934.

Second Lt. Harold Quiskis Huglin, Air Corps, from October 1, 1934.

Second Lt. William Lewis Bell, Jr., Infantry, from October 1, 1934.

Second Lt. James Theodore Barber, Coast Artillery Corps, from October 1, 1934.

Second Lt. Andrew Samuels, Jr., Coast Artillery Corps, from October 1, 1934.

Second Lt. Lawrence McIlroy Guyer, Coast Artillery Corps, from October 1, 1934.

Second Lt. Harold George Hayes, Signal Corps, from October 1, 1934.

Second Lt. Joseph Horridge, Coast Artillery Corps, from October 1, 1934.

Second Lt. Carl Henry Jark, Field Artillery, from October 1, 1934.

Second Lt. Donald Philip Graul, Signal Corps, from October 1, 1934.

Second Lt. Charles Blake McClelland, Jr., Cavalry, from October 1, 1934.

Second Lt. Robert Emzy Chandler, Field Artillery, from October 1, 1934.

Second Lt. Edwin Hugh John Carns, Cavalry, from October 1, 1934.

Second Lt. Charles Sommers, Air Corps, from October 1, 1934.

Second Lt. Joseph Milton Colby, Cavalry, from October 1, 1934.

Second Lt. Roy Eugene Hattan, Field Artillery, from October 1, 1934.

Second Lt. John James La Ppage, Cavalry, from October 1, 1934.

Second Lt. Wayland Henry Parr, Coast Artillery Corps, from October 1, 1934.

Second Lt. John Elliot Theimer, Field Artillery, from October 1, 1934.

Second Lt. William Price Connally, Jr., Field Artillery, from October 1, 1934.

Second Lt. John Coleman Horton, Air Corps, from October 1, 1934.

Second Lt. George William Peake, Field Artillery, from October 1, 1934.

Second Lt. Dale Raymond French, Field Artillery, from October 1, 1934.

Second Lt. Walter Elmer Kraus, Field Artillery, from October 1, 1934.

Second Lt. Marshall Stanley Roth, Air Corps, from October 1, 1934.

Second Lt. David Mural Perkins, Field Artillery, from October 1, 1934.

Second Lt. Rudolph Fink, Air Corps, from October 1, 1934.

Second Lt. Robert Maurice Kraft, Air Corps, from October 1, 1934.

Second Lt. Oliver Hardin Gilbert, Coast Artillery Corps, from October 1, 1934.

Second Lt. Ralph Robert Mace, Field Artillery, from October 1, 1934.

Second Lt. Edwin George Griffith, Coast Artillery Corps, from October 1, 1934.

Second Lt. William Lewis McCulla, Coast Artillery Corps, from October 1, 1934.

Second Lt. Norman Edwin Poinier, Field Artillery, from October 1, 1934.

Second Lt. Laurance Hilliard Brownlee, Coast Artillery Corps, from October 1, 1934.

Second Lt. John David Francis Phillips, Field Artillery, from October 1, 1934.

Second Lt. Sidney Andrew Ofsthun, Air Corps, from October 1, 1934.

Second Lt. George Richard Carey, Coast Artillery Corps, from October 1, 1934.

Second Lt. William Evens Hall, Air Corps (transferred from Field Artillery during the recess of the Senate), from October 1, 1934.

Second Lt. Frederic Harrison Smith, Jr., Air Corps, from October 1, 1934.

Second Lt. William James Latimer, Jr., Field Artillery, from October 1, 1934.

Second Lt. Donald John Keirn, Air Corps, from October 1, 1934.

Second Lt. Luster Azil Vickrey, Field Artillery, from October 1, 1934.

Second Lt. Airel Burr Cooper, Signal Corps, from October 1, 1934.

Second Lt. William Miller Vestal, Coast Artillery Corps, from October 1, 1934.

Second Lt. Myles Wilkenson Brewster, Field Artillery, from October 1, 1934.

Second Lt. Dwight Bahney Schannep, Air Corps, from October 1, 1934.

Second Lt. George Waite Coolidge, Cavalry, from October 1, 1934.

Second Lt. James Franklin Brooke, Jr., Signal Corps, from October 1, 1934.

Second Lt. Kenneth Johnson Woodbury, Coast Artillery Corps, from October 1, 1934.

Second Lt. Norman Alverton Congdon, Coast Artillery Corps, from October 1, 1934.

Second Lt. Robert Moffat Losey, Air Corps, from October 1, 1934.

Second Lt. Daniel Norman Sundt, Field Artillery, from October 1, 1934.

Second Lt. James Lee Beynon, Field Artillery, from October 1, 1934.

Second Lt. William Tremlett Kirn, Field Artillery, from October 1, 1934.

Second Lt. William Hopkins Greear, Cavalry, from October 1, 1934.

Second Lt. Harold Stevens Whiteley, Field Artillery, from October 1, 1934.

Second Lt. John Jackson O'Hara, Jr., Air Corps, from October 1, 1934.

Second Lt. John Spencer Nesbitt, Field Artillery, from October 1, 1934, subject to examination required by law.

Second Lt. Milton Andre Acklen, Cavalry, from October 1, 1934.

Second Lt. James Gordon Harding, Field Artillery, from October 1, 1934.

Second Lt. Chandler Prather Robbins, Jr., Cavalry, from October 1, 1934.

Second Lt. Emory Scott Wetzel, Air Corps, from October 1, 1934.

Second Lt. Frank M. Steadman, Field Artillery, from October 1, 1934.

Second Lt. William Lafayette Fagg, Infantry, from October 1, 1934.

Second Lt. Jacob George Reynolds, Coast Artillery Corps, from October 1, 1934.

Second Lt. William Darwin Hamlin, Signal Corps, from October 2, 1934.

Second Lt. Francis Emmons Fellows, Field Artillery, from October 2, 1934.

Second Lt. John Myron Underwood, Infantry, from October 2, 1934.

Second Lt. Thomas West Hammond, Jr., Infantry, from October 3, 1934.

Second Lt. Henry Ray McKenzie, Coast Artillery Corps, from October 5, 1934.

Second Lt. Edmund Chauncey Rockefeller Lasher, Quartermaster Corps, from October 9, 1934.

Second Lt. Paul Donal Harkins, Cavalry, from October 13, 1934.

Second Lt. Thomas Fowler Taylor, Cavalry, from October 14, 1934.

Second Lt. Edward Jamet McNally, Cavalry, from October 15, 1934.

Second Lt. Eric Hilmer Frithiof Svensson, Jr., Cavalry, from October 19, 1934.

Second Lt. Donald Alexander Poorman, Infantry, from October 20, 1934.

Second Lt. William Milstead Talbot, Coast Artillery Corps, from November 1, 1934.

Second Lt. George Milton Beaver, Infantry, from November 1, 1934.

Second Lt. George Elial Bush, Infantry, from November 1, 1934.

Second Lt. William Carson Bullock, Infantry, from November 1, 1934.

Second Lt. Calvin Luther Partin, Coast Artillery Corps, from November 1, 1934.

Second Lt. Robert William Ward, Infantry, from November 1, 1934.

Second Lt. Frank Dow Merrill, Cavalry, from November 1, 1934.

Second Lt. Louis Mortimer deLisle de Riemer, Cavalry, from November 1, 1934.

Second Lt. George Eldridge Keeler, Jr., Coast Artillery Corps, from November 1, 1934.

Second Lt. Hugh Warner Stevenson, Cavalry, from November 1, 1934.

Second Lt. Leroy William Krauthoff, Infantry, from November 1, 1934.

Second Lt. Robert Loomis Anderson, Coast Artillery Corps, from November 1, 1934.

Second Lt. James Leitch Grier, Infantry, from November 1, 1934.

Second Lt. Joseph Reisner Ranck, Cavalry, from November 1, 1934.

Second Lt. Joseph Marcellus Lovell, Infantry, from November 1, 1934.

Second Lt. Edward Blackburn Hempstead, Coast Artillery Corps, from November 1, 1934.

Second Lt. William Ernest Karnes, Air Corps, from November 1, 1934.

Second Lt. George Rich Barnes, Infantry, from November 1, 1934.

Second Lt. Robert Gordon Crandall, Field Artillery, from November 1, 1934.

Second Lt. Donald Manzanato Schorr, Cavalry, from November 1, 1934.

Second Lt. Kai Eduard Rasmussen, Coast Artillery Corps, from November 1, 1934.

Second Lt. John Wesley Hammond, Infantry, from November 1, 1934.

Second Lt. Laurence Neville Buck, Infantry, from November 1, 1934.

Second Lt. Paul Wyatt Caraway, Infantry, from November 1, 1934.

Second Lt. William Fulton McKee, Coast Artillery Corps, from November 1, 1934.

Second Lt. Elmer Elsworth Kirkpatrick, Jr., Quartermaster Corps, from November 1, 1934.

Second Lt. Wayne James Dunn, Cavalry, from November 1, 1934.

Second Lt. William Gilmer Bowyer, Air Corps, from November 1, 1934.

Second Lt. Eugene Louis Moseley, Infantry, from November 1, 1934.

Second Lt. Edgar Thomas Conley, Jr., Infantry, from November 1, 1934.

Second Lt. Kenneth Milton Briggs, Coast Artillery Corps, from November 1, 1934.

Second Lt. Ezekiel Wimberly Napier, Air Corps, from November 1, 1934.

Second Lt. Richard Claire Carpenter, Infantry, from November 1, 1934.

Second Lt. Paul William Steinbeck, Jr., Coast Artillery Corps, from November 1, 1934.

Second Lt. Charles Clarke White Allan, Cavalry, from November 1, 1934.

Second Lt. Harlan Robinson Statham, Infantry, from November 1, 1934.

Second Lt. James Bernard Quill, Cavalry, from November 1, 1934.

Second Lt. William Kerr Ghormley, Quartermaster Corps, from November 1, 1934.

Second Lt. Robert Little Cook, Infantry, from November 1, 1934.

Second Lt. James Maurice Gavin, Infantry, from November 1, 1934.

Second Lt. Fred Winchester Sladen, Jr., Infantry, from November 1, 1934.

Second Lt. Ralph Nisley Woods, Infantry, from November 1, 1934.

Second Lt. Russell Lowell Vittrup, Infantry, from November 1, 1934.

Second Lt. Dale Joel Kinnee, Infantry, from November 1, 1934.

Second Lt. John Drury Cone, Infantry, from November 1, 1934.

Second Lt. Samuel Victor Stephenson, Air Corps, from November 1, 1934.

Second Lt. Lester Skene Bork, Infantry, from November 1, 1934.

Second Lt. Ralph Bishop Strader, Infantry, from November 1, 1934.

Second Lt. Ernest Fred Heidland, Coast Artillery Corps, from November 1, 1934.

Second Lt. Ralph Van Strauss, Infantry, from November 1, 1934.

Second Lt. Charles Greene Calloway, Coast Artillery Corps, from November 1, 1934.

Second Lt. George Robert Evans, Infantry, from November 1, 1934.

Second Lt. William Hastings Francis, Coast Artillery Corps, from November 1, 1934.

Second Lt. Thomas Benton McDonald, Air Corps, from November 1, 1934.

Second Lt. Charles Theodore Arnett, Air Corps, from November 1, 1934.

Second Lt. Louis Anderson Hammack, Infantry, from November 1, 1934.

Second Lt. Daniel William Quinn, 3d, Infantry, from November 1, 1934.

Second Lt. John Russell Seward, Coast Artillery Corps, from November 1, 1934.

Second Lt. Melie John Coutlee, Air Corps, from November 6, 1934.

Second Lt. Thomas Jefferson DuBose, Air Corps, from November 8, 1934.

Second Lt. Daniel Campbell Doubleday, Air Corps, from November 10, 1934.

Second Lt. Harlan Clyde Parks, Coast Artillery Corps, from November 13, 1934.

Second Lt. Paul Lamar Freeman, Jr., Infantry, from November 17, 1934.

Second Lt. James Joseph Mathews, Infantry, from November 19, 1934.

Second Lt. Marshall Stubbs, Chemical Warfare Service (transferred from Infantry during the recess of the Senate), from December 1, 1934.

Second Lt. Joseph Allen McNerney, Infantry, from December 1, 1934.

Second Lt. Clarence Renshaw, Quartermaster Corps, from December 1, 1934.

Second Lt. Frederick Giddings, Infantry, from December 1, 1934.

MEDICAL CORPS

*To be colonel*

Lt. Col. William Lee Hart, Medical Corps, from September 15, 1934.

*To be lieutenant colonel*

Maj. Fletcher Olin McFarland, Medical Corps, from December 19, 1934.

*To be major*

Capt. Hubert Maurice Nicholson, Medical Corps, from July 10, 1934.

*To be captains*

First Lt. Albert Russel Dreisbach, Medical Corps, from June 17, 1934.

First Lt. William Weaver Nichol, Medical Corps, from July 1, 1934.

First Lt. Richard Paul Johnson, Medical Corps, from July 1, 1934.

First Lt. Joseph Upton Weaver, Medical Corps, from July 1, 1934.

First Lt. George Dersie McGrew, Medical Corps, from July 1, 1934.

First Lt. Leonard Frank Wilson, Medical Corps, from July 1, 1934.

First Lt. Major Samuel White, Medical Corps, from July 1, 1934.

First Lt. Robert James Wilson, Medical Corps, from July 1, 1934.

First Lt. Llewellyn Lancelot Barrow, Medical Corps, from July 1, 1934.

First Lt. Leonard Theodore Peterson, Medical Corps, from July 1, 1934.

First Lt. George Prazak, Medical Corps, from July 1, 1934.

First Lt. Fred Rueb, Jr., Medical Corps, from July 1, 1934.

First Lt. Alfred Henry Brauer, Medical Corps, from July 1, 1934.

First Lt. Roger Hubbard Allbee, Medical Corps, from July 1, 1934.

First Lt. Urho Robert Merikangas, Medical Corps, from July 1, 1934.

First Lt. John Bernard Herman, Medical Corps, from July 1, 1934.

First Lt. Clifford Gordon Blitch, Medical Corps, from December 10, 1934.

DENTAL CORPS

*To be lieutenant colonel*

Maj. Raymond William Pearson, Dental Corps, from June 30, 1934.

VETERINARY CORPS

*To be colonel*

Lt. Col. Alfred Lewis Mason, Veterinary Corps, from November 13, 1934.

*To be captains*

First Lt. Charles Stunkard Greer, Veterinary Corps, from October 10, 1934.

First Lt. John Lloyd Owens, Veterinary Corps, from October 29, 1934.

*To be first lieutenant*

Second Lt. George Townley Price, Veterinary Corps, from July 16, 1934.

MEDICAL ADMINISTRATIVE CORPS

*To be captain*

First Lt. Edward Martin Wones, Medical Administrative Corps, from December 22, 1934.

*To be first lieutenants*

Second Lt. Lewis Miller Gould, Medical Administrative Corps, from October 19, 1934.

Second Lt. Paul Nixon, Medical Administrative Corps, from December 12, 1934.

CHAPLAINS

*To be chaplains with the rank of major*

Chaplain Frank Lewis Miller (captain), United States Army, from July 16, 1934.

Chaplain Ralph Conrad Deibert (captain), United States Army, from August 16, 1934.

Chaplain Ralph Winfred Rogers (captain), United States Army, from August 29, 1934.

*To be chaplains with the rank of captain*

Chaplain Christian Anthony Wachter (first lieutenant), United States Army, from July 15, 1934.

Chaplain Leo James McDonald (first lieutenant), United States Army, from September 5, 1934.

PROMOTIONS IN THE PHILIPPINE SCOUTS

*To be lieutenant colonels*

Maj. John Adoniram Sterling, Philippine Scouts, from October 1, 1934.

Maj. Charles Herbert Lantz, Philippine Scouts, from October 1, 1934.

*To be captains*

First Lt. Joseph Luther Walecka, Philippine Scouts, from August 1, 1934.

First Lt. Frank Christian, Philippine Scouts, from September 1, 1934.

First Lt. Walter Lenuis Dencker, Philippine Scouts, from September 1, 1934.

First Lt. Wilbur Nease Haltiwanger, Philippine Scouts, from September 1, 1934.

First Lt. Paul Adamson Hollister, Philippine Scouts, from September 1, 1934.

First Lt. Francis Marion Wilson, Philippine Scouts, from September 1, 1934.

First Lt. James Russell Brownell, Philippine Scouts, from October 1, 1934.

First Lt. Harold Russell Jordan, Philippine Scouts, from October 1, 1934.

First Lt. Charles Edgar Burchett, Philippine Scouts, from October 1, 1934.

First Lt. Henderson Wilcox Allen, Philippine Scouts, from October 1, 1934.

First Lt. Howard James Edmands, Philippine Scouts, from October 1, 1934.

PROMOTIONS IN THE REGULAR ARMY

GENERAL OFFICERS

*To be major generals*

Brig. Gen. Frank Crandall Bolles, United States Army, from December 1, 1934, vice Maj. Gen. Preston Brown, United States Army, retired November 30, 1934.

Brig. Gen. Lytle Brown, United States Army, from February 1, 1935, vice Maj. Gen. Briant H. Wells, United States Army, to be retired January 31, 1935.

*To be brigadier generals*

Col. Dana True Merrill, Infantry, from December 1, 1934, vice Brig. Gen. William M. Cruikshank, United States Army, retired November 30, 1934.

Col. James Albert Woodruff, Corps of Engineers, vice Brig. Gen. Frank C. Bolles, United States Army, nominated for appointment as major general.

Col. Evan Harris Humphrey, Cavalry, vice Brig. Gen. Lytle Brown, United States Army, nominated for appointment as major general.

Col. Robert Cherry Foy, Field Artillery, from March 1, 1935, vice Brig. Gen. Charles R. Howland, United States Army, to be retired February 28, 1935.

*To be Chief Signal Officer, with the rank of major general, for a period of 4 years from date of acceptance, with rank from January 1, 1935*

Col. James Breadner Allison, Signal Corps, vice Maj. Gen. Irving J. Carr, Chief Signal Officer, retired December 31, 1934.

*To be Assistant to the Quartermaster General, with the rank of brigadier general, for a period of 4 years from date of acceptance, with rank from February 6, 1935*

Col. Henry Gibbins, Quartermaster Corps, vice Brig. Gen. Alexander E. Williams, Assistant to the Quartermaster General, whose term of office expires February 5, 1935.

*To be Assistant to the Chief of the Air Corps, with the rank of brigadier general, for a period of 4 years from date of acceptance, with rank from July 1, 1934*

Lt. Col. Augustine Warner Robins, Air Corps, vice Brig. Gen. Charles H. Danforth, Assistant to the Chief of the Air Corps, whose term of office expired June 30, 1934.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES

GENERAL OFFICERS

*To be major general, National Guard of the United States*

Maj. Gen. Daniel Needham, Massachusetts National Guard, from December 28, 1934.

*To be brigadier generals, National Guard of the United States*

Brig. Gen. Albert Henry Beebe, Washington National Guard, from December 10, 1934.

Brig. Gen. Washington Bowie, Jr., Maryland National Guard, from August 1, 1934.

Brig. Gen. Roger Wead Eckfeldt, Massachusetts National Guard, from December 28, 1934.

Brig. Gen. Sumter de Leon Lowry, Jr., Florida National Guard, from December 10, 1934.

Brig. Gen. Carlos Alden Penington, Washington National Guard, from August 21, 1934.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS

GENERAL OFFICER

*To be brigadier general, Reserve*

Brig. Gen. Cornelius Vanderbilt, Reserve, from August 29, 1934.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Capt. Harold R. Stark to be Chief of the Bureau of Ordnance in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

The following-named captains to be rear admirals in the Navy from the 1st day of September 1934:

Arthur P. Fairfield.

Walter N. Vernou.

Capt. George F. Neal to be a rear admiral in the Navy from the 1st day of October 1934.

Capt. William H. Allen to be a rear admiral in the Navy from the 1st day of November 1934.

Capt. James O. Richardson to be a rear admiral in the Navy from the 12th day of December 1934.

Commander Louis F. Thibault to be a captain in the Navy, from the 10th day of March 1934.

Commander John B. Earle to be a captain in the Navy from the 10th day of May 1934.

The following-named commanders to be captains in the Navy from the 30th day of June 1934:

Harold V. McKittrick

Thomas A. Symington

Robert C. Giffen

Commander Richard E. Cassidy to be a captain in the Navy from the 1st day of July 1934.

Commander Clarence N. Hinkamp to be a captain in the Navy from the 1st day of August 1934.

The following-named commanders to be captains in the Navy from the 1st day of September 1934:

Riley F. McConnell

Ezra G. Allen

Commander Emanuel A. Lofquist to be a captain in the Navy from the 1st day of October 1934.

Commander Henry C. Gearing, Jr., to be a captain in the Navy from the 1st day of November 1934.

Lt. Comdr. William H. P. Blandy to be a commander in the Navy from the 1st day of August 1933.

Lt. Comdr. Laurance T. DuBose to be a commander in the Navy from the 1st day of April 1934.

Lt. Comdr. Arthur G. Robinson to be a commander in the Navy from the 1st day of May 1934.

Lt. Comdr. Walter E. Doyle to be a commander in the Navy from the 10th day of May 1934.

Lt. Comdr. William W. Meek to be a commander in the Navy from the 1st day of June 1934.

The following-named lieutenant commanders to be commanders in the Navy from the 30th day of June 1934:

| | |
|---|---|
| Charles J. Parrish | Henry F. Floyd |
| Oliver L. Downes | Robert D. Kirkpatrick |
| Paulus P. Powell | Carl H. Jones |
| Samuel N. Moore | Carleton F. Bryant |
| Leo H. Thebaud | William J. Larson |
| Henry A. Seiller | John H. Buchanan |
| Alfred H. Donahue | Herman A. Spanagel |
| Gordon Hutchins | Paul A. Stevens |

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of July 1934:

Laurence Wild

Hartwell C. Davis

Robert H. Grayson

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of August 1934:

William G. B. Hatch

Alfred P. H. Tawresey

Joseph R. Redman

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of September 1934:

| | |
|---|---|
| Frank L. Lowe | Andrew H. Addoms |
| Theo. D. Westfall | George B. Wilson |
| Theodore D. Ruddock, Jr. | |

Lt. Comdr. William K. Harrill to be a commander in the Navy from the 8th day of September 1934.

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of October 1934:

Alfred H. Balsley

William E. Malloy

Lt. Comdr. Charles D. Swain to be a commander in the Navy from the 12th day of December 1934.

The following-named lieutenant commanders to be lieutenant commanders in the Navy to rank from the dates stated opposite their names to correct the date of rank as previously nominated and confirmed:

Allen D. Brown, September 26, 1932.

William C. Vose, October 1, 1932.

Harry B. Slocum, October 1, 1932.

Harry R. Thurber, November 1, 1932.

James B. Sykes, November 1, 1932.

Cuthbert A. Griffiths, November 8, 1932.

Franz O. Willenbucher, December 1, 1932.

Ernest H. von Heimburg, December 1, 1932.

John O. Huse, January 1, 1933.

William D. Sample, January 5, 1933.

Alfred P. Moran, Jr., February 1, 1933.

William E. Clayton, March 1, 1933.

Richard B. Tuggle, April 1, 1933.

John H. Cassady, April 1, 1933.

The following-named lieutenants to be lieutenant commanders in the Navy, to rank from the dates stated opposite their names:

Lewis H. C. Johnson, January 16, 1934.

Scott E. Peck, March 1, 1934.

George A. Ott, March 1, 1934.

Robert H. Harrell, March 1, 1934.

Emil B. Perry, March 10, 1934.

John J. Fitzgerald, April 1, 1934.

Stewart S. Reynolds, April 1, 1934.

Donald McA. Mackey, May 1, 1934.

Barrett Studley, May 10, 1934.

Thomas J. Bay, June 30, 1934.

John D. Murphy, June 30, 1934.

Thomas H. Robbins, Jr., June 30, 1934.

William Moultrie Moses, June 30, 1934.

William Sinton, June 30, 1934.

Abel C. J. Sabalot, June 30, 1934.

William B. Goggins, July 1, 1934.

Kendall S. Reed, July 1, 1934.

Felix L. Johnson, August 1, 1934.

Sam L. LaHache, September 1, 1934.

Donald R. Osburn, Jr., September 1, 1934.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, to rank from the dates stated opposite their names:

Charles A. Legg, June 30, 1933.

Roy D. Williams, July 1, 1933.

Arthur M. Townsend, March 1, 1934.

James R. Topper, March 1, 1934.

Raymond R. Waller, March 1, 1934.

George Edmund Peterson, March 1, 1934.

Burton L. Doggett, March 10, 1934.

Harrell W. Hall, April 1, 1934.

Joseph W. Adams, Jr., May 1, 1934.

Henry T. Read, May 1, 1934.

Samuel G. Kelly, May 1, 1934.

Hampton M. Ericsson, May 1, 1934.

Clarence L. Winecoff, June 1, 1934.

Charles J. Stuart, June 1, 1934.

Bernard T. Zelenka, June 1, 1934.

Bromfield B. Nichol, June 1, 1934.

Henry C. Doan, June 1, 1934.

Walter C. Dey, June 1, 1934.

John T. Warren, June 1, 1934.

Francis H. Gardner, June 1, 1934.

Edward F. Gallagher, June 29, 1934.

Joseph M. Worthington, June 30, 1934.

Robley W. Clark, June 30, 1934.

William A. Kanakanui, June 30, 1934.

Noble W. Abrahams, June 30, 1934.
Robert W. Larson, June 30, 1934.
Arthur C. Wood, June 30, 1934.
Theodoric C. Linthicum, June 30, 1934.
James F. McDonough, June 30, 1934.
Wilfred G. Lebegue, June 30, 1934.
James J. Cunningham, June 30, 1934.
Paul S. Crandall, June 30, 1934.
Harry E. Hubbard, June 30, 1934.
William H. Benson, June 30, 1934.
John H. Sides, June 30, 1934.
Charles H. Anderson, Jr., June 30, 1934.
William J. Marshall, June 30, 1934.
Henry Crommelin, June 30, 1934.
Redfield Mason, June 30, 1934.
Dundas P. Tucker, June 30, 1934.
Thomas B. McMurtrey, June 30, 1934.
John W. Murphy, Jr., June 30, 1934.
Martin R. Peterson, June 30, 1934.
Robert L. Adams, June 30, 1934.
Edward N. Parker, July 1, 1934.
Ernest M. Eller, July 1, 1934.
Lewis Wallace, July 1, 1934.
Richard G. Voge, July 1, 1934.
William P. McGirr, July 1, 1934.
Willis H. Pickton, July 1, 1934.
Austin W. Wheelock, July 1, 1934.
Edward K. Walker, August 1, 1934.
Richard A. Larkin, August 1, 1934.
Edmund B. Taylor, August 1, 1934.
Robert E. Cronin, September 1, 1934.
John L. Melgaard, September 1, 1934.
James S. Smith, Jr., September 1, 1934.
William G. H. Lind, September 1, 1934.
Cecil B. Gill, October 1, 1934.
Richard E. Elliott, October 1, 1934.
Morton C. Mumma, Jr., November 1, 1934.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 6th day of June 1933:

Frank H. Adamson
Francis R. Duborg

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 6th day of June 1933:

Donald W. Gladney, Jr.
Paul L. deVos
Henry G. Clark
Joseph B. H. Young
David D. Hawkins
Thomas B. Hutchins, 3d

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 4th day of June 1934:

Thomas D. Tyra
Alexander C. Veasey
Horacio Rivero, Jr.
Richard K. Anderson
Allan L. Reed
John B. Colwell
John G. F. Prescott
Thomas W. Rogers
Ernest C. Holtsworth
Jesse S. McAfee
Albert K. Romberg
George M. Greene
Winsor C. Gale
James T. Lay
Robert E. Gadrow
John O. F. Dorsett
Ransom A. Pierce
Horace D. Moulton
George A. Hatton
Gordon A. Uehling
Arthur I. Flaherty
John A. Webster
Edward H. Guilbert
Joseph F. Foley
Francis A. McKee
Thomas Ashworth, Jr.
Berton A. Robbins, Jr.
Wayne F. Gibson
Charles R. Almgren
Ralph N. Ernest
William W. Hollister
Francis J. Foley
James M. Wood
Hazlett P. Weatherwax
Ralph W. Elden
John L. Chew
George F. Schultz
Ashton B. Jones, Jr.
Vernon R. Hain
Merrill S. Holmes
Robert E. Lockwood
Ralph Cullinan, Jr.
George K. MacKenzie, Jr.
Maxim W. Firth
George K. Williams
James O. Biglow
John T. Wulff
Donald J. MacDonald
Robert B. Heilig
George R. Stone
Rudolph J. Fabian
William R. Lefavour
Frank G. Raysbrook
Lucian F. Dodson
Oscar E. Hagberg
Norman M. Miller

Edward M. Blessman
Henry A. Renken
Lawson P. Ramage
Louis F. Volk
Byron L. Gurnette
James R. Z. Reynolds
Frederick U. Weir
Donald V. Daniels
Howard J. Abbott
Archie D. Fraser
George E. Peckham
Robert A. Theobald, Jr.
Edward L. Robertson, Jr.
Claude V. Hawk
Albert D. Gray
Schermerhorn Van Mater
Raymond P. Hunter
James M. Peters
Bruce L. Carr
Russell C. Williams
Charles B. Brooks, Jr.
Victor H. Soucek
Orrin F. Black
John F. Castree
Peter M. Gaviglio
Lowell W. Williams
Robert E. Hudson
Curtis E. Smith
Reid P. Fiala
Richard H. Crane
Richard C. Steere
William B. Sieglaff
Donald T. Wilber
Charles L. Crommelin
Anthony C. Roessler
Lion T. Miles
John F. Harper, Jr.
Jay S. Anderson
Karl R. Wheland
Frank R. Putnam
Harry M. S. Gimber, Jr.
Philip H. Ashworth
George B. Madden
Robert P. Beebe
John H. Brockway
John A. Fitzgerald
Lorenz Q. Forbes
Edward F. Ferguson
Seymour D. Owens
John N. Hughes
Bernard F. McMahon
Philip W. Mothersill, Jr.
Bryant A. Chandler
James T. Smith
Benjamin Ghetzler
Robert S. Fahle
Vincent J. Meola
Clarence L. Gasterland
Harlan T. Johnson
George S. Wilson
Joseph T. Thornton, Jr.
Lee S. Pancake
Charles K. Palmer
Charles M. Howe, III
Alden H. Irons
Henry Williams, Jr.
Arthur A. Cumberledge
Wilmer E. Gallaher
Charles S. Vaughn
William W. Fitts
Edward S. Burns
Charles M. Jett
Robbins W. Allen
Ward T. Shields
Albert H. Wilson, Jr.
William R. McCuddy
William C. Hughes, Jr.
James M. O'Toole
John D. Huntley
Alfred B. Tucker, III
Roy O. Gilbert, Jr.
Henry R. Wier
Charles L. Werts
John W. Gannon
James I. Cone
Arnold H. Holtz
Baxter M. McKay
Louis J. Bellis
Edward L. Foster
Joseph W. Leverton, Jr.
Warren R. Thompson
Kinloch C. Walpole
John E. Kirkpatrick
Charles W. Aldrich
Mann Hamm
Prentis K. Will
Warren G. Corliss
Thomas H. Copeman
Peyton L. Wirtz
John W. Crumpacker
James B. Weiler
Ford L. Wallace
Norman Hall
Charles T. Straub
Leland G. Shaffer
John C. Parham, Jr.
William J. Giles, Jr.
David L. Roscoe, Jr.
John S. Reese
John W. Byng
Lester O. Wood
John C. Hollingsworth
Ernest E. Evans
Clifton Iverson
Joseph D. Black
Andrew J. Hill, Jr.
Andrew J. Smith
Frank G. Gould
Francis M. Peters, Jr.
Robert F. Jones
Burton C. Lillis, Jr.
William M. Fresbour
Thomas B. Payne
William A. Dunn
Joseph E. O'Brien
Edward J. O'Neill
Hiram Cassedy
Alcorn G. Beckmann
Edward M. Bingham
Thomas B. Gillespie
Paul W. Clarke
George P. Huff
Jerry C. South, Jr.
Robert M. Bowstrom
Evan W. Yancey
Richard W. Peterson
Noah Adair, Jr.
Carleton E. Mott
Floyd B. T. Myhre
Jesse H. Motes, Jr.
Donald W. Todd
Raymond H. Nelson
Reginald R. McCracken
Forsyth Massey
Eugene S. Lytle, Jr.
Henry H. Hale
Robert W. Mackert
Frederick J. Becton
Francis T. Williamson
Robert R. Sampson
Carson Hawkins
Justin A. Miller

Rathel L. Nolan, Jr.
Marshall T. Martin
James A. Murphy
Horace Myers
Willis O. Johnson
Nathaniel C. Copeland
Clark A. Ritchie
William V. McKaig
Elwin L. Farrington
William P. Woods
Julius E. Smith, Jr.
George C. Molumphy
William C. Norvell
John S. McCain, Jr.
Harry E. Seidel, Jr.
Josef M. Gardiner
James H. Davis
Joseph C. Toth

Medical Director John B. Dennis to be a medical director in the Navy, with the rank of rear admiral, from the 30th day of May 1928.

Medical Inspector George W. Calver to be a medical director in the Navy, with the rank of captain, from the 30th day of May 1934 (an extra number in grade, act of May 30, 1934).

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 30th day of June 1934:

Franklin F. Murdoch
Harold L. Jensen
Ogden D. King
Irving W. Jacobs
Robert L. Nattkemper
John P. Owen
Thomas C. Anderson
Melville J. Aston
Leo C. Thyson
Alma C. Smith
John T. Bennett
Paul W. Wilson
William J. C. Agnew
Jesse W. Allen
Ross T. McIntire
John R. White

Passed Asst. Surg. David B. Peters to be a surgeon in the Navy, with the rank of lieutenant commander, from the 10th day of March 1934.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, from the 1st day of June 1934:

Charles F. Behrens
Albert J. Desautels
Robert M. Cochrane
Ben Hollander
Navy F. X. Banvard
James J. O'Connor
Loyd Lewis Edmisten
Robert E. Duncan
Fred M. Rohow

The following-named assistant surgeons to be passed assistant surgeons in the Navy, with the rank of lieutenant, from the 30th day of June 1934:

Clarence C. Myers
Irwin L. Norman
Emmett D. Hightower
Harold G. Young
Hubert H. Carroll
Courtney G. Clegg
David J. Cracovaner
Joseph E. Evans
Jesse W. Miller
John M. Korb
Claude R. Ball
Robert S. Simpson
Cecil C. Welch
Julian Love
Carl K. Youngkin
Rupert H. Draeger
Douglas T. Prehn
Joseph G. Schnebly
Jay F. Miller
Gordon B. Tayloe
Dirk M. te Groen
Clyde L. Bozarth
Jesse G. Wright
Charles W. Shilling
Farra L. Read
Clark W. Virtue
Charles W. Stelle
Thomas J. Carter
William E. Walsh
DeCoy Marchand
Clifford W. Moore

The following-named dental surgeons to be dental surgeons in the Navy, with the rank of commander, to rank from June 30, 1934:

George M. Frazier
Frank S. Tichy
Alfred W. Chandler
Albert Knox
Everett K. Patton

Passed Assistant Dental Surgeon Ray E. Farnsworth to be a dental surgeon in the Navy, with the rank of lieutenant commander, from the 10th day of March 1934.

Passed Assistant Dental Surgeon Raymond D. Reid to be a dental surgeon in the Navy, with the rank of lieutenant commander, from the 1st day of June 1934.

The following-named assistant dental surgeons to be passed assistant dental surgeons in the Navy, with the rank of lieutenant, from the 30th day of June 1934:

Louis D. Mitchell, Jr.
Robert P. Irons
Edwin D. Foulk
Edward O. Andersen
Walter P. Caruthers

Assistant Dental Surgeon (Temporary) James A. Morton to be assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade), from the 9th day of October 1934.

Wilbur N. Van Zile, a citizen of California, to be assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade) for temporary service, from the 24th day of September 1934.

Passed Assistant Paymaster Harry B. Stengele to be a paymaster in the Navy, with the rank of lieutenant commander, from the 4th day of June 1931.

Passed Assistant Paymaster Jonas F. Rupert to be a paymaster in the Navy, with the rank of lieutenant commander, from the 1st day of December 1933.

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of January 1934:

Robert G. Robeson
Isaac W. Thompson

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 16th day of January 1934:

Harold R. Lehmann
Myron W. Willard
Archie A. Antrim
Samuel L. Bates
Harry F. Hake
Grandison J. Tyler

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 20th day of February 1934:

William Elliott
James E. Hunt
Hugh J. McManus
William E. Woods
Leo A. Ketterer
Nicholas A. Brown
John W. Overand
Howard N. Hill
Leo V. Flavell
Cornelius A. Brinkmann
Joseph E. Ford
Albert W. Eldred
Jacob H. Kyger
Joseph T. Lareau
Marvin McCray
Paul K. Coons
Roy L. Koester

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of March 1934:

James H. Stevens
George Scratchley
Ellsworth F. Sparks
Charles B. Forrest
John P. Killeen
William G. Conrad
Karl S. Farnum
Orville F. Byrd
Louis A. Puckett
Ellory F. Carr
James D. G. Wognum
Charles H. Gillilan
Charles H. Ritt
Harry A. Miller
Harvey R. Dye
Verny Carroll
Charles Schaaf
Forrest Ivanhoe
Ray E. Snedaker
Ray W. Byrns
George W. Davis
William W. Wise
Robert H. Lenson
Robert R. Blaisdell
Edward F. Ney

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 10th day of March 1934:

Walter E. Scott
Walter Guerry
George F. Yoran

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of April 1934:

Webster Gross
William R. Calvert
Herman F. Gingrich
James M. McComb

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of May 1934:

Frank P. Delahanty
Worth B. Beacham
Carl J. Buck
John M. Speissegger
Hunter J. Norton
Harry R. Hubbard
Charles M. Garrison

Passed Assistant Paymaster John H. Skillman to be a paymaster in the Navy, with the rank of lieutenant commander, from the 1st day of June 1934.

Assistant Paymaster John E. Wymond to be a passed assistant paymaster in the Navy, with the rank of lieutenant, from the 1st day of April 1934.

Acting Chaplain Emmet O'Neill to be a chaplain in the Navy, with the rank of lieutenant, from the 30th day of June 1934.

The following-named naval constructors to be naval constructors in the Navy, with the rank of commander, from the 30th day of June 1934:

| | |
|---|---|
| Edward L. Cochrane | Adrian R. Marron |
| Robert W. Ferrell | Gordon W. Nelson |
| Donald Royce | |

The following-named assistant naval constructors to be naval constructors in the Navy, with the rank of lieutenant, from the 8th day of June 1934:

| | |
|---|---|
| John B. Pearson, Jr. | Robert C. Bell, Jr. |
| Henry A. Schade | William S. Kurtz |
| George A. Holderness, Jr. | Emmett R. Sprung |

Assistant Civil Engineer John R. Perry to be a civil engineer in the Navy, with the rank of lieutenant, from the 8th day of June 1934.

Radio Electrician Nelson M. Cooke to be a chief radio electrician in the Navy, to rank with but after ensign, from the 1st day of October 1934.

Machinist Albert F. O'Meara to be a chief machinist in the Navy, to rank with but after ensign, from the 4th day of October 1933.

The following-named pay clerks to be chief pay clerks in the Navy, to rank with but after ensign from the 18th day of February 1934:

| | |
|---|---|
| Robert W. Underwood | George A. Mullen |
| John H. Hampshire | Charles J. Forquer |

Lt. Comdr. Roy Pfaff to be a commander in the Navy from the 1st day of July 1934.

Lt. Benjamin S. Brown to be a lieutenant commander in the Navy from the 1st day of June 1934.

Lt. Ernest W. Litch to be a lieutenant commander in the Navy from the 1st day of August 1934.

Lt. Marion E. Crist to be a lieutenant commander in the Navy from the 1st day of September 1934.

Lt. (Jr. Gr.) Forrest R. Bunker to be a lieutenant in the Navy from the 17th day of June 1933.

Lt. (Jr. Gr.) Dennis L. Francis to be a lieutenant in the Navy from the 1st day of January 1934.

Lt. (Jr. Gr.) Arthur A. Griese to be a lieutenant in the Navy from the 1st day of March 1934.

Lt. (Jr. Gr.) Eugene T. Seaward to be a lieutenant in the Navy from the 1st day of June 1934.

Lt. (Jr. Gr.) Robert H. G. Johnson to be a lieutenant in the Navy from the 30th day of June 1934.

Lt. (Jr. Gr.) Franklin D. Karns, Jr., to be a lieutenant in the Navy from the 1st day of November 1934.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 4th day of June 1934:

Carl A. Lizberg
Douglas T. Hammond

The following-named passed assistant paymasters to be paymasters in the Navy, with the rank of lieutenant commander, from the 1st day of June 1934:

| | |
|---|---|
| Benjamin O. Kilroy | Harry H. Hines |
| Archie B. McKay | Everett W. Brown |

Passed Assistant Paymaster Charles S. Bailey to be a paymaster in the Navy, with the rank of lieutenant commander, from the 30th day of June 1934.

Gunner Bryan C. Clark to be a chief gunner in the Navy, to rank with but after ensign, from the 1st day of October 1934.

Machinist Carl Mills to be a chief machinist in the Navy, to rank with but after ensign, from the 23d day of May 1932.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign, from the 1st day of October 1934:

William Smith
Richard G. Sly
John T. Staley

MARINE CORPS

Maj. Gen. (Temporary) John H. Russell to be a major general in the Marine Corps from the 1st day of September 1933.

Maj. Gen. (Temporary) Harry Lee to be a major general in the Marine Corps from the 1st day of March 1934.

Col. Richard P. Williams to be a brigadier general in the Marine Corps from the 29th day of May 1934.

Col. David D. Porter, Assistant Adjutant and Inspector, to be The Adjutant and Inspector of the Marine Corps, with the rank of brigadier general, for a period of 4 years from the 1st day of November 1934.

Lt. Col. Emile P. Moses to be a colonel in the Marine Corps from the 20th day of March 1934.

The following-named lieutenant colonels to be colonels in the Marine Corps from the 29th day of May 1934:

| | |
|---|---|
| Clayton B. Vogel | Andrew B. Drum |
| Henry N. Manney, Jr. | Holland M. Smith |
| Calvin B. Matthews | Ralph S. Keyser |

Lt. Col. Bennet Puryear, Jr., assistant quartermaster, to be an assistant quartermaster in the Marine Corps with the rank of colonel from the 1st day of October 1934.

Lt. Col. Philip H. Torrey to be a colonel in the Marine Corps from the 1st day of November 1934.

Lt. Col. Robert L. Denig to be a colonel in the Marine Corps from the 25th day of November 1934.

The following-named majors to be lieutenant colonels in the Marine Corps from the 29th day of May 1934:

| | |
|---|---|
| Alley D. Rorex | Harry K. Pickett |
| Samuel M. Harrington | John B. Sebree |
| Harold L. Parsons | Henry L. Larsen |
| Thomas E. Thrasher, Jr. | William H. Rupertus |
| Julian C. Smith | James L. Underhill |
| Charles J. Miller | Keller E. Rockey |
| Leander A. Clapp | Allen H. Turnage |
| Thomas S. Clarke | Matthew H. Kingman |
| Joseph C. Fegan | Alphonse DeCarre |
| Francis T. Evans | Samuel L. Howard |
| Alexander A. Vandegrift | Lyle H. Miller |
| Roy S. Geiger | Ralph J. Mitchell |
| Charles D. Barrett | DeWitt Peck |
| Oliver Floyd | Archie F. Howard |
| Harry Schmidt | Raymond R. Wright |
| Earl C. Long | Pedro A. del Valle |
| Harry L. Smith | Walter H. Sitz |
| Selden B. Kennedy | William G. Hawthorne |
| Miles R. Thacher | Oscar R. Cauldwell |
| Marion B. Humphrey | Arnold W. Jacobsen |
| William B. Sullivan | Earl H. Jenkins |
| Lowry B. Stephenson | Thomas E. Watson |
| Harold C. Pierce | |

Maj. Walter G. Sheard to be a lieutenant colonel in the Marine Corps from the 1st day of October 1934.

Maj. James E. Davis to be a lieutenant colonel in the Marine Corps from the 1st day of November 1934.

Maj. Lloyd L. Leech to be a lieutenant colonel in the Marine Corps from the 25th day of November 1934.

Maj. Raphael Griffin to be a lieutenant colonel in the Marine Corps from the 1st day of January 1935.

The following-named captains to be majors in the Marine Corps from the 29th day of May 1934:

| | |
|---|---|
| Francis P. Mulcahy | Field Harris |
| Dean Kalbfleisch | Roy C. Swink |
| Robert M. Montague | Leon L. Dye |
| Daniel E. Campbell | Francis E. Pierce |
| Maurice G. Holmes | Maurice C. Gregory |
| James E. Betts | Andrew E. Creesy |
| James W. Webb | Donald Curtis |
| John M. Tildsley | Ery M. Spencer |
| Louis E. Woods | Martin J. Kelleher |
| Evans O. Ames | Franklin T. Steele |
| Franklin A. Hart | William N. Best |
| George F. Adams | William A. Worton |
| Emmett W. Skinner | John W. Thomason, Jr. |
| Thomas B. Gale | Merritt B. Curtis |

| | |
|---|---|
| Charles T. Brooks | John C. Wood |
| Herbert Hardy | Richard H. Jeschke |
| Charles N. Muldrow | Joseph I. Nettekoven |
| John T. Walker | William P. T. Hill |
| Joseph G. Ward | William E. Riley |
| Robert C. Anthony | Ray A. Robinson |
| James D. McLean | Robert L. Montague |
| Henry D. Linscott | Jacob Lienhard |
| William T. Clement | Victor F. Bleasdale |
| Ralph E. West | Merwin H. Silverthorn |
| Frank D. Strong | John Groff |
| Lyman Passmore | Leonard E. Rea |
| Clifford O. Henry | William W. Rogers |
| Joseph T. Smith | Curtis T. Beecher |
| Raymond E. Knapp | George F. Stockes |
| Edward L. Burwell, Jr. | William K. MacNulty |
| Omar T. Pfeiffer | Jacob M. Pearce |
| Campbell H. Brown | William P. Richards |
| Lewie G. Merritt | Edgar S. Tuttle |
| Claude A. Larkin | Bert A. Bone |
| Lucian W. Burnham | Robert C. Thaxton |
| Shaler Ladd | Harold D. Campbell |

Capt. William H. Harrison to be a major in the Marine Corps from the 1st day of October 1934.

Capt. John P. Adams to be a major in the Marine Corps from the 1st day of November 1934.

Capt. Gilbert D. Hatfield to be a major in the Marine Corps from the 1st day of November 1934.

Capt. George H. Morse, Jr., to be a major in the Marine Corps from the 25th day of November 1934.

Capt. William T. Evans to be a major in the Marine Corps from the 1st day of January 1935.

Capt. Benjamin W. Gally to be a major in the Marine Corps from the 1st day of January 1935.

The following-named first lieutenants to be captains in the Marine Corps from the 29th day of May 1934:

| | |
|---|---|
| William L. McKittrick | John C. McQueen |
| Charles W. Pohl | Howard N. Kenyon |
| Stanley E. Ridderhof | William N. McKelvy, Jr. |
| Morris L. Shively | William W. Davies |
| Max D. Smith | Vernon E. Megee |
| David A. Stafford | Augustus W. Cockrell |
| Chesley G. Stevens | James M. Smith |
| Walter W. Wensinger | William H. Doyle |
| Lawson H. M. Sanderson | Ernest E. Linsert |
| Jacob F. Plachta | Orin H. Wheeler |
| Harold E. Rosecrans | Lewis A. Hohn |
| Leo Sullivan | William O. Brice |
| Hayne D. Boyden | Francis M. Wulbern |
| Franklin G. Cowie | Edwin A. Pollock |
| Christian F. Schilt | Randolph McC. Pate |
| Stuart W. King | Cornelius J. Eldridge |
| Walter A. Wachtler | Lucian C. Whitaker |
| William E. Maxwell | John C. Donehoo, Jr. |
| Clarence R. Wallace | Raymond P. Coffman |
| Ronald A. Boone | James M. McHugh |
| Paul B. Watson | Rupert R. Deese |
| William B. Onley | James P. Riseley |
| James H. Strother | Harry E. Dunkelberger |
| Ivan W. Miller | Clayton C. Jerome |
| Joe N. Smith | Emery E. Larson |
| Louis E. Marie, Jr. | John M. Greer |
| Thomas M. Ryan | George J. O'Shea |
| James S. Monahan | Charles O. Brown |
| John A. Bemis | Eugene H. Price |

First Lt. Lyman G. Miller to be a captain in the Marine Corps from the 1st day of July 1934.

First Lt. Ralph E. Forsyth to be a captain in the Marine Corps from the 1st day of August 1934.

First Lt. William M. Mitchell to be a captain in the Marine Corps from the 1st day of October 1934.

First Lt. James A. Stuart to be a captain in the Marine Corps from the 1st day of November 1934.

First Lt. Pierson E. Conradt to be a captain in the Marine Corps from the 1st day of November 1934.

First Lt. Howard R. Huff to be a captain in the Marine Corps from the 25th day of November 1934.

First Lt. William W. Orr to be a captain in the Marine Corps from the 1st day of December 1934.

First Lt. Gregon A. Williams to be a captain in the Marine Corps from the 1st day of December 1934.

First Lt. Evans F. Carlson to be a captain in the Marine Corps from the 1st day of January 1935.

First Lt. John W. Lakso to be a captain in the Marine Corps from the 1st day of January 1935.

First Lt. Monroe S. Swanson to be a captain in the Marine Corps from the 1st day of January 1935.

First Lt. Will H. Lee to be a captain in the Marine Corps from the 1st day of January 1935.

Second Lt. Robert B. Luckey to be a first lieutenant in the Marine Corps from the 1st day of May 1934.

Second Lt. Karl K. Louther to be a first lieutenant in the Marine Corps from the 1st day of May 1934.

The following-named second lieutenants to be first lieutenants in the Marine Corps from the 29th day of May 1934:

| | |
|---|---|
| Richard P. Ross, Jr. | William F. Parks |
| Paul Drake | Chandler W. Johnson |
| Clinton E. Fox | William A. Willis |
| Harold R. Lee | John S. Holmberg |
| George O. Van Orden | Clarence J. O'Donnell |
| Walker A. Reaves | Paul D. Sherman |
| Robert L. Peterson | John F. Stamm |
| George E. Williams | George R. Weeks |
| Kenneth H. Weir | John Wehle |
| Arthur F. Binney | James P. Berkeley |
| Clovis C. Coffman | William P. Beattell |
| Perry O. Parmelee | Cornelius P. Van Ness |
| John J. Heil | Edson L. Lyman |
| Max W. Schaeffer | Lewis R. Tyler |
| Thomas G. Ennis | Archibald D. Abel |
| Ernest E. Pollock | George H. Cloud |
| Wilson T. Dodge | Charles E. Shepard, Jr. |
| Boeker C. Batterton | Peter A. McDonald |
| Frank C. Croft | Michael M. Mahoney |
| Saville T. Clark | Thomas B. Hughes |
| John V. Rosewaine | Frank G. Wagner, Jr. |
| Hewin O. Hammond | Paul Moret |
| Lester S. Hamel | Harold W. Bauer |
| Joseph J. Tavern | William B. McKean |
| Joe A. Smoak | Fred D. Beans |
| Louis M. Heinrichs | Glen G. Herndon |
| Alva B. Lasswell | Wallace M. Greene, Jr. |
| William I. Phipps | Francis H. Williams |
| William F. Coleman | Paul W. Russell |
| Homer C. Murray | William B. Steiner |
| Frank H. Schwable | Frank M. Reinecke |
| Edward C. Dyer | John M. Davis |
| Melvin G. Brown | Walfried H. Fromhold |
| Manly L. Curry | James T. Wilbur |
| Samuel B. Griffith, 2d | Charles H. Hayes |
| Raymond F. Crist, Jr. | Donald M. Weller |
| Otho C. Ledbetter | Samuel S. Yeaton |
| Harry C. Lang | Edward A. Montgomery |
| James B. Lake, Jr. | Edgar O. Price |
| Deane C. Roberts | Robert E. Hill |
| Albert F. Moe | James M. Daly |
| James V. Bradley, Jr. | Nicholas J. Pusel |
| Keith R. Willard | Ronald D. Salmon |
| Joseph H. Berry | Russell Lloyd |
| Zebulon C. Hopkins | Ernest W. Fry, Jr. |
| Wilfred J. Huffman | Wright C. Taylor |
| Orin K. Pressley | Marcellus J. Howard |
| Robert H. Williams | August Larson |
| Randall M. Victory | Donovan D. Sult |
| Joseph P. McCaffery | Richard W. Hayward |
| Carson A. Roberts | Norman Hussa |
| Richard J. McPherson | Henry T. Elrod |
| John B. Hill | Robert L. McKee |
| James R. Hester | Edward B. Carney |

The following-named second lieutenants to be first lieutenants in the Marine Corps from the 4th day of June 1934:

| | |
|---|---|
| Austin R. Brunelli | Albert J. Keller |
| Lewis C. Hudson, Jr. | Luther S. Moore |
| Edmund B. Games | Harry S. Leon |

| | |
|---|---|
| Nelson K. Brown | Harold I. Larson |
| Charles R. Jones | Clifton R. Moss |
| Clifford H. Shuey | Bankson T. Holcomb, Jr. |
| Wayne H. Adams | Frederick L. Wieseman |
| John H. Cook, Jr. | Robert S. Brown |
| Edward H. Forney, Jr. | Harlan C. Cooper |
| John A. White | Robert E. Fojt |
| Samuel G. Taxis | William K. Pottinger |
| Edward J. Dillon | Billy W. King |

The following-named second lieutenants to be first lieutenants in the Marine Corps from the 11th day of June 1934:

George R. E. Shell

James H. Brower

Quartermaster Clerk Landreville Ledoux to be a chief quartermaster clerk in the Marine Corps, to rank with but after second lieutenant, from the 7th day of September 1934.

## POSTMASTERS

### ALABAMA

Sidney B. Hooper to be postmaster at Albertville, Ala., in place of Leander Isbell, removed.

Felton Collier to be postmaster at Bessemer, Ala., in place of J. H. McEniry. Incumbent's commission expired May 2, 1934.

Daniel H. Byrd to be postmaster at Boligee, Ala., in place of D. H. Byrd. Incumbent's commission expired June 19, 1933.

Mabel C. Leigh to be postmaster at Brewton, Ala., in place of G. F. Schad, removed.

James B. White, Jr., to be postmaster at Centerville, Ala., in place of N. C. Fuller. Incumbent's commission expired March 18, 1934.

Bertha M. Beck to be postmaster at Chapman, Ala., in place of S. M. Stallworth, resigned.

Charles E. Niven to be postmaster at Columbiana, Ala., in place of J. F. Baker, removed.

Edmon R. Todd to be postmaster at Courtland, Ala., in place of J. G. Sanderson. Incumbent's commission expired January 22, 1934.

Thomas A. Smith to be postmaster at Cullman, Ala., in place of J. E. Sutterer. Incumbent's commission expired March 22, 1934.

Bessie L. Butler to be postmaster at Double Springs, Ala., in place of James Guttery, resigned.

Maxwell L. Warren to be postmaster at Enterprise, Ala., in place of J. S. Amos, resigned.

Clayton C. Baldwin to be postmaster at Fairhope, Ala., in place of A. H. Mershon. Incumbent's commission expired June 17, 1934.

Leila P. Adair to be postmaster at Geneva, Ala., in place of Alberta Alexander. Incumbent's commission expired May 29, 1934.

Vera G. Howell to be postmaster at Greensboro, Ala., in place of C. W. Massengale, removed.

Lelia C. Williamson to be postmaster at Gurley, Ala., in place of H. P. Houk. Incumbent's commission expired May 29, 1934.

Henry B. Foster to be postmaster at Haleyville, Ala., in place of F. M. Johnson, resigned.

George W. Burkart to be postmaster at Hanceville, Ala., in place of L. W. Johnston, removed.

Mary F. Ward to be postmaster at Hartford, Ala., in place of J. B. Daughtry. Incumbent's commission expired March 18, 1934.

Nora B. Wells to be postmaster at Jemison, Ala., in place of Jewell Sorrell. Incumbent's commission expired June 17, 1934.

Tom Dorroh to be postmaster at Kennedy, Ala. Office became Presidential July 1, 1934.

Alfred L. Harrell to be postmaster at Lafayette, Ala., in place of J. F. Frazer. Incumbent's commission expired June 17, 1934.

John M. Spruiell to be postmaster at Leeds, Ala., in place of J. E. Hurst. Incumbent's commission expired April 28, 1934.

Nathaniel J. Davis to be postmaster at Marion, Ala., in place of J. D. Dennis, resigned.

Dewey D. Prater to be postmaster at Millport, Ala., in place of W. K. Black. Incumbent's commission expired March 22, 1934.

Charles R. Cain to be postmaster at Oakman, Ala., in place of W. F. Crownover, Jr. Incumbent's commission expired April 28, 1934.

William W. Wilson to be postmaster at Oneonta, Ala., in place of R. A. Tuck, resigned.

Walter H. Wilson to be postmaster at Opelika, Ala., in place of A. G. Smith, deceased.

Walter A. Blount to be postmaster at Slocomb, Ala., in place of E. B. Carroll. Incumbent's commission expired April 15, 1934.

J. Donald Merchant to be postmaster at Thorsby, Ala., in place of G. A. Bice, removed.

Ellalee M. Setzer to be postmaster at Uniontown, Ala., in place of E. E. Morgan. Incumbent's commission expired February 2, 1933.

Robert C. Montgomery to be postmaster at Warrior, Ala., in place of Edna Young, removed.

### ALASKA

Robert E. Sheldon to be postmaster at Fairbanks, Alaska, in place of W. T. Pinkerton, removed.

Albert Wile to be postmaster at Juneau, Alaska, in place of J. C. Spickett. Incumbent's commission expired December 8, 1934.

Guy E. Mish to be postmaster at Nome, Alaska, in place of William Arthurs, resigned.

Richard F. Brennan to be postmaster at Petersburg, Alaska, in place of Jacob Otness, resigned.

William H. Murray to be postmaster at Skagway, Alaska, in place of J. J. Conway, resigned.

### ARIZONA

Jessie I. Cooper to be postmaster at Chandler, Ariz., in place of E. E. Cooper, deceased.

Woodie A. Gatlin to be postmaster at Patagonia, Ariz., in place of H. B. Riggs. Incumbent's commission expired January 28, 1934.

J. Albert Brown to be postmaster at St. Johns, Ariz., in place of B. Y. Peterson. Incumbent's commission expired January 27, 1932.

Sparlin B. Boner to be postmaster at Seligman, Ariz., in place of R. L. Diamond. Incumbent's commission expired January 31, 1933.

Neal H. Phelps to be postmaster at Springerville, Ariz., in place of W. J. Kowalski. Incumbent's commission expired December 16, 1933.

Harold B. Collins to be postmaster at Tucson, Ariz., in place of H. W. Zipf. Incumbent's commission expired June 28, 1934.

Joseph M. Balsz to be postmaster at Yuma, Ariz., in place of Donald McIntyre. Incumbent's commission expired March 18, 1934.

### ARKANSAS

Clyde S. Airheart to be postmaster at Augusta, Ark., in place of E. E. Blackmon. Incumbent's commission expired March 18, 1934.

Herman Cross to be postmaster at Blytheville, Ark., in place of J. H. Elkins. Incumbent's commission expired April 16, 1934.

Clinton H. Northcutt to be postmaster at Decatur, Ark., in place of Addie Murphy. Incumbent's commission expired May 2, 1934.

Thomas M. Coker to be postmaster at Glenwood, Ark., in place of P. W. Hampton, removed.

Howard E. Powell to be postmaster at Gurdon, Ark., in place of F. H. Price. Incumbent's commission expired April 28, 1934.

Ella B. Mitchell to be postmaster at Havana, Ark., in place of L. E. Oliver. Incumbent's commission expired February 14, 1934.

Charles L. Moore to be postmaster at Helena, Ark., in place of D. C. Wines, transferred.

Jerry J. Simpson to be postmaster at Huntsville, Ark., in place of H. L. Thompson, removed.

Alonzo E. Nelson to be postmaster at Judsonia, Ark., in place of E. N. Orr. Incumbent's commission expired June 17, 1934.

Clark H. Griscom to be postmaster at Lincoln, Ark., in place of M. D. Reed. Incumbent's commission expired December 11, 1932.

Richard S. Remy to be postmaster at Mulberry, Ark., in place of H. L. Shambarger, removed.

Ross L. Lawhon to be postmaster at North Little Rock, Ark. Office established.

William B. Hunter to be postmaster at Parkin, Ark., in place of V. C. Paul, resigned.

Mark B. Craig to be postmaster at Russellville, Ark., in place of J. H. Martin. Incumbent's commission expired January 5, 1933.

Horatio J. Humphries to be postmaster at Salem, Ark., in place of S. A. King. Incumbent's commission expired April 16, 1934.

Lewis B. Mason to be postmaster at Swifton, Ark., in place of C. E. Mitts. Incumbent's commission expired June 17, 1934.

CALIFORNIA

W. Wesley Field to be postmaster at Antioch, Calif., in place of F. J. Biglow. Incumbent's commission expired April 22, 1934.

Stuart J. Titlow to be postmaster at Arcata, Calif., in place of J. R. Brown. Incumbent's commission expired December 19, 1932.

Guy N. Southwick to be postmaster at Atascadero, Calif., in place of A. L. Woodin. Incumbent's commission expired April 16, 1934.

Mary Evalyn Rider to be postmaster at Balboa Island, Calif. Office became Presidential July 1, 1934.

Thomas J. Durfee to be postmaster at Bieber, Calif., in place of T. J. Durfee. Incumbent's commission expired June 24, 1934.

Reginald C. Line to be postmaster at Boulder Creek, Calif., in place of R. L. Ball. Incumbent's commission expired December 16, 1933.

Frank E. Hagne to be postmaster at Covelo, Calif., in place of A. N. Moore. Incumbent's commisison expired March 2, 1933.

Carlton T. Hansen to be postmaster at Crescent City, Calif., in place of J. N. Hamilton. Incumbent's commission expired April 22, 1934.

Raymond M. Krollpfeiffer to be postmaster at Del Monte, Calif., in place of W. D. Neilson, deceased.

William M. McClearen, to be postmaster at Exeter, Calif., in place of G. B. Tantau, resigned.

Joel K. L. Schwartz to be postmaster at Fillmore, Calif., in place of T. H. Zimmerman. Incumbent's commission expired March 8, 1934.

Raymond E. Ware to be postmaster at Fort Bragg, Calif., in place of C. B. Melville. Incumbent's commission expired February 14, 1934.

Richard S. Gregory to be postmaster at Fullerton, Calif., in place of J. B. Horner. Incumbent's commission expired May 7, 1934.

Robert M. Martin to be postmaster at Gilroy, Calif., in place of Tracy Learnard. Incumbent's commission expired April 2, 1934.

Donald B. Robb to be postmaster at Gridley, Calif., in place of J. N. Hollis. Incumbent's commission expired March 8, 1934.

Charlotte A. Cavalli to be postmaster at Half Moon Bay, Calif., in place of F. B. LaCrosse. Incumbent's commission expired December 19, 1932.

Gorham R. Humphreys to be postmaster at Happy Camp, Calif. Office became Presidential July 1, 1934.

Arthur F. White to be postmaster at Hawthorne, Calif., in place of C. E. VanDerOef, removed.

Margaret Allen to be postmaster at Indio, Calif., in place of Margaret Allen. Incumbent's commission expired December 18, 1933.

Bessie L. Dunn to be postmaster at Isleton, Calif., in place of G. A. Denison. Incumbent's commission expired January 11, 1934.

John E. Nolan to be postmaster at Jamestown, Calif., in place of J. E. Nolan. Incumbent's commission expired December 19, 1932.

Henry B. R. Briggs to be postmaster at Los Angeles, Calif., in place of P. P. O'Brien, resigned.

Jence J. Anderson to be postmaster at Martinez, Calif., in place of J. A. Schweinitzer, removed.

Vaun Johnson to be postmaster at Morro Bay, Calif., in place of L. A. Anderson. Incumbent's commission expired December 11, 1932.

Betty M. West to be postmaster at Nevada City, Calif., in place of P. G. Scadden. Incumbent's commission expired April 22, 1934.

Lela Opal Houghton to be postmaster at Newhall, Calif., in place of M. E. Dawson. Incumbent's commission expired May 23, 1933.

James E. Byrne to be postmaster at Oroville, Calif., in place of J. Z. Shelton. Incumbent's commission expired April 22, 1934.

Louis E. Clay to be postmaster at Pacific Grove, Calif., in place of F. E. Paul. Incumbent's commission expired April 2, 1934.

Elmer T. Bollinger to be postmaster at Paso Robles, Calif., in place of H. G. Merrill. Incumbent's commission expired January 8, 1934.

Harry A. McBride to be postmaster at Pittsburg, Calif., in place of M. L. Royce. Incumbent's commission expired January 9, 1933.

William H. Smith to be postmaster at Point Arena, Calif., in place of W. H. Smith. Incumbent's commission expired July 3, 1934.

Eugene L. Scott to be postmaster at Porterville, Calif., in place of J. A. Scott. Incumbent's commission expired February 28, 1933.

Myrtle E. Vance to be postmaster at Portola, Calif., in place of M. E. Vance. Incumbent's commission expired June 24, 1934.

J. Vedro Stanton to be postmaster at Redding, Calif., in place of William Junkans, resigned.

Robert E. O'Connell, Jr., to be postmaster at Redwood City, Calif., in place of C. K. Mabie. Incumbent's commission expired February 25, 1934.

Mildred R. Doyle to be postmaster at Ross, Calif., in place of F. M. Cole. Incumbent's commission expired May 23, 1933.

Ellis T. Tanner to be postmaster at San Jacinto, Calif., in place of R. E. Copeland. Incumbent's commission expired April 2, 1934.

Frederick T. Hale to be postmaster at Santa Cruz, Calif., in place of F. R. Howe. Incumbent's commission expired April 2, 1934.

Elmer G. Youmans to be postmaster at San Ysidro, Calif., in place of R. A. Haskell. Incumbent's commission expired January 26, 1933.

Lois L. Berry to be postmaster at Shafter, Calif., in place of W. H. Hitchcock, removed.

William D. Browning to be postmaster at Strathmore, Calif., in place of C. W. Bouldin. Incumbent's commission expired April 8, 1934.

Timothy J. O'Brien to be postmaster at Taft, Calif., in place of Nicholas Kitchak, removed.

Raymond O. Foster to be postmaster at Talmage, Calif., in place of W. L. Milne, deceased.

Harry D. Beck to be postmaster at Tipton, Calif., in place of F. J. Klindera. Incumbent's commission expired December 18, 1933.

Leo H. Strickland to be postmaster at Venice, Calif., in place of C. W. Holbrook, removed.

James E. Rains to be postmaster at Ventura, Calif., in place of W. W. Bernhardt. Incumbent's commission expired February 10, 1934.

Nathan Levy to be postmaster at Visalia, Calif., in place of A. M. Becker. Incumbent's commission expired March 8, 1934.

William T. King to be postmaster at Weed, Calif., in place of F. R. Coleman. Incumbent's commission expired May 7, 1934.

COLORADO

Earl E. Graham to be postmaster at Canon City, Colo., in place of J. W. Emmerson, retired.

Rudy A. Weisgerber to be postmaster at Cripple Creek, Colo., in place of E. H. Bebee, removed.

Olive R. Ross to be postmaster at Deertrail, Colo., in place of F. M. Whalen. Incumbent's commission expired March 22, 1934.

Nettie K. Lilley to be postmaster at Fairplay, Colo., in place of Idamay Spurlock, resigned.

Lucia A. Wheatley to be postmaster at Grand Valley, Colo., in place of O. M. Letson. Incumbent's commission expired July 1, 1934.

John W. McMahon to be postmaster at Leadville, Colo., in place of W. J. Orr. Incumbent's commission expired April 16, 1934.

Townsend W. Monell to be postmaster at Montrose, Colo., in place of W. D. Asbury, removed.

Wilton T. Hutt to be postmaster at Norwood, Colo., in place of Annie Hurlburt. Incumbent's commission expired May 29, 1934.

Floyd F. Hensler to be postmaster at Ordway, Colo., in place of T. E. Downey, deceased.

F. Reef Egger to be postmaster at Pagosa Springs, Colo., in place of L. L. Marsh. Incumbent's commission expired June 17, 1934.

Edward R. Mulvihill to be postmaster at Palisade, Colo., in place of R. H. Bancroft. Incumbent's commission expired June 17, 1934.

James W. Stuart to be postmaster at Pritchett, Colo., in place of Gwendolyn Oyler. Incumbent's commission expired April 16, 1934.

Willard T. Moreland to be postmaster at Simla, Colo., in place of W. W. Hofer. Incumbent's commission expired June 20, 1934.

Carl E. Raney to be postmaster at Walsh, Colo., in place of R. B. Kerr. Incumbent's commission expired September 18, 1933.

Christine Jespersen to be postmaster at Weldona, Colo., in place of H. I. Boyd. Incumbent's commission expired January 22, 1934.

Carl H. Davis to be postmaster at Wiley, Colo., in place of R. H. Horner. Incumbent's commission expired May 2, 1934.

CONNECTICUT

George T. Manion to be postmaster at Avon, Conn., in place of W. C. Chidsey. Incumbent's commission expired June 20, 1934.

Charles H. Yeager to be postmaster at Rockyhill, Conn., in place of A. T. Harding. Incumbent's commission expired January 18, 1933.

Patrick T. Malley to be postmaster at Thompsonville, Conn., in place of W. P. Gourlie, removed.

FLORIDA

Hal Hoffman to be postmaster at Apalachicola, Fla., in place of J. F. Warren. Incumbent's commission expired April 8, 1934.

Francis C. Wilson to be postmaster at Blountstown, Fla., in place of S. E. Yon. Incumbent's commission expired July 1, 1934.

Adelaide de Lauzanne to be postmaster at Brooksville, Fla., in place of Algernon Keathley, resigned.

William T. Eddins to be postmaster at Bushnell, Fla., in place of Victor Allen. Incumbent's commission expired January 4, 1933.

Reuben G. Bradford to be postmaster at Carrabelle, Fla., in place of C. E. Kilbourn. Incumbent's commission expired March 18, 1934.

Nadia V. Hall to be postmaster at Center Hill, Fla., in place of D. C. Smith. Incumbent's commission expired January 20, 1930.

Mayo Ferdon to be postmaster at Crestview, Fla., in place of Fred Brett. Incumbent's commission expired January 9, 1934.

Fay G. Brown to be postmaster at Foley, Fla., in place of L. M. Sheffield, deceased.

Walter B. Walters to be postmaster at Fort Myers, Fla., in place of J. E. Brecht. Incumbent's commission expired November 12, 1933.

Charles W. Peters to be postmaster at Fort Pierce, Fla., in place of W. S. Moe. Incumbent's commission expired January 9, 1934.

Guy P. Ruhl to be postmaster at Frostproof, Fla., in place of R. J. Sweezey. Incumbent's commission expired January 9, 1934.

George W. Shelton to be postmaster at Lake Alfred, Fla., in place of C. M. Shinn. Incumbent's commission expired February 1, 1934.

Roy H. Chapman to be postmaster at Lake City, Fla., in place of G. O. Jacobs. Incumbent's commission expired March 18, 1934.

George W. Oliver to be postmaster at Lake Wales, Fla., in place of H. M. Flagg. Incumbent's commission expired May 29, 1934.

Vivian L. Roberts to be postmaster at Lynn Haven, Fla., in place of J. L. Cooley. Incumbent's commission expired June 20, 1934.

Ebenezer J. Harris to be postmaster at Madison, Fla., in place of J. A. Zipperer, resigned.

Edward T. Owen to be postmaster at Maitland, Fla., in place of A. M. Kohloss. Incumbent's commission expired March 18, 1934.

Joseph L. Porcher to be postmaster at Melbourne, Fla., in place of M. V. Robinson, removed.

Clifford C. Dooley to be postmaster at Mount Dora, Fla., in place of D. H. Bishop, removed.

Robert E. Sweat to be postmaster at Mulberry, Fla., in place of E. L. Goss, deceased.

Robert H. Roesch, Jr., to be postmaster at Oneco, Fla., in place of G. B. Helm. Incumbent's commission expired March 18, 1934.

Helen A. Thompson to be postmaster at Orange City, Fla., in place of P. E. Graham. Incumbent's commission expired March 18, 1934.

Wayne E. Lee to be postmaster at Panama City, Fla., in place of J. J. B. Taylor. Incumbent's commission expired May 7, 1934.

Fenton M. Prewitt to be postmaster at Plant City, Fla., in place of M. E. Barnes. Incumbent's commission expired May 29, 1934.

Thomas J. Nobles to be postmaster at Pompano, Fla., in place of Clyde Bland, resigned.

George O. Dewey to be postmaster at Punta Gorda, Fla., in place of A. M. Hatch. Incumbent's commission expired September 30, 1933.

James H. Cox to be postmaster at Quincy, Fla., in place of E. C. Mahaffey. Incumbent's commission expired September 30, 1933.

James A. Brown to be postmaster at Safety Harbor, Fla., in place of A. H. Lasher. Incumbent's commission expired January 9, 1934.

Henry L. Godwin to be postmaster at St. Cloud, Fla., in place of J. B. Carlin, removed.

Robert J. Holly to be postmaster at Sanford, Fla., in place of J. P. Hall, removed.

Preston H. Smith to be postmaster at Wildwood, Fla., in place of T. R. Gamble. Incumbent's commission expired January 25, 1932.

William H. Harris to be postmaster at Williston, Fla., in place of H. G. Nelson, removed.

Wrather H. Reams to be postmaster at Winter Garden, Fla., in place of J. M. Sullivan. Incumbent's commission expired February 10, 1934.

GEORGIA

David F. Bruton to be postmaster at Adel, Ga., in place of J. T. Dampier, removed.

Nora L. Smith to be postmaster at Ashburn, Ga., in place of J. W. Long, transferred.

John G. Butler to be postmaster at Blakely, Ga., in place of L. H. Rambo. Incumbent's commission expired April 28, 1934.

Norma W. Hawes to be postmaster at Elberton, Ga., in place of J. S. Lunsford, retired.

Andrew J. Daniel to be postmaster at Franklin, Ga., in place of J. C. Lee. Incumbent's commission expired September 30, 1930.

John W. Hammond to be postmaster at Griffin, Ga., in place of R. L. Williams. Incumbent's commission expired April 22, 1934.

Morgan Thompson to be postmaster at Hawkinsville, Ga., in place of J. H. Hendrix. Incumbent's commission expired May 20, 1934.

Ross L. Lindsey to be postmaster at Irwinton, Ga. Office became Presidential July 1, 1934.

Emmie J. Newton to be postmaster at Nahunta, Ga. Office became Presidential July 1, 1934.

Lyte R. Tucker (Mrs.) to be postmaster at Ocilla, Ga., in place of R. H. Johnson. Incumbent's commission expired December 20, 1930.

Thornwell Jacobs to be postmaster at Oglethorpe University, Ga. Office became Presidential July 1, 1934.

Otis A. King to be postmaster at Perry, Ga., in place of Frederick Bonner, deceased.

Mamie E. Fountain to be postmaster at Ray City, Ga. Office became Presidential July 1, 1934.

Clyde S. Young to be postmaster at Rebecca, Ga. Office became Presidential July 1, 1934.

Gertie B. Gibbs to be postmaster at Ty Ty, Ga., in place of G. B. Gibbs. Incumbent's commission expired June 4, 1934.

Daniel M. Proctor to be postmaster at Woodbine, Ga. Office became Presidential July 1, 1934.

IDAHO

Robert R. Walker to be postmaster at Avery, Idaho. Office became Presidential July 1, 1934.

Pearl Kennedy to be postmaster at Burke, Idaho, in place of L. R. Culbertson. Incumbent's commission expired June 24, 1934.

Charles E. Bales to be postmaster at Caldwell, Idaho, in place of J. B. Gowen. Incumbent's commission expired February 25, 1934.

Arthur T. Combs to be postmaster at Kellogg, Idaho, in place of B. O. Braham. Incumbent's commission expired March 22, 1934.

Lee Highley to be postmaster at New Meadows, Idaho, in place of G. S. Mitchell. Incumbent's commission expired January 22, 1934.

William H. Goldsmith to be postmaster at New Plymouth, Idaho, in place of H. H. Hamilton. Incumbent's commission expired January 22, 1934.

Jessie L. Kelly to be postmaster at Winchester, Idaho, in place of Grace Eubanks. Incumbent's commission expired January 22, 1934.

ILLINOIS

Arthur S. Austin to be postmaster at Altona, Ill., in place of A. C. Krans. Incumbent's commission expired December 18, 1933.

Fred Rohr to be postmaster at Ashkum, Ill., in place of H. E. Petersen. Incumbent's commission expired December 18, 1933.

James R. Freddy to be postmaster at Atkinson, Ill., in place of H. N. Haugh. Incumbent's commission expired June 12, 1934.

Frank R. Dalton to be postmaster at Aurora, Ill., in place of J. E. Harley. Incumbent's commission expired May 17, 1932.

Ruth L. Patterson to be postmaster at Bement, Ill., in place of William Hughes, deceased.

John C. Kepner to be postmaster at Blue Mound, Ill., in place of H. K. Johnson. Incumbent's commission expired April 28, 1934.

Michael Colgrass to be postmaster at Brookfield, Ill., in place of Charles Koenig. Incumbent's commission expired April 28, 1934.

John R. Markley to be postmaster at Bushnell, Ill., in place of J. E. Voorhees. Incumbent's commission expired December 18, 1933.

Leslie W. Hunt to be postmaster at Cambridge, Ill., in place of V. F. Boltenstern. Incumbent's commission expired June 9, 1934.

Elmer E. Dallas to be postmaster at Cerro Gordo, Ill., in place of H. S. Pensinger. Incumbent's commission expired April 28, 1934.

William M. Donovan to be postmaster at Clifton, Ill., in place of A. R. Dion. Incumbent's commission expired May 20, 1934.

Thomas W. Cramer to be postmaster at Clinton, Ill., in place of C. A. Cline. Incumbent's commission expired December 18, 1933.

Claude H. Rendleman to be postmaster at Cobden, Ill., in place of O. L. Anderson. Incumbent's commission expired January 31, 1934.

Claude Shaffner to be postmaster at Dallas City, Ill., in place of L. M. Diver. Incumbent's commission expired May 20, 1934.

Louis J. Albrecht to be postmaster at Dolton, Ill., in place of L. E. Brookfelt. Incumbent's commission expired December 20, 1932.

George A. Wall to be postmaster at Elizabethtown, Ill., in place of C. L. Flynn. Incumbent's commission expired January 19, 1933.

Kile E. Rowand to be postmaster at Fairmount, Ill., in place of W. F. Temple, removed.

John H. Mauzey to be postmaster at Findlay, Ill., in place of J. E. Lee, removed.

Mervin F. Hinton to be postmaster at Fisher, Ill., in place of Ralph Redding. Incumbent's commission expired January 11, 1933.

Lowell R. Murray to be postmaster at Herrick, Ill., in place of H. W. Smart. Incumbent's commission expired May 13, 1934.

John Petry to be postmaster at Hoopeston, Ill., in place of W. C. Welty. Incumbent's commission expired October 10, 1933.

George E. Roe to be postmaster at Industry, Ill., in place of M. Z. Moore. Incumbent's commission expired April 2, 1934.

George J. Pfaff to be postmaster at Itasca, Ill., in place of M. W. Mensching. Incumbent's commission expired June 24, 1934.

Joseph O. Hucker, Jr., to be postmaster at Lake Villa, Ill., in place of C. D. Sherwood. Incumbent's commission expired March 8, 1934.

Fred D. Hatter to be postmaster at Millstadt, Ill., in place of A. J. Mollman. Incumbent's commission expired March 18, 1934.

John F. Hartsfield to be postmaster at Monticello, Ill., in place of J. M. Donahue. Incumbent's commission expired May 7, 1934.

Leslie J. Smith to be postmaster at Mount Auburn, Ill., in place of L. J. Smith. Incumbent's commission expired December 18, 1934.

Henry R. Richardson to be postmaster at Moweaqua, Ill., in place of M. F. Stewart, removed.

Arthur L. Reinheimer to be postmaster at New Athens, Ill., in place of A. L. Weible. Incumbent's commission expired January 31, 1934.

John R. Goodson to be postmaster at Newman, Ill., in place of H. B. Rutherford, removed.

Amiel J. Toelle to be postmaster at Orland Park, Ill., in place of J. F. Schmadeke, removed.

William D. Steward to be postmaster at Plano, Ill., in place of G. S. Faxon, removed.

Hallie Weir to be postmaster at Pleasant Hill, Ill., in place of J. L. Thomas, resigned.

Glenn G. Watson to be postmaster at Roseville, Ill., in place of H. F. Kelly. Incumbent's commission expired April 28, 1934.

Floyd E. Denhart to be postmaster at St. Joseph, Ill., in place of R. W. Peters. Incumbent's commission expired June 24, 1934.

Burleigh A. Murray to be postmaster at Sesser, Ill., in place of R. A. Gulley. Incumbent's commission expired January 28, 1934.

William J. Woodard to be postmaster at Sidney, Ill., in place of W. L. Eaton. Incumbent's commission expired April 28, 1934.

Paul H. Rauhoff to be postmaster at Tinley Park, Ill., in place of Christian Andres, retired.

William Connell to be postmaster at Tremont, Ill., in place of G. W. Weeks. Incumbent's commission expired May 7, 1934.

Robert K. Collinson to be postmaster at Victoria, Ill., in place of C. E. Van Buren. Incumbent's commission expired June 24, 1934.

Joseph P. Daly to be postmaster at Waukegan, Ill., in place of Mancel Talcott. Incumbent's commission expired May 29, 1934.

Arthur E. Swan to be postmaster at Waynesville, Ill., in place of J. B. Hollibaugh. Incumbent's commission expired December 18, 1933.

E. Donoven Stover to be postmaster at Western Springs, Ill., in place of H. E. Collom, removed.

Fred C. Shetler to be postmaster at Woodhull, Ill., in place of V. M. Carlson. Incumbent's commission expired December 20, 1932.

INDIANA

Otto N. Hennefent to be postmaster at Alexandria, Ind., in place of A. O. Cripe, removed.

Harry L. Brendel to be postmaster at Anderson, Ind., in place of A. V. Reschar. Incumbent's commission expired December 13, 1932.

Rena Zehr to be postmaster at Berne, Ind., in place of Fred Rohrer. Incumbent's commission expired February 8, 1933.

William W. Houk to be postmaster at Brazil, Ind., in place of C. W. Culbertson. Incumbent's commission expired January 31, 1934.

James R. McDonald to be postmaster at Brookville, Ind., in place of E. W. Showalter. Incumbent's commission expired May 29, 1934.

Roy D. Haines to be postmaster at Bryant, Ind., in place of J. P. Switzer. Incumbent's commission expired December 18, 1933.

Ralph D. Barry to be postmaster at Crandall, Ind., in place of H. E. Wright. Incumbent's commission expired March 8, 1934.

Beatrice Bales to be postmaster at Dana, Ind., in place of R. B. Conklin. Incumbent's commission expired May 7, 1934.

John A. Donohue to be postmaster at Elwood, Ind., in place of A. C. Phipps, removed.

Fay A. Crandall to be postmaster at Gas City, Ind., in place of C. W. Ward, removed.

J. Russell Smith to be postmaster at Gosport, Ind., in place of F. M. Martin, removed.

Dorothy V. Prall to be postmaster at Henryville, Ind., in place of H. E. Hostettler. Incumbent's commission expired December 18, 1933.

Herbert J. Harris to be postmaster at Hillsboro, Ind., in place of W. M. Lyon, resigned.

Samuel S. Foor to be postmaster at Macy, Ind., in place of H. A. Fenters. Incumbent's commission expired May 9, 1934.

Charles H. Wilson to be postmaster at Mooresville, Ind., in place of V. D. Macy, resigned.

Orville R. Wells to be postmaster at Morgantown, Ind., in place of M. E. Elkins, removed.

Henry H. Powell to be postmaster at Newburgh, Ind., in place of E. C. Purdue. Incumbent's commission expired March 18, 1934.

Retta M. House to be postmaster at North Salem, Ind., in place of E. M. Wright, resigned.

Edward P. Donnar to be postmaster at Oaktown, Ind., in place of C. E. Ballance, removed.

Benjamin F. Phipps to be postmaster at Pendleton, Ind., in place of N. G. Hallowell, removed.

James R. Morrissey to be postmaster at Peru, Ind., in place of R. R. Rhodes. Incumbent's commission expired December 18, 1933.

Earl J. McWilliams to be postmaster at Plainville, Ind., in place of A. C. Heithecker. Incumbent's commission expired May 7, 1934.

Ivan R. Huxford to be postmaster at Rosedale, Ind., in place of Manda Neet, removed.

Albert J. Anderson to be postmaster at Shirley, Ind., in place of H. L. Johnson, removed.

Mildred B. Mitchell to be postmaster at Shoals, Ind., in place of O. M. Dickey, deceased.

Ralph E. Fox to be postmaster at South Whitley, Ind., in place of O. R. Metz. Incumbent's commission expired April 2, 1934.

Elsie E. Mitchell to be postmaster at Sweetsers, Ind. Office became Presidential July 1, 1934.

Albert Rautenkranz to be postmaster at Urbana, Ind., in place of B. M. Beeks. Incumbent's commission expired March 18, 1934.

Benjamin B. Plummer to be postmaster at Windfall, Ind., in place of J. C. Harris, deceased.

IOWA

Anna V. McDonnell to be postmaster at Adair, Iowa, in place of C. W. Edwards, transferred.

Ambrose J. Leinhauser to be postmaster at Agency, Iowa, in place of A. B. Chambers, removed.

Joseph W. Weber to be postmaster at Alta Vista, Iowa, in place of G. J. Walters. Incumbent's commission expired May 16, 1934.

Frank B. Baldwin to be postmaster at Cedar Rapids, Iowa, in place of F. K. Hahn, resigned.

John B. Taylor to be postmaster at Centerville, Iowa, in place of H. C. Haynes, retired.

Lester A. Falcon to be postmaster at Central City, Iowa, in place of M. L. Hoffman. Incumbent's commission expired February 28, 1933.

Robert H. Stoneking to be postmaster at Cushing, Iowa, in place of M. B. Yapp, removed.

Earl P. Patten to be postmaster at Danbury, Iowa, in place of E. P. Patten. Incumbent's commission expired December 13, 1932.

Anna M. Stephenson to be postmaster at Deep River, Iowa, in place of R. B. Light. Incumbent's commission expired May 16, 1934.

Cecil W. Langmann to be postmaster at Durant, Iowa, in place of O. W. Bierkamp, removed.

Harry L. Conway to be postmaster at Elma, Iowa, in place G. L. Evans. Incumbent's commission expired January 31, 1934.

Hans P. Hansen, Jr., to be postmaster at Exira, Iowa, in place of O. W. Masching. Incumbent's commission expired February 28, 1933.

Jacob S. Forgrave to be postmaster at Farmington, Iowa, in place of J. E. Carr, removed.

Edward H. Schnebel to be postmaster at Farnhamville, Iowa, in place of E. M. Skinner. Incumbent's commission expired January 16, 1934.

Harry W. Kelly to be postmaster at Grandmound, Iowa, in place of M. T. Jensen. Incumbent's commission expired February 28, 1933.

Gertrude Posten to be postmaster at Gravity, Iowa, in place of J. E. Beemer. Incumbent's commission expired April 2, 1934.

Howard Colon to be postmaster at Hamburg, Iowa, in place of R. H. Beasley. Incumbent's commission expired May 20, 1934.

Hal W. Campbell to be postmaster at Harlan, Iowa, in place of William Hayes. Incumbent's commission expired April 2, 1934.

Thomas H. Thompson to be postmaster at Kanawha, Iowa, in place of George McNeish, Jr. Incumbent's commission expired March 18, 1934.

John E. Leinen to be postmaster at Keota, Iowa, in place of J. G. Ranous, deceased.

George A. Norelius to be postmaster at Kiron, Iowa, in place of M. A. Sandstrom. Incumbent's commission expired January 22, 1934.

Richard A. Dunlevy to be postmaster at Lansing, Iowa, in place of C. F. Bechtel, removed.

John E. McHugh to be postmaster at Lisbon, Iowa, in place of G. D. Sailor. Incumbent's commission expired November 20, 1933.

Darrell C. Laurenson to be postmaster at Moorhead, Iowa, in place of F. A. Bryceson, resigned.

Mattie M. Bridges to be postmaster at Moville, Iowa, in place of C. K. Todd. Incumbent's commission expired May 29, 1932.

Tracy R. Osborne to be postmaster at New Sharon, Iowa, in place of J. H. Taylor, resigned.

Ben Jensen to be postmaster at Onawa, Iowa, in place of B. E. Harlow. Incumbent's commission expired March 18, 1934.

Frank H. Peckosh to be postmaster at Oxford Junction, Iowa, in place of R. E. Hill, removed.

Clarence J. Bunkers to be postmaster at Remsen, Iowa, in place of L. A. Lloyd, resigned.

Andrew L. Anderson to be postmaster at Ringsted, Iowa, in place of A. C. Ries. Incumbent's commission expired June 24, 1934.

Harve E. Munson to be postmaster at Rippey, Iowa, in place of G. M. Fry. Incumbent's commission expired July 3, 1934.

Andrew M. Simonson to be postmaster at Rolfe, Iowa, in place of R. E. Ferguson. Incumbent's commission expired May 20, 1934.

Hans M. Mohr to be postmaster at Sabula, Iowa, in place of P. T. Serrurier, transferred.

Peter C. Hollander to be postmaster at Schleswig, Iowa, in place of August Rickert, deceased.

Alfred P. Harder to be postmaster at Shelby, Iowa, in place of W. H. Moore. Incumbent's commission expired December 18, 1933.

Ida E. Larson to be postmaster at Swea City, Iowa, in place of L. B. Christensen. Incumbent's commission expired January 31, 1934.

Glen P. Weatherhead to be postmaster at Tabor, Iowa, in place of G. A. Redenbaugh. Incumbent's commission expired May 16, 1934.

Richard P. Tank to be postmaster at Walcott, Iowa, in place of C. A. Knaack, resigned.

John F. Zimpfer to be postmaster at Walker, Iowa, in place of F. W. Steele, deceased.

Jack G. Chapman to be postmaster at Washta, Iowa, in place of I. I. Gano. Incumbent's commission expired March 18, 1934.

Hazel H. Gerdes to be postmaster at Wesley, Iowa, in place of W. W. Sturdivane. Incumbent's commission expired May 9, 1934.

Clarence P. Lietsch to be postmaster at West Burlington, Iowa, in place of F. K. Odell. Incumbent's commission expired June 20, 1934.

Grace G. Patterson to be postmaster at Westside, Iowa, in place of H. E. Evers. Incumbent's commission expired July 3, 1934.

William Hoker to be postmaster at Wheatland, Iowa, in place of H. C. Ficke, removed.

Ernest Reitz to be postmaster at Wyoming, Iowa, in place of C. E. Wherry, deceased.

KANSAS

Ruskin R. Couch to be postmaster at Anthony, Kans., in place of M. L. Holaday. Incumbent's commission expired June 20, 1934.

Horace G. Bodwell to be postmaster at Arlington, Kans., in place of C. T. Taylor, deceased.

John G. O'Neil to be postmaster at Beattie, Kans., in place of F. B. Larkin. Incumbent's commission expired May 20, 1934.

Robert E. Lee to be postmaster at Englewood, Kans., in place of S. T. Roach. Incumbent's commission expired May 20, 1934.

Albert H. Gillis to be postmaster at Kansas City, Kans., in place of W. B. Trembley. Incumbent's commission expired December 18, 1933.

Wilsey E. Stout to be postmaster at Medicine Lodge, Kans., in place of Elizabeth Simpson. Incumbent's commission expired April 15, 1934.

Benjamin F. McKim to be postmaster at Morrill, Kans., in place of F. T. Elliot. Incumbent's commission expired April 16, 1934.

John J. Appelhans to be postmaster at Spearville, Kans., in place of E. M. Baird. Incumbent's commission expired March 22, 1934.

KENTUCKY

Benjamin F. Bailey to be postmaster at Adairville, Ky., in place of K. B. King. Incumbent's commission expired January 31, 1933.

Thaddeus W. Wilson to be postmaster at Brandenburg, Ky., in place of H. E. Brown. Incumbent's commission expired December 16, 1933.

Louise P. Kreamer to be postmaster at Burnside, Ky., in place of H. M. Hardwick. Incumbent's commission expired February 14, 1934.

Roy Willis to be postmaster at Caneyville, Ky., in place of B. H. Givens, resigned.

Ressie H. Miller to be postmaster at Cloverport, Ky., in place of E. B. Weatherholt. Incumbent's commission expired April 30, 1934.

Victor D. Bordes to be postmaster at Crab Orchard, Ky., in place of Vera Baird. Incumbent's commission expired February 25, 1933.

G. Baxter Ramsey to be postmaster at Dawson Springs, Ky., in place of H. B. Gross. Incumbent's commission expired December 12, 1932.

Nel L. Blackburn to be postmaster at Georgetown, Ky., in place of S. S. Offutt. Incumbent's commission expired April 24, 1933.

Mary Rogers to be postmaster at Guthrie, Ky., in place of J. P. Balee. Incumbent's commission expired January 31, 1934.

Lyman G. Barrett to be postmaster at Hartford, Ky., in place of R. B. Martin, removed.

Leslie L. Patton to be postmaster at Horse Cave, Ky., in place of Della McDaniel, deceased.

H. Porter Meredith to be postmaster at Leitchfield, Ky., in place of E. S. Basham. Incumbent's commission expired February 6, 1934.

J. Elliott Riddell to be postmaster at Louisville, Ky., in place of G. C. Cross, resigned.

Jack B. Hubbard, Jr., to be postmaster at Munfordville, Ky., in place of W. G. Thornbury. Incumbent's commission expired April 30, 1934.

Milton Ashby to be postmaster at Sebree, Ky., in place of S. W. Poole. Incumbent's commission expired January 31, 1933.

Theodore C. Campbell to be postmaster at Springfield, Ky., in place of T. D. Tapp. Incumbent's commission expired April 30, 1934.

Mary B. Helm to be postmaster at Stanford, Ky., in place of W. G. Morgan. Incumbent's commission expired February 28, 1933.

William T. Smith to be postmaster at Taylorsville, Ky., in place of Robert Campbell. Incumbent's commission expired March 8, 1934.

Beverly L. Bradshaw to be postmaster at Tompkinsville, Ky., in place of Hebron Lawrence. Incumbent's commission expired March 8, 1934.

Mary C. Greenwell to be postmaster at Uniontown, Ky., in place of Edith Eaton, resigned.

Beulah M. Matheus to be postmaster at Whitesville, Ky., in place of Mildred A. Day. Incumbent's commission expired March 8, 1934.

MAINE

Charles H. Cahill to be postmaster at Bath, Maine, in place of H. W. Owen, Jr. Incumbent's commission expired January 16, 1934.

Harold C. Collins to be postmaster at Bingham, Maine, in place of F. I. Gilman. Incumbent's commission expired June 28, 1934.

Ervin O. Hamilton to be postmaster at Chebeague Island, Maine, in place of H. W. Bowen. Incumbent's commission expired May 9, 1934.

David F. Kelley to be postmaster at Gardiner, Maine, in place of C. J. Bragdon. Incumbent's commission expired June 28, 1934.

Charles H. Pitts to be postmaster at Harrison, Maine, in place of F. P. Freeman. Incumbent's commission expired January 5, 1933.

Kathryn E. Cantello to be postmaster at Hebron, Maine, in place of K. E. Cantello. Incumbent's commission expired December 18, 1933.

Alfred Boivin to be postmaster at Mexico, Maine, in place of H. W. Park. Incumbent's commission expired December 7, 1932.

Mary W. Greenlief to be postmaster at Monmouth, Maine, in place of W. E. Day. Incumbent's commission expired June 28, 1934.

Bernard A. Davis to be postmaster at Norridgewock, Maine, in place of G. O. Carr. Incumbent's commission expired May 9, 1934.

Annie Gilman to be postmaster at Scarboro, Maine. Office became Presidential July 1, 1930.

Ernest A. Atwood to be postmaster at Seal Harbor, Maine, in place of C. R. Clement. Incumbent's commission expired May 29, 1934.

Eugene I. Cummings to be postmaster at Westbrook, Maine, in place of C. M. Richardson, retired.

Henry S. Stone to be postmaster at West Paris, Maine, in place of E. D. Curtis. Incumbent's commission expired February 6, 1934.

MARYLAND

Edward J. Donohue to be postmaster at Frostburg, Md., in place of R. H. Lancaster. Incumbent's commission expired May 16, 1934.

A. Emmons Warnick to be postmaster at Grantsville, Md., in place of Stewart Rodamer. Incumbent's commission expired April 30, 1934.

Maude L. Shives to be postmaster at Hancock, Md., in place of A. C. Widmeyer. Incumbent's commission expired June 4, 1934.

Clarence J. Thomson, Jr., to be postmaster at Lutherville, Md., in place of A. W. Clark. Incumbent's commission expired June 24, 1934.

Charles R. Holter to be postmaster at Middletown, Md., in place of L. W. Gaver, resigned.

Sarah G. Phillips to be postmaster at Randallstown, Md., in place of G. E. Snyder. Incumbent's commission expired December 10, 1932.

William H. L. Slade to be postmaster at Reisterstown, Md., in place of R. R. Russell. Incumbent's commission expired May 16, 1934.

John W. Davis to be postmaster at Ridgely, Md., in place of A. W. Thompson, removed.

MASSACHUSETTS

Frederick J. Wangler to be postmaster at Beverly Farms, Mass., in place of H. C. Williams. Incumbent's commission expired April 28, 1934.

Charles L. Jepson to be postmaster at Cheshire, Mass., in place of R. L. Getman. Incumbent's commission expired December 16, 1933.

Mark W. Supple to be postmaster at Easthampton, Mass., in place of E. L. Diamond, transferred.

Grace G. Kempton to be postmaster at Farnumsville, Mass., in place of G. G. Kempton. Incumbent's commission expired December 20, 1934.

John R. Fales to be postmaster at Foxboro, Mass., in place of M. F. Inman. Incumbent's commission expired May 29, 1934.

Wayne A. Smith to be postmaster at Griswoldville, Mass. Office became Presidential July 1, 1932.

Kathryn N. Gibbons to be postmaster at Hingham Center, Mass., in place of H. F. Zahn. Incumbent's commission expired December 16, 1933.

Ella M. Harrington to be postmaster at Jefferson, Mass., in place of E. M. Harrington. Incumbent's commission expired December 8, 1932.

Agnes M. Butler to be postmaster at Millville, Mass., in place of Bernard Campbell, resigned.

John J. Stewart to be postmaster at North Scituate, Mass., in place of Gladys Roberts. Incumbent's commission expired December 16, 1933.

Thomas J. Ashe to be postmaster at Springfield, Mass., in place of J. P. Smith, retired.

Richard J. Specht to be postmaster at West Springfield, Mass., in place of D. A. MacDonald, removed.

MICHIGAN

Roy Winegarden to be postmaster at Boyne City, Mich., in place of J. R. Dean. Incumbent's commission expired April 15, 1934.

Jettena Watson to be postmaster at Wolverine, Mich., in place of H. S. Smith, removed.

MINNESOTA

LeRoy M. Schwantz to be postmaster at Evansville, Minn., in place of C. E. Skog, resigned.

MISSISSIPPI

William C. Bailey to be postmaster at Como, Miss., in place of W. C. Bailey. Incumbent's commission expired December 16, 1934.

Thomas R. Armstrong to be postmaster at Edwards, Miss., in place of R. E. Farr. Incumbent's commission expired January 11, 1934.

Ruth P. Therrell to be postmaster at Florence, Miss., in place of E. M. Therrell. Incumbent's commission expired January 11, 1932.

Jefferson D. Fogg to be postmaster at Hernando, Miss., in place of J. D. Fogg. Incumbent's commission expired December 8, 1934.

Robert R. Smith to be postmaster at Poplarville, Miss., in place of R. R. Smith. Incumbent's commission expired April 16, 1934.

Edgar L. Dear to be postmaster at Sledge, Miss. Office became Presidential July 1, 1934.

Emma D. Barkley to be postmaster at State Line, Miss., in place of E. D. Barkley. Incumbent's commission expired February 6, 1934.

MISSOURI

Willie A. Barton to be postmaster at Alton, Mo., in place of Arthur Rice. Incumbent's commission expired May 9, 1934.

Samuel S. Harrison to be postmaster at Auxvasse, Mo., in place of W. L. Meyer, removed.

Herman C. W. Strothmann to be postmaster at Berger, Mo., in place of W. H. Lerbs. Incumbent's commission expired April 8, 1934.

John H. Essman to be postmaster at Bourbon, Mo., in place of John Rohrer. Incumbent's commission expired March 18, 1934.

Angie B. Messbarger to be postmaster at Burlington Junction, Mo., in place of May Carpenter. Incumbent's commission expired May 13, 1934.

Mary R. Fewel to be postmaster at Calhoun, Mo., in place of W. A. Brownfield. Incumbent's commission expired December 18, 1933.

Louis McCutchen to be postmaster at Campbell, Mo., in place of A. B. Williams, resigned.

Frank F. Page to be postmaster at Canton, Mo., in place of A. F. Goetz. Incumbent's commission expired April 15, 1934.

Lettie H. Turner to be postmaster at Chilhowee, Mo., in place of K. K. Gittings, retired.

Daniel C. Selvidge to be postmaster at Collins, Mo., in place of E. R. Smith. Incumbent's commission expired June 20, 1934.

Harold H. Cash to be postmaster at Curryville, Mo., in place of V. V. Hammitt. Incumbent's commission expired April 22, 1934.

Charles Shumate to be postmaster at Edina, Mo., in place of E. S. Brown, resigned.

Vernon D. Washington to be postmaster at Eldorado Springs, Mo., in place of J. M. Atkinson, Jr., resigned.

Richard Pearce to be postmaster at Fairfax, Mo., in place of O. J. White, removed.

Forrest Beason to be postmaster at Fair Play, Mo., in place of O. G. Brown. Incumbent's commission expired June 2, 1934.

Robert C. Smith to be postmaster at Garden City, Mo., in place of C. E. Rearick. Incumbent's commission expired July 3, 1934.

Fred G. Lane to be postmaster at Gerald, Mo., in place of E. H. Vemmer. Incumbent's commission expired April 15, 1934.

Mary E. Woody to be postmaster at Golden City, Mo., in place of J. A. Griesel, resigned.

Joseph V. Cassiedy to be postmaster at Herculaneum, Mo., in place of R. W. Evans. Incumbent's commission expired May 20, 1934.

John R. Thompson to be postmaster at Jonesburg, Mo., in place of J. A. Mills. Incumbent's commission expired October 10, 1933.

P. Gilbert Utley to be postmaster at Knobnoster, Mo., in place of F. L. Neitzert. Incumbent's commission expired March 8, 1934.

Allie V. Neil to be postmaster at Leeton, Mo., in place of P. P. Bradley. Incumbent's commission expired February 6, 1934.

Boyd F. Eversole to be postmaster at Lowry City, Mo., in place of D. A. Dawson, resigned.

Leslie C. Sheckelsworth to be postmaster at Meta, Mo., in place of N. J. Rowan. Incumbent's commission expired December 18, 1933.

Emmett H. Bond to be postmaster at Osceola, Mo., in place of G. W. Davies. Incumbent's commission expired May 9, 1934.

Lawrence P. Brennan to be postmaster at Pacific, Mo., in place of G. C. Rau. Incumbent's commission expired March 18, 1934.

Elsie L. Eskridge to be postmaster at Platte City, Mo., in place of G. T. Holybee, Jr. Incumbent's commission expired May 22, 1933.

Oliver A. Cook to be postmaster at Portageville, Mo., in place of Rachel Pinkley. Incumbent's commission expired May 20, 1934.

Charles F. Heathman to be postmaster at Smithville, Mo., in place of A. O. Lowman, resigned.

Azzo B. Grier to be postmaster at Strafford, Mo., in place of J. M. Bryant. Incumbent's commission expired February 6, 1934.

Meredith B. Lane to be postmaster at Sullivan, Mo., in place of J. H. Fisher. Incumbent's commission expired April 22, 1934.

Jessie B. Smith to be postmaster at Walnut Grove, Mo., in place of B. H. Cooksey. Incumbent's commission expired June 20, 1934.

J. Ernest Douglass to be postmaster at Warrensburg, Mo., in place of A. T. King, removed.

Brook Miller to be postmaster at Weston, Mo., in place of H. S. Doppler, resigned.

MONTANA

Arthur C. Coulson to be postmaster at Bainville, Mont., in place of H. D. Crandall. Incumbent's commission expired April 22, 1934.

Marion Pryde to be postmaster at Bearcreek, Mont., in place of H. F. McKinnon. Incumbent's commission expired December 18, 1933.

Shebel Rehal to be postmaster at Chester, Mont., in place of H. O. Woare, resigned.

Philester F. Morrison to be postmaster at Columbus, Mont., in place of A. T. Ruehrwein. Incumbent's commission expired May 2, 1934.

Eli A. Lee to be postmaster at Conrad, Mont., in place of David Craig. Incumbent's commission expired May 2, 1934.

Blanche B. Rinehart to be postmaster at Grassrange, Mont., in place of B. E. Breckenridge. Incumbent's commission expired April 22, 1934.

Martin P. Browne to be postmaster at Lambert, Mont., in place of C. A. Worthing. Incumbent's commission expired January 31, 1934.

Ruth A. Nutting to be postmaster at Laurel, Mont., in place of G. W. Fenton. Incumbent's commission expired January 31, 1934.

Frederick D. Morck to be postmaster at Plentywood, Mont., in place of Jack Bennett, resigned.

Clarence N. Simons to be postmaster at Turner, Mont., in place of C. P. Hahnkamp, resigned.

NEBRASKA

Clara L. Bennett to be postmaster at Broken Bow, Nebr., in place of C. R. Luce. Incumbent's commission expired July 3, 1934.

Arnold W. Sorensen to be postmaster at Dannebrog, Nebr., in place of P. S. Petersen. Incumbent's commission expired March 8, 1934.

NEVADA

Dora E. Kappler to be postmaster at Carlin, Nev., in place of D. E. Kappler. Incumbent's commission expired February 20, 1934.

Milo W. Craig to be postmaster at Montello, Nev., in place of A. R. Cave. Incumbent's commission expired January 11, 1934.

Delevan F. Defenbaugh to be postmaster at Winnemucca, Nev., in place of H. E. Haviland, resigned.

NEW HAMPSHIRE

Martin A. Lynch to be postmaster at Alton Bay, N. H., in place of F. T. Wilson. Incumbent's commission expired March 22, 1934.

Edith L. Stillings to be postmaster at Bartlett, N. H., in place of A. W. Johnson. Incumbent's commission expired April 15, 1934.

Edwin L. Batchelder to be postmaster at Hampton, N. H., in place of Herbert Perkins. Incumbent's commission expired May 2, 1934.

Berl E. Tilton to be postmaster at New Hampton, N. H., in place of F. W. Sanborn. Incumbent's commission expired December 8, 1932.

William T. Whenal to be postmaster at North Hampton, N. H., in place of M. R. Wright, removed.

Gordon A. Russell to be postmaster at North Weare, N. H., in place of F. I. Gove. Incumbent's commission expired July 3, 1934.

Harold A. Aher to be postmaster at West Lebanon, N. H., in place of H. E. Messenger. Incumbent's commission expired December 16, 1933.

NEW JERSEY

John Russell to be postmaster at Barnegat, N. J., in place of R. G. Collins. Incumbent's commission expired March 18, 1934.

Benjamin F. Butler to be postmaster at Bayville, N. J., in place of B. F. Butler. Incumbent's commission expired September 30, 1933.

John M. Timcoe to be postmaster at Bradley Beach, N. J., in place of J. H. McLaughlin, deceased.

John B. Johnson to be postmaster at Freehold, N. J., in place of C. H. Wilbur, retired.

John L. Cagni to be postmaster at Lavallette, N. J., in place of M. E. Helmuth. Incumbent's commission expired June 24, 1934.

Lucy M. Buckbee to be postmaster at Manahawkin, N. J., in place of C. B. Sprague. Incumbent's commission expired June 24, 1934.

Whilmena A. Harvey to be postmaster at Oakhurst, N. J., in place of V. L. Van Note, deceased.

Walter I. Gaul to be postmaster at Oceanport, N. J., in place of Loretta Conrow. Incumbent's commission expired March 18, 1934.

Luella Brown to be postmaster at Old Bridge, N. J., in place of B. A. Chittick. Incumbent's commission expired February 6, 1934.

Samuel M. Glading to be postmaster at Wenonah, N. J., in place of J. W. English. Incumbent's commission expired March 18, 1934.

NEW YORK

Joseph J. Wienand to be postmaster at Alden, N. Y., in place of L. G. Elwood. Incumbent's commission expired March 22, 1934.

Joseph T. Norton to be postmaster at Allegany, N. Y., in place of J. F. Krampf. Incumbent's commission expired April 28, 1934.

Robert J. Sheehe to be postmaster at Arcade, N. Y., in place of W. M. Pinney. Incumbent's commission expired April 28, 1934.

Anna M. West to be postmaster at Argyle, N. Y., in place of B. H. Betts. Incumbent's commission expired March 8, 1934.

Thomas A. O'Neill to be postmaster at Au Sable Forks, N. Y., in place of M. J. Robert. Incumbent's commission expired December 12, 1932.

George D. Burgess to be postmaster at Barker, N. Y., in place of Charles Ray. Incumbent's commission expired March 8, 1934.

Arthur J. Lee to be postmaster at Bellmore, N. Y., in place of M. H. Dunn, removed.

Margaret L. Lauchert to be postmaster at Blasdell, N. Y., in place of Edna Glezen. Incumbent's commission expired May 2, 1934.

Sadie E. Hagan to be postmaster at Bloomingburg, N. Y., in place of W. B. Hagan. Incumbent's commission expired January 30, 1933.

Mabel L. Cleveland to be postmaster at Bloomville, N. Y., in place of R. M. Maxon. Incumbent's commission expired December 16, 1933.

Anna R. Cronin to be postmaster at Brant Lake, N. Y., in place of W. S. Carpenter, resigned.

Nicholas J. O'Prey to be postmaster at Buchanan, N. Y., in place of H. H. Kasch. Incumbent's commission expired April 28, 1934.

Daniel A. Driscoll to be postmaster at Buffalo, N. Y., in place of R. W. Gallagher. Incumbent's commission expired December 16, 1933.

Leroy A. Timmerman to be postmaster at Cairo, N. Y., in place of L. P. Miller, resigned.

David J. Sheridan to be postmaster at Cambridge, N. Y., in place of A. K. Lansing. Incumbent's commission expired January 28, 1934.

William L. Brown to be postmaster at Canisteo, N. Y., in place of W. M. Stuart, retired.

George C. Gumaer to be postmaster at Cato, N. Y., in place of I. B. Cooper, removed.

Alphonzo E. Fitch to be postmaster at Cazenovia, N. Y., in place of C. B. Hugg. Incumbent's commission expired March 8, 1934.

Harry A. Stolz to be postmaster at Central Park, N. Y., in place of Stella Hackett. Incumbent's commission expired April 28, 1934.

Henry N. Prentice to be postmaster at Chenango Forks, N. Y., in place of H. F. Strickland. Incumbent's commission expired April 28, 1934.

John Fleming to be postmaster at Clayville, N. Y., in place of N. S. Taylor. Incumbent's commission expired March 18, 1934.

William J. Porr to be postmaster at Cochecton, N. Y., in place of T. Y. Burr. Incumbent's commission expired March 8, 1934.

Guy C. Hazelton to be postmaster at Coeymans, N. Y., in place of H. L. Carhart. Incumbent's commission expired May 9, 1934.

George M. Lamb to be postmaster at Coxsackie, N. Y., in place of F. L. Worden. Incumbent's commission expired January 28, 1934.

Fred A. Wagner to be postmaster at Delevan, N. Y., in place of C. B. Persons. Incumbent's commission expired May 2, 1934.

Arthur I. Ryan to be postmaster at Delmar, N. Y., in place of S. G. Patterson, removed.

Ernest M. Clemons to be postmaster at Depew, N. Y., in place of C. A. Beeman. Incumbent's commission expired December 16, 1933.

George H. Lewis to be postmaster at De Ruyter, N. Y., in place of F. D. Gardner. Incumbent's commission expired May 2, 1934.

Bert W. Wood to be postmaster at Dexter, N. Y., in place of E. L. Markham. Incumbent's commission expired March 8, 1934.

William L. Koch to be postmaster at Dunkirk, N. Y., in place of H. B. Lyon. Incumbent's commission expires December 16, 1933.

Anne M. Young to be postmaster at East Chatham, N. Y., in place of E. C. Johnson, resigned.

Stephen V. Woods to be postmaster at East Randolph, N. Y., in place of E. A. Wheeler. Incumbent's commission expired April 8, 1934.

Michael J. Spillane to be postmaster at East Syracuse, N. Y., in place of R. L. Hodge, resigned.

Frank M. Bouis to be postmaster at Eastview, N. Y., in place of Carrie De Revere. Incumbent's commission expired January 9, 1934.

Louise P. Danner to be postmaster at East White Plains, N. Y., in place of Mollie Feldman, removed.

Arthur H. Flint to be postmaster at Eden, N. Y., in place of G. A. Matthews, deceased.

Carrie W. Talbot to be postmaster at Edmeston, N. Y., in place of L. W. Locke. Incumbent's commission expired March 8, 1934.

Michael J. O'Connor to be postmaster at Ellicottville, N. Y., in place of C. A. E. Churchill, removed.

Flora M. Matty to be postmaster at Evans Mills, N. Y., in place of L. G. Hawn. Incumbent's commission expired March 22, 1934.

Willard S. Brown to be postmaster at Fair Haven, N. Y., in place of L. J. Mendel. Incumbent's commission expired February 14, 1934.

Frank J. Talbot to be postmaster at Farmingdale, N. Y., in place of Ellsworth Allen, removed.

Euphemia M. Fitter to be postmaster at Far Rockaway, N. Y., in place of G. F. Vreeland. Incumbent's commission expired February 14, 1934.

Joseph A. Mara to be postmaster at Floral Park, N. Y., in place of Wallace Thurston, retired.

Joseph A. Doyle to be postmaster at Flushing, N. Y., in place of J. A. Rapelye, resigned.

Harold F. Garrison to be postmaster at Fort Montgomery, N. Y., in place of C. J. Weyant. Incumbent's commission expired February 20, 1933.

Erma S. Finch to be postmaster at Franklin, N. Y., in place of F. E. Wolcott. Incumbent's commission expired December 16, 1933.

Arthur B. Ward to be postmaster at Gilbertsville, N. Y., in place of C. A. Daniels. Incumbent's commission expired March 8, 1934.

William E. Dorson to be postmaster at Gowanda, N. Y., in place of P. W. Christenson, resigned.

J. Edward Moore to be postmaster at Grand Gorge, N. Y., in place of S. S. Cronk. Incumbent's commission expired February 14, 1934.

William P. Stevens to be postmaster at Greenville, N. Y., in place of C. H. Hook. Incumbent's commission expired April 22, 1934.

J. Frank Schummer to be postmaster at Hamburg, N. Y., in place of W. L. Froehley, removed.

Clifford W. Sampson to be postmaster at Harpursville, N. Y., in place of G. M. Harpur. Incumbent's commission expired December 16, 1933.

Gretchen V. Lawson to be postmaster at Helmuth, N. Y., in place of G. V. Lawson. Incumbent's commission expired December 12, 1932.

James E. Robinson to be postmaster at Hermon, N. Y., in place of M. J. Balmat. Incumbent's commission expired December 16, 1933.

William G. Mollitor to be postmaster at Hicksville, N. Y., in place of J. C. Banschbach, deceased.

W. Armand Downes to be postmaster at Hilton, N. Y., in place of A. W. Baughman. Incumbent's commission expired April 28, 1934.

Nellie G. Squires to be postmaster at Hobart, N. Y., in place of R. H. MacNaught. Incumbent's commission expired March 22, 1934.

Cort Kramer to be postmaster at Holland, N. Y., in place of F. W. Thornton, removed.

Robert A. Dolan to be postmaster at Hunter, N. Y., in place of H. B. Fromer. Incumbent's commission expired April 28, 1934.

Emil J. Bruger to be postmaster at Islip Terrace, N. Y., in place of A. S. Munn. Incumbent's commission expired December 16, 1933.

Gilbert W. Rosenquest to be postmaster at Jamaica, N. Y., in place of L. D. Brown, resigned.

John W. Beggs to be postmaster at Jefferson, N. Y., in place of E. F. Gorse. Incumbent's commission expired February 14, 1934.

Marion E. Moran to be postmaster at Jeffersonville, N. Y., in place of Robert Mann. Incumbent's commission expired May 16, 1934.

Daniel J. Ryan to be postmaster at Johnsonville, N. Y., in place of C. M. Herrington. Incumbent's commission expired May 9, 1934.

McIntyre Fraser to be postmaster at Johnstown, N. Y., in place of J. A. Colin. Incumbent's commission expired May 2, 1934.

Harry J. Grogan to be postmaster at Luzerne, N. Y., in place of G. L. Stone, resigned.

Leon B. Wright to be postmaster at Lyndonville, N. Y., in place of W. S. Hutchison. Incumbent's commission expired May 16, 1934.

Catherine M. McConnell to be postmaster at Machias, N. Y., in place of M. B. Pierce. Incumbent's commission expired March 8, 1934.

Clarence H. Root to be postmaster at Mannsville, N. Y., in place of F. B. Webb. Incumbent's commission expired March 18, 1934.

Charles L. Kelley to be postmaster at Marathon, N. Y., in place of L. B. Morehouse. Incumbent's commission expired May 14, 1932.

Katherine H. Nevil to be postmaster at Marion, N. Y., in place of A. G. Dean, resigned.

Ella M. Hickey to be postmaster at Mechanicville, N. Y., in place of Horton Davry. Incumbent's commission expired February 14, 1934.

John G. Funch to be postmaster at Merrick, N. Y., in place of R. H. Johnston, Jr., removed.

Grace M. Mumford to be postmaster at Middleville, N. Y., in place of F. E. Dickens. Incumbent's commission expired December 16, 1933.

Catherine E. Pratt to be postmaster at Mooers, N. Y., in place of M. B. Stewart. Incumbent's commission expired March 18, 1934.

Bernard Daley to be postmaster at Mount Kisco, N. Y., in place of L. B. Crane. Incumbent's commission expired March 8, 1934.

Claude B. Isbell to be postmaster at Mount Upton, N. Y. Office became Presidential July 1, 1934.

Eugene S. Fiske to be postmaster at Mount Vernon, N. Y., in place of LeRoy Powell, transferred.

Mark M. Rice to be postmaster at Natural Bridge, N. Y., in place of I. L. Connor. Incumbent's commission expired January 9, 1934.

Jacob Moore to be postmaster at New City, N. Y., in place of R. P. Blauvelt. Incumbent's commission expired February 6, 1934.

Thomas P. McLoughlin to be postmaster at New Rochelle, N. Y., in place of W. E. Steves, retired.

Wilfred D. Cheney to be postmaster at Newton Falls, N. Y., in place of W. D. Cheney. Incumbent's commission expired March 8, 1934.

Albert Goldman to be postmaster at New York, N. Y., in place of J. J. Kiely, transferred.

William E. Merrill to be postmaster at Nichols, N. Y., in place of J. F. Engelbert. Incumbent's commission expired May 29, 1934.

Anna W. Wohlgemuth to be postmaster at Palatine Bridge, N. Y., in place of E. H. Ireland. Incumbent's commission expired May 29, 1934.

Jacob Fiddle to be postmaster at Parksville, N. Y., in place of G. M. Grant. Incumbent's commission expired April 22, 1934.

Phelps Smith to be postmaster at Paul Smiths, N. Y. Office became Presidential July 1, 1934.

James H. Vaughn to be postmaster at Perrysburg, N. Y., in place of Lottie Allen. Incumbent's commission expired May 29, 1934.

J. Herbert Hutchinson to be postmaster at Pittsford, N. Y., in place of E. E. Westerman. Incumbent's commission expired December 18, 1934.

Frank J. Leedings to be postmaster at Ravena, N. Y., in place of G. W. Babcock. Incumbent's commission expired April 8, 1934.

Alvah P. Saulpaugh to be postmaster at Red Hook, N. Y., in place of H. I. Brenzel. Incumbent's commission expired February 20, 1933.

Louis S. Martin to be postmaster at Redwood, N. Y., in place of R. I. Gates. Incumbent's commission expired April 28, 1934.

William J. Hunt to be postmaster at Rochester, N. Y., in place of A. M. Spiehler. Incumbent's commission expired June 20, 1934.

Rose H. Breen to be postmaster at Roslyn, N. Y., in place of F. P. Harrison. Incumbent's commission expired May 29, 1934.

Teresa V. Ball to be postmaster at Rye, N. Y., in place of W. F. Billington, transferred.

Anthony J. Radell to be postmaster at Sauquoit, N. Y., in place of R. C. Green. Incumbent's commission expired April 28, 1934.

Solomon J. Lempert to be postmaster at Sayville, N. Y., in place of C. H. Huntoon. Incumbent's commission expired February 14, 1934.

Perry E. Taylor to be postmaster at Schoharie, N. Y., in place of Elmer Ketcham, removed.

Julian E. McVean to be postmaster at Scottsville, N. Y., in place of F. W. Mathews. Incumbent's commission expired September 19, 1933.

William Winne to be postmaster at Selkirk, N. Y., in place of M. H. Mangini. Incumbent's commission expired May 2, 1934.

Russell J. Taylor to be postmaster at Sloatsburg, N. Y., in place of Sutherland Lent. Incumbent's commission expired April 22, 1934.

Franklin L. Sweet to be postmaster at Smyrna, N. Y., in place of J. E. Widger. Incumbent's commission expired March 18, 1934.

Edward J. Hally to be postmaster at Sonyea, N. Y., in place of William Storey. Incumbent's commission expired January 28, 1934.

Edward I. Glickman to be postmaster at South Fallsburg, N. Y., in place of A. A. Clairmonte, removed.

Carrie B. Baldwin to be postmaster at South Otselic, N. Y., in place of C. E. Perkins. Incumbent's commission expired March 8, 1934.

J. Lester Kincaid to be postmaster at Spencerport, N. Y., in place of T. C. Upton. Incumbent's commission expired April 28, 1934.

Edmund H. Lawler to be postmaster at Spring Valley, N. Y., in place of L. E. Bedle, deceased.

Mahlon M. Bomstad to be postmaster at Springwater, N. Y., in place of M. S. Mack. Incumbent's commission expired April 28, 1934.

Lewis S. Filkins to be postmaster at Staatsburg, N. Y., in place of H. M. Russell. Incumbent's commission expired March 22, 1934.

Fannie E. Landt to be postmaster at Valatie, N. Y., in place of H. C. McNamara. Incumbent's commission expired April 28, 1934.

William F. Duane, Jr., to be postmaster at Valhalla, N. Y., in place of G. A. Petry, removed.

Mark A. Sweeney to be postmaster at Valley Falls, N. Y., in place of E. B. Templer. Incumbent's commission expired April 15, 1934.

Stewart A. Farrar to be postmaster at Warrensburg, N. Y., in place of H. C. Smith. Incumbent's commission expired February 6, 1934.

Thomas F. Gaynor to be postmaster at Waterford, N. Y., in place of H. J. Samuels. Incumbent's commission expired June 20, 1934.

Martin J. Kimmel, Jr., to be postmaster at Wayland, N. Y., in place of H. S. Bowers. Incumbent's commission expired February 28, 1933.

Herbert D. Carlton to be postmaster at West Chazy, N. Y., in place of W. J. Stone. Incumbent's commission expired March 22, 1934.

Napoleon Ponessa to be postmaster at West Haverstraw, N. Y., in place of Percy Burr. Incumbent's commission expired April 8, 1934.

Clifford J. Fleckenstein to be postmaster at West Valley, N. Y., in place of W. B. Scott. Incumbent's commission expired March 22, 1934.

James W. Hodge to be postmaster at Wingdale, N. Y., in place of S. E. Garrison. Incumbent's commission expired May 16, 1934.

NORTH CAROLINA

Laucy E. Johnson to be postmaster at Angier, N. C., in place of C. A. Guy. Incumbent's commission expired January 28, 1934.

Jesse T. Morgan to be postmaster at Benson, N. C., in place of W. P. Lee. Incumbent's commission expired April 30, 1934.

Howard A. Kerlee to be postmaster at Black Mountain, N. C., in place of A. B. Stepp. Incumbent's commission expired February 10, 1934.

Wade C. Hill to be postmaster at Canton, N. C., in place of H. E. Wright, removed.

Pat D. Gray to be postmaster at Cary, N. C., in place of L. V. Sorrell. Incumbent's commission expired April 28, 1934.

Estelle I. Baldwin to be postmaster at Chadbourn, N. C., in place of W. E. Bailey. Incumbent's commission expired April 8, 1934.

Robert A. Eubanks to be postmaster at Chapel Hill, N. C., in place of R. D. Herndon, removed.

John W. Mosteller to be postmaster at Cherryville, N. C., in place of D. C. Upton. Incumbent's commission expired April 28, 1934.

Lemuel A. Smith to be postmaster at Clarkton, N. C., in place of S. H. Rogers. Incumbent's commission expired January 28, 1934.

Paul A. Williams to be postmaster at Clayton, N. C., in place of V. D. Duncan. Incumbent's commission expired February 28, 1933.

R. Andrew Love, Jr., to be postmaster at Cliffside, N. C., in place of J. L. Scruggs. Incumbent's commission expired January 28, 1934.

Lillington Hendrix to be postmaster at Cooleemee, N. C., in place of N. J. Grimes, resigned.

Matt A. Elmore to be postmaster at Dover, N. C., in place of C. C. Tillman. Incumbent's commission expired April 15, 1934.

John K. Clark to be postmaster at Elizabethtown, N. C., in place of S. G. Bullard. Incumbent's commission expired July 3, 1934.

Russell A. Crowell to be postmaster at Enka, N. C., in place of B. J. Luther. Incumbent's commission expired November 20, 1933.

Alexander E. Waller to be postmaster at Fair Bluff, N. C., in place of R. C. Tucker. Incumbent's commission expired January 28, 1934.

Willie B. Jennings to be postmaster at Fairmont, N. C., in place of H. A. Thompson, removed.

Marvin T. George to be postmaster at Four Oaks, N. C., in place of I. V. Lee. Incumbent's commission expired February 10, 1934.

Thomas W. Porter to be postmaster at Franklin, N. C., in place of J. E. Rickman. Incumbent's commission expired June 9, 1934.

Victor O. Tilley to be postmaster at Fuquay Springs, N. C., in place of I. L. Dennis, removed.

Alger R. Henderson to be postmaster at Graham, N. C., in place of J. M. Crawford, removed.

Irene I. Morphew to be postmaster at Jefferson, N. C., in place of R. F. Blevins. Incumbent's commission expired April 8, 1934.

James C. Wright to be postmaster at Landis, N. C. Office became Presidential July 1, 1934.

James T. Martin to be postmaster at Liberty, N. C., in place of O. P. Brower, resigned.

Merrimon D. Lanier to be postmaster at Lillington, N. C., in place of H. T. Atkins. Incumbent's commission expired January 28, 1934.

B. Franklin McMillan, Jr., to be postmaster at Lumberton, N. C., in place of W. H. Kinlaw, removed.

Charles R. Evans to be postmaster at Manteo, N. C., in place of R. C. Jones. Incumbent's commission expired May 13, 1934.

Euna B. McBride to be postmaster at Marshville, N. C., in place of J. B. Harrell, resigned.

Clarkie Belle Williams to be postmaster at Maxton, N. C., in place of L. J. Tucker, removed.

Gillam Craig to be postmaster at Monroe, N. C., in place of J. H. Edwards. Incumbent's commission expired January 5, 1933.

John M. Kennette to be postmaster at Mooresville, N. C., in place of G. E. Brantley. Incumbent's commission expired June 10, 1934.

Clarence A. Pennington to be postmaster at Oteen, N. C., in place of R. M. Rice. Incumbent's commission expired December 18, 1933.

Sallie F. Matthews to be postmaster at Randleman, N. C., in place of M. F. Hinshaw, removed.

Robert N. Stansill to be postmaster at Rockingham, N. C., in place of W. F. Long, Jr., removed.

William J. Butler to be postmaster at St. Pauls, N. C., in place of C. R. Hester. Incumbent's commission expired February 10, 1934.

Ernest B. Satterwhite to be postmaster at Sanatorium, N. C., in place of E. B. Satterwhite. Incumbent's commission expired December 20, 1934.

P. Frank Buchan to be postmaster at Southern Pines, N. C., in place of J. N. Powell, deceased.

Ally N. Fuller to be postmaster at Spruce Pine, N. C., in place of Estelle Greene. Incumbent's commission expired March 22, 1934.

Bonnie B. Shingleton to be postmaster at Stantonsburg, N. C. Office became Presidential July 1, 1934.

Charles N. Price to be postmaster at Sylva, N. C., in place of W. D. Warren. Incumbent's commission expired June 9, 1934.

John A. Davis to be postmaster at Waxhaw, N. C., in place of W. J. Hardage, removed.

Savannah B. Smoak to be postmaster at Wilkesboro, N. C., in place of W. E. Linney. Incumbent's commission expired April 28, 1934.

Milton J. Sexton to be postmaster at Zebulon, N. C., in place of O. C. McGuire. Incumbent's commission expired December 18, 1933.

NORTH DAKOTA

Raymond P. Everson to be postmaster at Alamo, N. Dak., in place of R. C. Borman. Incumbent's commission expired June 26, 1934.

Benjamin Wright to be postmaster at Antler, N. Dak., in place of G. E. Gunderson. Incumbent's commission expired May 29, 1934.

Robert L. Peterson to be postmaster at Bisbee, N. Dak., in place of George Klier, Jr., deceased.

Ernest W. Kibler to be postmaster at Cavalier, N. Dak., in place of E. F. Hamilton. Incumbent's commission expired April 28, 1934.

Alice M. Sorlie to be postmaster at Churchs Ferry, N. Dak., in place of C. E. Harding. Incumbent's commission expired March 22, 1934.

Olive M. Bartlett to be postmaster at Cogswell, N. Dak., in place of C. A. Jordan. Incumbent's commission expired March 22, 1934.

Oscar Lange to be postmaster at Kulm, N. Dak., in place of A. A. Bjornson. Incumbent's commission expired March 22, 1934.

John H. Bellon to be postmaster at Lehr, N. Dak., in place of Fred Fercho. Incumbent's commission expired June 20, 1934.

James E. Jones to be postmaster at Lisbon, N. Dak., in place of M. T. Davis. Incumbent's commission expired February 6, 1934.

H. C. Erhart Petersen to be postmaster at Makoti, N. Dak., in place of A. M. Jacobson. Incumbent's commission expired April 8, 1934.

Herman A. Borcherding to be postmaster at New England, N. Dak., in place of J. A. Elliott. Incumbent's commission expired December 16, 1933.

Christine Loken to be postmaster at Petersburg, N. Dak., in place of Marvin Broton. Incumbent's commission expired March 8, 1934.

Joseph G. Kringlie to be postmaster at Portland, N. Dak., in place of Harry Solberg. Incumbent's commission expired December 16, 1933.

John K. Diehm to be postmaster at Schafer, N. Dak. Office became Presidential July 1, 1934.

Paul G. Wagner to be postmaster at Sentinel Butte, N. Dak., in place of W. E. Burhans, removed.

Franklin E. Reiman to be postmaster at White Earth, N. Dak., in place of I. R. Heglund. Incumbent's commission expired June 6, 1934.

OHIO

Benjamin R. Mulholland to be postmaster at Alger, Ohio, in place of Harriet Rumbaugh. Incumbent's commission expired June 6, 1934.

Fred B. Weaver to be postmaster at Amelia, Ohio, in place of H. E. Kearns. Incumbent's commission expired December 16, 1933.

Fred C. Stultz to be postmaster at Bainbridge, Ohio, in place of W. E. Carter, removed.

Harry Hamilton to be postmaster at Beallsville, Ohio, in place of W. S. Burcher. Incumbent's commission expired May 2, 1934.

Mary E. Perry to be postmaster at Castalia, Ohio, in place of E. P. Carsaden. Incumbent's commission expired May 2, 1934.

Charles Creeden to be postmaster at Celina, Ohio, in place of C. H. Murlin. Incumbent's commission expired March 18, 1934.

Samuel B. Maury to be postmaster at Clarington, Ohio, in place of S. F. Rose, removed.

Alexander J. Shenk to be postmaster at Delphos, Ohio, in place of E. E. Truesdale. Incumbent's commission expired December 16, 1933.

Paul C. Schmidt to be postmaster at East Palestine, Ohio, in place of R. G. Sutherin. Incumbent's commission expired May 29, 1934.

Dean W. Wright to be postmaster at Elida, Ohio, in place of C. E. John. Incumbent's commission expired March 18, 1934.

John P. Watt to be postmaster at Greenfield, Ohio, in place of J. E. Walker. Incumbent's commission expired May 29, 1934.

J. Lendall Williams to be postmaster at Greenville, Ohio, in place of J. M. Light. Incumbent's commission expired May 16, 1934.

John W. Ritz to be postmaster at Hamler, Ohio, in place of W. S. Barhite. Incumbent's commission expired December 16, 1933.

Mattie Mae Smith to be postmaster Lawndale, Ohio, in place A. R. Hurd. Incumbent's commission expired April 28, 1934.

Leon E. Gorham to be postmaster at Leroy, Ohio, in place of O. H. Wertenberger. Incumbent's commission expired March 22, 1934.

James A. Gilmore to be postmaster at Lisbon, Ohio, in place of J. F. Adams, resigned.

Henry G. M. Rolston to be postmaster at McGuffey, Ohio. Office became Presidential July 1, 1934.

Harold E. Ralston to be postmaster at Marengo, Ohio, in place of M. J. Taylor. Incumbent's commission expired May 16, 1934.

Edmund L. Churchill to be postmaster at Metamore, Ohio, in place of M. C. Reed. Incumbent's commission expired January 9, 1934.

Raymond R. Riehle to be postmaster at Milford, Ohio, in place of S. S. Gatch. Incumbent's commission expired June 17, 1934.

Herman J. Laut to be postmaster at New Bremen, Ohio, in place of C. F. Schulenberg. Incumbent's commission expired July 1, 1934.

Glenn M. Roller to be postmaster at Ohio City, Ohio, in place of J. W. Switzer. Incumbent's commission expired May 29, 1934.

Joe Myers to be postmaster at Russellville, Ohio, in place of Nora Kearns. Incumbent's commission expired June 17, 1934.

Albert J. Beckman to be postmaster at St. Henry, Ohio, in place of J. R. Bruns. Incumbent's commission expired May 16, 1934.

William H. Uetrecht to be postmaster at St. Marys, Ohio, in place of Roy Heap, deceased.

William A. Barnhart to be postmaster at Sterling, Ohio, in place of C. M. Jennings. Incumbent's commission expired June 26, 1934.

Harley C. Brubaker to be postmaster at Waynesburg, Ohio, in place of P. E. Muckley. Incumbent's commission expired April 15, 1934.

Raynor R. Newcomb to be postmaster at West Unity, Ohio, in place of H. W. Randels. Incumbent's commission expired April 28, 1934.

Hartman W. Staker to be postmaster at Wheelersburg, Ohio, in place of G. W. Smith. Incumbent's commission expired April 16, 1934.

OKLAHOMA

Earl A. Brown to be postmaster at Ardmore, Okla., in place of E. F. Harreld. Incumbent's commission expired February 4, 1931.

Harry F. Craig to be postmaster at Boswell, Okla., in place of G. D. Duncan. Incumbent's commission expired April 28, 1934.

Bryan B. Terry to be postmaster at Broken Arrow, Okla., in place of W. N. Williams. Incumbent's commission expired March 22, 1934.

Otto M. Morse to be postmaster at Calvin, Okla., in place of M. W. Cassetty, removed.

Foster E. Johnson to be postmaster at Carter, Okla., in place of Walter Waller, resigned.

Mae Tedlock to be postmaster at Choteau, Okla., in place of J. A. Bartley. Incumbent's commission expired March 22, 1934.

Troy Combs to be postmaster at Davenport, Okla., in place of J. M. Kimball. Incumbent's commission expired March 8, 1934.

C. Gleason Walker to be postmaster at Fairland, Okla., in place of J. W. Elliott. Incumbent's commission expired March 22, 1934.

Fred L. Burrow to be postmaster at Gage, Okla., in place of J. W. Dagenhart, removed.

J. Roy Clem to be postmaster at Granite, Okla., in place of W. D. Guthrie, removed.

Theodore S. Hawkins to be postmaster at Hitchcock, Okla., in place of R. E. Bain, removed.

Charles H. Hayes to be postmaster at McLoud, Okla., in place of Frances Townsend. Incumbent's commission expired March 22, 1934.

John W. Heinen to be postmaster at Okarche, Okla., in place of Anna Lynde. Incumbent's commission expired April 28, 1934.

Hugh Ferguson to be postmaster at Rocky, Okla., in place of W. Z. Dilbeck. Incumbent's commission expired January 20, 1934.

William W. Powell to be postmaster at Salina, Okla., in place of T. M. Elliott. Incumbent's commission expired June 17, 1934.

Vernie A. Oates to be postmaster at Shattuck, Okla., in place of J. R. Cartwright, removed.

William T. Whittenburg to be postmaster at Skiatook, Okla., in place of Clay Cross. Incumbent's commission expired March 22, 1934.

OREGON

Neta Daly to be postmaster at Beaverton, Oreg., in place of R. E. Hanna. Incumbent's commission expired June 6, 1934.

William W. Lower to be postmaster at Creswell, Oreg., in place of E. N. Everson. Incumbent's commission expired June 2, 1934.

David C. Evans to be postmaster at Dufur, Oreg., in place of D. S. Young, deceased.

Erma L. Basford to be postmaster at Florence, Oreg., in place of C. N. Parker. Incumbent's commission expired March 22, 1934.

Grace M. Ely to be postmaster at Gladstone, Oreg., in place of C. N. Parker. Incumbent's commission expired May 20, 1934.

Alice J. Nebel to be postmaster at Glendale, Oreg., in place of L. L. Hurd. Incumbent's commission expired June 17, 1934.

Maude Sears to be postmaster at Halfway, Oreg., in place of E. F. Muncey, retired.

James W. Drinkard to be postmaster at Halsey, Oreg., in place of K. A. Bramwell. Incumbent's commission expired May 20, 1934.

Ella M. Eaton to be postmaster at Jacksonville, Oreg. Office became Presidential July 1, 1934.

C. Verdo Fairchild to be postmaster at Joseph, Oreg., in place of P. E. Mays. Incumbent's commission expired May 20, 1934.

Victor Eckley to be postmaster at La Grande, Oreg., in place of R. R. Huron. Incumbent's commission expired April 16, 1934.

L. Lee Mead to be postmaster at Nehalem, Oreg., in place of H. W. Tohl. Incumbent's commission expired March 18, 1934.

Robert W. Zevely to be postmaster at Prineville, Oreg., in place of J. N. Williamson. Incumbent's commission expired May 29, 1934.

Jennie J. Shatto to be postmaster at Scappoose, Oreg., in place of H. E. Grim, deceased.

Harry M. Stewart to be postmaster at Springfield, Oreg., in place of F. B. Hamlin. Incumbent's commission expired January 28, 1934.

Lisle W. Tame to be postmaster at Talent, Oreg., in place of J. W. Spitzer. Incumbent's commission expired June 17, 1934.

PENNSYLVANIA

William P. B. Gery to be postmaster at Alburtis, Pa., in place of A. A. Butz, removed.

Alfred A. Darrah to be postmaster at Andalusia, Pa., in place of H. R. Tomlinson, resigned.

Arthur B. Scheffler to be postmaster at Bath, Pa., in place of A. S. Leiby, resigned.

William S. Scheiry to be postmaster at Bechtelsville, Pa., in place of E. E. Moyer. Incumbent's commission expired April 2, 1934.

Emma J. Coleman to be postmaster at Braeburn, Pa. Office became presidential July 1, 1934.

Michael S. Travers to be postmaster at Castle Shannon, Pa., in place of G. H. Beadling. Incumbent's commission expired April 2, 1934.

George Ramsey to be postmaster at Cheltenham, Pa., in place of F. C. Fisher. Incumbent's commission expired January 8, 1934.

Walter O. Miller to be postmaster at Duncannon, Pa., in place of R. M. Barton, removed.

Allan Rye to be postmaster at Edinboro, Pa., in place of R. F. Austin, removed.

Herbert A. Schlaudecker to be postmaster at Erie, Pa., in place of J. A. Hanley, retired.

Lempi S. Schaefer to be postmaster at Fairview, Pa., in place of A. D. A. Busch. Incumbent's commission expired April 28, 1934.

Ross F. Rick to be postmaster at Girard, Pa., in place of W. S. Smathers, removed.

Theodore K. Hagey to be postmaster at Hellertown, Pa., in place of W. H. Scholl. Incumbent's commission expired May 13, 1934.

Charles E. Puskar to be postmaster at Imperial, Pa., in place of F. H. Cratsley, removed.

William E. Rutter to be postmaster at Kinzers, Pa., in place of Harlan Stauffer. Incumbent's commission expired September 30, 1933.

Elwood M. Stover to be postmaster at Kulpsville, Pa., in place of E. M. Stover. Incumbent's commission expired April 28, 1934.

J. Harper Galbraith to be postmaster at McDonald, Pa., in place of W. H. Young, deceased.

Franklin M. Rorke to be postmaster at Meadowbrook, Pa., in place of R. T. Barton, deceased.

Luther A. Strayer to be postmaster at Mount Wolf, Pa., in place of H. N. Hoff. Incumbent's commission expired June 28, 1934.

Elizabeth C. Cassidy to be postmaster at New Salem, Pa., in place of L. H. Blanc. Incumbent's commission expired April 2, 1934.

Andrew S. Knepp to be postmaster at North East, Pa., in place of R. B. McCord, resigned.

Sylvester L. Rothenberger to be postmaster at Oley, Pa., in place of D. L. Kauffman. Incumbent's commission expired April 2, 1934.

Robert C. Moore to be postmaster at Oxford, Pa., in place of N. E. Palmer. Incumbent's commission expired March 8, 1934.

Alfred Yeiser to be postmaster at Palmyra, Pa., in place of T. E. Lerch. Incumbent's commission expired February 28, 1933.

Helen C. Whitmore to be postmaster at Pen Mar, Pa., in place of G. F. Grill. Incumbent's commission expired July 1, 1934.

Mary E. Stewart to be postmaster at Petersburg, Pa., in place of Grant Piper. Incumbent's commission expired April 28, 1934.

Lela E. Randolph to be postmaster at Portland, Pa., in place of G. B. Wilcox, deceased.

Bertha M. Kintzer to be postmaster at Robesonia, Pa., in place of R. J. Fisher. Incumbent's commission expired March 22, 1934.

Ambrose A. Connelly to be postmaster at Rosemont, Pa., in place of F. H. Gray. Incumbent's commission expired June 20, 1934.

Bessie Havlichek to be postmaster at Smock, Pa., in place of Bessie Havlichek. Incumbent's commission expired December 19, 1932.

Andrew E. Hiltebeitel to be postmaster at Souderton, Pa., in place of E. A. Freed. Incumbent's commission expired January 29, 1933.

Jesse S. Stambaugh to be postmaster at Spring Grove, Pa., in place of H. H. Hawkins. Incumbent's commission expired January 8, 1928.

John L. Gracey to be postmaster at Three Springs, Pa., in place of J. A. Stevens. Incumbent's commission expired April 28, 1934.

Ralph E. Seep to be postmaster at Titusville, Pa., in place of W. C. Jones, removed.

LeRoy R. Herman to be postmaster at Topton, Pa., in place of R. O. Knauss. Incumbent's commission expired January 28, 1934.

Lincoln G. Nyce to be postmaster at Vernfield, Pa., in place of L. G. Nyce. Incumbent's commission expired January 29, 1933.

Guy E. Wheeler to be postmaster at West Brownsville, Pa., in place of Eleanor Niland. Incumbent's commission expired February 12, 1933.

Leavy S. Filbert to be postmaster at Womelsdorf, Pa., in place of C. B. Illig, removed.

Charles V. Johnston to be postmaster at Woolrich, Pa., in place of Karl Mette. Incumbent's commission expired January 22, 1934.

Minnie E. M. Busser to be postmaster at York Haven, Pa. Office became Presidential July 1, 1934.

PUERTO RICO

Juan Aparicio Rivera to be postmaster at Adjuntas, P. R., in place of J. A. Rivera. Incumbent's commission expired December 18, 1934.

Ricardo Mendez, Jr., to be postmaster at Lares, P. R., in place of Pablo Vilella, Jr. Incumbent's commission expired February 25, 1933.

Francisco Valldejuli to be postmaster at Yabucoa, P. R., in place of Francisco Valldejuli. Incumbent's commission expired December 18, 1934.

RHODE ISLAND

James R. Brennan to be postmaster at East Greenwich, R. I., in place of H. D. Banks. Incumbent's commission expired April 2, 1934.

Frank L. Giard to be postmaster at Pawtucket, R. I., in place of G. W. Burgess. Incumbent's commission expired April 16, 1934.

SOUTH CAROLINA

C. Lamar Richey to be postmaster at Abbeville, S. C., in place of R. W. Adams. Incumbent's commission expired June 24, 1934.

Ralph G. Kennedy to be postmaster at Batesburg, S. C., in place of S. B. Cartledge. Incumbent's commission expired May 26, 1932.

Edward D. Raney to be postmaster at Beaufort, S. C., in place of Trower Cravens, resigned.

Charles P. DuBose to be postmaster at Camden, S. C., in place of W. T. Stewart. Incumbent's commission expired April 30, 1934.

William H. P. Faddis to be postmaster at Clearwater, S. C. Office became Presidential July 1, 1932.

Eric C. Goza to be postmaster at Columbia, S. C., in place of T. B. Madden, retired.

Dewey Stephens to be postmaster at Dillon, S. C., in place of Dewey Stephens. Incumbent's commission expired April 22, 1934.

Harris P. DuBose to be postmaster at Jefferson, S. C., in place of H. P. DuBose. Incumbent's commission expired April 22, 1934.

Capers N. Jones to be postmaster at Langley, S. C., in place of T. W. Blakely, removed.

Jo H. King to be postmaster at McBee, S. C., in place of F. E. Kerr. Incumbent's commission expired June 24, 1934.

Junius Scott Bagnal to be postmaster at Manning, S. C., in place of J. S. Bagnal. Incumbent's commission expired December 20, 1934.

Jesse B. Taylor to be postmaster at St. Matthews, S. C., in place of W. D. Banks. Incumbent's commission expired March 22, 1934.

Maebelle Orvin to be postmaster at St. Stephen, S. C., in place of Maebelle Orvin. Incumbent's commission expired December 20, 1934.

James M. Nelson to be postmaster at Summerton, S. C., in place of B. B. Broadway. Incumbent's commission expired March 12, 1932.

Stacy Kearse to be postmaster at Walterboro, S. C., in place of C. O. Crosby, transferred.

Nellie B. Birt to be postmaster at Williston, S. C., in place of G. R. Hudson, transferred.

SOUTH DAKOTA

Rolland L. Marlett to be postmaster at Ashton, S. Dak., in place of C. H. McCrossen. Incumbent's commission expired April 28, 1934.

Edith A. Sproat to be postmaster at Bradley, S. Dak., in place of L. W. Button. Incumbent's commission expired April 28, 1934.

Perry W. Waltz to be postmaster at Brookings, S. Dak., in place of J. S. Clevan. Incumbent's commission expired February 9, 1933.

Ruel E. Dana to be postmaster at Hartford, S. Dak., in place of O. W. Muchow. Incumbent's commission expired April 28, 1934.

Aaron N. Kautz to be postmaster at Menno, S. Dak., in place of E. W. Aisenbrey. Incumbent's commission expired April 28, 1934.

Mabel M. Fitzgerald to be postmaster at Plankinton, S. Dak., in place of G. H. Auld. Incumbent's commission expired March 22, 1934.

Charles F. Barg to be postmaster at White, S. Dak., in place of R. E. Scadden. Incumbent's commission expired June 2, 1934.

TENNESSEE

Mattie B. Goodner to be postmaster at Alexandria, Tenn., in place of L. W. Malone. Incumbent's commission expired March 18, 1934.

Joe C. Hamlett to be postmaster at Ardmore, Tenn., in place of J. G. Jones, removed.

Lily D. Seay to be postmaster at Bethpage, Tenn., in place of A. Z. Hodges. Incumbent's commission expired April 9, 1934.

Henry S. Dupree to be postmaster at Brownsville, Tenn., in place of F. J. Nunn. Incumbent's commission expired June 6, 1934.

Timmie M. Bryant to be postmaster at Charleston, Tenn., in place of M. E. Hambright, removed.

James R. King to be postmaster at Clarksville, Tenn., in place of W. D. Howser. Incumbent's commission expired March 18, 1934.

Bert Poe to be postmaster at Daisy, Tenn., in place of E. V. Lewis. Incumbent's commission expired June 17, 1934.

Albert D. Ward to be postmaster at Decatur, Tenn., in place of A. S. Campbell. Incumbent's commission expired July 1, 1934.

Ethelbert J. Shannon to be postmaster at Halls, Tenn., in place of W. E. Richardson, Jr., resigned.

Henry C. Johnson to be postmaster at Lafayette, Tenn., in place of F. S. Pipkin, resigned.

Robert L. Wagstaff to be postmaster at Lynnville, Tenn., in place of R. T. Hickman, resigned.

John W. Fuqua to be postmaster at McEwen, Tenn., in place of W. S. Gentry. Incumbent's commission expired January 9, 1934.

James H. Smith to be postmaster at Martin, Tenn., in place of M. D. Biggs. Incumbent's commission expired June 17, 1934.

James J. Darnell to be postmaster at Morrison, Tenn., in place of G. W. Thompson. Incumbent's commission expired May 2, 1934.

Sarah E. Dickey to be postmaster at Mulberry, Tenn., in place of G. B. Creson. Incumbent's commission expired January 16, 1934.

Isaac S. Davidson to be postmaster at Petersburg, Tenn., in place of W. F. Sherwood. Incumbent's commission expired April 15, 1934.

E. French Fugate to be postmaster at Rutledge, Tenn., in place of M. M. Boston. Incumbent's commission expired December 18, 1933.

Flossie Gardner to be postmaster at Tellico Plains, Tenn., in place of Fred Hawkins. Incumbent's commission expired April 15, 1934.

Nell I. Griffith to be postmaster at Vonore, Tenn., in place of C. J. Ray. Incumbent's commission expired June 17, 1934.

John L. Vann to be postmaster at Watertown, Tenn., in place of J. M. Patterson, removed.

Morris L. Collier, to be postmaster at Waynesboro, Tenn., in place of L. L. Linville, removed.

Gaston H. Rhodes to be postmaster at Whiteville, Tenn., in place of G. H. Rhodes. Incumbent's commission expires January 13, 1935.

TEXAS

Benjamin A. Borskey to be postmaster at Alvin, Tex., in place of S. F. Benson. Incumbent's commission expired April 28, 1934.

Sam Hagin to be postmaster at Anna, Tex., in place of J. T. Shaw, Jr. Incumbent's commission expired April 15, 1934.

Alton C. Barnes to be postmaster at Arlington, Tex., in place of J. I. Carter. Incumbent's commission expired May 16, 1934.

Marshall L. Felker to be postmaster at Avinger, Tex., in place of H. J. Whitworth, removed.

Lawrence C. Galbraith to be postmaster at Big Sandy, Tex., in place of G. A. Tohill. Incumbent's commission expired June 20, 1934.

Ogden Johnson to be postmaster at Beaumont, Tex., in place of C. P. J. Ledwidge. Incumbent's commission expired January 31, 1933.

Maurene E. Whiteside to be postmaster at Blackwell, Tex., in place of C. W. Odom, Jr., removed.

A. Burton Reagan to be postmaster at Brady, Tex., in place of H. A. Wulff, resigned.

George R. Kocurek to be postmaster at Caldwell, Tex., in place of A. S. Broaddus. Incumbent's commission expires December 11, 1933.

John R. Hays to be postmaster at Cameron, Tex., in place of B. F. Hefley. Incumbent's commission expires April 28, 1934.

Guy J. Harp to be postmaster at Canyon, Tex., in place of Oscar Hunt. Incumbent's commission expired March 18, 1934.

Sarah E. Burns to be postmaster at Center, Tex., in place of W. B. Carroll. Incumbent's commission expired January 5, 1933.

Robert A. Goelzer to be postmaster at Chilton, Tex., in place of J. C. Eakin. Incumbent's commission expired March 18, 1934.

Bertram D. Wren to be postmaster at Clarksville, Tex., in place of R. J. King. Incumbent's commission expired December 20, 1932.

Carl W. Appling to be postmaster at Claude, Tex., in place of D. C. Dodge. Incumbent's commission expired March 18, 1934.

Anna V. Smith to be postmaster at College Station, Tex., in place of F. M. Geyer. Incumbent's commission expired May 2, 1934.

Marion L. Garvin, Jr., to be postmaster at Como, Tex., in place of F. F. Bridges. Incumbent's commission expired May 23, 1933.

Albert R. Racer to be postmaster at Crystal City, Tex., in place of J. C. Flanagan, removed.

J. Frank Weaver to be postmaster at Cumby, Tex., in place of H. L. Barker. Incumbent's commission expired January 16, 1934.

Charlie L. Pratt to be postmaster at Daingerfield, Tex., in place of J. N. Coffman. Incumbent's commission expired April 28, 1934.

Daniel C. Atkinson to be postmaster at Dalhart, Tex., in place of J. N. Johnson, removed.

Lela Mann to be postmaster at Decatur, Tex., in place of C. E. Bradford. Incumbent's commission expired February 14, 1934.

Tom B. Lenox to be postmaster at De Kalb, Tex., in place of P. L. Swatzell. Incumbent's commission expired April 24, 1933.

Zettie Kelley to be postmaster at Diboll, Tex., in place of Zettie Kelley. Incumbent's commission expired May 29, 1934.

Thomas F. Bice to be postmaster at Dimmitt, Tex., in place of Birdie Duree, removed.

Mary B. Harper to be postmaster at Eagle Pass, Tex., in place of S. F. N. Dolch. Incumbent's commission expired December 11, 1933.

William P. Slaton to be postmaster at Electra, Tex., in place of A. N. Richardson. Incumbent's commission expired January 22, 1934.

Fronie R. Allen to be postmaster at Emory, Tex., in place of O. B. Cline. Incumbent's commission expired April 15, 1934.

Noel J. Reynolds to be postmaster at Ennis, Tex., in place of Delmont Greenstreet, retired.

Noma N. Lokey to be postmaster at Farwell, Tex., in place of G. A. Wulfman, removed.

Sloan H. Osborn to be postmaster at Friona, Tex., in place of D. W. Hanson, removed.

James L. Tally to be postmaster at Goliad, Tex., in place of A. R. Franke. Incumbent's commission expired May 29, 1934.

Sue B. Mullins to be postmaster at Grapevine, Tex., in place of M. H. Frank, removed.

Jeff Gray to be postmaster at Groom, Tex., in place of G. P. Harden. Incumbent's commission expired April 28, 1934.

Joseph Kopecky to be postmaster at Hallettsville, Tex., in place of H. L. Stulken, removed.

James G. Ponder to be postmaster at Happy, Tex., in place of Marion Dillon. Incumbent's commission expired April 15, 1934.

Tena N. Draper to be postmaster at Hebbronville, Tex., in place of E. H. Briscoe. Incumbent's commission expired March 21, 1932.

Ross Kenner to be postmaster at Hemphill, Tex., in place of W. D. McGown. Incumbent's commission expired March 22, 1934.

Burris C. Jackson to be postmaster at Hillsboro, Tex., in place of Maggie Beck. Incumbent's commission expired April 28, 1934.

John T. Holmes to be postmaster at Joaquin, Tex., in place of S. S. McCrary, retired.

David W. Thompson to be postmaster at Keltys, Tex. Office became presidential July 1, 1934.

Clarence L. Wood to be postmaster at Killeen, Tex., in place of R. T. Polk. Incumbent's commission expired May 29, 1934.

William P. Dowling to be postmaster at Kirbyville, Tex., in place of R. H. Windham, removed.

Richard J. Crow to be postmaster at Kountze, Tex., in place of Alice Crow. Incumbent's commission expired May 29, 1934.

Robert L. Peebles to be postmaster at Lexington, Tex., in place of Neppie Rutherford. Incumbent's commission expired May 2, 1934.

James M. Edwards to be postmaster at Lewisville, Tex., in place of L. M. Kealy. Incumbent's commission expired March 22, 1934.

Carl A. Shipp to be postmaster at Liberty Hill, Tex., in place of J. H. McFarlin. Incumbent's commission expired December 20, 1932.

Augustus A. Storey to be postmaster at Lockhart, Tex., in place of N. H. Kelly. Incumbent's commission expired June 2, 1934.

William C. Dowell to be postmaster at Lone Oak, Tex., in place of M. R. Hopkins. Incumbent's commission expired March 18, 1934.

John J. Faubion to be postmaster at Marble Falls, Tex., in place of D. M. Singleton. Incumbent's commission expired May 16, 1934.

J. Alexander Able to be postmaster at Melvin, Tex., in place of K. M. McLean. Incumbent's commission expired December 20, 1932.

Fay F. Spragins to be postmaster at Martindale, Tex. Office became Presidential July 1, 1934.

Lou A. Wright to be postmaster at Milford, Tex., in place of C. V. Varner. Incumbent's commission expired April 28, 1934.

Grady W. Harris to be postmaster at Mobeetie, Tex., in place of S. P. Cox. Incumbent's commission expired March 22, 1934.

Ruth Norman to be postmaster at Morgan, Tex., in place of Helen Morris, resigned.

John M. Green to be postmaster at Mount Enterprise, Tex., in place of S. T. Compton. Incumbent's commission expired March 22, 1934.

Mary S. Strong to be postmaster at Nocona, Tex., in place of C. E. Antram, resigned.

Mardie J. Bennett to be postmaster at Normangee, Tex., in place of Joseph Wren, deceased.

Jesse R. Thigpen to be postmaster at Omaha, Tex., in place of J. R. Thigpen. Incumbent's commission expired December 20, 1934.

Timothy B. O'Connell to be postmaster at Palestine, Tex., in place of T. M. Welch, removed.

Lloyd O. Waldron to be postmaster at Panhandle, Tex., in place of J. A. Weaver, deceased.

Thomas W. Russell to be postmaster at Paris, Tex., in place of J. J. Dickerson, deceased.

Rufus L. Hybarger to be postmaster at Pineland, Tex., in place of R. L. Hybarger. Incumbent's commission expired April 28, 1934.

Ray S. Wait to be postmaster at Port Isabel, Tex., in place of John Mahurin. Incumbent's commission expired December 11, 1933.

Jesse H. Harris to be postmaster at Rogers, Tex., in place of T. B. White, removed.

Smith W. Ribble to be postmaster at Roxton, Tex., in place of B. R. Hughes. Incumbent's commission expired December 11, 1933.

Alexander M. Bowie to be postmaster at San Benito, Tex., in place of F. S. Worth, resigned.

William A. Smith to be postmaster at San Saba, Tex., in place of F. B. Hall. Incumbent's commission expired May 29, 1934.

Wallace B. Alexander to be postmaster at Seymour, Tex., in place of L. W. Harris, removed.

Flake George to be postmaster at Shamrock, Tex., in place of Maggie Exum. Incumbent's commission expired March 18, 1934.

Marion R. Alexander to be postmaster at Silverton, Tex., in place of A. E. Frieze, removed.

Gus W. Kunath, Jr., to be postmaster at Smithville, Tex., in place of L. E. Turney. Incumbent's commission expired June 20, 1934.

Plummer M. Barfield to be postmaster at Sourlake, Tex., in place of J. J. Moy, removed.

Mary E. Holtzclaw to be postmaster at Tatum, Tex., in place of M. E. Holtzclaw. Incumbent's commission expired April 15, 1934.

Frank Folsom to be postmaster at Teague, Tex., in place of Lillian Procter. Incumbent's commission expired March 18, 1934.

Ida Bowers to be postmaster at Tenaha, Tex., in place of R. W. Sourlock. Incumbent's commission expired February 28, 1933.

Otto Hegar to be postmaster at Tomball, Tex. Office became Presidential July 1, 1934.

Hugh E. Weir to be postmaster at Troy, Tex., in place of L. M. Hatcher. Incumbent's commission expired December 16, 1933.

James G. Simms to be postmaster at Valley Mills, Tex., in place of J. F. Warrington, removed.

Pearson P. Pollard to be postmaster at Waskom, Tex., in place of Nellie Whitten. Incumbent's commission expired June 19, 1933.

Balser B. Hefner to be postmaster at Weimar, Tex., in place of C. F. Boettcher. Incumbent's commission expired December 18, 1932.

Revis F. Curry to be postmaster at Wellington, Tex., in place of Wade Arnold. Incumbent's commission expired January 28, 1934.

Samuel M. Gupton to be postmaster at West Columbia, Tex., in place of J. W. Osborne, deceased.

John W. Hardison to be postmaster at Whitney, Tex., in place of P. J. Sherman. Incumbent's commission expired March 18, 1934.

John B. Gibson to be postmaster at Winnsboro, Tex., in place of L. M. Gilbreath. Incumbent's commission expired March 18, 1934.

Olen T. Little to be postmaster at Woodson, Tex., in place of J. W. Foster. Incumbent's commission expired December 11, 1933.

Annie H. Hughes to be postmaster at Woodville, Tex., in place of Mayo McBride. Incumbent's commission expired June 2, 1934.

Tom H. Hood to be postmaster at Wortham, Tex., in place of W. B. Lee. Incumbent's commission expired March 18, 1934.

Della Duncan to be postmaster at Wylie, Tex., in place of H. F. Skelton. Incumbent's commission expired December 8, 1932.

UTAH

Mark L. James to be postmaster at Bingham Canyon, Utah, in place of B. J. Barnard, removed.

Theresa R. Taylor to be postmaster at Garfield, Utah, in place of W. C. Barton, removed.

Eugene Yeates to be postmaster at Logan, Utah, in place of Joseph Odell. Incumbent's commission expired January 8, 1933.

Rudolph Church to be postmaster at Panguitch, Utah, in place of H. P. Ipson, removed.

VERMONT

Michael C. Mulcahy to be postmaster at Brandon, Vt., in place of B. N. Sisco. Incumbent's commission expired November 20, 1933.

Alvarado C. Gibson to be postmaster at Cavendish, Vt., in place of M. C. White. Incumbent's commission expired June 2, 1934.

Berne B. Titus to be postmaster at Fairlee, Vt., in place of C. F. Thurber. Incumbent's commission expired March 8, 1934.

Irma K. Mitchell to be postmaster at Fairfax, Vt., in place of F. C. Stewart. Incumbent's commission expired April 15, 1934.

Helen M. Boyle to be postmaster at Gilman, Vt., in place of G. R. Magoon. Incumbent's commission expired March 8, 1934.

John M. Jewell to be postmaster at Proctorsville, Vt., in place of W. A. Amsden. Incumbent's commission expired March 8, 1934.

Adelbert G. Dudley to be postmaster at Shoreham, Vt., in place of S. C. Mead, retired.

Irene F. Smith to be postmaster at Waitsfield, Vt., in place of L. B. Stokes. Incumbent's commission expired April 15, 1934.

VIRGINIA

Harvey R. Stebbins to be postmaster at Ashland, Va., in place of C. G. Wood. Incumbent's commission expired February 17, 1934.

Paul B. Hilliard to be postmaster at Ballston, Va., in place of G. S. White, removed.

Edgar E. Shannon to be postmaster at Bland, Va., in place of B. N. Mustard, resigned.

George W. Garvin to be postmaster at Boyce, Va., in place of E. A. Lindsey. Incumbent's commission expired April 22, 1934.

William T. Paxton to be postmaster at Buena Vista, Va., in place of W. D. Austin, removed.

J. Long Haley to be postmaster at Cheriton, Va., in place of T. W. Hamilton. Incumbent's commission expired July 3, 1934.

Newman M. Conant to be postmaster at Chincoteague Island, Va., in place of S. G. Baker. Incumbent's commission expired May 20, 1934.

Cornelia L. Patton to be postmaster at Clinchco, Va. Office became Presidential July 1, 1934.

Janie M. Mason to be postmaster at Colonial Beach, Va., in place of T. J. Nevitt. Incumbent's commission expired May 20, 1934.

Lewis A. Ashton to be postmaster at Dahlgren, Va., in place of N. E. Berry. Incumbent's commission expired January 16, 1934.

John D. Webb to be postmaster at Disputanta, Va., in place of H. T. Arwood, removed.

D. Irvine Persinger to be postmaster at Eagle Rock, Va., in place of J. W. Milton. Incumbent's commission expired April 8, 1934.

Elizabeth L. MacMillan to be postmaster at Glasgow, Va., in place of W. R. Moose. Incumbent's commission expired June 20, 1934.

Robert A. Smith to be postmaster at Gordonsville, Va., in place of N. D. Swan, resigned.

Annie R. Walker to be postmaster at Herndon, Va., in place of H. A. Sager. Incumbent's commission expired May 20, 1934.

Gordon P. Murray to be postmaster at Hollins, Va., in place of L. M. Rowland. Incumbent's commission expired January 8, 1934.

Henry L. Munt to be postmaster at Hopewell, Va., in place of F. P. Landon, deceased.

Charlie S. Farmer to be postmaster at Jetersville, Va., in place of A. R. Morris, removed.

Joseph L. Blackburn to be postmaster at Kenbridge, Va., in place of J. R. Skinner. Incumbent's commission expired May 13, 1934.

Edward M. Blake to be postmaster at Kilmarnock, Va., in place of E. M. Blake. Incumbent's commission expired June 10, 1934.

Ruth K. Northington to be postmaster at Lacrosse, Va., in place of L. E. Northington. Incumbent's commission expired June 20, 1934.

Thomas E. Warriner to be postmaster at Lawrenceville, Va., in place of L. B. Connelly. Incumbent's commission expired January 16, 1934.

Samuel B. Henson to be postmaster at Louisa, Va., in place of T. L. Woolfolk. Incumbent's commission expired June 4, 1934.

John H. Cave to be postmaster at Lynchburg, Va., in place of J. M. B. Lewis. Incumbent's commission expired February 1, 1933.

Milton E. Gee to be postmaster at Meherrin, Va., in place of W. R. Berry. Incumbent's commission expired April 16, 1934.

Thomas M. Hesson to be postmaster at Monroe, Va., in place of W. E. Hudson. Incumbent's commission expired February 17, 1934.

James M. Shannon to be postmaster at Mount Jackson, Va., in place of W. W. Middleton. Incumbent's commission expired May 29, 1934.

George E. McInteer to be postmaster at Quantico, Va., in place of J. F. Fick. Incumbent's commission expired June 20, 1934.

Hollis H. Howard to be postmaster at Radford, Va., in place of W. P. Nye, Jr. Incumbent's commission expired May 9, 1934.

Ernest L. Keyser to be postmaster at Roanoke, Va., in place of S. H. Hoge. Incumbent's commission expired September 30, 1933.

Vernon C. Dotson to be postmaster at St. Charles, Va., in place of G. N. Kirk. Incumbent's commission expired May 9, 1934.

Ward S. Atkinson to be postmaster at Shawsville, Va., in place of F. A. Mills, resigned.

Marion W. Sherman to be postmaster at Shipman, Va., in place of Summerfield Baber. Incumbent's commission expired December 12, 1932.

Edwin J. Shuler to be postmaster at Stanley, Va., in place of J. L. Bailey, resigned.

William B. Cocke, Jr., to be postmaster at Stony Creek, Va., in place of E. H. Croshaw. Incumbent's commission expired May 29, 1934.

Samuel B. Harper to be postmaster at Stuarts Draft, Va., in place of W. R. Kindig. Incumbent's commission expired June 20, 1934.

Henry C. Snyder to be postmaster at Troutville, Va., in place of J. W. Layman. Incumbent's commission expired April 8, 1934.

Clifford E. Hardy to be postmaster at Victoria, Va., in place of L. M. Gary. Incumbent's commission expired February 17, 1934.

Benjamin N. Hubbard to be postmaster at White Stone, Va., in place of G. R. Dunton, Jr., removed.

Merritt W. Foster to be postmaster at Williamsburg, Va., in place of H. T. Thomas. Incumbent's commission expired May 9, 1934.

WASHINGTON

Andrew F. Farris to be postmaster at Cashmere, Wash., in place of R. A. McKellar. Incumbent's commission expired April 30, 1934.

Alfred K. Filson to be postmaster at Centralia, Wash., in place of William Scales. Incumbent's commission expired December 10, 1932.

Hubert S. Storms to be postmaster at Chewelah, Wash., in place of C. E. Sears. Incumbent's commission expired December 11, 1933.

Harold W. Kreidel to be postmaster at Cle Elum, Wash., in place of H. S. Thompson. Incumbent's commission expired January 28, 1934.

Harry E. Robbins to be postmaster at Coulee Dam, Wash. Office became Presidential October 1, 1934.

Elizabeth S. Garland to be postmaster at Endicott, Wash., in place of T. D. Logsdon. Incumbent's commission expired May 29, 1934.

Morgan J. McNair to be postmaster at Farmington, Wash., in place of W. W. Shore. Incumbent's commission expired April 30, 1934.

Fred E. Olmstead to be postmaster at Grandview, Wash., in place of Jay Faris. Incumbent's commission expired May 29, 1934.

Emmett A. Phillips to be postmaster at Harrington, Wash., in place of W. L. Talkington. Incumbent's commission expired May 7, 1934.

Oscar E. Foster to be postmaster at Hoquiam, Wash., in place of R. L. Philbrick. Incumbent's commission expired March 18, 1934.

Frank H. Lincoln to be postmaster at Kennewick, Wash., in place of G. H. Shanafelt, retired.

George A. Hauber to be postmaster at Leavenworth, Wash., in place of R. E. Simons. Incumbent's commission expired April 30, 1934.

Charles E. Schutz to be postmaster at Lind, Wash., in place of M. E. Morgan. Incumbent's commission expired June 20, 1934.

Harry C. Smyth to be postmaster at Mabton, Wash., in place of A. L. Livingston. Incumbent's commission expired February 6, 1934.

Charles J. Fredericks to be postmaster at Moxee City, Wash. Office became Presidential July 1, 1934.

Moses S. Brinkerhoff to be postmaster at Okanogan, Wash., in place of H. E. Stark. Incumbent's commission expired June 20, 1934.

Emugene W. Jones to be postmaster at Poulsbo, Wash., in place of E. J. Eliason. Incumbent's commission expired April 2, 1934.

John C. Cody to be postmaster at Republic, Wash., in place of Lewis Murphy. Incumbent's commission expired May 7, 1934.

Cecilia Allen to be postmaster at Zillah, Wash., in place of H. K. Rowland. Incumbent's commission expired May 16, 1934.

WEST VIRGINIA

William R. Kincaid to be postmaster at Cameron, W. Va., in place of A. N. Cook. Incumbent's commission expired June 9, 1934.

Leo Frank Marcum to be postmaster at Ceredo, W. Va., in place of W. A. Ramsdell, resigned.

Franklin J. Maxwell to be postmaster at Clarksburg, W. Va., in place of Lucius Hoge, Jr. Incumbent's commission expired March 22, 1934.

Frederick D. Golightly to be postmaster at Davis, W. Va., in place of C. G. Lashley. Incumbent's commission expired June 19, 1933.

Ruth L. Joyce to be postmaster at Davy, W. Va., in place of Jess Hill, failed to qualify.

Finley A. Carpenter to be postmaster at Fairview, W. Va., in place of C. L. Jones. Incumbent's commission expired February 6, 1934.

Nan W. Joyce to be postmaster at Hemphill, W. Va., in place of R. B. Scott. Incumbent's commission expired December 18, 1933.

Thomas W. Zink, Jr., to be postmaster at Keystone, W. Va., in place of P. L. Hughes. Incumbent's commission expired December 13, 1932.

James T. Spahr to be postmaster at Kingwood, W. Va., in place of H. S. Whetsell, removed.

Winston C. Harbert to be postmaster at Lumberport, W. Va., in place of J. W. Fortney, resigned.

Clair W. Overstreet to be postmaster at Matewan, W. Va., in place of N. L. Chancey. Incumbent's commission expired June 20, 1934.

G. Leonard Smith to be postmaster at Petersburg, W. Va., in place of Julius Thompson. Incumbent's commission expired June 17, 1934.

Lyman G. Emerson to be postmaster at Reedsville, W. Va., in place of J. D. Huber. Incumbent's commission expired April 15, 1934.

Ursula A. Dougherty to be postmaster at Ridgeley, W. Va., in place of Nancy Ridenour, deceased.

Russell L. Francis to be postmaster at Smithfield, W. Va., in place of Ray Merrifield. Incumbent's commission expired January 9, 1934.

Charles B. Linger to be postmaster at Terra Alta, W. Va., in place of C. T. Kelly, removed.

Everitt I. Compton to be postmaster at Wallace, W. Va., in place of M. O. Whiteman. Incumbent's commission expired March 8, 1934.

Ruth L. Millies to be postmaster at Wayne, W. Va., in place of J. W. Mitchell, deceased.

Charles B. McCray to be postmaster at Webster Springs, W. Va., in place of J. W. White, resigned.

Gilbert E. Walters to be postmaster at Weirton, W. Va., in place of C. K. Stem, resigned.

WISCONSIN

John C. Will to be postmaster at Arkansaw, Wis. Office became Presidential July 1, 1934.

Otto Hussa to be postmaster at Bangor, Wis., in place of H. C. Dowe. Incumbent's commission expired June 20, 1934.

Roland J. Osborne to be postmaster at Baraboo, Wis., in place of F. E. Shults. Incumbent's commission expired May 2, 1934.

Jerome A. Casey to be postmaster at Bloomington, Wis., in place of C. F. Witcomb. Incumbent's commission expired June 26, 1934.

Lena K. Herning to be postmaster at Cecil, Wis., in place of H. C. Scheller, deceased.

Myrvin C. Hoey to be postmaster at Centuria, Wis., in place of W. W. Peterson. Incumbent's commission expired January 8, 1934.

Lincoln C. Holmes to be postmaster at Clear Lake, Wis., in place of A. B. Cronk, retired.

Ina E. Hennlich to be postmaster at Curtiss, Wis., in place of G. L. Schwandt. Incumbent's commission expired March 8, 1934.

Willis Engebretsen to be postmaster at Eagle, Wis., in place of L. O. Burton. Incumbent's commission expired December 18, 1933.

Randolph W. LeTourneau to be postmaster at Fifield, Wis., in place of G. B. Aschenbrener. Incumbent's commission expired April 2, 1934.

John H. Poh to be postmaster at Forestville, Wis., in place of E. M. Perry. Incumbent's commission expired January 28, 1934.

Isabelle C. Spang to be postmaster at Franksville, Wis., in place of H. A. Fritchen. Incumbent's commission expired May 7, 1934.

Mathew E. Lang to be postmaster at Gillett, Wis., in place of G. S. Eklund. Incumbent's commission expired June 4, 1934.

Bernard L. Slota to be postmaster at Gilman, Wis., in place of J. C. Taylor. Incumbent's commission expired May 2, 1934.

Raymond W. Burt to be postmaster at Goodman, Wis., in place of M. F. Harris. Incumbent's commission expired May 2, 1934.

William F. Schreiber to be postmaster at Hales Corners, Wis., in place of J. N. Godsell. Incumbent's commission expired May 2, 1934.

Joseph W. Sazama to be postmaster at Hatley, Wis., in place of V. F. Platta. Incumbent's commission expired April 22, 1934.

John P. Peterson to be postmaster at Hawkins, Wis., in place of Halvor Thorson. Incumbent's commission expired April 22, 1934.

Alma M. Olk to be postmaster at Hortonville, Wis., in place of Douglas Hodgins. Incumbent's commission expired January 28, 1934.

Ernest G. Ross to be postmaster at Hudson, Wis., in place of T. A. Walby, removed.

Philip A. Panetti to be postmaster at Hustisford, Wis., in place of P. E. Kleist. Incumbent's commission expired June 17, 1934.

Roger R. Austin to be postmaster at Lancaster, Wis., in place of William McMahon. Incumbent's commission expired June 4, 1934.

Orin W. Livingston to be postmaster at Livingston, Wis., in place of H. E. Eustice, removed.

Florence H. P. Stabnow to be postmaster at Loganville, Wis., in place of W. H. Ware. Incumbent's commission expired February 10, 1934.

Ernest A. J. Samson to be postmaster at Manawa, Wis., in place of John Lindow. Incumbent's commission expired April 22, 1934.

Harry F. Kelley to be postmaster at Manitowoc, Wis., in place of W. F. Pflueger. Incumbent's commission expired May 16, 1933.

Paul O. Anderson to be postmaster at Nelson, Wis., in place of A. H. Anderson. Incumbent's commission expired April 2, 1934.

Neil A. Tarr to be postmaster at New Auburn, Wis., in place of A. J. Amundson. Incumbent's commission expired March 18, 1934.

Jacob Werner to be postmaster at New London, Wis., in place of G. H. Putnam. Incumbent's commission expired June 20, 1934.

Gustave V. Anderson to be postmaster at Ogema, Wis., in place of V. A. Nelson. Incumbent's commission expired March 18, 1934.

Edward Stackman to be postmaster at Ontario, Wis., in place of Edward Stackman. Incumbent's commission expired May 2, 1934.

Harry V. Holden to be postmaster at Orfordville, Wis., in place of H. V. Holden. Incumbent's commission expired June 2, 1934.

Harry P. Walker to be postmaster at Plainfield, Wis., in place of E. M. Walker. Incumbent's commission expired January 28, 1934.

Laura H. Culver to be postmaster at Pound, Wis., in place of J. D. Knappmiller. Incumbent's commission expired January 28, 1934.

Tony Efta to be postmaster at Pulaski, Wis., in place of E. E. Pytlak. Incumbent's commission expired January 28, 1934.

Agna Means to be postmaster at Rothschild, Wis., in place of R. G. Drake. Incumbent's commission expired December 16, 1933.

Walter P. Stephan to be postmaster at Sawyer, Wis., in place of A. E. Langemak. Incumbent's commission expired April 2, 1934.

Jeannette L. Andrews to be postmaster at South Wayne, Wis., in place of C. A. Arnot. Incumbent's commission expired May 7, 1934.

Laurence Driscoll to be postmaster at Spencer, Wis., in place of M. E. Johnston. Incumbent's commission expired June 2, 1934.

Ferdinand A. Hirzy to be postmaster at Stevens Point, Wis., in place of A. E. Redfield. Incumbent's commission expired December 19, 1933.

Mabel E. Johnson to be postmaster at Stockholm, Wis., in place of Andrew Bock. Incumbent's commission expired May 2, 1934.

Gaylord Helmick to be postmaster at Three Lakes, Wis., in place of D. E. Lamon. Incumbent's commission expired March 18, 1934.

Nyole E. Creed to be postmaster at Unity, Wis., in place of E. L. Messer. Incumbent's commission expired April 22, 1934.

Robert L. Graves to be postmaster at Viroqua, Wis., in place of C. A. Minshall. Incumbent's commission expired May 13, 1934.

Edmund O. Johnson to be postmaster at Warrens, Wis., in place of E. O. Johnson. Incumbent's commission expired May 2, 1934.

Harold J. Christ to be postmaster at Wausaukee, Wis., in place of G. E. Bogrand. Incumbent's commission expired May 2, 1934.

Christian R. Mau to be postmaster at West Salem, Wis., in place of C. R. Mau. Incumbent's commission expired March 18, 1934.

Frank L. Daniels to be postmaster at Weyerhauser, Wis., in place of C. R. Anderson. Incumbent's commission expired April 2, 1934.

Albert L. Brossard to be postmaster at Winnebago, Wis. Office became Presidential July 1, 1934.

Joseph P. Wheir to be postmaster at Wisconsin Rapids, Wis., in place of A. L. Fontaine. Incumbent's commission expired January 31, 1934.

WYOMING

Albert H. Linford to be postmaster at Afton, Wyo., in place of W. L. Call. Incumbent's commission expired June 17, 1934.

Thomas P. Hill, Jr., to be postmaster at Buffalo, Wyo., in place of F. H. Gurney. Incumbent's commission expired May 29, 1934.

John G. Kelly to be postmaster at Hanna, Wyo., in place of Ivor Christensen. Incumbent's commission expired May 16, 1934.

Robert B. Landfair to be postmaster at Jackson, Wyo., in place of W. E. Lloyd. Incumbent's commission expired December 18, 1933.

Percy D. Sims to be postmaster at Lovell, Wyo., in place of G. R. Bringhurst. Incumbent's commission expired January 8, 1934.

# HOUSE OF REPRESENTATIVES

## THURSDAY, JANUARY 10, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, in our breasts are yearnings for the unknown and aspirations for the divine. Do Thou enable us to realize these in the glow of feelings, in the vision of the intellect, and in the rapture of spirit. Our Heavenly Father, let Thy Kingdom come, in which abound righteousness, wisdom supernal, and the fruits of life everlasting. Herein is the priceless recompense that repels and conquers cruelty and avarice in low and high places. Always hold us, O God, to the vitality of integrity, of honor, and of truth; blessings upon all care-wearied minds and hearts. In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

### CONSERVATION OF WILDLIFE

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 44

*Resolved*, That the special committee to investigate all matters pertaining to the replacement and conservation of wildlife is authorized to continue the investigation begun under authority of House Resolution 237 of the Seventy-third Congress, and for such purposes said committee shall have the same power and authority as that conferred upon it by said House Resolution 237 of the Seventy-third Congress, and shall report to the House as soon as practicable, but not later than January 3, 1937, the results of its investigations, together with its recommendations, for necessary legislation. Any unexpended balance of the total amount authorized for the use of said special committee under House Resolution 263 of the Seventy-third Congress is hereby continued available until said date.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. Is any further money to be expended on this investigation?

Mr. ROBERTSON. Oh, yes.

Mr. BLANTON. There is an unexpended balance on hand?

Mr. ROBERTSON. Yes.

Mr. BLANTON. How much?

Mr. ROBERTSON. Five thousand four hundred dollars.

Mr. BLANTON. And the committee has spent how much of the original authorization?

Mr. ROBERTSON. Two thousand one hundred dollars.

Mr. BLANTON. And there now remains unexpended $5,400?

Mr. ROBERTSON. Yes.

Mr. BLANTON. Is it expected that the committee will expend all of that $5,400?

Mr. ROBERTSON. We hope to proceed as economically as possible.

Mr. BLANTON. Is the gentleman going to ask for any additional funds?

Mr. ROBERTSON. Not at this session.

Mr. BLANTON. Does the gentleman expect to in the future?

Mr. ROBERTSON. I would not want to bind myself on that.

Mr. BLANTON. We all have received the voluminous reports that have been printed and sent us recently. Before this committee began its operation we used to have plenty of wild ducks all over the United States. The Potomac River used to be full of them. Over here in the Chesapeake Bay you could find them everywhere. They were flying everywhere, even way down in the western Texas district of my friend Mr. THOMASON, in the El Paso country; all those tanks and lakes were full of wild ducks.

Mr. ROBERTSON. The gentleman does not mean "lame ducks"?

Mr. BLANTON. And now you can hardly find any wild ducks anywhere. What has the committee done with them?

Mr. ROBERTSON. We hope to assist the Federal agencies and the States to work out a program by which we can preserve that natural resource. We have been killing them off at the rate of 12,000,000 a year, and they have been reproducing at the rate of 10,000,000 a year. The gentleman is an expert in figures, and he can see what the ultimate result will be.

Mr. BLANTON. Last winter, after the hunting season was over, I saw numerous flocks of wild ducks going back up north, and I have not seen any since.

Mr. ROBERTSON. One reason the gentleman has not seen them in this section is that we have not had the normal food supply, and they had to go south.

Mr. SNELL. Mr. Speaker, will the gentleman from Virginia yield?

Mr. ROBERTSON. Yes.

Mr. SNELL. I think that committee has done some good work. There are very few of our investigating committees in which the people of the country are so deeply interested as they are in this. They are much interested in the work being done by the committee. The committee has been very careful about its expenditures so far. As far as I am concerned, and as far as this side of the House is concerned, we are entirely willing to allow the gentleman from Virginia to continue with that work. [Applause.]

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to; and a motion to consider the vote by which the resolution was agreed to was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1936

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3410) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from Virginia that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill.

Mr. WOODRUM. Mr. Speaker, pending that motion, I ask unanimous consent that general debate continue today until 4 o'clock, the time to be controlled by and equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself, at the end of which time the first section of the bill shall be read and the Committee rise.

The SPEAKER. The gentleman from Virginia asks unanimous consent that general debate continue until 4 o'clock or thereabouts today, the time to be equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and himself. Is there objection to the request of the gentleman from Virginia? The Chair hears none. The question is on the motion of the gentleman from Virginia that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill, with Mr. PARSONS in the chair.

The Clerk read the title of the bill.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 30 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Chairman, I should like to take a little time to discuss the question of the consideration and disposition of private bills by the House of Representatives. This has been a troublesome question for many years. In every session of Congress we have very many hundred private bills introduced. Of those, several hundred find their way to the Private Calendar. The original rule under which these private bills were considered was that on Friday of every week it was in order to move to go into Committee of the Whole House for the consideration of private bills. There are various kinds of private bills, such as arise from claims by individuals against the Government, and some that are based on claims arising from circumstances in war time; and there are also private bills restoring citizenship or removing a record of desertion of a veteran, and to provide for honorable discharge in the record.

The original rule provided that on the second and fourth Fridays of the month certain bills of a private nature should have preference, and on the first and third Fridays bills of a different character would have the preference. This rule was found to be absolutely unworkable. The procedure in the Committee of the Whole House is the same as in Committee of the Whole House on the state of the Union. General debate may be had, the bill read for amendment, amendments may be offered to every section, and those amendments debated. The result was that when the first bill was called in Committee of the Whole House, if there was a disposition to discuss the bill or to question its merits, that bill would consume the afternoon and no progress in the consideration of these many hundreds of claims was made. So the practice developed that, by unanimous consent, bills on the Private Calendar were called up and considered, if unobjected to. Any single objection would prevent further consideration of a bill at that time. This placed the fate of claims, some of them unquestionably just and meritorious, at the mercy of the whim of any single Member; and by reason of circumstances which brought about captious objections, bills were refused consideration that were entitled to consideration, and justice was denied those in whose behalf those bills were introduced.

Two or three years ago it was attempted to establish, by a change of the rule, a deferred list, whereby on certain days those bills which heretofore had been objected to would be considered and a certain number of objections would be required, rather than one objection. That rule was found to be unworkable also, and we have still been operating under the unanimous-consent procedure with respect to private bills.

In the last 20 years, if my recollection serves me correctly, we went into Committee of the Whole House for consideration of a private bill, under the rules that obtain in that Committee, just once, and that was for a very specific reason. There is no use going into the details at this time.

Now, it is admitted that these many hundreds of claims by American citizens against the Government for injuries or damages or loss which may have occurred, and for which the departments concerned admit that the Government in law and in equity would be held liable if it were a private individual, ought to be given an opportunity for consideration in the course of the life of a Congress.

The Committee on Rules in the last Congress authorized a subcommittee, headed by the distinguished gentleman from New York [Mr. O'CONNOR] who is now Chairman of the Committee on Rules, to consider this matter. By reason of the press of other business, this committee has not had a formal meeting, but there is before the Committee on Rules an amendment to the private-bill rule which I desire to discuss at the present time.

The real practice is that each side of the House appoints one or two men whose duty it is to consider the merits of all

private bills, to get all the information obtainable from the records of the committee reporting the bill, and from the administrative departments of the Government concerned in the subject matter of the bill, to discuss the bill, to ask questions about it, and if it lacks merit, to object to the bill. There are certain other Members who, as a matter of duty as a Member of the House, voluntarily perform that same service. So we have probably a half dozen men who interest themselves in the Private Calendar and give it this special consideration in order to protect the interests of the Government.

The proposition that is embodied in Resolution No. 41, which is a substitute for the present private-bills rule, which is paragraph 6 of rule XXIV of the House, in the first paragraph reads as follows:

Reports of bills of a private nature by the standing committees of the House shall contain a statement by the administrative department or office concerned with the subject matter therein.

Frequently when a department has reported adversely and opposed favorable consideration of a claim for some action of that department, that fact has not been clearly set forth in the report of the committee, and unless the activities of these men who make it their business to scrutinize the private bills, bring it out, the House is not aware of the fact that that department of the Government charged with the conduct which brought about the claim, is opposed to the bill.

Should the recommendation of such department or office be adverse to a favorable report, the report shall contain the specific reasons causing the committee to report the bill, nothwithstanding such adverse recommendations by the committee or office.

In other words, each written report accompanying the bill must contain the views and statements of the administrative department of the Government that is concerned with the subject matter of the bill, and if that is opposed to the favorable consideration of the bill, the report must state concisely and fully the reasons that actuated the committee in making the report, the opposition of the Government department notwithstanding.

Then this amendment proposes to give official recognition to the Membership that consider private bills in the following manner:

There shall be created an advisory board on private bills consisting of six Members of the House.

Three shall be chosen from the political party having the largest numerical representation in the House and three from the political party having the next largest numerical representation.

I might say there that the question of partisan politics has never, to my knowledge, entered into the consideration of any private bill in the last 20 years.

The members of the board shall be elected in the same manner as members of the standing committees of the House are elected.

The members of this board shall perform the functions which the objectors have been performing on the floor of the House and in their offices preparatory to their functions on the floor of the House.

The board shall review all bills on the Private Calendar, and, after consideration shall recommend for passage such bills as in their judgment merit such action. The board shall from time to time include all bills receiving such favorable recommendation in an omnibus bill. Such omnibus bill shall be reported by the chairman or any member of such board on the second and fourth Mondays of each month and it shall be referred to the Private Calendar.

In other words, if, as heretofore, a bill has been called up and discussion has been had by the Member introducing the bill, the chairman of such board or committee reporting it, and these members who would naturally constitute the board of advisers, the bill either receives or does not receive consideration.

This resolution proposes that bills go through substantially the same process, and, if approved, shall be grouped together in an omnibus bill for the further action of the House.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. BLANTON. During the course of a Congress there are several thousand of these private bills. The gentleman from New Jersey will remember, I am sure, that in a number of Congresses there was reported favorably and placed on the calendar a bill which is over 100 years old and which sought to pay $104,000,000 to the Sevier heirs of the first Governor of Tennessee. That bill was favorably reported unanimously by the committee during several Congresses. In order to stop this bill one of these pernicious objectors to whom the gentleman refers——

Mr. LEHLBACH. I did not say they were pernicious; I said they performed a useful and valuable service.

Mr. BLANTON. One of these objectors found stored away in the basement of one of the departments of the Government a statement in the handwriting of Governor Sevier, of Tennessee, over his own signature, stating that the Government of the United States had paid him every dollar that was due him and that he gave a full release to the Government of the United States. Now, if it had not been for these pernicious objectors, that $104,000,000 long ago would have been taken out of the Treasury.

Let me make this further observation and I am done: Practically every Member of Congress from time to time has a private bill or numerous private bills. I am sure the gentleman will remember the case of one Member who introduced 426 private bills on 1 day and one of his bills involved a proposition which, if passed, would have cost the Treasury $5,000,000,000. All Members, of course, are interested in the passage of their own private bills. Were there to be such a board, half the members of it to be selected by each of the two major parties in Congress, a very liberal board might be selected, one which probably would put into this omnibus bill most of the private bills that were introduced. There is this danger in such a procedure.

Mr. LEHLBACH. I shall be glad to answer the gentleman from Texas. In the first place, I did not characterize these objectors as pernicious. I said repeatedly that they performed a useful and salutary service; and I want to endorse the service they have rendered by giving them official status.

As to whether or not the Membership would elect a board of six who would logroll for their own claims and the claims of the other Members who elected them to the board, for the purpose of getting money out the Treasury unjustly and not rightfully, and so misuse their position as members of this board, and as advisers, I may say to the gentleman from Texas that I do not believe he can find six men in the House who would lend themselves to such pernicious practice. [Applause.]

Mr. BLANTON. If the gentleman will yield to me further, the duty these objectors perform is the same duty that rests upon the shoulders of every Member of this Congress. A like duty and responsibility rests on all the Members.

The gentleman from New Jersey was here years ago, when during one night garden-seed votes were swapped for what was known as the "million-dollar mountain-top votes." Does not the gentleman remember that?

Mr. LEHLBACH. I have no knowledge of it, did not at the time, and have not since. I do not indulge in that kind of politics.

Mr. BLANTON. I remember it, when the garden-seed votes were swapped for the mountain-top votes.

Mr. LEHLBACH. I do not remember anything of the kind. No such incident had come to my attention or knowledge, either at that time or subsequently.

Now, if this resolution should be adopted these six objectors will be effective. They can stop a bill from being approved and included in the omnibus bill; the formation of this board will not stop the objectors from still continuing to protect the Treasury against unjust claims. It will give them more power. On the other hand, however, it will prevent a Member whose bill has been objected to early on a Friday or Saturday afternoon from, out of spite, objecting to every subsequent bill that is called up, a thing that has been done repeatedly on the floor of the House.

Mr. BLANTON. Will the gentleman yield for one further question?

Mr. LEHLBACH. Yes.

Mr. BLANTON. Suppose there were to be approved by this board an omnibus bill that had in it a bill from almost every Member of the House.

Does the gentleman think that there is any power on this House floor that could stop the passage of that omnibus bill?

Mr. LEHLBACH. Certainly. They could strike out any particular claim in the omnibus bill.

Mr. BLANTON. That would bring up that old slogan, "United we stand, and divided we fall", and they would all stand together.

Mr. LEHLBACH. In any event, the House will act on these private bills; and no single Member, who may not have read the bill or who may have no knowledge whatever of its contents, could stop consideration of the bill, either because his own bill was stopped or because he did not like the man who introduced the bill to which he is objecting. We want to stop that kind of injustice to people who have meritorious claims and safeguard at the same time all private claims in such manner that only those of undoubted merit may be given consideration.

Mr. TRUAX. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Ohio.

Mr. TRUAX. May I say to the gentleman that I find when Members do take the time to read these bills more of them are stopped and would be stopped undoubtedly than have been stopped, and not for reasons of spite. I find many bills were passed during the last session that were meritorious and should have been passed; but on the other hand we have a lot of bills, for instance, that were to refund income taxes that had outrun the statute of limitations, amounting to hundreds of thousands of dollars, and it would have bankrupt the Federal Treasury if such policy were long pursued. For instance, on June 15, 11 bills were stopped in this House that had previously passed the Senate, amounting to $476,000. Practically all of them were tax refunds that were outlawed and not justified. Does the gentleman think this would benefit and help that situation?

Mr. LEHLBACH. Not at all. Those Senate bills may be stopped, under this rule, in precisely the same manner now as then.

Such omnibus bills shall be reported by the chairman or any members of such board on the second and fourth Mondays of each month and be referred to the Private Calendar.

On the Saturday following the introduction of an omnibus bill, or on any Saturday thereafter, it shall be in order for any member of the board to move that the House shall proceed to the consideration of such bill in the Committee of the Whole House. Upon the adoption of the motion the bill shall be read for amendment, and at the conclusion of the reading the bill shall be open to amendment in all its parts. No amendment shall be in order except to strike out paragraphs, to reduce amounts carried in the bill, or to provide limitations.

In other words, a rejected private bill may not be introduced by way of amendment into this omnibus bill, nor can you widen or increase the benefits sought in any bill by increasing its terms, nor can you offer pro forma amendments for the sake of wasting time and retarding consideration of the bill.

Mr. HESS. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Ohio.

Mr. HESS. What becomes of the bills that are rejected by this committee?

Mr. LEHLBACH. They are in exactly the same position as the private bills at the present time.

Mr. HESS. They cannot be considered any more?

Mr. LEHLBACH. Oh, yes; they may be considered just as private bills are considered now, but these omnibus bills are grouped together and consist of those bills the merits of which cannot be questioned, bills that are approved by the various departments of the Government, that are approved by the committee, and approved by a special board of advisers. Then they will have to run the gauntlet of the Committee of the Whole House, and all of the other bills are considered just as they are at the present time and have been in the past.

This is to give a chance to all bills to be given consideration by the committee, then by these advisers who are the same fellows that do this job when we consider them on the floor under unanimous consent. Those that pass are freed from objection on the part of anyone, and then considered on their merits by the House in the form of an omnibus bill.

Upon the passage of any such omnibus bill, said bill shall be resolved into the several bills of which it is composed, and such original bills, with any amendments, shall be engrossed and proceedings thereon had as if said bills had been passed in the House severally.

Private bills not included in an omnibus bill shall remain on the Private Calendar subject to consideration in accordance with the general rules of the House.

All this does is to take the Members who give special consideration to private bills and give them an official status and allow them to consider separately and all together the merits of those bills that have been reported by the committes having jurisdiction and which presumably have the support of the departments of the Government concerned with the various bills. These bills, which up to that stage have had no objection whatsoever from any source, are grouped in an omnibus bill and are then considered one by one as sections of a bill and passed on by the House. Various parts may be stricken out, the amounts reduced, limitations may be imposed, and when that is done then the Committee rises after having passed the omnibus bill. These bills are then separated into their original bills and proceed in the Senate and elsewhere just as if they had been passed singly. This is to enable the meritorious bills to be grouped together and given opportunity for consideration in the House free from captious objections, to which these bills are inevitably subjected when considered under unanimous consent.

Mr. HOPE. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Kansas.

Mr. HOPE. Has the gentleman given any consideration to setting up some tribunal outside of Congress to consider these minor private bills? It seems to me it is too bad that Congress must take up its time to consider so many of these private bills, which in many cases involve less than $100, and yet as far as the subject matter is concerned are very involved and, if given proper consideration, would take a great deal of time?

Mr. LEHLBACH. Consideration has been given to that question for a number of years and particularly to questions involving torts where the damages are of a very limited amount. The Court of Claims has considered it, and the gentleman from Massachusetts [Mr. UNDERHILL] several Congresses ago introduced a bill with respect to the consideration of torts by the Court of Claims or some person or board to which the Court of Claims may refer these cases, in order to examine and report back. The House, however, has been unwilling to divest itself of authority and control in reference to paying out money that would result from the approval of these claims. I think the question has been considered also in the Senate. I do think the solution suggested by the gentleman from Kansas is the best solution; but pending that, and by reason of the fact it seems impossible to secure such a solution, this amendment to the Private Calendar rule has been introduced in order that equity and justice may be done citizens concerning whose claims there is no reasonable doubt and no question whatsoever; but merely because of the cumbersomeness of our procedure they are denied simple justice.

Mr. BLANTON. Will the gentleman from New Jersey again yield to me?

Mr. LEHLBACH. I will.

Mr. BLANTON. If you would permit only bills to go into this omnibus bill that did not involve over $500, I would go along with the gentleman without hesitation; but the gentleman will recall that in the last session there came here on the Private Calendar, with a unanimous committee report, a bill that was known as the "Minnesota fire bill" which would have caused $12,000,000 to be paid out of the Treasury, and out of that amount a national lobbyist would

have received $1,250,000 as a fee. We defeated that bill here in the House by a tremendous majority. Suppose a bill like that were to be put into the omnibus bill, how much time would we have for consideration of such a measure?

Mr. LEHLBACH. You would have all the time that offering amendments or motions to strike out, and so forth, would allow you in Committee.

Mr. BLANTON. Which would be about 5 minutes, and how could we discuss a proposition of that kind logically in 5 minutes?

Mr. LEHLBACH. How many times in Committee of the Whole House or in Committee of the Whole House on the state of the Union has the gentleman seen 45 minutes given to the discussion of an amendment by unanimous consent, notwithstanding the fact that the rule is 5 minutes on the side?

Mr. BLANTON. But that is according to the mood of the House, and the House has just as many different moods as 435 individuals.

Mr. LEHLBACH. Whatever the House seeks to do is the will of the House.

Mr. BLANTON. Certainly.

Mr. LEHLBACH. Does the gentleman advocate preventing the House from exercising its will because he does not approve?

Mr. BLANTON. No; I want the House to exercise its will, but I have seen 100 bills passed here in 30 minutes.

Mr. LEHLBACH. Well, there was no objection to them.

Mr. BLANTON. It is true there was no objection to them, and that is why they passed. It is hard to improve upon our present rules.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. HANCOCK of New York. This thought occurs to me: A great many bills on the Private Calendar come from the War Department involving cases of veterans as a result of decisions of courts martial, which perhaps have been too severe. There is no appeal from the decision of a court martial. Has the gentleman given any thought to the advisability of setting up a board of review in the War Department which might act as a court of appeals in such cases?

Mr. LEHLBACH. That question is not germane to the consideration of private bills in the House.

Mr. HANCOCK of New York. It would take a great many bills off the Private Calendar if the War Department had power to alter or review decisions of courts martial which have been unduly severe.

Mr. LEHLBACH. Has not the President that power?

Mr. HANCOCK of New York. Not after the decision is once promulgated. I think the decision is then final. We have a great many bills of that kind on the Private Calendar.

Mr. LEHLBACH. I know of instances where the President has modified the penalties imposed by a court martial.

Mr. HANCOCK of New York. I think that is before the decision is actually promulgated.

Mr. LEHLBACH. At least, the decision has been announced in the papers and subsequently the President has set it aside or modified it.

Mr. HANCOCK of New York. My information is that after the decision is once approved, it is final.

Mr. LEHLBACH. If it is approved by the President, yes.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, the gentleman from New Jersey [Mr. LEHLBACH], who, I believe, is one of the ablest parliamentarians in the House, has made a real contribution to a subject which is of vital interest to every Member of this House.

Last June the distinguished Chairman of the Rules Committee and now our beloved majority leader [Mr. BANKHEAD] appointed a subcommittee, of which I am chairman, and on which the gentleman from Indiana [Mr. GREENWOOD], the gentleman from Virginia [Mr. SMITH], the gentleman from Michigan [Mr. MAPES], and the gentleman from New Jersey [Mr. LEHLBACH] also were appointed, to study the rules of the House in an attempt to devise some means of improving the handling of the Private Calendar. This subject is very much like the weather. It has been talked about for 20 years at least, and nothing much done about it. About 2 years ago, however, we tried to do something about it, and a rule was brought in and adopted, drafted by the distinguished member of the Rules Committee, the gentleman from Indiana [Mr. GREENWOOD]. It was found out, as the gentleman from New Jersey [Mr. LEHLBACH] has said, that this rule was not workable.

Complaints about the handling of the Private Calendar have been almost universal. Last June, after I was appointed chairman, I proceeded to study the matter. I wrote at least twice to every sitting Member of the Congress to get his views. Several of them sent proposed bills and others suggestions as to how the rule might be improved. The gentleman from New Jersey sent his proposal, to which he has just referred. We then communicated with every parliamentary body in the world which has any system similar to ours. We had the Congressional Library make thorough research of how the parliamentary bodies throughout the world handle private bills or similar measures.

We have gathered together all of these ideas, including suggestions from the Court of Claims and from ex-Members of Congress who have given the matter a great deal of study. We have not held any meetings of the subcommittee, but we propose to do so in the very near future. During the last month some of us have been busy about other matters and have not been able to give the subject as much attention as we would have liked.

The proposal of the gentleman from New Jersey [Mr. LEHLBACH] is one of many which we shall shortly consider. For the moment I am not prepared to say whether I would endorse it or not. The first paragraph at least seems to be an improvement over the present method of handling these private bills, in that a mere disapproval by the department will not furnish an objection to the bill itself, if the committee can give a cogent reason why the bill should pass, the opinion of the department to the contrary notwithstanding.

Now, working out a new rule for consideration of the Private Calendar is not an easy subject to handle. Everybody says something should be done about it. That is a premise with which we all agree. How to do it is the problem.

My purpose in taking the floor at this time is to request Members, especially the new Members, with whom I may not have communicated, to give the matter serious and deliberate thought.

Some suggestions have been made here about the amount involved in the bill. Now, frankly, it has never impressed me that a bill should be objected to merely because of the amount involved. If the bill is meritorious and one of our citizens is entitled to relief from his own Government, he should receive it whether it is $1 or $1,000,000.

I know many of our citizens who have been haunting the corridors of this building and of the House Office Buildings for nearly a generation trying to get what they felt was justice, and what many Members also felt was justice, and what sometimes the entire Claims Committee felt was justice. It, therefore, always, year after year, seemed a great injustice to them to have one or two Members object to the bill merely because they thought the amount was too large, or for some other reason, arbitrary or otherwise. It has never seemed to me as fair to take a technical or arbitrary position from the viewpoint of a Government agency to the injury of our citizens.

It makes no difference in my view as to what is the amount involved, whether $1,000,000 or $10,000,000. If the claimant corporation or individual has had an injustice done to it by the Government, the amount should be paid to that person or corporation, no matter what kind of a person or corporation is involved. Incidentally, objections are often made to certain bills, as a class.

If I recall correctly, in the last session of Congress a group of bills which were in the interest of insurance companies, and which sought to get back the money held by the Government to which the Government was not in fairness entitled, were all objected to solely because "horrible" insurance companies would get the money. I do not believe that is the considerate, deliberate attitude of most of the Members here. I, therefore, ask the Members to keep supplying our committee with the suggestions they may have as to remedying the rule with reference to the consideration of private bills, and in doing so you will be doing a real service to the House itself and to our people throughout the Nation.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOODRUM. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. REILLY. Has the gentleman made any computation or has the committee to which he refers made any computation as to how much money goes out of the Treasury because of the Private Calendar every session?

Mr. O'CONNOR. No; we have not gone into that phase of it.

Mr. REILLY. I think the committee ought to do so.

Mr. O'CONNOR. I don't know whether that is a matter of really vital concern. Of course, the Treasury must be safeguarded, but I do not believe that an objection to a bill merely because it takes money out of the Treasury is a valid objection.

Mr. REILLY. Does not the gentleman think there ought to be some provision in the rule where a bill calling for $10,000,000 or $15,000,000 or $5,000,000 should receive more consideration than a bill calling for a few thousand dollars?

Mr. O'CONNOR. Oh, yes; I agree to that, surely, but many of those bills are merely authorizations to permit the claimant to go to the Court of Claims and there prove his right to the money. Even then he does not get the money until it is appropriated by the Committee on Appropriations. That appropriation is sometimes delayed, and if it should be too severe a strain on the Treasury it would be delayed further.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. BLANTON. I agree with the gentleman from New York that if the claim is just, it makes no difference whether it is $1 or $10,000,000, but the gentleman from New York is a member of one of the influential leading law firms of the Nation. When his firm has a suit in court involving $10,000,000, it takes a week or more to try that suit. They do not try it on affidavits. His firm would not allow a judge to permit an affidavit to be read in evidence in that suit. They require legal testimony, and they try it according to law. On the other hand, when you try a $10,000,000 case against the Government before a committee of Congress, it is tried on affidavits.

Mr. O'CONNOR. I agree with the gentleman. Of course the Claims Committee or whatever committee handles the matter should go into it thoroughly and be convinced of the merits and justice of the claim.

Mr. TRUAX. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. TRUAX. The gentleman from New York mentioned insurance companies. Is it not a fact that he referred rather to bonding companies?

Mr. O'CONNOR. I think I should have said surety companies.

Mr. TRUAX. Bonding and surety companies, who gave bonds that were forfeited. Then they come into this Congress and want the Treasury to refund the money that they had to pay by reason of their own business.

Mr. O'CONNOR. But many of those cases are meritorious and no harm has been done to the Government, and the money should in fairness be refunded.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WOODRUM. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, the debate thus far on this bill has covered a wide variety of subjects. All of it has been interesting and I am sure all of it will constitute a real contribution to the intellectual and literary thought of the Nation. But I believe we ought to come around now to at least some discussion and consideration of the matter really before the House. Our friends on the Republican side yesterday had quite a good deal of fun, perhaps—I hope they enjoyed it—in indulging in some pot-shotting at the Democrats, the President, and the recovery program and what not. I was moved to a feeling of a great deal of sympathy and commiseration for those good gentlemen. Personally we love them all. I sincerely sympathize with these boys on the left. They are very few in number. I sympathize with them because I have been here in this House when we had almost as few on this side of the aisle. Some of us know what it is to have that forlorn, dejected feeling, but I can assure you brethren that you shall be protected in your constitutional rights to object and criticise. Beyond that we are not going to let you do very much, because I anticipate, certainly on matters of major policies, that the Democrats in this House, following the plain mandate of the overwhelming majority of the people of the country, thousands of whom are members of your party, are going to follow the leadership of the President, especially on matters pertaining to the Budget. I sympathize with you gentlemen because you are in a very delicate position in another regard.

We will be hearing a lot about recovery from now on, but there are going to be two kinds of recovery that we have in mind. One is economic recovery, which is the object of the President and the administration, and the other is political recovery in which you gentlemen are, of course, very properly interested. The irony of it, and that which places you gentlemen in a very hot spot, is that in order to have your political recovery promoted, it is necessary to retard the economic recovery. I do not mean for an instant that there is any gentleman over there who would deliberately retard economic recovery for political advantage, but I say that it puts a fellow in a hot spot, does it not, when he knows perfectly well that if the great objective of the President and his party succeeds, as it is succeeding and is going to succeed, thereby his chances for political recovery are, by the same ratio, getting still further down in the political scale?

But I believe, Mr. Chairman, that the people of the country whom we represent are more interested today in economic recovery than they are in political recovery, and I believe they are going to view this Congress individually and collectively, and are going to measure and appraise us on the basis of what we appear to be sincerely trying to do to bring about that hoped-for objective.

The independent offices appropriation bill, I am very happy to say, comes to you today with very much better hope of smooth sailing and easy and quick passage than it did last year. There is very little legislation in the bill. I think there is practically none of any controversial nature.

The subcommittee of the Committee on Appropriations, which considered the independent offices appropriation bill, convened on December 4 and conducted hearings which we believe have been thorough and exhaustive. Those hearings are available for your information.

At this point I want to pay my compliments and my respects, and to express my appreciation to the minority members of the subcommittee, the gentleman from Kansas,

Mr. LAMBERTSON, and the distinguished, able, and industrious gentleman from Massachusetts [Mr. WIGGLESWORTH]. [Applause.]

We do not have any politics in this subcommittee. It may break out a little here, but we work together smoothly and conscientiously, and we have tried to bring you the right kind of a bill.

What ought to be the functions of an appropriations committee and the House of Representatives in considering appropriation bills? I conceive it to be twofold. First, to protect the Treasury of the United States against unwarranted expenditures. Undoubtedly that is the prime function; but I think of almost equal, if not equal importance, is the duty of a legislative body to adequately provide for needed and justifiable public expenditures. With that twofold and kindred motive in mind, we have approached this subject, and this bill is the result of our deliberations.

The bill differs very slightly from the Budget estimates which were sent to Congress; and, for the benefit of some of our colleagues who have so recently joined us, may I say that the method of appropriating funds for the establishments of the Government, since the adoption of the budgetary system, is for very careful hearings to be held by the Bureau of the Budget, which is an advisory agency of the President, and as a result of those hearings the President makes his recommendations to Congress for appropriations. So the Budget is the President's recommendation to Congress. Of course the Budget and its findings are not binding upon this body. We may decrease or increase appropriations, or we may totally refuse to appropriate, or we may add items that were not considered by the Budget. However, it has been proven to us by experience under administrations of both parties that the safe way to handle appropriations is to follow as largely as possible the conclusions of the Bureau of the Budget, except where they do not appear to be based upon sound conclusions. Therefore, the independent offices bill today is, with only one or two exceptions, following the recommendation of the Bureau of the Budget.

The bill provides appropriations for some thirty-odd independent establishments of the Government, meaning by that, those agencies of the Government that are not under Cabinet officers, excluding, of course, the various new, independent corporations, many of which we do not have to appropriate for, because they are self-financing institutions.

Of course, by far, the major item in the bill is that providing for the vast appropriations for the Veterans' Administration. The total amount in the bill this year is $776,916,706. It is $158,671,904 above the actual appropriations for comparable activities for 1935, but when you take into account the fact that the 1935 act includes specific amounts on the basis of 90-percent salaries, while the present bill provides for 100-percent salaries, the actual net increase in the bill over the current appropriations for comparable items is but $135,527,544, of which $117,897,904 is accounted for in the veterans' appropriation item, and $98,000,000 of the $117,000,000 is provided for because of what is known as "Public, No. 141", which was the action of the legislative body in overriding the President's veto.

In many of the departments in this bill there have been actual reductions in forces and reductions in administrative expense. Now, we are hearing a great deal, and we shall hear much more, about the growth of bureaus and departments and the large accretion in public personnel, but very often that observation is predicated upon our view of these temporary, emergency organizations; but when you come to the regular Government establishments, for which the regular, ordinary Budget applies, you will find upon careful scrutiny and examination that it is being held well within the Budget requirements and well within the sound credit of the Government.

So we feel that we can commend to your kindly consideration today this bill. As I have stated, it covers some thirty-odd Government departments. I am not going to take your time, and it would be impossible to do so, to stand here and give you a careful analysis of those various organizations and the necessity for their appropriations; but in every instance their representatives appeared before our committee and gave us what we thought were justifications for the appropriations granted; and those hearings and those conclusions are available for your consideration.

There are several of these institutions, however, that I think I should comment upon; and I shall be glad to respond, if I can, to any inquiries that you may care to make about others.

On yesterday a number of times Members referred to the Home Loan Bank Board. There were Members who praised it and complimented it and others who condemned it. I think one or two things ought to be emphasized here in order that the record may be straight and that our minds may be clear.

First, permit me to recall to you the fact that the Home Loan Bank Board, as constituted by Congress, and the Home Owners' Loan Corporation, were charged by us with the duty of making legal loans to people and not granting relief. So it is not fair to get up on the floor of the House and move our colleagues to tears by telling them about some poor widow who lost her home because the Home Owners' Loan Corporation did not make her a loan, when you and I told them that they could not make her a loan unless she had certain security based upon a present prospect of repayment of the loan. So let us bear in mind the fact that they are charged by us with the duty of making legal loans with a fair prospect of repayment. In making those loans they must require legal security. They must require sound and legal titles. They do not have as Government agencies and institutions that latitude that private lending institutions might have. I say that without any particular desire to defend anybody or anything, because I have heard complaints, just as many of you have.

The next thing to which I want to call your attention is that while this bill carries $264,043 for the Home Loan Bank Board—now, not the Home Owners' Loan Corporation, the Home Loan Bank Board does not make any loans, but the Home Owners' Loan Corporation does make the loans—this carries an appropriation of $264,043 for the Home Loan Bank Board, but it is merely a reappropriation of funds that this Board has collected in fees and covered into the ordinary receipts of the Treasury. The Home Loan Bank Board and the Home Owners' Loan Corporation are self-paying institutions.

Mr. BLANTON. Will the gentleman yield right at this point?

Mr. WOODRUM. Yes.

Mr. BLANTON. The $264,000 they collected in fees was collected from the Virginia constitutents of the gentleman from Roanoke and from my constituents down in Texas. It is public money. This home-loan institution may have satisfied the constituents of the gentleman from Virginia, but they have not satisfied mine. I may say to the gentleman from Virginia this further, that if he will get the names of the ones who control this Board he will see that they are identically the same persons who control the home-loan bank; they are one and identically the same persons. There is no difference between them at all. This is true, is it not?

Mr. WOODRUM. It is substantially true, I think.

Mr. BLANTON. The fees are collected from the public.

Mr. WOODRUM. That is quite true. The gentleman called attention to complaints made by those who were not able to secure loans, but he overlooks the fact that thousands and thousands of American citizens have had their homes saved because of this agency.

Mr. BLANTON. And thousands of them have had mortgages on their homes foreclosed and they are now homeless.

Mr. WOODRUM. Oh, yes.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FITZPATRICK. Attention should also be called to the fact that even though fees were collected they represent only about 70 percent of what the very same people would

have had to pay to obtain similar loans from private agencies.

Mr. WOODRUM. Yes.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SWEENEY. Will not the gentleman from Virginia tell us something about the wholesale division of the Home Owners' Loan Corporation which has aided the great banks and individuals whose property was not in danger? There are thousands of such cases throughout the country.

Mr. WOODRUM. I prefaced my remarks, I may say to the gentleman, by stating that I was not here to defend these institutions for doing what they should not have done. The Home Owners' Loan Corporation and the home-loan bank stand on their records. They may have done some things for which they are justly to be criticized, but I want the record kept straight that they are supposed to make loans and not to hand out charity.

Mr. SWEENEY. That is true; I agree with that.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MARTIN of Massachusetts. I am sure the gentleman does not want to leave the impression that the criticism was directed entirely and solely to illegal loans. The criticism was directed toward inefficiency and delay in making loans.

Mr. WOODRUM. Another agency appropriated for in this bill to which I desire to direct attention is the Federal Communications Commission. The Communications Act of 1934 abolished the Federal Radio Commission, which, as you know, had jurisdiction over radio, the authority and duty of licensing radio communication, and full control of wave lengths and the facilities of the air. The act of 1934 abolished this commission and set up another to take its place—the Communications Commission—imposing upon it the duty of regulating telephone, telegraph, cable, and all other forms of electrical communication. These duties previously had been vested in the Interstate Commerce Commission, the Post Office Department, and the State Department.

This Commission, of course, shows a very large additional appropriation—$1,500,000 for the fiscal year 1936, for salaries and expenses, as compared with $651,885 for 1935. This Commission has had a large increase in its personnel; but it is another instance, Mr. Chairman, where we constitute a body and impose duties upon it and then find ourselves in the unpleasant situation of having to pay the bill when the bill is presented.

For just a minute or two I direct attention to another new item which appears in this bill, and in the case of which the committee has felt called upon to make a substantial reduction in its estimate for appropriations, and this is the Securities and Exchange Commission.

You will recall, of course, the Securities and Exchange Act which we passed in the closing days of the last Congress set up this Commission and imposed upon it very wide and extensive powers and duties, the extent of which I doubt whether very many of us realized at the time; but, if you in your calmer moments will study the act, you will see where we gave this new organization such vast and comprehensive powers and duties that were they really to undertake to perform them it would cause the building of a gigantic governmental institution.

Their request for appropriations for the first year of their operations was $4,277,000. It contemplated a personnel of 1,137, of which 719 were to be in the Department, and 418 in the field. This estimate was reduced by the Bureau of the Budget to $2,340,000. The Committee on Appropriations has made a further reduction to $1,800,000, based on the statement made in the hearings that they are running currently on the basis of about $150,000 a month. From the $1,800,000 the committee has deducted $150,756 which was erroneously included for rent. Space for this organization will be provided next year by the National Park Service.

Our hearings show that the great duties imposed upon this Commission are such that if they undertake to organize quickly and precipitately they will be required to send out in the field a vast army of agents, inspectors, investigators, and what not; and it was the deliberate judgment of this committee that this Commission should go along on its present basis at least for its first fiscal year, gain experience and knowledge of conditions, and then show to Congress in the future, if they need it, the necessity for the large organization and the further appropriations for which they were asking.

Now, may I say in fairness and I believe I voice the sentiment of every member of the committee when I say that this reduction in this appropriation is in no sense of the word any reflection upon this Commission or any lack of appreciation of the responsibility and difficulty of their work.

As I have stated previously, and I reiterate, the reason for our action in cutting their appropriation was that we believed they were expanding too rapidly, that they could not possibly build up an efficient personnel and an efficient organization and build it that quickly. So we made that cut in their appropriation.

I come now to the larger item in the bill.

Mr. SISSON. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. SISSON. Perhaps the gentleman intends to cover the matter of the appropriation for the Federal Trade Commission, and, if so, I do not want to disturb the continuity of the gentleman's remarks. However, if it is just as convenient, I should like to ask one or two questions about that appropriation at this time.

Mr. WOODRUM. I would be glad to answer the gentleman's questions.

Mr. SISSON. I note that the appropriation has been reduced $365,421. On page 7 of the report it speaks of the milk investigation. I am wondering if, in the appropriation, there is taken into consideration any amount for the continuation of the investigation of the dairy industry by the Federal Trade Commission?

Mr. WOODRUM. My understanding is they have funds to continue the investigation and expect to make a further study and conduct a survey of that at Philadelphia.

Mr. SISSON. My understanding is from a rather recent talk with them that they also want to continue that investigation in certain milksheds other than Connecticut and Philadelphia, and that they would need some considerable amount over and above the original $30,000. I am wondering if that is included, or if any further amount is included?

Mr. WOODRUM. It is not included, and there was no request made for that appropriation.

Mr. SISSON. It will be necessary for the Federal Trade Commission if they get any more money to make a request for a deficiency appropriation.

Mr. WOODRUM. Yes; that is correct. I should like now to call attention to this chart relating to appropriations for the Veterans' Administration. The total appropriation asked for the year 1936 is $705,420,000, an increase of something like $159,000,000 over the 1935 appropriation. I have had this table prepared and I shall insert a summary of it in the RECORD for easy reference.

*Veterans' Administration*

| Appropriation title | Appropriation 1934 | Appropriation 1935 | Estimated appropriation 1936 |
|---|---|---|---|
| Salaries and expenses | $85,773,000 | $86,740,099 | $86,700,000 |
| Printing and binding | 150,000 | 130,000 | 125,000 |
| Pensions and compensation | 319,230,000 | 394,704,247 | 400,760,000 |
| Military and naval insurance | 123,000,000 | 118,381,000 | 116,910,000 |
| Hospital and domiciliary facilities and services | 1,000,000 | | 925,000 |
| Adjusted-service certificate fund | 50,000,000 | 50,000,000 | 100,000,000 |
| Adjusted service and dependent pay | 2,835,000 | 1,286,000 | |
| Total veterans' activities | 581,988,000 | 546,748,096 | 705,420,000 |
| Civil service retirement and disability appropriated fund | 20,850,000 | 20,850,000 | |
| Total appropriated funds | 602,838,000 | [1] 672,091,346 | 705,420,000 |

[1] Includes estimated supplemental appropriations: Pensions, $98,412,250; military and naval insurance, $6,081,000.

The first item—and, of course, the one that usually interests us more than anything else—is that relating to salaries and expenses. The amount asked for in 1936 is $86,700,000. This item in the Veterans' Administration appropriation covers the following activities:

Salaries and operating expenses of the central office in Washington, the field offices, hospitals, homes, and supply depots; the cost of travel and examination of beneficiaries; payment of burial expenses and reimbursement for such expenses; repairs and alterations to hospitals, homes, and other property in which Veterans' Administration facilities are housed; payments to contract facilities wherein Veterans' Administration patients are hospitalized; reimbursements to States at the statutory rate for those veterans cared for in State soldiers' homes who are eligible for admission to Veterans' Administration homes for domiciliary care; in general, all items of expense which are not direct monetary benefits to the veterans.

That is all covered in this item.

There is an actual reduction in the administrative expenses of the Veterans' Administration for the fiscal year 1936 of $5,961,499, and we have not cut down on any of the benefits. This has been done without taking away any benefits from the veterans, and, on the contrary, we are extending greater benefits by reason of the action of the last Congress in extending the benefit payments to our veterans.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Has there not been a cut in the allowance for food for the veterans?

Mr. WOODRUM. My understanding is there has been absolutely no withdrawal of any facilities or benefits or comforts from the veterans.

Mrs. ROGERS of Massachusetts. May I ask the gentleman if any of this money will be used for the construction of new buildings?

Mr. WOODRUM. None whatever.

Mrs. ROGERS of Massachusetts. There is nothing in this appropriation for buildings?

Mr. WOODRUM. None in this particular item.

Mrs. ROGERS of Massachusetts. But in other items?

Mr. WOODRUM. Yes. There is another item, which I shall discuss later.

Mr. BOLTON. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Ohio.

Mr. BOLTON. Those salaries are on the basis of 100 percent?

Mr. WOODRUM. Yes.

Mr. MILLARD. According to what the gentleman says, then the cost of foodstuff has not gone up in the past year?

Mr. WOODRUM. The cost of foodstuff has gone up; yes.

Mr. MILLARD. Still the same appropriation is made.

Mr. WOODRUM. The reduction in administrative expenses has been brought about by a reduction of 115 of the personnel in the central office and 1,997 in the field. That has been brought about notwithstanding the addition of 4,576 beds made available to veterans over what was available in 1934 and 1,693 over 1935.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The gentleman stated there were 1,997 or more of the personnel removed from the service in the field. What was the character of the services which they rendered?

Mr. WOODRUM. This falls mostly in the class of regional offices and comes about through consolidation of facilities and failure to fill vacancies without in any way impairing the service rendered to the veterans.

Mr. CULKIN. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. CULKIN. Without intending to criticize the committee, does not the gentleman believe that the item of salary and expenses is too high now and can be further reduced?

Mr. WOODRUM. No. I think it is the lowest in the Government service, and the gentleman will appreciate that fact in just a moment.

Mr. CULKIN. It is over 10 percent of the total disbursements now?

Mr. WOODRUM. No. This covers a great deal more than salaries. I read the gentleman a list of what this includes.

Mr. CULKIN. I understand, but it is administration expenses.

Mr. WOODRUM. It is administration expenses, yes.

Mr. FITZPATRICK. Could the gentleman inform us how much has been spent on salaries?

Mr. WOODRUM. Yes. Before I leave that, may I call attention to this fact: This item of $86,700,000 is on the basis of 100-percent salaries, whereas a larger amount in 1935 was only on the basis of 90-percent salaries, so notwithstanding putting the salaries back they have absorbed that, they have absorbed all of these additional expenses, and still there is an actual reduction in the administrative cost of the item as I have indicated.

Mr. MILLARD. What was the amount for salaries and expenses? Could the gentleman separate the two?

Mr. WOODRUM. $52,306,320 for salaries.

Mr. MILLARD. For salaries?

Mr. WOODRUM. Yes.

The CHAIRMAN. The gentleman from Virginia has consumed 30 minutes.

Mr. WOODRUM. Mr. Chairman, I yield myself 20 additional minutes.

I want to comment on one other matter and I have given this figure to the committee before.

The total amount in the appropriation for 1934, and I do not have the break-down on this for 1935 and 1936, but this will demonstrate what I am getting at, for direct benefits to the veterans, which means actual payments they receive and hospitalization, amounted to $545,838,321.57, and the administrative expenses amounted to $18,723,822, or 3.43 percent of the total appropriation.

I do not believe there is another Government agency that can make such a showing. There is certainly not one in my bill. Out of this total amount the veteran gets, in direct benefits, which means actual money paid to the veteran or dependents, 87.21 percent of every dollar we appropriate, and in hospitalization, travel, direct expenses connected with his hospitalization and domiciliary and medical care, 9.36 percent of the total appropriation, or a total of about 96 percent of every dollar that we appropriate for veterans goes to the veteran and less than 4 percent for administration.

Passing over the item of printing and binding, which is routine, we come to pensions and compensation.

The amount carried in the bill for 1935 for pensions and compensation, which means direct payments made to veterans and their dependents, was $296,291,997. There will be a deficiency appropriation of $98,412,250 occasioned by the change of law when the President's veto was overridden, bringing the fund up to the amount asked for. The natural or normal increase in pensions and payments brings this fund up to $400,760,000.

Military and naval insurance represents the payments that the Government is making on the old war-risk insurance policies. We often hear it said, Mr. Chairman, that the veterans have paid for this insurance. Out of something over $1,000,000,000 that the Government has already paid for war-risk insurance the veterans actually paid about one-fourth of that amount, or something like $456,000,000. So our annual contribution to the old war-risk insurance fund, which we are now paying, has been running about $112,000,000, but you will recall that the Economy Act put a stop date on filing new suits on these old policies. The action of the House in putting on that limitation was disapproved by the Supreme Court and that let in a large number of new cases which will bring about this deficiency appropriation of something like $6,000,000, and bring that fund up to a figure of about $116,000,000 a year until we finish appropriating for a balance of about $600,000,000 more for that obligation.

Mr. SIROVICH. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. SIROVICH. The amount for pensions and compensation for 1935 is $394,000,000. Does the difference between the figure for 1935 and 1936 represent the difference occasioned by the overriding of the President's veto, amounting to only $6,000,000?

Mr. WOODRUM. No; $6,000,000 is the natural increase in new claims filed.

Mr. SIROVICH. What would be that increase?

Mr. WOODRUM. That increase is $98,412,250. We appropriated for 1935, $296,000,000 plus, and we will have to augment that with a deficiency appropriation to take care of the overriding of the President's veto.

Mr. HESS. Are there any changes in the rates of pensions?

Mr. WOODRUM. No changes since the action on the President's veto message.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. ROBSION of Kentucky. The gentleman stated that we would appropriate in the future $600,000,000 to take care of the war-risk insurance. I wish the gentleman would amplify that statement.

Mr. WOODRUM. That is a continuing obligation on the part of the Government until we liquidate all of those old policies.

Mr. ROBSION of Kentucky. Is there a present direct obligation of $600,000,000 yet remaining?

Mr. WOODRUM. That is the actuarial estimate of what the Government will ultimately contribute on the war-risk insurance policies, in addition to appropriations already made. Perhaps I should make this statement in order to make the matter clear. You understand that the war-risk policies were superseded by Government life insurance and that is self-sustaining and we do not appropriate for it. The premiums on the policies pay for that. This fund is to take care of the old war-risk insurance policies on which the veterans paid about one-fourth and the Government three-fourths.

Mr. ROBSION of Kentucky. Have not thousands of those policies lapsed?

Mr. WOODRUM. Yes; certainly; thousands of them have lapsed; otherwise the obligation would be greater.

Mr. ROBSION of Kentucky. Does the gentleman mean to state that those that are in force and for which the Government has a direct obligation will amount to $600,000,000?

Mr. WOODRUM. Yes; that is what I mean to state. It is a staggering figure.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. FISH. I am simply asking this question for information. What is the $600,000,000 that goes into the Veterans' Bureau for the war-risk insurance policies?

Mr. WOODRUM. It is the ultimate liability on the Government to finally liquidate all of the old war-risk insurance policies.

Mr. FISH. Is there any set date for liquidation?

Mr. WOODRUM. No.

Mr. FISH. In other words, what is the reason for appropriating $600,000,000 now?

Mr. WOODRUM. We are not appropriating it now.

Mr. FISH. That is what I did not understand.

Mr. WOODRUM. One hundred and sixteen million dollars is the amount now appropriated.

Hospital and domiciliary facilities is the fund that is used for repairs and alterations and additions to existing Government institutions. We did not make any appropriation in 1935. The Veterans' Administration is asking now for authorization to use $925,000 of a number of different funds. Gentlemen will recall that we have from time to time had various construction acts for the building of hospitals, at different points, and under different circumstances. There is a number of those acts. The authorization has already been made; and if this expenditure is authorized, there will still be left about $4,000,000 in construction acts available for such things as may be needed in the future.

Mr. FISH. Is not that $116,000,000 for the adjusted-service certificates, for liquidation?

Mr. WOODRUM. No; we have not come to that yet.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. ROBSION of Kentucky. Does that include the $600,000,000 of liability? Does that include the thousands of suits that have been filed in the United States courts?

Mr. WOODRUM. Yes.

Mr. ROBSION of Kentucky. And if they are defeated by that action, that sum will be reduced accordingly.

Mr. WOODRUM. Yes. The $600,000,000 is an actuarial estimate. It is a guess based on so many cases being lost and so many having died and what not. We may take it for what it may be worth.

Mrs. KAHN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mrs. KAHN. This is not a question strictly along the lines the gentleman is talking, but a lot of interest has been manifested in the amount of money that is in the reserve, in the surplus, for these men. I wonder if the gentleman has any idea of how much money that is?

Mr. WOODRUM. I could not answer that.

Mr. FISH. I think I can answer that. It is $160,000,000.

Mrs. KAHN. Was not something in the way of $180,000,000 put in?

Mr. FISH. Not for many years. There has been $1,300,000,000 appropriated altogether by Congress to liquidate the adjusted-service certificates.

Mr. WOODRUM. We have been putting about $50,000,000 a year in that fund. It is not what the actuaries say we ought to put in. When we made it possible for the veterans to borrow 50 percent of their certificates, we put $200,000,000 in. In 1934 we put $50,000,000 in and in 1935, $50,000,000, and this year they have thought that we ought to put in $100,000,000 to bring it up to present indications. But perhaps that will all be taken care of in another way.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. ANDREWS of New York. I am under the impression that we put in the reserve last year approximately $112,000,000.

Mr. WOODRUM. Fifty million dollars last year.

Mr. BOILEAU. The actuaries claim that approximately $150,000,000 is necessary in order to build up a sufficient fund.

Mr. WOODRUM. Yes. We are away behind on that. Next, the civil-service retirement and disability fund. We have been putting $20,850,000 a year into that, and again we are behind according to the actuaries' estimates on the Government's obligations to that fund. It was not in this bill, but in the Civil Service Commission appropriation, we are giving $40,000,000 to the fund, which is just a little less than the actuaries say should be put in.

I should like to make another point in which I think the Members of the House will be interested, in connection with this veterans' appropriation. It is in the matter of the cost of hospitalization. The Veterans' Administration has made a careful study of the comparative cost of hospitalizing veterans in private, contract institutions, as compared with the cost of hospitalizing in their own institutions. It has been referred to here very often on the floor of the House, and our distinguished friend from Massachusetts [Mr. LUCE] used to periodically ask me about that, and we never agreed upon it. They have made a very careful study of that. They find that the hospitalized patients in contract hospitals cost approximately $7 per patient per day and that the same service—I should say perhaps a better service—in Government hospitals runs from $3.50 to $3.75 per patient per bed per day.

Mr. KNUTSON. Does that take into consideration interest on the investment and depreciation?

Mr. WOODRUM. I do not think it does, but you never figure that in Government activities.

Mr. KNUTSON. But you should in making a comparison.

Mr. WOODRUM. If you figure it on a comparative basis, the difference in the service that they get would account for that. I say this, without in any way reflecting on the private hospital or private institution, that the veterans in these Government hospitals do get the finest medical attention they can have, and the finest care and attention and food. If you have not done so, I wish every Member of this House would try to make it possible to visit at some time one of these Government hospitals. Just drop in without being announced, and you will find it the acme of perfection and attention.

Mr. PERKINS. Mr. Chairman, if the gentleman will permit, I rise to confirm what the gentleman has said. I was on an investigating committee, investigating a great many Government hospitals, and I found them just as the gentleman has described.

Mr. WOODRUM. During this past summer I visited a veterans' hospital at Waco, Tex., in the district of the able and conscientious and distinguished gentleman from Texas [Mr. CROSS], though he did not happen to be there at the time to extend me the right hand of fellowship. I dropped in without being announced. It is a mental institution. I spent a day with Dr. Rubui, that very splendid physician in charge of that institution, and I was highly delighted and got great consolation in knowing that the Government was there doing everything that money and care could do for those poor unfortunate people. I found this, however, and I am glad to see it remedied in this bill. We have been neglectful of the facilities for our colored veterans, and that applies all over the country.

In this bill funds are provided. In this $925,000 to which I have alluded, the Veterans' Administration have plans under way to add facilities at existing institutions whereby the colored veterans will be given everything that the American citizen would want him to have.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mrs. ROGERS of Massachusetts. I know that is absolutely the case. I think we also have been neglectful in our care of women veterans so far as Government facilities are concerned. Have you any appropriation for added buildings for them?

Mr. WOODRUM. Not that I know of. I know the committee would be very sympathetic with any showing that could be made to justify some such appropriation.

Mrs. ROGERS of Massachusetts. Does the gentleman believe the committee would entertain an item of appropriation in this bill for the women patients?

Mr. WOODRUM. The committee would want it to go through the regular channels and be submitted to the Veterans' Administration for their consideration, and to the Budget, and hear what they have to say about it.

Mrs. ROGERS of Massachusetts. One other question. Of course, the expense of hospitalization of the veteran in diagnostic clinics is much greater than in other veteran hospitals.

Mr. WOODRUM. Much greater; yes.

Mrs. ROGERS of Massachusetts. Have you the figure?

Mr. WOODRUM. The figure I gave was an average figure, based on an average of all classes of cases. Of course, the tubercular cases are very expensive cases, and the general medical cases also. The neuropsychiatric cases are not so expensive, but the figure I gave was an average figure.

Mrs. ROGERS of Massachusetts. The diagnostic clinic is much greater?

Mr. WOODRUM. Yes.

Mrs. ROGERS of Massachusetts. And the gentleman's committee appropriated every penny that General Hines asked for to be spent for repairs and additions to the hospital?

Mr. WOODRUM. Yes.

Mr. KNUTSON. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. KNUTSON. How much have we invested in hospitals up to the present time?

Mr. WOODRUM. My recollection is something over $149,943,000 in new construction since the war.

Mr. KNUTSON. Is that all?

Mr. WOODRUM. I think that is enough; it is ample; and I will say that they are being taken care of.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FITZPATRICK. The $400,760,000 is the amount requested by the Veterans' Administration?

Mr. WOODRUM. Yes, sir.

Mr. NICHOLS. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. NICHOLS. I should like to know if the money is included in this appropriation bill which we use to take care of the widows and orphans?

Mr. WOODRUM. The widows' and orphans' pensions; yes, sir.

Mr. NICHOLS. Does this appropriation provide for any increase in that compensation, in those payments today?

Mr. WOODRUM. This appropriation could not, I will say to the gentleman from Oklahoma, because that would require a change in the basic law which would have to come from a legislative committee. The function of this committee is to provide funds for the basic law that Congress has heretofore enacted. This carries sufficient funds to pay for the widows' and orphans' pensions which we passed at the last session of Congress, Public, No. 484.

Mr. NICHOLS. I think we ought to do something to take care of a lot of these folks that we are neglecting.

Mr. WOODRUM. The legislative committee would have to take care of that.

Mr. McFARLANE. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. McFARLANE. I cannot tell from that chart just what the total administrative expense for the Veterans' Administration amounts to. I notice it shows salaries and expenses, and then down below, "Civil service."

Mr. WOODRUM. The "Civil service" is out of the bill. The civil-service retirement fund was transferred to the Civil Service Commission. It was in in 1934 and 1935, but it is out now. This item here is the total administrative expense of the Veterans' Administration.

Now, Mr. Chairman, unless there are some further questions, I think I have consumed all the time I should consume.

Mr. WEARIN. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. WEARIN. The gentleman passed the section with reference to the National Advisory Committee for Aeronautics. If the gentleman will return to that, I notice in the report on the bill this particular section carries an increase of $113,008 above the current appropriation, and that $66,418 is required to restore salaries to the 100-percent basis. Would the gentleman explain that just a little?

Mr. WOODRUM. Explain the restoration of salaries to the 100-percent basis?

Mr. WEARIN. Yes.

Mr. WOODRUM. In all of these items we are carrying 100-percent salaries. That is, full salary restoration for the next year in all of these departments.

Mr. WEARIN. And that is the reason for this particular action?

Mr. WOODRUM. There is an increase in every department, which restores their salaries from 95 percent as at present to 100 percent beginning July 1.

Mr. SWEENEY. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SWEENEY. Suppose we change that and make it retroactive to January 1, what happens?

Mr. WOODRUM. That could not be done in this bill. That would be a change in the substantive law which would have to be done by a separate bill.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SAUTHOFF. Can you give an estimate for the yearly expenditure that would be abolished if the soldiers' bonus were paid in full at once?

Mr. WOODRUM. I cannot; but obviously it would be simply the clerical service necessary to keep the books, and I think it would be infinitesimal.

Mr. SAUTHOFF. That is in that item of 3 percent-plus that you gave previously?

Mr. WOODRUM. Yes.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. WOODRUM] has again expired.

Mr. WOODRUM. I yield myself 2 additional minutes.

Mr. BOILEAU. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BOILEAU. The gentleman stated a little while ago that the appropriation for the coming year was $159,000,000 more than for the present year. Does the gentleman mean that that $159,000,000 will be an increase in the expense of the Veterans' Administration in 1936 over 1935?

Mr. WOODRUM. I did not say in the Veterans' Administration; I said the whole bill.

Mr. BOILEAU. The veterans' item is $158,000,000 more, is it not?

Mr. WOODRUM. Yes.

Mr. BOILEAU. That does not mean that the cost of the Veterans' Administration in 1936 will be $158,000,000 more than in 1935?

Mr. WOODRUM. No.

Mr. BOILEAU. Ninety-eight million dollars over what they received in 1935, over the official estimate for 1935?

Mr. WOODRUM. Brought about largely because of added benefits incident to the passing of the bill over the President's veto.

Mr. BOILEAU. Is that for the year 1935–36?

Mr. WOODRUM. It is for part of 1935 and 1936.

Mr. BOILEAU. But that probably would represent the additional cost for the balance of the year 1935.

Mr. WOODRUM. Yes. The $98,000,000 was what it cost in 1935.

Mr. BOILEAU. Ninety-eight million dollars more.

Mr. WOODRUM. Yes. That brought the 1935 appropriation of $296,000,000 plus up to $394,000,000 plus.

Mr. BOILEAU. If in 1935 it cost $98,000,000 more, how much more will it cost in 1936 than it did in 1935?

Mr. WOODRUM. It will cost the difference between $296,000,000 and $400,700,000. Some of it is brought about by the widows and orphans' pension bill, and part of it is made necessary because of certain changes the President has made in the regulations. About $100,000,000 is what the Veterans' Administration estimates the increase to be.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BOILEAU. Is it not a fact that it is not fair to charge the increase entirely to the action of Congress in overriding the Presidential veto? Did not the President at the time intimate that it was his intention to make substantial changes in the regulations?

Mr. WOODRUM. I think so; yes.

Mr. BOILEAU. So that the actual cost to the Government because of its action in overriding the President's veto is nowhere near $98,000,000 a year.

Mr. WOODRUM. It is substantially less than that, I think.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. ROBSION of Kentucky. Under the heading of "Civil-service retirement fund", I see $40,000,000 appropriated as a credit. Will the gentleman be so kind as to tell the House the annual contribution made by the Government and by the employees of the Government?

Mr. WOODRUM. It is my understanding that the contribution is made on an equal basis by both the Government and the employees of the Government, that each contribute 3½ percent of the pay roll.

Mr. ROBSION of Kentucky. It does not cost the Government more than $40,000,000 annually?

Mr. WOODRUM. It costs the Government a little more than that. We are behind. It will take about $52,000,000 to pay the Government's share of that.

Mr. ROBSION of Kentucky. And it will take a contribution of substantially the same amount on the part of the employees?

Mr. WOODRUM. Yes.

Mr. MILLARD. Mr. Chairman, will the gentleman yield for a question?

Mr. WOODRUM. I yield.

Mr. MILLARD. What was the purpose of transferring this item from the Veterans' Administration to the civil-service item?

Mr. WOODRUM. Because it was thought more logical to have it in the Civil Service Commission than in the Veterans' Administration. It is simply an administrative change.

Mr. MAY. Mr. Chairman, if the gentleman will yield, can the gentleman tell us the total sum of money that has been deposited from year to year for the retirement of the adjusted-service certificates, including the $50,000,000 carried by this bill?

Mr. WOODRUM. I do not have those figures.

Mr. MAY. Has the gentleman an approximate idea of the amount?

Mr. WOODRUM. I can give the figures to the gentleman; it is $1,296,000,000.

Mr. CARPENTER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. CARPENTER. Included in the item for Foreign Service is an appropriation to take care of the depreciation of the currency, is there not?

Mr. WOODRUM. Yes.

Mr. CARPENTER. Is this due to the lessened gold content of the dollar?

Mr. WOODRUM. That is one way of stating it.

Mr. CARPENTER. I am wondering if this is consistent with the attitude of the Attorney General before the Supreme Court in the last day or two.

Mr. WOODRUM. The gentleman from Virginia would not like to pass upon the consistency of the opinions of the Attorney General.

Mr. CARPENTER. Is it not the opposite position from that he is taking before the Supreme Court?

Mr. WOODRUM. I am perfectly willing for the gentleman from Kansas to form his own conclusions in the matter.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. NICHOLS. Does the item "Civil-service retirement disability" include only the civil-service employees in the Veterans' Administration?

Mr. WOODRUM. No. The administration of the civil-service retirement fund, which is a fund to provide for the retirement of the general civil-service employees of the Government, was for a time in the Department of the Interior. When the old Pension Bureau of the Department of the Interior was consolidated with the Veterans' Administration they sent the civil-service retirement section to the Veterans' Administration, but by administrative order it was transferred to the Civil Service Commission, where, obviously, it was more properly and agreeably situated.

Mr. NICHOLS. Will this amount be deducted, then?

Mr. WOODRUM. Nothing is carried in the veterans' appropriation for 1936 for it. It is in this bill under the appropriation for the Civil Service Commission. [Applause.]

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 20 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, at the outset I want to reciprocate the sentiments which the distinguished chairman of this subcommittee has been good enough to express. I want to pay my respects to the majority members of this committee. It is always a pleasure to work with them; and I am sure, after listening to the able presentation by the chairman [Mr. WOODRUM], the Members of the House will agree with me that it is indeed fortunate in having such an able and distinguished chairman of this subcommittee. [Applause.]

Mr. Chairman, I shall not attempt to speak at length today. In view of what has been said about the bill, in view of the fact also that there is very little of a contentious nature in the bill insofar as the committee is concerned, no extended presentation on my part is essential, I am sure.

The bill, as a whole, as has been pointed out, carries a total appropriation of approximately $777,000,000 ($776,916,706), or roughly $160,000,000 ($159,693,674) more than carried by the same bill a year ago. There are increases reported in most of the items in the bill. In four instances I think there are apparent reductions, but those reductions are more apparent than real. As the chairman has pointed out, of the total increase of approximately $160,000,000, about $24,000,000 ($24,166,130) is accounted for by the restoration of compensation to the extent of 5 percent which is carried by the bill, while about $118,000,000 ($117,897,904) is to be found in the appropriation for the Veterans' Administration, which includes an increase of $50,000,000 in the contribution to the adjusted-service certificate fund in order to bring that fund more nearly to the point it should be on an actuarial basis.

This bill, I think, is always an interesting one. It has the added interest this year of three new organizations which are covered by its terms. One of the new organizations is the reorganized National Mediation Board, set up for the purpose of ironing out disputes and maintaining harmony within the field covered by the Railway Labor Act. In the new organization provided for in June 1934, the functions of the old Board of Mediation were retained, including provision for mediation, for arbitration, and for settlement of disputes, if necessary, through emergency boards designated by the President. In addition there is an added function provided for through the so-called "National Railroad Adjustment Board." The functions of this Board are primarily to take care of cases involving the interpretation and application of agreements in this general field which have been concluded. The Adjustment Board consists of 36 members, 18 designated by the carriers and 18 by workers' organizations. Its headquarters is in Chicago. It operates through four divisions. It contemplates a working force of about 55 and asks for an appropriation of $156,000.

I have always believed that the former Board of Mediation did excellent work under the leadership, as many Members of this House know, of a distinguished citizen of Massachusetts, a former Member of this House, Hon. Samuel Winslow. The new organization gives promise, if we are to accept the testimony before our committee, of doing even better work in this field, and I am sure we all share in the hope that this will prove to be the case, realizing the important part which it is designed to play in the railway field, responsible for the well-being of something over a million and a half workers.

The other new items have already been referred to by the chairman of the subcommittee, namely, the Federal Communications Commission and the Securities and Exchange Commission. The Federal Communications Commission contemplates an organization of 408 workers at home and 111 in the field, and asks for an appropriation of $1,500,000. The personnel requested and the appropriation requested are both about 150 percent in excess of that required by the old Federal Radio Commission, with its work in the radio field as distinguished from the functions imposed on the new Commission.

Should the Commission actually go into the matter of valuation of the utilities under its control, the evidence indicates that an even larger appropriation would be requested.

The Securities and Exchange Commission has been accorded tremendous powers as pointed out by the chairman. The able statement of its chairman, Mr. Kennedy, before the committee affords striking evidence of this fact. I sincerely hope that this Commission in the exercise of its powers will proceed with moderation in order that the country may derive the maximum benefit from its regulation and not be handicapped by ill-advised or excessive regulation.

Two or three of the older units may perhaps be referred to, for example, the Employees' Compensation Commission. The evidence before the committee shows a tremendous increase in the work of this Commission. The number of injuries reported annually to the Commission under normal conditions amounted to something like 24,000. Last year there were reports of injuries from the Civil Works Administration alone amounting to 163,000 and from the C. C. C. amounting to 10,000. The reports from other sources also increased to well over 29,000. It is obvious, I think, from the testimony presented, that an increase in funds for the Employees' Compensation Commission is essential.

The Federal Trade Commission has turned over a portion of its former duties to the new Securities and Exchange Commission, about 118 of its personnel, and something over $260,000 of its appropriation.

The work of the Commission has increased in respect to investigations made for the National Recovery Administration. The Commission has made 270 investigations with a view to the enforcement of codes under the N. R. A., and has also done similar work to a lesser degree for the A. A. A.

The Tariff Commission has also had increased duties imposed upon it. Some 10 investigations have been made under the N. R. A. with a view to the control of imports. An immense amount of work has also resulted under the policy of reciprocal trade agreements. Some 31 separate committees have been set up in connection with this work, and it is estimated that $426,753 out of its total appropriation of $955,000 will be needed for the work.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my colleague from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the gentleman know how many trade agreements have been made with other countries?

Mr. WIGGLESWORTH. The only agreement actually concluded to date is the agreement made sometime ago with the Government of Cuba. There are a number of other negotiations in view, the exact status of which I am not in a position to state.

Mrs. ROGERS of Massachusetts. I think there are some 15 under consideration at the present time and there is great agitation among the industries which have been or which may be hurt by the elimination of tariff protection.

Mr. DONDERO. If the gentleman will permit, the agreement he speaks of with Cuba is principally with respect to sugar, is it not?

Mr. WIGGLESWORTH. That is the principal item, I think.

Mrs. ROGERS of Massachusetts. It has affected the cotton and cotton-textile industries adversely.

Mr. WIGGLESWORTH. I am not going to talk any further about the Veterans' Administration. This is something which is always of great interest to all of us here in the House, but the appropriation has been so admirably explained by the gentleman from Virginia that I am not going to take the time to say anything further about it. I simply want to emphasize that this appropriation puts into effect the liberalization of regulations previously in force as a result of the action taken by both Houses of Congress at the last session.

I want to emphasize also the fact that there is carried in this bill the sum of $925,000 for increased hospitalization facilities. This is a particularly important matter or

becoming so with reference to the neuropsychiatric cases. The evidence before the committee indicates that there are today some 21,000 of these unfortunate cases and that we may expect ultimately to have as many as 40,000 of them, while there are available at present no more than 189 free beds to take care of this type of case.

Mr. McFARLANE. Will the gentleman yield there?

Mr. WIGGLESWORTH. I shall be glad to yield to the gentleman from Texas.

Mr. McFARLANE. Can the gentleman tell us how the hospitals are divided up at this time as between these cases and other kinds of cases and what part of the hospitals is being used at this time to take care of the C. C. C. cases?

Mr. WIGGLESWORTH. I thought I had that information here in chart form.

Mr. McFARLANE. Will the gentleman put that in the RECORD, please?

Mr. WIGGLESWORTH. I shall be glad to do so.

Mr. McFARLANE. And show the vacancies in the different hospitals, so that we can get some idea of the kind and character of hospitalization we are having in the country in order that we may answer the inquiries of our constituents along this line.

Mr. WIGGLESWORTH. I shall be glad to do so.

*Veterans' Administration—Average number of beds available, by type of facility, for the fiscal years 1934, 1935, and 1936*

| Hospitals | State | Average hospital beds | | |
|---|---|---|---|---|
| | | 1936 | 1935 | 1934 |
| Neuropsychiatric: | | | | |
| American Lake | Washington | 676 | 676 | 676 |
| Augusta | Georgia | 966 | 966 | 966 |
| Bedford | Massachusetts | 813 | 813 | 813 |
| Camp Custer | Michigan | 835 | 835 | 814 |
| Canandaigua | New York | 468 | 468 | 468 |
| Chillicothe | Ohio | 944 | 944 | 944 |
| Coatesville | Pennsylvania | 1,136 | 1,136 | 1,073 |
| Danville | Illinois | 1,825 | | |
| Fort Lyon | Colorado | 699 | 699 | 616 |
| Gulfport | Mississippi | 598 | 598 | 598 |
| Knoxville | Iowa | 851 | 851 | 851 |
| Lexington | Kentucky | 256 | 256 | 256 |
| Lyons | New Jersey | 895 | 895 | 895 |
| Marion | Indiana | 1,400 | 1,400 | 1,400 |
| Northampton | Massachusetts | 611 | 611 | 564 |
| North Chicago | Illinois | 1,135 | 1,135 | 1,135 |
| North Little Rock | Arkansas | 820 | 820 | 820 |
| Northport, Long Island | New York | 1,392 | 1,392 | 1,392 |
| Palo Alto | California | 1,010 | 1,010 | 1,010 |
| Perry Point | Maryland | 1,015 | 1,015 | 1,015 |
| Roanoke | Virginia | 472 | 177 | |
| St. Cloud | Minnesota | 755 | 755 | 755 |
| Sheridan | Wyoming | 598 | 543 | 466 |
| Tuskegee | Alabama | 1,136 | 1,136 | 1,145 |
| Waco | Texas | 308 | 308 | 308 |
| Total | | 21,614 | 19,439 | 18,980 |
| Tuberculosis: | | | | |
| Aspinwall | Pennsylvania | 501 | 501 | 466 |
| Castle Point | New York | 479 | 479 | 479 |
| Fort Bayard | New Mexico | 450 | 450 | 450 |
| Legion | Texas | 433 | 433 | 433 |
| Livermore | California | 318 | 318 | 318 |
| Oteen | North Carolina | 850 | 850 | 850 |
| Outwood | Kentucky | 431 | 403 | 375 |
| Rutland Heights | Massachusetts | 472 | 472 | 437 |
| San Fernando | California | 230 | 230 | 230 |
| Sunmount | New York | 520 | 520 | 520 |
| Tucson | Arizona | 358 | 358 | 358 |
| Walla Walla | Washington | 400 | 400 | 388 |
| Whipple | Arizona | 600 | 600 | 600 |
| Total | | 6,042 | 6,014 | 5,904 |
| General: | | | | |
| Albuquerque | New Mexico | 259 | 259 | 259 |
| Alexandria | Louisiana | 439 | 439 | 439 |
| Atlanta | Georgia | 200 | 200 | 200 |
| Batavia | New York | 297 | 297 | 50 |
| Boise | Idaho | 302 | 302 | 302 |
| Bronx | New York | 950 | 950 | 950 |
| Cheyenne | Wyoming | 108 | 108 | 18 |
| Columbia | South Carolina | 304 | 304 | 304 |
| Des Moines | Iowa | 300 | 300 | 75 |
| Dwight | Illinois | 225 | 188 | |
| Excelsior Springs | Missouri | 252 | 252 | 252 |
| Fargo | North Dakota | 100 | 100 | 100 |
| Fayetteville | Arkansas | 258 | 258 | 65 |
| Fort Harrison | Montana | 438 | 438 | 438 |
| Hines | Illinois | 1,750 | 1,750 | 1,750 |
| Huntington | West Virginia | 210 | 210 | 210 |
| Indianapolis | Indiana | 152 | 152 | 152 |
| Jefferson Barracks | Missouri | 372 | 372 | 372 |
| Lake City | Florida | 307 | 307 | 307 |
| Lincoln | Nebraska | 197 | 197 | 197 |
| Memphis | Tennessee | 450 | 450 | 457 |

*Veterans' Administration—Average number of beds available, by type of facility, for the fiscal years 1934, 1935, and 1936*—Con.

| Hospitals | State | Average hospital beds | | |
|---|---|---|---|---|
| | | 1936 | 1935 | 1934 |
| General—Continued. | | | | |
| Minneapolis | Minnesota | 642 | 642 | 612 |
| Muskogee | Oklahoma | 407 | 407 | 402 |
| Newington | Connecticut | 266 | 266 | 266 |
| Portland | Oregon | 385 | 385 | 385 |
| Salt Lake City | Utah | 103 | 103 | 103 |
| San Francisco | California | 334 | 334 | |
| Tuscaloosa | Alabama | 346 | 346 | 304 |
| Washington | District of Columbia. | 327 | 316 | 266 |
| Wichita | Kansas | 166 | 166 | 109 |
| Total | | 10,846 | 10,798 | 9,344 |
| Homes: | | | | |
| Augusta | Maine | 275 | 275 | 209 |
| Bath | New York | 405 | 405 | 398 |
| Bay Pines | Florida | 197 | 197 | 181 |
| Biloxi | Mississippi | 207 | 207 | 177 |
| Danville | Illinois | | 772 | 562 |
| Dayton | Ohio | 1,104 | 1,104 | 1,104 |
| Hampton | Virginia | 810 | 810 | 810 |
| Hot Springs | South Dakota | 207 | 207 | 207 |
| Johnson City | Tennessee | 565 | 565 | 593 |
| Leavenworth | Kansas | 824 | 824 | 636 |
| Milwaukee | Wisconsin | 1,304 | 1,304 | 1,304 |
| Roseburg | Oregon | 191 | 191 | 106 |
| West Los Angeles | California | 1,882 | 1,668 | 1,232 |
| Total | | 7,971 | 8,529 | 7,669 |
| | | Average domiciliary beds | | |
| Augusta | Maine | 1,066 | 1,580 | 1,387 |
| Bath | New York | 1,111 | 1,111 | 1,145 |
| Bay Pines | Florida | 350 | 350 | 350 |
| Biloxi | Mississippi | 350 | 350 | 320 |
| Danville | Illinois | | 2,104 | 2,314 |
| Dayton | Ohio | 3,124 | 3,124 | 3,276 |
| Hampton | Virginia | 1,539 | 1,539 | 1,539 |
| Hot Springs | South Dakota | 433 | 433 | 433 |
| Johnson City | Tennessee | 2,743 | 2,743 | 2,664 |
| Leavenworth | Kansas | 2,205 | 2,205 | 2,025 |
| Milwaukee | Wisconsin | 1,752 | 1,752 | 1,752 |
| Roseburg | Oregon | 350 | 350 | 322 |
| West Los Angeles | California | 4,877 | 5,108 | 5,577 |
| Total | | 19,900 | 22,749 | 23,104 |
| SUMMARY | | | | |
| Hospital beds:[1] | | | | |
| Neuropsychiatric | | 21,614 | 19,439 | 18,980 |
| Tuberculosis | | 6,042 | 6,014 | 5,904 |
| General | | 10,846 | 10,798 | 9,344 |
| General (homes) | | 7,971 | 8,529 | 7,669 |
| Total, hospital beds | | 46,473 | 44,780 | 41,897 |
| Domiciliary beds | | 19,900 | 22,749 | 23,104 |
| Grand total | | 66,373 | 67,529 | 65,001 |

[1] As of Nov. 30, 1934, there were 475 C. C. C. patients in various veterans' hospitals. There were also on that date about 3,500 vacant hospital beds, of which 189 were available for neuropsychiatric cases.

Mr. Chairman, I do not want to talk at length. I am going to make just one or two observations of a general character before concluding what I have to say.

I call the attention of the members of the committee, in the first instance, to the evidence brought before this committee by the General Accounting Office. The evidence submitted by that organization indicates that its work had been more than doubled in view of the recent expansion of Government activities. For example, whereas in normal times a total number of about 31,000,000 checks was handled annually by this agency, in the fiscal year 1934 there were no less than 100,000,000 checks which the office was called upon to handle.

The evidence also indicates that the Accounting Office does not have at this time facilities deemed adequate for carrying out the responsibilities which should be properly intrusted to it. The statement was made that if these facilities were available, an additional $100,000 would be requested in order to carry out the proper functions of the office.

The evidence also indicates that while progress has been made in bringing the emergency organizations under the General Accounting Office for audit, there are still some 25

units which do not submit at this time to audit by the General Accounting Office.

I am in favor of giving the General Accounting Office the facilities it requires and all the funds it needs to do a 100-percent job.

Mr. McFARLANE. Will the gentleman insert in the RECORD the 25 agencies referred to?

Mr. WIGGLESWORTH. I will.

LIST OF ACTIVITIES WHICH DO NOT SUBMIT ACCOUNTS TO GENERAL ACCOUNTING OFFICE FOR AUDIT

Agricultural credit corporations (under F. C. A.).
Alien Property Custodian.
Clerks of courts (Justice).
Central banks for cooperatives (F. C. A.).
Corporation of foreign security holders.
Comptroller of Currency (assessments and insolvent, etc., banks).
Federal Deposit Insurance Corporation.
Federal Farm Mortgage Corporation (F. C. A.).
Federal savings and loan associations.
Federal Reserve Board.
Gorgas Memorial Institute (field audit).
Home Owners' Loan Corporation (offers to account).
Hospitals of various services.
Inland Waterways Corporation.
Insular governments' funds in Treasury, except Virgin Islands.
Merchant Fleet Corporation (local audit).
Panama Railway Co.
Panama Steamship Co.
Perry's Victory Memorial Commission (collections).
Reconstruction Finance Corporation.
Smithsonian Institution (funds, etc.).
Soldiers' Home funds.
Tennessee Valley Associated Cooperatives, Inc.
Various special deposits.
Virgin Islands (partial).

I am in favor of doing everything possible to bring each and every Government unit under the jurisdiction of the General Accounting Office. I think this is a protection for any administration. I think it is due the people of the United States.

Someone this morning called my attention to the Budget message delivered to this Congress a year ago, and I quote one section of that message, as follows:

> Up to now there has been no coordinated control over emergency expenditures. Today, by Executive order, I have imposed that necessary control in the Bureau of the Budget.
>
> Heretofore emergency expenditures have not been subject to audit by the Comptroller General of the General Accounting Office. Today I am, by Executive order, reposing in him the authority to conduct such an audit and to continue to audit each such expenditure. Hereafter, therefore, just as in the departmental expenditures, there will be, in emergency expenditures, a pre-Budget and a post-audit.
>
> By reason of the fact that the Bureau of the Budget has had no control in the past over the various expenditures, obligations, and allotments made by the emergency organizations, the task of preparing the present Budget has been the most difficult one since the Budget and Accounting Act went into effect in 1921. These difficulties in future years will be substantially minimized by the control which I have established.

The Executive order referred to was revoked a day or two later.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself an additional 10 minutes.

Mr. Chairman, I have no comment to make except to say that I am in hearty accord with the purpose manifested in this statement by the President to this Congress a year ago in submitting his annual Budget message. I hope that steps will be taken as promptly as possible to assure a pre-Budget and a post-audit for every Government activity in the future.

I might go one step farther. The bill which we have under consideration covers some 20 so-called "independent establishments." Of course, it does not cover them all. If the Members of the House will examine the Budget and that section of the Budget which refers to the independent establishments of the Government, they will find some 30 additional establishments which have been financed during the past fiscal year and which are not at this time requesting any appropriation. If they continue to function they must obtain in some way further funds in the future.

The number includes independent agencies with a personnel running into the thousands, with an annual expenditure running into the hundreds of millions, which have been financed either out of lump-sum appropriations or other allocations or through the permission of Congress to finance themselves through the use of the public credit. In respect to these organizations, Congress, as I see it, has largely deprived itself of the power of appropriation and the power of control.

Mr. McFARLANE. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Texas.

Mr. McFARLANE. Will the gentleman put in his remarks a list of these 30 organizations and the amount they have been spending? It is my belief that we ought to begin to look after these departments.

Mr. WIGGLESWORTH. I will try to insert a comprehensive table along that line, either with my remarks or subsequently.

We had some debate on the floor yesterday with respect to the Home Owners' Loan Corporation. That is an example of the organizations of which I am speaking. That organization had on its pay roll for the present fiscal year over 17,000 employees, with an expenditure for salaries of over $36,000,000.

The Corporation has reported its expenditures to the Budget Bureau this year. That information is available to the Members of the House. I am not criticizing the expenditures, I am merely saying that I know of no control which Congress has over current expenditure by this or similar organizations unless it be by resort to indirect methods, such as suggested by the gentleman from Texas [Mr. BLANTON] yesterday.

Mr. COCHRAN. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. COCHRAN. With reference to the expenditure for the personnel of the Home Owners' Loan Corporation, does not that money come back to the Government? In other words, when an application is under consideration certain fees are charged and in the interest charge there is a percent applied to expenses. Therefore, the overhead all comes back to the Government?

Mr. WIGGLESWORTH. I think the gentleman is in a measure correct.

Mr. COCHRAN. But the gentleman did not leave that impression—he left the impression that the money came entirely out of the Treasury of the United States. I want the RECORD to show this money is not a charge on the taxpayers.

Mr. WIGGLESWORTH. Congress authorized the Corporation to be set up, it authorized the Treasury to subscribe to its capital stock to the extent of $200,000,000; it authorized the Corporation to issue its bonds to the extent of $3,000,000,000; it authorized the guaranty by the Treasury of both principal and interest of these bonds. Then it authorized the Corporation to employ such personnel and pay such salaries as it should see fit. I simply make the point that to that extent Congress has deprived itself of any direct power to regulate the current expenditure of the organization.

Mr. COCHRAN. But the law does provide that the Corporation can charge a certain interest, and the intent of Congress, as I understand it, was that that interest would be sufficient to pay the overhead. Is that correct?

Mr. WIGGLESWORTH. The intent of Congress is one thing, the control by Congress is another.

Mr. COCHRAN. I realize that. The question of the control of the salaries paid, and so forth, might not be in the hands of Congress, but nevertheless the Congress, in the bill for which the gentleman voted, I think, and for which I voted and tried to amend time and time again but was defeated by the Republican side of the House, provided that the interest charged should cover the overhead expenses of the Home Owners' Loan Corporation. In other words, in the end it would be of no expense to the taxpayers of the country.

Mr. DONDERO. Mr. Chairman, will the gentleman yield to me to answer the gentleman from Missouri?

Mr. WIGGLESWORTH. Yes.

Mr. DONDERO. Is it not true that the bonds of the Corporation are being sold, paying less than 3 percent, while the mortgages given pay around 5 percent, and the difference

between the two is really to pay for the cost of the administration act?

Mr. COCHRAN. I am not talking about the interest on the bonds. I am talking about the interest on the loans. There is a difference between the interest on the bonds and the interest on the loans. It is the interest on the loans that absorbs all overhead expenses of the Home Owners' Loan Corporation, and we should not let the RECORD indicate that the people of the United States generally as taxpayers are paying the personnel of the Home Owners' Loan Corporation.

Mr. DONDERO. It is the people who use the Home Owners' Loan Corporation who are really paying for the administration of the act. Those who do not use it do not pay for it.

Mr. COCHRAN. That is what I say.

Mr. WIGGLESWORTH. If my recollection is correct, there was no general opposition by Republicans to the legislation referred to. On the contrary, it was widely supported by them. Whether or not the taxpayers generally meet the expenses of administration depends on collections of principal and interest by the Home Owners' Loan Corporation from its borrowers.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Yes.

Mr. BLANTON. The contention and the attitude of the Board is that since Congress has created it and provided it with several hundred million dollars of capital stock and authorized $2,000,000,000 worth of bonds that are guaranteed by the Government, both as to principal and interest, that it not only does not appreciate any suggestion from Congress but it is not going to tolerate any suggestion. The contention is that it is going to handle its own business and provide its own regulations; that it is going to provide its own salary, and it wants Congress to let it alone.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 5 minutes more. I do not want to leave the impression that I am singling out any institution in this connection. I appreciate fully what the Home Owners' Loan Corporation has meant to those in need throughout the Nation. I am raising a broad question of principle. For my part I believe that, insofar as is humanly possible, every governmental organization which is expending public funds should be subject to the Budget, should be subject to the Comptroller General, should be subject to the appropriating bodies of both Houses of this Congress.

Mr. Chairman, I call the attention of the Committee to the evidence submitted by the Civil Service Commission. That evidence indicates that there are on the pay rolls of the Government no less than 220,000 workers who are entirely exempt from civil-service requirements. It indicates also a tremendous turn-over of personnel from month to month. It indicates an increase in retirements during the past year to the extent of more than 100 percent. It indicates that about half of these retirements have been made under the involuntary 30-year retirement provision which, incidentally, this bill seeks to continue in effect for another 12 months. All of us are familiar with the so-called "McKellar amendment" affecting some 1,260 workers on the civil-service rolls and with other examples where inroads have been recently made into the civil service. In my judgment the picture presented by the evidence to which I refer is one which deserves the most thorough-going investigation. The people of the country are entitled to an explanation. Inefficiency, waste, and an increased burden for the taxpayers of the country are the inevitable results of recent tendencies.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Gladly.

Mrs. ROGERS of Massachusetts. I notice there is an appropriation for an additional alcohol tax unit examination. Is not that the examination that was held as the result of the McKellar amendment?

Mr. WIGGLESWORTH. I assume that it is.

Mrs. ROGERS of Massachusetts. And that, of course, is a large unnecessary expense to the taxpayers. I understand the Department is going to request that the McKellar amendment be repealed, because it is so unjust to the men in the alcoholic tax unit, who had already taken one civil-service examination and passed it and were employed. It has caused great hardship. They were simply ejected from the civil service, with all protection taken away which civil service gives to the employees. I agree with my distinguished colleague in his approval of the civil-service or merit system.

Mr. WIGGLESWORTH. I hope that my colleague's understanding will prove to be a fact. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. MCFARLANE].

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a letter from Mr. Henry H. Curran, director of the National Economy League, and my reply thereto.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

### WE SHOULD PAY THE BALANCE DUE ON THE ADJUSTED-SERVICE CERTIFICATES IN CASH NOW

Mr. McFARLANE. Mr. Chairman, as a good Democrat well said in the 1928 campaign, "Just to keep the record straight", I want to refer to the record made in the last Congress regarding our efforts to pay the balance due on the adjusted-service certificates.

The Patman bill was introduced on the first day of the special sesion, March 9, 1933. The committee failed to act on it, and on April 27, 1933, Mr. LUNDEEN, of Minnesota, filed a petition to discharge the committee. We who favored that legislation worked to secure the necessary signatures to discharge the Ways and Means Committee from the further consideration of the bill in order to bring it before the House for a vote.

Finally, a year and three days later, we secured a vote on that piece of legislation. This House will recall that we worked hard to try to bring that legislation before Congress for consideration all during that time. The signers of the discharge petition will be found on page 2938 of the RECORD of last session of Congress. I was the first one from my State to sign that petition. We who have favored that legislation have been rather severely criticized by certain lines of thought, for expressing here and elsewhere our candid opinion regarding the benefits that would be derived from this legislation. Apparently every effort has been made to keep this legislation from coming before the Congress, and I think the repeal of the 145 signers to a petition, known as the discharge rule, was a step backward.

### ADOPTING GAG RULE A BACKWARD STEP

The House went on record the first day of this session and repealed the rule that permitted this legislation to come before the last Congress. I am referring to the discharge rule, where 145 Members were required to sign a petition which would permit legislation to come before the House.

Mr. BLANTON. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BLANTON. My colleague from Texas will remember that that bill was passed here in the House when amendments were offered from every direction, and that the friends of that bill did not permit a single amendment to be put on it. With that sentiment here in the House, my friend need not be uneasy at all about getting 218 signers to a petition to bring that bill out whenever the time comes for us to pass it. We will get the required number of signatures to bring it up in the House and plenty of votes to pass it.

Mr. McFARLANE. I hope the gentleman is correct about that, but daily we are reading in the newspapers statements emanating from certain sources, which I am afraid will make some of the boys a little bit weak about signing on the dotted line.

A look at the record will indicate that there are quite a few of the bandwagon boys who signed the last day the

bill was before Congress for signing. We had about 100 signatures on that petition for 6 months. Those last names were hard to get; yet when the bill came before Congress, there were 313 Members of this House, including most of the members of the Ways and Means Committee, who voted to discharge their own committee from consideration of that bill. Yet they would not vote it out of their committee. The vote at page 2938 of the RECORD was 313 against 104 to discharge the committee. Then when the bill was finally voted on, the House voted 295 to 125 to finally pass the bill. See page 4336 of the RECORD of last session.

Mr. BLANTON. Will the gentleman yield further?

Mr. McFARLANE. I yield.

Mr. BLANTON. To keep the record straight, the author of that bill, House bill No. 1, Mr. PATMAN himself, did not sign it until the last day?

Mr. McFARLANE. That is correct.

Mr. BLANTON. He did not sign it before, because he was waiting for an opportune time to take it up and pass it.

Mr. McFARLANE. Well, I do not know about that. The gentleman may explain that in his own time, if he feels it is necessary. I am not critical of the gentleman. I am speaking of the fight that we made to finally get that bill before Congress.

Mr. Chairman, at this time I desire to insert in the RECORD a copy of a letter I received from the National Economy League and my reply thereto.

The letters referred to are as follows:

THE NATIONAL ECONOMY LEAGUE,
*New York, N. Y., December 15, 1934.*

Hon. W. D. MCFARLANE,
*Graham, Tex.*

MY DEAR CONGRESSMAN MCFARLANE: With great respect I write to ask the nature of the impression that would be made upon you if the holders of the $28,000,000,000 worth of United States Government bonds now outstanding should demand that you make a law requiring our Government to pay off the whole $28,000,000,000 right away, although most of it is not due for many years to come. Would this impress you as a fair demand? If financially possible, would it be a wise and trustworthy protection of the interests of the whole American people whom you represent in the Congress?

If so, would you think well of trying to raise the whole $28,000,000,000 at once by taxation, or trying to borrow it from somebody else, or avoiding both of these disagreeable endeavors by running the whole sum off the printing press in new additional money? You would have in mind that such a demand for immediate payment, if made upon you, would represent the insistence of thousands and thousands of little American depositors—all of them American voters—in the American banks which hold the bulk of the bonds.

I think I understand the impatience with which you have read this letter thus far.

But is there any difference, save in degree, between such a demand and the demand of some of the veterans of the last war that you pay off to them right away the bonus that is not due until 1945, 10 years away? What is the nature of the impression that this bonus demand makes upon you?

Now, the demand for immediate payment of the national debt is, thank Heaven, not likely to be made, but the bonus demand has been made and will be made again the moment the Seventy-fourth Congress, of which you are a Member, convenes 3 weeks hence. Immediate payment of this bonus, which was accepted by the veterans as an obligation due in 1945, and not in 1935, will cost the rest of the American people well over $2,000,000,000. Will you take this out of us in taxes all at once, or try to borrow it from somebody else, or run it off the printing press in inflated money?

I think I understand the impatience with which you may look upon this bonus demand; and you and I both understand the impatience with which our hard-pressed American people will look upon the idea of paying a bonus to a favored few 10 years before it is due to them.

After all, how many of these 3,500,000 veterans ever got hurt in the war at all? Most of them are in perfect health today, and better off than any other class of Americans, yet already they get more relief than anybody else.

And now a $2,000,000,000 bonus besides, to be paid right away—anything else?

Wishing you a very Merry Christmas, I am,

Yours very sincerely,

HENRY H. CURRAN, *Director.*

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GRAHAM, TEX., *December 19, 1934.*

Mr. HENRY H. CURRAN,
*Director the National Economy League,*
*280 Madison Avenue, New York, N. Y.*

DEAR MR. CURRAN: I have your letter of December 15, in which you sarcastically take to task those advocating payment due the soldiers on the adjusted-service certificate. If you will bear with me as I did with you in reading your letter, I will briefly state some of the reasons why the friends of the ex-service man cannot understand your attitude and those of your "paymaster."

Payment of the balance due on the adjusted-service certificate, as provided under the Patman bill, is common justice. The railroads, munition makers, clothing manufacturers, and all other Government contractors, during the war, received their bonuses through Government subsidy in cash immediately after the close of the World War, even to the extent of paying a bonus on contracts whether fulfilled or not. These racketeers, and their agents, many of whom are represented on your letterhead, took out of the Treasury in cash more than $4,000,000,000, and now through the lobbying activities of those backing your drive, through a campaign of lies, vilifications, and abuses, are trying to stop the payment of the balance due on the adjusted-service certificate due to the man who "bared his breast to the enemy and held the line" while the blood-sucking profiteers became multi-millionaires as a result of their efforts.

According to the peculiar line of thought that you represent, this was common justice to the wealth of the country to be paid promptly in cash, pouring bonuses on unearned contracts, providing unreasonable profits, and you and your kind have done your best to deny the ex-service man an adjustment in his pay of $1 per day, for honest, faithful service rendered for fighting on foreign soil or wherever necessary, and the soldier had no say in saying where he would fight; he was drafted and subject to the call of his country.

Recent disclosures have shown tremendous profits made by the Munitions Trust; similar investigations would show the tremendous profits made by every other line of big business carried on during the war, when more than 33,000 were made millionaires off the blood of the land, the same crowd you represent.

We were told in the last war that we were fighting a war to end wars, that democracy would not perish from the earth. We found upon examination, the concentration of wealth into the hands of about 150 families in the Teutonic powers was largely responsible for the last war. We returned home to find that the wealth of our country was concentrated into the hands of less than 100 families, and unless and until we can redistribute this wealth into the hands of the people and restore buying power, it is very evident that it will be a slow battle to reemploy our people.

You ask if it would be right to pay off the outstanding $28,000,000,000 in Government bonds through the issuance of new money? I ask, How, under the present set-up, are the present overburdened taxpayers going to pay the more than $800,000,000-a-year interest these coupon clippers are collecting on Government bonds? Yes, I think all of these Government bonds should be paid off on maturity through the issuance of new money, and that proper legislation be enacted to stop the issuance of any more tax-exempt bonds. It is unfair and unpatriotic that the wealthy of the Nation should thus escape paying their just part of our tax burden, and at the same time freeze credit and increase the cycle of unemployment. The Patman bill will not require new, additional taxes for payment; it will provide a needed medium of exchange, fairly and equally distributed throughout the Nation, placing it in the hands of the people. This will restore buying power at the grass roots where it is so badly needed and will start the wheels of commerce and industry and reemployment moving such as no other measure will do that Congress could enact.

Today we find that about 5 percent of our people own more than 90 percent of our wealth; that the 95 percent who own 10 percent of the wealth are paying more than 50 percent of the expenses of running the Government—National, State, county, city, and school. This unfair and unequal tax burden is becoming too heavy, and a more equitable distribution of the load should be made. I favor such a distribution.

In conclusion, in answer to your last paragraph:

"After all, how many of these 3,500,000 veterans ever got hurt in the war at all? Most of them are in perfect health today, and better off than any other class of Americans; yet already they get more relief any anybody else."

Let me ask you how many of the thirty-three odd thousands of multi-millionaires, to say nothing of the hundreds of thousands made rich during the war, faced anything more than talcum powder. Did any of them get hurt? Most of them still have their ill-gotten gains; in trying times such as these they should be made to carry their part of the tax burden.

Very truly,

W. D. MCFARLANE.

THE SENTIMENT OF THE PEOPLE FAVORS IMMEDIATE PAYMENT

Since the last Congress we have had an election. The sentiment of the people, Nation-wide, has been expressed. I dare say there is not a new Member on this floor who does not come here favoring payment of the bonus. If there is, I pause to allow him to hold up his hand—some new Member who comes here who is opposed to the payment of the bonus. I see no hand.

Another body at this same time had an election and, according to newspaper dispatches, we find that every new Member of that body comes here favoring the payment of the bonus. Of course, we only know what we read in the

newspapers, as the saying goes. I mention that to illustrate the wishes of the people of the country who have spoken on this question.

WE NEED MORE BUYING POWER

I know and you know that we need in our country as we have never needed it before, more buying power. Our great leader in the White House, the President of the United States, in his message, has indicated that and has provided for the expenditure of more money, to put money into the hands of the people to increase the buying power, and to reemploy our people. That is right, and we favor that. People must live. I know and you know that credit has dried up; that it is needed today as it has never been needed before. The payment of the bonus now, in cash, in new money that the big bankers cannot control, will give us new and added buying power fairly and equally distributed, Nationwide, where it will do the most good. In my district it will put more than $5,000,000 into the hands of those veterans and their dependents. It will do the same thing for your district. That is money that is badly needed.

Mr. MEAD. Will the gentleman yield right there?

Mr. McFARLANE. I yield.

Mr. MEAD. The difficulty with the payment of the bonus, in the estimation of many of the Members of the House, is the question of the payment of the bonus. I wish the gentleman would pause for a moment, without passing over that phase of it, to explain just how we will finance the payment of the bonus.

Mr. McFARLANE. In answer to the gentleman, I would say that we are now borrowing from big bankers about $112,000,000 a year and will do so until 1945. We will borrow from them and be paying interest out of the Public Treasury more than one-half the amount it will require to pay the balance due on the certificates. In addition to that, you saw from the chart which we just had before us when the gentleman from Virginia [Mr. WOODRUM] was addressing us, where it is costing annually more than $59,000,000 to take care of the salaries and expenses of the Veterans' Administration. By many it has been carefully estimated that more than $500,000 is expended annually by this department in administration expense of this section of the Veterans' Administration for these adjusted-service certificates alone.

A few days ago the gentleman from Texas [Mr. PATMAN] said on the floor of the House that we are daily printing more than 4 tons of new paper money to give to the bankers of the country, and it is not considered inflation; that is sound money—and that is true. I ask, Mr. Chairman, if our Bureau of Printing and Engraving can print this money for the bankers with the credit of the Government of the United States back of it, why cannot the same plant print new money under H. R. 1 and pay this debt that this Government in 1925 recognized they owed these veterans? Why can they not use this same service to pay this debt and at the same time save this tremendous overhead and expense? Such payment can be made without a bond issue, without any increase in taxes, without any increase in interest, without increasing the size of the Budget, and without increasing the national debt.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. MEAD. The money the gentleman is talking about is supported, as I understand it, by a metallic base and a proper proportion of gold bonds.

Mr. McFARLANE. That is true of the money we will print under the Patman bill providing for full payment of the balance due on the adjusted-service certificates, for there is more than enough gold reserve in the Treasury today to take care of the issuance of in excess of $8,000,000,000 of new currency. And the money issued under the Patman bill will be just as sound as any of our currency now in circulation.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield the gentleman from Texas 3 additional minutes.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. COCHRAN. The gentleman stated that his purpose in rising was to "keep the record straight."

Mr. McFARLANE. That is what I am trying to do; yes.

Mr. COCHRAN. Does the gentleman think he is keeping the record straight when he implies that the only issue in the last campaign was the payment of the bonus certificates? His statement so indicated.

Mr. McFARLANE. Not at all. I am referring to the record made in the last Congress regarding payment of the bonus and the record made last year when the payment of the bonus was made an issue in any congressional campaign.

Mr. COCHRAN. The real issue in the last campaign was support the President and complete the recovery program, was it not?

Mr. McFARLANE. That may have been the issue in the district of the gentleman from Missouri.

Mr. COCHRAN. It was the issue in my district, and it was the outstanding issue all over the United States.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. ROBSION of Kentucky. I understood the gentleman to state that his district would receive $5,000,000 if the bonus were paid, as he advocates.

Mr. McFARLANE. That is correct.

Mr. ROBSION of Kentucky. What sum, as an average, would each soldier get out of the bonus?

Mr. McFARLANE. It would be about $500 each.

Mr. ROBSION of Kentucky. I may say to the gentleman from Texas that this was an issue in my district, and I came here with a majority of 31,000. I am going to vote with the gentleman for the bonus.

ADJUSTED-SERVICE CERTIFICATES LONG PAST DUE

Mr. McFARLANE. Mr. Chairman, there are those who contend that the balance due on the adjusted-service certificates is not yet due; but when we consider the fact that it was 7 years before Congress recognized this as a just debt and one that should be paid, and the further fact that in providing for the payment, not of what the veteran wanted but only what he could get, they overlooked including interest covering these 7 years, although they include interest on all income-tax refunds, depreciation allowances, and so forth, from date return filed, regardless of date claim was filed. If we give the veteran the same rights as given these large income-tax payers, who have received more than $4,000,000,000 in tax refunds under Mr. Mellon's regime, these considerations would make the adjusted-service certificates due, I believe, October 1, 1931, or some date near that time. So the certificates are more than past due. They ought to be paid. They constitute a just obligation of the Government, and now is the time they should be paid, a time when we need buying power most.

RESTORE BUYING POWER—REEMPLOY OUR PEOPLE

Now is the time when the payment of this money will help reemploy our people and start the wheels of commerce and industry driving in the right direction. It will give an impetus in this direction greater than any other piece of legislation we could enact at this time. I trust that the Ways and Means Committee will give early consideration to this legislation and will report it to the House, so we can vote upon it and send it to the Senate.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BLANTON. Suppose we do cash their certificates before they are due and allow the interest prematurely—would they be getting any more than was due them?

Mr. McFARLANE. Not at all; and they are a class of people who can be depended upon to defend our flag under all conditions.

Mr. BLANTON. And when we pay them their certificates, they will not be getting any too much, so all this talk about paying them prematurely is making much ado about nothing.

Mr. McFARLANE. They will not be getting enough when compared with what big business has received. [Applause.]

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I had expected to touch upon a number of issues this afternoon, but I just read in the committee report the statement that $426,000 will be needed for reciprocal trade agreement work in 1936. I confess I am a protective Republican and that I believe in tariff protection, particularly for the American wage earners, in order that they may have a job at the American standard of wages and of living to which they are entitled and accustomed to in the past.

I opposed giving to the President the right to tamper and bargain with the tariff, as revenue legislation belongs to Congress. But at that time I made the statement that I looked with favor upon reciprocal trade agreements between the United States and South and Central American countries, because they are our natural markets and there lies our geographical and logical trade expansion. We ought to do everything we can to promote trade between South and Central American countries and the United States, between this country and the entire American hemisphere along the same lines as was done by Great Britain at the Ottawa Imperial Conference. I am willing to make any reasonable concessions to promote our trade with Latin American countries. These reciprocity treaties are now being negotiated. I expect that considerable goodwill come out of these bargaining treaties between South America and our own country, and I am willing to give a great deal of credit to Assistant Secretary of State Sumner Welles for his sincerity and his desire to promote our trade relations with South and Central American countries, and particularly with Cuba where he was our Ambassador and rendered distinguished service.

I make this statement as a premise to what I am going to say now, because I find that the only trade treaty that has finally been consummated—the one with Cuba—has failed to provide adequate protection for our textile exports to Cuba, our second largest textile export market. Unless we secure the cooperation of the Cuban Government, we will lose practically all of our textile exports there to competition from Japan, a country that buys almost nothing in return from Cuba.

I want the Members from the South to follow me just as much as I should like to have the attention of those from the industrial North and East.

Mr. GREEN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Florida.

Mr. GREEN. May I say that I am sympathetic with the gentleman in his efforts because we realize that our hope is in the South American trade, and two of the things necessary to stimulate this trade are cooperation in the building of a canal, which is sponsored by one of the Members from Massachusetts, across Mexico and a canal across my own State. We are willing to go with the gentleman.

Mr. FISH. I cannot agree with the gentleman on the advisibility of building a canal in Mexico. I want the gentleman to go along with me on the textile matter. I believe if we are going to have money to spend, let us spend it in the United States and not in any foreign land. [Applause.]

Mr. GREEN. Florida is a part of the United States, as the gentleman knows.

Mr. FISH. And a good part too—but not Mexico.

Now, what has happened? The textile industry is the second largest in the United States. It employs some 430,000 men; and, in connection with the textile industry, of course, you have the cotton fields of the South. Since this administration came into power, a new economic factor has arisen in the world, one which the free traders did not have to consider 2 or 3 years ago. That is industrialized Japan, with a labor scale of 20 cents a day, and where the cost of living is 5 or 6 cents a day. They have industrialized their textile mills. They have efficient, up-to-date, modern mills with the best possible machinery, operated by skilled labor, equipped for mass production, and are today flooding the markets of the world.

Japanese textile products are destroying our textile export trade and bringing ruin and unemployment to our textile industry, and more particularly to the export branch of it, which takes care of the surplus and is largely responsible for making it profitable.

Up to this time the Philippines has been our greatest market for our textile goods. A year or so ago we did about 75 percent of all the textile business there. Japan has succeeded within the last year, with its mass production and cheap-labor costs, in driving us out and wrecking our exports. Japan is now doing about 75 percent, and we are rapidly losing this market.

I shall speak on the Philippine situation at length at a future date and state the reasons for this deplorable development and make clear who is to blame unless immediate steps are taken to afford adequate protection to our own textile industry. I do not believe that this great industry will permit itself to be sacrificed on the altar of free trade to promote Japanese interests and employment. Other nations, including Great Britain, are protecting their textile exports against Japanese competition, and the United States must do likewise.

The same thing has happened in Cuba since this trade treaty went into effect. Our textile exports have dwindled steadily away and unless Cuba and other South American countries with which we consummate these trade agreements act in order to protect our textile industry we will lose all these natural markets. Not so long ago our textile exports amounted to $100,000,000 a year. It has now dwindled down to possibly $10,000,000 a year, and we will lose all of that unless speedy action is taken to protect our textile exports to South and Central American countries from ruinous competition from the new economic Japanese menace.

I do not question the sincerity of the State Department. We have at the head of the State Department a very distinguished and able man, a former Member of this House, but an out-and-out free-trader. He has under him a number of visionaries who believe in breaking down economic barriers throughout the world. The nations of the world have gone mad on nationalism and protection, and we are standing alone against them. This great country of ours, built upon protection and the protective principle, is now saying to the rest of the world that we propose to break down all economic barriers between nations at a time when every other country is setting them up and trying to become self-contained. I am against every proposed trade treaty with European nations as being against the interests of American labor and destructive of American industry.

Unless something is done soon there will be 35,000 more unemployed in the textile industry within a short time and approximately an equal number in the cotton fields, on the railroads, and in connection with shipping and other industries affected, due to the loss of our legitimate and natural markets in the Philippines and Latin America. This great industry does not propose to be sacrificed to Japanese interests without a political fight that will be felt in every northern, eastern, and southern State and may end up by these States joining forces with the beet-sugar States of the West to kick these bargaining tariffs out of the window. They have as much reason to fight to preserve their export markets as the American farmer has. Let me say to the gentlemen from the South that Japan, which has been buying vast quantities of cotton in the past, is now buying 75 percent of its cotton from India and only 25 percent from the South, mixing the better cotton of the South with the poorer and cheaper cotton from India.

This is not a partisan matter. This is a matter affecting the second greatest industry in the country and the time has come to consider the situation and ascertain all the facts. It is time for the people of the industrial North and East, including such Southern States as Virginia, Tennessee, North Carolina, South Carolina, and Georgia, to join with

the cotton States in demanding that the textile industry be protected, so that it may compete with Japan, particularly in the South and Central American countries and the Philippines. The Philippines was our greatest single market, Cuba our second, and then Colombia, and the rest of the South and Central American countries.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FISH. Mr. Chairman, I had not proposed to speak on this question at the present time, but in view of the fact that this bill carries some $426,000 to consider these reciprocal trade treaties, I thought it was time that the facts be presented on a nonpartisan basis so that those who are interested from Southern, Northern, and Eastern States may combine and find out what actually can be done to protect their own interests and the welfare of the people living in their own congressional districts.

The gentleman who preceded me spoke on the bonus. I opposed the bonus in the last session of Congress on the ground it would take us off the gold standard and create inflation. We are already off the gold standard so that we do not have to bother about that.

The question is whether $2,200,000,000 will not cause inflation when you ask that it be paid through the printing-press method. For this reason I introduced yesterday a compromise measure, and I did so for the reason that we know very definitely, whether we like it or not, that the President proposes to veto the Patman measure or any similar measure, and it does not serve any good purpose or help the veterans or anyone else simply to put through legislation and have it vetoed, then have it sustained in the other body if it is not sustained in the House of Representatives.

The measure I presented provides that the adjusted-service certificates be paid in installments of 20 percent, beginning on July 1, 1935, and for a period of 5 years. The first installment may be paid and financed without any taxes, without any increase in the Budget, and without any inflation. We have paid to the veterans on loans and interest on those loans $1,700,000,000; $1,300,000,000 has already been paid through annual appropriations by the Congress into the sinking fund to pay the certificates. The $400,000,000 balance was taken out of the reserve fund of the veterans' life-insurance set-up, which was sufficient to provide for the loans up to 50 percent to the veterans and to take care of the interest payments. There is due to the veterans at the present time $1,700,000,000 without reference to interest payments.

My suggestion is that you take the $160,000,000 left in the Veterans' Administration and do away with the right of the veteran to borrow 50 percent. Ten percent of the veterans did not borrow this 50 percent, and if you take away that right as of July 1 of this year, there will be another $250,000,000 available. This $250,000,000, plus the $160,000,000 in cash, which is there, will finance the first installment without any necessity whatever of digging into the Treasury for any more money at the present time.

I am making this statement now because I honestly believe the only thing that can be done in this Congress for the veterans in need of relief in the way of a bonus will be a compromise and that a half loaf is better than no loaf at all.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. FISH. I have only 2 or 3 minutes and I would rather not.

The gentleman from Texas [Mr. BLANTON] yesterday stated he thought the committee that investigated communism, Communist propaganda and activity, had accomplished very little and had wasted the Government's money, or words to that effect.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MOTT. The gentleman has 2 more minutes. Will he now yield?

Mr. FISH. I have only 2 minutes and I cannot yield.

I would not care, so far as I am concerned, just what the individual view of the gentleman from Texas is about the usefulness of that committee.

Mr. BLANTON. Will the gentleman yield?

Mr. FISH. The gentleman is a good friend of mine, and I am making this statement because on that committee were two distinguished Democrats. There were only five members on the committee, and two were very able members of the Democratic Party, Judge Edward E. Eslick, a member of the Ways and Means Committee, and Representative Robert S. Hall, who now holds an important position in the Federal Government. Out of respect to them and the other members of the committee, I want at least to state my view that no money was ever better spent and no committee of Congress has ever submitted a more comprehensive report and, I believe, ever returned as much money unspent as this committee did.

Mr. BLANTON. Will the gentleman yield to me to pay a compliment to his committee?

Mr. FISH. Out of the appropriation of $25,000 which was allotted to us by the House, we returned to the Treasury $6,000. We did not engage the services of a single lawyer. We made a report which evidently is approved by the country, because over 50,000 copies of the report have been bought by the public and another 50,000 have been issued by the Congress of the United States. For instance, the Associated Farmers of California, at San Francisco, have ordered within the week a reprint of the report for 5,000 copies at their own expense. Although the report was made 4 years ago, there is scarcely a day that goes by that some Member of Congress does not come to my office for a copy of House Report No. 2290 on Communist activities in the United States. It is still the most up-to-date document on Communist propaganda and activities. Its real value is educational, as it exposes the principles and aims of the Communists and suggests that the best way to combat the spread of communism is merely to expose its purposes and objectives to the American people, who still cherish their freedom.

Let me say further to the gentleman that he charged me with failing to put through the Congress the legislation which we recommended, but ever since our committee reported there has been a Democratic House of Representatives, and it was utterly out of the question for me to introduce, with any hope of success, any legislation that we recommended.

Judge Eslick and Representatives Hall and Jeffers did introduce measures to carry out the suggestions of the investigating committee, but the Democratic Congress failed to enact them into law. I would welcome the cooperation of the gentleman from Texas [Mr. BLANTON], who has great energy and ability, in securing favorable action from his own party on any of the following recommendations made by our committee and signed by 2 Democrats and 2 Republicans, Edward E. Eslick, Robert S. Hall, Carl G. Bachmann, and myself, most of which have recently been endorsed by the following national organizations in resolutions to Congress: The American Legion, Veterans of Foreign Wars, United States Chamber of Commerce, the American Coalition of Patriotic Societies, Junior Order United American Mechanics, Merchants' Association of New York, and some of them by the American Federation of Labor and a host of other organizations.

RECOMMENDATIONS

(1) Enlarging the authority of the Bureau of Investigation of the Department of Justice for the purpose of investigating and keeping in constant touch with the revolutionary propaganda and activities of the Communists in the United States, and to provide for additional appropriations for skilled agents to devote their entire time to investigating and preparing reports on the personnel of all entities, groups, individuals, who teach or advocate the overthrow of the Government of the United States by force and violence.

(2) Strengthening immigration laws to prevent the admission of Communists into the United States, and providing for immediate deportation of all alien Communists.

(3) Provide for additional appropriations to the Bureau of Immigration for vigorous handling of deportation cases.

(4) Amend the naturalization laws so as to forbid the naturalization of a Communist.

(5) Amend the naturalization laws so as to cancel the naturalization certificate of a Communist.

(6) Deny reentry to the United States to an alien who has visited Russia to secure training in communistic doctrines.

(7) Amend post-office laws to declare nonmailable all newspapers, magazines, pamphlets, circulars, etc., published, written, or produced advocating revolutionary communism.

(8) Amend interstate commerce laws to prohibit transportation of newspapers, magazines, pamphlets, circulars, etc., advocating revolutionary communism.

(9) Enactment of Federal law to prosecute Communists or other persons, organizations, newspapers, etc., in the spreading of false rumors for the purpose of causing runs on banks.

(14) That the Communist Party of the United States of America, section of the Communist International, be declared illegal, or any other counterpart of the Communist Party advocating the overthrow of our republican form of government by force and violence, or affiliated with the Communist International at Moscow, be declared illegal; and that the executive authority of each State and the legislature thereof be informed of the revolutionary principles and objectives of the Communist Party of the United States of America, section of the Communist International, and be requested to take appropriate action to have said party excluded from or denied recognition as a political entity.

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Chairman, the distinguished gentleman from Virginia [Mr. WOODRUM] a short while ago called your attention to the fact that a great deal of the debate in the Committee of the Whole has been devoted to the matter of the Home Owners' Loan Corporation. I am going to take advantage of the time allotted to me to say something on that subject, because I think it is very important that the Members of the Congress, who have had their constituents coming to them by the hundreds during the last year, should become awakened to the situation.

As a Member of the Seventy-second Congress, it was my privilege to speak and vote for the legislation which created the Federal home-loan bank. This institution was designed to prevent foreclosures by aiding distressed property owners through building and loan associations. Due to the collapse of the building-and-loan associations throughout the country and their failure to meet the requirements of the act, this legislation became inoperative in that it failed to meet the emergencies then existing.

The Seventy-third Congress passed legislation creating the Home Owners' Loan Corporation, permitting the distressed home owner to save his home from foreclosure, providing he met the qualifications of the act. By this method of refinancing, the distressed home owner has secured long-term credit at a rate of interest not to exceed 5 percent.

The Home Owners' Loan Corporation was brought into existence because of the emergency confronting the Nation. Hundreds of thousands of our best citizens awoke one day to find themselves out of employment, in many cases their life savings wiped out, due to the manipulation of crooked bankers. In their straitened circumstances they were faced with the cruel process of foreclosure, which meant the destruction of equities in their homes, and the equities represented years of struggle and sacrifice.

In the entire recovery program, in my opinion, no more salutary piece of legislation was passed by the last Congress than that which created the Home Owners' Loan Corporation. Too much praise cannot be showered upon the administration for taking the initiative that gave to hundreds of thousands of our substantial citizens the right to save their humble homes. It is my firm belief that this legislation did more to avert riot, insurrection, and possibly revolution, by preventing the promiscuous foreclosure against the homes of our people, than any other measure adopted by Congress.

For the good this legislation has accomplished, I give thanks. For the abuses growing out of the administration of the act, I have nothing but a vigorous contempt. I shall offer to this Congress a resolution to investigate the various officials responsible for the irregularities, delay, discrimination, and graft incident to the administration of this efficacious piece of legislation.

The trouble started shortly after the act was extended to permit banks in the course of liquidation to transfer their mortgages to Uncle Sam, through the medium of the Home Owners' Loan Corporation. In many thousand of cases the individuals were not in distress. I do not question the legal right of the banks to operate on a wholesale basis in transferring the mortgages to which I refer, but I maintain it was the intent of Congress that only those individuals who were in distress and whose homes were either in foreclosure, or foreclosure was imminent, should become the beneficiaries of this legislation.

It is common knowledge, and if the resolution I refer to is authorized by this Congress, I shall present specific cases where individuals not in distress were called in by certain banking institutions and urged to unload their mortgages on the Home Owners' Loan Corporation. I am prepared to prove in many cases that these loans were saleable assets. The applicants were not in distress, the interest, principal, and taxes paid to date, and the mortgagor satisfied to go along and make his payments to the institution that gave him the loan in the first instance. The total wholesale loans—that is, loans made by these banks regardless of whether the individual was in distress or not—according to figures obtained from the Home Owners' Loan Corporation, amounted to $349,449,665, representing 122,881 mortgages. Through the wholesale division 79.5 percent of the cases have been cleaned up; whereas, in the individual cases, which represent to date 721,962 mortgages, valuing $2,148,060,491, 56 percent of the individual cases have been closed. These figures demonstrate conclusively that the Home Owners' Loan Corporation paid a great deal of attention to the applications wholesaled through the banking institutions, thereby discriminating against that class of individuals for whom the act was created.

At this time I can speak only for the Cleveland district, and present to this body this information: 8,000 loans have been approved in the Cleveland district, representing the sum of $30,000,000. There are now pending 16,000 applications from distressed home owners who have been notified within the past month that they must look elsewhere for the relief necessary to save their home from foreclosure. I charge that there is discrimination in favor of the banks; that many needy applicants have not received any consideration, and they will not receive any consideration until Congress definitely puts a stop to the practice of catering to a favored class. The Union Trust Co. of Cleveland, a bank that crashed because of the pastime of certain bank officials playing with other people's money, was privileged through the beneficence of the Home Owners' Loan Corporation to close 6,317 cases out of 11,711 applications filed. The Guardian Savings & Trust Co., another bank that crashed because of the propensity of its officials to gamble with other people's money, liquidated 1,634 mortgages out of 3,990 applications filed. I daresay that this condition can be shown to exist in every congressional district, if investigation is had concerning this subject. I do not believe that there is a Congressman in this House who has not been beseeched by hundreds of his constituents during the past year demanding to know why they were not receiving consideration; claiming that after filing applications they never received any report whatsoever except a bill for appraisal fee, and that came after consideration was denied or ignored entirely. I am not defending that class of home owners whose property fails to meet a true appraisal sufficient to justify the loaning of money to prevent foreclosure, but I have in mind many cases, and I believe all of you have had similar experiences, where the applicant's property has been subjected to 3, 4, and more appraisals before a definite figure can be agreed upon as to its true value, and where despite the fact that the mortgagor is ready and willing to accept Home Owners' Loan Corporation bonds, the title of the property being flawless, no result is forthcoming. I am prepared to show in many cases, if we get an investigation of the administration of this Corporation, that the board of directors, or those in charge of administering the act, adopted regulations directly in conflict with the intent of Congress.

Some of the regulations were to the effect that before an individual could qualify for a loan he must apply to three money-lending agencies, and in turn be denied relief from

these agencies; that he must procure cosigners on the mortgage note. These regulations were never intended by Congress when it created this legislation. If so, Congress would have specified accordingly in the act before the law was passed.

Mr. WHITE. Will the gentleman yield?

Mr. SWEENEY. I will yield to the gentleman.

Mr. WHITE. I want to correct the gentleman's statement to this extent. In my State the administration of this Home Owners' Loan Corporation has been a credit to the national administration and a very effective agency.

Mr. SWEENEY. Yes. We know that there are many conscientious men in that Corporation, upon which I would not cast any aspersion, but we also know that there are many incompetents.

Evidence will be forthcoming, if we get an investigation, of individuals being discriminated against because of their political faith and because of their lack of political influence. The funds made available to the Home Owners' Loan Corporation were allocated to relieve distressed property owners. The act did not say you had to be a Republican, Democrat, a Socialist, or of no political belief, nor did it specify you had to have political influence to receive just and fair treatment. I do not believe the President of the United States nor this Congress will tolerate any such procedure, and it is for the purpose of asking your cooperation and support before any measure comes before this body to increase the base of the Home Owners' Loan Corporation to take care in a large part the pending applications that we clean out the officials responsible for the abuses to which I refer and put men in charge of these various agencies who have the intelligence and experience to warrant clean administration of this law. Men have been selected and placed in charge of State and local agencies of the Home Owners' Loan Corporation who never saw a mortgage in their life, and in some cases their only qualification for the responsible position they hold was the endorsement of some ward or district leader.

The problem is one that concerns all of us. I appreciate that each one is hearing from the folks back home on this subject, hence I ask your cooperation and support of a resolution designed to investigate activities of this department of the Government. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I was a member of the subcommittee during the hearings on this bill. It was a temporary assignment and my successor has been designated. I did not know this until the chairman of the whole committee announced it before his group yesterday. So my reaction from that experience is not so important as is that of the gentleman from Virginia or the gentleman from Massachusetts.

However, I have a few observations I want to make at this time. I want to say, in answer to the gentleman from Virginia, who has been a delightful chairman and who is one of the ablest men on either side of the House, I hope some day he will be Speaker if the Democrats are to continue in power. I want to say, in answer to his statement that the policies have been decided over there, that that is a sad thing. It is true that if we had a larger minority it would be better for the Government.

Naturally, we have been sort of cowed; we are timid, afraid to propose amendments because we know it is futile.

We might propose amendments if we had any chance at all of carrying them. I view with regret this added observation, and I speak of it particularly because the gentleman from New York [Mr. FISH] spoke about the reciprocal tariff.

It is true that this inevitable surge of bureaucracy is illustrated here better than any other place. We gave the President full power to do things that the Tariff Commission did.

Yet the Tariff Commission came before us and asked for an increase in personnel because of the new tariff. The State Department has asked for increased personnel to do the same thing also. The Commerce Department has asked for an increase of personnel to do those things, and we now have a bureau for an import and export bank, of which my good friend George Peak is at the head and which is designed to do those things too. Everybody is seeking to increase the power of the President. That is a thing which I view with regret. All of them have increased their personnel because of this reciprocal tariff act. Think that over. I am not talking as a carping Republican this afternoon. Let me be an American for a little while, particularly about some of these things. These different groups are coming before you. We have 30 of them.

The second thing I shall mention which struck me with concern is that practically every one of these new set-ups has a publicity bureau. I found one of these independent set-ups which admitted that it did not have any publicity bureau. Mr. Kennedy, of the Securities Commission, admitted that they did not have one. Even this import and export bank, which deals secretly with nations for trade purposes, has a publicity bureau. Think of that! Just examine these things as they pass. I would view such things with regret, whether my party or your party might be in power. We are tolerant of these emergency set-ups, because they are doing a lot of good in spite of many of the things they are doing which are of no value.

The real problem will face us as that time comes when we do not need to make political places for jobs. We tolerate them today because they are feeding somebody, possibly hungry children. We tolerate a lot of them because they provide positions, but when prosperity comes, and I think and believe it is coming, someone will have to reduce the personnel of these bureaus, and it is going to take men and women with courage to perform that duty.

Permit me to make these two constructive suggestions out of my short experience on this subcommittee. I do not see why we cannot use the clerks in the Committee on Appropriations in the off season to investigate these different bureaus and commissions and bring us here, as our representatives, the result of their contact and how they have seen things. These boys are high-class fellows. We keep them in the background. We want to extol ourselves and what we know about all these things, but really we would be fairly helpless if we did not have these boys, these expert boys in that committee, to help us, especially the newer ones on the committee. We have to depend on them all of the time for the information that we have. Why cannot we send them down to these places and let them bring in a report to us?

The second suggestion is this: The President issues the Budget. We are more and more falling in with the idea of standing by the Budget. We are commissioned from the people to appropriate the money, but are not allowed to go down there and sit in with the Budget Director. Their proceedings are not public. There is no printed record of the hearings on the Budget with these different bureaus and commissions and there is no way by which you can find out what goes on down there. No Member of the House or Senate Committee on Appropriations can go there and sit in. If we could bring that thing about so that men could be designated from the House Appropriations Committee to go and sit with the President's Budget Bureau hearing, I think it would be a fine thing for the country.

I yield back the remainder of my time.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks made this afternoon and to include therein certain charts, and so forth.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I now yield 5 minutes to the gentleman from Ohio [Mr. HARTER].

Mr. HARTER. Mr. Chairman, during the past few days, various Members have expressed themselves upon the administration of the Home Owners' Loan Corporation and the necessity of continuing the activities of this governmental agency.

Those of us who were here during the Seventy-third Congress know that the act creating the Corporation and

granting to it certain powers, was designed primarily as a relief measure. We knew of the extreme distress among home owners all over the country; we were treated to the spectacle of tremendous deflation in real-estate values, and we saw countless home owners, who had lost their jobs or whose income and wages had been seriously curtailed, unable to meet the payments upon their homes and many of them losing them through forfeiture and foreclosure.

To give these distressed mortgagors an opportunity of protecting their equities in their homes, in many instances the savings of a lifetime, we created the Home Owners' Loan Corporation.

We fully intended and expected that it would be administered as a relief measure. We would not as a government have gone into the business of making legal loans unless there was distress that could not be remedied by private loaning agencies. We expected those who were placed in positions of responsibility in its affairs to conduct its activities sympathetically and to the end that the relief intended by Congress would be afforded the citizen.

My district is one situated in northeastern Ohio—a highly developed, industrial section of the country; a district in which the population is largely urban. Perhaps there was no other part of the Nation in which a sympathetic administration of the Home Owners' Loan Corporation was more necessary than in my own district. A great many applications were filed and many loans were made.

For nearly a year after the effective date of the act, the Ohio office managed to function in a very creditable manner. But late in the spring of 1934, the Washington office of Home Owners' Loan Corporation began to impose conditions and restrictions upon the making of loans; requirements for the granting of loans were put into effect which were entirely outside the language and the spirit of the act as passed by Congress. We found the Home Owners' Loan Corporation becoming a bureaucracy.

Let me quote from a letter received from one of the attorneys connected with the Home Owners' Loan Corporation in an Ohio county, a man about 40 years of age, who is an intelligent, conscientious, ethical, and well-thought-of lawyer. He says:

> Since assuming the position of legal counsel for the H. O. L. C. of this county, I have worked night and day, holidays, and Sundays, having always in the back of my mind that there was an opportunity for me to make a record to which I could later point with pride and at the conclusion of the H. O. L. C., I could report back to you that my administration of this trust was at least to myself very satisfactory. But as time went on and I encountered the various redtape procedures and the continual change of policy by the H. O. L. C., I despaired of making a record and then only desired to preserve to myself the reputation which I felt that I had built up in the county as an efficient attorney at law.

No longer was the act administered for the purpose of affording relief to the distressed home owner. Appraisals made by local officials, familiar with the neighborhood and values in their own communities, found no favor in the eyes of the bureaucrats who administered the act at Washington. Appraisers from the outside were sent in to the various districts, who never liked the appraisals locally made, but seemed to find delight in scaling down those appraisals so that the distressed home owner could not qualify for a refunding of his mortgage.

The same attorney quoted above, in talking of the juggling of appraisals by agents of the Corporation, says:

> Many of our appraisals were cut as high as $2,000 to $3,000 on properties originally appraised for around $6,000 and then later cut by the State further, which indicates that the policy has been adopted by someone in Columbus or Washington to cause files to be rejected by the applicant or present mortgagee rather than by the Home Owners' Loan Corporation by means of slashes in appraisals beyond the point where the banks could afford to accept the cut. Either this or our appraisers did not know their business, and I would say that any one of the three county appraisers are leaders in the county and the price they fixed represents the true value of the property.
>
> If more bonds are appropriated by Congress at this session, I believe that all loans that have been rejected because of drastic appraisal cuts should be reinstated and be given a chance to redeem their property because most of them have faced and are now facing foreclosure and will eventually lose their homes. I feel sure the appraisal situation is due to a policy requirement and cannot be blamed on any individual or group of appraisers.
>
> Relative to the retroactive rules and regulations which compel us to rework the files previously worked under old rules and regulations, I believe that this comes from and is made necessary because of rules and regulations coming out of Washington.

So we can readily see why both the distressed home owner and the mortgagee, who loaned him the money, have lost all faith in the Home Owners' Loan Corporation, and it is not surprising the number of foreclosure actions which are being filed at the present time.

I am informed there are now pending in the courts of my home county, Summit County, Ohio, 5,000 foreclosure suits. In November 1934, 400 suits were filed, and the December filings, while not available to me, are at a greater rate.

I am advised by telegram this morning that a further stop order has been issued in Ohio to the effect that all home loans in which the State appraisal is dated after November 15, 1934, shall not be considered for closing.

Thus we see that loans have practically ceased and what had once been one of the most valuable assets of the Roosevelt administration became one of its greatest liabilities.

There are thousands of applications of eligible, distressed mortgagors on file, and when the public was informed upon November 15, 1934, that no applications could be considered except those in the hands of the attorneys, there arose a tremendous storm of protest. Is there any reason why John Smith, who was fortunate and was able to have his distressed mortgage refunded, should be preferred over his neighbor, Richard Brown, whose application may have been on file for months and who may be equally deserving, but who now has no opportunity of obtaining a loan through the Home Owners' Loan Corporation unless this Congress acts?

I made a trip into every county in the congressional district. I talked with distressed home owners, with business men, with bankers, with representatives of mortgage companies and building-and-loan associations, and I found not one single person who favored a discontinuance of the Home Owners' Loan Corporation. They all decried the inequities and the burdens that had been placed upon those attempting to obtain loans, but they all expressed themselves that if the bureaucratic control over the making of loans, exercised by the Washington office, could be removed, it was the plain duty of Congress to authorize the Corporation to issue additional bonds so that the work of relief might go on.

Banks, private loaning companies, are not ready to carry the burden of making loans to these distressed home owners. It is our duty, so long as that condition exists, to see that the Corporation is clothed with adequate financial authorization to carry on.

The institutional amendment, which Congress adopted to the Home Loan Act last April, which permitted banks and institutions in liquidation to refund mortgages held by them, whether the individual mortgagors were distressed or not, was so administered as to offend the public. While this amendment has some support in reason and was designed to thaw the frozen assets of closed banks, so that depositors might eventually be helped, fairness would dictate that distress of the individual mortgagor should be the sole test of eligibility for refund.

In my community many mortgages held by banks in liquidation were peddled to the H. O. L. C., where those owing the mortgages by no stretch of the imagination could be said to be in distress.

A prominent and well-to-do citizen has a sizable mortgage upon his well-kept-up and beautiful home. He has paid his interest and taxes and is not in arrears in his payments, nor is he in any manner distressed as far as his mortgage is concerned. Yet because that mortgage is held by a liquidating bank under the amendment of 1934, his mortgage is refunded, even though it may amount to $10,000 or $12,000 or more, and numerous persons who are in the greatest distress, although their mortgages may amount to only $1,000 to $2,000 each, are told they can have no relief.

for their mortgages are not held by liquidators and no further bonds are available to refund their mortgages.

Evidently most of us did not realize how this amendment was to work out, and the hardships it would entail to those private borrowers whose obligations were not held by closed banks.

The sole test of eligibility should be the distress of the individual if we are to get back to the fundamental purpose which prompted the enactment of this legislation originally. When we do adopt an amendment authorizing additional bonds, let us limit the powers of those who will administer it, and let Congress fix the rules of eligibility of the borrower. Take from the Home Loan Board the power to override the intent and language of Congress, and make this act in truth and in fact a measure which will bring real relief to thousands of our fellow citizens, whose mortgages are in distress and who will lose their homes unless we act and act speedily.

There are already pending several bills, one of which I introduced, authorizing the issuance of a further substantial amount in bonds. The authorizations in these various measures range all the way from $750,000,000 to $3,000,000,000. Let us, my colleagues, hope that the Banking and Currency Committee of the House will give early consideration to these measures and that one be brought to the floor of the House, carrying with it an authorization of sufficient bonds to insure the making of loans to all distressed home owners who are eligible and who are about to lose their homes unless we act.

Many of you, no doubt, little realize what it means to those who have worked for years and invested their savings in a little home. Are we going to stand by and see these people lose their homes under this further wave of foreclosures which has just started. I do not believe you will, for I think there are many of us who are alive to what is going on and to the urgent necessity of continuing, for the time being, the Home Owners' Loan Corporation. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Chairman, I have requested this time to bring to the attention of the House a communication which I have received from Mr. J. W. True, a constituent of mine, who is an enterprising and progressive business man residing in Monroe County, Tenn. In the communication to me he enclosed the polls of the votes taken at a cotton gin in Monroe County on the proposition of the continuance of the Bankhead cotton bill and also the Hog, Wheat, and Corn Processing Act. Monroe County is the only county in my congressional district that produces cotton to any appreciable extent. According to the poll taken at this cotton gin, 343 cotton producers participated. The vote stood 341 against the Bankhead Act and 2 in favor of the Bankhead Act. [Applause.] On the proposition of the processing tax on corn and hogs and wheat, 165 farmers participated, and 165 farmers voted against the continuance of that act. [Applause.] These votes, Mr. Chairman, were a registration of the real sentiment of these farmers resulting from hard and oppressive actual experience. These polls were conducted with solemn formality, free from ballyhoo, banners, and brass bands, and without bureaucratic compulsion or interference, each farmer signing his name to the polls.

In this connection I might say that I voted against the Bankhead cotton bill because I thought it was unsound and unworkable, and my observation and experience with the operation of the act has confirmed me in that opinion. It is not only unsound and unworkable but results in a terrible hardship and imposition on the farmers. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, the independent offices appropriation bill is as you know one of the very important appropriation bills to come before this body. A great deal of work has been performed by the subcommittee under the distinguished leadership of that well-poised gentleman from Virginia, Mr. WOODRUM. With him as chairman, we worked during the month of December preparing these estimates for your consideration.

We were ably assisted by the gentleman from Massachusetts [Mr. GRANFIELD], the gentleman from Maine [Mr. MORAN], the distinguished economist from New England [Mr. WIGGLESWORTH], and Mr. LAMBERTSON, from Kansas. So you see that the work done by this committee has been done by men who are thoroughly able and fit and competent to pass upon matters of this kind.

The independent offices appropriation bill, now before the House, carries appropriations for the regularly established independent bureaus, commissions, boards, and so forth, not under the jurisdiction of any Cabinet officer, with the exception of the Farm Credit Administration. The latter will be included in the bill for the Agricultural Department. Thirty different establishments are provided for.

The total of the direct appropriations carried in the pending bill is $776,916,706. This sum is $700,756 less than the total Budget estimates.

The total of the appropriations for the current year for the same activities as are provided for in the pending bill is $598,302,694. The independent offices chapter of the Budget includes the 1935 appropriations of $899,675,000 for emergency relief and public works and $525,000,000 for loans and relief in stricken agricultural areas, but the bill does not carry any appropriation for these items for 1936.

The bill, therefore, carries a total of $178,614,012 in excess of the comparable appropriations for the present fiscal year. Of this increase, $158,671,904 is on account of the Veterans' Administration. Pensions require an increase of $104,468,003; the appropriation for the adjusted-service certificate fund has been increased from $50,000,000 to $100,000,000; and there is an increase of $4,610,000 for military and naval insurance, due to a decision of the United States Supreme Court declaring unconstitutional section 17 of Public, No. 2, Seventy-third Congress, approved March 20, 1933, which eliminated the adjudication by the courts of all claims incident to war-risk insurance contracts, with the exception of those cases in litigation at the time the amendatory legislation became effective.

The bill also provides an appropriation of $925,000 for construction, replacement, extension, alteration, remodeling, or repair of hospitals. This sum comprises sundry miscellaneous authorizations for which appropriations have not heretofore been made, and is in addition to unexpended and unobligated balances of former appropriations which are reappropriated. The latter comprise a total of $2,840,420, so that the bill actually provides a total of $3,765,420 for hospital purposes for 1936.

Due to liberalized provisions of Public, No. 141, Seventy-third Congress, enacted March 28, 1934, hospitalization and domiciliary care of veterans again becomes a factor of such proportions that consideration must be given to the providing of adequate and suitable accommodations in excess of those now available. Particularly is this true in connection with the hospitalization for neuropsychiatric disabilities. Although it is not contemplated that it will be necessary to build any new hospital units as a whole, it will be absolutely essential that certain facilities already built be altered, remodeled, or extended to accommodate this class of patients.

There will now remain but $4,000,000 of authorized hospital construction not already appropriated for, being the remainder of an original authorization of $20,877,000 carried in the so-called "Seventh Construction Act", approved March 4, 1931.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mrs. ROGERS of Massachusetts. I understand that $143,000,000 have already been authorized, appropriated, and spent for veterans' hospitals?

Mr. BOYLAN. Four million dollars of the amount originally authorized remains to be spent.

Mrs. ROGERS of Massachusetts. But a total of $143,000,000 since the armistice has been authorized and expended?

Mr. BOYLAN. The gentlewoman is correct; $143,000,000 has already been spent.

Time will not permit a detailed discussion of every appropriation carried in the bill. These may be found in the report accompanying the bill. It is my purpose, however, to mention briefly a few of the more important and outstanding.

AMERICAN BATTLE MONUMENTS COMMISSION

The President, by an Executive order, under authority granted to him to reorganize the executive establishment, has transferred from the War Department to the American Battle Monuments Commission, the duty of caring for and maintaining the American cemeteries and war memorials in Europe. This Commission, under the able leadership of General Pershing, has recently completed the erection of the authorized memorials at a cost of approximately $4,500,000. The President, by his Executive order, has extended the life and the authority of the Commission and has intrusted to it the perpetual care of these memorials as well as the American cemeteries.

CIVIL-SERVICE RETIREMENT FUND

The annual appropriation for the contribution of the Government to the civil-service retirement fund has been increased from $20,850,000 to $40,000,000. To put the fund on an actuarial basis there should be an annual appropriation of $52,000,000. The latter sum was requested of the Budget but the latter has submitted only $40,000,000 to Congress. The fund is ample to meet all current obligations, but the time is coming when the Government's contributions will have to be increased if the fund is to be definitely maintained in a state of solvency.

EMPLOYEES' COMPENSATION COMMISSION

An expanding Federal establishment necessitates an increase for next year in the employees' compensation fund of $262,100, bringing the total appropriation to $4,250,000. The bill carries an authorization of $2,081,000 from the special fund set up in the Treasury for compensation for injuries received by employees in the Civil Works Administration and of $1,056,000 from the special fund for the Civilian Conservation Corps for injuries sustained by employees of that organization.

The CHAIRMAN. The time of the gentleman from New York [Mr. BOYLAN] has expired.

Mr. WIGGLESWORTH. I have some time remaining, and I will be glad to yield it to the gentleman from New York.

Mr. BOYLAN. I am obligated to my esteemed colleague from Massachusetts [Mr. WIGGLESWORTH] for the additional time, for which I thank him very much.

FEDERAL COMMUNICATIONS COMMISSION

The Federal Communications Commission was created to take over the functions of the Federal Radio Commission, and, in addition, to regulate the rates and services of all common carriers of communication by wire and radio. The Commission bears substantially the same relation to the communications industry as the Interstate Commerce Commission bears to rail-and-water transportation by common carriers. In addition, it regulates and polices the use of the air-wave channels in radio communication as was formerly done by the Federal Radio Commission.

The appropriation for the current year for the Federal Radio Commission was $666,885. The estimates for 1936 for the Federal Communications Commission total $1,525,000. The latter sum represents but a beginning. To carry out fully the authority conferred upon it by Congress, the Commission will require much larger annual appropriations than that included in the pending bill.

GENERAL ACCOUNTING OFFICE

The General Accounting Office is a service organization. As the Government establishment expands, the duties of the General Accounting Office undergo a corresponding increase, and proportionately larger appropriations are required. The pending bill carries a total of $4,970,600 for this activity, which is an increase of $508,680 over the amount appropriated for the current year. It is approximately $1,500,000 more than was appropriated for this office for 1934.

This is one establishment which pays for itself many times over, and it would be a serious mistake not to provide an adequate appropriation for its activities.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics is a unique institution. Its personnel comprises some of the country's outstanding physicists and aviation experts, all of whom serve without pay. Its distinguished chairman is Dr. Joseph S. Ames, president of Johns Hopkins University. Officers of the Army Air Corps and of the Naval Air Service are assigned to the committee, and Col. Charles A. Lindbergh, as well as other aviation experts from private life, also serve on the committee.

This committee directs the work of the research laboratory located at Langley Field. It is by far the best-equipped laboratory in the world for research in aircraft problems. As a direct result of the discoveries and improvements developed at this laboratory, America today leads the world both in airplane design and in construction and operation.

The efficiency of this establishment is accounted for in large measure by the fact it is a wholly independent organization. In no other way would it be able to attract the services of the outstanding scientists and leaders in the field of aviation whose names now compose its roster.

NATIONAL MEDIATION BOARD

The national mediation board succeeds the old board of mediation. The amended Railway Labor Act modified the mediative procedure of the old board. It provided a new feature in the form of the Railroad Adjustment Board. This Board consists of 18 representatives appointed and paid by the carriers and 18 appointed and paid by the employees.

The Board is located at Chicago, Ill., and the cost of subordinate personnel and other expenses is provided for in the pending bill in the sum of $156,000. The function of the Railroad Adjustment Board is to settle disputes between the carriers and their employees respecting the interpretation of agreements already in existence.

The functions of the modified mediation board are substantially the same as those of the old board. Practically the only change in its personnel set-up is the reduction of the number of board members from 5 to 3.

SECURITIES AND EXCHANGE COMMISSION

The Securities and Exchange Commission is another new establishment which is bound to grow in size and importance unless Congress materially curtails its functions. In addition to licensing exchanges, the Commission is authorized to regulate and police trading thereon, as well as regulating over-the-counter sales throughout the country of securities not listed on the regular exchanges.

It also investigates any trading in securities which it believes to be manipulative in character, as well as a score of other duties, far-reaching in character, the ultimate cost of which is unpredictable.

The Commission requested of the Budget an appropriation of $4,277,000 for 1936. The Budget submitted to Congress an estimate of $2,370,000, which the committee has cut to $1,679,244. The committee believed the Commission was proposing an expansion far too rapid for sound organization building, and granted an appropriation which will continue the work during 1936 on the same level it is proposed to be conducted for the remainder of the current year.

Mr. Chairman and gentlemen of the committee, these are just a few observations on this bill. It is a very large and important bill and, as I said, covers very many activities of the Government. I believe under the leadership of our distinguished Chairman we have handled this bill in a manner that you would like to have us do.

I thank you. [Applause.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read the first paragraph of the bill.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PARSONS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 3410, the independent offices appropriation bill, and had come to no resolution thereon.

ANNUAL REPORT NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committees on Military Affairs, Naval Affairs, Interstate and Foreign Commerce and ordered printed:

*To the Congress of the United States:*

Pursuant to the act of March 3, 1915, which established the National Advisory Committee for Aeronautics, I submit herewith the annual report of that Committee for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 10, 1935.*

ANNUAL REPORT OF THE COUNCIL OF NATIONAL DEFENSE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Military Affairs:

*To the Congress of the United States:*

In compliance with paragraph 5, section 2, of the Army Appropriation Act approved August 29, 1916, I transmit herewith the Eighteenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 10, 1935.*

ANNUAL REPORT OF COMMISSION ON ERECTION OF MEMORIALS AND ENTOMBMENT OF BODIES IN ARLINGTON MEMORIAL AMPHITHEATER

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Public Buildings and Grounds:

*To the Congress of the United States:*

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the annual report of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 10, 1935.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BROWN of Michigan, for several days, on account of important business.

REPUBLICAN POLICIES IN CONGRESS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a radio speech made by myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, under leave to extend my remarks, I am inserting in the CONGRESSIONAL RECORD a speech delivered by me over the National Broadcasting Co. network on Wednesday evening, January 9, 1935:

The President has spoken on the state of the Union, and much of what he said regarding the necessity of security insurance for American wage earners, presumably for old age and unemployment, is admirable. I hope no liberal-minded Republican will find fault with such a humanitarian program of social welfare when it is finally presented in proper legislative form. I introduced and urged old-age pension legislation in Congress 6 years ago.

As I listened to the balance of his address to Congress, I kept wondering where is the money coming from for such a gigantic public-works program. The P. W. A. has already spent $2,000,000,000, and I doubt if it has given steady employment to a million men. On that basis, it will cost seven billions to provide Government jobs to three and a half million employable men now on the relief rolls. The President's optimism is apparently based on the assumption that governmental funds are inexhaustible and that the resources and dollars of the American taxpayers are as numerous as the sands of the deserts and seas combined. Already the taxpayers, small and large, have been bled white and together with the consumers are rapidly being transformed into a special category of forgotten men and women.

The President's proposal, however, does not say a word about the remaining eight and a half million unemployed not on Government emergency work, or help private industry in any way to care for them. He avoided and ignored this issue, the most important confronting the American public, that of expediting the return to private employment of the 12,000,000 unemployed. His message to Congress did not in the slightest degree encourage or promote the restoration of business confidence, which is an essential prerequisite to the employment of American labor by private industry. The tragedy of the present economic situation is that every day since last May unemployment has been increasing, so that on January 1, 1935, there were 2,000,000 more unemployed, according to the American Federation of Labor, a nonpartisan authority, than there were a year ago.

The only thing that counts in war, from the time a soldier puts on a uniform and takes up a rifle, is success in battle; and so in the present economic warfare against depression the only real test of the new-deal measures, and the only thing that actually counts, is whether the socialistic experiments, some of which I voted for as temporary emergency measures, have been successful in putting men back to work.

The record, with the exception of an auspicious start backed by practically a united and unanimous public opinion, has dwindled away until Roosevelt and recovery are no longer synonomous except over the radio and in the press, inspired by several hundred publicity agents in Washington, paid out of the Treasury of the United States.

The Roosevelt administration must survive or perish in the last analysis on its success in getting the wheels of private industry turning in order to provide employment for 12,000,000 of loyal and industrious Americans. The last 6 months have proved that most of the socialistic experiments of the "brain trust" are unworkable and unsound and are actually retarding business recovery. I honestly do not believe the American people realized the exact situation when they voted on November 6, as they were still thinking of the first year of the Roosevelt administration before the unsound new-deal policies had become effective. If these experiments had succeeded in their objective of providing permanent jobs even at the cost of fifteen billions in 22 months no Republican should in the midst of the present emergency denounce them or question the price.

But after almost 2 years, and with tragic failure of these half-baked expedients staring us in the face, it is the duty of the Republicans to point out the facts to the American public, and call a halt before millions more are unemployed through the destruction of business confidence.

The last election was not an election but a vote in favor of Santa Claus. Jolly Old Saint Nick did the political trick, and millions of relief workers were informed that if they failed to vote the Democratic ticket there would be no more work relief. There never was a more shameless and disgraceful election. The Treasury of the United States was used as a campaign chest by the Democratic Party for the first time in history. Work relief was used as a political football and partisan politics was played with human misery. Coercion and intimidation of the voters through work relief was the order of the day. A famous but inglorious victory was won by the Democrats, and, having fulfilled his political purposes, now Santa Claus is to be scrapped. What a travesty and hollow mockery of all the promises and inducements held out to the millions of relief workers to vote the Democratic ticket or starve! The following is an excerpt from a campaign letter sent out in my own congressional district in New York State, just prior to election, signed by nine men who were on or had been on the relief rolls:

"Your very existence is at stake. You can save a job for yourself and make jobs for your relatives and friends only by going to the polls on November 6 and supporting all the Democratic candidates, whose program is in full accord with the national program to this end. All of the Republican candidates are against the Democratic program, which has helped you and which will help you more. Vote the straight Democratic ticket on election day and save your job."

I denounced this letter immediately and publicly as being vicious and un-American, but when I asked Mr. Hopkins, the Relief Administrator, to take disciplinary action I received no assistance whatever. Although I voted for all C. W. A. appropriations, fortunately for me, I did not have to depend on the vote of the relief workers or the lack of cooperation of Mr. Hopkins, for without either I received a majority of 20,000 in the President's own congressional district, an increase over the previous election.

There has been a great deal of talk to the effect that the Republican Party must liberalize and humanize its policies. Some people have said that this is the function of the Republican National Committee. The record of the Republican Party will be formulated, shaped, and made by the votes of the Republican Members of the House and of the Senate, and not by any member of the national committee. The responsibility is ours and cannot

be shirked. We must stand for liberalism or reaction. The final record will speak for itself when Congress adjourns. As for myself, I propose to give my heart, mind, voice, and vote to liberalize and humanize the Republican Party and to help regain the faith of the plain people in our sound principles and fundamental policies. We are still the party of prosperity and are needed more today than ever before.

Anyone who thinks the Republican Party is dead is crazy, or that it will enter into a coalition with the Democrats is equally unbalanced. Although we are few in number in the Congress we must not forget that we represent 13,000,000 voters, or 46 percent of the electorate. Let there be no pussyfooting or trading with the enemy on fundamental principles. My appeal is directed to all Republicans, liberals and conservatives, near Republicans, Jeffersonian Democrats, and all others who have lost faith in the unsound, unworkable, and socialistic plans of the new deal. It is our duty to expose these economic fallacies that are destroying public confidence and retarding business recovery and the employment of American wage earners.

Let me make very clear, speaking for myself and my Republican colleagues in the House of Representatives, we do not want any commiseration from the large Democratic majorities in both the House and Senate. We eschew their pity and spurn their condescensions. We ask for no quarter, nor do we propose to give any on the more radical, socialistic, and unconstitutional features of the new deal, and particularly where it infringes on representative government and turns the Members of Congress into rubber stamps. We would not change places with any Member on the Democratic side, who must spring through the hoops like trained animals every time Jim Farley cracks the whip, or jump like trained fleas every time the "brain trust" sends an administration message to Congress.

The election slogan of the Democratic Members was to stand by the President, and they are committed in advance, gagged and labeled, and delivered en bloc for those administration measures generally concocted by the "brain trust" and hurriedly looked over and approved by the President.

No, thank God, at least the Republican Members can speak and vote against bad legislation and favor sound legislation on its merits without being cracked down upon by the Democratic national chairman through the use of a huge patronage machine, a veritable Frankenstein, that he has built up.

The Republicans in Congress belong to the minority, or opposition party. We have not only the right but the duty to scrutinize and analyze all legislative proposals. While it is clear that we should not oppose legislation simply because it is offered by the administration, it is equally clear that we must not hesitate to rip off the sugar coating and see beyond the honeyed words and criticize all unsound legislation without fear or favor.

We must be militant Republicans and oppose, even at the loss of temporary popularity, all measures which we do not believe to be for the welfare of the American people.

While the President has had the backing of a subservient Congress, and billions have been appropriated, there are still more unemployed than under the Hoover administration. Republicans in Congress should vote to scrap most of the features of the N. R. A., which have been harmful to small business men and are gradually strangling them to death.

National recovery cannot be brought about by propaganda from the White House, Cabinet members, and paid publicity agents who have been ringing the changes and beating the tom-tom of prosperity for the past year, perhaps with some political success but to no good economic purpose.

The administration has tried to bring about national recovery by the use of honeyed words and propaganda, and again by threats and the bludgeon. All have failed because its fundamental policies are unsound and destructive of business confidence. Let the Government stop harrassing and hampering the business men with all sorts of new regulations and excessive taxation. The truth is that almost every man who has any substantial means left has lost confidence in the unworkable measures of the administration.

The national debt, which was twenty billions when the Democratic administration came into power, will be thirty-five billions by the end of the fiscal year June 30, 1935, and forty billions by the next year. There is scarcely enough revenue coming in to pay the interest on that amount. We are headed for inflation and its twin evils, chaos and bankruptcy. The worst of it is that Great Britain, Canada, and other nations that have balanced their budgets, are emerging rapidly to normal prosperity, whereas we lag behind the procession and are being dragged down deeper every day by enormous governmental expenditures. The homes, resources, and business of the American people are being devoured by taxation.

What is needed more than anything else is inflation of confidence through sound legislation, not inflation of money through governmental waste and extravagance. The Roosevelt policies are no sounder now than before election, as popular majorities do not change economic laws. The Mississippi bubble, for the time being, made John Law the most popular man in France until the crash came.

The Republican Party stands today, as it always has stood, for sound money, for sanctity of contracts, for the protective tariff, for parity on agricultural products in relation to other industries, for the employment of labor on the American wage standards, for national economy and a balanced Budget, for economic freedom, for social and industrial justice, and for the equitable distribution of the abundance with which our land has been endowed, instead of restriction when 12,000,000 are unemployed. We are opposed to Government ownership, state socialism, and a tyrannical superbureaucracy at Washington regimentating all of our lives and to inflation that leads to governmental insolvency.

More specifically, speaking for myself, I favor adequate old-age pensions, unemployment insurance, the abolition of tax-exempt securities, the regulation and control of munition plants, the conscription of wealth, industry, labor, and man power to take the profit out of war, a national referendum on war, a bonus by installments for veterans, the restoration of the civil service, full pay for Federal employees, and increased protection to American industry and labor wherever needed.

Lastly, let us hold fast to that which is good. Let us get back to the sound principles that made for the progress and security of our Nation. As a liberal Republican who believes in marching forward with the times, I confess I abhor the precipitate departure from long-tested traditions and that which has proved itself of indispensable value to the happiness and security of the American people for experiments made simply because they are new, which actually stop the wheels of progress and the employment of American labor.

If there had been more hard-hitting, aggressive, militant, fighting Republicans in the last campaign, we would have had a larger representation in both the House and the Senate. The need of the hour is militant Republicanism.

### PAY RESTORATION

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

Mr. BEITER. Mr. Speaker, the President sometime ago stated that he was confident of pay restoration at the beginning of the next fiscal year, the question now is restoration of pay as of January 1.

It is suggested by those in touch with the issue that the President would like to recommend full restoration of pay to Federal employees as of January 1, but by law he can recommend increases only in keeping with results of the cost-of-living survey conducted by the Department of Labor. I can see no reason then for not supporting any legislation repealing that section of the Economy Act terminating the authority for reduction.

The minimum of justice to the great army of Federal employees requires full restoration of their basic salaries, effective January 1, 1935, and in so doing it would enhance the purchasing power of those who are solely dependent on the Federal Government, and thus start the wheels of progress from the bottom up.

There are a number of reasons why the 5-percent should be restored, provided there are sufficient Government revenues available to finance the restoration this fiscal year.

The Economy Act required the President to announce at intervals of 6 months a cost-of-living index, to be studied with reference to the base period, chosen as the 6-month period ending December 31, 1928. The index for this base period is 171. The indexes announced by the President, beginning with the period ending December 31, 1932, are as follows:

| | |
|---|---|
| December 1932 | 133.9 |
| June 1933 | 130.2 |
| December 1933 | 135.0 |
| June 1934 | 136.4 |
| December 1934 | 138.9 |

The cost-of-living index reached its lowest point in the 6-month period ending with June 1933, and the index then was 23.9 percent below the base period. It has reached its highest figure for the 6 months just ended but is still 18.8 percent below the base period. Under the terms of the law, pay was to be restored when the percentage difference between the 6-month index and the base-period index was less than the amount of the pay cut. Under the law—which expires automatically at the end of this fiscal year—salaries could not be restored until the cost-of-living index approximated the cost-of-living index for the last 6 months of 1928.

The Post Office Department faces heavy annual deficits, but the deficits are to a great extent attributable to payment of huge subsidies to steamships and air mail carriers. The Department's economy program during the fiscal year ended June 30, 1933, saved $100,000,000, but $80,000,000 of this amount was taken out of the wages of Department employees in every post office in the country. Those in regular service estimate closely that their 15-percent wage cut and payless furloughs amount to 27 percent of their

previous income from which further reduction is made for their pension fund. Frequently, if not usually, when regular employees are absent, other regulars assume extra duties, leaving the substitutes idle.

The inconsistency of the Washington administration in urging higher wages in private industry and cutting wages and reducing forces in its own big business is manifest, but the postal workers are by no means the only losers. While the Government puts 4,000,000 men to work on more or less useful projects primarily for the purpose of providing employment, it curtails such essential services as mail collections and deliveries. Post-office patrons, business concerns especially, are seriouly inconvenienced. The Post Office Department itself suffers loss of revenue.

The impression must not be allowed to prevail, however, that postal salaries should be determined by the profit or loss experienced by the Post Office Department. A more fallacious argument could scarcely be advanced. The post office is a public institution, operated to serve the needs of the mailing public. The Department charges for its services, to be sure, but it is not operated in order to make a profit.

The sacrifices made by postal workers during the depression, the likelihood that living costs will rise shortly in 1935, the current revival of business, the need for mass purchasing power and business confidence, the presence of a postal surplus instead of the usual deficit, and the right of loyal civil servants to an adequate and rising standard of living all combine to make immediate pay restoration the least that the Government can do in fairness to the postal worker.

PAY-RESTORATION AMENDMENT

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to have printed in the RECORD an amendment to the independent offices appropriation bill, which I expect to offer tomorrow.

The SPEAKER. Is there objection?

There was no objection.

The amendment is as follows:

Amendment offered by Mr. McLEOD: Page 1, line 7, strike out the word "namely" and insert in lieu thereof the following: "and that so much as may be necessary is hereby appropriated for the payment, effective January 1, 1935, to all officers and employees of the Federal Government of the United States of full compensation without regard to the 5-percent reduction now in force:"

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.), the House adjourned until tomorrow, Friday, January 11, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

119. A letter from the Postmaster General, transmitting a report of all cases where special contracts have been made with railroad companies for the transportation of the mails, and the terms and reasons therefor; to the Committee on the Post Office and Post Roads.

120. A letter from the Librarian of Congress, transmitting annual report as Librarian of Congress, together with that of the Register of Copyrights, for the fiscal year ending June 30, 1934; to the Committee on the Library.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLER: A bill (H. R. 3608) to improve the navigability of the White River, to provide for the flood control of the Mississippi River and the White River and to provide for reforestation and the use of marginal lands; for the agricultural and industrial development; for the irrigation of lands; for the restoration and preservation of the water level; and for the development of electrical power in the White River Valley, and for other purposes; to the Committee on Flood Control.

Also, a bill (H. R. 3609) to improve the navigability of the Arkansas River, Red River, Ouachita River, and White River, to provide for the flood control of the Mississippi River and the Arkansas, Red, Ouachita, and White Rivers, and to provide for reforestation and the use of marginal lands; for the agricultural and industrial development; for the irrigation of lands; for the restoration and preservation of the water level; for the development of electrical power in the Arkansas, Red, Ouachita, and White River Valleys; and for other purposes; to the Committee on Flood Control.

By Mr. DIRKSEN: A bill (H. R. 3610) to amend paragraph 1 of section 4 of the Interstate Commerce Act, as amended February 28, 1920 (U. S. C., title 49, sec. 4); to the Committee on Interstate and Foreign Commerce.

By Mr. DOCKWEILER: A bill (H. R. 3611) to revise section 15 of Public Law No. 308, the Air Mail Act; to the Committee on the Post Office and Post Roads.

By Mr. DOBBINS: A bill (H. R. 3612) to provide for adjusting the compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended; to the Committee on the Post Office and Post Roads.

By Mr. KRAMER: A bill (H. R. 3613) to regulate brake equipment on freight cars, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN. A bill (H. R. 3614) to authorize the erection of a monument in memory of Robert Mills; to the Committee on the Library.

By Mr. McSWAIN: A bill (H. R. 3615) to provide for the erection of a tablet to the memory of Ann Pamela Cunningham; to the Committee on Military Affairs.

Also, a bill (H. R. 3616) to establish a National Emergency Commission, and to define its powers; to the Committee on Ways and Means.

By Mr. MAPES: A bill (H. R. 3617) to promote the safety of employees and travelers upon common carriers engaged in interstate commerce by railroad by compelling such carriers to maintain tracks, bridges, and appurtenances thereto in safe and suitable condition; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDERS of Louisiana: A bill (H. R. 3618) to amend an act providing for promotion by selection and retirement of officers in the line of the Navy by extending its provisions to officers of the Marine Corps, and for other purposes; to the Committee on Naval Affairs.

By Mr. ALLEN: A bill (H. R. 3619) to provide for the construction of a post-office building at Mount Morris, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3620) to provide for the construction of a post-office building at Mount Carroll, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. GREENWOOD: A bill (H. R. 3621) to provide for the control of the flood waters of the Wabash and White Rivers and their tributaries, the improvement of the navigability of such rivers, the storage and delivery of the waters thereof for beneficial uses, the development of electrical power with such waters, the development of recreational and home-site areas, and for reforestation and conservation of natural resources, and for other purposes; to the Committee on Flood Control.

By Mr. DISNEY: A bill (H. R. 3622) to provide for the prevention of soil erosion, for flood control, irrigation, and for the purpose of furthering navigation, and for the purpose of constructing hydroelectric plants in the areas drained by the Arkansas, White, and Red Rivers, for the purpose of marketing any electric power so generated to States, counties, municipalities, corporations, and individuals, and to provide for the reforestation of lands suitable therefor in the watersheds of said streams, and for the purpose of protecting, preserving, promoting, and putting into use the natural resources along said streams and in the areas drained thereby, and to provide for the economic and social

well-being of people living in the watersheds of said streams, and for other purposes; to the Committee on Flood Control.

By Mr. RAMSAY: A bill (H. R. 3623) to improve the navigability and to provide for the flood control of the Monongahela River Basin and the Kanawha River Basin; to provide for the agricultural and industrial development of said valleys; to provide for the national defense by the creation of a corporation for the operation of Government properties at or near Tygart Reservoir near Grafton and all locks and dams now the property of the Government on the said Monongahela and Kanawha Rivers, and for other purposes; to the Committee on Flood Control.

By Mr. BOLAND: A bill (H. R. 3624) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

Also, a bill (H. R. 3625) imposing an excise tax on motor busses and motor trucks operating over public highways of the United States of America as common carriers engaged in interstate commerce, providing for the assessment and collection thereof, and providing penalties for the violation of this act; to the Committee on Ways and Means.

By Mr. DIMOND: A bill (H. R. 3626) to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of a steam and/or Diesel electric-generating station and electric and steam heating distribution systems, and for such purposes to issue bonds in any sum not exceeding $118,000; to the Committee on the Territories.

By Mr. KRAMER: A bill (H. R. 3627) directing the Secretary of War to issue Army discharges to those who were regularly inducted into the military service of the United States prior to November 11, 1918, and to whom were issued discharges from draft on or after said date; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 3628) providing for the establishment of farmers' marketing centers; to the Committee on Agriculture.

Also, a bill (H. R. 3629) to authorize the acquisition of additional land for the use of Walter Reed General Hospital; to the Committee on Military Affairs.

By Mr. MARTIN of Colorado: A bill (H. R. 3630) to round out the boundaries of the Pike National Forest, to protect and develop its resources; to the Committee on the Public Lands.

By Mr. MARTIN of Massachusetts: A bill (H. R. 3631) to amend section 9 of an act known as the "Agricultural Adjustment Act"; to the Committee on Agriculture.

By Mr. MASSINGALE: A bill (H. R. 3632) to authorize the Secretary of the Interior to convey the lands and property formerly used for the United States Indian School at Colony, Okla., to the Union Graded School District No. 1, of Colony, Okla.; to the Committee on Indian Affairs.

By Mr. MITCHELL of Tennessee: A bill (H. R. 3633) restricting the appointment of employees by Members of Congress of the United States in certain cases; to the Committee on Accounts.

Also, a bill (H. R. 3634) to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to $5,000 per annum; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 3635) to authorize the erection of a Veterans' Administration hospital in middle Tennessee and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 3636) to repeal the provision of law providing for the payment of a minimum of 3 months' salary to the widow of any deceased Member of Congress; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 3637) to provide for exempting hog producers from the processing tax under the Agricultural Adjustment Act in certain cases; to the Committee on Agriculture.

Also, a bill (H. R. 3638) providing for the purchase of a suitable site and the erection of a public building at Livingston, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3639) to provide for terms of the United States District Court for the Nashville Division of the Middle District of Tennessee to be held at Murfreesboro, Tenn.; to the Committee on the Judiciary.

Also, a bill (H. R. 3640) to repeal the provisions of law authorizing the payment of mileage or any amount in lieu of mileage to any Member of Congress or to any Delegate or Resident Commissioner to Congress; to the Committee on Expenditures in the Executive Departments.

By Mr. SMITH of Virginia: A bill (H. R. 3641) to amend section 559 of the Code of the District of Columbia as to restriction on residence of members of the fire department; to the Committee on the District of Columbia.

Also, a bill (H. R. 3642) to amend section 483 of the Code of the District of Columbia as to residence of members of the police department; to the Committee on the District of Columbia.

By Mr. WEARIN: A bill (H. R. 3643) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. WOOD: A bill (H. R. 3644) to provide homes and farms for the tenant farmers of the United States, and for other purposes; to the Committee on Agriculture.

By Mr. FENERTY: A bill (H. R. 3645) to permit radium to be accepted in payment of war debts due from Belgium, and to provide for the distribution of such radium; to the Committee on Ways and Means.

By Mr. KVALE: A bill (H. R. 3646) to amend the Agricultural Adjustment Act, as amended, with respect to farm prices; to the Committee on Agriculture.

By Mr. McLEOD: A bill (H. R. 3647) to promote safety on the streets and highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes; to the Committee on the District of Columbia.

By Mr. MARTIN of Massachusetts: A bill (H. R. 3648) to provide for the equitable distribution of the processing tax on cotton, to increase the purchasing power of industrial workers, and for other purposes; to the Committee on Agriculture.

By Mr. SAUTHOFF: A bill (H. R. 3649) relating to banks keeping on hand a cash reserve of more than 25 percent of their deposits and providing a penalty; to the Committee on Banking and Currency.

By Mr. TRUAX: A bill (H. R. 3650) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, approved March 3, 1933; to restore confidence and prevent confiscation of homes and farms by money lenders by providing for a suspension of real-estate foreclosures for a period of 5 years; to the Committee on the Judiciary.

By Mr. DEEN: A bill (H. R. 3651) to exempt a limited quantity of cotton produced by small producers from the cotton-ginning tax; to the Committee on Agriculture.

By Mr. DISNEY: A bill (H. R. 3652) to increase the authorized bond issues of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. GEARHART: A bill (H. R. 3653) granting to the Water Project Authority of the State of California, a body politic and corporate of said State, certain lands, and for other purposes; to the Committee on the Public Lands.

By Mr. JENKINS of Ohio: A bill (H. R. 3654) to reduce the rate of interest on loans secured from the Government on Government life-insurance policies; to the Committee on World War Veterans' Legislation.

By Mr. BLAND: A bill (H. R. 3655) amending title II, section 202 (b), of the World War Adjusted Compensation Act, as amended (U. S. C., Supp. VII, title 38, sec. 613); to the Committee on Ways and Means.

By Mr. CARMICHAEL: A bill (H. R. 3656) to increase the lump-sum payment made under the Workmen's Compensa-

tion Act in cases of death or of permanent total or permanent partial disability suffered prior to February 12, 1927; to the Committee on the Judiciary.

By Mr. CONNERY: A bill (H. R. 3657) to protect labor in its old age; to the Committee on Labor.

By Mr. DISNEY: A bill (H. R. 3658) to regulate commerce in petroleum, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDERS of Louisiana: A bill (H. R. 3659) to provide for the erection of a monument in Clinton Cemetery, Clinton, La., to mark the resting place of certain Union and Confederate soldiers; to the Committee on Military Affairs.

By Mr. WOODRUM: A bill (H. R. 3660) granting the consent of Congress to the several States to levy and collect taxes on gasoline and other motor-vehicle fuels in certain instances when sold on United States military and other reservations; to the Committee on Ways and Means.

By Mr. MITCHELL of Tennessee: Joint resolution (H. J. Res. 73) to provide for the designation of a highway from Sault Ste. Marie, Mich., to Fort Myers, Fla., as a memorial to the late President and Chief Justice William Howard Taft; to the Committee on Roads.

Also, joint resolution (H. J. Res. 74) to establish an investigating committee, define its duties, and for other purposes; to the Committee on Rules.

Also, joint resolution (H. J. Res. 75) to establish an investigating committee, defining its duties, and for other purposes; to the Committee on Rules.

By Mr. HOOK: Joint resolution (H. J. Res. 77) authorizing the issuance of a special postage stamp in honor of the centennial statehood of the State of Michigan; to the Committee on the Post Office and Post Roads.

By Mr. QUINN: Joint resolution (H. J. Res. 78) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

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## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KVALE: A bill (H. R. 3661) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

By Mr. RYAN: A bill (H. R. 3662) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

By Mr. PITTENGER: A bill (H. R. 3663) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

By Mr. ALLEN: A bill (H. R. 3664) granting a pension to Ethel S. Ferguson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3665) granting a pension to Lizzie May Schaber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3666) granting a pension to Sarah A. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3667) granting a pension to Sadie M. Meik; to the Committee on Pensions.

Also, a bill (H. R. 3668) granting a pension to Emma Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3669) granting a pension to Hillis T. Brown; to the Committee on Pensions.

Also, a bill (H. R. 3670) granting a pension to Anna Layton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3671) for the relief of Charles W. Nobis, Robert Bruce Irwin, Ralph Irwin, Vern Shelly, Charles W. Chapman, C. H. Jobe, Helen S. Cooper, Lizzie Jameson, Frank and Irene Jameson; to the Committee on Claims.

Also, a bill (H. R. 3672) for the relief of the Dixon Implement Co.; to the Committee on Claims.

Also, a bill (H. R. 3673) for the relief of Bernard V. Wolfe; to the Committee on Claims.

Also, a bill (H. R. 3674) for the relief of Laura B. Haynes; to the Committee on Claims.

Also, a bill (H. R. 3675) for the relief of James Cantlin, alias James Cantlion, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3676) granting an increase of pension to Ada Plattenberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3677) granting an increase of pension to Amelia Pulfrey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3678) granting an increase of pension to Mary A. Wohlford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3679) granting an increase of pension to Anna Flint; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3680) granting an increase of pension to Martha C. Howe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3681) granting an increase of pension to Minnie G. Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3682) granting an increase of pension to Maria S. Houston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3683) granting an increase of pension to Elizabeth Diehl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3684) granting an increase of pension to Emma McLees; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3685) granting an increase of pension to Ernestine Singer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3686) granting an increase of pension to Olive E. Tompkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3687) granting an increase of pension to Anna Shannessay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3688) granting an increase of pension to Elizabeth Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3689) granting an increase of pension to Catherine Norton; to the Committee on Invalid Pensions.

By Mr. ARENDS: A bill (H. R. 3690) making eligible for retirement, under the same conditions as now provided for officers of the Regular Army, A. Richard Hedstrom, chaplain, an officer of the United States Army during the World War, who incurred physical disability in line of duty; to the Committee on World War Veterans' Legislation.

By Mr. ASHBROOK: A bill (H. R. 3691) granting a pension to Margaret E. Pryce; to the Committee on Invalid Pensions.

By Mr. AYERS: A bill (H. R. 3692) for the relief of Celeste C. Anderson; to the Committee on Claims.

By Mr. BIERMANN: A bill (H. R. 3693) granting a pension to Mary C. Learned; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3694) for the relief of Florence Byvank; to the Committee on War Claims.

Also, a bill (H. R. 3695) for the relief of Kittie R. Miller; to the Committee on War Claims.

By Mr. BOEHNE: A bill (H. R. 3696) granting a pension to Ethel K. Massie; to the Committee on Pensions.

Also, a bill (H. R. 3697) granting a pension to George E. Hilgert; to the Committee on Pensions.

By Mr. BOILEAU: A bill (H. R. 3698) granting a pension to Sarah A. De Gross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3699) granting a pension to Marie Beck; to the Committee on Pensions.

Also, a bill (H. R. 3700) granting a pension to Elizabeth Ellen Barker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3701) granting a pension to Mary E. Grinnell; to the Committee on Pensions.

Also, a bill (H. R. 3702) to provide for the refund or abatement of the claim for loss incurred in the burglary of the post office at Arpin, Wis.; to the Committee on Claims.

Also, a bill (H. R. 3703) for the relief of Lawrence Nohr; to the Committee on War Claims.

Also, a bill (H. R. 3704) granting an increase of pension to Sarah Jane Bump; to the Committee on Invalid Pensions.

By Mr. BOLAND: A bill (H. R. 3705) for the relief of Thomas A. Coyne; to the Committee on Military Affairs.

Also, a bill (H. R. 3706) for the relief of Nell Mullen; to the Committee on Claims.

By Mr. BRUNNER: A bill (H. R. 3707) authorizing the Secretary of War to bestow a gold medal of honor, of such

design as he may approve, upon Michael J. Quinn; to the Committee on Military Affairs.

By Mr. DARDEN: A bill (H. R. 3708) for the relief of Hudson Bros., of Norfolk, Va.; to the Committee on Claims.

Also, a bill (H. R. 3709) for the relief of the Norfolk Southern Railroad Co.; to the Committee on Claims.

Also, a bill (H. R. 3710) for the relief of the heirs at law of Barnabas W. Baker and Joseph Baker; to the Committee on Claims.

Also, a bill (H. R. 3711) for the relief of the James River Bridge Corporation; to the Committee on the Judiciary.

Also, a bill (H. R. 3712) for the relief of Robert James Allen; to the Committee on Naval Affairs.

Also, a bill (H. R. 3713) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to F. Lee Bartlett; to the Committee on Claims.

Also, a bill (H. R. 3714) to amend the act entitled "An act for the relief of contractors and subcontractors for post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes", approved August 25, 1919, as amended by act of March 6, 1920; to the Committee on Public Buildings and Grounds.

By Mr. DEMPSEY: A bill (H. R. 3715) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N. Mex.; to the Committee on Claims.

By Mr. DIETRICH: A bill (H. R. 3716) granting a pension to Leon P. Chesley; to the Committee on Pensions.

Also, a bill (H. R. 3717) granting a pension to Rush E. Kindig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3718) granting an increase of pension to Eva Louise Eberlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3719) granting a pension to Fred C. Vanderpool; to the Committee on Pensions.

Also, a bill (H. R. 3720) for the relief of Wilfred J. Drey; to the Committee on Claims.

Also, a bill (H. R. 3721) for the relief of Angelo J. Gillotti; to the Committee on Military Affairs.

By Mr. DOCKWEILER: A bill (H. R. 3722) for the relief of Samuel Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3723) for the relief of Frank N. Curtiss; to the Committee on Military Affairs.

By Mr. DORSEY: A bill (H. R. 3724) for the relief of William Henry Savage; to the Committee on Naval Affairs.

By Mr. EVANS: A bill (H. R. 3725) to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.; to the Committee on Claims.

By Mr. FORD of California: A bill (H. R. 3726) granting a pension to Susan McKay Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3727) for the relief of Carl Siele; to the Committee on Naval Affairs.

Also, a bill (H. R. 3728) for the relief of Fred Pruscha, alias Fred Cole; to the Committee on Military Affairs.

By Mr. FREY: A bill (H. R. 3729) to confer jurisdiction upon the United States Court of Claims to hear and determine the claims of Henry W. Bibus, Annie Ulrick, Samuel Henry, Charles W. Hensor, Headley Woolston, John Henry, Laura B. Margerum, and George H. Custer, of Falls Township and borough of Tullytown, Bucks County, Commonwealth of Pennsylvania; to the Committee on Claims.

By Mr. JENKINS of Ohio: A bill (H. R. 3730) granting an increase of pension to Effie C. Greene; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 3731) granting the Distinguished Service Cross, also the Oak Leaf Cluster, to Acors Rathbun Thompson; to the Committee on Military Affairs.

Also, a bill (H. R. 3732) for the relief of John H. Gatts; to the Committee on Claims.

Also, a bill (H. R. 3733) granting back pay to Auguste C. Loiseau; to the Committee on War Claims.

Also, a bill (H. R. 3734) for the relief of Sarah Lloyd; to the Committee on Military Affairs.

Also, a bill (H. R. 3735) for the relief of Mrs. Charles L. Reed; to the Committee on Claims.

Also, a bill (H. R. 3736) for the relief of James L. Barnett; to the Committee on the Civil Service.

Also, a bill (H. R. 3737) for the relief of George L. Stone; to the Committee on Claims.

Also, a bill (H. R. 3738) granting a pension to Melba Bates; to the Committee on Pensions.

Also, a bill (H. R. 3739) granting a pension to Rawley B. Wright; to the Committee on Invalid Pensions.

By Mr. KINZER: A bill (H. R. 3740) granting an increase of pension to Emma J. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3741) granting an increase of pension to Lydia A. Stuard; to the Committee on Invalid Pensions.

By Mr. KRAMER: A bill (H. R. 3742) granting a pension to Ella Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3743) granting a pension to Edith M. Cruise; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3744) granting a pension to Pearl Bouchie; to the Committee on Pensions.

Also, a bill (H. R. 3745) for the relief of George A. Whitlock; to the Committee on Naval Affairs.

Also, a bill (H. R. 3746) for the relief of George Hovey; to the Committee on Military Affairs.

By Mr. LAMNECK: A bill (H. R. 3747) for the relief of James Albert Duffy; to the Committee on Naval Affairs.

By Mr. LORD: A bill (H. R. 3748) granting an increase of pension to Mary J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3749) granting an increase of pension to Jennette Knapp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3750) granting an increase of pension to Emma R. Pettie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3751) granting a pension to Sarah W. Chisholm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3752) granting a pension to Grace A. Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3753) granting a pension to Lillie Brinkerhoff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3754) granting a pension to Chester A. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3755) granting a pension to Hortense Van Horne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3756) granting a pension to Anna V. Peck; to the Committee on Invalid Pensions.

By Mr. McMILLAN: A bill (H. R. 3757) granting a pension to Carl Wilhelm Janssen; to the Committee on Pensions.

Also, a bill (H. R. 3758) granting an increase of pension to Elizabeth W. Donaldson; to the Committee on Pensions.

Also, a bill (H. R. 3759) for the relief of E. H. Jennings; to the Committee on Claims.

Also, a bill (H. R. 3760) for the relief of Capt. Arthur L. Bristol, United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 3761) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3762) to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claims of Lewis E. Magwood; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 3763) for the relief of William Randolph Cason; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 3764) for the relief of the heirs of Jean Baptiste Faribault and Pelagie Faribault, his wife; to the Committee on Claims.

By Mr. MARTIN of Massachusetts: A bill (H. R. 3765) for the relief of Manuel Ferreira; to the Committee on Claims.

By Mr. MITCHELL of Tennessee: A bill (H. R. 3766) for the relief of John R. Bullock; to the Committee on Claims.

By Mr. POWERS: A bill (H. R. 3767) for the relief of Agnes M. Allsop; to the Committee on Claims.

By Mr. RICH: A bill (H. R. 3768) granting an increase

of pension to Elizabeth L. Crist; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3769) granting an increase of pension to Kate L. Rodimer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3770) granting an increase of pension to Elizabeth S. Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3771) granting an increase of pension to Ellen E. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3772) granting an increase of pension to Susan A. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3773) granting an increase of pension to Mary E. Grange; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3774) granting an increase of pension to Mary Jane Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3775) granting a pension to Anna L. Harman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3776) granting a pension to Lulu Maude Williams; to the Committee on Invalid Pensions.

By Mr. RICHARDS: A bill (H. R. 3777) for the relief of Herald Publishing Co.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 3778) granting a pension to Ada Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3779) for the relief of Esaw Wright; to the Committee on Military Affairs.

Also, a bill (H. R. 3780) granting a pension to Henry Hibbard; to the Committee on Pensions.

Also, a bill (H. R. 3781) granting a pension to Evaline Sammons; to the Committee on Invalid Pensions.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 3782) for the relief of Ralph Adams Cram, Lydia B. Kimball, executrix under the last will and testament of Bertram G. Goodhue, deceased, and Donald G. Ferguson, administrator of the estate of Frank W. Ferguson, deceased; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 3783) for the relief of George W. Rhine, doing business under the name of Rhine & Co.; to the Committee on Claims.

By Mr. STACK: A bill (H. R. 3784) granting a pension to Joseph A. Daily; to the Committee on Pensions.

By Mr. TURNER: A bill (H. R. 3785) for the relief of Mrs. M. L. Newton; to the Committee on Claims.

By Mr. WEARIN: A bill (H. R. 3786) for the relief of Woodworth B. Allen, captain, United States Army; to the Committee on Military Affairs.

By Mr. WHITTINGTON: A bill (H. R. 3787) for the relief of Robert D. Hutchinson; to the Committee on Military Affairs.

Also, a bill (H. R. 3788) granting a pension to Cornelia M. Campbell; to the Committee on Pensions.

Also, a bill (H. R. 3789) granting a pension to Nannie M. Buckley; to the Committee on Pensions.

By Mr. WILCOX: A bill (H. R. 3790) for the relief of Walter W. Johnston; to the Committee on War Claims.

By Mr. WOOD: A bill (H. R. 3791) granting a pension to Mary E. Burchett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3792) granting a pension to Eliza James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3793) granting a pension to Grace L. Horn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3794) granting a pension to Levina E. Starks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3795) granting a pension to Mary E. Nichols; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3796) granting a pension to Mary E. Hays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3797) for the relief of St. Ludgers Catholic Church, of Germantown, Henry County, Mo.; to the Committee on War Claims.

Also, a bill (H. R. 3798) granting a pension to Annie May Bartlett; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 3799) for the relief of Mrs. W. E. Bouchey; to the Committee on Claims.

Also, resolution (H. Res. 43) for the relief of Delbert E. Libbey; to the Committee on Accounts.

By Mr. McLEOD: Joint resolution (H. J. Res. 76) to amend section 3 of the joint resolution entitled "Joint resolution for the purpose of promoting efficiency, for the utilization of the resources and industries of the United States, and so forth", approved February 8, 1918; to the Committee on Patents.

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PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

86. By Mr. BOEHNE: Petition of Joseph V. Richardson, Evansville, Ind., and others, favoring legislation for the Townsend plan of old-age pensions; to the Committee on Pensions.

87. By Mr. BUCKBEE: Petition of the City Council of Rockford, Ill., asking Congress to make additional funds available for the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

88. By Mr. CULKIN: Petition of the citizens of Phoenix, N. Y., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Labor.

89. Also, petition of the residents of Selkirk Beach, Pulaski, and vicinity in the State of New York, favoring a breakwater and harbor at the mouth of the Salmon River; to the Committee on Rivers and Harbors.

90. By Mr. DEROUEN: Petition of the Woman's Christian Temperance Union of Vinton, La., regarding submission of stop-alien representation amendment to Constitution; to the Committee on the Judiciary.

91. By Mr. GOODWIN: Memorial of the National Association of Letter Carriers, favoring repeal of the salary reduction as authorized in title II, sections 2 and 3, as amended by the Independent Offices Appropriation Act of 1935; to the Committee on Appropriations.

92. Also, petition of residents of Ulster County, N. Y., asking support of the Townsend plan for old-age pensions; to the Committee on Labor.

93. By Mr. HILDEBRANDT: Petition of Spink County Farmers Union, beseeching the Congressmen and Senators to intercede in their behalf, and urging them to do everything possible to pass a law whereby the destitute farmers may be able to obtain their seed from the Government on a plan whereby same may be returned in the fall bushel for bushel plus 10-percent increase in bushels for handling charges; to the Committee on Agriculture.

94. Also, petition urging proper representatives of all types of business enterprise to put an immediate end to the growth of Government in business; to the Committee on the Judiciary.

95. Also, petition of District No. 2, F. E. & C. U. of A., appealing to our Senators and Representatives that the Government furnish seed grain to farmers in the drought-stricken district, and this seed to be returned bushel for bushel and a small amount added to defray handling charge, therefore giving the farmer a chance to be self-sustaining; to the Committee on Agriculture.

96. Also, petition of South Dakota Bankers' Association, recommending that Congress put forth every effort to secure the necessary financing of seed for this crop; to the Committee on Agriculture.

97. Also, petition of the Farmers Elevator Association of South Dakota, urging cessation of restrictive legislation in Congress relating to the grain-marketing system; to the Committee on Agriculture.

98. Also, petition of the board of directors of the Madison Chamber of Commerce, resolving that the shelter-belt program, created by President Roosevelt, designed to grow trees over an area 100 miles wide and extending from Canada to the Gulf through this section of South Dakota, is both practical and necessary; to the Committee on Agriculture.

99. By Mr. HOOK: Letter signed by Rudolph A. Anderson, secretary of the Roosevelt Democratic Club of Ironwood, Mich., on resolution passed by that club as favoring legisla-

tion for a harbor and breakwater to be located at a suitable place on Lake Superior at the mouth of Black River or Little Girls Point, known as Ohman's Creek; to the Committee on Rivers and Harbors.

100. By Mr. HOUSTON: Petition signed by 18,827 members of the National Old-Age Pension League, Wichita, Kans., favoring a national old-age pension of $50 per month for a single person and $70 for man and wife after they have reached age of 50 years; to the Committee on Labor.

101. By Mr. JOHNSON of Texas: Memorial of Dr. J. B. Barnett and Black Bros., of Thornton; C. J. Bryant, of Aquilla; I. G. Nance, route 1, Thornton; Hubert M. Harrison, vice president and general manager of the East Texas Chamber of Commerce, Longview; and R. R. Black, president of the First National Bank of Thornton, all of the State of Texas, favoring legislation authorizing emergency crop loans for 1935; to the Committee on Agriculture.

102. By Mr. KENNEY: Memorial of Tan-Ta-Qua Tribe, No. 294, Improved Order of Red Men, endorsing national lottery bill; to the Committee on Ways and Means.

103. By Mr. LAMBERTSON: Resolution of the Order of Benefit Association of Railway Employees of Horton, Kans., division no. 192, urging the enactment of legislation modifying the fourth section of the Interstate Commerce Act as provided for by House bill 8100 of the Seventy-third Congress; to the Committee on Interstate and Foreign Commerce.

104. By Mr. MERRITT of New York: Resolution of Colon Council, No. 309, Knights of Columbus, of Long Island City, Long Island, N. Y., protesting against the activities of the National Revolutionary Party in Mexico, and urging the United States Congress to refrain from any intervention in support of said party, and to refrain from trade relations which are profitable to the supporters of the National Revolutionary Party, and urging tourists not to visit Mexico; to the Committee on Foreign Affairs.

105. By Mr. PFEIFER: Petition of the Maritime Association of the Port of New York, New York City, urging air-mail terminal at Bennett Field in New York City; to the Committee on the Post Office and Post Roads.

106. Also, petition of the Department of Agriculture and Immigration of the State of Louisiana, urging continuation of excise tax on foreign oil; to the Committee on Ways and Means.

107. By Mr. RUDD: Petition of Woodside Civic Association, 5601 Northern Boulevard, Woodside, Long Island, N. Y., favoring the continuation of the Home Owners' Loan Corporation and the necessary appropriations for same; to the Committee on Banking and Currency.

108. By the SPEAKER: Petition of the city of Milwaukee; to the Committee on the Post Office and Post Roads.

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# HOUSE OF REPRESENTATIVES

## FRIDAY, JANUARY 11, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In this sacred stillness, Heavenly Father, we would lift our eyes unto Thee. Thou hast set Thy glory above the heavens. We beseech Thee to pour into our lives a high and holy meaning; renew, unfold, and refresh them. Even in the dark hours in which reason and experience fail, we pray for Thy comforting signals. We praise Thee for the assurance that Thy mercy strengthens, Thy heart forgives, and Thy wisdom will guide us aright. Send Thy light, which strikes a crimson pathway through the ages, and bless us with that spirit of brotherhood that breathes from the heaven of the Savior of men. Amen.

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 364. An act to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia;

S. 397. An act to provide for recording of deeds of trusts and mortgages secured on real estate in the District of Columbia, and for releasing thereof, and for other purposes;

S. 398. An act to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto;

S. 399. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia;

S. 400. An act to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition;

S. 401. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929;

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia;

S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes; and

S. 408. An act to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act; and for other purposes.

### ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

### HOME OWNERS' LOAN CORPORATION

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that the Clerk may read a resolution I now send to the desk, that it be incorporated in the RECORD, and that it be referred to the Committee on Rules.

The SPEAKER. The gentleman from Ohio asks unanimous consent to have read the resolution which he is sending to the Clerk's desk.

Mr. SNELL. Mr. Speaker, reserving the right to object, what is the resolution?

Mr. SWEENEY. It is a resolution to investigate the Home Owners' Loan Corporation.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

*Resolved*, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a special committee to be composed of seven members for the purpose of conducting an investigation into the administration of the Home Owners' Loan Corporation to determine the cause of the unnecessary delay, irregularities, or discrimination against applicants who qualify for a mortgage loan under the terms and provisions of the act of Congress creating the Home Owners' Loan Corporation, and to further inquire into any act of misfeasance or malfeasance on the part of any official, employee, or agency of the Home Owners' Loan Corporation.

That said special committee, or any subcommittee thereof, is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, by subpena or otherwise, and to take such testimony as it deems necessary. Subpenas shall be issued under the signature of the chairman and shall be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness

by authority of said committee or any subcommittee thereof, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the investigation heretofore authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

Mr. SNELL. Mr. Speaker, does the gentleman from Ohio ask unanimous consent for the present consideration of the resolution?

Mr. SWEENEY. No; I asked unanimous consent that the resolution be read, and then referred to the Committee on Rules.

Mr. SNELL. If the gentleman wishes to submit a unanimous-consent request for its present consideration, I do not believe there will be any objection on this side.

The SPEAKER. The Chair understands that the gentleman asked that the resolution be read for information.

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Speaker, the purpose of the resolution must be apparent to all Members who have been here during the last 2 or 3 days. Quite a portion of the general debate was directed against the activities and maladministration of the Home Owners' Loan Corporation. I am pleased to know that the distinguished minority leader is willing to go along with me. I hope not from a political motive but rather because of the principle involved. I have no thought of politics in mind in introducing this resolution. There are many men on the Democratic side of the aisle who feel as I do about the matter. Many because of their experience have openly registered their complaints.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. SNELL. There is no politics in it so far as I am concerned. All I want is an opportunity to present the situation that exists in my own State of New York.

Mr. BLANTON. And the situation that exists all over these United States.

Mr. SWEENEY. There are many men on this side of the aisle who have grievous complaints against the administration of this act, who, since the last session of Congress, have been importuned by all kinds of people who claimed they were the victims of discrimination, at least on the part of certain officials. I know, of course, that there are many fine, competent, and intelligent men in the Home Owners' Loan Corporation and its various subsidiaries, but there are also a lot of incompetents.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. SWEENEY. I yield.

Mr. KNUTSON. I did not hear the first part of the resolution. By whom is the committee to be appointed?

Mr. SWEENEY. It is to be appointed by the Speaker of the House.

Mr. KNUTSON. That fact alone insures that it will be nonpartisan.

Mr. SWEENEY. It will be a fair committee. I have confidence in the integrity of the Speaker of this House to know that he will appoint such a committee. I have the assurance of the distinguished Chairman of the Rules Committee, the gentleman from New York [Mr. O'CONNOR], that we will receive an early hearing; and I shall be pleased to have Members interested get in touch with me, that we may arrange to go before the committee en masse or by groups to secure expeditious action and a favorable report from the committee.

### ADDRESS OF THE COMPTROLLER OF THE CURRENCY

Mr. SISSON. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, and I shall not in this instance, there is a special order of business pending on the Speaker's table. I shall object to other unanimous-consent requests.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SISSON. Mr. Speaker, a short time ago the Comptroller of the Currency, Hon. J. F. T. O'Connor, made a very fine address before the Nebraska Bankers' Association at Lincoln, Nebr. Generally this address is a treatment of the work of the Bureau of the Comptroller during the past year and 10 months. Specifically it contains a great deal of information which I think will be useful to all the Members of the House regarding the working of the Federal deposit-insurance provisions of the banking law. It also contains specific information regarding the reopening and reorganization of national banks and the admission of State banks to the deposit-insurance fund. What is perhaps more pertinent to practically every Member here, because most of us have had complaints of this type, is that the Comptroller explains the method and policy of examination by the examiners of his Department. To my mind his statement effectively disposes of the alibi so often offered by our bankers as the reason for not loosening up on credit—because of the tightness of the examination by the Comptroller's Department. Here are given specific facts and figures. Therefore, Mr. Speaker, I ask unanimous consent to have this address inserted in the RECORD.

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand the gentleman's request the matter referred to will appear in the RECORD?

Mr. SISSON. Yes.

Mr. SNELL. It relating purely to departmental work and not being a political speech, I have no objection to its being inserted in the RECORD.

Mr. SISSON. I can assure the gentleman from New York that the speech is full of valuable information.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SISSON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of the Honorable J. F. T. O'Connor, Comptroller of the Currency, before the Nebraska Bankers' Association, Lincoln, Nebr., November 9, 1934:

You will be interested in a review of the main problems confronting the Office of the Comptroller of the Currency, which is a Bureau of the Treasury Department, after the banking holiday in March 1933, and the solutions of these problems. Two of the problems were entirely new, and it was therefore necessary to travel into unexplored territory without the guidance of experience or precedent. The first problem was the reopening of 1,417 unlicensed national banks with deposits of $1,971,960,000, which are under the jurisdiction of the Comptroller of the Currency. The second was the approval of the sale to the Reconstruction Finance Corporation and to local interests of preferred stock in national banks. The third problem was the distribution of dividends to depositors in closed banks. The distribution of dividends has been an activity of the Comptroller's Office since the first bank closed, but new methods have been employed during the past 20 months.

The work accomplished could not have been done without the cooperation of the Congress of the United States. At the request of the President ample provision was made by Congress for reopening the closed institutions and giving much-needed relief to depositors.

At the close of the banking holiday an entirely new division of the Comptroller's Office was put together, and several floors of an adjoining office building were taken over for this work. Examiners were called in from different parts of the country; clerks, auditors, stenographers, typists—all worked early and late, under great pressure. We received as many as 7,000 letters in 1 week. Each and every one of the 1,417 banks had to be carefully examined, the assets appraised, and a plan prepared for its reopening. On November 1, 1934, 1,075 banks had been reorganized, representing $1,792,899,000 in deposits, while 30 banks had voluntarily liquidated and paid their depositors in full $11,204,000, and 297 banks had been placed in receivership, representing $153,336,000 in deposits. The depositors in these particular receivership banks have received $42,328,657. When a bank is placed in receivership, it does not mean that it has no chance to be reopened or reorganized, as we had on November 1 approved plans for reopening 10 of these receivership banks with deposits of $4,754,000.

It is indeed a great pleasure to state to you today that there are only 15 banks in conservatorship, representing $14,433,000 of deposits, and of these, 13 have plans approved for reorganization, with deposits of $13,653,000 which will be released shortly. In other words, 20 months after the banking holiday there remains undisposed of less than three-fourths of 1 percent of the deposits in the 1,417 unlicensed banks as reported at the close of the banking holiday.

A careful survey of the banking situation of the Nation showed that values on property of all kinds have been greatly depressed,

and our banks contain numerous items which debtors could readily have paid under ordinary conditions but were not able to pay because of the financial collapse. The President appreciated this situation and realized the importance of the banking institutions to the country. To avoid further distress to depositors he requested the Congress of the United States to permit the Government to purchase preferred stock in these banks. Let me use his own words: "To accept the Government's offer to purchase preferred stock does not mean that a bank is weak, but that it is eager to cooperate in the recovery effort to the fullest possible extent and thus undertake to put this additional capital to work. We are not thinking of idle capital. We are thinking of working capital—capital working for recovery."

It is unnecessary to call your attention to the tremendous amount of detailed work in connection with applications for preferred stock—waivers, consent of stockholders, resolutions of the board of directors, and of the Reconstruction Finance Corporation, as well as a careful check in the Comptroller's Office and approval by the Secretary of the Treasury. If you will keep in mind these various complicated steps, you will have some idea of the task involved in the sale by 1,835 national banks of $473,353,550 in preferred stock to local interests and to the Reconstruction Finance Corporation by November 1, 1934.

The third important problem referred to was the relief given to depositors in closed banks. Since March 16, 1933, there has been distributed through the office of the Comptroller of the Currency to depositors in closed national banks over half a billion dollars, or to be exact, $555,160,062.

In Nebraska at the end of the banking holiday there were 21 national banks unlicensed, with deposits of $6,503,000. It will interest you to know that every one of these has been disposed of. Fourteen were reopened, representing deposits of $5,462,000; 1 bank, with deposits of $99,000, has gone into voluntary liquidation; and 6 banks, representing deposits of $942,000, have been placed in receivership.

The combined deposits of these 14 reopened institutions and the one now being voluntarily liquidated amounted to $6,128,000, or 85.5 percent of all the deposits tied up in unlicensed Nebraska national banks on March 16, 1933.

In most respects recent bank "calls" by the Comptroller of the Currency have indicated that national banks in your State are making steady progress. The one exception is the matter of loans and discounts, which declined 6.8 percent during the first half of the current year.

However, with an increase of only 7 percent in the number of licensed national banks, investments of Nebraska national banks rose 31.8 percent between the end of 1933 and the middle of 1934; total deposits increased 30.9 percent, and total assets gained 26.7 percent.

Results of the last three "calls"—December 30, 1933, March 5, 1934, and June 30, 1934—for Nebraska national banks are given in the following tabulation:

| | Dec. 30, 1933 | Mar. 5, 1934 | June 30, 1934 |
|---|---|---|---|
| Number of national banks | 128 | 132 | 137 |
| Loans and discounts | $62,416,000 | $60,848,000 | $58,119,000 |
| Investments | 71,439,000 | 91,441,000 | 94,174,000 |
| Total assets | 192,580,000 | 232,147,000 | 244,096,000 |
| Total deposits | 162,092,000 | 201,442,000 | 212,338,000 |

The remarkable record which has been made in rehabilitating the banking structure of the Nation would have been impossible without Government assistance. That this aid has been given in gigantic proportions, in the interests of the people of the United States, is indicated by the following figures:

Through October 31, 1934, the Reconstruction Finance Corporation had authorized loans to banks and trust companies—open or closed—in the sum of $2,222,815,803. Of this amount, $1,698,906,340 had actually been disbursed to those institutions by that date. Moreover, in an effort to rehabilitate the capital structure and to make possible a greater extension of credit, the Reconstruction Finance Corporation had authorized the expenditures of $1,128,794,295 through October 31, 1934, in loans on preferred stock of banks and trust companies, subscriptions for the preferred stock of such institutions, purchases of capital notes and purchases of debentures. Of this amount, $906,764,407 had then actually been disbursed.

Without these huge disbursements by this governmental agency it is certain that hundreds of banks which have been reopened since March of last year would still be closed, and depositors would be clamoring in vain for their funds.

The banks of your State have not been overlooked in this rebuilding movement.

Through October 31, 1934, the Reconstruction Finance Corporation had authorized loans to Nebraska banks and trust companies—open or closed—in an aggregate of $6,926,349. Of this amount, $5,586,651 had actually been disbursed up to that time.

However, your Government did not stop there. So as to rebuild the capital structures of your banking institutions, the Reconstruction Finance Corporation had authorized the expenditure of $8,675,000 in subscriptions to preferred stock and loans on preferred stock of Nebraska banks—State or National—through the close of business October 31, 1934. Of this total, $7,594,450 had then actually been disbursed.

We hear a great deal of talk these days about the "heavy cost of receiverships", and there is considerable attempt to make the public believe that receivers, their attorneys, and assistants charge such large fees that nothing is left for the poor depositor. The picture commonly portrayed is a pitiful one, but it has one drawback—it isn't true.

Receiverships—at least national-bank receiverships—are conducted with a maximum of efficiency and a minimum of expense. From the date of the first failure of a national bank in 1865 to October 31, 1933, national banks placed in receivership numbered 2,514. Of these, 1,155 have been entirely liquidated and their affairs closed. Expenses incident to the administration of these 1,155 closed trusts, such as receivers' salaries, legal and other expenses, amounted to 3.90 percent of the book value of the assets and stock assessments administered, or 6.66 percent of collections from assets and stock assessments.

In other words, about 94 cents out of every dollar collected by receivers went to depositors.

There are today 32 national banks in receivership in your State, including 6 placed in receivership since the banking holiday of last year. At the time of suspensions these institutions owed their depositors $10,383,543. Today depositors in these 32 defunct banks have coming to them, according to the books, $5,420,797. In other words, depositors in closed national banks in Nebraska have received, on the average, 50 percent of their funds, with more to come.

Much has been said about the opposition of the administration to bankers generally. It is not necessary to point out the fact that this is not true. From time to time suggestions have been made as to how this or that particular group in the Nation could assist in the recovery program, and these constructive suggestions can hardly be construed as an opposition policy. Probably the most generally circulated report is that the bankers cannot make loans because the national-bank examiners are too critical and harsh in their examinations. This problem has been a matter of serious concern to the Comptroller's Office. It was the opinion of all fair-minded men that assets should not be appraised at a figure which could be realized in a distressed market, but that assets had an intrinsic value, or, if you please, a recovery value. It was agreed, therefore, to have bank examiners appraise assets on this basis. The Comptroller of the Currency sent, on October 26, 1933, to each of the 12 chief national-bank examiners in the United States instructions to this effect:

"After the 'bank holiday' national-bank examiners were largely engaged in the examination of banks which did not receive a license for the purpose of reorganization. It appears that some examiners, in making examinations of licensed national banks, have become what might be termed 'reorganization minded' and have lost sight of the President's recovery program and its relation to licensed banks. It is the administration's desire that credit channels be opened through licensed banks, and this policy cannot be accomplished if examiners follow a deflation policy in examinations. We are all concerned in having solvent banks, but there is a wide distinction between the potential and intrinsic value of assets of a going institution and liquidating values. Examiners, in appraising and classifying assets of licensed banks, will not apply liquidating values but will appraise on the basis of fair values on a recovery basis. As an example: In dealing with bank buildings the examiner must realize that a bank building of a going bank has an intrinsic value, as distinguished from present depressed values, which, combined with the element of recovery, may fully substantiate the carrying value given to it by the bank. The same is true of mortgages, and in this connection the examiners should familiarize themselves with the instructions given with respect to real-estate mortgages by the Federal Deposit Insurance Corporation to its examiners.

"You will advise examiners who are examining licensed banks, of this policy and see that it is carried out. Any examination now in process, or any future examination, will be governed by these instructions and where an examination has been completed, the examiner making the report will review the report on the above basis and rewrite such report if found necessary. If the examiner is not now available, it may be necessary to make a new examination on the proper basis."

Again on March 13, 1934, the following instruction was sent to all chief national-bank examiners:

"Reports of examinations received by this office recently clearly indicate that some few of the examiners throughout the country have not fully grasped the meaning of instructions communicated to the chief examiners under date of October 26, 1933, and are making more drastic classifications of assets of the banks examined by them than is necessary under the circumstances and more severe than is contemplated by the instructions contained in office letter referred to above.

"If there are in your Federal Reserve district any examiners who, in your opinion, are making unnecessarily drastic classifications of assets, please confer with them promptly, looking toward having their classifications as lenient as circumstances in each case will permit and in order that they will be in accord with the policies of this office.

"While you are familiar with the character of examinations made by your examiners, it is suggested that in determining whether or not any of them are too severe in their classifications, you give particular attention to their appraisals of banking houses, furniture and fixtures, and loans secured by real estate."

No system is perfect because men are not perfect. Here and there isolated cases appear where examiners have been too harsh. These instances are sometimes called to the attention of the proper officials, but where examiners are too lenient that fact seldom appears. The instructions which I have cited have never

before been made public. However, I believe the time has come to clarify a criticism which is unfair. The question naturally arises, What were the results obtained under the instructions? Again, for the first time, I will give you a complete picture of the examinations made by the national-bank examiners as shown by 1934 reports of examination. As is well known to bankers, examiners classify loans under three headings—slow, doubtful, and loss. There is little room for argument when assets are placed in the loss column and very little question arises in the doubtful column. The slow column attracts the most attention and controversy. An examination of the reports filed in the Office of the Comptroller of the Currency in each of 5,275 banks reveals the following interesting figures: The total amount of loans was $7,740,596,000. The examiners placed 2.88 percent of these loans in the loss column and 4.19 percent in the doubtful column and 27.05 percent in the slow column. The country has been advised of the definition of slow paper as follows:

"The examiners, when classifying loans as slow, should state briefly the reasons for such classifications, but should bear in mind that the responsibility for determining and taking such action as may be necessary to place such slow loans in proper bankable shape rests entirely with the bankers. The examiners, therefore, should refrain from instructing the bankers as to what course they should pursue with their customers whose paper is classified as slow."

This conclusively proves the understanding and sympathetic attitude on the part of your Government toward the banks of the country.

### STANDING COMMITTEES OF THE HOUSE

Mr. DOUGHTON. Mr. Speaker, I present a privileged resolution providing for the appointment of the majority members of the standing committees of the House and ask its immediate consideration.

The Clerk read as follows:

House Resolution 45

*Resolved*, That the following Members be, and they are hereby, elected members of the standing committees of the House of Representatives, to wit:

Accounts: Lindsay C. Warren (chairman), North Carolina; John J. Cochran, Missouri; Mell G. Underwood, Ohio; Charles Kramer, California; J. Mark Wilcox, Florida; Joe Starnes, Alabama; Nat Patton, Texas; A. L. Ford, Mississippi.

Agriculture: Marvin Jones (chairman), Texas; Hampton P. Fulmer, South Carolina; Wall Doxey, Mississippi; John R. Mitchell, Tennessee; Cap R. Carden, Kentucky; John W. Flannagan, Jr., Virginia; Harry P. Beam, Illinois; James G. Polk, Ohio; Richard M. Kleberg, Texas; Fred Cummings, Colorado; Walter M. Pierce, Oregon; Fred Biermann, Iowa; E. M. Owen, Georgia; Harold D. Cooley, North Carolina; William L. Nelson, Missouri; Frank E. Hook, Michigan; Harry B. Coffee, Nebraska; Gerald J. Boileau (Progressive), Wisconsin; Anthony J. Dimond, Alaska.

Banking and Currency: Henry B. Steagall (chairman), Alabama; T. Alan Goldsborough, Maryland; Michael K. Reilly, Wisconsin; Frank W. Hancock, Jr., North Carolina; Clyde Williams, Missouri; O. H. Cross, Texas; Brent Spence, Kentucky; Prentiss M. Brown, Michigan; Fred J. Sisson, New York; James I. Farley, Indiana; James A. Meeks, Illinois; Herman P. Kopplemann, Connecticut; Martin J. Kennedy, New York; Thomas F. Ford, California; Paul Brown, Georgia; Richard M. Russell, Massachusetts; D. J. Driscoll, Pennsylvania; D. Worth Clark, Idaho.

Census: William H. Larrabee (chairman), Indiana; John E. Rankin, Mississippi; John H. Kerr, North Carolina; William L. Fiesinger, Ohio; Brooks Fletcher, Ohio; J. Mark Wilcox, Florida; Cleveland Dear, Louisiana; Matthew A. Dunn, Pennsylvania; William M. Colmer, Mississippi; Henry Ellenbogen, Pennsylvania; Joseph L. Pfeifer, New York; George H. Mahon, Texas; Phil Ferguson, Oklahoma; Theodore L. Moritz, Pennsylvania; R. T. Buckler (Farmer-Labor), Minnesota.

Civil Service: Robert Ramspeck (chairman), Georgia; William I. Sirovich, New York; Jennings Randolph, West Virginia; Virginia E. Jenckes, Indiana; Cleveland Dear, Louisiana; Jared Y. Sanders, Jr., Louisiana; Harry H. Mason, Illinois; Herron Pearson, Tennessee; C. Elmer Dietrich, Pennsylvania; Josh Lee, Oklahoma; George H. Mahon, Texas; John H. Tolan, California; Aubert C. Dunn, Mississippi; Joe Starnes, Alabama; Merlin Hull (Progressive), Wisconsin.

Claims: Ambrose J. Kennedy (chairman), Maryland; Robert Ramspeck, Georgia; Samuel Dickstein, New York; Martin F. Smith, Washington; Scott W. Lucas, Illinois; John M. Houston, Kansas; Dan R. McGehee, Mississippi; J. Burrwood Daly, Pennsylvania; Elmer J. Ryan, Minnesota; Jack Nichols, Oklahoma; Marcellus H. Evans, New York; Charles L. South, Texas; John H. Tolan, California; Michael J. Stack, Pennsylvania.

Coinage, Weights, and Measures: Andrew L. Somers (chairman), New York; John J. Cochran, Missouri; William H. Larrabee, Indiana; William L. Fiesinger, Ohio; Compton I. White, Idaho; Abe Murdock, Utah; William M. Berlin, Pennsylvania; Brooks Fletcher, Ohio; Claude V. Parsons, Illinois; Will Rogers, Oklahoma; Knute Hill, Washington; Charles L. South, Texas; Dan R. McGehee, Mississippi; John J. Dempsey, New Mexico; Thomas R. Amlie (Progressive), Wisconsin.

Disposition of Useless Executive Papers: Charles J. Colden (chairman), California.

District of Columbia: Mary T. Norton (chairman), New Jersey; Vincent L. Palmisano, Maryland; Wright Patman, Texas; Ambrose J. Kennedy, Maryland; Jennings Randolph, West Virginia; Virginia E. Jenckes, Indiana; Theo. B. Werner, South Dakota; Randolph Carpenter, Kansas; Henry Ellenbogen, Pennsylvania; William T. Schulte, Indiana; Reuben T. Wood, Missouri; James L. Quinn, Pennsylvania; Jack Nichols, Oklahoma; Dan R. McGehee, Mississippi; Merlin Hull (Progressive), Wisconsin.

Education: Vincent L. Palmisano (chairman), Maryland; René L. DeRouen, Louisiana; William H. Larrabee, Indiana; Brooks Fletcher, Ohio; Braswell Deen, Georgia; William M. Berlin, Pennsylvania; Graham A. Barden, North Carolina; Richard J. Tonry, New York; Louis C. Rabaut, Michigan; Edward J. Hart, New Jersey; A. L. Ford, Mississippi; Theodore L. Moritz, Pennsylvania; Josh Lee, Oklahoma; Raymond S. McKeough, Illinois; Michael L. Igoe, Illinois.

Election of President, Vice President, and Representatives in Congress: Brooks Fletcher (chairman), Ohio; Leo Kocialkowski, Illinois; James R. Claiborne, Missouri; Caroline O'Day, New York; Joseph Gray, Pennsylvania; Richard J. Tonry, New York; Phil Ferguson, Oklahoma; C. Elmer Dietrich, Pennsylvania.

Elections No. 1: Cleveland Dear (chairman), Louisiana; Milton H. West, Texas; C. Jasper Bell, Missouri; Sam C. Massingale, Oklahoma; Herron Pearson, Tennessee.

Elections No. 2: Joseph A. Gavagan (chairman), New York; Raymond J. Cannon, Wisconsin; Scott W. Lucas, Illinois; George H. Mahon, Texas; John L. McClellan, Arkansas.

Elections No. 3: John H. Kerr (chairman), North Carolina; Ben Cravens, Arkansas; Alfred F. Beiter, New York; John H. Tolan, California; Aubert C. Dunn, Mississippi.

Enrolled bills: Claude V. Parsons (chairman), Illinois; Charles N. Crosby, Pennsylvania; Caroline O'Day, New York.

Expenditures in the Executive Departments: John J. Cochran (chairman), Missouri; Allard H. Gasque, South Carolina; Riley J. Wilson, Louisiana; William M. Whittington, Mississippi; Glenn Griswold, Indiana; Randolph Carpenter, Kansas; Ben Cravens, Arkansas; James L. Quinn, Pennsylvania; John M. Houston, Kansas; Simon M. Hamlin, Maine; James A. O'Leary, New York; Aubert C. Dunn, Mississippi; Raymond S. McKeough, Illinois; Don Gingery, Pennsylvania; Merlin Hull (Progressive), Wisconsin.

Flood Control: Riley J. Wilson (chairman), Louisiana; William M. Whittington, Mississippi; Glenn Griswold, Indiana; Cleveland Dear, Louisiana; Otha D. Wearin, Iowa; Monrad C. Wallgren, Washington; Robert T. Secrest, Ohio; R. A. Green, Florida; Leo Kocialkowski, Illinois; Milton H. West, Texas; James L. Quinn, Pennsylvania; Phil Ferguson, Oklahoma; John Steven McGroarty, California; Orville Zimmerman, Missouri; John L. McClellan, Arkansas; Bernard J. Gehrmann (Progressive), Wisconsin.

Foreign Affairs: Sam D. McReynolds (chairman), Tennessee; Sol Bloom, New York; Luther A. Johnson, Texas; Walter Lambeth, North Carolina; Stephen A. Rudd, New York; Bryant T. Castellow, Georgia; Finly H. Gray, Indiana; Frank L. Kloeb, Ohio; Millard F. Caldwell, Florida; William E. Richardson, Pennsylvania; John Kee, West Virginia; Guy Mark Gillette, Iowa; Martin A. Brennan, Illinois; Lawrence E. Imhoff, Ohio; Oliver W. Frey, Pennsylvania; James P. Richards, South Carolina; Thomas C. Hennings, Jr., Missouri; James A. Shanley, Connecticut.

Immigration and Naturalization: Samuel Dickstein (chairman), New York; John H. Kerr, North Carolina; Mell G. Underwood, Ohio; Vincent L. Palmisano, Maryland; William M. Colmer, Mississippi; William T. Schulte, Indiana; Charles Kramer, California; Milton H. West, Texas; John Lesinski, Michigan; Caroline O'Day, New York; James H. Gildea, Pennsylvania; Joe Starnes, Alabama; A. L. Ford, Mississippi.

Indian Affairs: Will Rogers (chairman), Oklahoma; Wilburn Cartwright, Oklahoma; Joe L. Smith, West Virginia; Samuel Dickstein, New York; Roy E. Ayers, Montana; Thomas O'Malley, Wisconsin; Henry E. Stubbs, California; Knute Hill, Washington; Abe Murdock, Utah; Theo. B. Werner, South Dakota; Isabella Greenway, Arizona; Randolph Carpenter, Kansas; John Steven McGroarty, California; Elmer J. Ryan, Minnesota; Bernard J. Gehrmann (Progressive), Wisconsin; Anthony J. Dimond, Alaska.

Insular Affairs: John McDuffie (chairman), Alabama; Joe L. Smith, West Virginia; Wilburn Cartwright, Oklahoma; William H. Larrabee, Indiana; Leo Kocialkowski, Illinois; Henry Ellenbogen, Pennsylvania; Jared Y. Sanders, Jr., Louisiana; Louis C. Rabaut, Michigan; Elmer J. Ryan, Minnesota; Dan R. McGehee, Mississippi; Sam C. Massingale, Oklahoma; C. Jasper Bell, Missouri; George H. Mahon, Texas; Don Gingery, Pennsylvania; Harry Sauthoff (Progressive), Wisconsin.

Interstate and Foreign Commerce: Sam Rayburn (chairman), Texas; George Huddleston, Alabama; Clarence F. Lea, California; Robert Crosser, Ohio; Parker Corning, New York; Alfred L. Bulwinkle, North Carolina; Virgil Chapman, Kentucky; Paul H. Maloney, Louisiana; William P. Cole, Jr., Maryland; Samuel B. Pettengill, Indiana; Edward A. Kelly, Illinois; Edward A. Kenney, New Jersey; George G. Sadowski, Michigan; Joseph P. Monaghan, Montana; John A. Martin, Colorado; Edward C. Eicher, Iowa; Theodore A. Peyser, New York; Thomas J. O'Brien, Illinois; David D. Terry, Arkansas.

Invalid Pensions: Mell G. Underwood (chairman), Ohio; Andrew L. Somers, New York; Joe L. Smith, West Virginia; Kent E. Keller, Illinois; John Lesinski, Michigan; Monrad C. Wallgren, Washington; Harry H. Mason, Illinois; Joseph Gray, Pennsylvania; Joseph L. Pfeifer, New York; C. G. Binderup, Nebraska; J. Burrwood Daly, Pennsylvania; Orville Zimmerman, Missouri; ———, ———; R. T.

Buckler (Farmer-Labor), Minnesota; George J. Schneider (Progressive), Wisconsin.

Irrigation and Reclamation: Compton I. White (chairman), Idaho; Allard H. Gasque, South Carolina; Roy E. Ayers, Montana; Knute Hill, Washington; Henry E. Stubbs, California; J. Will Robinson, Utah; J. Hardin Peterson, Florida; Theo. B. Werner, South Dakota; Milton H. West, Texas; Isabella Greenway, Arizona; Herron Pearson, Tennessee; Paul R. Greever, Wyoming; John L. McClellan, Arkansas; Charles L. South, Texas; Orville Zimmerman, Missouri; John J. Dempsey, New Mexico.

Judiciary: Hatton W. Sumners (chairman), Texas; Andrew J. Montague, Virginia; Emanuel Celler, New York; William V. Gregory, Kentucky; Francis B. Condon, Rhode Island; Zebulon Weaver, North Carolina; John E. Miller, Arkansas; Arthur D. Healey, Massachusetts; Warren J. Duffey, Ohio; Wesley Lloyd, Washington; J. Leroy Adair, Illinois; Robert L. Ramsay, West Virginia; Francis E. Walter, Pennsylvania; P. L. Gassaway, Oklahoma; Walter Chandler, Tennessee; Hubert Utterback, Iowa; James P. B. Duffy, New York; Charles F. McLaughlin, Nebraska.

Labor: William P. Connery, Jr. (chairman), Massachusetts; Mary T. Norton, New Jersey; Robert Ramspeck, Georgia; Glenn Griswold, Indiana; Kent E. Keller, Illinois; Matthew A. Dunn, Pennsylvania; Reuben T. Wood, Missouri; Jennings Randolph, West Virginia; John Lesinski, Michigan; Joe H. Eagle, Texas; Charles V. Truax, Ohio; Marcellus H. Evans, New York; James H. Gildea, Pennsylvania; Aubert C. Dunn, Mississippi; Ernest Lundeen Farmer-Labor), Minnesota; George J. Schneider (Progressive), Wisconsin.

Library: Kent E. Keller (chairman), Illinois; Robert T. Secrest, Ohio; Graham A. Barden, North Carolina.

Memorials: Simon M. Hamlin (chairman), Maine; Mary T. Norton, New Jersey.

Merchant Marine, Radio, and Fisheries: Schuyler Otis Bland (chairman), Virginia; William I. Sirovich, New York; Robert Ramspeck, Georgia; Ambrose J. Kennedy, Maryland; Charles N. Crosby, Pennsylvania; Monrad C. Wallgren, Washington; A. H. Carmichael, Alabama; Joseph J. Mansfield, Texas; John McDuffie, Alabama; Lindsay C. Warren, North Carolina; Eugene B. Crowe, Indiana; Louis C. Rabaut, Michigan; Simon M. Hamlin, Maine; Michael L. Igoe, Illinois; Edward J. Hart, New Jersey; James A. O'Leary, New York.

Military Affairs: John J. McSwain (chairman), South Carolina; Lister Hill, Alabama; James M. Fitzpatrick, New York; Numa F. Montet; Louisiana; Andrew J. May, Kentucky; R. Ewing Thomason, Texas; William N. Rogers, New Hampshire; Dow W. Harter, Ohio; Charles I. Faddis, Pennsylvania; Clarence W. Turner, Tennessee; Andrew Edmiston, West Virginia; Edwin M. Schaefer, Illinois; J. Joseph Smith, Connecticut; Matthew J. Merritt, New York; Maury Maverick, Texas; Frank J. G. Dorsey, Pennsylvania; John M. Costello, California; Paul J. Kvale (Farmer-Labor), Minnesota.

Mines and Mining: Joe L. Smith (chairman), West Virginia; Andrew L. Somers, New York; Ben Cravens, Arkansas; Virginia E. Jenckes, Indiana; Abe Murdock, Utah; William M. Berlin, Pennsylvania; J. Hardin Peterson, Florida; Will Rogers, Oklahoma; Alfred F. Beiter, New York; Robert T. Secrest, Ohio; Harry H. Mason, Illinois; Elmer J. Ryan, Minnesota; Paul R. Greever, Wyoming; Don Gingery, Pennsylvania; George J. Schneider (Progressive), Wisconsin; Anthony J. Dimond, Alaska.

Naval Affairs: Carl Vinson (chairman), Georgia; Patrick Henry Drewry, Virginia; Stephen W. Gambrill, Maryland; John J. Delaney, New York; Frank C. Kniffin, Ohio; Joachim O. Fernandez, Louisiana; Patrick J. Boland, Pennsylvania; Leonard W. Schuetz, Illinois; William H. Sutphin, New Jersey; Joseph B. Shannon, Missouri; William J. Sears, Florida; John J. McGrath, California; Colgate W. Darden, Jr., Virginia; W. D. McFarlane, Texas; John M. O'Connell, Rhode Island; Stephen M. Young, Ohio; Byron N. Scott, California; Joseph E. Casey, Massachusetts.

Patents: William I. Sirovich (chairman), New York; Fritz G. Lanham, Texas; Charles V. Truax, Ohio; Braswell Deen, Georgia; Thomas O'Malley, Wisconsin; Matthew A. Dunn, Pennsylvania; Charles J. Colden, California; Charles Kramer, California; Scott W. Lucas, Illinois; J. Burrwood Daly, Pennsylvania; ———; ———; ———; R. T. Buckler (Farmer-Labor), Minnesota; Thomas R. Amlie (Progressive), Wisconsin.

Pensions: Allard H. Gasque (chairman), South Carolina; Riley J. Wilson, Louisiana; Raymond J. Cannon, Wisconsin; Martin F. Smith, Washington; John H. Hoeppel, California; Reuben T. Wood, Missouri; Charles V. Truax, Ohio; A. H. Carmichael, Alabama; Raymond S. McKeough, Illinois; Michael J. Stack, Pennsylvania; Josh Lee, Oklahoma; Charles A. Buckley, New York; Nat Patton, Texas; James A. O'Leary, New York; Harry Sauthoff (Progressive), Wisconsin.

Post Office and Post Roads: James M. Mead (chairman), New York; Milton A. Romjue, Missouri; William F. Brunner, New York; Harry L. Haines, Pennsylvania; Thomas G. Burch, Virginia; Martin L. Sweeney, Ohio; John C. Taylor, South Carolina; Donald C. Dobbins, Illinois; Fred H. Hildebrandt, South Dakota; A. Willis Robertson, Virginia; William A. Ashbrook, Ohio; John P. Higgins, Massachusetts; Arthur W. Mitchell, Illinois; Henry C. Luckey, Nebraska; B. Frank Whelchel, Georgia; Edward W. Patterson, Kansas; Sam Hobbs, Alabama; Gardner R. Withrow (Progressive), Wisconsin.

Printing: Walter Lambeth (chairman), North Carolina; Richard J. Tonry, New York.

Public Buildings and Grounds: Fritz G. Lanham (chairman), Texas; John H. Kerr, North Carolina; Eugene B. Crowe, Indiana; Ben Cravens, Arkansas; Otha D. Wearin, Iowa; J. Mark Wilcox, Florida; Jared Y. Sanders, Jr., Louisiana; John M. Houston, Kansas; A. L. Ford, Mississippi; Michael J. Stack, Pennsylvania; C. Jasper Bell, Missouri; Phil Ferguson, Oklahoma; John H. Tolan, California; Charles A. Buckley, New York; Thomas R. Amlie (Progressive), Wisconsin.

Public Lands: René L. DeRouen (chairman), Louisiana; J. Will Robinson, Utah; Roy E. Ayers, Montana; Knute Hill, Washington; Otha D. Wearin, Iowa; Compton I. White, Idaho; Henry E. Stubbs, California; J. Hardin Peterson, Florida; Isabella Greenway, Arizona; Hugh Peterson, Jr., Georgia; John J. Dempsey, New Mexico; Sam C. Massingale, Oklahoma; Paul R. Greever, Wyoming; John Steven McGroarty, California; ———; Anthony J. Dimond, Alaska.

Revision of the Laws: Raymond J. Cannon (chairman), Wisconsin; William P. Connery, Jr., Massachusetts; Samuel Dickstein, New York; James R. Claiborne, Missouri; Charles N. Crosby, Pennsylvania; J. Mark Wilcox, Florida; Marcellus H. Evans, New York; Louis C. Rabaut, Michigan; ———.

Rivers and Harbors: Joseph J. Mansfield (chairman), Texas; John McDuffie, Alabama; Joseph A. Gavagan, New York; René L. DeRouen, Louisiana; William L. Fiesinger, Ohio; R. A. Green, Florida; Claude V. Parsons, Illinois; William M. Colmer, Mississippi; Charles J. Colden, California; Alfred F. Beiter, New York; Martin F. Smith, Washington; William T. Schulte, Indiana; Hugh Peterson, Jr., Georgia; Jack Nichols, Oklahoma; C. Jasper Bell, Missouri; Charles R. Eckert, Pennsylvania; Graham A. Barden, North Carolina; Raymond S. McKeough, Illinois.

Roads: Wilburn Cartwright (chairman), Oklahoma; Lindsay C. Warren, North Carolina; William M. Whittington, Mississippi; Wright Patman, Texas; Thomas O'Malley, Wisconsin; Monrad C. Wallgren, Washington; J. Will Robinson, Utah; A. H. Carmichael, Alabama; Jennings Randolph, West Virginia; Robert T. Secrest, Ohio; Scott W. Lucas, Illinois; Hugh Peterson, Jr., Georgia; John L. McClellan, Arkansas; Nat Patton, Texas; Orville Zimmerman, Missouri; Bernard J. Gehrmann (Progressive), Wisconsin.

Rules: John J. O'Connor (chairman), New York; Adolph J. Sabath, Illinois; Arthur H. Greenwood, Indiana; E. E. Cox, Georgia; William J. Driver, Arkansas; Howard W. Smith, Virginia; J. Bayard Clark, North Carolina; Martin Dies, Texas; Byron B. Harlan, Ohio; Lawrence Lewis, Colorado.

Territories: R. A. Green (chairman), Florida; John E. Rankin, Mississippi; Eugene B. Crowe, Indiana; Claude V. Parsons, Illinois; Raymond J. Cannon, Wisconsin; Thomas O'Malley, Wisconsin; Charles R. Eckert, Pennsylvania; C. G. Binderup, Nebraska; C. Elmer Dietrich, Pennsylvania; Hugh Peterson, Jr., Georgia; John J. Dempsey, New Mexico; Jack Nichols, Oklahoma; Nat Patton, Texas; Joseph L. Pfeifer, New York; Ernest Lundeen (Farmer-Labor), Minnesota; and Anthony J. Dimond, Alaska.

War Claims: John H. Hoeppel (chairman), California; Joseph A. Gavagan, New York; Alfred F. Beiter, New York; Braswell Deen, Georgia; Reuben T. Wood, Missouri; Theo. B. Werner, South Dakota; Thomas O'Malley, Wisconsin; C. G. Binderup, Nebraska; Edward J. Hart, New Jersey; Theodore L. Moritz, Pennsylvania; Sam C. Massingale, Oklahoma; James H. Gildea, Pennsylvania; Simon M. Hamlin, Maine; and George J. Schneider (Progressive), Wisconsin.

World War Veterans' Legislation: John E. Rankin (chairman), Mississippi; William P. Connery, Jr., Massachusetts; Wright Patman, Texas; Glenn Griswold, Indiana; Randolph Carpenter, Kansas; John H. Hoeppel, California; Jared Y. Sanders, Jr., Louisiana; Joe Starnes, Alabama; Joseph Gray, Pennsylvania; Herron Pearson, Tennessee; Charles A. Buckley, New York; Josh Lee, Oklahoma; John M. Houston, Kansas; and Harry Sauthoff (Progressive), Wisconsin.

Mr. DOUGHTON. Mr. Speaker, I move the adoption of the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

### THE HOME OWNERS' LOAN CORPORATION HAS HELPED THE PEOPLE

Mr. BURDICK. Mr. Speaker, I desire to submit some facts and figures in reference to the Home Owners' Loan Corporation, and I ask permission to do so by extending whatever I have to say in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota to extend his remarks in the RECORD?

There was no objection.

Mr. BURDICK. Mr. Speaker, I had not intended to speak upon the subject of the Home Owners' Loan Corporation because I took it for granted that there would be no opposition to a continuance of the activities of the Corporation. During the debates on the sundry appropriations bill before the Committee of the Whole House on the state of the Union on the 9th and 10th of January, I observed that there was some definite opposition to a continuance of the enterprise.

The gentleman from Texas [Mr. BLANTON] voiced considerable opposition to the Corporation, naming as a reason that there was incompetency in the administration of it, and that the point had been reached in his district where the chairman of the board was going over the heads of

Congressmen to make appointments of appraisers and other administrative officers and that worthy loans were turned down, and in other instances great favoritism had been shown. I do not contend that the gentleman is in error.

In my State—North Dakota—both Congressmen are Republicans, and, of course, have not been consulted on any appointments made in the administrative department of the Corporation handling the business in the State. I believe it would be a much better policy to at least consult with us, as I am sure we have no other desire than to see the Corporation function efficiently for all of the people of our State. But even if we are never consulted about this matter, I still feel that we want to have this important field of activity continued in our State.

Since the latter part of the year 1932, there has been no activity of any wide range among any other loan agencies within the State which could supply funds for the needs of home owners. For several months before the beginning of the Home Owners' Loan Corporation in North Dakota I believe it fair to state that there was no agency operating within the State which was in a position to extend loans on homes. This institution was created because of a great necessity, during an emergency period, and that emergency has not yet passed. The wisdom of the President and Congress in enacting into law this necessary legislation, at this particular period of our history, cannot be denied by anyone who is fair-minded. To continue the work, I believe, is as necessary now as it was to inaugurate the plan in the first instance.

That the Corporation has filled a great gap in our national finance scheme cannot be doubted when we examine the following figures:

| | |
|---|---|
| Number of applications received by the Corporation from its inception to Dec. 27, 1934, was | 1,246,091 |
| Number of applications completed and money advanced | 721,962 |
| Number of applications passed but held for minor detail adjustment | 199,129 |
| Number of applications still pending, awaiting further authorization from Congress | 325,000 |
| Actual money advanced to Dec. 27, 1934 (approximately) | $2,165,886,000 |
| Money available to close approved applications (approximately) | 597,387,000 |
| Total amount made available | 2,763,273,000 |
| Amount necessary to complete pending loans (approximately) | $924,000,000 |
| Average size loan | $3,024 |

NORTH DAKOTA RECORD

| | |
|---|---|
| Number of applications received | 5,288 |
| Number completed and paid | 3,654 |
| Number awaiting action of Congress | 1,634 |
| Percentage of loans actually completed (in the Nation) | 59 |
| Percentage of loans actually completed (North Dakota) | 79 |
| Percentage of loans completed and awaiting minor details (in the Nation) | 74 |

On account of being more familiar with the work and not being deluged as the administration was in the early days of a new work, it is estimated that 95 percent of pending applications will be acted upon favorably. (The above figures were furnished by John W. Childress, assistant to the chairman of the board.)

From the above figures it must be apparent to Members of Congress that the corporation has made a wonderful showing in the short time that it has been in existence; and in North Dakota I am personally aware that it has saved the homes of 3,654 owners, who, without the benefits of the plan, would have been homeless today so far as legal title is concerned, and would have been completely homeless had not the moratorium and the holiday association in North Dakota prevented foreclosures and evictions.

Abuses have naturally developed in the handling of this immense business. We are not without complaints from North Dakota. It has been reported to me that in one of our largest cities favoritism has been shown to banks and building and loan associations, while the individual mortgagee and lien holder has been shunted aside. It also has been reliably reported to me that appraisers have been chosen who are incompetent and who have favored large corporations. It has been reported to me that some of the appraisers for the home-loan bank were also collectors of campaign funds for the Democratic Party, and that they have made collections from concerns who were interested in having appraisements made which would safeguard their mortgages.

I am confident that this information was never presented to the chairman of the Board. I am also satisfied that the Board would be willing to correct these evils, when the matter is presented to them with proof. I propose to do that very thing—I propose to present affidavits covering these charges to the Board, and to an investigation committee of Congress if necessary. In spite of this situation, there can be no just reason why Congress should desire to abandon the whole project merely because evils have developed in the system. Remove the evils but do not abandon this important Home Owners' Loan Corporation.

The SPEAKER. Under the special order of the House, the gentleman from Texas [Mr. RAYBURN] is recognized for 45 minutes.

PUBLIC UTILITY HOLDING COMPANIES

Mr. RAYBURN. Mr. Speaker, I rather think that this case might be developed more to the satisfaction of the House if I proceeded to a conclusion of my remarks without interruption, and then I will be very glad to yield to anyone who desires to ask questions.

In order that the House may have a picture of what we have been doing in these investigations, although there may be some reiteration, may I state to the House that in the first instance the examinations that the committee through special counsel has been making into the holding companies has been going on since the Seventy-first Congress.

PUBLIC UTILITY HOLDING COMPANIES

First. Railroad holding companies: Pursuant to House Resolution 114, Seventy-first Congress, second session, an investigation of railroad holding companies was made. The report in this investigation entitled "Regulation of Stock Ownership in Railroads", and containing three parts, was submitted to the Congress on February 20, 1931. As a result of this investigation and report a bill was prepared by your committee, H. R. 9059, Seventy-second Congress, first session, which was later incorporated in title II of the Emergency Transportation Act of 1933, Senate 1580, Seventy-second Congress, first session, which was approved by the President June 16, 1933.

Second. Oil pipe lines: By authority of House Resolution 59, Seventy-second Congress, first session, an investigation of oil pipe lines was made. The report in this investigation entitled "Report on Pipe Lines", containing two parts, was submitted to the Congress on March 2, 1933.

Third. Power and gas companies: Pursuant to House Resolution 59, Seventy-second Congress, first session, and House Joint Resolution 572, Seventy-second Congress, second session, an investigation has been made of holding companies in power and gas. The report in this investigation is divided into six parts. Part I, entitled "Report on Directors and/or Officials of Holding Companies and Operating Companies in Power and Gas", was submitted to the Congress on February 21, 1934. The remaining parts, II to VI, inclusive, are now in the hands of the Printer and will be submitted in the near future.

Fourth. Communication companies: Pursuant to House Resolution 59, Seventy-second Congress, first session, and House Joint Resolution 572, Seventy-second Congress, second session, an investigation has been made of communication companies. The report in this investigation is divided into three parts. Part I, the preliminary report, was submitted to the Congress on April 18, 1934. Parts II and III, making the completed report, were submitted as of June 4, 1934. On that date part II was distributed. The Government Printing Office now has part III practically ready for distribution. In connection with this investigation and report, the Communications Act of 1934 became law on June 19, 1934, when the President approved S. 3285.

This law brought together under one commission all the communications activities of the Government instead of scattered throughout the various departments of the Government.

I may say further that these four very far-reaching investigations were made by your committee with an appropriation of only $150,000. Ten thousand dollars was turned back into the Treasury at the end of the railroad-holding company investigation, and $10,000 more will be turned back at the end of this investigation, making the whole investigation cost the Government only $130,000.

In view of the extensive investigations of this industry by the Federal Power Commission and the Federal Trade Commission, involving an aggregate expenditure of $4,514,368.24, in the power field, your committee limited their inquiry to obtaining an over-all picture of the power industry and relations between the holding companies and the operating companies. The committee made an intensive study of some of the holding companies at the top of such systems as the Insull set-up. The greater part of our funds were expended on the holding-company inquiry in utilities, other than power companies. The committee first made a comprehensive and detailed study of the railroad holding companies. You are familiar of this report in three volumes. Based upon the disclosures in that investigation the committee recommended a bill to regulate the railroad holding companies. This bill was incorporated as a part of title II of the Transportation Act of 1933, and on June 16 of that year became law.

Another comprehensive inquiry was made of the stock ownership and control of the oil pipe-line companies. This report in two volumes you received in this House on March 2, 1933. This report has been of great assistance to the committee in dealing with various bills that had been referred to the committee which were drawn with a view of further regulating oil pipe lines. That report called for a further study of the oil industry itself if there should be complaint that the legislatures in the oil-producing States were not adequately coping with the problems of conservation. As a result of complaints brought to our attention, the committee recommended House Resolution No. 441, Seventy-third Congress, second session. Under this resolution a subcommittee, with Congressman COLE as the chairman, has made a most thorough inquiry into the conditions surrounding production and distribution of petroleum and its products.

The committee has completed an investigation of the stock ownership and control of natural gas pipe lines which will be distributed within a few days. The Interstate Commerce Act exempts gas pipe lines from common carriers—that is, a gas pipe line is not in the law classified as a common carrier. As a result of our study we find that this classification of gas pipe lines by the Congress was correct.

As a result of a study of the pipe lines, we find that the gas pipe-line company has never been defined as a common carrier, and as a result of our investigation we find that that is probably correct.

The investigation discloses that natural gas is now carried direct from Nature's reservoir in the earth through the casing in the gas wells through pipe lines to consumers in the villages, towns, and cities of the several States. When a reservoir of natural gas is connected by an interstate pipe line with the cookstoves, water heaters, refrigerators, and furnaces of consumers in different States, the gas in the field is placed in interstate commerce. That is true not only of the gas passing through the pipe line but it is also true of the gas in Nature's reservoir in the earth. That is because there is no way to store this gas above the ground. It is carried by the pressure in the earth itself through the wells through connecting pipes for a considerable distance into the main pipe line. Through a system of pumping stations, the gas can be boosted economically for even a thousand miles by reason of this initial start from the natural pressure within the earth. In fact, the Columbia Gas Co. now owns a half interest in a pipe line from the Panhandle in Texas to Indiana, where it connects with the system lines of that company through which natural gas is distributed to the cities on the Atlantic seaboard and Washington, D. C. It is possible that gas comes from the Panhandle in Texas through these series of pipe lines to Washington itself. It is true that most of the gas originating in the Texas field is consumed long before it reaches the Atlantic seaboard; but it is also true that the gas burner in a gas range in the city of Washington is directly connected with Nature's reservoir of gas near Amarillo, Tex. If legislatures in the States where natural-gas deposits are found, and which have become connected with users in other States, do not protect the gas field, it then becomes the duty of Congress to do so. Congress must see to it that there is no waste through neglected wells which will deplete the supply or which will reduce unduly and prematurely the natural pressure of the gas in its deposits.

We have power, in my opinion, to regulate the conditions under which gas is taken from the fields in order to protect these fields which are in interstate commerce and which are so necessary to the welfare of thousands of consumers. The Congress has power also to regulate accounts of these gas pipe-line companies, the issue of their securities, and to require a certificate of convenience and necessity before an additional gas pipe line can be built to a gas field already connected with an interstate pipe line. The Congress also has power, I believe, to regulate the wholesale price of the gas from the pipe line to the local distributing companies. While Federal power might even extend to the price paid by the individual consumers, I believe that the regulation of those prices should be left to the State authorities.

Your committee has also made a study of the stock ownership and control of communication companies. That report in preliminary form was submitted on April 18, 1934. The report in final form, with the details of several hundred smaller companies, the Government Printing Office now has ready for distribution. In the light of this inquiry your committee drew House bill no. 8301. This bill was substantially the same as Senate bill no. 3285. The Communications Act was approved and became law June 19, 1934.

These inquiries into the ownership and control of operating companies in the fields of transportation by railroad, by pipe line, by copper wire, and through the ether have led me to certain conclusions as to holding companies and their relations to public-utility operating companies. A holding company is a corporation primarily organized to own securities issued by other corporations. Commissioner Walter M. W. Splawn, who was special counsel to the Committee on Interstate and Foreign Commerce during the holding-company inquiries, has defined the holding company as follows:

> The holding company may be defined as any company which, by virtue of its ownership of securities, is in a position to control or substantially influence the management of one or more other companies; that is, a holding company is different from a mere investment company. An investment company buys securities as an investor would do and without any purpose of determining the policy of the management. But when a company, by virtue of its ownership of securities, is in a position to control or substantially to influence the management of another company, it is properly classified as a holding company.

I think that is the best definition and best set-up of what a holding company is that I have ever heard.

Originally a corporation did not have the right to own stock of another company. At common law that was regarded as an unthinkable practice. Courts permitted banks to hold stocks which had been used as collateral only until they could be disposed of in the interest of the stockholders of the bank. Less than 50 years ago legislatures in New Jersey and other States began to authorize by general statutes the creation of corporations which would have the power to own shares in other companies. During the past generation the ablest legal talent in the country has been diligently devising ways and means by which the power of an artificial creature, a corporation, could be extended to control and own and deal in evidences of property rights and certificates of stock of other companies. The results of this ingenuity of able lawyers to persuade legislatures to write cunning statutes and courts to place shrewd constructions on those

statutes has given the American people a master in the form of the holding company. This master is soulless, impersonal, intangible, immortal, and wellnigh all-powerful. This creature of our statutes holds under its control billions of dollars' worth of property scattered throughout the country and sometimes around the world. Its decisions can shut down mills, move factories, reduce employees to a state of serfdom, strip the stockholders of local companies of their equities, siphon off the earnings of profitable companies, beyond the reach of their stockholders to the stockholders of other companies. This creature of our imagination is permitted to act as a normal person, to contribute to campaign funds in municipal, State, and national elections; to hire clever writers to carry on campaigns of propaganda, to centralize the control of industry. These creatures of our legal ingenuity are operated by a few clever men. They are used as the agencies for disfranchising stockholders of thousands of necessary and prosperous operating companies. They are used to take the control and direction of these local companies away from those who built them and place it in a city oftentimes far removed.

Through the simple device of pyramiding, a small investment by those in control of the top holding company enables them to do as they like with hundreds of millions, and in some instances even billions of other people's property. In one system the pyramiding goes so far as to pile one company on top of another until there are 10 corporations in the pyramiding, or the local operating company is 9 companies removed from the corporation at the top which controls it along with hundreds of others. In this particular set-up an investment of $1 at the top enables the managers of the top to control over $30,000 of book value of the operating companies, or with less than $50,000 to control over a billion dollars of book value.

This company is the Associated Gas & Electric Co. In another set-up, by an investment of about $23,000 at the top of the pyramid, book values of $1,200,000,000 are controlled. This company is the Standard Gas & Electric Co.

This pyramiding, supplemented by the use of service contracts and sometimes other practices, has made for a concentration of management that is staggering to the imagination. In one office building in New York City, those in charge of a paper holding company, with a very small investment and scarcely any risk of their own capital, are able to control hundreds of operating companies scattered clear across the United States. This company is the Electric Bond & Share. They are able to say to those operating companies what they shall buy, from whom they shall buy, at what price, and with whom they shall engage services and contract for supplies.

Of course, they trade with their subsidiaries. They will appoint someone in the top company or in one of their service subsidiaries to be secretary of many of the important operating companies. We found one case in which a man was secretary or an officer in more than 200 corporations.

That was Mr. Summerson, of the Electric Bond & Share.

These paper companies at the top of the pyramid as a rule operate nothing. They claim that they are beyond the control of any State authority because they are not selling transportation or any public-utility service. They hold themselves out as investment companies. They have undertaken to get beyond the reach of government.

Let me recite some examples of the practices of these top holding companies:

First. They have been used in paper transactions to defeat assessments of income taxes to the Federal Government. The holding company appears to have been quite useful in creating fictions under which technical requirements of the Bureau of Internal Revenue could be circumvented.

Second. The holding company has lent itself to the abuse of paying its officers high salaries and bonuses, sometimes of astounding magnitude. In 1925 a man by the name of Foshay received $306,000 in salary and bonuses.

Mr. Foshay was the head of the Minneapolis & St. Paul Co. I think since that date he has been detained in some Federal institution.

It turned out that the activities of his company became a national scandal. The ease with which the officers of a holding company, through salaries and bonuses and profits in intercompany trading in securities, are able to appropriate to themselves the earnings of operating utilities has been surpassed only by the secrecy of such actions. This secrecy was possible by reason of the holding company, and itself was an encouragement to avarice and irresponsible conduct.

Third. Another evil fostered by the holding company is fictitious stock subscriptions. Huge transactions have been effected by mere entries on books without any transfer of money or credit.

Fourth. It is in the power of the controlling holding company to make arbitrary apportionments of expenses to the operating companies. There is evidence that some holding companies apportioned to the operating companies the expenses of rendering services to them, and, at the same time, collected from the companies fees for the services.

Fifth. There have been abuses in the appraisal of properties by the service companies controlled by the holding company at the head of the system. The California commission in one case found appraisals of properties within that State which had been made under the direction of a holding company twice as much as the California commission could allow. Again and again there appear in rate cases throughout the different States so-called "expert" engineers and accountants who give testimony as to the value of operating properties. These experts frequently qualify as being in the employ of a corporation skilled in making appraisals. The truth is that the corporation is frequently a subsidiary of a holding company owning the operating company whose rates are in litigation, and these so-called "experts" take their orders from the management of the top holding company. Instead of the appraisals having been made by independent engineers, they merely amount to self-serving declarations.

Sixth. These self-serving appraisals of operating properties by service organizations owned by the holding company have lent themselves to write-ups of assets. These write-ups through juggling of accounts in response to appraisals under the control and at the direction of the holding company have contributed to the deception of investors, of State regulatory authorities, and of consumers.

Seventh. The contracts with a service company imposed upon the operating companies by the top holding company have in turn been capitalized according to the value which the convenience of the management of the holding company seemed to dictate. Such a capitalization of service contracts is reflected in the accounts and financial structure of the system.

Eighth. A holding company lends itself to an inequitable distribution of securities. The insiders, those who direct the top holding company, are able to benefit at the expense of other stockholders.

Ninth. The abuses in the use of publicity by the direction of managements of the holding companies has become scandalous. Note—

THE ADVERTISEMENT MEN BEHIND THE W. B. FOSHAY CO.

An idea always originates with one individual. Every activity, whether in business or in other avenues of experience, had its beginning with a single person. Run down the list of scientists and inventors—there was Newton and the law of gravitation, Watt and the steam engine, Fulton and the steamboat, Marconi's cable, Bell and the telephone. Modern business institutions, such as the W. B. Foshay Co., are no exception. This company began modestly in one small room in the National-Soo Line Building, Minneapolis. That was 10 years ago. Mr. Foshay had the idea; he put it into execution. It came to him after many years of actual experience in the public-utility and financial field. He knew the business of producing gas and electricity from the power plant and gas works up to the executive's duties. * * * (Everyone calls to mind the actor who was hired to impersonate a counselor to investors in a series of radio broadcasts.)

Tenth. Investors frequently do not distinguish between the regulated issues of securities by operating companies and the unregulated issues of the holding company at the head of the system. This confusion and the fact that the issues of the holding companies were not regulated resulted in losses to thousands of investors.

Eleventh. Holding companies have inflated their income by taking upon their books the earnings and the donated surplus of their subsidiaries without receiving the amounts in any form. These manipulations resulted in paying dividends out of what technically appeared to be earnings but which was in reality capital.

Twelfth. Manipulations of system securities by the top holding company have involved large purchases of stock by the holding company or its subsidiaries in order to support the market. Such manipulations have for a time resulted in fictitious market values and in a deception of the public. The reports on the top companies in the Insull system reveal a tragic collapse following huge manipulations which were prompted by misguided judgment, false pride, and overreaching personal ambition. The Insull debacle is an example of a successful and trusted management of large affairs having been destroyed through the manipulations and speculations made possible by reason of the existence of the holding company and the temptation to use it.

Thirteenth. The holding company has been able to earn large profits through contracts between a subsidiary service company and the controlled operating companies. There is now a wide-spread movement to render these services at cost, but so long as there is no possible dealing at arm's length, so long as contracts are dictated by the holding company which controls both the service organization and the operating companies served, just that long will the public have reason to fear that the charges to the operating companies for services are unfair.

Fourteenth. A holding company lends itself to imposition upon subsidiary operating companies through contracts for purchases of fuel and other supplies from corporations also controlled by the holding company or in which the holding company or some of its officers and directors have an interest. There are instances of where fuel for the operating company cost the operating company more than twice as much as it could have been had in the open market.

Fifteenth. The holding company, through service contracts, is able to require a local operating company to pay $100 a day for the services of men who receive only $20 a day for the services rendered. Such an imposition is effected by having the operating company actually pay the $100 a day to experts performing the service. These experts, employees of the system holding company or its service subsidiary, turn the cash in to their company and receive their contractual wage of $6,000 or $7,000 a year.

Sixteenth. The holding company encourages financial houses as organizers and promoters to create companies and to encourage transactions profitable enough to the financial institutions but without justification in any resulting benefit to the utility companies involved. There are many instances of such organizers taking stocks at prices far below what they would bring on the market.

I am speaking here, and I hope your committee, when it brings in a bill here, will speak a little in the interest of the local communities.

Seventeenth. The directing holding company at the head of the system frequently makes improvident purchases of operating companies and carries the excessive price paid for operating properties into the consolidated balance sheet. Such improvidence may be due to misguided zeal in extending the sphere of influence of the system or to manipulations incident to cutting down income taxes or to the belief that an inflated capitalization can be carried into the valuation used as a rate base or to the desire of insiders to profit through a creation of a supply of securities to be thrust upon the speculative public. A startling instance is that of a holding company exchanging $37,000,000 of its stock for $1,000,000 of the stock of an operating company.

The whole country is aroused by this development of holding companies, and State governments stand helpless in the presence of these supercreatures. Whole States are served with power, with gas, with transportation by operating companies in the charge of employees who have no authority, no independence of judgment. They sometimes get good salaries, frequently they do not, and the rank and file of the employees are oftentimes underpaid. The people who complain of the high rates charged, or of the quality of the service, have to carry their complaints to the men who have no authority to act, who have to get on the telephone or write a letter to New York City, who are subject to removal by those in the top companies without notice, and who are frequently transferred from one part of the country to another. While the employees of these operating companies work without hope of promotion in blind alleys, while the users fret in vain over the prices charged or the quality of the service rendered, a few men in the top holding company enrich themselves and their families and favorites, flaunt their extravagance and make America a byword in the eyes of our neighboring countries by reason of the extravagance and vulgarity of these privileged people, sheltered by the most amazing legal edifice contrived in the history of mankind.

There is no absolute necessity for a holding company. Even the telephone industry, with a book value of $5,000,000,000 in one system, has at its head an operating company. It is true, there are economies in large-scale management of certain industries. One operating company owns the natural-gas pipe lines that reach from the Gulf coast of Texas, near Corpus Christi, across Louisiana to Birmingham, Ala. This company is called the United Public Service Co. It is an operating company. It has replaced a large number of corporations. It deals directly with the communities served along its line. It should be owned by the people in those communities, subject to the regulation of the States and municipalities it serves. Instead, it is owned by another company called the United Gas Corporation. This United Gas Corporation is a paper corporation which in turn is owned by Electric Bond & Share Co. The president and managers of the United Public Service Co. furnish all the talent, so far as judgment is concerned, for the direction of the company's operations. They should be free to set up their own service organization or to contract with the lowest bidder. They should not be forced to deal exclusively with subsidiaries of the Electric Bond & Share Co. The president of the operating company should not have to go to New York in order to make a decision with reference to his own company. He and the board of directors of his company should be in charge of that property. Instead, they are merely the tools of the board of directors and president of the Electric Bond & Share Co. There should be regional operating companies in the gas business, in electric-light and power business, and in most of these utilities where the extent of operations is limited by the state of the arts. The size of these regions will be determined by the development of the arts, by how far it is most economical to transport or transmit goods or energy.

A company like the Niagara Hudson Co., of New York, with many units in the same area served by the local companies in that limited area, can no doubt achieve great economies through a centralized operation of these plants which are so near to each other, but there is no point to placing that company under the control of some other holding company which is also trying to operate another group of plants in another State; much less justification is there for having some holding company to pick up odd plants here and there without rhyme or reason in several States and undertake to persuade investors that they have an arrangement which lends itself to the economies of large-scale operation.

If these holding companies are permitted to buy operating companies anywhere in the United States, it is inevitable that the people served by these companies will look to Congress to regulate these top holding companies. If the

management of utilities which sell their services locally is to be subjected to some holding company in New York City, then the people of the country will turn to Washington for relief from the arbitrary decisions and the poor judgment of these self-appointed managers in the top holding companies. If we insist that the corporate entity shall coincide with the region or locality of most economical operations, as determined by the state of the arts, we can then leave to the States and to compacts of States the regulation of most of these utilities. We want you to consider whether or not the Congress should undertake to regulate these super-holding companies or lay down a policy under which they will disappear.

That is the problem first of myself and the 25 or 26 men who labor with me on this question.

They have issued bales of securities capitalizing the hope for profits. In an effort merely to regulate these companies utmost care must be used, lest by implication we put the stamp of approval upon all the stock-watering and unjustified inflation during the past 15 years.

Within a few days there will come from the Government Printing Office the remaining portions of the reports on this public-utility holding-company inquiry. I trust each Member will peruse with care the summaries with a view not only of getting an accurate picture of this tangled and expensive contrivance of the holding company but that they will also read the legal studies with a view to exploring how this Congress may, under our Constitution, discourage this cancerous growth on our body politic and remove it. It is a cancerous growth. If left alone, it will jeopardize all of our financial institutions and perhaps destroy the Republic. To remove it will cause some pain and a good deal of inconvenience to certain people, but it is better to subject a few to inconvenience than to leave in jeopardy the economic health and well-being of the entire country. The abuses of the holding company are indeed a major influence that brought on the great depression. Curtailing them and removing them is necessary to the recovery and to the future well-being and economic freedom of our people. [Applause.]

May I take just a moment before I yield to questions to say that in the Seventy-first Congress Mr. PARKER employed as counsel for our committee Dr. Walter M. W. Splawn, an ex-president of the University of Texas. This gentleman was made president of the university when he was 42 years of age. Before that he was a member of the Railroad Commission of the State of Texas.

I think every man who understands transportation or has made an understanding study of it will say that his investigation of the railroad holding company and the developments which he brought about is the most masterful document in that field that has yet been published. As you read his reports in these other fields of utilities you will find they are also masterly reports, and, speaking for the committee, and turning to some of my Republican colleagues whom I see over here, I think I may say that Dr. Splawn has the personal thanks of every member of the committee and should have the thanks of the entire Congress and the country for the diligent, patriotic, and masterful work that he has done. [Applause.]

I may say one other thing that is justified and repeat what Dr. Splawn said after he finished these investigations and his work in this connection before he went with the Interstate Commerce Commission, where I think he will do the same great work in that field which he has done in this. He paid this tribute to the committee, both majority and minority members. He had a pretty hard time getting some information. Some people said they were being pinched a little bit too hard and they were constituents of various members of the committee, but Dr. Splawn said:

> I want to pay the membership of this committee this tribute. Not a member of the committee during all of the investigations has ever come to the counsel for the committee and asked him to relieve any of their constituents from answering any questions or submitting any data that was called for.

This investigation made by him under the direction of your Committee on Interstate and Foreign Commerce was not made with a blare of trumpets. There were no public hearings, but in his own way he went to the books of every company in the United States, opened each and every one of them, and there, with his experts, worked out this story, not only of the railroad holding company but of the holding company in all other fields of utilities. [Applause.]

Mr. MAY. Mr. Speaker, will the gentleman yield for a question?

Mr. RAYBURN. Yes.

Mr. MAY. If I am not mistaken, I understood the gentleman from Texas to say that gas pipe lines have heretofore not been regarded or considered as common carriers.

Mr. RAYBURN. They are not under the law.

Mr. MAY. And not having been made common carriers under the law, and required by law to accept for transportation gas of independent producers, I am wondering if the gentleman's committee made any inquiry into the existence of cases where independent consumers have been required to take a monopoly price or one fixed price for gas produced in order to get it transported, and in this way the major pipe-line companies have been able to control and regulate the price of the farmers' gas in many communities.

Mr. RAYBURN. The gentleman means natural gas?

Mr. MAY. Yes; did you make any discoveries along that line?

Mr. RAYBURN. It may be embodied in the report somewhere. It has not been brought to my attention; but I may say this to the gentleman, and the same thing may be said about oil as well as gas: I was opposed last year, as everybody knows, to the Disney oil bill. I am not going to vote to make any one man dictator of the third largest industry in America, as was proposed in that bill. I am for the States, through compacts and through law, controlling the production of oil and its distribution if they can. I stand on the same footing with respect to natural gas, but if they cannot do it, then a higher authority must step in. Let me add this: Texas, of course, is the "devil" in the oil business. The east Texas field is what brought about all this talk of controlling the production of oil. There has been much said about "hot" oil. The State commission of Texas is trying to control this. The chairman of that commission is in the gallery here today, and he tells me that the State of Texas has control of the production and exportation of "hot" oil from that State; and in Texas, with an allowable of about 1,000,000 barrels, there was seeping out somewhere a little less than 15,000 barrels, which is infinitesimal compared with 1,000,000 barrels.

I did not intend to get on this subject, but I want to call the gentleman's attention to one thing about the oil business. The gentleman will find in the Cole report all the hearings and a sane report made by five as sane men as were ever appointed on a subcommittee to make any investigation by this Congress.

Mr. MAY. What I wanted to bring out was that some of these pipe lines have been controlling the price in the communities they control by reason of having a monopoly, because they are not common carriers.

Mr. RAYBURN. Some of these days I am going to talk about pipe lines and the divorcement of them and what you are going to have to do if you divorce them. [Applause.]

### INDEPENDENT OFFICES APPROPRIATION BILL

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3410, the independent offices appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. PARSONS in the chair.

Mr. McLEOD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

> Amendment offered by Mr. McLEOD: Page 1, line 7, strike out the word "namely" and insert in lieu thereof the following: "and that so much as may be necessary is hereby appropriated for the payment, effective January 1, 1935, to all officers and

employees of the Federal Government of the United States of full compensation without regard to the 5-percent reduction now in force."

Mr. WOODRUM. Mr. Chairman, I make the point of order that the amendment is out of order because it is not germane and because it affects the salaries of officers and employees who are not provided for in this bill, and also that it is legislation on an appropriation bill.

Mr. BLANTON. I make the further point of order that it is a change of existing law and not authorized on an appropriation bill.

Mr. McLEOD. Mr. Chairman, I wish to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. McLEOD. Mr. Chairman, my amendment merely increases the amount of money to be appropriated in this bill by a little more than $30,000,000.

The increase carried in my amendment would provide the money to carry out the dictum and the theory of the President himself 6 months early. Such action is quite proper and fitting at this time, inasmuch as the Congress discredited the so-called "cost of living" theory when it restored two-thirds of the pay cut last year.

Mr. WOODRUM. Mr. Chairman, I make the point that the gentleman from Michigan is not discussing the point of order but the merits of the amendment.

The CHAIRMAN. The gentleman will confine himself to the point of order.

Mr. McLEOD. I merely repeat, Mr. Chairman, that this is only an increase in the appropriation as set up in the bill providing for the salary increases which are also contained in the bill and will amount to about $30,000,000.

In addition, the President himself, in his Budget message, repudiated the present set-up for continuing the pay cut when he declared that it was not proposed to continue the 5-percent reduction after July 1, 1935, even though the index figure of the cost of living now indicates that such restorations in all probability would not even be justified for some time after that date.

Living expenses have greatly increased due to acts of the administration and Congress. The 5-percent decrease, or penalty of reduction, of salaries of Federal employees, inequitably and improperly made, was also the act of the administration and Congress.

When the President and we, the Congress, openly admit by official acts and statements that due to conditions that the President and Congress are responsible for, we must not penalize Federal employees by maintaining this 5-percent decrease in pay any longer than next July, I contend no further argument is necessary. Our obligation and duty is clearly defined. Let us assist in the fight for recovery and not retard it.

The CHAIRMAN. The Chair is ready to rule. Rule XXI, clause 2, sentence 2, of the House of Representatives provides:

> Nor shall any provision in any such [appropriation] bill or amendment thereto changing existing law be in order except such as, being germane to the subject matter of the bill, shall retrench expenditures by the reduction of the number and salary of the officers of the United States, by the reduction of any compensation paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

The amendment offered by the gentleman from Michigan seeks to not only increase the compensation of the officers and employees of the Federal Government provided for in the pending bill, but also seeks to increase the salaries and compensation of all the employees of the Federal Government, and in the opinion of the Chair is not germane. The amendment increases appropriations in the bill and does not retrench expenditures at all.

In addition to that, the Chair is of the opinion that the amendment contains legislative matter and is therefore subject to that point of order. The amendment being in violation of this rule, the Chair therefore is constrained to sustain the point of order.

The Clerk read as follows:

> Contingent expenses: For contingent expenses of the Executive Office, including stationery, record books, telegrams, telephones, books for library, furniture and carpets for offices, automobiles, expenses of garage, including labor, special services, and miscellaneous items, to be expended in the discretion of the President, $50,350.

Mr. WOODRUM. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

> Amendment offered by Mr. WOODRUM: On page 2, line 21, after the sum "$50,350" and before the period insert, "of which $5,000 shall be immediately available."

Mr. WOODRUM. Mr. Chairman, in explanation of the amendment I might say that it merely makes $5,000 of the contingent fund of the President immediately available.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman explain the reason for that?

Mr. WOODRUM. The reason is that they need $5,000 before the 1st of July.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

AMERICAN BATTLE MONUMENTS COMMISSION

> For every exenditure requisite for or incident to the work of the American Battle Monuments Commission authorized by the act of March 4, 1923 (U. S. C., title 36, secs. 121–133), and by Executive Order No. 6614 of February 26, 1934, including the acquisition of land or interest in land in foreign countries for carrying out the purposes of said act and Executive order without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes (U. S. C., title 34, sec. 520); title 40, sec. 255); employment of personal services in the District of Columbia and elsewhere; travel expenses; rent of office space in foreign countries; the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles which may be furnished to the Commission by other departments of the Government or acquired by purchase; printing, binding, engraving, lithographing, photographing, and typewriting, including the publication of information concerning the American activities, battlefields, memorials, and cemeteries in Europe; the purchase of maps, textbooks, newspapers, and periodicals, $199,059: *Provided*, That notwithstanding the requirements of existing laws or regulations, and under such terms and conditions as the Commission may in its discretion deem necessary and proper, the Commission may contract for work in Europe and engage, by contract or otherwise, the services of architects, firms of architects, and other technical and professional personnel: *Provided further*, That the Commission may purchase supplies and materials without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed $500: *Provided further*, That when traveling on business of the Commission officers of the Army serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission may delegate to its chairman, secretary, or officials in charge of either its Washington or Paris offices, under such terms and conditions as it may prescribe, such of its authority as it may deem necessary and proper.

Mr. ENGLEBRIGHT. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. Will the gentleman be kind enough to inform us the reason for the proviso with reference to the hiring of architects?

Mr. WOODRUM. Mr. Chairman, the Battle Monuments Commission is a Commission constituted under authority of Congress, as the gentleman knows, to erect monuments and memorials in the American cemeteries in Europe. That language authorizing the employment of architects and to make contracts is language that has always been carried in that appropriation. Under Executive order they are charged with the duty of repairing and the maintenance of those cemeteries, and the language is needed for the purpose, if there should be repairs and alterations, of giving them authority to do it.

Mr. ENGLEBRIGHT. Will this give them authority to hire foreign architects and foreign artists in connection with this work?

Mr. WOODRUM. It gives them the same authority they have always had since they have been erecting these monuments.

Mr. ENGLEBRIGHT. Is this new legislation with reference to that authority?

Mr. WOODRUM. Not at all. It is the same legislation that we have always carried for the Battle Monuments Commission.

Mr. DIRKSEN. Mr. Chairman, I rise to reserve the point of order pending an explanation of the provision on page 4, beginning with line 17:

That the Commission may purchase supplies and materials without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed $500.

I see that that same authority has been delegated to a number of these independent boards, giving them authority to purchase not to exceed $50 irrespective of a certain chapter in the United States laws, ostensibly because certain economies could be effected. This provision calls for $500 instead of $50, as compared with the Interstate Commerce Commission, the Federal Trade Commission, and some of the other boards and commissions. It seems to me that it is giving them considerable authority to purchase up to $500 of supplies or to incur a bill for services up to and including $500 without having advertised for bids. Was that a misprint, or is it there intentionally?

Mr. WOODRUM. That is not a misprint. This is an activity in a foreign country, and the board presided over by General Pershing requested that authority of the Bureau of the Budget and made a showing that convinced the Budget Bureau and our committee that it was in the interest of efficiency and economy to give them some latitude in handling the purchase of supplies and materials for these foreign activities. That is a greater amount than we carry for our own bureaus and departments each year, but it is for a foreign activity, its purpose being to get rid of the red tape and delay caused by calling for bids over there for relatively small activities. It seems to me that it is desirable.

Mr. DIRKSEN. And in that connection I might inquire, insofar as the $50 provision is concerned with reference to the other boards, whether that will apply to the field and the branch offices of these boards?

Mr. WOODRUM. This applies to foreign countries.

Mr. DIRKSEN. But as far as the $50 authority is concerned, that is a matter that has come up a good deal this summer, where use was made of that authority in buying supplies.

Mr. WOODRUM. It gives purchasing authority to the board, and the right to contract up to $50.

Mr. DIRKSEN. Then there is the delegation of authority on page 5, where the Commission is authorized to delegate all of its authority to the chairman or secretary or officials engaged either here or in foreign countries. That seems to be a rather broad delegation of authority, provided it involves also authority to make expenditures.

Mr. WOODRUM. It is a broad delegation of authority, and again, this is an unusual activity. The chairman is sometimes in America and sometimes in Europe, and sometimes in different parts of this country. General Pershing is the honorary chairman of the Commission, and it seems to me necessary to give him that authority in order to carry out properly the activities of the Commission.

The Clerk read as follows:

For all printing and binding for the Civil Service Commission, including all of its bureaus, offices, institutions, and services located in Washington and elsewhere, $75,000, of which not to exceed $20,000 shall be immediately available.

Mr. WOODRUM. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: On page 7, line 23, after the sum of "$75,000" but before the comma, strike out the remainder of the paragraph except the period.

Mr. WOODRUM. Mr. Chairman, the effect of the amendment is to eliminate the language that was carried last year, making $20,000 of this fund immediately available. It was not necessary to carry it this year.

The amendment was agreed to.

The Clerk read as follows:

Total, Employees' Compensation Commission, $4,719,000.

Mr. ROBSION of Kentucky. Mr. Chairman, I move to strike out the last word. I would like to get some information from the chairman of the subcommittee. Is it under this act that the Compensation Board is permitted to pay for the destruction of property by members of the Civilian Conservation Corps?

Mr. WOODRUM. This act deals solely with injuries to employees of the Government; members of the Civilian Conservation Corps, of course. It has nothing to do with any property damage.

Mr. ROBSION of Kentucky. Nor with injuries to citizens?

Mr. WOODRUM. No, sir.

Mr. ROBSION of Kentucky. At this moment I just want to take a little of the time of the House. I do not know at this time what committee of the House has jurisdiction. I have been advised that under the Conservation Act the Government will pay for the destruction of property by the C. C. C. boys, but it will not pay anything for injuries done to citizens. Quite a number of those cases have taken place in my district within the last year, and in one case particularly one of the young fellows, it was said, was intoxicated and was driving a truck on a rainy day at some 65 miles an hour. He came around a curve and struck an automobile driven by a citizen and caused a concussion of his brain and rendered helpless for life the other two persons in the automobile.

I took the matter up with the proper authorities of the Government and they assured me that the Government would pay the reasonable market value of the automobile, which was $200; but they had no authority to make any settlement for any injury to these three citizens.

It seems to me that the committee having authority to write the law in this matter should amend the law. One of those men was a railroad man engaged in the operating department of the railroad. He had a family. He is permanently and totally disabled. The other two men were farmers, and they are in the same condition. Now, it seems to me that if one of the Government's servants is drunk and negligent and does that kind of an injury to a citizen there should be some redress, more than simply taking care of an old automobile.

Mr. WOODRUM. The gentleman will recall doubtless that the redress usually is by a private bill.

Mr. ROBSION of Kentucky. But the gentleman from Kentucky, having served for nearly 12 years in this House, knows that method of redress does not mean anything, scarcely.

Mr. WOODRUM. It is hard to get it through, of course.

Mr. ROBSION of Kentucky. It is almost impossible to get them through.

Now, I spoke of one instance. There are three or four other instances which have occurred within my district in the past year.

Mr. BLANTON. Will the gentleman yield?

Mr. ROBSION of Kentucky. I yield.

Mr. BLANTON. The gentleman, through his long service here, knows that this is an appropriation bill coming from an appropriations committee, and it is simply to carry out what the Congress has authorized to be done by legislation.

Mr. ROBSION of Kentucky. Yes; I understand that.

Mr. BLANTON. The matters which the gentleman speaks of are matters which require adjudication to determine liability and the amount of damage, and not matters of appropriation which this committee can handle.

Mr. ROBSION of Kentucky. Oh, I said the committee of this House which has jurisdiction of the matter. I am simply calling the attention of the Members of the House and of that committee to the fact that it seems to me that this law should be amended to take care of injuries to such persons in these cases.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the pro forma amendment for the purpose of asking the chairman of the subcommittee a question. May I ask the gentleman from Virginia [Mr. WOODRUM] with respect to this particular section dealing with compensation for the emergency employees in the Civilian Conservation Corps? My experience in the last 3 or 4 months has been that a number of very aggravated cases have come to attention,

which were submitted to the Board. They have been pending now for a long time, and there seems to be a very decided reluctance on the part of the administrative board to do anything for them.

Mr. WOODRUM. The gentleman means the Compensation Commission?

Mr. DIRKSEN. Yes. If those boys who are working in the Civilian Conservation Corps are injured, they should be taken care of. There are cases where hernias have been incurred through heavy lifting, and the men can get no hospitalization or compensation whatever. I have been wondering if the amount appropriated is adequate or whether the lack of funds is the reason for the reluctance on the part of the Board to do anything for them.

Mr. WOODRUM. It is not on account of lack of funds. Of course, the Congress has already authorized the fund. This is simply appropriating money that has already been authorized.

Mr. DIRKSEN. Then there is no reason why they should not dispose of these meritorious cases without delay?

Mr. WOODRUM. Not because of lack of funds.

Mr. DIRKSEN. Does the gentleman know, off hand, how many of those cases are in hospitals at the present time, how many of them have been disabled, and how many death claims have been paid? Perhaps the gentleman covered that during my absence from the Chamber, and if so, the RECORD will disclose it, but if he has the figures available I would appreciate it very much if he would give them to me at this time.

Mr. WOODRUM. A total of 10,556 cases was reported to October 31, 1934, which does not include a far greater number of cases where the duration of disability was less than 15 days. There were 941 death cases, but only 330 have been allowed. So the gentleman will see there has been quite a large number of cases, which has greatly increased the administrative work of this Compensation Commission.

Mr. DIRKSEN. But the amount appropriated is adequate for all purposes?

Mr. WOODRUM. The amount appropriated is adequate for all purposes, in our judgment.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has expired.

The pro forma amendment was withdrawn.

The Clerk read as follows:

FEDERAL COMMUNICATIONS COMMISSION

For seven commissioners, and for all other authorized expenditures of the Federal Communications Commission in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat., p. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (U. S. C., title 46, secs. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), and Executive Order No. 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, including personal services, contract stenographic reporting services, rental of quarters, newspapers, periodicals, reference books, law books, special counsel fees, supplies and equipment, including purchase and exchange of instruments, which may be purchased without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed $25, improvement and care of grounds and repairs to buildings, not to exceed $5,000, traveling expenses, including expenses of attendance at meetings which in the discretion of the Commission are necessary for the efficient discharge of its responsibilities, and other necessary expenses, $1,500,000, of which amount not to exceed $1,060,000 may be expended for personal services in the District of Columbia.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 11, line 18, after the first comma, strike out "$1,500,000" and insert in lieu thereof "$1,200,000."

Mr. TABER. Mr. Chairman, I view with great alarm the increasing volume of Federal employees. I view with great alarm the increasing amounts we are being asked to pay for commissions of one kind and another. This particular Commission has come before us asking for $1,500,000, where the requirements for the current year were $651,885. I have not before me the increase that was accomplished for this particular fiscal year, but the requirements here set forth for employees run 408 in the departmental force. This represents an increase of 100 percent in the number of employees. It runs just the same force in the field.

The requirement in funds for employees in the District is $1,059,000, or an average for every one of these employees of a little better than $2,500. For salaries in the field it aggregates $291,000 for 111 employees, or an average of approximately $2,800 per employee, and many of these employees are clerks and stenographers.

The work of this Commission involves, as I understand, amongst other things a valuation of properties. We attempted that in the case of the Interstate Commerce Commission with reference to the railroads, and we got to the point where the statistics were practically valueless and we had to stop the operation. I hate to see the Government embarking upon this large new activity. I hate to see the expenses of the Government piling up for a new activity, because when we start them we are never able to reduce the number of commissions and we are never able to reduce the expenses of the commissions. Is it not time we stopped some of these things?

I have offered a very modest amendment to cut this appropriation 20 percent. I do not want to reduce them in funds that are legitimately necessary for carrying on the activities and responsibilities with which they have been entrusted, but I hate to see the appropriation increased 150 percent over the appropriation of last year and the number of employees in the District more than doubled, with the same ratio of increased expenses in the District. It seems to me we can give them this cut of 20 percent in their expenditures and still be affording them more than ample funds with which to operate. Having all this in mind I have offered this amendment to reduce the appropriation for this activity from $1,500,000 to $1,200,000, and I hope the Committee will adopt the amendment.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, the Communications Act of 1934 abolished the Radio Commission and set up in its stead the Federal Communications Commission, a Commission which assumed not only the duties of the Radio Commission but which was given the added duties of regulating telephonic, telegraphic, and cable communications, and also rate-making powers with respect to these activities, which duty will perhaps involve the valuation of these properties.

I do not think it is fair to say that the amount carried in this bill is an increase over the appropriation of last year by the amount of money represented by the difference between the two sums, because the activities are entirely different and very much greater.

I join the gentleman from New York in decrying any indication of unnecessarily expanding these governmental departments and bureaus, and that is the unanimous sentiment of my subcommittee; but taking into account the very important, the highly important, duties imposed upon this Commission so far as the American people are concerned, that of regulating rates, and services of communications and facilities, and regulating, licensing, and policing the use of radio communication, the committee felt the amount allowed by the Bureau of the Budget was proper. I hope the Committee will ratify the action of the subcommittee and of the Appropriations Committee.

The CHAIRMAN. The question is on the amendment of the gentleman from New York.

The question was taken; and on a divison (demanded by Mr. TABER) there were—ayes 29, noes 62.

So the amendment was rejected.

The Clerk read as follows:

FEDERAL HOME LOAN BANK BOARD

For salaries and expenses of the Federal Home Loan Bank Board, including printing and binding, $264,043: *Provided*, That expenditures from this appropriation shall not exceed the amounts collected and deposited in the Treasury as miscellaneous receipts from assessments upon the Federal home-loan banks.

Mr. WOODRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: On page 12 of the bill, strike out lines 2 to 7, inclusive, and insert in lieu thereof the following:

"For salaries and expenses of the Federal Home Loan Bank Board, including personal services in the District of Columbia, printing and binding, traveling expenses, rents, furniture and equipment, law books, books of reference, periodicals, newspapers, maps, contract stenographic reporting services, telephone and telegraphic services, and all other necessary expenses of the Board, $264,043: *Provided*, That expenditures from this appropriation shall not exceed the amounts collected and deposited in the Treasury as miscellaneous receipts from assessments upon the Federal home-loan banks."

Mr. BLANTON. Mr. Chairman, I reserve a point of order on the amendment offered by the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Chairman, in explanation of the difference in the language, may I say when the language as contained in the printed bill was sent up by the Bureau of the Budget, the Home Loan Bank Board and the Budget were under the impression that the Board had authority under the law to expend their funds for the specific purposes set out in this new language. The new language does not in any way change the appropriation. It merely outlines the purpose for which the money may be spent. The $264,000 is merely reappropriated out of funds that have been paid into the Treasury by fees from the member banks.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Have they been spending money for this purpose in the past?

Mr. WOODRUM. Yes.

Mr. MARTIN of Massachusetts. This is nothing new?

Mr. WOODRUM. Nothing new whatever.

Mr. O'MALLEY. Does their salary come out of this appropriation? The word "expenses" includes their salaries? The $264,000 is the item out of which the members of the Board get their salaries?

Mr. WOODRUM. That is correct.

Mr. DONDERO. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Michigan.

Mr. DONDERO. Does this amount anticipate the expansion or extension of the Home Owners' Loan Corporation by a new appropriation of money?

Mr. WOODRUM. This does not affect the Home Owners' Loan Corporation. This is the Home Loan Bank Board, the parent board.

Mr. DONDERO. Does that Board have charge of the Home Owners' Loan Corporation business?

Mr. WOODRUM. It does; yes.

Mr. DONDERO. If the Home Owners' Loan Corporation is expanded or extended by a new appropriation of money and new business added, will that increase the expense or will this take care of the matter?

Mr. WOODRUM. I do not think this will affect the expense at all. It will affect the expenses of the Home Owners' Loan Corporation through its regional offices.

Mr. DIRKSEN. The Board serves in a dual capacity and receives no money whatsoever for its second office?

Mr. WOODRUM. That is right.

Mr. BLANTON. Mr. Speaker, I offer an amendment to the amendment offered by the gentleman from Virginia. I move to strike out the amount "$264,043" and insert in lieu thereof the sum of "$1."

The Clerk read as follows:

Amendment by Mr. BLANTON to the amendment offered by Mr. WOODRUM: "In the Woodrum amendment strike out '$264,043' and insert in lieu thereof '$1.'"

Mr. BLANTON. Mr. Chairman, I had intended to move to strike out this paragraph, but that is not possible, since the gentleman from Virginia [Mr. WOODRUM] has offered his amendment, because after the vote is taken on his amendment, then, from a parliamentary standpoint, a motion to strike out the whole paragraph would not be in order.

Mr. Chairman, I am just as much in favor of a proper Home Owners' Loan Corporation and the relief that it is presumed to afford our people back home as any man in Congress or in the United States. I was just as strong an advocate of that proposition when we passed it as any man in the Nation. I helped to support it; I helped to pass it and helped to cause this Board and Corporation to be created and formed. I was in favor of appropriating and helped to appropriate the money that made up its capital stock, several hundred million dollars of the people's tax money. I was in favor of the proposal that authorized that Corporation to pledge the credit of your country and mine to the extent of $2,000,000,000 of bonds, and the credit of this Government has been pledged to that amount, for we have guaranteed those bonds.

I am in favor of continuing that relief to the people suffering throughout the land, whose homes have been threatened with foreclosure, and thousands of whose homes have already been foreclosed and taken away from them since this Corporation has been pretending to function.

Mr. DIRKSEN. Will the gentleman yield?

Mr. BLANTON. I have only 5 minutes, otherwise I would gladly yield. I do not want to take up too much time of the Committee.

If you will look at pages 360 and 361 of the new Congressional Directory, it will be seen that the officers of this Federal Home Loan Bank Board are identically the same men who form the officers of this Home Owners' Loan Corporation. They are the same men; they are one and the same, and they are the ones who took this several hundred million dollars of public money out of the people's Treasury for their capital stock. They are the ones who took over the credit of the United States to the extent of $2,000,000,000 for their bonds.

They are the ones who have been appointing their own numerous high-salaried private appraisers sent out from their home offices. They are the ones who let you and me appoint a local appraiser in each county and then paid no attention to him. They are the ones who sent to Dun & Bradstreet to get a private commercial report on some poor washerwoman in your district who needed a small loan to save her little home, and whom the commercial reporting agency never heard of before and could not get an accurate report on in any event. They are the ones who have been delaying the applications that were filed in the fall of 1933 and held up and pigeonholed for months and months and shunted aside with red-tape delays all of the year 1934, and now the applicants are notified that they will not consider any more applications because they have not reached their legal department. They are the ones who have shiftlessly allowed mortgages to foreclose and take thousands of homes from deserving Americans during the last 12 months.

Mr. RANDOLPH. Will the gentleman yield?

Mr. BLANTON. I am in hopes the Chairman will give me a little more time.

Mr. O'MALLEY. They are the ones also that have been tipping off the building-and-loan companies in advance to the good homes so that they may foreclose before the loans can be passed through the Corporation.

Mr. BLANTON. I would not go that far, but I know that they have been taking care of many friendly institutions.

Mr. RANDOLPH. In support of the contention of the gentleman from Texas, that needless delays have been prevalent, I would like to say that in my district there was an application filed in November of 1933 for a loan amounting to $4,000 upon property that was worth $15,000. They told me at the Washington office this morning, after 14 months' time, that they will expedite the matter. That is but one of hundreds of such cases, bringing not needed relief but tragedy and despair to honest home owners.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 additional minutes.

Mr. DIRKSEN. Mr. Chairman, reserving the right to object, will the gentleman yield for a question?

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes so I may yield for questions.

Mr. WOODRUM. Mr. Chairman, reserving the right to object, I gave the gentleman a lot of time yesterday——

Mr. BLANTON. For which I am deeply grateful to my friend. I am depending on the usual graciousness of the gentleman from Virginia. [Laughter and applause.]

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for 10 additional minutes. Is there objection?

There was no objection.

Mr. BLANTON. I now yield to the gentleman from Illinois.

Mr. DIRKSEN. May I observe that I do not yield to the gentleman from Texas insofar as my solicitude for these home owners is concerned, but, precisely, how are you going to translate your solicitude for their relief into action by merely chopping off the Federal Home Loan Bank Board, whose first function is to administer the 3,500 building-and-loan associations who are members of the Federal Savings and Loan Board and the Federal Home Loan Board?

Mr. BLANTON. I will answer the gentleman in four words. It is psychological discipline. [Laughter and applause.]

There is but one way for you to let this autocratic, arrogant Board down here understand that there is a House of Representatives here whose Members are elected every 2 years by the people and sent here to look after the rights of the people, and to let them know that when they override the rights of the people they are going to hear from the men on the hill. [Applause.]

I know well our good friend from Roanoke [Mr. WOODRUM]. There is not a finer man in this entire Congress. There is no Member abler or more valuable. He is one of the most loyal administration men you ever heard of. And so am I. But he is chairman of this committee. This is his bill. It is his duty to protect appropriations in this bill for the administration family, and he thinks that he is bound to protect every little bureau in Washington, and that it is his duty to protect them. It is his duty to protect this bill, and it is my duty to help him protect it. And I do help him protect it. You try to put something in this bill that increases appropriations or add legislation that is not in order and see how quickly I shall help him protect his bill by making a point of order. Naturally, he is going to have to vote against us when deep down in his heart I know he feels just like I do, and down deep in his heart he would like to pick these fellows up and spank them just like I would like to pick them up and spank them.

Now, we have but one way to let them understand that they must carry out the purpose, intent, and will of Congress and must look to Congress for their activities and the scope and manner in which they may handle their business, and that is to cut off their pay when they do not behave; and, if you take this salary money away from them, even though they may come down here and assure us they will do right in the future and we may put it back when we get that assurance from them, you will find it will influence them to give us such assurance. It will have a splendid effect on them. Then we will put it back. [Applause.] You take this $264,000 away from them and let them crawl on their bellies up to the Senate, and you will see them change their arrogant ideas immediately. [Applause.]

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SHORT. Why does not the very hard-working, distinguished gentleman from Texas request his imperious leader in the White House to discharge the present Board and appoint a new one?

Mr. BLANTON. I will tell you what I believe we ought to do if they do not change their modus operandi. I am going to vote when the time comes to provide another $1,000,000,000 to save the homes of worthy Americans. There must be some means of relief for the thousands of worthy home owners who are now losing their homes in all parts of the United States, and I am going to vote to do that, but I want proper men to administer it. I want these men down here to change their autocratic, listless, inefficient way of handling public business, and if they do not change I am going to be one of those who are going to ask the President of the United States to remove them from office, every one of them. And then, if the President does not remove them, I am going to exercise my prerogative, on my responsibility as a Member of this Congress, to come here on this floor and impeach them for their high crimes and misdemeanors and the way they have been mismanaging the people's business. [Applause.]

Mr. SHORT. Old men do not change their ways; you must change the men.

Mr. BLANTON. If you want to change them right quickly, just take their $264,000 salaries away. [Laughter and applause.]

Why, they say they are not amenable to Congress. They say that you have no control over them because they are a corporation. Why do their names appear here in our Congressional Directory as Government institutions, and why do their salaries come through this bill, the first bill that is passed in the Seventy-fourth Congress, appropriating $264,000 to pay their salaries?

Let us outvote Clif this time. He will not mind it. He will pat us on the back when he gets out of here. [Laughter.] Oh, when he takes the floor to answer me he will give me the devil here directly and say I ought not to do this, but for the moment let us take this $264,000 out and then you are going to see a change of heart. You will have every one of these fellows up here taking a front seat on the mourners' bench and you will find hereafter that when we go down there with a meritorious case they will look into it.

They will not treat you like they did our good friend from Cleveland [Mr. SWEENEY] when he went down there and asked them to show him the record in a case from his district and was told in an autocratic way that that was something he could not see as a Member of Congress.

Mr. SWEENEY. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SWEENEY. He was also told it might embarrass the bankers to have the information given out.

Mr. BLANTON. Yes. But our colleague [Mr. SWEENEY] told them enough that in less than an hour they showed him what he went there to see.

You have got to show these bureau chiefs that they must respond to the Representatives in Congress. [Applause.]

Here is the way to make them pay attention to you—let us strike this $264,000 salary item out, and we will ultimately furnish plenty of money for salaries and expenses for the right kind of officials and the right sort of an organization. [Applause.]

The CHAIRMAN. The question is on the amendment of the gentleman from Texas [Mr. BLANTON] to the amendment of the gentleman from Virginia.

The question was taken, and the Chair announced that the amendment was agreed to.

Mr. WOODRUM. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. My amendment carried almost unanimously.

Mr. WOODRUM. I was on my feet asking for recognition when the Chair put the question. I oppose the amendment of the gentleman from Texas.

Mr. BLANTON. The gentleman has the right to be heard, although my amendment passed by almost a unanimous vote.

The CHAIRMAN. Without objection, the vote on the amendment will be vacated, and the Chair will hear the gentleman.

Mr. WOODRUM. Mr. Chairman, I ask that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I appreciate the good humor and the spirit of revelry that pervades the House of Representatives, but I have seen this body in that mood when we all feel good and happy over a witty speech like that by the irresistible gentleman from Texas [Mr. BLANTON], and I have also seen this body in that mood do some ridiculous things.

The gentleman from Texas is peeved at the Home Loan Bank Board because they did not appoint some appraiser for him.

Mr. BLANTON. Oh, no. They appointed the 19 appraisers and the 19 county attorneys I selected for my 19 counties. They boycotted one appraiser wholly without cause. I am after them because of their delays, their inefficiency, their incompetency, their arrogancy, and injustices.

Mr. WOODRUM. I do not yield to the gentleman. He must either sit down and listen to me or go outside. [Laughter.] The gentleman from Texas is peeved because the Board did not make loans that he thought ought to be made. I am willing to grant that they treated him badly in both instances, but in the next breath he says he is willing to give them another billion dollars. What would be the use of that if you do not give them a loan board to administer that fund? That is not the way to discipline the Home Loan Bank Board. The way is to lay down rules and regulations as to the way the Board shall operate. We have got to have a Home Loan Bank Board or some other board to relieve the stricken home owners of this country. How can you stand up here and vote to take away the Board so they cannot administer the funds that they now have? It is a ridiculous, silly, and childlike proposal. Let us proceed in a regular and orderly way.

Mr. O'MALLEY. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. O'MALLEY. Cannot we find enough dollar-a-year men to take their place?

Mr. WOODRUM. No; you could not find dollar-a-year men to take their place. It is a highly important work, and we need this Board to operate. We have a right, and it is our duty, to compel them to carry out the will of Congress; but withholding the appropriation is not going to do it. We know perfectly well that the country would laugh at this body for doing that, and the other body of Congress would immediately reinstate it.

Mr. McFARLANE. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. McFARLANE. It was brought out in debate here yesterday by the gentleman from Missouri [Mr. COCHRAN] that this Board, under its regulations, has provided enough for overhead in the difference between the rate of interest they charge their patrons and that which they have to pay on their bonds. In that way they get enough to pay the overhead of the Home Owners' Loan Corporation. I think we ought to let them spend their own money for a while and see how they get along with it.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. MICHENER. And does not the gentleman think that the debate has served the purpose which the gentleman from Texas [Mr. BLANTON] intended it to serve?

Mr. WOODRUM. I am quite confident it has.

Mr. BLANTON. And I am about willing to admit that since the gentleman from Virginia said it is our duty to compel them to carry out the will of Congress——

Mr. MICHENER. And that was the only purpose of the gentleman from Texas in bringing the matter to the attention of the country. He did it with no expectation on his part that his amendment would prevail.

Mr. WOODRUM. I am sure that that is a fact.

Mr. BLANTON. It will accomplish good whether it prevails or not.

Mr. WOODRUM. The gentleman from Texas will receive box-car headlines this afternoon and tomorrow for his spanking of the board, and I am quite sure that he will be highly delighted.

Mr. BLANTON. Oh, the gentleman from Virginia knows that no newspaper in Washington mentions my name, or any work I do here, except to criticize me, and that does not deter or bother me one bit. But it is a fact that this Federal Home Loan Bank Board is going to learn that practically every Member here is dissatisfied with its delays and incompetency, even though we may still provide for their salaries in this bill. Remember that this Board has all the money it needs until July 1. This money that we are now appropriating is not available until July 1. This bill does not provide any money for it until next July. We are now appropriating for the fiscal year of 1936. The Board has all it wants until July 1, and before the Senate would put this salary item back the gentleman will find a lot of psychological good has been accomplished.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. DIRKSEN. Mr. Chairman, this is not the first time that my good friend, the philosopher from Texas [Mr. BLANTON], has administered psychological discipline to some agency of the Government. It was done a number of times, I think, in the course of the Seventy-third Congress. But I still insist that this amendment to the amendment is nothing but a grand futility and is not going to accomplish what the gentleman from Texas has in mind. The gentleman from Texas will bear me out that I was one of those in the Seventy-third Congress who stripped the hide from this Home Owners' Loan Corporation, for we had the filthiest mess in the State of Illinois that the mind of man could conceive.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. No. And I came on the floor in conjunction with Mr. YOUNG and began to tear the mask from this thing and dispose of that filthy mess and the chicanery of some of those officials. I came to Washington specially this last summer to air abuses in the H. O. L. C., and had the present chairman of the Home Owners' Loan Board refer to me in anything but a complimentary way. So I hold no brief for this Board. This amendment, however, is not the way to get to it. After all, this money is but a reappropriation of a fund that constitutes an assessment upon some 3,100 building-and-loan associations that are members of the Federal Home Loan Board, and so this is, for all practical purposes, their money. Therefore you are not only not going psychologically to discipline this Board, but you are going to destroy the efforts of the building-and-loan structure in this country and all the building-and-loan associations shall contribute to this fund; and so I say that while I have no brief for this Board, you do not serve your constituents, you do not do a bit of good to effect further relief for the home owners of this country in their distress by passing this futile kind of an amendment to the amendment offered by the gentleman from Texas, and I hope you will vote it down.

Certainly I am not satisfied with the manner in which the Home Owners' Loan Corporation has been administered. First of all, the State of Illinois has thus far received far less than its proportionate share of the money and bonds appropriated to relieve distressed home owners. Secondly, there was such undue emphasis upon the immediate ability of the applicant to repay the money borrowed, without regard for his prospective or future capacity to pay, that the very folks who needed loans could not procure them.

The Congress, in enacting the Home Owners' Loan Act, had in mind the distressed folks who had been foreclosed or who were in immediate danger of foreclosure, the folks who were unemployed and could not pay building-and-loan or mortgage installments, the folks whose credit rating by virtue of adversity born of the depression had been impaired.

Yet, the maze of regulations invoked by the H. O. L. C. made it possible for those applicants to procure loans who were not in the direst need and denied relief to those who were. By virtue of the multiplicity of regulations devised for the

guidance of branch and regional offices, the person who made application for a loan had to show an earning power sufficient to meet the monthly installments on the mortgage, had to show a favorable credit rating, and for all practical purposes had to show those things which would easily have qualified such applicant for a loan from any lending institution. The H. O. L. C. has therefore shot wide of its mark and left thousands of people in despair and without relief.

I am deeply sensible of the needs of the home owners in Illinois and know the pathos and tragedy that has been the lot of many. This Congress cannot now abandon them to their despair. It cannot disappoint the home owners who are still hoping for relief, and I join with the distinguished Member from Texas in that regard.

However, to cut this appropriation to $1 and seek thereby to extinguish this Board would only imperil the operations of the Federal Home Loan Bank Board, which in its capacity as an administrator of the system for advancing money to private building-and-loan associations is altogether different from the Home Owners' Loan Corporation as such.

The CHAIRMAN (Mr. BULWINKLE). The question is on the amendment to the amendment.

Mr. FITZPATRICK. Mr. Chairman, I ask unanimous consent that the amendment, together with the amendment to the amendment, be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment and the amendment to the amendment.

There was no objection; and the Clerk again reported the Woodrum amendment and the Blanton amendment to the Woodrum amendment.

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 28, noes 127.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

The Clerk read as follows:

Total, Federal Power Commission, $312,600.

Mr. DUNN of Pennsylvania. Mr. Chairman, I move to strike out the last word. Undoubtedly every Congressman in the United States has received letters from his constituents telling him that they are losing their homes; that they had made application to the Home Owners' Loan Corporation for a loan and that their applications had been rejected. I know there is not a Congressman in the United States who has not made a gigantic effort to help his unfortunate constituents. When the home owners' loan bill was enacted into law, it was intended to give relief to people who were losing their homes. If the Home Owners' Loan Corporation is not going to take care of the unfortunates who make application for a loan and who are unemployed, then show me where it is a relief measure.

While I was in Pittsburgh, people came to my office and said, "Mr. DUNN, I cannot get a loan. The reason they will not give me a loan is because I cannot guarantee that I will be able to pay the principal and interest." I believe it is the duty of the Federal Government to make it possible for every person to obtain a loan from the Home Owners' Loan Corporation who is in danger of losing his property, regardless of whether he can guarantee that he will be able to pay the principal and interest. It is not a relief measure unless we save the homes of the unemployed. [Applause.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

Emergency boards: For expenses of emergency boards appointed by the President to investigate and report respecting disputes between carriers and their employees, as authorized by section 10, Railway Labor Act, approved May 20, 1926 (U. S. C., Supp. VII, title 45, sec. 154), $25,000, together with the unexpended balance of the appropriation available for this purpose for the fiscal year 1935.

Mr. WOODRUM. Mr. Chairman, the gentleman from Iowa [Mr. WEARIN] had an amendment which he desired to offer in connection with the National Advisory Committee for Aeronautics, on page 20. I ask unanimous consent to return to that paragraph.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WEARIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. WEARIN: On page 20, in line 14, strike out "$820,800" and insert in lieu thereof "$707,792."

Mr. WEARIN. Mr. Chairman, I desire to thank the gentleman from Virginia [Mr. WOODRUM] for his courtesy in permitting me to return to this paragraph.

I do not desire the House to assume for a moment any hostility on my part toward the progress of this country in the improvement of our air force or the development of aeronautics in the United States, as quite the contrary is the case, but there are a few things involved in this particular section that I desire to discuss briefly.

It will be noticed on page 9 of the report, under the heading of salaries and general expenses, the bill carries for this activity the Budget estimate of $820,800, an increase of $113,008 above the current appropriation. It is that increase that I seek to strike out.

Now, quoting a little further from the report, I find this statement:

Seventeen thousand dollars is for additional electricity to operate new equipment which has been provided under an allotment of Public Works Administration funds.

And so forth, detailing the various items, and at the bottom of that statement:

Including $29,500 for the construction of models for experimental purposes.

Now, in the first place, there is some doubt in my mind as to the manner in which this particular set-up has been functioning. I have fairly reliable information to the effect that some of the members of that particular group have been touring the continent of Europe on a trip which, to my mind, is entirely unnecessary when the taxpayers are paying the bill. At least, the action is a bit ill-advised at this particular time.

Furthermore, I desire to point out to the Congress that we have already a Bureau of Air Commerce under the head of the United States Department of Commerce. We also have certain experimental propositions in operation in the War Department and in the Navy Department, where we should be accomplishing some of the same things. If not, then let us consolidate all these functions for the sake of results and economy. If the set-up, presumably for the improvement of our air defense, has been successful to a marked degree, enough to justify the appropriation, then why the hue and cry of a year ago that the Army could not carry the mail? Has some private enterprise been profiting to the exclusion of the taxpayers, lo, these many years? There is a strange inconsistency of thought here, in which I seem to see the hand of what I once before styled the "Air Trust."

This constitutes one of the reasons why we should move cautiously before we permit this particular set-up to become a growing burden of expense to the taxpayers, if we are not going to get the proper results. The first thing we know there will be a claim made that it is quite a fundamental organization of our Government, a great necessity to our aeronautical progress, and still discover our air forces unable to function in an emergency.

I also desire to call attention to the section referring to the appropriation to operate equipment purchased with P. W. A. funds that this Congress has never had an opportunity to authorize for that particular purpose. I object to the policy of the P. W. A. purchasing materials of that kind and then coming to the Congress with an apparent

club over our heads and asking funds to use in the operation of that equipment that we did not authorize. I believe we are setting up a bad precedent when we attempt to progress along those lines. It is upon the basis of these contentions that I ask the Congress to strike out only the increase of $113,008 from this particular appropriation.

I thank the gentleman from Virginia for his courtesy.

Mr. WOODRUM. Mr. Chairman, I rise in opposition to the amendment. The National Advisory Committee for Aeronautics is already, and has been since its inception, a fundamental necessity, in my judgment, for the orderly progress of aviation in this country. If time permitted, I could bring this Committee, I believe, very convincing proof of the fact that it has actually saved to the Government of the United States, to its aviation branches in the Army and Navy, in actual dollars more than it has ever expended in this great research activity, to say nothing of its vast contributions to the development of aviation from the standpoint of increased speed, increased safety, and reduced cost.

There is no duplication whatever in the work that this Committee does and that of the air services of the Army and Navy, and such work as may be done by the Bureau of Standards. That matter has been inquired into a number of times by succeeding administrations. The National Advisory Committee is the research and experimental activity of the Government, headed by Dr. Ames, president of the Johns Hopkins University, with an advisory committee of such distinguished men as Colonel Lindbergh and other noted aviators, who serve without pay. They take no junkets and have spent no money of the Government. They are allowed actual traveling expenses.

Mr. WEARIN. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. WEARIN. Is it not true that the chairman of this committee spent several months in Europe during the past summer?

Mr. WOODRUM. Does the gentleman refer to Dr. Ames?

Mr. WEARIN. Yes.

Mr. WOODRUM. Perhaps he did, but I do not think it was at the expense of the Government; but if he did, I believe the people of America who know Dr. Ames, president of the Johns Hopkins University, and those who have followed the proceedings before this committee, and who know of his wonderful service to this country in aviation, would say that it was money well spent if he did take such a trip to investigate what was being done in other countries with regard to aviation. However, a part of the very small increase is to restore salaries to the 100-percent basis.

A small portion of it is to equip necessary added facilities that were granted to this activity by the Public Works Administration.

Mr. Chairman, I do not want to consume the time of the Committee further, because we are extremely anxious to finish this bill this afternoon. I hope, however, the Committee will follow the recommendations of the Appropriations Committee and pass this appropriation just as recommended by the Bureau of the Budget.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

For all printing and binding for the Securities and Exchange Commission, $30,000.

Mr. WOODRUM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: Page 24, line 10, strike out "$1,649,244" and insert in lieu thereof "$2,000,000."

Mr. WOODRUM. Mr. Chairman, in introducing this amendment, which increases the amount carried in the bill, I may say that the Budget estimate for the Securities Exchange Commission was $2,300,000.

Mr. HULL. Mr. Chairman, will the gentleman yield that I may offer an amendment to his amendment?

Mr. WOODRUM. Mr. Chairman, I yield for that purpose, but do not yield the floor.

The CHAIRMAN. Without objection, the Clerk will report the amendment to the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HULL to the amendment offered by Mr. WOODRUM: Strike out "$1,649,244" in line 10, on page 24, and insert in lieu thereof "$2,340,000", and in line 18, after the word "Commission"——

The CHAIRMAN (interrupting the reading of the amendment). The Chair will state to the gentleman from Wisconsin that he may offer his amendment as a substitute amendment but not as an amendment to the amendment.

Mr. HULL. I accept the suggestion of the Chair and offer my amendment as a substitute for the amendment offered by the gentleman from Virginia [Mr. WOODRUM].

The CHAIRMAN. The Chair will further state to the gentleman from Wisconsin that in the reading of the bill the Clerk has not read the portion of the bill to which the latter part of the gentleman's amendment would apply.

Mr. WOODRUM. Mr. Chairman, the Budget estimate for the Securities Exchange Commission was $2,300,000. The committee cut it to $1,800,000 and made a further cut which reduced it to $1,649,244 for reasons set out in the report, not that the committee was not sympathetic with the very important work laid out by this Commission or that it lacked appreciation of the very splendid gentleman at the head of the Commission; but it felt that there were evidences of a too-rapid growth and an unnecessarily rapid expansion in this Department. We felt that the Bureau ought to be a little more conservative in its request.

Since this report was made to the Congress and on last Thursday a further hearing on deficiencies was had before the Appropriations Committee and the matter was gone into very carefully. While I still feel that the original Budget estimate was high, certainly high for the first year's activity of this Commission, it is true perhaps that the committee's action in cutting the fund to $1,649,000 was a little drastic and might result in preventing some of the very able and necessary field work the Securities Exchange Commission must do if they are to carry out the important duties assigned to them. I have conferred with the Chairman of this Commission. I have conferred with the distinguished gentleman from Texas [Mr. RAYBURN], Chairman of the Interstate and Foreign Commerce Committee, who brought in the organic bill creating this Commission. In my judgment, the amount asked in this amendment for the next fiscal year will give them ample funds with which to expand in an orderly way; and I think, too, that we may reasonably expect an efficient and helpful administration of this act.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BLANTON. How much of an increase above the committee's allowance does this new figure represent?

Mr. WOODRUM. It is an increase of about $300,000 above the committee's figures, and it is a decrease under the Budget estimate of about $300,000.

Mr. Chairman, that is all I care to say upon the amendment.

Mr. HULL. Mr. Chairman, I preface my remarks in support of my amendment by stating that I am not as fully informed of the activities of the Securities Exchange Commission as is the chairman of this subcommittee. I am offering this amendment for the reason that this Commission appeared before the Bureau of the Budget and asked for an appropriation of $4,000,000. They came before this subcommittee and asked for $2,340,000 and explained that the nature of their work required that much at least in order that they might broaden their plans and carry on their investigation of securities—not only of the stock exchanges, of which there were some 29 mentioned, not only of the 6,000 varieties of securities which were mentioned, but that they might also pursue those predatory and piratical schemers who even today are working from under this securities law and are swindling many people who would like to be investors in good securities.

The committee saw fit to reduce the Budget estimate by approximately $640,000. The officers of this Commission stated, as I understand from the report, that if they got the $2,340,000 they could then provide for only approximately 56 percent of the forces the Commission felt were needed to organize their bureau and do the field work it was indicated they should do.

This is a new activity under the new deal. For a number of years, particularly in the last 5 years, there has been a growing demand for national legislation providing some sort of a commission to control and stop the financial piracy which has been going on. So it seems to me that this Congress ought to approve the plans of this Commission for its own work. If the sum appropriated should prove to be larger than they need, I have confidence in the character of the men whom the President appointed to run this Commission to feel that they will not use more of the funds than absolutely necessary to carry on their activities.

Neither do I believe that this Congress should cut down on appropriations as has been done in previous Congresses for the Trade Commission and as was done with the Antitrust Division of the Department of Justice in previous years and actually circumscribe their opportunity to render the people the right kind of service. For this reason I have offered the substitute amendment, hoping that it may be adopted, that this Commission may be assured of the amount allowed them by the Bureau of the Budget and assuring them further that this Congress is heartily back of the great work which they are undertaking.

Mr. RAYBURN. Mr. Chairman, I move to strike out the last word.

The committee, of which I happen to be temporary chairman, brought into being originally the Federal Trade Commission. It also handled the legislation known as the "Securities Act of 1933 and the Stock Exchange Act of 1934." Originally the administration of the Securities Act was placed in the Federal Trade Commission. When we passed the stock-exchange regulation bill, setting up a new commission, the activities in reference to securities in the Federal Trade Commission were transferred to the new Commission.

I quite agree with the gentleman that this Commission has about as important work to do as any commission in the Government. I think I stated to the chairman of the subcommittee that I thought they had kept the estimate far too low. It will be remembered that from 1922 to 1932 in this country there were issued by various corporations and offered to the public $50,000,000,000 in securities of all kinds. The Department of Commerce, in an investigation which they made, solemnly found that $25,000,000,000 of them were not worth the paper they were written on, and yet they had been issued by these corporations, offered to the public, and in many instances sold to innocent investors. This Commission has all that to look after. It has the tangled matters in the stock exchanges throughout the country to look after, and I may say I think it is, taking man for man, one of the ablest commissions in the Government, and it is doing a great work. Personally, I think that the Commission should have the $2,300,000 in the Budget estimate; but realizing the force of the committee and its investigation of the matter, I determined this morning I would introduce an amendment raising it to $2,000,000, believing that in all probability we would not be able to raise the amount recommended by this committee by $600,000. Therefore I am very glad that the committee has offered the amendment to raise this appropriation to $2,000,000. Another body will have a chance to consider this matter; and being thankful for the generosity of the chairman of the subcommittee and his committee, as well as the full committee, as far as I am individually concerned, I am going to vote for the amendment offered by the gentleman from Virginia and oppose the amendment offered to raise the amount.

Mr. BUCHANAN. Mr. Chairman, the testimony of the Chairman of this Commission this morning before our committee was to the effect that the peak load for which they expected an appropriation to carry on their activities would amount to $4,000,000, and this Commission set up that peak load and endeavored to reach the peak of appropriation in less than a year after this bill was passed without that character of experience essential for an economical administration.

The committee felt they ought to approach this matter of increasing this appropriation gradually in order that they may have some experience in the matter and profit by that experience in reducing administration expenses. It has been operating for a short while. The Chairman of the Commission told us this morning that there was plain evidence that some abuses that were heretofore in common practice had diminished or ceased because the people involved were afraid of the Federal Government's supervising these exchanges and security issues.

Now, why increase it to 1,100 or 1,200 employees as they desire right off the bat? They have 376 now. This $2,000,000 will give them an increased personnel.

Mr. HULL. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Wisconsin.

Mr. HULL. Is it not true if they get $2,340,000 the total number of employees would not exceed 643?

Mr. BUCHANAN. That is right.

Mr. HULL. Is it not true that unless they get that amount they are not going to be able to put investigators out into the field to investigate the practices of these fly-by-night bond salesmen who travel here and there, spending as high as $15,000 a month in working up manipulations of securities? Is it not true if we restrict this to even $2,000,000 we are going to limit the activities of the Commission so far as field investigations are concerned.

Mr. WOODRUM. Will the gentleman from Texas yield so that I may answer the question?

Mr. BUCHANAN. I yield to the gentleman from Virginia.

Mr. WOODRUM. Mr. Chairman, the evidence shows the full appropriation allotted by the Bureau of the Budget would give them a total personnel of 653. That is correct. However, their original request was for a personnel the first year of 1,100 employees. The $2,000,000 will give them enough money to set up certain regional offices in the field. Now, they cannot set up these offices over night, and in the deliberate judgment of this committee this appropriation will give them ample funds to make all of the orderly, conservative expansion that they would be able to make in their first year's operation. They will not be restricted or retarded in any reasonable, orderly work that they would be able to do in their first year's operation.

Mr. BUCHANAN. Mr. Chairman, my colleague is correct. May I make a further statement. The testimony of the Chairman of this Commission indicated that there is a probability the next Congress may be able to amend this securities bill, so that it may be just as efficiently administered, and the same results accomplished with a less amount of appropriation. Let us give them the $2,000,000. Let us allow them to get experience. It may not be necessary to increase the $2,000,000 in the next Congress. We want results. We want efficient results, and we want those results with the least possible appropriation. I believe the Commission as it is now composed will secure those results. This Commission is composed of good men, able, intelligent, efficient, and deeply interested in stopping the abuses, the frauds, and deceptions heretofore practiced upon a gullible and confiding public.

Mr. BOILEAU. Mr. Chairman, I move to strike out the last two words and rise in support of the substitute amendment offered by my colleague, the gentleman from Wisconsin, increasing the appropriation in this item to the figure asked for by the Budget Director.

The gentleman from Texas [Mr. RAYBURN], the distinguished Chairman of the Committee on Interstate and Foreign Commerce, I believe has as much information with reference to this subject as any other Member of the House. I know that he is as familiar—and perhaps more familiar—with this general subject matter as any member of the

Committee on Appropriations or any other Member of this House, because he has been very closely identified with this entire proposition, has watched the progress of this legislation, and should have information upon which to base a sound and matured judgment. I was very pleased to hear him state on the floor a few moments ago that in his opinion the figure put in the amendment by the gentleman from Wisconsin [Mr. HULL] is the proper figure and that his own judgment dictated that this figure should be put in the bill.

I am willing to follow his judgment rather than his action. He stated that because of fear that the Appropriations Committee had such powerful influence that they would be able to stop the deliberate judgment of the Membership of the House, and because of the fact that he feared he would be unable to prevail over the Committee on Appropriations he reconciled himself to taking $2,000,000 rather than $2,340,000. As I said a moment ago, I am more willing to follow his matured judgment, for which I have the highest regard, than I am to follow his action in going along with the Appropriations Committee.

I believe the Membership of this House should give a great deal of consideration to the statement of the gentleman from Texas [Mr. RAYBURN] and should follow the Director of the Budget, especially in view of the fact that this figure of $2,340,000 is nearly $2,000,000 less than the men who will be charged with this responsibility have asked for in connection with this work.

I sincerely hope the Membership of the House will support the substitute amendment offered by the gentleman from Wisconsin.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. KVALE. All we can find out, Mr. Chairman, is what we read in the papers, but is it not true there have been intimations that the Securities Act as now being administered does not have sufficient teeth and that the responsibilities and duties of the Commission are going to be enlarged rather than restricted?

Mr. BOILEAU. I am firmly convinced the gentleman is right, and for that reason I am supporting the amendment offered by my colleague.

Mr. WHITE. Mr. Chairman, I move to strike out the last word.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WHITE. Mr. Chairman, this Congress in the last session appropriated billions of dollars to support a recovery program, and we will be called on shortly to appropriate more billions for a recovery program.

In the last session of Congress we passed the Securities Act which set up the Commission that is now under consideration. During the years of the depression thousands and hundreds of thousands of companies and business organizations have gone into bankruptcy and passed out of existence, and now business must be refinanced and securities must be issued and sold.

This Commission will have control and supervision over the issuance and sale of these securities; and to say that business must wait for some slow process of creating an organization of this kind and that business must languish and that no new companies must be organized seems to me to be entirely wrong.

We know from the records of the Federal Trade Commission that hundreds of worthy business organizations are languishing and waiting for the supervision and approval which the Federal Trade Commission should give and give promptly, and we should help this Commission by making the appropriation adequate to finance the organization to permit business to function so that we may restore confidence and provide for the creation of business organizations to handle the business of the country.

I am in favor of the amendment of the gentleman to increase the appropriation and provide an adequate amount.

Mr. KNUTSON. Mr. Chairman, I should like to ask unanimous consent to ask the gentleman from Virginia a question, if I may. I had intended to take the floor.

Mr. KVALE. Mr. Chairman, I ask for recognition in support of the amendment for the balance of the 5 minutes remaining.

Mr. MARTIN of Massachusetts. Mr. Chairman, the gentleman from Minnesota was on his feet and had secured recognition.

The CHAIRMAN. All time has expired. The gentleman from Minnesota [Mr. KNUTSON] asks unanimous consent to ask a question of the gentleman from Virginia. Is there objection?

There was no objection.

Mr. KNUTSON. Would the gentleman from Virginia mind stating to the committee upon what information this item was fixed at $2,000,000? The gentleman's committee held hearings and heard representatives of the Commission, undoubtedly.

Mr. WOODRUM. We had hearings before the subcommittee at the time the appropriation was cut to $1,600,000, and subsequent hearings were held this morning before the Deficiency Appropriations Committee, and, based upon those hearings, after conference with the Chairman of the Appropriations Committee and the gentleman from Texas [Mr. RAYBURN], I have offered this amendment.

Will the Chair now state the parliamentary situation?

The CHAIRMAN. The gentleman from Virginia offered an amendment, at line 10, page 24, increasing the appropriation from $1,649,244 to $2,000,000. The gentleman from Wisconsin [Mr. HULL] offered a substitute increasing the amount of $1,649,244 to $2,340,000. The question is now upon the substitute amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. HULL) there were 15 ayes and 102 noes.

So the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Virginia [Mr. WOODRUM].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Total, Securities and Exchange Commission, $1,679,244.

Mr. WOODRUM. Mr. Chairman, I offer the following amendment to correct the total.

The Clerk read as follows:

Line 18, page 24, strike out the sum of "$1,679,244" and insert "$2,030,000."

The amendment was agreed to.

The Clerk read as follows:

American ethnology: For continuing ethnological researches among the American Indians and the natives of Hawaii, the excavation and preservation of archeologic remains under the direction of the Smithsonian Institution, including necessary employees, the preparation of manuscript, drawings, and illustrations, the purchase of books and periodicals, and traveling expenses, $58,730.

Mr. BLANTON. Mr. Chairman, as a pro forma amendment, I move to amend, on page 25, line 9, by striking out the words "preservation of archeologic remains." Mr. Chairman, for the preservation of the archeologic remains of the Federal Home Loan Bank Board we appropriated $264,000 a while ago. The gentleman from Michigan [Mr. MICHENER] is one of the able, adept, discerning statesmen of the House. He made a very apropos suggestion a while ago that it was not necessary to pass my amendment to strike out the $264,000 salary item that pays the Federal Home Loan Bank Board, because my purpose in offering the amendment had already been accomplished.

He was exactly right, Mr. Chairman. Because when the Chair first put the question practically the entire Membership present here voted for my amendment to strike this $264,000 salary item out, and the Chair announced such vote by stating "that the amendment was agreed to."

That action accomplished my purpose, because it will show this arrogant Board that it cannot treat Members of Congress with contempt and get away with it. It will realize that the creature is not greater than its creator.

Our distinguished friend from Virginia [Mr. WOODRUM] was exactly right in appealing to the House to change its vote and to provide salaries and expenses for a Federal Home Loan Bank Board. And I expected all the time that in the end we would make such provision. But raising this question at this time in the way I raised it was the only possible way under our parliamentary procedure to immediately bring to the attention of said Board that Members of Congress are thoroughly dissatisfied with it.

Money is already appropriated to pay the salaries of the members of this Board until the 1st day of July next. If we had passed my amendment and had stricken said $264,000 from this bill, that would not have stopped their salaries between now and next July. It requires the passage of legislation to stop their salaries. It requires quite a length of time and a long-drawn-out procedure to impeach them. For the above reasons I resorted to the only means available for bringing to the immediate attention of this Board the fact that on this floor and in the cloak rooms and in the House Office Buildings there is a feeling of resentment, a feeling of dissatisfaction, and a feeling of distrust in the minds and hearts of Members against this Federal Home Loan Bank Board and the Home Owners' Loan Corporation because of their miserable mess of mismanagement.

And these Board officials may just as well understand it now as later that Members of Congress are getting tired of it and are not going to stand for it.

As a representative of the people, our colleague from Ohio [Mr. SWEENEY] has the right to see any file in any department, bureau, independent office, or commission of this Government. Yet when he requested the autocratic officials of this H. O. L. C. to allow him to see Government records in their office, they arrogantly told him that he could not see them. But he did see them, though they delayed him about an hour before he could convince them that he had the right to see them.

Our colleague from Oklahoma [Mr. JOHNSON] went down there and asked to see Mr. Paul A. Warner, the chief examiner, and when the front office flunky went inside Warner's private office to tell him, Jed heard Warner tell the go-between that he "did not have any time to waste seeing any Congressman." But Warner must have heard of this "rumbling" going on here in the House, for this afternoon he sent our friend from Oklahoma [JED JOHNSON] a letter of apology for according him such discourteous treatment.

My friend and colleague, the distinguished gentleman from Virginia [Mr. WOODRUM], whom I consider one of the most valuable Members of this House, said that he was willing to admit that this Board had treated me badly about an appraiser, but, as a matter of fact, it was this appraiser who suffered from their bad treatment. Until the 3d of this month I represented 19 counties in Texas. I selected all 19 of the appraisers for my said 19 counties, and all of them were appointed by the H. O. L. C., and all 19 of them have been functioning. Only against one of them was there any complaint. All of the other 18 were entirely satisfactory.

I selected all 19 of the attorneys for my 19 counties, and they were all appointed by the H. O. L. C., and all of them have been functioning, and are still functioning, and not a complaint has been made against any of the 19, but all 19 attorneys selected by me are entirely satisfactory to the H. O. L. C. Each and all of said 19 attorneys are capable, able, experienced attorneys of high standing and integrity. Each and all of the 19 appraisers selected by me, and accepted and qualified by the H. O. L. C., are high-class, capable, experienced business men of good standing. I hand-picked all of the attorneys. I hand-picked all of the appraisers.

But since last May this H. O. L. C. has boycotted one appraiser, Hon. Fred Cockrell, of Abilene. As I said yesterday, his father served with great honor and distinction in this House here many years ago. His uncle, Senator Francis Cockrell, was a distinguished United States Senator from Missouri. Judge Fred Cockrell knows the history of every piece of property in his county. He knows the history of every citizen in Abilene whose property he appraises. He has lived there 40 years. He has the confidence, respect, and friendship of everyone. He has had wide business experience. There is on file with this Board here an endorsement of him signed by our newspapermen, our bankers, our chamber of commerce officials, our mayor, some of our city officials, some of our county officials, and many leading business men of his home city, certifying to his integrity, his experience, his business qualifications, and his worthiness in every respect, and urging that he not be boycotted any further.

James Shaw, the manager at Dallas, Tex., has been to Abilene several times during the year and a half that Fred Cockrell has been county appraiser. Shaw's assistant and his general attorney have been in Abilene. Yet not one time have they ever called on Fred Cockrell, and they have never seen him. Not one word have they ever sent him indicating that he would be discharged. And he has never been discharged. To this good day no notice that he has been discharged has ever been sent to him. Yet last June, acting on orders, he claims, came from Washington James Shaw, employed another appraiser in the place of Judge Cockrell, and in October Shaw admitted that from June up to that time he had sent 155 appraisals to this new appraiser, and had sent none to Judge Cockrell, when Judge Cockrell was entitled to those 155 appraisals, and was entitled to his fees of $5 each for said 155 appraisals, showing that this H. O. L. C. has thus defrauded Judge Cockrell out of $775 to which he is entitled. He has not been discharged. The H. O. L. C. writes that he is not discharged. They just employed another in his place. But they did not tell him anything about it. They did not notify him. They just have not sent him any appraisals. They have simply boycotted him. And their only excuse is they claim he is "too old." Yet another appraiser in one of my counties, who is entirely satisfactory to them, is 5 years older than Judge Cockrell.

One of their own Board members here, William F. Stevenson, is 71 years old. They do not think that he is too old to be a Board member of the H. O. L. C. here in Washington, and they have not filed any old-age complaint against a very able and distinguished United States Senator who celebrated his seventy-eighth birthday the other day. But they boycott Judge Cockrell and refuse to send him 155 appraisals, claiming he is too old, when I know that Judge Cockrell is more active than any member of this Board, and I believe that he can do more work in a day than this entire Board can do in a week, and I believe that he has more practical, good, common sense, better business experience, and better business judgment than all of the Board members put together.

If they had any good reason to discharge Judge Cockrell, they owed it to him in all common decency to notify him of it. He had the right to know what they had against him. He had the right to be heard. He should have been given a hearing. As I was allowed to select him, and did select him, and he did act for them as appraiser, and appraised many pieces of property up to June 1934, this H. O. L. C. should have notified me last June that he was not satisfactory, and that they were going to replace him. But they did not notify me. They did not notify him. Without letting Judge Cockrell or myself know anything about it, they employed another last June, and then boycotted Judge Cockrell by sending 155 appraisals to the one whom they employed in his place that they should have sent to him.

And the worst of it all is that during all of this time, from June to October, they led me to believe that Judge Cockrell was still their appraiser and was still getting their appraisals from Taylor County, and I learned of their boycotting him only through accident, as Judge Cockrell was too loyal a friend of mine to worry me with any complaint about it.

Last June, before we adjourned, I learned from a friend in the Dallas office that James Shaw was going to try to

displace Judge Cockrell with another appraiser, and I discussed the matter with Hon. William F. Stevenson, a member of the Board here, and I was assured that if Shaw did try it that I would be notified of it before any action was taken, and was assured that Judge Fred Cockrell would be given a fair, square deal.

Notwithstanding that, in June, without notice to him of it, another appraiser had been employed in his place, and from that date on they had boycotted Judge Cockrell. They had the audacity to send him a notice last August, signed by Philip W. Kniskern, chief appraiser here in Washington, for Judge Cockrell to go to Dallas, 200 miles from his home, at his own expense to be examined by Philip W. Kniskern as to his qualifications. It would have been just as apropos for Kniskern to have notified James A. Farley to appear before him on qualifications. On September 13, 1934, I wrote to Hon. William F. Stevenson, a member of the Board, asking if it could not be arranged for Judge Cockrell to be examined in Abilene, where many civil-service examinations occur and where there are ample facilities for holding same—the United States Civil Service having held a competitive examination for me there last Saturday for entrance to both the Military Academy at West Point and the Naval Academy at Annapolis—which letter of mine Mr. Stevenson answered on September 21, 1934, in which he said:

I asked Mr. Kniskern to arrange if possible to have the examination of Mr. Cockrell at his home town of Abilene, where you state that they have the facilities for doing it, and while he did not say he would, he said he would be glad to reach any arrangement that would be satisfactory, and the only chance for him is to stand the examination. He has to qualify as an appraiser under the rules now in existence, one of which has been laid down by Mr. Kniskern.

Not one word was said about this Board having notified James Shaw last June to employ another appraiser in Judge Cockrell's place. Not one word was said about another appraiser having been employed last June. Not one word was said about them sending 155 appraisals to the new appraiser, and not sending them to Judge Cockrell. I found out all of that later from others. I was led to believe that Judge Cockrell was still the appraiser, and was in good standing, but that he would have to take an examination prescribed by this Mr. Philip W. Kniskern, and let Kniskern qualify him before he could remain in good standing as an appraiser. He would have to have the Philip W. Kniskern stamp on him.

And from colleagues I get some very interesting information about Mr. Philip W. Kniskern. I learn that every appraiser in the United States was required to take this Philip W. Kniskern examination. Judge Cockrell had already qualified and had been investigated, and had been acting for this Board as its Taylor County appraiser ever since the Corporation was created in 1933, and up to June 1934 he had appraised 534 homesteads in Abilene on applications for loans, for which this Corporation had up to June 1934, covering his work for about a year, paid him the sum of $2,670, yet all of a sudden their Mr. Philip W. Kniskern required him to take a Kniskern examination in August 1934, to see whether he was still qualified, so that he could have the Kniskern brand put on him.

There are 254 county appraisers for Texas alone. For the 48 States there must be an enormous number. All were required to take this Kniskern examination in August 1934. About a year ago this Philip W. Kniskern published a book entitled "Appraisals of Real Estate and Evaluations." One of my colleagues tells me that just before the appraisers took this Kniskern examination they received from Washington, on plain stationery and an unprinted envelope, a communication suggesting that if they would read a book by Philip W. Kniskern entitled "Appraisals of Real Estate and Evaluations", it would help them materially in passing such examination. Naturally many of them bought the book. It must have been a bonanza for Philip W. Kniskern. But some could not buy the book. And I am told that many of them failed to pass the Philip W. Kniskern examination.

This was a very unique way this H. O. L. C. Board had of getting rid of appraisers appointed by Congressmen. It is but natural, when you find Paul A. Warner exclaiming from his private office that he has no time to waste on seeing Congressman JED JOHNSON. It is but natural when our colleague from Cleveland, the distinguished gentleman from Ohio [Mr. SWEENEY], is told by this Board that he, a representative of the people, can not see their records. It is but natural when after I had selected all 19 appraisers in my 19 counties, and they had been employed, and I had selected all 19 attorneys in my 19 counties, and they had been employed by this Board, for its chairman, after his head swelled with a few months of autocratic domination of a little bureau, to write me as Chairman John H. Fahey wrote me on October 12, 1934:

Let me say first that our Board never extended to Democratic Congressmen the "right to name county appraisers and attorneys in the counties in their districts." No authority was ever given by the Board to anyone to make such a commitment.

Naturally our colleague from Georgia [Mr. Cox], when I read the above quotation from Chairman John H. Fahey the other day, exclaimed that Mr. Fahey was not telling the truth. Judge Cox knew it was not the truth, because he had appointed his appraisers and his attorneys. I knew it was not the truth, because I had appointed my 19 appraisers and my 19 attorneys.

I now represent only 12 counties. In Llano, one of my former counties, which is now represented by my colleague [Mr. SOUTH], Mr. C. H. Brame has been the county appraiser for the H. O. L. C. ever since it was organized. He applied for a loan over a year ago to save his home from foreclosure. The mortgagee agreed on April 10, 1934, to accept bonds. Yet it was never closed, and I have received a letter from Mr. C. H. Brame—this H. O. L. C.'s own appraiser—dated January 3, 1935, in which he says:

I am writing to you as a friend for advice. My mortgagee has taken snap judgment on me and has closed me out at foreclosure sale. My claim has been pending with the H. O. L. C. for a year. On April 10, 1934, my mortgagee agreed to take bonds and signed bond acceptance, and I thought everything was all right, when I received notice that their funds were exhausted and the H. O. L. C. had suspended all applications. And my mortgagee foreclosed and I have lost my home.

I made complaint to John H. Fahey, at Washington, telling him about the slow methods and low appraisals here, and that they had actually closed up only 10 loans in this county. I pray you in the name of mercy and humanity to please do something to help me save my home.

Naturally Chairman John H. Fahey in his comfortable suite of offices in a magnificent mansion in Washington has not any time to pay any attention to such an appeal as the above, when his little examiner, Paul A. Warner, has not any time to waste on seeing Congressman JOHNSON of Oklahoma, and cannot be bothered with showing records to Congressman SWEENEY, of Cleveland, Ohio. So their own county appraiser, C. H. Brame, a highly respected citizen and Democrat of Llano, Tex., loses his home, and his family is turned out into the cold in January winter when his mortgagee agreed on April 10, 1934, to accept bonds.

I now represent Fisher County. Prior to January 3, 1935, it was represented by my colleague from Texas [Mr. JONES]. Exercising his prerogative, which Chairman Fahey says he never possessed, but which in fact he did have and exercised, Marvin appointed one of his splendid constituents, Mr. E. H. Shelton, of Roby, Tex., as county appraiser for the H. O. L. C. in Fisher County. This appraiser, Mr. Shelton, made an application for a loan to save his home. It was pigeonholed for nearly a year. There was delay after delay. Finally his mortgagee foreclosed, sold him out, and took his home away.

I am getting tired of having this arrogant Board accord such mistreatment to my constituents. They are going to have some rocky roads to travel from now on, until they begin to see the light of day, and begin to do justice to Americans. They are going to do justice to Fred Cockrell. They cannot boycott him and get away with it. They cannot

mistreat him. They cannot rob him. They cannot defraud him.

Let them take a warning from this almost unanimous vote today to take away their salaries. Next time they force us to have such a vote it will be a dead earnest vote and it will stick, and we will take away their salaries. And if they know what is good for them they had better annul and call off this book-selling Philip W. Kniskern examination to qualify appraisers in the Kniskern way, who qualified a year ago and have been qualified ever since, and do not need Kniskern qualifying.

Of course, in this bill my amendment to strike out their salary should have been defeated, and the gentleman from Virginia [Mr. WOODRUM] did exactly right in asking you to defeat it.

Of course, I expected, as every legislator would expect, to put the money back into the bill. A proper board must have money. This Board must have money. But if that Board has common sense it is going to change its plans and methods of operation. I withdraw my pro forma amendment.

The Clerk read as follows:

TARIFF COMMISSION

For salaries and expenses of the Tariff Commission, including purchase and exchange of labor-saving devices, the purchase of professional and scientific books, laws books, books of reference, gloves and other protective equipment for photostat and other machine operators, rent in the District of Columbia and elsewhere, subscriptions to newspapers and periodicals, and contract stenographic reporting services, as authorized by sections 330 to 341 of the Tariff Act of 1930, approved June 17, 1930 (U. S. C., Supp. VII, title 19, secs. 1330–1341), $955,000, of which amount not to exceed $870,000 may be expended for personal services in the District of Columbia; not to exceed $2,500 for expenses, except membership fees, of attendance at meetings concerned with subjects under investigation by the Commission; and not to exceed $7,500 for allowances for living quarters, including heat, fuel, and light, as authorized by the act approved June 26, 1930 (U. S. C., Supp. VII, title 5, sec. 118a), but not to exceed $1,700 for any one person: *Provided*, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed $50: *Provided further*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

Mr. BREWSTER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BREWSTER: On page 27, line 17, after the figures "1342", at the end of the line, in line 17, strike out the following words: "$955,000, of which amount not to exceed $870,000 may", and insert in lieu thereof, "$528,000, of which amount not to exceed $443,247 may."

Mr. BREWSTER. Mr. Chairman, the amendment provides for the reduction of the appropriation for the Tariff Commission by the amount which the committee has reported is required for use in the trade-agreement work this coming year and presents the first opportunity for this House to consider the consequences of the legislation enacted last spring regarding reciprocal trade treaties. A distinguished Democrat, I believe, said that the tariff was a local issue. I speak, perhaps, primarily in a very personal and local sense, as I am primarily concerned with the Cuban trade treaty which has been enacted during this past year, and I use the word "enacted" advisedly, with more than 1,000 items, one of which very vitally concerns not alone my district but many other districts throughout the United States. I represent primarily potatoes, of which we raise some 50,000,000 bushels, which are now selling at a price in my district of 4 cents a peck, which represents a loss to the people raising them of more than $12,000,000 on the actual out-of-pocket costs. If the same conditions prevail in some of the other 18 States which are directly concerned with the commercial production of potatoes, it represents a loss on the total potato crop this year of nearly $100,000,000. I do not say that the reduction of 50 percent in the tariff upon potatoes in the Cuban trade treaty is entirely responsible for this condition, but I do say that it has an aspect of kicking a man when he is down, and I say, representing the people of my district concerned with this, that we feel very strongly that the operations of this act have not been calculated to serve the prosperity of those concerned with the production of potatoes. I do not know what may be the effect of some of the other thousand items comprised within this bill, nor do I refer in the limited time I may have to the broader questions of policy this House must shortly consider as a result of the authoritative decision given to us within the past 5 days by the Supreme Court of the United States, wherein they say to us this:

Among the numerous and diverse objectives broadly stated, the President was not required to choose. The President was not required to ascertain and proclaim the conditions prevailing in the industry which made the prohibition necessary. The Congress left the matter to the President without standard or rule, to be dealt with as he pleased. The effort by ingenious and diligent construction to supply a criterion still permits such a breadth of authorized action as essentially to commit to the President the functions of a legislature rather than those of an executive or administrative officer executing a declared legislative policy. We find nothing in section 1 which limits or controls the authority conferred by section 9 (c).

I hold in my hand the Tariff Trade Treaty Act of last spring, and the language of that act, read in the light of the decision of the Supreme Court in the oil case, certainly must be calculated to give every responsible and thoughtful Member of this body very serious pause. Accordingly, for the purpose at least of recording my own earnest objections to a continuation of this policy by the provision of these funds, I submit this amendment here today, and I ask that every Member representing not alone potatoes but representing all the thousands of other items vitally affected by this trade treaty consider seriously whether he desires to keep suspended over the head of American agriculture and industry this sword of Damocles in the constant threat of tariff revision and the resultant destruction of confidence.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. TABER. Mr. Chairman, the gentleman from Maine has a very interesting argument, and I ask unanimous consent that he may proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Maine is recognized for 5 minutes more.

Mr. BREWSTER. Mr. Chairman, I am fully aware, and I address this particularly to the Members from the Southern States, that my district is not the one primarily affected by the operation of this treaty, since we do have open to us for a certain period the seed-potato market in Cuba, but those producing potatoes in Florida, in Texas, and in every other Southern State are immediately and vitally affected, and I assume that the same condition prevails, particularly as to items such as tomatoes, cucumbers, eggplant, and squash.

Mr. SHORT. Also sugar.

Mr. BREWSTER. I leave it to my friends from Michigan and other States to mention sugar, which is certainly a matter of very cital concern, and of which I did not speak because others, and particularly some gentlemen on the other side of the House, are much better qualified than I.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BREWSTER. Yes.

Mr. DINGELL. I should like to ask the gentleman from Maine, because I am keenly interested, what connection this discourse might have with the possible abridgment of the amount asked in the appropriation.

Is it the purpose to singe the wings of the Tariff Commission, or does the gentleman have a definite purpose in mind of alleviating this condition of which he speaks, because I want to be helpful on the question of potatoes, because in Michigan we produce potatoes also?

Mr. BREWSTER. I am one who shares with the gentlemen on the other side most profound respect and support for the activities of a fact-finding tariff commission free from Executive interference, which was the pledge of the Democratic platform of 2 years ago. [Applause.]

I am entirely in accord with that and I have the highest respect for the chairman. The committee, however, on page 13, has reported that the Commission's work this year is primarily that as adviser to the President and other departments of the Government in the negotiation of reciprocal trade agreements. Of the total estimate of $955,000, it is estimated that $426,000 will be needed for the trade agreement work. The Secretary of State sent a man to the New England Council to tell us about the work. I asked him afterward why they cut the tariff on potatoes 50 percent, and he did not even know the 50-percent cut was in the treaty. I asked him why they did it, and he said that someone over in the Agriculture Department told him it would be all right. This illustrates to me the perils of continuing the negotiation of these treaties with a cut of tariffs upon items that vitally concern so many sections without a responsible legislative rule of policy. If you wish to adopt free trade, it is within the power of this Congress. Or you may wish to adopt competitive tariffs, whatever they may be, as pledged in the last national Democratic platform. We on this side believe in protective tariffs. But whatever policy we adopt, the Supreme Court of the United States has said that this body here must lay down the rule and not abdicate its legislative functions. [Applause.]

Mr. TABER. Mr. Chairman, I only want to use a few moments in support of this amendment. The gentleman from Maine [Mr. BREWSTER] has moved to amend this bill in such a way that the funds would not exist for carrying on those schemes for cutting down the tariff on things which we raise in America and letting things come in from the outside which are going to further depress conditions in this country. That is the object of this amendment. It is to stop the operations of those in the Tariff Commission whose work is directed toward the negotiation of reciprocal trade agreements.

Every single one of the items which were covered in the reciprocal trade agreement with Cuba hit something that is produced in this country. It hits the sugar producers very seriously. It will hit the potato producers in the southern part of the country next winter. It will hit different things all over the country. Why should we go on with an operation which has been proved to be of damage to the people of this country? Why should we not stop it by cutting out this item in the appropriation bill for the Tariff Commission, which would permit them to continue the operation of cutting down our tariff for the benefit of foreign producers?

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. TABER. I yield.

Mrs. ROGERS of Massachusetts. The gentleman, I think, knows that Massachusetts has been adversely affected in the matter of tomatoes. We raise a great many tomatoes under glass and have exported many. The gentleman also knows that Massachusetts and other cotton-textile States and cotton-growing States are protesting against this Cuban treaty.

Mr. TABER. I think that is correct.

Mr. COCHRAN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. COCHRAN. If the amendment offered by the gentleman from Maine [Mr. BREWSTER] is carried, it will cripple a fact-finding commission and deny assistance to our officials who need it, will it not?

Mr. TABER. It will only stop that portion of a fact-finding commission that relates to the reciprocal tariff proposition, which is such a great damage to the workingman and farmer of this country.

Mr. COCHRAN. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. COCHRAN. The gentleman knows that a reduction in this appropriation is not going to stop the negotiations for reciprocal treaties which are now pending. Therefore is it not wise for our representatives to get all information available rather than making them work in the dark?

Mr. TABER. It will let the people of this country and the Executive know that the Congress places its stamp of disapproval upon wiping out tariffs which are meant to protect the people of this country against foreign competition.

Mr. COCHRAN. The only way that Congress can place its stamp of disapproval is by repealing the law, and not by crippling the Tariff Commission, the fact-finding agency.

Mr. TABER. They can stop the means by which the operation is carried on. That is what this amendment does.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. WOODRUM and Mr. DIRKSEN rose.

The CHAIRMAN. The Chair recognizes the genetleman from Virginia, chairman of the committee.

Mr. WOODRUM. How much time is remaining, Mr. Chairman?

The CHAIRMAN. Seven and one-half minutes.

Mr. WOODRUM. I desire the last 5 minutes.

Mr. DIRKSEN. Mr. Chairman, I reserved time before the motion of the gentleman.

Mr. WOODRUM. But the gentleman let somebody else take his time.

Mr. DIRKSEN. I was not recognized by the Chair, but I made a specific reservation of time before the time was closed on this section of the bill.

The CHAIRMAN. The Chair will state that a member of a committee always has preference in recognition.

Mr. DIRKSEN. I appreciate that.

The CHAIRMAN. The gentleman from Illinois [Mr. DIRKSEN] is recognized for 2½ minutes.

Mr. DIRKSEN. There is so little that can be said in the brief time available that I will simply endorse the arguments and the logic of the former Governor of Maine, Mr. Brewster. We may not be able to repeal the provisions of the Reciprocal Trade Act, but we can, at least, make it ineffectual in its administration. That is all that this reduction in the appropriation seeks to do.

I wish to point out, however, to some of the Members of the House that, in addition to this reciprocal trade agreement with Cuba, alluded to by the gentleman from Maine, at least the facts tending toward negotiations have already been entertained, and the time for hearings has been closed in connection with proposed treaties with Switzerland, with Belgium, Colombia, Salvador, Spain, Brazil, and with a great many others. Insofar as the Belgium treaty is concerned, let me point out that there is a disposition to recommend that we give to Belgium 1 percent of the cement production of this country and that we reduce the tariff by 50 percent. This is just one country. Multiply this by 8 or 10 such examples—England, Spain, France, and all the other cement-producing countries, and we will give away approximately 700,000 barrels of the cement production of this country. What is the result. Oh, you are simply taking away that much from American labor, swapping an American customer for a foreign customer. If you want that foreign customer in place and preference of the American wage earner with his higher standard of living and working conditions and wages which are conducive to the welfare of the industry of this country, I, for my part, do not want to make the exchange.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DINGELL. Does the gentleman in advance of the negotiations know of similar treaties that we are going to enter into with England, France, and other countries?

Mr. DIRKSEN. Insofar as Switzerland is concerned, there are negotiations covering watches, clocks, and mechanical contrivances. In the matter of the Netherland Empire, on which hearings will be held shortly, there is involved tapioca starch, of which 190,000,000 pounds were imported into this country in 1933. Fancy imports of such competitive products as tapioca starch, which are in direct competition with corn and the derivatives of corn, at a time when the farm-

ers of Illinois and the corn-producing States are being constrained to reduce the acreage and the production of corn. Now, under the act providing for reciprocal trade agreements, passed by the Seventy-third Congress, these treaties may run for a period of 3 years; and I venture the opinion that once such a treaty is declared operative it will be 3 years or longer before we can do anything to overthrow it and recapture American markets for our own farmers and laboring men.

It seems strange, indeed, that our trade experts cannot see that when you permit foreign manufactured goods to enter this country in return for the fancied benefits derived from preferences for a few of our products we do nothing more than import foreign labor. Be it lead pencils, pottery, or electric lamps from Japan, linen and shoes from Czechoslovakia, cement from Belgium, wines from Spain, or any other products, it means nothing more than our domestic production of those items is curtailed in direct proportion to the amount of such products permitted to come in. By curtailing production you curtail labor. Curtail labor and you decrease purchasing power. Decrease purchasing power and you make the depression a fixed and static kind of thing. Meanwhile the only benefit derived is a very restricted outlet for some of our own products to countries whose standard of living and whose purchasing power is infinitely lower than our own. You swap a good customer for a poor one. Certainly nobody will contend that in Europe or the Orient their people are the equal of our own people as potential customers of our farmers, and yet in essence we give the farmer an oriental consumer and give foreign countries an American consumer whenever we curtail production by excessive imports and thus deprive the American workman of a job.

Years ago there may have been some virtue in this free-trade argument. It might have had substance in the days of Adam Smith. Today, however, we find that the mass-production principles exemplified by Henry Ford and other American industries have been adopted by Japan, France, Russia, and all other countries. Moreover, they have no N. R. A., no minimum-wage and maximum-hour regulations. They have depreciated their currencies so that cost of production is low. Since we operate in a world-price market, it means that the low man walks off with the bacon. How can we maintain our standards of living and preserve our market for our own farmers against that form of competition? I am averse to trading with foreign nations when the advantages of low-cost production, depreciated money, long hours, and low living standards are so decidedly on their side. The only result can be an invasion of our markets that will leave us with a horrible headache. To adopt this amendment will not repeal the Reciprocal Trade Act. It will simply stifle those functions of the Tariff Commission dealing with such reciprocal agreements. However, to adopt this amendment does not impair a single function that the Tariff Commission exercised before the passage of the Reciprocal Trade Act by the last Congress.

Mr. WOODRUM. Mr. Chairman, this is another amendment which seeks to administer a psychological spanking. After the committee very wisely voted down the amendment of the gentleman from Texas he very frankly said that his amendment was a fool amendment. I do not know whether the distinguished former Governor of Maine would want to make the same admission or not.

Mr. BREWSTER. I would not.

Mr. WOODRUM. Now, Mr. Chairman, my good friend from Illinois was down in the Well of the House a while ago explaining to the Committee how utterly futile it was to undertake to repeal existing law by merely withholding appropriations. I could insert in the RECORD right here his speech made in that regard, and I know of no better argument to defeat the amendment of the gentleman from Maine, for it is just as utterly futile.

In the first place, Mr. Chairman, let us bear in mind the fact that the Trade Agreement Act did not confer upon the Tariff Commission the right to negotiate reciprocal trade agreements; they have no power whatever over the matter. That act conferred upon the President of the United States the right to negotiate these treaties, and he is proceeding to exert that right. To withhold this appropriation from the Federal Tariff Commission would not in any wise affect or retard or impair the right, the power, and the duty of the President to negotiate these trade agreements. All it possibly could do would be to deprive him of the expert advice of that impartial fact-finding commission, the Federal Tariff Commission. So to cut the funds of the Tariff Commission in this way would have the effect only of taking away from the President the right to call upon the Tariff Commission for opinions and fact-finding operations.

Again may I remind this body that there is a way always that this Congress can make its will felt. If the gentleman does not like the Tariff Commission Act, he can repeal it if he can get the votes to do it.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. HOOK. What right under the Constitution has this body to delegate its legislative functions to the Chief Executive?

Mr. WOODRUM. As the gentleman knows, that is the thing we thrashed over when we passed the Trade Agreement Act; and there is a tribunal that can, and doubtless will, pass upon that.

Mr. HOOK. It has already passed upon the delegation of authority in the case of oil.

Mr. WOODRUM. There is a forum in which these questions can be settled definitely and emphatically and by whose decisions the American citizens will abide; but what an utterly futile thing it would be to withhold this appropriation. Again I say to my good friend from Michigan that the purpose of my distinguished colleague from Maine has been accomplished. He has administered a psychological spanking; he has registered his protest against this act for the benefit of his potato growers in Maine; and I ask the committee to proceed to vote down this amendment.

Mr. BREWSTER. Mr. Chairman, will the gentleman yield for a question?

Mr. WOODRUM. I yield.

Mr. BREWSTER. Do I understand that the gentleman proposes that this body shall enact legislation without regard to the Constitution of the United States, because forsooth, the question of its constitutionality can be determined ultimately by the Supreme Court.

Mr. WOODRUM. I do not think I said anything of the kind or anything upon which the gentleman could make such an assumption.

Mr. BREWSTER. I understood the gentleman to say these matters could be determined by the Supreme Court.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment of the gentleman from Maine.

The question was taken; and on a division (demanded by Mr. MARTIN of Massachusetts) there were—ayes 54, noes 85.

So the amendment was rejected.

The Clerk read as follows:

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For all salaries and expenses of the Veterans' Administration, including the expenses of maintenance and operation of medical, hospital, and domiciliary services of the Veterans' Administration, in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the act entitled "An act to authorize the President to consolidate and coordinate governmental activities affecting war veterans", approved July 3, 1930 (U. S. C., Supp. VII, title 38, secs. 11–11f), and any and all laws for which the Veterans' Administration is now or may hereafter be charged with administering, $86,700,000: *Provided*, That not to exceed $3,500 of this amount shall be available for expenses, except membership fees, of employees detailed by the Administrator of Veterans' Affairs to attend meetings of associations for the promotion of medical science and annual national conventions of organized war veterans: *Provided further*, That this appropriation shall be available also for personal services and rentals in the District of Columbia and elsewhere, including traveling expenses; examination of estimates of appropriations in the field, including actual expenses of subsistence or per diem allowance in lieu thereof; for expenses incurred in packing, crating, drayage, and transportation of household effects and other property, not exceeding in any one case 5,000 pounds, of employees when transferred from one official

station to another for permanent duty and when specifically authorized by the Administrator; furnishing and laundering of such wearing apparel as may be prescribed for employees in the performance of their official duties; purchase and exchange of law books, books of reference, periodicals, and newspapers; for passenger-carrying and other motor vehicles, including purchase, maintenance, repair, and operation of same, including not more than two passenger automobiles for general administrative use of the central office in the District of Columbia; and notwithstanding any provisions of law to the contrary, the Administrator is authorized to utilize Government-owned automotive equipment in transporting children of Veterans' Administration employees located at isolated stations to and from school under such limitations as he may by regulation prescribe; and notwithstanding any provisions of law to the contrary, the Administrator is authorized to expend during the fiscal year 1936 not to exceed $2,000 for actuarial services pertaining to the Government life-insurance fund, to be obtained by contract, without obtaining competition, at such rates of compensation as he may determine to be reasonable; for allotment and transfer to the Public Health Service, the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration, including minor repairs and improvements of existing facilities under their jurisdiction necessary to such care and treatment; for expenses incidental to the maintenance and operation of farms; for recreational articles and facilities at institutions maintained by the Veterans' Administration; for administrative expenses incidental to securing employment for war veterans; for funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration accruing during the fiscal year 1936 or prior fiscal years: *Provided further*, That the appropriations herein made for the care and maintenance of veterans in hospitals or homes under the jurisdiction of the Veterans' Administration shall be available for the purchase of tobacco to be furnished, subject to such regulations as the Administrator of Veterans' Affairs shall prescribe, to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes: *Provided further*, That the appropriations herein made for medical and hospital services under the jurisdiction of the Veterans' Administration shall be available, not to exceed $10,000, for experimental purposes to determine the value of certain types of treatment: *Provided further*, That this appropriation shall be available for continuing aid to State or Territorial homes for the support of disabled volunteer soldiers and sailors, in conformity with the act approved August 27, 1888 (U. S. C., title 24, sec. 134), as amended, for those veterans eligible for admission to Veterans' Administration facilities for domiciliary care.

Mr. LUCAS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LUCAS: On page 29, at the end of line 2, insert the following: "*Provided*, That when found to be to the best interest of the United States, not to exceed $500,000 of this amount may be used for payments to State institutions caring for and maintaining veterans suffering from neuropsychiatric ailments who are in such institutions on the date of the enactment of this act."

Mr. WOODRUM. Mr. Chairman, I reserve a point of order against the amendment.

Mr. LUCAS. Mr. Chairman, the city of Jacksonville, Ill., is located in the Twentieth Congressional District of Illinois, which I have the honor to represent in the Seventy-fourth Congress, succeeding the Honorable Henry T. Rainey, the late and distinguished Speaker of the House. In the early history of our State those charged with the administration of government selected Jacksonville as the logical spot in which to build a State institution for those who were mentally ill. The World War not only accepted its toll in human life, but thousands upon thousands of veterans in the bloom of manhood returned shell-shocked, maimed, wounded, and mentally disturbed forever. Immediately following the war, and before the Government launched its huge program of hospital construction, the State of Illinois, heeding the request of a patriotic citizenry, caused to be constructed at Jacksonville and Elgin special, spacious, and standard cottages with all the up-to-date fixtures and equipment. This was done in order that the rehabilitation of a number of these disabled soldiers might become a reality and those whose minds were completely shattered might have the best that a grateful State could afford.

Today in Illinois the State hospitals at Jacksonville and Elgin are caring for 203 of these wards under a direct contract with the Government of the United States, and this arrangement between the State and the Government has been in existence from the day the Government started caring for veterans of the late war. It is interesting to note that many of the families of these boys live in or near the counties where these hospitals are located, and for all these years have yielded to these dependents their parental care, devotion, and love, as only those who have experienced family tragedies of such character can thoroughly appreciate and understand.

Under the present bill there is nothing which can keep the Director of the Veterans' Administration from transferring every one of these insane veterans from Jacksonville and Elgin to some Federal institution beyond the confines of the State of Illinois, if and when hospital beds are available. I am not unmindful of the Government's position of wanting complete charge of its wards, and in the main I agree with this basic and fundamental policy; but, my colleagues, this should be the humanitarian exception to the general rule. Illinois spent thousands upon thousands of dollars in constructing hospitals for these special cases. They were dedicated to these men who today are still suffering from the shellfire of the enemy. These institutions are peculiarly equipped to handle neuropsychiatric cases. The personnel is excellent. There are no better hospitals for this type of case in these United States. Many of these men have lived there for years with their loved ones nearby. The members of the American Legion posts of Jacksonville and Elgin have been most kind and interested in the welfare of these comrades. The service men throughout Illinois are asking that these men be permitted to remain in these institutions at Government expense. And yesterday I was advised by Watson Miller, chairman of the rehabilitation committee of the American Legion, that the cost price per capita with the State of Illinois for maintaining and supporting these men is comparable with the Government cost of men in Government hospitals.

The proposed amendment is nothing new. I seek no radical change or departure from the past. I only ask that we follow in the footsteps of those who were responsible for legislation of the same character in the last Congress. I respectfully call your attention to the language used by the Senate and the House of Representatives in making the appropriation for the Veterans' Administration on page 11, Public, No. 141, Seventy-third Congress. An examination of the appropriation given to the Veterans' Administration will disclose the same language used in connection with that appropriation as is now used in the purported amendment.

This important question was given consideration when the hearing was had before the subcommittee of the House Committee on Appropriations, and on page 200 of the report of the hearings I find the following:

Mr. WOODRUM. On page 3 of your statement you refer to some language that was inserted in the bill, which you want to have eliminated. The wording was put in the last independent offices appropriation bill, was it not?

General HINES. It was put in in the Senate, at the request, I think, of the Senators from Illinois, to cover hospitalization; that is, to make sure that certain mental cases and neuropsychiatric cases hospitalized in Elgin and Jacksonville, in two State hospitals, would not be taken out and transferred to our own facilities.

Mr. WOODRUM. The elimination of this wording does not mean the withdrawal or elimination of any benefits to the veterans, does it?

General HINES. Not at all. We are following the policy, which I think is approved by the service organizations and by the public, that whenever the facilities in a Government institution are available and the guardian of a mental case consents, then that patient should be put in one of our institutions which is as near to his home as possible.

I have known General Hines for a great number of years. I appreciate the many responsibilities that are his throughout the United States as a result of his directorship of the Veterans' Administration. His answer to the distinguished gentleman from Virginia may be correct as to the general policy, but the general policy does not apply to the exception presented. General Hines is not thoroughly conversant with the true picture in the hospitals in question. Following his suggestion to a logical conclusion would mean that most of these men, if removed from the Elgin and Jacksonville hospitals, would be taken away from their homes and their families who reside in nearby counties, and I am

certain that he and I both agree that such should not be done.

Mr. WOODRUM. Mr. Chairman, I shall presently insist on my point of order, but I desire very briefly to make a statement in response to the gentleman's remarks.

As I have explained personally to my colleague from Illinois, who has been so much interested and so industrious and so diligent in behalf of these veterans in his district, it is the policy of the Veterans' Administration, under the mandate of the law, to put veterans in Government institutions wherever Government facilities are available. This is for obvious reasons.

Last year when this bill was in the Senate, the Senators from Illinois, being apprehensive about the condition to which our colleague refers, inserted in the bill the language it is now proposed to put in. I have been in conference with General Hines, and so has my colleague who has just spoken. General Hines is thoroughly sympathetic with the situation mentioned by our colleague and has stated to me and authorized me to state to the House, in order to make it a matter of record, that he does not propose to interfere with the veterans in the hospitals at Elgin and Jacksonville, Ill., except in cases where the parent or guardian of such veterans would desire that they be removed to some Government institution.

Therefore, while the language is subject to a point of order because it amends basic law, I can give my colleague and the other Illinois Members who are interested, assurance that this situation will not be interfered with.

Mr. Chairman, I must now insist upon the point of order.

The CHAIRMAN (Mr. PARSONS). It is not within the province of the Chair to decide upon the merits or demerits of a proposed amendment. If this were not so, the Chair would perhaps rule otherwise; but under the rules of the House, this proposed amendment, constituting as it does a change of basic law upon an appropriation bill, the Chair is constrained to sustain the point of order.

The Clerk read as follows:

Pensions: For the payment of compensation, pensions, gratuities, and allowances, now authorized under any act of Congress, or regulation of the President based thereon, or which may hereafter be authorized, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, $400,760,000, to be immediately available.

Mr. HOBBS. Mr. Chairman, I move to strike out the last word.

My purpose in seeking recognition in this way is that, as I understand the rules, an amendment would not be in order, and therefore, in order that the record may be kept clear so far as my voting is concerned, I am exercising the privilege which has just been invoked.

I am unalterably opposed to the preferential treatment of officers above the heroic men they so heroically led. I am unalterably opposed to the emergency officers' retirement pay and annuities, and therefore, but for the rule, would offer an amendment to strike that part of this paragraph from the bill for which I am going to vote.

I have already introduced a bill to repeal the law relating to emergency officers' retirement pay and annuities.

For these reasons I shall vote for the bill, but desire to make this statement to my colleagues of the House.

The Clerk read as follows:

Adjusted-service certificate fund: For an amount necessary under the World War Adjusted Compensation Act (U. S. C., title 38, secs. 591–683; U. S. C., Supp. VII, title 38, secs. 612–682), to provide for the payment of the face value of each adjusted-service certificate in 20 years from its date or on the prior death of the veteran, and to make loans to veterans and repayments to banks in accordance with section 507 of the act, as amended (U. S. C., Supp. VII, title 38, secs. 642, 647, 650; act July 21, 1933, 47 Stat., pp. 724–725), $100,000,000, to become available July 1, 1935, and remain available until expended.

Mr. REED of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Mr. REED of New York offers the following amendment: Page 34, line 13, after the figures "725", strike out "$100,000,000" and insert in lieu thereof "$140,000,000."

Mr. REED of New York. Mr. Chairman, the reason I am offering this amendment at this time is to protect the sinking fund which was provided under section 505 of the World War Adjusted Compensation Act.

I call to the attention of the House that section, which is as follows:

There is hereby created a fund in the Treasury of the United States to be known as the "adjusted-service certificate fund", hereinafter in this title called "fund."

There is hereby authorized to be appropriated for each calendar year, beginning with the calendar year 1925 and ending with the calendar year 1946, an amount sufficient, as an annual premium, to provide for the payment of the face value of each adjusted-service certificate in 20 years from its date or on the prior death of the veteran, such amount to be determined in accordance with accepted actuarial principles and based upon the American Experience Tables of Mortality, and interest at 4 percent per annum, compounded annually. The amount so appropriated will be set aside in a fund on the first day of the calendar year for which appropriated. The appropriation for the calendar year 1925 shall not be in excess of $100,000,000.

In looking over the history of this fund, which is a trust fund created by mandate of Congress, to make sure that the adjusted-service certificates will be paid when due in 1945, I find that the Congress in 1925 appropriated $100,000,000; in 1926 Congress appropriated for the sinking fund $120,000,000, $50,000,000 of that in the first appropriation bill and $70,000,000 in the deficiency bill; in 1927, $116,000,000; in 1928, $112,000,000; and in 1929, $112,000,000; in 1930, $112,000,000; in 1931, $112,000,000; and in 1932, $112,000,000. Then we passed an act providing for 50-percent loans on these certificates, and to meet these loans and adjusted-service certificates in 1932, $203,925,000 was appropriated.

This brought the sinking fund, according to actuarial figures, up to date. In looking over the appropriations since the present administration came into power, I find a little different picture.

In 1933 there was appropriated $100,000,000 for the sinking fund, but in 1934 only $50,000,000, in 1935 only $50,000,000, and this bill carries $100,000,000.

I believe it is the duty of this Congress, especially at this time, when there is an unlimited pending program, with the prospect of spending some $4,000,000,000, which, as the press informs us, the President has asked Congress not to earmark, it is important that we do not impair and imperil this trust fund. The veterans have the right to have their adjusted certificates protected from impairment.

I called on the Veterans' Bureau for the information, and I was told that it would take $40,000,000 to bring the sinking fund up to date. I do not want to see the money of this trust that rightfully belongs in the Treasury for the benefit of the veterans of the World War depleted or neglected. [Applause.]

Mr. WOODRUM. Mr. Chairman, the trust fund to which the gentleman refers is in no danger whatever. Whatever the Government owes on the adjusted-compensation certificates will be paid when it becomes due. It has been the policy of the administration to periodically put an amount in this fund; $112,000,000 was the amount carried for many years. Then, as was suggested by the gentleman from New York, when we passed the bill allowing them to borrow 50 percent on their adjusted compensation, the amount was reduced to $50,000,000. This year we have put in the amount recommended by the Veterans' Administration and the Bureau of the Budget.

So it is simply a question of bookkeeping—whether the money is put in there or not—but it does affect the balances of the Government; and the fact, as the gentleman states, that we are called upon to expend vast sums for recovery is one reason why we should not increase this amount. No dependent has been deprived of a single dollar due him. The Government stands ready at any time to meet its full obligation, and we have given the amount recommended by the Budget. I hope the amendment of the gentleman will be voted down.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. CULKIN. Will the gentleman tell us what the actuarial estimate is for this year?

Mr. WOODRUM. The actuarial estimate is $140,000,000.

Mr. CULKIN. For this year?

Mr. WOODRUM. But we have never put in the fund the actuarial estimate, this year or any other year, in this fund or the civil-service retirement fund. That has never been the policy of the administration.

Mr. CULKIN. Is not that an avoidance of the statute which the gentleman from New York [Mr. REED] just read?

Mr. WOODRUM. I do not think it is.

Mr. REED of New York. It certainly violates the spirit of it. The idea is to keep that fund up. It is stated in the newspapers—and I do not think it is disputed—that while they exact from the civil-service employees their contributions, yet the Government is in arrears in that fund by millions of dollars.

Mr. WOODRUM. Oh, the Government will meet its obligations when the bill is presented.

Mr. REED of New York. Perhaps it will and perhaps it will not. We may be spending a 10-cent dollar if this keeps on.

Mr. WOODRUM. Oh, no, we will not; because we have an administration that is not going to conduct the Government on that kind of basis. It will meet its obligations whenever due.

Mr. REED of New York. It certainly is not now by increasing the debt by $4,000,000,000.

Mr. WOODRUM. There is a difference of opinion respecting that matter, which I shall demonstrate to the gentleman in a moment when we vote on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. REED of New York) there were—ayes 58, noes 78.

So the amendment was rejected.

The Clerk read as follows:

SEC. 2. In expending appropriations or portions of appropriations contained in this act for the payment of personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade except that in unusually meritorious cases of one position in a grade, advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year, and then only to the next higher rate: *Provided further*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service; or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act; (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade, in the same or different bureau, office, or other appropriation unit; (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law; or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Mr. WOODRUM. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: Page 35, line 9, strike out the word "further" after the word "provided."

Mr. WOODRUM. It is surplusage.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. Section 8 (a) and (b) of the Independent Offices Appropriation Act, 1934, is hereby continued in full force and effect during the fiscal year ending June 30, 1936.

Mr. TABER. Mr. Chairman, I make the point of order against section 4 that it is legislation on an appropriation bill. This is a provision which continues the mandatory 30-year retirement, which is discretionary with the department.

Mr. WOODRUM. Mr. Chairman, I concede the point of order.

The CHAIRMAN. It is apparent to the Chair that section 4 is legislation on an appropriation bill and subject to the point of order. The Chair, therefore, sustains the point of order.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Without objection, the section numbers and totals will be corrected in accordance with the action of the Committee.

There was no objection.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise and report the bill with the several amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PARSONS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 3410, the independent offices appropriation bill, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WOODRUM. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? [After a pause.] If not, the Chair will put them en gros. The question is on agreeing to the amendments.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. COSTELLO, for 1 day, on Monday, January 14, 1935, on account of personal business.

### THE FEDERAL DEPOSIT INSURANCE CORPORATION

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting therein a speech on the subject of the Federal Deposit Insurance Corporation by our colleague the gentleman from North Carolina [Mr. HANCOCK].

The SPEAKER. Is there objection?

There was no objection.

Mr. DISNEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio address of Congressman FRANK HANCOCK over WJSV, Columbia Broadcasting System, 11 p. m., Washington, D. C., Wednesday, November 21, 1934:

It should be very encouraging to our people, and particularly our bankers and business men, to know that Washington is no longer a city of the desperate expedients and frantic economic battles necessary in the early part of this administration to hold things together until the familiar processes could be induced to resume their normal activities. Most of the new economic policies set in motion by the President and the Congress have proven to be effective and constitute a sound foundation for new and profitable business activity. Perhaps at no time in our history has there been a larger base to support sound expansion of credit. Truly it may be said that America has regained its balance, and today we begin to see the first indications of a definite revival of business. It is comforting to see it shaking itself free from the fear that has gripped it and take the first faltering steps which, as its strength grows, will bring the progress we know is to come. I look upon this promise of increased business activity as a vote of confidence in the administration and as a sign that it is anxious to cooperate. Here in Washington it is reflected in the plans that are going forward to smooth out the rough spots in what last year had to be emergency legislation and the cessation of certain Government activities in favor of private enterprise. Almost every phase of our daily lives has been affected in some measure by the laws passed in those strenuous days.

To my mind the most important achievements of the Government under the new deal had to do with banking. Wide-spread failures among banks had begun as far back as 1921 and even in

1923 and 1924, years we look upon now as having been abnormally prosperous, over 1,400 banks closed their doors.

While the immediate task of opening the banks was being carried on through State and national authorities, Congress was setting itself to finding an answer to the swelling plea for deposit protection and to searching out ways of keeping the banks more permanently sound in the future. In June 1933 the Banking Act was approved as a means of strengthening the banks and protecting their deposits.

Many of its provisions were included for the purpose of promoting sound banking. But one of its most important sections created a Federal agency to insure bank deposits, the Federal Deposit Insurance Corporation. Much of the credit for bringing this Corporation into existence must go to Hon. HENRY B. STEAGALL, my fellow Congressman and Chairman of the Banking and Currency Committee of the House of Representatives. The 15-year struggle he made for some type of deposit protection by the Government should bring him the gratitude of every citizen.

When President Roosevelt wisely and courageously closed all the banks in the country in March 1933 one of the most disastrous 12-year periods in American banking was brought to an end. The effects of it were probably felt by almost every pocketbook. Practically 14,000 banks had closed, tying up deposits of our citizens amounting to over $5,000,000,000.

It was natural that such a spectacle should sap the confidence people had in banks. Something had to be done. The moratorium called a halt to the mad panic of depositors, but confidence in the banks was destroyed. It had to be restored. Banks had to be reopened so that business could proceed more normally. It was agreed that they should be opened as rapidly as they were found to be in a safe condition. The public was demanding some type of protection for their money. An answer had to be found quickly for that problem.

It was provided in that law that all national banks and all banks which were members of the Federal Reserve System should automatically become insured. All other banks were free to apply for the insurance and were to be insured by the Corporation if they were found to be in a solvent condition. Today depositors in over 14,000 banks have the protection of this insurance. That is almost 90 percent of the banks in the country. Almost 50,000,000 accounts in these banks are insured and all but three out of every hundred of them are being fully protected by the present insurance limit of $5,000.

But I want to see every bank in the country giving this protection to its depositors. It is the right of every citizen to have this protection, and I shall bend my efforts to seeing that he gets it.

Mr. Leo T. Crowley, the present Chairman of the Insurance Corporation, has made many suggestions which he believes will improve the effectiveness of the insurance you are now being given. They entail changes in the law. I am in favor of most of them and will do whatever I can to see these enacted into law. His suggestions are for more severe requirements for bank membership in the insurance fund. Solvency is now the only requirement. This was as far as we could go at the time the law was enacted.

But now, sound management of a sound bank should be added. In that connection the right to dismiss a bank from enjoyment of insurance on evidence of repeated unsound practices might well be made a power of the Corporation.

The Deposit Insurance Corporation needs the power, under specified conditions, to purchase assets from banks in difficulty. This would give it an opportunity to ward off many bank failures and thus prevent drains on its own funds and upon those of insured banks. Unlimited assessments against insured banks could be avoided by providing for a regular annual one. Banks would then know what their expense was to be and the Insurance Corporation would be put on a basis more nearly conforming to that of the types of insurance companies with which you are already familiar.

Above all, Mr. Crowley favors retaining the present limit of insurance, $5,000. The great mass of depositors, you and I, the "average man", would be fully protected by it. The permanent insurance law calls for insurance of larger amounts. That is unnecessary and might easily react to weaken the protection we now get.

Those are all sound suggestions. They are conservative. But, in my opinion, he has not gone far enough. As we all know, credit is the lifeblood of business. Ninety percent of commercial transactions is carried on with check or credit currency and Government should never again leave its entire control in private banking hands. Some sound, cooperative system is essential to insure proper functioning and adequate protection of our new economic system. With certain amendments to the Federal Reserve Act, bringing the Federal Reserve System closer to the Government to insure the exercise of some proper and effective regulation over the expansion and contraction of credit, I would recommend that it be compulsory that all banks join the Federal Reserve System and thereby be compelled to bring the enjoyment of deposit insurance to their depositors. I believe that Government supervision of the banks and protection of their depositors should be extended to include all banks. Perhaps the founding of a central bank is unnecessary, but certainly we need a unified banking system in this country in place of the present 49 degrees of regulation. Without a unified system there can be no effective uniformity of supervision. In your interest I believe these things should be done. However, let's revert again to deposit insurance and see what it means to you. That's what you want to know.

It means that if you do business with an insured bank and it should ever close, the money you have on account there which falls within the insurance limit will be immediately returned to you by the Insurance Corporation. This is done with remarkably little red tape. All the paying officials ask is that you present your passbook or some other evidence that you have money in the closed bank.

Payment of the depositors in seven closed insured banks has already been made by the young Corporation. There were almost 14,000 of them, and 99 percent of them were paid all the money they had in the bank. The remaining one out of a hundred received $5,000 of his money, the rest to be paid him from funds gotten from the sale of the bank's assets.

In each of those seven banks payment of the depositors was begun within 10 days of the time it was decided the bank would have to be closed. If you have ever been among the depositors of a bank which failed before this insurance went into effect, you can see even more easily than the rest of us what this prompt action has meant for those 14,000 depositors. Their money was tied up for scarcely any time at all, whereas many of those who were depositors in the banks which failed prior to 1933 even yet have not been paid.

It is pleasing to note in that connection, however, that the Reconstruction Finance Corporation is fast making money available to those banks with which to pay their depositors and that nearly $1,000,000,000 have already been loaned to them.

Although the first duty of the Federal Deposit Insurance Corporation is to protect bank deposits and to pay the depositors of insured banks which fail, it has also been instrumental in the rebuilding of the banking structure of the country, so that today it is probably in as good a position as it has ever been.

I believe that individual bankers sometimes lose sight of the importance their banks have as a part of the economic structure. Basically a bank has two functions. It must serve as a safe place in which money earned by members of its community may be deposited. It must use that money wisely and efficiently so that the community as a whole may grow and prosper. Of paramount importance is the safety of the bank which depends upon its ability to operate profitably. In my opinion, the day of banking as a career is past, but as a profession it is in its infancy. Since it is a community servant it must first fulfill that duty.

Realization of that duty was brought home by the banking crisis and now, through the cooperation of the Insurance Corporation, Comptroller of Currency, and the Reconstruction Finance Corporation, and other Government agencies, banks throughout the country are putting themselves on a sound basis to serve their communities. Coupled with the protection offered their depositors by deposit insurance, this is rapidly reacting to restore confidence and abolish the fear of banks that people had even as late as a year ago.

The Corporation has received many letters telling of money that has come out of hoarding and gone back into banks. This is as it should be. Money in the mattress is doing its owner little good and is actually a hindrance to community progress. I can readily understand why many people withdrew their money from banks at a time when banks were toppling on every side. But that time is past now.

It is particularly for the people who are saving money for their old age, to pay for their homes, for the education of their children and for other worthwhile things that Congress created the Federal Deposit Insurance Corporation. It was on the money put in banks by this thrifty class of citizens that our country's success was built. The Government is now giving them the assurance that the money they deposit will always be available.

Deposit insurance does many things. The bankers, for instance, whose banks are insured need not fear runs. Depositors know there is no reason to withdraw their money from an insured bank because of some whispered rumor. In other words, deposit insurance has given them renewed confidence in their bank. It has helped in restoring the banker's confidence in himself. The consequent feeling of security is making it possible for them to again play the important part they should in the business life of their communities.

Again, bank failures of former times always seriously crippled credit in the communities of closed banks. Borrowers had to be pressed for payment in order to secure funds with which to pay off deposit demands. Assets had to be sacrificed for immediate sale for the same purpose. Now, when an insured bank closes, receivers begin the process of liquidation just as they always did. But at the same time the Insurance Corporation is paying the claims of depositors. Everyone receives his money to the limit of the insurance right away. The result is that debtors need not be pressed for early payments, nor is it necessary for receivers to sell valuable assets in what may be a depressed market.

One of the advantages of deposit insurance has been given little emphasis. Failure of an insured bank no longer need leave its community without banking facilities. The bank set-up by the Federal Deposit Insurance Corporation to pay off the depositors also has the power to conduct an ordinary banking business. In those communities where a bank is actually needed, this can be of incalculable benefit.

There is one point I should like to stress and upon which I have not as yet touched. Perhaps you have been asking the question to which it is the answer.

Where does the money come from with which the Insurance Corporation pays the claims of depositors in closed banks? There is a backlog fund coming from the Federal Reserve banks and the Treasury of the United States. But in the long run its funds come from the banks themselves. Its present possible resources

amount to about a half billion dollars, and can be expanded under the act to $2,000,000,000. Regular annual assessments levied against insurable deposits, which I have already recommended, would build the fund up far beyond that figure and give your deposits an added cushion of safety.

But what I want to stress is this: When the Corporation's money is called into use to pay the depositors of some closed bank, it is not a gift to them. In return for it they assign their claim against the bank to the Corporation. On the basis of these claims the Corporation is repaid from the proceeds of liquidation of the closed bank. And since depositors are paid on the basis of the $5,000 limit the Corporation has an excellent chance for complete return of its money. You see, then, that what actually happens in a bank failure is that the Insurance Corporation steps into your shoes and does the waiting you would otherwise be forced to do.

One other thing I should like to emphasize in closing: Insurance of deposits by a Federal agency is a permanent part of the banking law. There should be changes tending to strengthen it, but the Government feels that however strong the banks may become, the depositors of the Nation should have this added protection as an assurance of the sanctity of their savings.

With a unified system and deposit insurance protection under able and honest governmental direction, the phrase "under Government supervision and protection" will really mean something to the public.

THE FRAZIER-LEMKE BANKRUPTCY AMENDMENT—MORATORIUM

Mr. LEMKE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein the opinion of Judge Dawson on the Frazier-Lemke amendment to the Bankruptcy Act.

The SPEAKER. Is there objection?

There was no objection.

Mr. LEMKE. Mr. Speaker, the Frazier-Lemke farm moratorium amendment, subsection S, to section 75 of the Bankruptcy Act, has now been in operation for about 7 months. During that brief space of time it has had a stormy existence. Unfortunately, when the act was passed, the newspapers and other sources of information spread misleading propaganda concerning the amendment; some of it innocent, some of it not so innocent. The public was misinformed as to the aims and the purposes of the act, and we may state that even courts became prejudiced because of this propaganda. Some of these courts unconsciously accepted as true some of the propaganda spread throughout this Nation against this bill.

In spite of these facts, hundreds and thousands of insolvent farmers have become solvent under the act. They have scaled down their debts to somewhere near their present values and within their ability to pay. Hundreds and thousands of farm homes have been saved. The act has met our highest expectation. In fact, 9 out of every 10 farmers who are insolvent and who take advantage of this act are now able to scale down their debts even before they get to the conciliator. The fact that these farmers now have something to say about their own affairs, have the power to save their homes, has made 9 out of every 10 creditors reasonable. It is no exaggeration to say that at least several hundred thousand homes have been saved and farm foreclosures avoided because of this act. No act passed by Congress in recent years has accomplished so much good, with so much opposition and misunderstanding, in such a short period of time.

Immediately upon its passage, the constitutionality of this bill was questioned. United States District Judge Chestnut, of Maryland, held it unconstitutional. His decision was partially accepted by United States District Judge Way, of Virginia. These were the first two decisions. The opinion of these two judges no doubt was influenced by the above-mentioned misleading propaganda.

On October 14 United States District Judge Charles I. Dawson, of Louisville, Ky., in an able and exhaustive opinion, held the act constitutional. His opinion was followed by a favorable decision by United States District Judge John F. Symes, of Colorado. Since then United States District Judges John E. Martinson and Heartsill Ragon, of Arkansas, Walter C. Linley, of Illinois, Oliver B. Dickinson, of Pennsylvania, Fred M. Raymond, of Michigan, and others have followed the opinions of Judges Dawson and Symes and held the act constitutional. An appeal from the decision of Judge Dawson was taken to the circuit court of appeals and the case argued and submitted in Cincinnati. An appeal from the decision of Judge Chestnut was taken and argued and submitted to the United States circuit court of appeals at Charlotte. From the decision of these two courts an appeal will be taken to the Supreme Court of the United States for the final determination of the constitutionality of the act.

May we suggest that most of the judges of the United States district courts have, and are construing this act unbiasedly, so as to carry out the intentions of Congress. However, a few judges have construed every possible point of this act against the debtor farmer, and in favor of the creditors. They have deliberately sought to defeat the aims and purposes of the act. These have erroneously held that the act does not apply during the period of redemption, they have even gone to the extent of holding that unless the creditors give their consent, that then the farmer is helpless, and cannot proceed under section 75, including subsection S. These judges represent the dying shadows of a past civilization. They place property rights above human rights. If these judges had been unbiased, and had read section 75, including subsection S, together with the debates on the floor of Congress, they would not have come to such erroneous conclusions. Unfortunately, the farmers in these judges' districts are not in a financial position to appeal from such biased and uncalled-for decisions. We suggest that the attorneys in those districts ask these judges to review their decisions, or to grant new trials.

Under subsection S the farmers who are insolvent or who are in distress and unable to meet their present obligations as they become due, will be able to protect their homes, their lands and personal property, and scale down all their indebtedness to the present values of such property and pay for same on the installment plan. It makes no difference whether such property is mortgaged or whether such debts are secured or unsecured. Under this amendment such debts can all be scaled down to the present value of the farmer's property. After the farmer's exemptions are set aside under the State laws, he can select any or all of the remainder of his property and remain in possession under the control of the court of the part so selected and pay the appraised present value under the terms and provisions of the act as amended. In other words, the act provides a method by which an insolvent farmer can become solvent.

This is a conservation act. Nobody will lose anything; it conserves property and values. The creditors will get the present value of the property—that is all they can now get or that they are entitled to. This act gives to the creditors all past efforts, earnings, and accumulations of the debtor, his wife, and his children, but it does prevent them from taking the future earnings and accumulations of the debtor, his wife, and his children. It prevents peonage and serfdom. In fact, they will get more under this amendment than they ever would get by wrecking another million farm homes. The agricultural wealth of this Nation can and will now be preserved in the hands of those who created it—the farmers. This act will give new courage, hope, and aspirations to distressed agriculture.

May I also suggest to the creditors that if they are fair and reasonable that most cases can be adjusted outside of court. No creditor or set of creditors have a right to destroy society—have a right to destroy agriculture—the basic industry of this Nation. No hard-boiled, soulless corporation will be allowed to demand the last pound of flesh or to extract the last drop of blood out of agriculture—to destroy the goose that lays the golden egg.

Prior to this amendment the bankruptcy act generally was an instrument of destruction—it put an end to a person's accumulated efforts and left him high and dry to start anew. In fact, our Bankruptcy Act as well as all of our laws heretofore made, were for the purpose of protecting the creditor at the expense of the unfortunate debtor. This was done under the pretext of honest debts—but nothing was ever said about the dishonest dollar with which those so-called "honest" debts were to be paid. A dollar whose value could be and was manipulated so that it took 15 times as much wheat in October 1932 to buy that dis-

honest dollar as it did in May 1917. In other words, in May 1917, 1,000 bushels of wheat would have bought $3,890 in Minneapolis, but on October 18, 1932, it would have taken about 15,000 bushels of wheat to buy that same number of dishonest dollars, and what is true of wheat was true of other farm commodities.

This amendment marks a new epoch. From now on the debtor is going to be considered as well as the creditor. The Bankruptcy Act is going to become an act of conservation and not an act of wreckage. It will undoubtedly in future Congresses be extended to include all debtors—business concerns as well as farmers—all will be recognized as going concerns. Property and wealth will be conserved in the hands of those who created it—not destroyed. Society as a whole will protect itself against unreasonable creditor individuals and corporations. Hope and aspiration will again return to our people as a whole.

EXCERPTS FROM JUDGE DAWSON'S OPINION

Undoubtedly the Constitution vests in Congress the power to pass laws which are territorially uniform, dealing with the relation of creditor and debtor, when the debtor is unable or unwilling to discharge his indebtedness in full. Whatever once may have been the doubt of courts and law writers as to the scope of the phrase "laws on the subject of bankruptcies", as used in the Constitution, it is now settled that this power of Congress is not limited nor circumscribed by the English bankruptcy acts in force at the time of the adoption of the Constitution. * * *

"It extends to all cases where the law causes to be distributed the property of the debtor among his creditors; this is its least limit. Its greatest is the discharge of a debtor from his contracts. And all intermediate legislation, affecting substance and form, but tending to further the great end of the subject—distribution and discharge—are in the competency and discretion of Congress." * * *

Therefore, the bankruptcy provision of the Constitution cannot be regarded as a power conferred upon Congress to be exercised solely for the benefit of creditors. Subject to the requirement of uniformity, it is a grant of plenary power over the subject of bankruptcies, and while, of course, Congress, under the pretext of executing this power, cannot pass laws dealing with matters not intrusted to the National Government (*Hammer* v. *Dagenhart*, 247 U. S. 251; *Child Labor Case*, 259 U. S. 20), yet so long as the legislation is fairly within the constitutional grant the public policy exemplified therein is exclusively within congressional discretion. * * *

A fundamental essential of all bankruptcy laws under the Constitution is the reasonably prompt distribution among his creditors of the value of the property of the debtor unable or unwilling to pay his debts; but I cannot believe that this necessarily requires a sale of the bankrupt's property under competitive bidding. If the law provides for a realization of the fair value of the debtor's property by some other method than by such a sale, and for a distribution among the creditors according to their rights of the sum thus ascertained, the same general purpose is accomplished as would be accomplished by a sale, and, therefore, it seems to me entirely within the competency of Congress to provide for a determination of the value of the debtor's property subject to distribution by some other method than by a sale under competitive bidding. Hence, there is no constitutional impediment against Congress providing that in a bankruptcy proceeding the actual fair value of the debtor's property subject to distribution shall be ascertained by appraisers appointed by the court, such appraisal to be made under the supervision and subject to the control of the court; nor to prevent Congress from designating the order of priority in which interested parties may be permitted to elect to pay the appraisal price and take the property. Furthermore, there can be no doubt that Congress can validly provide for the payment of this appraisal value within such a reasonable time, as it may determine; and it is entirely within the power of Congress to provide that the deferred payments shall not bear interest. Again, there can be no doubt of the power of Congress to require all of the bankrupt's property, including that covered by mortgages or other encumbrances, to be administered in the bankruptcy court, free from the interference of State tribunals; otherwise, the Constitution of the United States and the laws passed in pursuance thereof would not be the supreme law of the land, as they are declared to be in clause 2, article VI, of the Constitution.

Measured by these principles, it seems to me that the act in question deals only with matters within the competency of Congress under the bankruptcy provision of the Constitution. It provides for adjudicating the debtor a bankrupt, and subjects all of his property to the control of the bankruptcy court. It provides for the distribution among his creditors, according to their respective rights, of the value of all of the debtor's property which is subject to his debts. It provides that this value shall be determined by an appraisal, but it is careful to set up ample safeguards against either overappraisal or underappraisal of the property. The appraisers are not bound by the market price at the time of the appraisal, but under the act are free to take into consideration all relevant factors in determining the true value of the property. The right objections, exceptions, and appeal is made available to interested parties. * * *

The act gives to the debtor the sole right to become the purchaser of any part of the property from the trustee at the appraised value thereof, and to pay for same in installments extending over a period of 6 years, with interest at 1 percent; but this right is predicated upon the consent of the lien holders. The fact that the consent of the general creditors and of the trustee is not required cannot be taken advantage of by the bank in this case, as it is not a general creditor except as to the excess of its debt over the appraisal value of the property in lien to it; but, in my judgment, this provision of the act would be valid even though the consent of no class of creditors were required, provided the terms of the payment of the appraisal value fixed in subsection 3 of the act are not so unreasonable as against creditors as to violate one of the fundamental essentials of bankruptcy acts, viz, the distribution to creditors, within a reasonable time, of the value of the property of the bankrupt subject to distribution; but this question will be discussed later in the opinion in connection with my discussion of subsection 7. As heretofore indicated, appraisal of the property of the debtor under the safeguards contained in the act is fairly calculated to secure for creditors a full and fair value of the property. If this is done, no creditor has the right to complain because the debtor is given the sole right to become the purchaser at this price. In bankruptcy proceedings the holder of a lien on property certainly has no constitutional right to demand that he be allowed to become the purchaser of the property covered by his lien. If he is allowed to realize on this property the full value thereof for application to his lien debt, no right of his has been violated. Indeed, I know of no constitutional inhibition against State laws providing that in foreclosure proceedings under State law the value of encumbered property shall be determined by an appraisal under proper safeguards to protect the interest of the lien holder, and giving the debtor the prior right to become the purchaser of the encumbered property at the appraisal price.

Counsel for the bank advanced the suggestion that those provisions of the act permitting the debtor to become the purchaser of his property at its appraisal value under the terms therein stated is, in effect, a composition with his creditors, and therefore do not relate to the subject of bankruptcies within the constitutional sense. I do not think this contention is sound. In the first place, those provisions of the act are not the equivalent of a composition, because a composition settlement with creditors may or may not result in the distribution of the entire value of the debtor's property to his creditors. His creditors may agree to a composition settlement which will result in the payment of less money than the full value of his property; and if approved by the court, under the present bankruptcy law, the bankrupt is entitled to be repossessed of his property and discharged of his debts, provided he has made a full disclosure of his property and has been guilty of no fraud in connection with the composition settlement. The provisions of the act referred to, however, when fairly construed, require the debtor, if he takes over the property under its terms, to pay the full fair value of same as determined by an appraisal under the terms of the act. Even should those provisions of the act, however, be construed as the equivalent of a composition settlement, such a construction would not make the act unconstitutional. * * *

It is contended by counsel for the bank that the act requires a reduction of the claims of creditors, whether they consent to such reduction or not. Such a conclusion can only result from a superficial consideration of the act. As I read it, the act nowhere requires any such scaling down of debts. It devotes the fair value of the entire property of the debtor, other than his exemptions, to the payment of the claims of his creditors. As to secured claims, if the appraisal value of the pledged property is less than the amount of the secured debt, the deficiency, including interest, can be proven as a general claim and participate in the distribution of the appraisal value of the unencumbered property ratably with the other unsecured claims. Of course, when the value of the bankrupt's estate is not sufficient to pay his debts in full, the practical effect of a discharge is to reduce the claims of creditors, but such is the effect of a discharge under any bankruptcy law. * * *

This subsection (7) postpones the right of sale of the debtor's property for 5 years, with the privilege to the debtor during that time to occupy and use same, provided he pays a reasonable rental therefor, and to become the purchaser thereof at any time during that period, as therein provided. Certainly Congress has the power to prohibit the sale of the assets of a bankrupt for a reasonable length of time after the court takes possession of same and to authorize the trustee or other representative of the creditors or officer of the court to rent same during the waiting period. If it possesses this power, why may not Congress authorize the property to be rented to the debtor? Possessing the power to delay the sale of a bankrupt's assets and to authorize the rental thereof in the meanwhile to the debtor, why may not Congress also provide that at the end of the waiting period, or prior thereto, the debtor may become the purchaser of the property by paying in cash the appraisal value thereof? Frankly, I can see no constitutional impediment to such legislation on the part of Congress if that body deems it in the furtherance of sound public policy. * * *

Is the waiting period of 5 years such an unreasonable delay in the distribution of the property of the bankrupt to his creditors as to amount to a denial of due process? It seems to me that this resolves itself into the question of whether such a period of delay substantially denies to the creditors the right of a

distribution of the bankrupt's assets. It must be accepted that it was the judgment of Congress that it does not, and this judgment must be weighed in the light of the conditions confronting Congress when the law was enacted. Courts may take judicial notice of universally recognized facts. At the time this legislation was enacted the Nation was going through the severest financial depression in its entire history. Values of all property, and particularly of farm property, had not only sunk to unprecedented levels, but there was no market for it even at these levels. In legislating on matters committeed to it by the Constitution, Congress undoubtedly may give thought to public policy and the general welfare. Within the scope of its delegated powers it may legislate for the general welfare, just as States may do under their police power. The *Lottery Case*, 188 U. S. 321; *Hipolite Egg Co.* v. *United States*, 220 U. S. 45; *Caminetti* v. *United States*, 242 U. S. 470. Unquestionably, it is desirable that the sacrifice of farm property and the dispossession of farmers shall be avoided, so far as constitutionally may be done with fairness to others, during an emergency such as now prevails. It was the judgment of Congress that through the medium of bankruptcy proceedings the farmer should be given 5 years within which to rehabilitate himself and save his property. Discretion on this subject, within constitutional bounds, rests with Congress, and I am not prepared to say that these bounds have been exceeded in the legislation under consideration. * * *

THE SUGAR SITUATION

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by having printed therein a statement made by the Michigan Republican delegation on the sugar situation, as expressed in a letter to Secretary Wallace.

Mr. BULWINKLE. I reserve the right to object.

Mr. O'MALLEY. Mr. Speaker, I reserve the right to object. Some days ago I sought to insert in the RECORD a manuscript as a part of the revision of my remarks on a certain subject, and the gentleman from North Carolina [Mr. BULWINKLE] and the gentleman from New York [Mr. SNELL], the distinguished minority leader, stated that it was about time we reached some agreement on what extraneous matter could go into the RECORD. I have never tried to be a censor or a literary editor of the CONGRESSIONAL RECORD, but the point was made against me. The gentleman from North Carolina [Mr. BULWINKLE] specifically referred to editorials, letters, telegrams, and other matter. I am going to object until we get a settlement of this matter.

Mr. BULWINKLE. Will the gentleman yield?

Mr. O'MALLEY. I yield.

Mr. BULWINKLE. I understood that the gentleman from Michigan, in making his request, asked to extend his own remarks, a letter which he himself wrote to the Secretary of Agriculture. The gentleman from North Carolina does not object to the gentleman from Wisconsin at any time putting his own remarks in the RECORD.

Mr. SNELL. That is exactly the position that I took.

Mr. O'MALLEY. The gentleman from North Carolina specifically referred to editorials, telegrams, and letters, which were not a part of the matter referred to in the remarks on the floor.

Mr. BULWINKLE. The gentleman from North Carolina did not mean letters which the gentleman from Wisconsin wrote, but every Member of the House has numbers and numbers of letters from constituents; and if those were inserted in the RECORD, there would be no end to it.

Mr. O'MALLEY. The gentleman from North Carolina knows that he specifically referred to letters, editorials, and telegrams; and in agreement with the gentleman from New York [Mr. SNELL] he decided that extraneous matter should not be included in the RECORD. I was prevented from putting into the RECORD a matter which was of great interest to the people of my district and to the people of the United States, namely, recommendations of the chief of police of my city upon the things necessary to make a large city free from crime.

Mr. SNELL. We do not object to anything you want to extend in the RECORD of your own, such as your own letters.

Mr. BLANTON. This is a matter that occurred between a Congressman and a department. Surely the gentleman from Wisconsin would not object to that.

Mr. O'MALLEY. The gentleman in his own remarks, in objecting to my request, said that he would object until this thing was settled. I am not trying to be the literary editor of the CONGRESSIONAL RECORD, but I would like to know just what can go into that RECORD so my requests will not be objected to, as they were last Monday.

Mr. SNELL. So far as I am concerned, anything of the gentleman's own composition, his own letters, can go in. That is all the gentleman from Michigan is asking at the present time.

Mr. O'MALLEY. Then I understand that from now on letters written by Members and telegrams may go in the RECORD.

Mr. CARTER. Mr. Speaker, the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. O'MALLEY. I withdraw my reservation of objection if it is his own letter.

There was no objection.

Mr. CRAWFORD. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a statement made by the Republican delegation from Michigan on the sugar situation, as expressed in the following letter to Secretary Wallace:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D. C., January 9, 1935.*

Hon. HENRY A. WALLACE,
*Secretary of Agriculture, Washington, D. C.*

DEAR MR. SECRETARY: The Associated Press released under a Miami, Fla., date line, January 8, the following statement:

"MIAMI, FLA., January 8.—Jefferson Caffery, United States Ambassador to Cuba, arrived here yesterday in a Navy plane from Habana.

"He will leave tonight by train for Washington, where he plans to lay before the State Department a number of problems vitally affecting the island republic.

"Among these, he said, were the political and economic questions.

"Outstanding among these is the sugar problem. He declined to discuss in detail the various matters which he will take up in Washington.

"The American Ambassador said he intended to arrive back here about Saturday and return to the Cuban capital by Navy plane."

We, of course, know that you are familiar with all of the facts in the case pertaining to the operation of the Jones-Costigan Sugar Act and with the recent activities on the part of the Cuban Government and certain sugar operators and banking houses in New York and the situation which developed with reference to December sugar-futures contracts. Accordingly, we do not at this particular moment desire to take your time in reciting detailed information which is already in your files.

However, in the interest of the sugar-beet growers of the State of Michigan in particular and those farmers engaged in the production of this important crop throughout many other beet-producing States, we cannot overlook registering a protest at this time against further discrimination against the farmers of this country and in favor of the political and economic interests residing in Cuba and American citizens residing in the United States with their money invested in Cuban sugar plantations.

Under date of January 5, the Associated Press carried a Washington date line which states that you, under date of January 5, "set the estimated total United States sugar consumption for 1935 at 6,359,261 short tons." This release also carries the statement that Cuba has been allotted 1,857,022 tons. The release also carries the information that the figures may be revised up or down during the year to meet changes in consumer requirements.

We believe that many people assume the quota allocated to Cuba from time to time under the operation of the Jones-Costigan Sugar Act, together with the fact that the effective duty on sugar coming into this country was reduced from $2 per hundred pounds 96-degree raw sugar to 90 cents per hundred pounds 96-degree raw sugar was to cover the economic relief to be given to Cuba insofar as the operation of the sugar industry is concerned. Of course, the new trade treaty with Cuba made possible the total reduction from the $2 down to the 90 cents. With the sugar quotas allocated to the various producing areas through acreage quotas to growers as well as sales quotas to processors, we feel that Cuba has been given all the consideration to which she is entitled, and no doubt a great deal more.

We are mindful of the fact that Cuba is a foreign country and in a position to pass legislation over which our Congress has no jurisdiction. We are also mindful of the fact that the owners of the beet-sugar stocks in this country (being the growers and the processors under the participating contracts which are now so generally in operation) are more or less distressed sellers the first few months of each calendar year, due to the fact that their sugar stocks are so great and that as the sales quotas are operating, Cuba is in a position, through its legislation and operation of the sales policies, to considerably "rig" the market against the American sugar consumers, and, in addition, bring about the situation which happened during the last 2 months of 1934 in connection with sugar contracts.

We hope that no further advantage will be granted Cuba which will be detrimental to the sugar-beet and sugar-cane growers of the United States.

Respectfully submitted.

F. L. CRAWFORD, ROY O. WOODRUFF, EARL C. MICHENER, JESSE P. WOLCOTT, CARL E. MAPES, WM. W. BLACKNEY, ALBERT J. ENGEL, GEO. A. DONDERO, CLARE E. HOFFMAN, HENRY M. KIMBALL, CLARENCE J. MCLEOD,

*Michigan Republican Delegation.*

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 364. An act to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia; to the Committee on the District of Columbia.

S. 397. An act to provide for recording of deeds of trusts and mortgages secured on real estate in the District of Columbia, and for the releasing thereof, and for other purposes; to the Committee on the District of Columbia.

S. 398. An act to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto; to the Committee on the District of Columbia.

S. 399. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia; to the Committee on the District of Columbia.

S. 400. An act to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition; to the Committee on the District of Columbia.

S. 401. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929; to the Committee on the District of Columbia.

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia; to the Committee on the District of Columbia.

S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes; to the Committee on the District of Columbia.

S. 408. An act to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes; to the Committee on the District of Columbia.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock p. m.) the House, in accordance with its order previously entered, adjourned until Monday, January 14, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

121. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting supplemental estimates of appropriations for the legislative establishment, United States Senate, for the fiscal year 1935, in the sum of $265,000 (H. Doc. No. 79), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FITZPATRICK: A bill (H. R. 3800) to authorize the Secretary of War and the Secretary of the Navy to lend Army and Navy equipment for use at the National Jamboree of the Boy Scouts of America; to the Committee on Military Affairs.

By Mr. HAINES: A bill (H. R. 3801) to provide for the transportation and distribution of mails on motor-vehicle routes; to the Committee on the Post Office and Post Roads.

By Mr. HOBBS: A bill (H. R. 3802) to repeal the act of May 24, 1928, and amendments thereof and supplements thereto; to the Committee on World War Veterans' Legislation.

By Mr. LEMKE: A bill (H. R. 3803) to provide revenue, to regulate commerce with foreign countries, and to protect American agriculture, labor, and industry; to the Committee on Ways and Means.

By Mr. MAY: A bill (H. R. 3804) for the relief of soldiers, sailors, and marines; to the Committee on Pensions.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 3805) to increase the existing rates of death compensation payable to widows and children of World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. SMITH of Virginia: A bill (H. R. 3806) to establish a commercial airport for the District of Columbia; to the Committee on the District of Columbia.

By Mr. WITHROW: A bill (H. R. 3807) to provide that any extension or expansion of the United States Military Academy shall be made and located on the Government property at Camp McCoy, Wis.; to the Committee on Military Affairs.

By Mr. DIMOND: A bill (H. R. 3808) to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of an electric generating station and electric and steam heating distribution systems, and for such purposes to issue bonds in any sum not exceeding $118,000; to the Committee on the Territories.

By Mr. ELLENBOGEN: A bill (H. R. 3809) declaring an emergency in the housing condition in the District of Columbia; creating a Rent Commission for the District of Columbia; prescribing powers and duties of the commission, and for other purposes; to the Committee on the District of Columbia.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 3810) for the benefit of the Omaha and Winnebago Indians of Nebraska; to the Committee on Indian Affairs.

Also (by departmental request), a bill (H. R. 3811) to add certain public-domain land in Montana to the Rocky Boy Indian Reservation; to the Committee on Indian Affairs.

By Mr. SCRUGHAM: A bill (H. R. 3812) to convey certain lands and buildings to the city of Reno, Nev.; to the Committee on Public Buildings and Grounds.

By Mr. DARDEN: A bill (H. R. 3813) extending for 2 years the provisions of the act entitled "An act for the relief of unemployment through the performance of useful public works, and for other purposes", approved March 31, 1933; to the Committee on Labor.

By Mr. DEMPSEY: A bill (H. R. 3814) to further extend the period of time during which final proof may be offered by homestead entrymen; to the Committee on the Public Lands.

By Mr. GEARHART: A bill (H. R. 3815) to authorize and direct the Secretary of War to lend War Department equipment for use at the California State Department Convention of the American Legion at Fresno, Calif., during the month of August 1935; to the Committee on Military Affairs.

By Mr. SWEENEY: Resolution (H. Res. 46) providing for the appointment of a select committee of the House of Representatives to investigate the Home Owners' Loan Corporation; to the Committee on Rules.

By Mr. COLDEN: Resolution (H. Res. 47) requesting the Secretary of the Interior to furnish to the House of Representatives a comprehensive plan for the improvement and development of the rivers and water resources of the States of California, Arizona, and Nevada; and, furthermore, to include authority for the establishment of homesteads and the encouragement of home owning; to the Committee on Flood Control.

By Mr. O'CONNOR: Resolution (H. Res. 48) for the payment of a gratuity to Thomas Brady; to the Committee on Accounts.

By Mr. PALMISANO: Resolution (H. Res. 49) requesting the Secretary of Labor to compile a list of the labor-saving devices, and for other purposes; to the Committee on Labor.

By Mr. WARREN: Joint resolution (H. J. Res. 79) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally; to the Committee on Interstate and Foreign Commerce.

By Mr. LLOYD: Joint resolution (H. J. Res. 80) to provide for allocation to private shipyards on the Pacific coast a fair share of the 50 percent allotted to private shipyards under naval-construction bills passed by Congress; to the Committee on Naval Affairs.

By Mr. PETTENGILL: Joint resolution (H. J. Res. 81) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 82) providing for the celebration of the one hundred and fiftieth anniversary of the adoption of the Constitution by the United States of America on September 17, 1937, establishing a commission to be known as the "United States Sesquicentennial Constitution Day Commission", and designating September 17, 1937, as United States Constitution Day; to the Committee on Rules.

By Mr. BURDICK: Joint resolution (H. J. Res. 83) for a national moratorium; to the Committee on the Judiciary.

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PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 3816) granting a pension to Parmelia J. Woodward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3817) granting a pension to Ida H. Burch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3818) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Mary Squires; to the Committee on Claims.

By Mr. BERLIN: A bill (H. R. 3819) granting a pension to Clara Enyeart; to the Committee on Invalid Pensions.

By Mr. BLACKNEY: A bill (H. R. 3820) for the relief of Leslie E. Drake; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 3821) for the relief of Corinne Blackburn Gale; to the Committee on Claims.

By Mr. DARDEN: A bill (H. R. 3822) for the relief of Irving Lindsay Leafe; to the Committee on Military Affairs.

By Mr. DUFFY of New York: A bill (H. R. 3823) for the relief of the parents of Albert Thesing; to the Committee on Claims.

Also, a bill (H. R. 3824) granting a pension to Cora J. Lowell; to the Committee on Invalid Pensions.

By Mr. DUNCAN: A bill (H. R. 3825) for the relief of Robert D. Allnutt; to the Committee on Military Affairs.

Also, a bill (H. R. 3826) for the relief of John Evans; to the Committee on Claims.

By Mr. FLETCHER: A bill (H. R. 3827) granting a pension to Mrs. Ella N. Smith; to the Committee on Pensions.

Also, a bill (H. R. 3828) granting an increase of pension to Ella B. Kinnamon; to the Committee on Invalid Pensions.

By Mr. FORD of California: A bill (H. R. 3829) granting a pension to Bessie Baldwin; to the Committee on Pensions.

By Mr. GEARHART: A bill (H. R. 3830) for the relief of John H. D. Wherland, alias Henry Lowell; to the Committee on Military Affairs.

Also, a bill (H. R. 3831) for the relief of Dennis H. Sullivan; to the Committee on Military Affairs.

By Mr. GILLETTE: A bill (H. R. 3832) for the relief of Frederick Henry Pollman; to the Committee on Military Affairs.

By Mr. GOODWIN: A bill (H. R. 3833) for the relief of Nellie M. Anderson; to the Committee on Claims.

By Mr. KELLY: A bill (H. R. 3834) granting a pension to Joseph J. Mann; to the Committee on Pensions.

By Mr. KENNEDY of New York: A bill (H. R. 3835) for the relief of Thomas O'Brien; to the Committee on Claims.

By Mr. LAMNECK: A bill (H. R. 3836) granting an increase of pension to Emma Martin; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 3837) granting a pension to Matt J. Gaines; to the Committee on Pensions.

By Mr. MAVERICK: A bill (H. R. 3838) for the relief of Beryl Elliott; to the Committee on Claims.

Also, a bill (H. R. 3839) for the relief of Rene Hooge; to the Committee on Claims.

By Mr. NICHOLS: A bill (H. R. 3840) granting a pension to Francis M. Weddle; to the Committee on Invalid Pensions.

By Mr. PALMISANO: A bill (H. R. 3841) to refund to Theodore Reichhart, Inc., part of the brewers' occupational tax; to the Committee on Claims.

Also, a bill (H. R. 3842) granting a pension to Sarah J. Tuttle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3843) granting an increase of pension to Alice M. LeCompte; to the Committee on Pensions.

Also, a bill (H. R. 3844) granting a pension to Annie M. Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3845) granting a pension to Lucy Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3846) granting a pension to Sabina M. Ettlinger; to the Committee on Pensions.

Also, a bill (H. R. 3847) granting a pension to Katherine E. Miller; to the Committee on Pensions.

By Mr. PETTENGILL: A bill (H. R. 3848) granting a pension to Mike B. Kowalski; to the Committee on Pensions.

Also, a bill (H. R. 3849) for the relief of Roy G. Gardner; to the Committee on Military Affairs.

By Mr. REECE: A bill (H. R. 3850) granting a pension to William A. Harden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3851) granting a pension to Charles M. Fink; to the Committee on Pensions.

Also, a bill (H. R. 3852) granting an increase of pension to Lee Street; to the Committee on Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 3853) granting a pension to Millard C. Helm; to the Committee on Pensions.

Also, a bill (H. R. 3854) granting a pension to Robert G. Brewer; to the Committee on Pensions.

Also, a bill (H. R. 3855) granting a pension to George E. Cornelius; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 3856) for the relief of Charles Edward Poole; to the Committee on Naval Affairs.

By Mr. SWEENEY: A bill (H. R. 3857) for the relief of Beatrice I. Manges; to the Committee on Claims.

By Mr. SUTPHIN: A bill (H. R. 3858) for the relief of Charles W. Morgan; to the Committee on the Civil Service.

By Mr. THOM: A bill (H. R. 3859) for the relief of Edward A. Burkett; to the Committee on Military Affairs.

By Mr. THURSTON: A bill (H. R. 3860) granting a pension to Nora Dunlavy; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 3861) granting a pension to Amanda Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3862) for the relief of Bertha Clifford; to the Committee on Claims.

By Mr. WELCH: A bill (H. R. 3863) granting an increase of pension to Ned Mitchell Harrison; to the Committee on Pensions.

Also, a bill (H. R. 3864) for the relief of Gladys Robbins; to the Committee on Claims.

Also, a bill (H. R. 3865) for the relief of Horatio S. Turrell, alias Horatio Seaward; to the Committee on Military Affairs.

By Mr. WILSON of Pennsylvania: A bill (H. R. 3866) for the relief of Emanuel Bratses; to the Committee on Claims.

By Mr. WITHROW: A bill (H. R. 3867) for the relief of Walter Manning; to the Committee on Naval Affairs.

Also, a bill (H. R. 3868) for the relief of Leland Francis Olson; to the Committee on Naval Affairs.

Also, a bill (H. R. 3869) for the relief of Marcus Lee; to the Committee on Naval Affairs.

Also, a bill (H. R. 3870) for the relief of Charles A. Besch; to the Committee on Pensions.

Also, a bill (H. R. 3871) for the relief of George H. Hauge; to the Committee on Claims.

Also, a bill (H. R. 3872) for the relief of the Mueller Motor Co.; to the Committee on Claims.

Also, a bill (H. R. 3873) granting an increase of pension to Mary A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3874) granting an increase of pension to Anna Sholts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3875) granting an increase of pension to Mary Knadle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3876) granting an increase of pension to Hannah Salts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3877) granting an increase of pension to Annie Coleman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3878) granting a pension to Mary E. Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3879) granting a pension to Nettie Blackley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3880) granting a pension to William Edward Coughlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3881) granting a pension to Mary Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3882) granting a pension to Irene L. Davidson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3883) granting a pension to Anna Sheets Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3884) granting a pension to Josephine D. M. Nelson; to the Committee on Pensions.

Also, a bill (H. R. 3885) to amend and correct the military record of Albert Kaman; to the Committee on Military Affairs.

Also, a bill (H. R. 3886) to amend and correct the military record of Frank Schneider; to the Committee on Military Affairs.

Also, a bill (H. R. 3887) to correct the military record of Russell W. Graff; to the Committee on Military Affairs.

Also, a bill (H. R. 3888) to correct the military record of William L. Berkley; to the Committee on Military Affairs.

Also, a bill (H. R. 3889) to correct the military record of Harley M. Berkley; to the Committee on Military Affairs.

By Mr. WOODRUFF: A bill (H. R. 3890) for the relief of John R. Parkhurst; to the Committee on Naval Affairs.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

109. By Mr. DIES: A petition of J. C. Carlton and other citizens of Angeline County, Tex., favoring the enactment of a reasonable old-age-pension law; to the Committee on Labor.

110. By Mr. EKWALL: Petition of the Council of the City of Portland, Oreg.; to the Committee on Military Affairs.

111. By Mr. FOCHT: Petition regarding the unemployment-insurance bill (H. R. 7598); to the Committee on Labor.

112. Also, petition regarding the Townsend plan, old-age revolving pensions; to the Committee on Labor.

113. Also, petition regarding the Townsend plan, old-age revolving pensions; to the Committee on Labor.

114. By Mr. FULMER: Resolution of the house of representatives, Columbia, S. C., passed on January 10, 1935, "That it is the sense of this body that this Nation needs uniform provision for the payment of old-age pensions and that this body respectfully recommends to the Congress of the United States, now in session, that it make adequate provisions for the payment of pensions; to the Committee on Ways and Means.

115. By Mr. GOODWIN: Petition of the Maritime Association of the Port of New York, favoring the establishment of an air-mail terminal for New York City at the municipal airport at New York City, Floyd Bennett Field; to the Committee on the Post Office and Post Roads.

116. By Mr. MEAD: Petition of nine national organizations interested in the advancement of women's interests, regarding their opposition to House Joint Resolution 1 and Senate Joint Resolution 1; to the Committee on Ways and Means.

117. By Mrs. ROGERS of Massachusetts: Petition of the Massachusetts Warehousemen's Association, asking that the National Industrial Recovery Act be extended for a period of 1 year rather than to permit it to expire and rather than have new legislation enacted at this session of Congress; to the Committee on Appropriations.

118. By Mr. ROMJUE: Petition of independent oil jobbers of Missouri, opposing monopolistic control of the petroleum industry and advocating measures to protect the public interests; to the Committee on Interstate and Foreign Commerce.

119. Also, petition of southern commissioners of agriculture and other cotton interests at New Orleans, La., December 7, 1934, expressing their appreciation to the Members of Congress for the passage of the excise tax on foreign oils; to the Committee on Ways and Means.

120. By Mr. RUDD: Petition of Queens South Side Allied Associations, Alex Sneddon, secretary, Howard Beach, Long Island, N. Y., favoring the continuance of the Home Owners' Loan Corporation, and the necessary appropriations for same; to the Committee on Banking and Currency.

121. By Mr. SANDERS of Texas: Petition of Oscar Withrow and numerous other citizens of Mineola, Wood County, Tex., urging passage of legislation providing for an old-age pension and a bill creating a Nation-wide Federal retail sales tax; to the Committee on Labor.

122. By Mr. TREADWAY: Petition of employees of the Holyoke Wire Cloth Co., Holyoke, Mass., protesting against the enactment of any 30-hour-labor legislation; to the Committee on Labor.

123. By Mr. TRUAX: Petition of the Ladies Auxiliary of the Veterans of Foreign Wars to Fremont Post, No. 2947, Fremont, Ohio; to the Committee on World War Veterans' Legislation.

124. Also, petition of Local Union No. 1418 (New Philadelphia, Ohio) of the United Mine Workers of America affiliated with the American Federation of Labor; to the Committee on Labor.

# SENATE

## MONDAY, JANUARY 14, 1935

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, whose greatness flows around our incompleteness and in whose rest our restlessness subsides, help us to make each day a fresh beginning; help us to find each morn a world made new.

When we are tempted to believe that might has won the title to existence and marks the measure of man's work, reveal to us anew the solemn truth that the tenure of a nation's life is ever coextensive with its morals; that to serve Thee rightly is to love each other, and where pity dwells there peace abides.

Direct us then, O Father, into the way of Him whose blessed work on earth was doing good, that with reverent tread we may follow in the steps of His most holy life. We ask it in His name and for His sake. Amen.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of Thursday, January 10, 1935, when, on request of Mr. ROBINSON and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, in which it requested the concurrence of the Senate.

DEATH OF WIFE OF SENATOR FRAZIER

Mr. NYE. Mr. President, on last Thursday I gave notice of my intention to speak today upon the munitions subject. Until this morning it had been my plan to do so; but there has befallen my colleague, Mr. FRAZIER, and his household such sorrow—there has taken place such loss as we must all feel, more or less, by reason of the death of the wife of my colleague early this morning—that I cannot, with good heart or with any spirit, proceed as I had planned. I regret having given this notice, in the light of what has happened, and I desire now to be excused from proceeding today and to give notice of a desire to be heard when I can receive recognition following the convening of the Senate tomorrow.

FIFTEENTH ANNIVERSARY OF THE EIGHTEENTH AMENDMENT

Mr. SHEPPARD. Mr. President, if there is a session of the Senate on Wednesday, the 16th of January, I give notice that I shall endeavor to seek recognition from the Chair for the purpose of delivering an address on the subject of the fifteenth anniversary of the eighteenth amendment. If there is no session on that day, I shall endeavor to secure the floor at the next session subsequent thereto.

CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum and move a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Copeland | La Follette | Reynolds |
| Ashurst | Costigan | Lewis | Robinson |
| Austin | Couzens | Logan | Russell |
| Bachman | Cutting | Lonergan | Schall |
| Bankhead | Davis | Long | Schwellenbach |
| Barkley | Dickinson | McCarran | Sheppard |
| Bilbo | Dieterich | McGill | Shipstead |
| Black | Donahey | McNary | Smith |
| Bone | Duffy | Maloney | Steiwer |
| Borah | Fletcher | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Hale | Murray | Truman |
| Byrd | Harrison | Neely | Vandenberg |
| Byrnes | Hastings | Norris | Van Nuys |
| Capper | Hatch | Nye | Wagner |
| Caraway | Hayden | O'Mahoney | Walsh |
| Clark | Johnson | Pittman | Wheeler |
| Connally | Keyes | Pope | White |
| Coolidge | King | Radcliffe | |

Mr. NYE. I desire to note the absence of my colleague [Mr. FRAZIER] for the reason that has been previously announced.

Mr. LEWIS. I announce the absence of the Senator from North Carolina [Mr. BAILEY] and the Senator from Pennsylvania [Mr. GUFFEY], occasioned by official departmental business.

I wish also to announce the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] on the Philippine Commission.

I announce also the absence of the Senator from Louisiana [Mr. OVERTON], occasioned by illness.

Mr. RUSSELL. I wish to announce that my colleague the senior Senator from Georgia [Mr. GEORGE] is detained from the Senate by a slight cold.

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on the business of the Senate; that the Senator from New Jersey [Mr. BARBOUR] and the Senator from South Dakota [Mr. NORBECK] are unavoidably detained; and that the Senator from Wyoming [Mr. CAREY] is absent on account of a death in his family.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

ANNUAL REPORT OF CIVIL SERVICE COMMISSION

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Civil Service, as follows:

*To the Congress of the United States:*

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the Fifty-first Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1935.*

(NOTE: Report accompanied similar message to the House of Representatives.)

LAWS AND RESOLUTIONS OF LEGISLATURE OF PUERTO RICO

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying document, referred to the Committee on Territories and Insular Affairs, as follows:

*To the Congress of the United States:*

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit herewith certified copies of laws and resolutions enacted by the Thirteenth Legislature of Puerto Rico, during its second regular session, February 12 to April 15, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1935.*

ORDINANCES OF PUBLIC SERVICE COMMISSION OF PUERTO RICO

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs, as follows:

*To the Congress of the United States:*

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit herewith certified copies of each of four ordinances adopted by the Public Service Commission of Puerto Rico. The ordinances are described in the accompanying letter from the Secretary of the Interior forwarding them to me.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1935.*

STATEMENT OF EXPENDITURES, COURT OF CUSTOMS AND PATENT APPEALS

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a statement of the expenditures under appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1934, which, with the accompanying statement, was referred to the Committee on the Judiciary.

PERSONS EMPLOYED UNDER THE APPROPRIATION "SUPPORT OF UNITED STATES PRISONERS"

The VICE PRESIDENT laid before the Senate a letter from the Attorney General, transmitting, pursuant to law, a report showing the names of the persons employed under the appropriation for the support of United States prisoners, the annual rate of compensation paid to each, together with a description of their duties, which, with the accompanying report, was referred to the Committee on the Judiciary.

STATISTICAL STUDIES OF DEPARTMENT OF LABOR

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Labor, transmitting, pursuant to law, a report of statistical studies performed by the Department of

Labor for other than Government activities, which, with the accompanying report, was referred to the Committee on Education and Labor.

REPORT OF PUBLIC UTILITIES COMMISSION OF THE DISTRICT

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, the annual report of the Commission for the year ended December 31, 1934, with an appendix containing financial and statistical data, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORT OF GEORGETOWN BARGE, DOCK, ELEVATOR & RAILWAY CO.

The VICE PRESIDENT laid before the Senate a letter from Hamilton & Hamilton, attorneys, transmitting, pursuant to law, the report of the Georgetown Barge, Dock, Elevator & Railway Co. for the year ended December 31, 1934, which, with the accompanying report, was referred to the Committee on the District of Columbia.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the annual session of the Synod of New Jersey, Presbyterian Church, held in Atlantic City, N. J., favoring the continuance of the investigation of munitions manufacturers, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also laid before the Senate resolutions adopted by a money institute held in Flint, Mich., under the auspices of the American Science Foundation, favoring the enactment of legislation taking from banks now organized or to be hereafter organized for private profit the privilege of issuing money, etc., which were referred to the Committee on Banking and Currency.

He also laid before the Senate resolutions adopted by the Council of the City and County of Denver, Colo., favoring amendment of the Home Owners' Loan Corporation Act of 1933, or the providing by a new act that the Home Owners' Loan Corporation be authorized, empowered, and directed to issue new and additional bonds, and that the activities and work of the Corporation be indefinitely continued, which were referred to the Committee on Banking and Currency.

He also laid before the Senate resolutions adopted by the Graphic Arts Association, Houston-Galveston Region, Tex., relative to the amendment of paragraph 6 of section 585 of the Postal Laws and Regulations permitting the mass mailings of advertising literature, which were referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a letter from W. R. Lence, managing director of the Louisiana Taxpayers' Association, New Orleans, La., relative to moneys and appropriations for relief in the State of Louisiana, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted at a meeting of the New York State Board of Directors of the Women's International League for Peace and Freedom, favoring the prompt ratification of the World Court protocols, which were ordered to lie on the table.

Mr. FLETCHER presented resolutions adopted by the Orlando (Fla.) Chapter of the Laymen's League of the Unitarian Church, and also by the students, faculty, and staff of Rollins College, of Winter Park, Fla., favoring the prompt ratification of the World Court protocols, which were ordered to lie on the table.

Mr. MALONEY presented a petition of sundry citizens of West Hartford, Conn., remonstrating against alleged religious intolerance in the Republic of Mexico, which was referred to the Committee on Foreign Relations.

Mr. COPELAND presented a resolution adopted by the Medical Society of the State of New York, favoring the keeping of all features of medical service in any method of practice under the control of the medical profession, etc., which was referred to the Committee on Finance.

Mr. CAPPER presented a resolution adopted by the Bar Association of Franklin County, at Ottawa, Kans., favoring the ratification of the World Court protocols, which was ordered to lie on the table.

He also presented a resolution adopted by the board of directors of the Hays (Kans.) Chamber of Commerce, favoring the enactment of legislation repealing section 4 of the Interstate Commerce Act, relative to the long-and-short-haul clause, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the board of directors of the Hays (Kans.) Chamber of Commerce, favoring the passage of legislation bringing all classes of public carriers under the control and supervision of the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

He also presented resolutions adopted by Local Lodge No. 292, International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America, of Parsons; Horton Division, No. 192, of Horton, and Herrington Division, No. 152, of Herington, both of the Order of Benefit Association of Railway Employees, all in the State of Kansas, favoring the passage of legislation modifying section 4 of the Interstate Commerce Act so as to permit railroads to compete with other unregulated forms of transportation, which were referred to the Committee on Interstate Commerce.

Mr. MINTON presented resolutions adopted by Frankfort Division, No. 232, Order of Benefit Association of Railway Employees, which were referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Whereas the Congress of the United States is now in session to consider such legislation as may improve the public welfare; and

Whereas the prosperity of the railroads is essentially necessary to promote recovery in the United States; and

Whereas the prosperity of the railroads cannot be assured until they are given full opportunity to compete with unregulated and subsidized carriers on a fair and equitable basis: Now, therefore, be it

*Resolved,,* by Frankfort Division, No. 232, of the Order of Benefit Association of Railway Employees, that the Honorable SHERMAN MINTON, United States Senator from the State of Indiana, be requested by this body, consisting of 422 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation, as recommended by the Federal Coordinator, and covered in the Pettengill bill, H. R. 8100, introduced at the last session of Congress; and be it further

*Resolved,* That a copy of these resolutions be sent to the United States Senator of our State and that he be requested to present same to the appropriate committee of Congress.

Approved the 7th day of January 1935.

ORDER OF BENEFIT ASSOCIATION OF RAILWAY EMPLOYEES.

Attest:

R. F. MARTIN,
*Secretary Frankfort Division, No. 232.*

SEED LOANS

Mr. COSTIGAN. I present a petition, signed by Albert W. Uphoff, of Haxtun, Colo., and 100 other citizens of Phillips County, Colo., with respect to seed loans, with the request that the body of the petition be printed in the RECORD and the petition be referred to the Committee on Agriculture.

There being no objection, the petition was referred to the Committee on Agriculture and Forestry and the body thereof was ordered to be printed in the RECORD, as follows:

Whereas many farmers in our county will not be able to plant a crop in 1935 without some form of credit; and

Whereas the majority of those needing credit are not able to obtain it through a production credit association or any other governmental or private agency; and

Whereas last year's emergency Seed and Food Loan Act was passed after Congress had been in session for some time, which resulted in a number of our farmers not being able to buy seed until the supply was short, prices high, and time for planting was late: Now, therefore,

We, the undersigned farmers of Phillips County, Colo., respectfully petition that one of the first articles of legislation enacted in the coming session of Congress be an act to provide for emergency seed loans in the year 1935.

ALBERT W. UPHOFF (and others).

REMONETIZATION OF SILVER

Mr. WHEELER presented resolutions adopted by the Northwest Mining Association, which were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas from the dawn of recorded history until A. D. 1873 the commercial nations of the world used a bimetallic monetary

system, the ratio of gold and silver being approximately 16 to 1; and

Whereas the experience of the past 60 years, following the demonetization of silver in 1873, has demonstrated that the single gold standard is an unsatisfactory, unstable, and costly experiment, resulting in world-wide financial chaos and the final forced abandonment of that standard by practically all nations; and

Whereas the United States, as the major world power, is now in position to settle its own monetary policies, without dictation from the international bankers or the governments of the Old World, and there is every reason to believe that the remonetization of silver by the United States would result within 1 year in similar action by every nation with which this country has commercial relations; and

Whereas the administration, under the inspired leadership of President Franklin D. Roosevelt, has already recognized the necessity and importance of taking some steps toward the remonetization of silver but has not yet restored the money of the people to its ancient and stable status: Therefore be it

*Resolved*, That the Northwest Mining Association, comprising producers of gold, silver, lead, zinc, copper, iron, coal, and other minerals, in fortieth annual convention assembled this 15th day of December 1934 in Spokane, Wash., does hereby call upon the President and Congress of the United States to cast off the shackles of the international money changers and to restore to the American people the sound money of their forefathers by the immediate and unconditional remonetization of silver at its historic ratio of 16 to 1; and be it further

*Resolved*, That copies of this resolution be sent to the President of the United States and to both Houses of Congress and be given to the public press.

Recommended by the committee on resolutions, December 15, 1934, and unanimously adopted by the association as of the same date.

ROY H. CLARKE, *President*.
CHARLES P. ROBBINS, *Secretary*.

## THE WORLD COURT

Mr. JOHNSON. I ask leave to have printed in the RECORD a letter received this morning from the president of the American Coalition with respect to the World Court.

There being no objection, the letter was ordered to lie on the table and to be printed in the RECORD, as follows:

AMERICAN COALITION,
*Washington, D. C., January 14, 1935.*

MY DEAR SENATOR: At the annual meeting of the board of directors of the American Coalition the following resolution opposing adherence to the World Court was unanimously adopted:

"Whereas the American Coalition stands with George Washington in his Farewell Address when he advised our country to remain politically independent from all foreign entanglements; and

"Whereas we maintain that the League of Nations is a political organization of foreign powers and a membership in its judicial arm, known as the 'World Court', would compromise our political independence, since the feeble voice of America might be but one against a possible 54 States in a vote upon matters pertaining to debts owed the United States, problems of immigrations and other policies, which we have, under wise direction, decided for ourselves in the past: Be it therefore

"*Resolved*, That the United States decline membership in the World Court."

Allow me to suggest in this connection that there appears to me to be a constitutional objection to the adoption of the protocol now before the Senate inasmuch as article III, section 1, of the Constitution of the United States provides:

"The judicial power of the United States shall be vested *in one Supreme Court* and in such inferior courts as the Congress may from time to time ordain and establish", etc. (emphasis supplied), and section 2 of the same article provides that—

"The judicial power shall extend *to all cases* in law and equity arising under this Constitution, the laws of the United States and *treaties made, or which shall be made*, under their authority; *to all cases affecting ambassadors, other public ministers, and consuls;* to all cases of admiralty and maritime jurisdiction; *to controversies to which the United States shall be a party*; to controversies between two or more States; between a State and citizens of another State; between citizens of different States; between citizens of the same State claiming lands under grants of different States, *and between a State or the citizens thereof, and foreign States, citizens, or subjects.*

"In all cases affecting ambassadors, other public ministers, and consuls, and those in which a State shall be party, the Supreme Court shall have original jurisdiction", etc. (Emphasis supplied.)

This provision taken in connection with the tenth amendment, which provides that—

"The powers not delegated to the United States by the Constitution nor prohibited by it to the States are reserved to the Sates respectively, or to the people"—

would seem to preclude Congress from conferring superior judicial functions upon an agency of a superstate in cases in which the United States may be a party.

In my opinion, the contention that the World Court is a separate organization from the League of Nations, despite the reservations which have been embodied in the protocol, will not stand critical examination. It was stated in the course of a debate upon adherence to the World Court in the legislature of a foreign nation that "Despite all assertions to the contrary, accession to the Court may actually be considered as a rapprochement to the League of Nations itself; after all, facts are facts; they are stronger and speak more clearly than speeches, the more so should such speeches not be correct." If this conclusion was not in itself patent, it certainly is clearly implied by remarks attributed to certain Senators in regard to this project which have been reported in the morning papers today. However this may be, the Members of the Senate will surely recall that article 415 of the Treaty of Versailles refers to the Court as "the Permanent Court of International Justice *of the League of Nations*." (Emphasis supplied.)

The American Coalition cordially supports the principle of a peaceful settlement of international disputes by arbitration for which adequate machinery already exists, but in conclusion allow me to bring to your attention the fact that the decisions of the World Court are by its constitution enforceable by various statutes of the League of Nations, which are police powers too well known to need enumeration here. It does not seem to me possible, in the light of these facts, for any person to deny that the League is in effect an embryonic, if not an actual, superstate, and that adherence to an agency thereof must in effect be in derogation of the sovereignty of the United States. The Senate of the United States under the Constitution, in my opinion, has no power to impair the sovereignty of this Nation.

Respectfully submitted.

JOHN B. TREVOR, *President*.

## AUTHORIZATION FOR COMMITTEE HEARINGS

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back certain resolutions without amendment and one with an amendment, and ask unanimous consent for their immediate consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina?

There being no objection, the following resolutions, reported this day by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate, without amendment, were severally considered and agreed to:

Senate Resolution 20, submitted by Mr. GLASS on January 7, 1935:

*Resolved*, That the Committee on Appropriations, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

Senate Resolution 21, submitted by Mr. TRAMMELL on January 7, 1935:

*Resolved*, That the Committee on Naval Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 24, submitted by Mr. FLETCHER on January 7, 1935:

*Resolved*, That the Committee on Banking and Currency, or any subcommittee thereof, hereby is authorized to sit during the sessions, recesses, and adjourned periods of the Seventy-fourth Congress at such times and places as it may deem advisable, to make investigations into all matters within its jurisdiction, and to compile and prepare statistics and documents relating thereto as directed from time to time by the Senate and as may be necessary, and to report in due course to the Senate the result thereof, to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses incurred in pursuance hereof shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

Senate Resolution 38, submitted by Mr. WHEELER on January 10, 1935:

*Resolved*, That the Committee on Interstate Commerce, or any subcommittee thereof, hereby is authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

Senate Resolution 40, submitted by Mr. WALSH on January 10, 1935:

*Resolved*, That Senate Resolution 228, agreed to May 30, 1934, authorizing the Committee on Education and Labor to investigate the "kick-back racket" in public works and construction, hereby is continued in full force and effect until the end of the Seventy-fourth Congress.

The Senate proceeded to consider the resolution (S. Res. 37) submitted by Mr. HARRISON on January 10, 1935, and reported this day by Mr. BYRNES from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment, in line 5, after the word "custom", to strike out "currency and coinage matters", so as to make the resolution read:

*Resolved*, That the Committee on Finance, or any subcommittee thereof, be, and hereby is, authorized to sit during the sessions or recesses of the Seventy-fourth Congress at such times and places as they may deem advisable; to make investigations into internal revenue, customs, and other matters within its jurisdiction, and to compile and prepare statistics and documents relating thereto as directed from time to time by the Senate and as may be necessary; and to report from time to time to the Senate the result thereof; to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses of such committee shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

The amendment was agreed to.

The resolution as amended was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LEWIS:

A bill (S. 855) granting a pension to Emma H. Hughes; to the Committee on Pensions.

By Mr. AUSTIN:

A bill (S. 856) granting a pension to Ella W. Cleveland; to the Committee on Pensions.

By Mr. LA FOLLETTE:

A bill (S. 857) to authorize the Department of Labor to continue to make special statistical studies upon payment of the cost thereof, and for other purposes; to the Committee on Education and Labor.

By Mr. CONNALLY:

A bill (S. 858) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes; to the Committee on Mines and Mining.

By Mr. SMITH:

A bill (S. 859) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. HARRISON:

A bill (S. 860) for the relief of James Francis McDonald and Sarah Elizabeth McDonald; to the Committee on Claims.

By Mr. LONG:

A bill (S. 861) relative to the holding of terms of court in the fifth judicial circuit; to the Committee on the Judiciary.

By Mr. McNARY:

A bill (S. 862) for the relief of the Portland Iron Works; to the Committee on Claims.

A bill (S. 863) authorizing a preliminary examination of the lower Columbia River, with a view to the controlling of floods;

A bill (S. 864) to authorize preliminary examination and survey of De Poe Bay, Oreg.; and

A bill (S. 865) authorizing a survey of the Willamette River and its tributaries, in the State of Oregon, with a view to controlling floods; to the Committee on Commerce.

By Mr. TRUMAN:

A bill (S. 866) to provide for the appointment of additional district judges for the eastern and western districts of Missouri; to the Committee on the Judiciary.

A bill (S. 867) providing for the establishment of the Gen. John J. Pershing National Military Park near Laclede, in Linn County, Mo.; to the Committee on Military Affairs.

A bill (S. 868) granting a pension to Mary A. Phillips; to the Committee on Pensions.

By Mr. POPE:

A bill (S. 869) to improve the navigability of the Columbia River and its tributaries; to provide for the flood control of the Columbia River and its tributaries; to provide for reforestation and the use of marginal lands in the Columbia River Basin; to provide for the agricultural and industrial development of the Columbia River Basin; to provide for the irrigation of lands in the Columbia River Basin; to provide for the development of electrical power in the Columbia River Basin; and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BACHMAN:

A bill (S. 870) for the relief of Smith Wall; to the Committee on Claims.

A bill (S. 871) authorizing the President of the United States to appoint Sgt. Alvin C. York as a major in the United States Army and then place him on the retired list; to the Committee on Military Affairs.

By Mr. WALSH:

A bill (S. 872) for the allowance of certain claims for extra labor above the legal day of 8 hours at the several navy yards and shore stations certified by the Court of Claims; to the Committee on Education and Labor.

A bill (S. 873) to prevent discriminations against American ships and ports, and for other purposes; to the Committee on Commerce.

A bill (S. 874) to amend paragraph (1) of section 3, as amended February 28, 1920, and March 4, 1927 (U. S. C., title 49, sec. 3), of the Interstate Commerce Act (U. S. C., title 49, ch. 1); to the Committee on Interstate Commerce.

A bill (S. 875) for the relief of Michael F. Calnan;

A bill (S. 876) for the relief of Edgar Joseph Casey;

A bill (S. 877) to place William H. Clinton on the retired list of the Navy;

A bill (S. 878) for the relief of Ray Funcannon;

A bill (S. 879) for the relief of Denis Healy;

A bill (S. 880) for the relief of Dominick Edward Maggio;

A bill (S. 881) for the relief of Leo James McCoy;

A bill (S. 882) for the relief of Albert Lawrence Sliney;

A bill (S. 883) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years;

A bill (S. 884) for the relief of Lt. Com. G. C. Manning; and

A bill (S. 885) to correct the naval record of Joseph Horace Albion Normandin; to the Committee on Naval Affairs.

A bill (S. 886) for the relief of Marino Ambrogi;

A bill (S. 887) for the relief of Edward T. Costello;

A bill (S. 888) for the relief of Joseph Gorman;

A bill (S. 889) for the relief of Albert A. Marquardt;

A bill (S. 890) for the relief of Michael J. Moran;

A bill (S. 891) for the relief of Hector H. Perry;

A bill (S. 892) providing for the promotion of certain officers and enlisted men of the Army, Navy, and Marine Corps when transferred from the active to the retired list;

A bill (S. 893) for the relief of Patrick J. Sullivan; and

A bill (S. 894) for the relief of Robert H. Wilder; to the Committee on Military Affairs.

A bill (S. 895) to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

A bill (S. 896) for the relief of Anna W. Ayer, widow of Capt. Asa G. Ayer, deceased;

A bill (S. 897) for the relief of the estate of Milton L. Baxter;

A bill (S. 898) for the relief of the Central Dredging Co.;

A bill (S. 899) for the relief of John J. Corcoran;

A bill (S. 900) for the relief of Arthur K. Finney;

A bill (S. 901) for the relief of Manuel Gonsalves;

A bill (S. 902) for the relief of William Hensley;

A bill (S. 903) for the relief of the Holyoke Ice Co.;

A bill (S. 904) for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee;

A bill (S. 905) for the relief of Edith N. Lindquist;

A bill (S. 906) for the relief of Chellis T. Mooers;

A bill (S. 907) for the relief of M. Grace Murphy;

A bill (S. 908) for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

A bill (S. 909) for the relief of Edwin C. Jenney, receiver of the First National Bank of Newton, Mass.;

A bill (S. 910) for the relief of Bertram Rich;

A bill (S. 911) for the relief of Thelma Lucy Rounds;

A bill (S. 912) for the relief of Louise St. Gez, executrix of Auguste Ferre, deceased, surviving partner of Lapene & Ferre;

A bill (S. 913) for the relief of Dean Scott;

A bill (S. 914) for the relief of Tom Small;

A bill (S. 915) for the relief of William R. Smith;

A bill (S. 916) to carry into effect the decisions of the Court of Claims in favor of claimants in French spoliation cases not heretofore paid;

A bill (S. 917) for the relief of the estate of John Stewart, deceased;

A bill (S. 918) to carry out the findings of the Court of Claims in the case of the Union Iron Works; and

A bill (S. 919) for the relief of James P. Whalen; to the Committee on Claims.

By Mr. MURRAY:

A bill (S. 920) for the relief of Ruth J. Barnes; to the Committee on Military Affairs.

A bill (S. 921) for the relief of C. J. Mast; to the Committee on Claims.

A bill (S. 922) to provide for the erection of a public historical museum in the Custer Battlefield National Cemetery, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. FLETCHER:

A bill (S. 923) granting a pension to Frank T. Douglas, alias Lewis Calhoun; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 924) to provide for the election of the Board of Education of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 925) to carry into effect the findings of the Court of Claims in the case of William W. Danenhower; to the Committee on Claims.

(Mr. SCHALL introduced Senate bill 926, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. SHEPPARD:

A bill (S. 927) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army benefits of such act; to the Committee on Military Affairs.

A bill (S. 928) for the relief of Rene Hooge;

A bill (S. 929) for the relief of the Southern Products Co.;

A bill (S. 930) for the relief of First Lt. Francis H. Kuhn; and

A bill (S. 931) for the relief of the Concrete Engineering Co.; to the Committee on Claims.

By Mr. O'MAHONEY:

A bill (S. 932) authorizing the Postmaster General to extend certain air mail contracts for a further period not exceeding 6 months; to the Committee on Post Offices and Post Roads.

By Mr. TRAMMELL:

A bill (S. 933) to provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean fruit fly by the Department of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A bill (S. 934) for the relief of Bertram Lee Schoonmaker; to the Committee on Finance.

A bill (S. 935) to authorize the Secretary of War and the Secretary of the Navy to lend Army and Navy equipment for use at the National Jamboree of the Boy Scouts of America; to the Committee on Military Affairs.

A bill (S. 936) for the relief of Bertram Lee Schoonmaker; and

A bill (S. 937) for the relief of the J. M. Dooley Fireproof Warehouse Corporation, of Brooklyn, N. Y.; to the Committee on Claims.

A bill (S. 938) creating the World War Memorial Commission and providing for the erection, in Washington, of a memorial to the soldiers, sailors, and marines of the United States who lost their lives in the World War; and

A bill (S. 939) making an appropriation to carry out the national memorial construction program of the Veterans' Memorial Grove Association of Orange County, N. Y.; to the Committee on the Library.

By Mr. DAVIS:

A bill (S. 940) to provide for the further carrying out of the award of the National War Labor Board of July 31, 1918, in favor of certain employees of the Bethlehem Steel Co., Bethlehem, Pa.; to the Committee on Military Affairs.

By Mr. REYNOLDS:

A bill (S. 941) for the relief of William J. Cocke; to the Committee on Claims.

A bill (S. 942) granting a pension to Wilbur N. Fisher; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 943) to amend section 21 of the Interstate Commerce Act;

A bill (S. 944) to amend section 5 of the Federal Trade Commission Act; and

A bill (S. 945) to amend sections 11 and 24 of the Interstate Commerce Act; to the Committee on Interstate Commerce.

A bill (S. 946) to amend sections 3 and 4 of the act of July 3, 1930, entitled "An act for the rehabilitation of the Bitter Root irrigation project, Montana"; to the Committee on Irrigation and Reclamation.

A bill (S. 947) for the relief of James A. Boone; to the Committee on Naval Affairs.

A bill (S. 948) for the relief of Halvor H. Groven;

A bill (S. 949) for the relief of R. R. Purcell;

A bill (S. 950) authorizing the Court of Claims to investigate and determine the facts in connection with the claim of the First National Bank of Billings, Mont.;

A bill (S. 951) for the relief of Mrs. Guy A. McConoha; and

A bill (S. 952) for the relief of Zelma Halverson; to the Committee on Claims.

A bill (S. 953) granting an increase of pension to Catherine A. Riley;

A bill (S. 954) granting a pension to Jerry M. Humphrey;

A bill (S. 955) granting a pension to Clara Stuart;

A bill (S. 956) granting a pension to Waumdi Duba (Red Eagle);

A bill (S. 957) granting a pension to James A. Boone;

A bill (S. 958) granting a pension to Joseph E. Williams;

A bill (S. 959) granting a pension to Marie Taylor;

A bill (S. 960) granting a pension to John Ransom;

A bill (S. 961) granting a pension to Daniel S. J. Leif;

A bill (S. 962) granting a pension to Jens A. Jepsen;

A bill (S. 963) granting a pension to Caroline Henkel;

A bill (S. 964) granting an increase of pension to Dora White;

A bill (S. 965) granting an increase of pension to Louise Hatch;

A bill (S. 966) granting a pension to Carl A. Grant;

A bill (S. 967) granting a pension to certain Indians on the Fort Belknap Indian Reservation;

A bill (S. 968) granting a pension to certain Indians, and for other purposes;

A bill (S. 969) granting a pension to Emma L. Long;

A bill (S. 970) granting a pension to Louis E. Supernant;

A bill (S. 971) granting a pension to Henry Archdale, Sr.; and

A bill (S. 972) granting a pension to Mary Lange; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 973) for the relief of Emma Susan McMurdo; to the Committee on Finance.

A bill (S. 974) for the relief of Charles E. Bryant; to the Committee on Claims.

A bill (S. 975) granting a pension to James C. Neff; and

A bill (S. 976) granting a pension to Golda Stump Darr; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 977) to deprive persons hereafter naturalized under the laws of the United States of their citizenship upon commission of a felony, and for other purposes; to the Committee on Immigration.

A bill (S. 978) authorizing the Secretary of War to convey to the University of Oregon certain lands forming a part of the Coos Head River and Harbor Reservation; to the Committee on Military Affairs.

By Mr. RUSSELL:

A bill (S. 979) authorizing the appointment and retirement of Terrell W. Hill as a second lieutenant, United States Army; to the Committee on Military Affairs.

A bill (S. 980) to provide for the selection of members of county and community committees under the Cotton Act of 1934; to the Committee on Agriculture and Forestry.

By Mr. THOMAS of Oklahoma:

A bill (S. 981) granting a pension to Harmon C. Harris; and

A bill (S. 982) granting a pension to Dorothy G. Johnson (with accompanying papers); to the Committee on Pensions.

A bill (S. 983) for the relief of Grady D. Coleman; to the Committee on Military Affairs.

By Mr. BYRD:

A bill (S. 984) for the relief of the James River Bridge Corporation;

A bill (S. 985) for the relief of Hudson Bros., of Norfolk, Va.;

A bill (S. 986) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Emma A. Quillin;

A bill (S. 987) for the relief of Howard Lewter; and

A bill (S. 988) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Mary Cato; to the Committee on Claims.

A bill (S. 989) for the relief of James N. Hudson; and

A bill (S. 990) for the relief of Henry Bess, otherwise known as "Lewis Russ" and as "Francis Smith"; to the Committee on Military Affairs.

A bill (S. 991) granting an increase of pension to Annie S. Wynne; to the Committee on Pensions.

By Mr. MALONEY:

A bill (S. 992) for the relief of Albert Ralphaiel Anastasio; to the Committee on Naval Affairs.

By Mr. LONERGAN:

A bill (S. 993) directing the Comptroller General to adjust the account between the United States and the State of Connecticut; to the Committee on the Judiciary.

By Mr. McNARY:

A joint resolution (S. J. Res. 27) to provide for allocation to private shipyards on the Pacific coast a fair share of the 50 percent allotted to private shipyards under naval-construction bills passed by Congress; to the Committee on Commerce.

By Mr. WALSH:

A joint resolution (S. J. Res. 28) to authorize the several States to negotiate compacts or agreements to promote greater uniformity in the laws of such States affecting labor and industries; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 29) to authorize the erection of a monument to Queen Isabella; to the Committee on the Library.

A joint resolution (S. J. Res. 30) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciusko; to the Committee on Post Offices and Post Roads.

By Mr. MURRAY:

A joint resolution (S. J. Res. 31) for the relief of farmers in the drought-stricken areas of Montana; to the Committee on Agriculture and Forestry.

By Mr. VAN NUYS and Mr. MINTON:

A joint resolution (S. J. Res. 32) authorizing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

HOUSE BILL REFERRED

The bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

PRINTING OF HANDBOOK OF LABOR STATISTICS

Mr. WAGNER submitted the following resolution (S. Res. 44), which was referred to the Committee on Printing:

*Resolved*, That the Handbook of Labor Statistics, 1935 edition, be printed as a Senate document, with an index in such form and style as may be directed by the Committee on Printing; and that 3,000 additional copies be printed for the use of the Senate document room.

HEARINGS BEFORE COMMITTEE ON EDUCATION AND LABOR

Mr. WALSH submitted the following resolution (S. Res. 45), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Education and Labor, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

ASSISTANT CLERK TO COMMITTEE ON EDUCATION AND LABOR

Mr. WALSH submitted the following resolution (S. Res. 46), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Education and Labor hereby is authorized to employ for the remainder of the session of the Senate an assistant clerk, to be paid from the contingent fund of the Senate at the rate of $2,000 per annum.

CORNER IN DECEMBER SUGAR FUTURES

The VICE PRESIDENT. Resolutions coming over from a previous day are in order.

Mr. ROBINSON. Mr. President, I understood the Senator from Michigan [Mr. VANDENBERG] expected his resolution, which comes over from the last session, to be considered at this time.

Mr. VANDENBERG. I thank the Senator. When the resolution referred to, being Senate Resolution 41, was submitted on the last day when the Senate was in session, the Senator from Arkansas [Mr. ROBINSON] objected to one phase relating to a request for a recommendation from the Secretary of Agriculture. In consultation this morning with the Senator from Colorado [Mr. COSTIGAN] and the Senator from Wyoming [Mr. O'MAHONEY], who are both equally interested in the sugar problem, we have rewritten the resolution. I ask to perfect my resolution by substituting the modified form, which I send to the desk. It will be noted that the preamble has been entirely eliminated. The portion to which the Senator from Arkansas objected has been changed.

The VICE PRESIDENT. The resolution, as modified, will be read by the clerk for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 41), as modified, as follows:

That the Secretary of Agriculture is requested to report to the Senate (a) all information at the disposal of the Department and the Agricultural Adjustment Administration respecting the so-called "corner" in December sugar futures, and the ultimate results as found by these Government agencies and by the New York Coffee and Sugar Exchange; (b) the history of any dealings the Department of Agriculture or the A. A. A. may have had

with the merchandising of the 1934 Cuban sugar quota in the United States; (c) the names of all so-called "long" and "short" traders in December sugar futures on the New York Coffee and Sugar Exchange if available; (b) the names of the members of the board of directors and of the managers of the New York Coffee and Sugar Exchange and of the personnel of the Cuban Sugar Stabilization Institute; (e) the names of any banks or other financial institutions in the United States known to the Department or the A. A. A. to have been connected with financing, or refusing to finance, the 1934 Cuban sugar crop; (f) the effect, if any, of Cuban price decrees and of the so-called "corner" in December futures upon the sugar-price index in the United States; and (g) any other available information bearing upon additional legislation that may be needed to safeguard the objective of the Jones-Costigan Act or to control commodity dealings on the New York Coffee and Sugar Exchange.

Mr. ROBINSON. Mr. President, I understand that the resolution in its present form has the approval of the Senator from Colorado [Mr. COSTIGAN] and the Senator from Wyoming [Mr. O'MAHONEY].

Mr. VANDENBERG. The Senator is correct.

Mr. ROBINSON. Those Senators collaborated in the preparation of the so-called "Jones-Costigan Act."

Mr. VANDENBERG. The Senator is correct.

Mr. ROBINSON. In its present form, I make no objection to the resolution.

The VICE PRESIDENT. Is there objection to the consideration of the resolution?

Mr. HARRISON. Mr. President, I am not going to make any objection to the immediate consideration of the resolution, but I wish to make this observation. It has been the practice in the Senate to offer such resolutions and ask for immediate consideration. It seems to be the better practice in reference to resolutions of this kind is that they should first be referred to a standing committee for consideration and report. I shall not in this instance object and thus violate a precedent long established, but it is my purpose to object in the future to the consideration of such resolutions until they shall have been referred to a standing committee.

Mr. KING. Mr. President, I should like to ask the Senator from Michigan a question, and I do so because of two inquiries received this morning from Utah, from gentlemen who are deeply interested in the question, as to the effect of the operations upon the domestic market and particularly the effect upon the production and marketing of sugar produced in the beet-sugar sections of our country.

Mr. VANDENBERG. Mr. President, I have the general conviction that the terms of the Jones-Costigan Act and the establishment of quotas under it either have been used or could be used, as a result of the experience of the last 3 months, by private speculators to exploit the beet-sugar producers. The information is sufficiently elusive that I have been unable by personal effort to secure it. The resolution asks for such official information as may bear upon the general objective and upon the inquiry submitted to me by the Senator from Utah. I believe the information thus sent for will probably justify a more formal inquiry.

Mr. KING. Another inquiry, if the Senator will permit. Is there such close connection between the sugar operators and the coffee operators as that there should be a reference in the resolution to those who are engaged in the buying and selling of coffee?

Mr. VANDENBERG. Yes. The commodity exchange in New York, which deals in sugar, is the New York Coffee and Sugar Exchange.

Mr. COSTIGAN. Mr. President, the courteous Senator from Michigan has accurately reported the general concurrence of the Senator from Wyoming [Mr. O'MAHONEY] and myself with respect to the resolution of the Senator from Michigan.

Listening to the reading of the resolution it has, however, occurred to me to ask the Senator from Michigan whether he is satisfied that it permits a possible recommendation by the Secretary of Agriculture of the closing of those activities of that part of the New York Coffee and Sugar Exchange which relates to sugar? The able Senator from Michigan will recall that during the World War the emergency was regarded as sufficient to justify the closing of the sugar exchange, and that Herbert Hoover, who was then one of the advisers of President Wilson, apparently recommended that course.

Mr. VANDENBERG. The resolution will not produce a direct recommendation from the Secretary of Agriculture. The Senator from Colorado will recall that the Senator from Arkansas objected to a request of that character. I believe the resolution will produce information from which the Senate upon its own responsibility may accurately answer the question which the Senator from Colorado submits.

Mr. COSTIGAN. It is conceivable that such a recommendation may prove to be in line with the objectives of the sugar act and consistent with the public interest.

Mr. O'MAHONEY. Mr. President, before the resolution shall be agreed to, I think the RECORD ought to show that, as the Senator from Michigan said, he discussed the subject matter with the Senator from Colorado [Mr. COSTIGAN] and myself this morning. I said I would have no objection to the resolution in its present form.

I did, however, express the feeling that the resolution asks for information which is not within the official responsibility of the Secretary of Agriculture, namely, the names of the long and short traders upon the New York Coffee and Sugar Exchange. That exchange is not under the direction of the Secretary of Agriculture. Therefore any information which he might have would not be official information. I think there is no objection to having him supply the Senate with all facts he may have.

The VICE PRESIDENT. The question is on agreeing to the resolution as modified.

The resolution as modified was agreed to.

## REDISTRIBUTION OF WEALTH

Mr. LONG. Mr. President, I send to the desk a radio address and a letter by myself which I ask to have inserted in the RECORD.

There being no objection, the address and the letter were ordered to be printed in the RECORD, as follows:

Ladies and gentlemen, there is a verse which says that the

"Saddest words of tongue or pen
Are these: 'It might have been.'"

I must tell you good people of our beloved United States that the saddest words I have to say are:

"I told you so!"

In January 1932 I stood on the floor of the United States Senate and told what would happen in 1933. It all came to pass.

In March 1933, a few days after Mr. Roosevelt had become President and had made a few of his moves, I said what to expect in 1934. That came to pass.

As the Congress met in the early months of 1934 and I had a chance to see the course of events for that year, I again gave my belief on what would happen by the time we met again this January 1935. I am grieved to say to you that this week I had to say on the floor of the United States Senate, "I told you so!"

How I wish tonight that I might say to you that all my fears and beliefs of last year proved untrue! But here are the facts—

1. We have 1,000,000 more men out of work now than 1 year ago.

2. We have had to put 5,000,000 more families on the dole than we had there a year ago.

3. The newspapers report from the Government statistics that this past year we had an increase in the money made by the big men, but a decrease in the money made by the people of average and small means. In other words, still "the rich getting richer and the poor getting poorer."

4. The United States Government's Federal Deposit Insurance Corporation reports that it has investigated to see who owns the money in the banks, and they wind up by showing that two-thirds of 1 percent of the people own 67 percent of all the money in the banks, showing again that the average man and the poor man have less than ever of what we have left in this country and that the big man has more of it.

So, without going into more figures, the situation finally presents to us once more the fact that a million more people are out of work; 5,000,000 more are on the dole, and that many more are crying to get on it; the rich earn more, the common people earn less; more and more the rich get hold of what there is in the country, and, in general, America travels on toward its route to ———.

Now, what is there to comfort us on this situation? In other words, is there a silver lining? Let's see if there is. I read the following newspaper clipping on what our President of the United States is supposed to think about it. It reads as follows:

[From the New Orleans Morning Tribune, Dec. 18, 1934]

"PRESIDENT FORBIDS MORE TAXES ON RICH—TELLS CONGRESSMEN INCREASES MIGHT MAKE BUSINESS STAMPEDE

By the United Press

"WASHINGTON, December 17.—The administration is determined to prevent any considerable increase in taxes on the very rich, many of whom pay no taxes at all, on the ground that such a plan would cause another 'stampede' by business. Word has been sent up to Democratic congressional leaders that it is essential nothing be done to injure confidence. The less said about distribution of wealth, limitation of earned income, and taxes on capital, 'new dealers' feel, the better.

"Repeatedly since the Democrats won a two-thirds majority in both Houses in the congressional elections last month the administration has sought to assure the worker, the taxpayer, and the manufacturer that they had nothing to fear.

"Meantime reports reached the Capital that fear of potential increases in inheritance taxes and gift levies at the coming Congress was in part responsible for the failure of private capital to take up a greater share of the recovery burden."

That ends the news article on what President Roosevelt has had to say.

President Roosevelt was elected on November 8, 1932. People look upon an elected President as the President. This is January 1935. We are in our third year of the Roosevelt depression, with the conditions growing worse. That says nothing about the state of our national finances. I do not even bring that in for important mention, except to give the figures:

Our national debt of today has risen to $28,500,000,000. When the World War ended we shuddered in our boots because the national debt had climbed to $26,000,000,000. But we consoled ourselves by saying that the foreign countries owed us $11,000,000,000 and that in reality the United States national debt was only $15,000,000,000. But say that it was all of the $26,000,000,000 today. Without a war our national debt under Mr. Roosevelt has climbed up to $28,500,000,000, or more than we owed when the World War ended by 2½ billions of dollars. And in the Budget message of the President he admits that next year the public debt of the United States will go up to $34,000,000,000, or 5½ billion dollars more than we now owe.

Now this big debt would not be so bad if we had something to show for it. If we had ended this depression once and for all we could say that it is worth it all, but at the end of this rainbow of the greatest national debt in all history that must get bigger and bigger, what do we find?

One million more unemployed; 5,000,000 more families on the dole, and another 5,000,000 trying to get there; the fortunes of the rich becoming bigger and the fortunes of the average and little men getting less and less; the money in the banks nearly all owned by a mere handful of people, and the President of the United States quoted as saying: "Don't touch the rich!"

I begged, I pleaded, and did everything else under the sun for over 2 years to try to get Mr. Roosevelt to keep his word that he gave to us; I hoped against hope that sooner or later he would see the light and come back to his promises on which he was made President. I warned what would happen last year and for this year if he did not keep these promises made to the people.

But going into this third year of Roosevelt's administration, I can hope for nothing further from the Roosevelt policies. And I call back to mind that whatever we have been able to do to try to hold the situation together during the past 3 years has been forced down the throat of the national administration. I held the floor in the Senate for days until they allowed the bank laws to be amended that permitted the banks in the small cities and towns to reopen. The bank deposit guaranty law and the Frazier-Lemke farm debt moratorium law had to be passed in spite of the Roosevelt administration. I helped to pass them both.

All the time we have pointed to the rising cloud of debt, the increases in unemployment, the gradual slipping away of what money the middle man and the poor man have into the hands of the big masters, all the time we have prayed and shouted, begged and pleaded, and now we hear the message once again from Roosevelt that he cannot touch the big fortunes.

Hope for more through Roosevelt? He has promised and promised, smiled and bowed; he has read fine speeches and told anyone in need to get in touch with him. What has it meant?

We must now become awakened! We must know the truth and speak the truth. There is no use to wait 3 more years. It is not Roosevelt or ruin; it is Roosevelt's ruin.

Now, my friends, it makes no difference who is President or who is Senator. America is for 125,000,000 people and the unborn to come. We ran Mr. Roosevelt for the Presidency of the United States because he promised to us by word of mouth and in writing:

1. That the size of the big man's fortune would be reduced so as to give the masses at the bottom enough to wipe out all poverty; and

2. That the hours of labor would be so reduced that all would share in the work to be done and in consuming the abundance mankind produced.

Hundreds of words were used by Mr. Roosevelt to make these promises to the people, but they were made over and over again. He reiterated these pledges even after he took his oath as President. Summed up, what these promises meant was: "Share our wealth."

When I saw him spending all his time of ease and recreation with the business partners of Mr. John D. Rockefeller, Jr., with such men as the Astors, etc., maybe I ought to have had better sense than to have believed he would ever break down their big fortunes to give enough to the masses to end poverty—maybe some will think me weak for ever believing it all, but millions of other people were fooled the same as myself. I was like a drowning man grabbing at a straw, I guess. The face and eyes, the hungry forms of mothers and children, the aching hearts of students denied education were before our eyes, and when Roosevelt promised, we jumped for that ray of hope.

So therefore I call upon the men and women of America to immediately join in our work and movement to share our wealth.

There are thousands of share-our-wealth societies organized in the United States now. We want a hundred thousand such societies formed for every nook and corner of this country—societies that will meet, talk, and work, all for the purpose that the great wealth and abundance of this great land that belongs to us may be shared and enjoyed by all of us.

We have nothing more for which we should ask the Lord. He has allowed this land to have too much of everything that humanity needs.

So in this land of God's abundance we propose laws, viz:

1. The fortunes of the multimillionaires and billionaires shall be reduced so that no one person shall own more than a few million dollars to the person. We would do this by a capital levy tax. On the first million that a man was worth we would not impose any tax. We would say, "All right for your first million dollars, but after you get that rich you will have to start helping the balance of us." So we would not levy any capital levy tax on the first million one owned. But on the second million a man owns we would tax that 1 per cent, so that every year the man owned the second million dollars he would be taxed $10,000. On the third million we would impose a tax of 2 percent. On the fourth million we would impose a tax of 4 percent. On the fifth million we would impose a tax of 8 percent. On the sixth million we would impose a tax of 16 percent. On the seventh million we would impose a tax of 32 percent. On the eighth million we would impose a tax of 64 percent; and on all over the eighth million we would impose a tax of 100 percent. What this would mean is that the annual tax would bring the biggest fortune down to three or four million dollars to the person because no one could pay taxes very long in the higher brackets. But three to four million dollars is enough for any one person and his children and his children's children. We cannot allow one to have more than that because it would not leave enough for the balance to have something.

2. We propose to limit the amount any one man can earn in 1 year or inherit to $1,000,000 to the person.

3. Now, by limiting the size of the fortunes and incomes of the big men we will throw into the Government Treasury the money and property from which we will care for the millions of people who have nothing; and with this money we will provide a home and the comforts of home, with such common conveniences as radio and automobile, for every family in America, free of debt.

4. We guarantee food and clothing and employment for everyone who should work by shortening the hours of labor to 30 hours per week, maybe less, and to 11 months per year, maybe less. We would have the hours shortened just so much as would give work to everybody to produce enough for everybody; and if we were to get them down to where they were too short, then we would lengthen them again. As long as all the people working can produce enough of automobiles, radios, homes, schools, and theaters for everyone to have that kind of comfort and convenience, then let us all have work to do and have that much of heaven on earth.

5. We would provide education at the expense of the States and the United States for every child, not only through grammar school and high school but through to a college and vocational education. We would simply extend the Louisiana plan to apply to colleges and all people. Yes; we would have to build thousands of more colleges and employ a hundred thousand more teachers; but we have materials, men, and women who are ready and available for the work. Why have the right to a college education depend upon whether the father or mother is so well to do as to send a boy or girl to college? We would give every child the right to education and a living at birth.

6. We would give a pension to all persons above 60 years of age in an amount sufficient to support them in comfortable circumstances, excepting those who earn $1,000 per year or who are worth $10,000.

7. Until we could straighten things out—and we can straighten things out in 2 months under our program—we would grant a moratorium on all debts which people owe that they cannot pay.

And now you have our program, none too big, none too little, but every man a king.

We owe debts in America today, public and private, amounting to $252,000,000,000. That means that every child is born with a $2,000 debt tied around his neck to hold him down before he gets started. Then, on top of that, the wealth is locked in a vice owned by a few people. We propose that children shall be born in a land of opportunity, guaranteed a home, food, clothes, and the other things that make for living, including the right to education.

Our plan would injure no one. It would not stop us from having millionaires—it would increase them tenfold, because so many more people could make a million dollars if they had the chance our plan gives them. Our plan would not break up big concerns. The only difference would be that maybe 10,000 people would own a concern instead of 10 people owning it.

But my friends, unless we do share our wealth, unless we limit the size of the big man so as to give something to the little man, we can never have a happy or free people. God said so! He ordered it.

We have everything our people need. Too much of food, clothes, and houses—why not let all have their fill and lie down in the ease and comfort God has given us? Why not? Because a few own everything—the masses own nothing.

I wonder if any of you people who are listening to me were ever at a barbecue! We used to go there—sometimes a thousand people or more. If there were 1,000 people we would put enough meat and bread and everything else on the table for 1,000 people. Then everybody would be called and everyone would eat all they wanted. But suppose at one of these barbecues for 1,000 people that one man took 90 percent of the food and ran off with it and ate until he got sick and let the balance rot. Then 999 people would have only enough for 100 to eat and there would be many to starve because of the greed of just one person for something he couldn't eat himself.

Well, ladies and gentlemen, America, all the people of America, have been invited to a barbecue. God invited us all to come and eat and drink all we wanted. He smiled on our land and we grew crops of plenty to eat and wear. He showed us in the earth the iron and other things to make everything we wanted. He unfolded to us the secrets of science so that our work might be easy. God called: "Come to my feast."

Then what happened? Rockefeller, Morgan, and their crowd stepped up and took enough for 120,000,000 people and left only enough for 5,000,000 for all the other 125,000,000 to eat. And so many millions must go hungry and without these good things God gave us unless we call on them to put some of it back.

I call on you to organize share-our-wealth societies. Write to me in Washington if you will help.

Let us dry the eyes of those who suffer; let us lift the hearts of the sad. There is plenty. There is more. Why should we not secure laws to do justice—laws that were promised to us—never should we have quibbled over the soldiers' bonus. We need that money circulating among our people. That is why I offered the amendment to pay it last year. I will do so again this year.

Why weep or slumber, America?
Land of brave and true,
With castles, clothing, and food for all
All belongs to you.

Ev'ry man a king, ev'ry man a king,
For you can be a millionaire;
But there's something belonging to others,
There's enough for all people to share.
When it's sunny June and December, too,
Or in the wintertime or spring,
There'll be peace without end,
Ev'ry neighbor a friend,
With ev'ry man a king.

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UNITED STATES SENATE,
*Washington, D. C.*

DEAR FRIEND: Two reports are repeatedly published in the newspapers and announced in programs rendered by the big interests in their radio programs. The first report is that I am a man of great means. If I could sell everything I own, which is not much, I could not pay one-half of my debts.

The other report repeatedly printed and circulated is that the speeches and literature which I send out are printed at Government expense. That statement is also false. With the exception of Government bulletins, etc., everything we sent out, including the enclosed document, must be paid for by us. We are frequently unable to pay some of our printing accounts, and, therefore, have to delay sending out articles requested of us until we can find money with which to do so. That fact can be verified by the accounts we have owed to the Government Printing Office.

We do not make any solicitation of you for any help, and are glad of the privilege to send anything we can on request absolutely free, in the hope that those who feel that our cause is just will make known to their neighbors some of the facts which we furnish.

Yours sincerely,

HUEY P. LONG,
*United States Senator.*

## THE CALENDAR

The VICE PRESIDENT. The calendar, under rule VIII, is in order.

The first business on the calendar was the bill (S. 396) to amend section 1180 of the Code of Laws for the District of Columbia with respect to usury.

Mr. BULKLEY. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

That completes the calendar.

## THE MUNITIONS INDUSTRY

Mr. ROBINSON. Mr. President, I understand that the Senator from Washington [Mr. BONE] wishes to address the Senate briefly at this time. If he desires to do so, I will refrain from a motion I was about to make.

Mr. BONE. Mr. President, as a member of the select committee named to investigate the activities of the munitions business, I desire to approve the position taken by members of that committee who have reported to the Senate on the work already accomplished, and to which report they have coupled a request for further funds to continue this work. My colleagues have made a careful and painstaking presentation of many of the outstanding facts produced by this inquiry, and, therefore, I shall refrain from elaborating on these facts which are so startling as to challenge the attention not only of the people of this country but of the entire world.

Because of the broad field to be covered, and the limitations of time and money, the committee has largely restricted its inquiry to the field of combat munitions; but the results obtained must lead all thoughtful citizens to the conclusion that we are dealing with a business capable of creating and which has created situations fraught with grave peril to the peace of the world. The picture so far presented indicates the necessity for the most searching inquiry into the activities and ramifications of the private munitions business of this country and its relations to similar business enterprises of foreign countries.

The Senate has had a most able presentation of facts and arguments from my colleagues on this committee. Certainly the eloquence, candor, and blunt frankness of the able Senators who have preceded me leave little to be said to justify the request of the committee for additional funds. I think Members of the Senate, like the public at large, are impressed with the gravity of the issues and problems presented by the revelations of this inquiry.

We have been made to realize that the work of the committee has not met with approval in quarters where huge private profits, no matter how made, are regarded as sacred. We have been criticized for presuming to ask questions, the answers to which were most embarrassing to men in high places. It is not for me to answer or attempt to answer these criticisms. The people of this country will make answer if they are given an opportunity. It is only fair, however, to say that some men in the munitions industry keenly realize and admit that this business has a most sordid side. These men were frank with the committee, and were honest in justifying their participation in this kind of business with the argument that "if we don't do it, someone else will." They admitted the huge profits which seem to be the very keystone of the arch of this business. Bona fide commissions paid to salesmen were so far out of line with those paid by the average business as to present a bewildering picture to the members of the committee. Graft money paid to public officials, in some cases, was also added to the burden of commissions. Naturally, a business which affords such easy access to huge profits is an attractive business. Doubtless this angle of profit will explain why successful efforts have been made to stifle peace moves. It explains the strange paradox of the private rearming of Germany in the face of international prohibitions. It explains to the average person why gentlemen with impressive titles of nobility have expressed sentiments strangely familiar to prosecutors who have handled underworld problems, and why some business men who disclaim antisocial views seem to find no wrong in business practices that are a frank bid to public corruption.

It is well that the people of this Nation understand these things. It is well that they be advised that some great business enterprises regard as pernicious all moves to make the world safe for peace—safe for the boys who may soon be cannon fodder unless a great change is wrought. These great combines have linked hands with similar combines across the seas to strangle the infant of peace in its cradle.

We have been assured that the committee was indiscreet in bringing to light the fact that men in high places advised bribery as the proper technic in the munitions business. This argument has been coupled with the further one that business will be hurt by such revelations. To those who look upon private profit as the sole end of all worth-while things, such argument may be cogent and convincing. I cannot bring myself to believe that it is sound.

If the Senate was imprudent in creating this committee and in directing it to produce the facts—the cold facts made by the written records and sworn testimony of the men in this business, together with their accredited agents—then the Members of the Senate may find consolation in the splendid maxim of Lord Beaconsfield, "it is better to be imprudent than servile."

As we scan this record of unconscionable profits, bribery, graft, corruption, and the thwarting of international peace moves, let us weigh it in the balances of human judgment with the great army of little boys coming on whose bodies are to be torn and burned with steel, fire, and gas in the next outburst of world insanity, which we are assured is inevitable unless we can check the unhappy greed of men.

Who dares to say that the Senate of the United States has been imprudent in this inquiry? The pending investigation may offend and doubtless does grievously wound the sensibilities of men who have enjoyed vast war profits in the past, and who honestly consider it a form of treason to the Republic to suggest the elimination of private profits in war and in the preparation for war. These men, and those who share their views, doubtless inspired the great amount of propaganda to the effect that it is un-American for us even to consider the proposition of the Government making its own combat munitions. The staggering private profits in the last war, preserved for our bedevilment and bewilderment in the form of a substantial portion of our huge national debt, constitute a better answer to this sort of argument than I can fashion.

I think in viewing this whole matter dispassionately we may conclude that the people may charge us with servility to private munition interests if we do not at least get at the facts that underlie a business that has laid such a heavy hand on the national purse. In any event, and regardless of our own views about this matter, our inquiry into the activities of the munitions business is not nearly so imprudent as one suggested from a private munitions concern that "this is our country and not the country of Congress." I prefer to leave the significance of that blunt statement, with its possessive case, to the judgment of the average man. He can draw his own conclusions as to whether we are prudent in longer refraining from at least inquiring into the activities of a business which refers to this country as "our country." As I look over the record of war profits, I find myself almost tempted to agree with the munitions combine in delicately suggesting that it was their country. Obviously, this country does not belong to Congress. It is equally clear, however, that the Republic is not the chattel of private munitions combines.

Grave abuses have been uncovered. Few can be found to defend them. Most of them were unknown before this inquiry was begun. In fact, some of the sordid things disclosed were only previously hinted at, and brought immediate disclaimers and denials from the munitions business when it deigned to make even a brief reply to those it called muckrakers. Now it must confront the record made by its own hands and from the lips of its own agents and managers.

I hope Members of the Senate feel the necessity and the wisdom of continuing the inquiry with sufficient funds to enable the committee to accomplish the purposes of the resolution calling it into existence. Certainly when the Senate confronts the fact that private shipyards have increased the bid price on a cruiser from $8,000,000 in December 1932 to $16,000,000 in August 1934 there is cause for a most complete and searching inquiry into the reason for this extraordinary demand on the Public Treasury.

Eight million dollars would pay for a lot of Senate investigations. It would feed a lot of hungry people. Certainly the cost of this investigation cannot be the occasion for question while bid prices on war vessels go up 100 percent in 2 years. That sort of an increase in the cost of preparedness will impose a staggering burden on the people of this Nation, and one they can ill afford to bear in these critical times. It will make the new naval program a Roman holiday for private shipbuilders. From my contacts with the men who actively participated in the World War, I am firmly convinced that the great majority of them—perhaps it would not be an exaggeration to say that practically all of them—want the facts about war profits and the commercial side of war brought out into the full light of day so far as we are able to accomplish that end. Large numbers of them have assured me that veterans have become deeply resentful against what has appeared to them to be a determined effort over the past few years to suppress the facts about such profits. Whether or not this charge be true, the fact remains that this large group of our citizens have every legitimate right to call upon us to make a full disclosure. Whatever reasons exist for secrecy in this business are not to be weighed against the right to be fully informed of men who offered their bodies to their country. The sacrifices of these men made war profits possible. If these profits were unconscionable, if the methods employed to gain them were wrong, if the whole theory of private profits in war is wrong, then the soldiers, above all others, should know. Personally, I feel a great responsibility to these men in this matter.

Leading representatives of the private munitions business were asked very definitely just what they thought would result from the ever-increasing expenditures for armaments. Practically without exception their answers expressed grave fears for the financial future of nations engaged in this mad race. Further interrogated as to what they thought would happen in the event of another great international conflict, the answers were also practically unanimous that such a conflict would destroy our western civilization.

Agreeing with these gentlemen, and assuming such statements to be cold facts, I feel wholly free to urge my colleagues to continue the present munitions inquiry. I think most of you will share my belief that the great mass of the American citizens, whose own flesh and blood will pay the price of the next conflict, are highly desirous that we give them the most complete picture possible, to the end that Congress may enact suitable legislation to meet this problem. Anything which rises to the dignity of a threat against civilization itself cannot be disregarded if we are to discharge our duty to the people who sent us here.

## "THE MARK OF THE BEAST"

Mr. SCHALL. Mr. President, St. John the Evangelist, in Revelation, tells us of a vision. He saw coming up out of the sea a monster with seven heads. One of them was wounded and bleeding, and it was healed while he looked at it. Then there came another that ruled in the name of the first monster; and this other placed the mark of the beast upon the brow or the hand of everyone who traded.

The Supreme Court of the United States has recently started removing that mark; and I wish to help, so far as I can, by introducing a bill to strike title I from the bill creating the national racketeers' association.

The bill (S. 926) to repeal title I of the National Industrial Recovery Act was read twice by its title and referred to the Committee on Finance.

Mr. President, the bill I have just introduced has for its purpose, as is seen from its title, the repeal of title I of the National Recovery Act. My amendment leaves intact title II, providing for public works, called the "P. W. A.", and the agricultural relief section.

When in June 1933 the Senator from Missouri [Mr. CLARK] introduced a similar amendment to strike out title I, and was joined by Senators on both sides of the aisle, title I had a narrow escape. It was the friends of title II who saved the so-called "Recovery Act." There was strong support for the La Follette-Costigan public-works bill and the Wagner public-works and employment bill, which had made strong headway in the Seventy-second Congress. The only way to secure passage of the public-works measure with administration support was to tie it to the recovery title I, providing for the N. R. A. It was title II that passed title I, and only by this logrolling of the President was it possible.

The trusts and monopolies of America thereby got a suspension of the antitrust laws, for which they had been working for 30 years. The clause for that suspension, giving a

free hand to trust exploitation, was the genius of the N. R. A. Two years of industrial "emergency" have been the logical result.

Let us strike out title I, restore the antitrust laws, and repeal the 670 prohibition codes of the national ruin act.

Unless by act Congress at an early date shall terminate at one effective blow the whole brood of 670 monopoly grants called "N. R. A.", they are doomed to a piecemeal death, one by one or in groups, by the laborious and expensive methods of the courts, or by falling down through inherent weakness. If the aim of the Government is efficiency and economy, the logical thing to do is to make an end of the agony by one repealing act.

The 670 codes of N. I. R. A. are, in effect, so many prohibition acts upon normal industry, while extending monopoly grants to the benefited industrial trusts. The codes prohibit the lawful and normal pursuit of every industry and trade, excepting the business in intoxicating liquors covered by the eighteenth amendment. When the country resolved to repeal the Volstead Act, Congress voted for repeal. We did it by one summary act. We did not wait for the long processes of time and slow death. We passed one repeal bill. Why is not that the most efficient and painless method of winding up the 670 prohibition codes of N. I. R. A.?

The Supreme Court has shown us the way in knocking out by a vote of 8 to 1, in the case of the Petroleum Code, the fundamental defect of all the 670 codes, namely, an unconstitutional delegation of legislative power to the Executive. If Congress had no constitutional authority to delegate legislative power to the Executive in the case of the Petroleum Code, Congress had no constitutional authority to delegate legislative power to the Executive on any code.

We had no constitutional authority to delegate our legislative power on any measure. That was plain enough from the start. It was pointed out by the Senator from Idaho [Mr. BORAH] many times, and elaborated by him in a notable address on Delegation of Power, an exhaustive review of a hundred years of the opinions of the United States Supreme Court, all converging in the view announced in the opinion delivered by Chief Justice Hughes in the petroleum case, just settled. It was pointed out by good lawyers on both sides of this Chamber—by the Senator from Missouri [Mr. CLARK], by the Senator from Vermont [Mr. AUSTIN], by the Senator from Nevada [Mr. MCCARRAN], by the Senator from Delaware [Mr. HASTINGS], by the Senator from Oklahoma [Mr. GORE], by the Senator from Oregon [Mr. STEIWER], by the Senator from Michigan [Mr. VANDENBERG], by the Senators from Virginia, the Old Dominion State which gave the country most of the early Presidents and Chief Justice John Marshall—and I am wondering if any of the 18 lawyers on the Senate Judiciary Committee, including the chairman, the distinguished Senator from Arizona [Mr. ASHURST], entertained in their innermost convictions any materially different view from that now expressed by Chief Justice Hughes, that Congress cannot delegate or abdicate its legislative power lawfully, even though demanded by the irresistible smiling Executive.

The Supreme Court finds, with respect to the delegation of legislative power in the Petroleum Code:

> If section 9 (c) were held valid, it would be idle to pretend that anything would be left upon limitations of the power of the Congress to delegate its lawmaking function. The reasoning of the many decisions we have reviewed would be made vacuous and their decisions nugatory. Instead of performing its lawmaking function Congress could at will and as to such subjects as it chooses transfer that function to the President or other officer or to an administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation which are an essential part of our system of government.

Whereupon the Court concludes:

> We cannot regard the President as immune from the application of these constitutional principles. When the President is invested with legislative authority as the delegate of Congress in carrying out a declared policy, he necessarily acts under the constitutional restriction applicable to such a delegation.
>
> We see no escape from the conclusion—

Says the Chief Justice—

> that the Executive orders of July 11, 1933, and July 14, 1933, and the regulations issued by the Secretary of the Interior thereunder, are without constitutional authority.
>
> The decrees of the circuit court of appeals are reversed, and the causes are remanded to the district court with direction to modify its decrees in conformity with this opinion so as to grant permanent injunctions restraining the defendants from enforcing those orders and regulations.
>
> It is so ordered.

Here we have the first repeal act with respect to the 670 prohibition and monopoly codes of N. R. A. The reasoning in this case is applicable to all acts involving delegation of legislative power by Congress to the Executive and his bureaucracy of 49 bureaus and 13 commissions.

Why wait for the inevitable? Has not Congress the courage to clean its own stable? Why not make the repeal general? Even General Johnson, the famous administrator and chief author of the N. R. A., says, "The N. R. A. is dead as a doornail." He further adds, with excusable gusto, that the present administration thereof has "fleas in the pants."

Moreover, on the day following the Supreme Court decision, the N. R. A. administration itself announced that it would abandon 300 price-fixing and service-ruling codes. This executive repeal of 300 codes, plus one repeal by the Supreme Court, would leave of the original 670 only 269 prohibition acts requiring repeal by Congress. Why not be merciful in shooting the beast outright, instead of prolonging the agony on the installment plan—here cutting off a hind foot, there a forepaw, then a section of the tail or an ear, and finally a whole quarter or a midriff, and the old critter howling and disturbing the whole neighborhood—while the coroner reports, "She is dead as a doornail", and the veterinarian in charge has "fleas in the pants"?

Let us put N. R. A. out of her agony by one repeal act and save several millions in cost of caretakers, veterinarians, medicines, messenger boys and nurses, hospital bills, and patronage "pork." Let us relieve American industry and trade of all these insane prohibitions. Let us give monopoly, whose corporation heads constitute the code authorities, their final walking papers and restore the antitrust laws against their unlawful exploitation of consumers. Let us quit this cracking down on legitimate industries and begin building up American industry as is being done among our competitors in Canada, Europe, Asia, Africa, and South America.

The first codes of the N. R. A. were imposed in July 1933. From July to November that year American industrial production fell about 25 percent—as against a boom in Canada and Great Britain, and as against a rise of about 10 percent in the July-November fall season of even 1932 in the United States.

In 1934 again there was a sharp decline from May to November, whereas in Canada and Great Britain there was a strong uptrend which enabled those countries to wipe out their treasury deficits and show a normal surplus. Is it not time that the United States quit the business of cracking down and cracking up honest enterprises, and again exhibit the Treasury surplus which it enjoyed from 1920 to 1930? Why delay recovery by bold experiments creating planned emergencies? This planned emergency has already added to the unemployed over a million, according to William Green, president of the American Federation of Labor.

It is evident from the President's Budget message that he has planned an emergency extension until 1936. Having expended $4,000,000,000 of emergency in 1934—the heaviest distribution being in October just before the fall elections—he now asks for $4,600,000,000 of 1935 emergency and $4,100,000,000 of 1936 emergency to tide through the 1936 campaign. It is fortunate for the Treasury debt and deficit that the next presidential election is not delayed until 1937, 1938, 1939, or 1940—or planned emergency might be extended indefinitely, until we had a government debt exceeding the combined debt of the 22 leading countries of Europe.

If the idea of the "brain trust" inventors of the N. R. A. was that a planned emergency would afford a pretext for

evading the Constitution by delegating the legislative authority of Congress to the President, that idea may now be dispelled. The Supreme Court finds that "nothing has happened" that will vacate the Constitution and the legislative powers of Congress thereunder. What the Court doubtless means is that nothing has happened except politics, and that politics cannot lawfully erase the "constitutional processes of legislation which are an essential part of our system of government."

If the emergencies created in 1933 and 1934 do not afford a basis for a new-deal government outside of the Constitution, what is the use of planning further emergencies in 1935 and 1936? It is simply voting away $8,700,000,000 for advance emergencies that benefit nobody except the politicians who get them up. And when it is all over, the Supreme Court will keep on getting out decisions showing that nothing has happened except politics. It is not fair to the younger generation—the taxpayers of the future—who will carry millstones around their necks in paying for deficits and campaign bills contracted during the era of the playboys, called "brain trust."

The N. R. A. seems to be depended upon to create an industrial emergency by cracking down on legitimate industry, just as the A. A. A. is the planned method of producing agricultural emergency by plowing under the crops and killing the pigs. Repeal would be the logical remedy for both of these Federal prohibition plans.

Repeal the N. R. A. and the A. A. A., and thus remove two of the original causes of planned emergency, and we will not need the $4,600,000,000 emergency fund for 1935 and the $4,100,000,000 emergency fund for 1936; with a further yearly increase of the present unemployment army of 10,700,000, and a Federal dole and patronage army of 25,500,000. If we repeal the 670 prohibition codes of N. R. A. outright, and forthwith it may not be necessary for Congress to abdicate its legislative power over appropriations, which page 12 of the new Budget message describes as follows:

> I recommend that $4,000,000,000 be appropriated by the Congress in one sum, subject to allocation by the Executive * * *.

He should have added, to make it clear, to put in his own pocket to be used as his judgment dictates. Every vote the new deal secured at the last election cost the taxpayers of the country better than $200.

When the Executive is a candidate for reelection he will be the chief beneficiary of this $4,000,000,000 in one sum to be allocated by him. Will the Supreme Court deem that a constitutional reason for abdication of duty by Congress? If $250,000,000 had to be allocated to Maine in the off-year 1934, how much would Maine have to get for its emergency in a presidential compaign year—the allocator being the leading candidate? How many dollars of the taxpayers' money will be required for each new-deal vote?

When even Maine has declared against prohibition, why not give Maine the full benefits of repeal by repealing the N. R. A. codes which threaten Maine with emergency and allocation and dislocation in 1936?

### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

### EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States, submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

### EXECUTIVE REPORTS OF A COMMITTEE

Mr. ROBINSON (for Mr. HAYDEN), from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters in the State of Arkansas, which were ordered to be placed on the Executive Calendar.

### FEDERAL COMMUNICATIONS COMMISSION—ANNING S. PRALL

Mr. WAGNER. From the Committee on Interstate Commerce, I report back favorably the nomination of Anning S. Prall, of New York, to be a member of the Federal Communications Commission for the unexpired term of 1 year from July 1, 1934, vice Hampson Gary.

I ask for the immediate confirmation of the nomination of Mr. Prall.

Mr. COUZENS. Mr. President, we should not act on the matter at this time. The nomination should go to the calendar.

The VICE PRESIDENT. Objection is heard.

Mr. WAGNER. May I remind the Senator from Michigan that in committee we had this nomination up for consideration this morning, and it was the view of the committee that I might ask for the immediate confirmation of Mr. Prall's nomination on the ground that there is now a vacancy on the Communications Commission. Mr. Prall is not now a member of the Commission. There is one vacancy on the Communications Commission, the vacancy being in the section of the Commission dealing with broadcasting; and it is very essential for the orderly conduct of the business of the Commission that this nomination be confirmed now, so that the place may be filled at once.

I remind the Senator also——

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Michigan?

Mr. WAGNER. I yield.

Mr. COUZENS. I was at the meeting of the committee, and I am sorry to say that I do not have such an understanding.

Mr. WAGNER. That was the understanding.

Mr. COUZENS. I did not join in that understanding. I understand the present situation with respect to the Communications Commission; but we had an understanding at the last session of Congress that nominations would not be brought up for confirmation without the Senate knowing that we were in executive session, and that nominations were coming up for confirmation. No injury can result from a delay of 1 day.

Mr. WAGNER. May I add another word to say that this is an exceptional case, and perhaps the Senator may change his attitude with respect to it. The name of Mr. Prall, who has been a Member of Congress for 14 years, was presented to the Senate at the last session to be a member of the Federal Radio Commission. The nomination went to the committee, was unanimously reported, came to the Senate, and was unanimously confirmed by the Senate. He did not take office because soon thereafter the communications bill was passed, creating a new Commission, and because he was then a Member of the House he was disqualified to be a member of the new Commission.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. JOHNSON. I desire to inquire, merely for information, whether there are a number of members of this Commission whose names have been presented to the Senate to come up ultimately for confirmation.

Mr. WAGNER. Yes; but may I point out a distinction? The other gentlemen whose names have been presented to the Senate are now members of the Commission, and any delay in the consideration of their nominations will not affect their status, because they will continue as members of the Commission. The place for which former Representative Prall has been nominated is now vacant. There is no member in charge of the broadcast section of the Commission.

Mr. JOHNSON. Is there any objection to the others who are named?

Mr. WAGNER. They are to be considered at a subsequent meeting of the committee, I understand.

Mr. JOHNSON. Have they not been considered at all as yet?

Mr. WAGNER. Not as yet; no.

Mr. JOHNSON. I have no objection to the Senator's request for the confirmation of the nomination; but there are some others on the Commission whose nominations I should like to see confirmed as well, and that is why I am asking the question.

Mr. WAGNER. Of course, I can understand the Senator's situation, and if former Representative Prall were now a member of the Commission I should not ask for his immediate confirmation. There is a vacancy existing there now, however, and I am asking the immediate confirmation of Mr. Prall simply in order that the Commission may proceed with its business.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. WHITE. I wish to suggest to the Senator from New York—and I have no doubt he has the point in mind—that the legislation which was passed during the last session of Congress required the Commission to examine into various matters of importance in the communications field and to report thereon to the Congress. I assume it is important in the extreme that when those reports come here they shall have had consideration by a full Commission rather than a partial Commission.

Mr. KING. Mr. President, in view of the fact that the powers and authority of this Commission have been so greatly enlarged, I should like to ask some member of the committee whether there should not be the greatest care in ascertaining the qualifications of those recommended to be commissioners; whether we should not obtain the very best men for those positions, because it was assumed that with the expansion of its authority this Commission had risen to a position of greater importance than that which it had occupied in the past. Speaking for myself, I want very competent men on the Commission.

Mr. WHITE. I think we all do. I assume that Mr. Prall's name and qualifications have had the most earnest consideration of the Executive. I think the New York Senators know him and know his qualifications; and I may add, for whatever it may be worth, that, having sat in the House a number of years with him, I share the high opinion that the New York Senators have of him. It does seem to me important, however, in view of the requests for recommendations which Congress has made of the Commission, that the recommendations should come from the full Commission, if it is possible to have a full Commission; and it is largely for that reason that I was ready to acquiesce in the suggestion that the name be reported now, and that it be immediately acted on.

The VICE PRESIDENT. Is there objection to the immediate consideration of the nomination?

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. The Senator from Michigan objects.

Mr. COUZENS. Mr. President, I have no objection to Mr. Prall; in fact, I heartily approve of his appointment. From all the information I have received, his qualifications are of the highest. If, however, nominations are to be reported to the Senate and immediately acted upon without ever going to the calendar, we shall establish a precedent which will cause us much trouble. I know we have opposed heretofore such action as is now proposed; and I am opposing the immediate consideration of this nomination as a matter of rule and precedent rather than because of any objections I have to Mr. Prall or any desire to interfere with the Senator from New York.

Mr. WAGNER. Mr. President, I appreciate the attitude of the Senator from Michigan; and I shall ask for early consideration of the Executive Calendar tomorrow or the day after.

Mr. WHEELER. Mr. President, in view of the statement which has been made by the Senator from Utah [Mr. KING] I desire to state that when these names came to the Committee on Interstate Commerce the other day I did what I am asking to have done in each such case. I asked that the names be referred first to the Senators from the State from which the nominee has been appointed, asking the Senators to give their views with reference to the particular man nominated.

I agree with the Senator from Utah that by reason of the fact that the Communications Commission today deals not only with telephone communication but with radio and all other forms of communication it really is one of the most important commissions we have; and as chairman of the Senate Committee on Interstate Commerce I am particularly anxious that we shall carefully search the record of each man appointed upon the Commission.

I also desire to call attention to the fact that under the former law the country was divided into five different zones, and it was required under the law that a commissioner represent each of those zones. There is no such provision in the present law, and as a result thereof we find what? We find on the Commission three men coming from the first zone, but no Commissioner representing the entire section of the country west of the Ohio clear to the Pacific Ocean. It seems to me that one man should be appointed from each of the five zones who knows the condition in that particular section of the country; and with respect to this and other Commissions I hope that in the future we shall not have sent down to us the names of two or three men representing one particular section of the country, leaving other sections unrepresented.

Mr. KING. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. KING. In view of the statement which the Senator from Montana has just made, and which I heartily approve, I invite his attention to the fact that one of the most important governmental commissions today is the so-called "Securities Commission." Heretofore, and at present, as I understand, substantially all the members of that Commission are from a limited area of the United States—largely that embracing New England and New York and Pennsylvania. Certainly securities are issued, or should be issued, in the West. The entire western part of the United States has no representative at all on the Securities Commission. While I am not sectional by any means, I do think that in the distribution of important offices, whose functions affect the entire country, men should be selected from various parts of the United States. I hope the Senator will join with me in trying to find someone west of the Mississippi River who is competent to act upon the Securities Commission.

Mr. WAGNER. Mr. President, will the Senator yield for just one other question?

Mr. WHEELER. I yield.

Mr. WAGNER. It is a fact, is it not, that on two occasions at the last session of Congress and again today the Committee on Interstate Commerce has inquired into the qualifications of Mr. Prall and unanimously determined that, from the standpoint of high character and capacity, he is eminently qualified for this position?

Mr. WHEELER. I think that is correct.

## THE WORLD COURT

The VICE PRESIDENT. The clerk will call the Executive Calendar.

Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, transmitted to the Senate December 10, 1930, and reported favorably from the Committee on Foreign Relations on the 10th instant, with reservations, was announced as first in order.

Mr. ROBINSON. Mr. President, I shall ask the Senate to proceed to the consideration of the protocols and the resolution of adherence. It is my intention to address the Senate tomorrow on the subject matter of the resolution and the protocols, and I shall, therefore, at the proper time, move a recess until tomorrow at 12 o'clock, but I ask that the Senate proceed now to the consideration of the protocols.

The Senate, as in Committee of the Whole, thereupon proceeded to consider the protocols, which were read the second time.

The protocols were reported to the Senate without amendment.

Mr. ROBINSON. I now offer the resolution of adherence, with the reservations reported by the committee.

The VICE PRESIDENT. The resolution of adherence will be read.

The Chief Clerk read as follows:

*Resolved (two-thirds of the Senators present concurring)*, That the Senate advise and consent to the adherence by the United States to the said three protocols, the one of date December 16, 1920, and the other two each of date September 14, 1929 (without accepting or agreeing to the optional clause for compulsory jurisdiction), with the clear understanding of the United States that the Permanent Court of International Justice shall not, over an objection by the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

The VICE PRESIDENT. The question is on agreeing to the resolution of adherence to the protocols.

Mr. ROBINSON. Mr. President, before making the motion I have in mind——

Mr. VANDENBERG. Mr. President, before the Senator leaves the protocols will he permit me to offer an amendment to the resolution of adherence so that technically it may be the pending question?

Mr. ROBINSON. Yes.

Mr. VANDENBERG. I offer an amendment to the resolution of adherence and ask that it may be the pending question.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG] to the resolution of adherence.

Mr. JOHNSON. Mr. President, may I inquire of the Senator from Michigan if the reservation he has offered is the one relating to national policy?

Mr. VANDENBERG. It is the reservation which has been attached every time the Senate has been asked heretofore to act upon this proposition.

Mr. ROBINSON. The amendment of the Senator from Michigan to the resolution will be printed and will be available.

The amendment submitted by Mr. VANDENBERG to the resolution of adherence was ordered to be printed and to be printed in the RECORD, as follows:

*Resolved further*, That adherence to the said protocols and statute hereby approved shall not be so construed as to require the United States to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions of policy or internal administration of any foreign state; nor shall adherence to the said protocol and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions.

RECESS

Mr. ROBINSON. Unless there is further executive business, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 3 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Tuesday, January 15, 1935, at 12 o'clock meridian.

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## NOMINATIONS

*Executive nominations received by the Senate January 14, 1935*

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

William H. Hornibrook, of Utah, now Envoy Extraordinary and Minister Plenipotentiary to Persia, to be also Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Afghanistan.

UNITED STATES CIRCUIT JUDGE

Charles B. Faris, of Missouri, to be United States circuit judge for the eighth circuit, to succeed William S. Kenyon, deceased.

CHIEF OF THE CHILDREN'S BUREAU

Katharine F. Lenroot, of Wisconsin, to be Chief of the Children's Bureau in the Department of Labor.

MEMBER OF THE NATIONAL MEDIATION BOARD

John Carmody, of New York, to be a member of the National Mediation Board for the term expiring February 1, 1938 (reappointment).

COLLECTOR OF INTERNAL REVENUE

Joseph T. Higgins, of New York, to be collector of internal revenue for the third district of New York, to fill an existing vacancy.

PUBLIC HEALTH SERVICE

The following-named surgeons to be senior surgeons in the United States Public Health Service, to rank as such from the dates set opposite their names:

Roscoe R. Spencer, January 5, 1935.
Royd R. Sayers, January 6, 1935.
Walter C. Teufel, January 7, 1935.
Sanders L. Christian, January 8, 1935.
Paul M. Stewart, January 8, 1935.
David J. Prather, April 8, 1935.

Dr. Paul E. Walker to be assistant surgeon in the United States Public Health Service, to take effect from date of oath.

APPOINTMENTS IN THE REGULAR ARMY

MEDICAL CORPS

*To be first lieutenants with rank from January 1, 1935*

First Lt. William Langford Spaulding, Medical Corps Reserve.
First Lt. James Leo Tobin, Medical Corps Reserve.
First Lt. Allen Nelson Bracher, Medical Corps Reserve.

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY

TO FIELD ARTILLERY

Second Lt. James Ernest Beery, Infantry, with rank from June 10, 1932.

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONELS

Lt. Col. Augustine Aloysius Hofmann, Infantry, from January 1, 1935.
Lt. Col. James Blyth, Infantry, from January 1, 1935.
Lt. Col. Edwin Gunner, Infantry, from January 8, 1935.

TO BE LIEUTENANT COLONELS

Maj. Walter Kilshaw Dunn, Coast Artillery Corps, from January 1, 1935.
Maj. Walter Hale Frank, Air Corps, from January 1, 1935.
Maj. Guy Woodman Chipman, Cavalry, from January 8, 1935.

TO BE MAJORS

Capt. John Adams Hettinger, Cavalry, from January 1, 1935.
Capt. William Byron Wilson, Infantry, from January 1, 1935.
Capt. Stanley Young Kennedy, Infantry, from January 1, 1935.
Capt. William Wilson Belcher, Field Artillery, from January 1, 1935.
Capt. Paul Houston Morris, Cavalry, from January 7, 1935.
Capt. John Richard Williams, Field Artillery, from January 8, 1935.

TO BE CAPTAINS

First Lt. Bryan Evans, Field Artillery, from December 1, 1934.
First Lt. Bonner Frank Fellers, Coast Artillery Corps, from December 3, 1934.
First Lt. John William Middleton, Infantry, from December 5, 1934.
First Lt. Melton Adams Hatch, Coast Artillery Corps, from December 9, 1934.
First Lt. Kenneth Seymour Stice, Signal Corps, from December 12, 1934.
First Lt. Francis Andrew March, 3d, Field Artillery, from December 12, 1934.
First Lt. George Maurice Badger, Coast Artillery Corps, from December 16, 1934.

First Lt. John Sheridan Winn, Jr., Field Artillery, from December 31, 1934.

First Lt. Marion Van Voorst, Signal Corps, from January 1, 1935.

First Lt. Frank Johnstone Cunningham, Coast Artillery Corps, from January 1, 1935.

First Lt. Thomas Tipton Thornburgh, Cavalry, from January 1, 1935.

First Lt. Hobart Reed Yeager, Air Corps, from January 1, 1935.

First Lt. Stuart Millikin Bevans, Field Artillery, from January 1, 1935.

First Lt. John Hiram Lewis, Jr., Field Artillery, from January 1, 1935.

First Lt. Gervais William Trichel, Coast Artillery Corps, from January 7, 1935.

First Lt. Vincent John Conrad, Infantry, from January 8, 1935.

TO BE FIRST LIEUTENANTS

Second Lt. Charles Newton Hunter, Infantry, from December 1, 1934.

Second Lt. Jerald Worden McCoy, Air Corps, from December 1, 1934.

Second Lt. Logan Clarke, Infantry, from December 1, 1934.

Second Lt. Randolph Bolling Hubard, Infantry, from December 1, 1934, subject to examination required by law.

Second Lt. George Edward Lynch, Field Artillery, from December 1, 1934.

Second Lt. Hugh Mackintosh, Infantry, from December 1, 1934.

Second Lt. David Xavier Angluin, Infantry, from December 1, 1934.

Second Lt. William Erwin Maulsby, Jr., Infantry, from December 1, 1934.

Second Lt. Donald Archibald Stevning, Infantry, from December 1, 1934.

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# HOUSE OF REPRESENTATIVES

## MONDAY, JANUARY 14, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed Shepherd Divine, we rejoice that in Thee there is a perfect blending of majesty with humility, of strength with gentleness, of passion with repose, and of holiness with sinful, suffering men. When we yield to the waves of memory, when things are too deep to be revealed to mortal man, when the stains of living make us unworthy, do Thou glow out of the shadows and sharpen the vision of our inward eyes. Minister unto us and keep us this day in accord with Thy holy will. Heavenly Father of mercy, we wait; a herald has sounded at our door and a distinguished Member has left us. Let morning hope from the realms of a new day break through upon the loved ones in this hour of the translation of their honored one. Oh lighten and transfigure their sorrow like rain clouds in a summer sun and Thine shall be the glory. Amen.

The Journal of the proceedings of Friday, January 11, 1935, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

ELECTION OF MINORITY MEMBERS OF STANDING COMMITTEES

Mr. SNELL. Mr. Speaker, I offer a privileged resolution for the election of minority members of the standing committees of the House.

The Clerk read as follows:

House Resolution 50

*Resolved*, That the following Members be, and they are hereby, elected members of the standing committees of the House of Representatives, to wit:

Accounts: James Wolfenden, Pennsylvania; Leo E. Allen, Illinois; Donald H. McLean, New Jersey.

Agriculture: Clifford R. Hope, Kansas; J. Roland Kinzer, Pennsylvania; Fred C. Gilchrist, Iowa; Charles W. Tobey, New Hampshire; L. T. Marshall, Ohio; Philip A. Goodwin, New York; August H. Andresen, Minnesota; Samuel W. King, Hawaii.

Banking and Currency: John B. Hollister, Ohio; Jesse P. Wolcott, Michigan; Peter A. Cavicchia, New Jersey; Hamilton Fish, Jr., New York; Charles L. Gifford, Massachusetts; Everett M. Dirksen, Illinois; Clare Gerald Fenerty, Pennsylvania.

Census: J. Roland Kinzer, Pennsylvania; William E. Hess, Ohio; Benjamin K. Focht, Pennsylvania; Sam L. Collins, California; William Lemke, North Dakota; Henry M. Kimball, Michigan.

Civil Service: Frederick R. Lehlbach, New Jersey; Edith Nourse Rogers, Massachusetts; Charles W. Tobey, New Hampshire; Henry M. Kimball, Michigan; Vito Marcantonio, New York; ———.

Claims: U. S. Guyer, Kansas; George N. Seger, New Jersey; William A. Pittenger, Minnesota; John W. Gwynne, Iowa; William A. Ekwall, Oregon; Frank Carlson, Kansas.

Coinage, Weights, and Measures: Lloyd Thurston, Iowa; Clarence E. Hancock, New York; Theodore Christianson, Minnesota; Chauncey W. Reed, Illinois; Albert J. Engel, Michigan; William H. Wilson, Pennsylvania.

Disposition of Useless Executive Papers: ———.

District of Columbia: Everett M. Dirksen, Illinois; Dewey Short, Missouri; Ralph O. Brewster, Maine; Chauncey W. Reed, Illinois; Clare Gerald Fenerty, Pennsylvania; W. Sterling Cole, New York.

Education: Albert E. Carter, California; L. T. Marshall, Ohio; George A. Dondero, Michigan; W. Sterling Cole, New York; John W. Gwynne, Iowa; Karl Stefan, Nebraska.

Election of President, Vice President, and Representatives in Congress: Theodore Christianson, Minnesota; George Holden Tinkham, Massachusetts; Thomas A. Jenkins, Ohio; George A. Dondero, Michigan; B. W. Gearhart, California.

Elections No. 1: John B. Hollister, Ohio; Clarence E. Hancock, New York; Sam L. Collins, California.

Elections No. 2: U. S. Guyer, Kansas; Charles D. Millard, New York; Francis D. Culkin, New York.

Elections No. 3: Charles L. Gifford, Massachusetts; Randolph Perkins, New Jersey; James W. Wadsworth, Jr., New York.

Enrolled Bills: Charles A. Eaton, New Jersey; August H. Andresen, Minnesota; ———.

Expenditures in the Executive Departments: Charles L. Gifford, Massachusetts; Robert F. Rich, Pennsylvania; John B. Hollister, Ohio; Philip A. Goodwin, New York; Clare E. Hoffman, Michigan; and B. W. Gearhart, California.

Flood Control: Robert F. Rich, Pennsylvania; Harry L. Englebright, California; Charles W. Tobey, New Hampshire; Henry M. Kimball, Michigan; and Frank Carlson, Kansas.

Foreign Affairs: Hamilton Fish, Jr., New York; Joseph W. Martin, Jr., Massachusetts; Charles A. Eaton, New Jersey; George Holden Tinkham, Massachusetts; Leo E. Allen, Illinois; Edith Nourse Rogers, Massachusetts; and Theodore Christianson, Minnesota.

Immigration and Naturalization: J. Will Taylor, Tennessee; Charles D. Millard, New York; Benjamin K. Focht, Pennsylvania; William L. Higgins, Connecticut; Everett M. Dirksen, Illinois; William W. Blackney, Michigan; and Samuel W. King, Hawaii.

Indian Affairs: Fred C. Gilchrist, Iowa; Sam L. Collins, California; Isaac H. Doutrich, Pennsylvania; Fred L. Crawford, Michigan; J. George Stewart, Delaware; and Usher L. Burdick, North Dakota.

Insular Affairs: Lloyd Thurston, Iowa; Richard J. Welch, California; Bert Lord, New York; W. Sterling Cole, New York; Karl Stefan, Nebraska; and Fred L. Crawford, Michigan.

Interstate and Foreign Commerce: John G. Cooper, Ohio; Carl E. Mapes, Michigan; Charles A. Wolverton, New Jersey; James Wolfenden, Pennsylvania; Pehr G. Holmes, Massachusetts; Schuyler Merritt, Connecticut; B. Carroll Reece, Tennessee; and James W. Wadsworth, Jr., New York.

Invalid Pensions: Charles D. Millard, New York; Albert E. Carter, California; William L. Higgins, Connecticut; Usher L. Burdick, North Dakota; Ralph O. Brewster, Maine; and L. C. Arends, Illinois.

Irrigation and Reclamation: Fred A. Hartley, Jr., New Jersey; William E. Hess, Ohio; J. Roland Kinzer, Pennsylvania; William A. Ekwall, Oregon; and B. W. Gearhart, California.

Judiciary: Randolph Perkins, New Jersey; U. S. Guyer, Kansas; Clarence E. Hancock, New York; William E. Hess, Ohio; Earl C. Michener, Michigan; John M. Robsion, Kentucky; and William H. Wilson, Pennsylvania.

Labor: Richard J. Welch, California; Fred A. Hartley, Jr., New Jersey; W. P. Lambertson, Kansas; Clifford R. Hope, Kansas; and Vito Marcantonio, New York.

Library: Allen T. Treadway, Massachusetts; and Bert Lord, New York.

Memorials: Frank Crowther, New York.

Merchant Marine, Radio, and Fisheries: Frederick R. Lehlbach, New Jersey; Richard J. Welch, California; Francis D. Culkin, New York; Ralph O. Brewster, Maine; Clare E. Hoffman, Michigan; and Samuel W. King, Hawaii.

Military Affairs: Harry C. Ransley, Pennsylvania; Walter G. Andrews, New York; Donald H. McLean, New Jersey; Charles A. Plumley, Vermont; Sam L. Collins, California; Dewey Short, Missouri; L. C. Arends, Illinois; and Samuel W. King, Hawaii.

Mines and Mining: Harry L. Englebright, California; C. Murray Turpin, Pennsylvania; L. T. Marshall, Ohio; William A. Pittenger, Minnesota; and Dewey Short, Missouri.

Naval Affairs: George P. Darrow, Pennsylvania; A. Piatt Andrew, Massachusetts; Charles D. Millard, New York; George Burnham, California; William L. Higgins, Connecticut; Melvin J. Maas,

Minnesota; Ralph E. Church, Illinois; and Samuel W. King, Hawaii.

Patents: Randolph Perkins, New Jersey; Clarence J. McLeod, Michigan; Fred A. Hartley, Jr., New Jersey; L. C. Arends, Illinois; and Ralph E. Church, Illinois.

Pensions: Walter G. Andrews, New York; Benjamin K. Focht, Pennsylvania; Melvin J. Maas, Minnesota; and Frank Carlson, Kansas.

Post Office and Post Roads: Isaac H. Doutrich, Pennsylvania; Fred A. Hartley, Jr., New Jersey; Philip A. Goodwin, New York; John T. Buckbee, Illinois; William D. Thomas, New York; William A. Pittenger, Minnesota; Albert J. Engel, Michigan; and Samuel W. King, Hawaii.

Printing: Robert F. Rich, Pennsylvania.

Public Buildings and Grounds: J. Will Taylor, Tennessee; Pehr G. Holmes, Massachusetts; William D. Thomas, New York; George Burnham, California; William W. Blackney, Michigan; and Karl Stefan, Nebraska.

Public Lands: Harry L. Englebright, California; James W. Wadsworth, Jr., New York; James W. Mott, Oregon; William Lemke, North Dakota; Robert S. Rich, Pennsylvania; Fred L. Crawford, Michigan; and Samuel W. King, Hawaii.

Revision of the Laws: Jesse P. Wolcott, Michigan; Earl C. Michener, Michigan; and John M. Robsion, Kentucky.

Rivers and Harbors: George N. Seger, New Jersey: Albert E. Carter, California; Francis D. Culkin, New York; Chester C. Bolton, Ohio; George A. Dondero, Michigan; J. George Stewart, Delaware; and William A. Ekwall, Oregon.

Roads: C. Murray Turpin, Pennsylvania; Jesse P. Wolcott, Michigan; James W. Mott, Oregon; John W. Gwynne, Iowa; and Bert Lord, New York.

Rules: Harry C. Ransley, Pennsylvania; Joseph W. Martin, Jr., Massachusetts; Carl E. Mapes, Michigan; and Frederick R. Lehlbach, New Jersey.

Territories: Harry L. Englebright, California; James W. Mott, Oregon; Walter G. Andrews, New York; Vito Marcantonio, New York; William W. Blackney, Michigan; Usher L. Burdick, North Dakota; and Samuel W. King, Hawaii.

War Claims: Peter A. Cavicchia, New Jersey; Benjamin K. Focht, Pennsylvania; William D. Thomas, New York; A. Piatt Andrew, Massachusetts; Charles A. Plumley, Vermont; Clare E. Hoffman, Michigan.

Ways and Means: Allen T. Treadway, Massachusetts; Isaac Bacharach, New Jersey; Frank Crowther, New York; Harold Knutson, Minnesota; Daniel A. Reed, New York; Roy O. Woodruff, Michigan; Thomas A. Jenkins, Ohio.

World War Veterans' Legislation: Edith Nourse Rogers, Massachusetts; Charles A. Plumley, Vermont; Albert J. Engel, Michigan; Chauncey W. Reed, Illinois.

The resolution was agreed to.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Wednesday next.

Mr. SNELL. Mr. Speaker, reserving the right to object—and I shall not object, because I think this is a perfectly reasonable request under the circumstances—I should like to make the general request of the majority leader that we be given as much advance information as possible relative to the program of the majority. We expect there will be some very important legislation coming before the House during the next few weeks. This side of the House is very anxious to get as much advance information relative to the program of the majority as it is consistent to give us. As we all know, during the last session, under the emergency plea, a great many important measures were considered in a very short time. Some of them were given very limited hearings before the committees, and at least one or two of the measures were not even in print when they were passed upon by the House. It seems to me this emergency season must be practically over now, and we respectfully request the majority to give us a program of the business for each week in advance and, as far as possible, to give us notice of when the most important matters are going to be called up in the House.

Mr. Speaker, I make this request in all sincerity, and I hope the majority leader will give us as much consideration as he can under the circumstances.

Mr. TAYLOR of Colorado. Mr. Speaker, it seems to me the request of the minority leader is a very reasonable one. He understands, of course, that I am acting as majority leader only temporarily during the illness of Mr. BANKHEAD.

Mr. SNELL. I appreciate that; but as long as the gentleman occupies that position he must take the responsibility.

Mr. TAYLOR of Colorado. Yes, sir; and I will do so, and shall be very glad, as far as I can, to communicate these important official matters to the minority leader as soon as I learn them.

The SPEAKER. Is there objection to the request of the gentleman from Colorado that when the House adjourns today it adjourn to meet at 12 o'clock noon on Wednesday next?

There was no objection.

ANNOUNCEMENT

Mr. HAINES. Mr. Speaker, I ask unanimous consent to make an announcement and to extend an invitation to the House.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HAINES. Mr. Speaker, tomorrow is a great day in Pennsylvania. For the first time in almost half a century we have elected a Governor in Pennsylvania under the banner of the Democratic Party. [Applause.] Mr. Speaker, this fine gentleman whom we have elected chief executive of our great State was not elected by Democrats only but was elected by a group of fine men and women of all political faiths. Tomorrow, Mr. Speaker, the Representatives from Pennsylvania are going to Harrisburg, to the capitol, to witness the inauguration of this Governor. By authority given to me by the caucus of the Pennsylvania Representatives on this side of the aisle, I extend an invitation to you, Mr. Speaker, and to the Members of this House, to go with us tomorrow morning, leaving the Pennsylvania Station at 8 o'clock on a special train provided for us, and returning tomorrow evening, to arrive in the city between 7 and 8 o'clock. I hope, Mr. Speaker, that all the Members of the House will honor Pennsylvania by their presence at the inaugural ceremony. Thank you. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REPORT OF CIVIL SERVICE COMMISSION

The SPEAKER laid before the House the following message from the President of the United States, which, together with the accompanying papers, was referred to the Committee on the Civil Service:

*To the Congress of the United States:*

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the Fifty-first Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1935.*

LAWS AND RESOLUTIONS OF PUERTO RICO

The SPEAKER laid before the House the following further message from the President of the United States, which, together with the accompanying papers, was referred to the Committee on Insular Affairs.

*To the Congress of the United States:*

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit herewith certified copies of laws and resolutions enacted by the Thirteenth Legislature of Puerto Rico during its second regular session, February 12 to April 15, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1935.*

ORDINANCES OF PUERTO RICO

The SPEAKER laid before the House the following further message from the President of the United States, which, together with the accompanying papers, was referred to the Committee on Insular Affairs:

*To the Congress of the United States:*

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes", I transmit

herewith certified copies of each of four ordinances adopted by the Public Service Commission of Puerto Rico. The ordinances are described in the accompanying letter from the Secretary of the Interior forwarding them to me.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 14, 1935.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WEAVER, for 4 days, on account of death in family.

To Mr. MORAN, until Thursday, on account of important business.

To Mr. BOYLAN, for 3 days, on account of death in family.

ANNOUNCEMENT

Mr. EATON. Mr. Speaker, I ask unanimous consent to make an announcement to the House.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. EATON. Mr. Speaker, tomorrow will be a great day in the State of New Jersey. For the first time in 27 years we have elected a Republican Governor in an off year. [Applause.] We reelected our entire Republican delegation, showing that the good people of the State of New Jersey still retain their sanity and intelligence. [Applause.] We elected a Republican State senate and a Republican State house of assembly. [Applause.] We were unfortunate to lose our distinguished Senator, but what does a mere Senator or two amount to anyway? [Laughter.]

Tomorrow we inaugurate the Honorable Harold Hoffman as Governor of New Jersey, a man of destiny, a former Member of this House, and destined to go very far, especially when the country resumes its sanity. [Laughter.]

Mr. Speaker, I invite all of the Members of the Democratic Party, at their own expense, to come to Trenton tomorrow and join with us in this love feast and refresh their souls by seeing in the inauguration of our able young Governor one possibility of the salvation of this Nation. [Applause.]

Mr. EKWALL. Mr. Speaker, as the Members know, being on this side, I am a good Republican, but may I say that I succeeded a very splendid gentleman who sat on the other side of the House. Today Gen. Charles H. Martin is being inaugurated as Governor of the great State of Oregon. [Applause.] I ask unanimous consent to have a telegram of congratulation sent to him from this body, because he is a real gentleman, a distinguished soldier, a true American citizen, and I am sure will make a very splendid Governor of the great Commonwealth of Oregon. [Applause.]

Mr. GUYER. Mr. Speaker, may I announce, too, that this is also a great day out there in Kansas. We are today inaugurating Governor Landon, a Republican. We have a Republican legislature and a Republican majority of the delegation in Congress from that conservative old State of Kansas, which does not envy such a radical State as Pennsylvania. [Applause.]

Mr. TRUAX. Mr. Speaker, we do not have to wait in Ohio until tomorrow or Wednesday to celebrate a Democratic victory. It is a great day in Ohio today. We are inaugurating a former Member of the House of Representatives and a progressive Democrat as the next Governor of Ohio, the Honorable Martin L. Davey. I am glad to state to my colleagues on the other side of the aisle that only thrice during the past 29 years have we inaugurated Republican Governors, and each time those distinguished gentlemen were one termers. So it is a pleasure to make this announcement today, and I assure you in advance that the former Member of this distinguished body will make such a fine record in the State of Ohio that he will be reelected in 1936 for a second term. [Applause.]

Mr. ROGERS of Oklahoma. Mr. Speaker, the great State of Oklahoma is now represented in both Houses of Congress by a solid Democratic delegation. [Applause.] Today in Oklahoma we are inaugurating the Honorable E. W. Marland as Governor of our State. He was one of our distinguished colleagues who sat on the Democratic side of the aisle during the Seventy-third Congress, and who was elected Governor of our State on a program of "Bring the 'new deal' to Oklahoma." No man in this Nation is more eminently fitted or better qualified than the Honorable E. W. Marland to serve his State, and it is with pleasure and with a feeling of pride that I announce that today he becomes the tenth Democratic Governor of our State. Oklahoma always has had and as long as our party endures always will have a Democratic Governor. [Applause.]

Mr. CARMICHAEL. Mr. Speaker, some of the Members will probably remember that the stars fell on Alabama in 1833. The stars again fell on Alabama at the Rose Bowl out in Pasadena just a few days ago. [Applause.] The stars will fall on Alabama today when Bib Graves, a former Governor of Alabama, will be again inaugurated as Governor of the State of Alabama. [Applause.]

PATMAN-HOBART DEBATE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech I made in a radio debate Saturday night and also to include my opponent's address and the rejoinder, with certain extracts and statements in explanation thereof, including an extension of my own remarks.

Mr. SNELL. Mr. Speaker, reserving the right to object, who was the opponent?

Mr. PATMAN. He is the national commander of the American Veterans' Association in New York City.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. There was a radio debate over the National Broadcasting Co.'s hook-up Saturday evening, January 12, between 7 and 8 o'clock, eastern standard time. The subject for debate was, "Resolved, that H. R. 1 should be enacted into law." I had the affirmative side of the question and Mr. Donald A. Hobart, national commander of the American Veterans' Association, had the negative side. The time was divided 20 minutes to me to open the debate, 30 minutes to Mr. Hobart, and 10 minutes for my rejoinder. Dr. John T. Madden, dean of the school of commerce of the New York University, presided. Mr. Hobart challenged me to debate with him on this subject.

My opening speech was as follows:

THE QUESTION

The question of which I have the affirmative side of in this debate is "Resolved, that H. R. 1 should be enacted into a law." I am the author of this bill, and it provides that veterans may deposit their adjusted-service certificates, payable January 1, 1945, and receive United States notes, or "new money", in return for the balance due, after deducting prior loans and interest before October 1, 1931, but no interest after that time.

"BONUS" A MISNOMER

The word "bonus" is a misnomer, was coined by the enemies of the veterans, and should never be used. Adjusted-service certificates were delivered to veterans in return for services rendered at a very low rate of pay.

JUST CAUSE

Mr. Chairman, Mr. Hobart, ladies and gentlemen present and of the radio audience, armed with a cause that I believe is just and right, I am glad of this opportunity to give to the people our side of this important question. If we do not have the right side of the question, we are not entitled to win. However, I am convinced if you get all the facts the verdict will be in our favor.

SOLDIERS' PAY VERSUS CIVILIAN PAY

April 6, 1917, war was declared by this country against Germany. Congress immediately commenced consideration of a bill that had for its purpose raising an army. Little consideration was given to the question of pay that men in uniform would receive. It was well known that if any injustice should be done in this regard it could be corrected later. Between four and five million men were caused to don the uniform of their country. Practically all of these men felt it was their duty, desired to be patriotic, and, like all good soldiers, served wherever they were called upon to serve. Nevertheless, it was admitted that practically all of them suffered a serious economic disability by being required to serve at $1 a day, when others, for various reasons exempted from military service, were making, in the words of our own great President, from $8 to $20 a day in the shipyards and munition factories.

DEDUCTIONS GOT THE $30 A MONTH

Do not get the impression that the private soldier actually received $30 a month, as reported. The average allotment of his pay

for his dependents, if he had dependents, was about $15 a month. He was required to carry war-risk insurance, which cost him on an average of $6.60 a month, the Government thereby requiring him to make his monthly contribution for the protection of the loved ones of his dead buddies. Four million veterans paid Uncle Sam approximately $400,000,000 in this way for which they did not receive one penny in return.

Uncle Sam paid for the insurance on his ships but not on his men. The soldier was required to pay for altering and mending his clothing and shoes, his barber bills, laundry bills, and bills at canteens for tobacco and incidentals. If he had anything left, he subscribed for a Liberty bond on the installment plan or he was called a "slacker."

Commissioner O'Reilly, who is now an alderman in a western city, at the end of his first month in the service, after waiting 2 hours in line with his company, approached the paymaster's table, saluted, and gave his name, he told Mr. James E. Van Zandt, commander in chief of the Veterans of Foreign Wars. The paymaster, looking at the company pay roll, replied, "Private O'Reilly, you owe this Government 80 cents."

OTHERS RECEIVED ADJUSTED PAY

When the war was over those who dealt with property rights had their pay adjusted by the Congress of the United States. Seven thousand World War "cost-plus" contractors—many of them had engaged in a "war for profits"—had their pay adjusted. Included in this group were the Du Ponts, who recently admitted that they made a profit of a quarter of a billion dollars out of the war after paying all expenses and taxes on what they billed to South American countries as "sporting goods." The railroad owners and war contractors received an adjustment of pay in cash and other benefits amounting to billions of dollars. They asked the Government for a revision of their contracts and were not called unpatriotic for doing it, and they were paid in cash.

Five hundred thousand Federal employees of the Government, who received up to $2,500 a year during the war, received an adjustment of pay amounting to $1,440 each—they asked for a revision of their contracts and they were paid in cash $240 a year for 6 years.

Foreign countries asked for a revision of their contracts and had their debts adjusted, which resulted in Congress giving to them as an outright gift the huge sum of $10,000,000,000. Many of these countries used our money to pay their own soldiers adjusted pay and bonuses up to the enormous sum of $7,290 each.

CONSCIENCE-STRICKEN CONGRESS

After doing so much for property rights and foreign countries, a conscience-stricken Congress was determined to make some adjustment of pay received by the men who wore the uniform. The cost of the war was $36,000,000,000; the men in uniform received $4,500,000,000. It was agreed that the Members of Congress could not save their faces and allow less than $1 a day as adjusted pay.

SECRET CAUCUS AND CHISELING AMENDMENTS

The Ways and Means Committee of the House consisted of 15 Republicans and 10 Democrats. The Republicans put the Democrats out of the committee room, closed the door, called in representatives from the War Department, and outlined the plan of paying $1 a day to each veteran for home service and $1.25 a day for service overseas. These representatives were instructed to suggest how deductions and reductions could be made, to propose every chiseling amendment for which any argument could be offered for its adoption, and to get up some sort of a plan that would appear to the veterans that they were actually getting the $1 a day, but which, in fact, would be so manipulated that they would get just as little of it as possible. One of the unfairest chiseling amendments was the deduction of the first $60. Another was to provide a way whereby the banks would consume one-half of each certificate through compound interest after a few loans, obtained in dribs, had been made.

In this secret caucus, where words were spoken that were supposed to never be known, the plan was conceived which was enacted to give the veteran a post-dated check, an I O U, or a "tombstone" certificate, payable in 1945. The basis for it was the $1 a day for domestic service and $1.25 for service overseas, plus interest at 4 percent and plus 25 percent of the basic pay for waiting from 1925 until 1945. The veterans were not asked to take or reject these certificates. They had to take them or leave them alone, just like they were compelled to go in the service, whether they wanted to or not.

CERTIFICATE HOLDERS AND REMAINDER DUE

Three and one-half million veterans hold certificates, averaging $1,000; three million of them have borrowed the limit allowed by law, which is 50 percent of each certificate, and after deducting prior loans and interest before October 6, 1931, there is a remainder due of $2,000,000,000. They are paying $163,000 a day in compound interest on these loans to the Government and to the banks, which is rapidly consuming the balance due.

HIGH INTEREST AND TIME DUE

They have paid as high as 6-percent and 8-percent interest, compounded annually, for their own money. If the Government should now allow the veterans the highest interest rate the veterans were charged, an amount equal to the face value of each certificate was due long before 1931. If the certificates remain as they are, the average veteran who has a $1,000 certificate will receive the small sum of $68.50 in 1945. Compound interest paid to the banks and to the Government on a few small loans obtained in dribs will have eaten up the remainder.

If Congress grants a revision of the contract, as requested in H. R. 1, and these certificates are dated back to the time the services were rendered, and there is an adjustment of interest so as to give the veteran the same rate of interest, and no more, that was paid to war contractors, railroad owners, and all others on contracts growing out of the World War, and is given only the earned part of the 25-percent increase that Congress admitted was due for waiting 20 years and not deduct the first $60, each veteran is entitled at this time to a substantial sum more than the face value of his certificate. If the Government will allow the veteran the earned part of the 25 percent for waiting, along with the $1 and $1.25 a day, together with a rate of interest less than the Government has charged veterans, 6 percent compounded annually, an amount equal to the full face value of each certificate was due October 1, 1931.

PAST DUE ANY WAY IT IS COMPUTED

There is no fair way to compute the amount due a veteran, using the $1 and $1.25 a day as a basis, without determining that each veteran was entitled to an amount equal to the full face value of his certificate on or before October 1, 1931.

If the veterans receive credit for a fair adjustment of interest, and the certificates are dated back to 1918, they have borrowed the equivalent of the accumulated interest—the principal remains intact.

We are not trying to change the amount of $1 a day for home service and $1.25 a day for service overseas, representing the basic pay of $1,400,000,000, that Congress acknowledged. We want it paid as of the time the services were rendered.

VETERANS FIGURED OUT OF 7 YEARS' INTEREST

Mr. Andrew Mellon, with his short pencil in the middle of the night, aided by a secret committee meeting, figured the veterans out of 7 years' interest. This omission appears to have been deliberate, since title 5, section 501, of the act provides that in no case shall a veteran receive interest before January 1, 1925. He also persuaded the committee to deduct the first $60, and then got the bill passed through the House under a gag rule that did not permit an amendment to cross a "t" and dot an "i."

CRIES OF DEFICITS AND TAX REDUCTIONS

The acknowledgment of this debt was delayed several years by cries of deficits and tax reductions, which were not heard when billions were being voted for adjusted pay to others.

The Secretary of the Treasury, when the bill was before Congress, predicted a great deficit at the end of the next fiscal year. He made a billion-dollar error in his prediction, but the discovery, months later, was too late—as intended—for the "tombstone" certificate bill had already become a law.

REFUNDS ON INCOME-TAX PAYMENTS

Income-tax payers received approximately $3,000,000,000 in adjustments on their income-tax payments made during and by reason of the war. Secretary Andrew Mellon made huge refunds to citizen Andrew Mellon and to citizen Andrew Mellon companies. When a payment was made on such a refund, 6-percent interest was allowed by him from 1918, or the time of the alleged overpayment. He did not forget his own interest over the same period of time he deprived the veteran of interest on a confessed debt.

Suppose holders of Government bonds should discover they paid money for bonds in 1918 and that they were not drawing interest until 1925, one of such bondholders would make more noise than a thousand veterans are now making over a similar loss.

VETERAN RECEIVED $1; MUST PAY HIS PART OF $21

Veteran A entered the service during the war and received $1 a day. Civilian B went to the shipyards and received $20 a day. The Government borrowed $21 a day to pay the pair. When the war was over, these debts must be paid. Veteran A, although he received only one of the $21, must pay his part of the entire $21. With the adjusted pay the veteran receives about 20 percent or less of what civilians received. If a veteran should receive more than a civilian, the excess could properly be termed a bonus, or pay for patriotism, but such is not the case.

A few companies made as much in net profits during the war as we are asking now to be paid on a confessed debt to three and one-half million men.

WILL GAG-RULE TACTICS BE ENDORSED?

One question is: Shall this debt be paid as the Government paid all other debts, or will the many wrongs that were perpetrated through star-chamber proceedings and gag-rule tactics in the enactment of the legislation remain?

WHERE WILL WE GET THE MONEY?

The next question is: How will the payment be made according to H. R. 1? Each certificate is an obligation of the Government.

We propose under H. R. 1 to permit a veteran to deposit his Government obligation and receive new money in United States notes in return for the remainder due. We are asking that one form of Government obligation be converted into another form of Government obligation, which will not create a new debt. We are merely asking that the veterans be allowed to do the same thing in the same way that banks are now permitted to do and get the same kind of money.

$8,000,000,000 IN GOLD IN TREASURY

I hold in my hand an official daily statement of the United States Treasury. It is compiled from the latest proved reports from Treasury offices and depositaries. It is dated January 8, 1935. Under the heading of current assets and liabilities there is listed in the form of an asset, gold, $8,254,742,280.21. This gold belongs to the

United States Government. We have five and one-half billion dollars of actual money in circulation. We can set aside and earmark five and one-half billion dollars in gold to redeem all outstanding money 100 percent. We can then set aside and earmark $2,000,000,000 in gold to redeem 100 percent the currency issued to pay the veterans under my bill. We will then have one-half billion dollars in untouched and idle gold in the United States Treasury. This does not include the enormous silver reserve of $720,000,000.

LARGE AMOUNT OF MONEY MAY BE SAFELY ISSUED

Eight billion dollars in gold is sufficient to authorize the Government to issue $20,000,000,000 in currency on a 40-percent gold-reserve basis. Since we have outstanding only five and one-half billions in money and we propose to issue under my bill $2,000,000,000, the Government can still safely issue an additional sum if necessary, amounting to more than $12,000,000,000. On the devaluation of the gold dollar the Government made $2,800,000,000 clear profit.

SUFFICIENT RESERVE SHOULD BE ADMITTED

In view of the indisputable fact, which is shown from the official report of the United States Treasury that we have sufficient gold to back all currency now outstanding and the currency we propose to issue under this bill 100 percent in gold and still have a surplus, I believe, in fairness, my honorable opponent will concede that the money to be issued under the terms of my bill will be in all respects sound under the most strict definition of the gold standard.

MORE GOLD BEHIND IT THAN BANKERS' MONEY

The most enthusiastic advocate of the gold standard and the most reactionary banker cannot question the soundness of this money, which will have 60 percent more gold behind it than any Federal Reserve note or other bankers' money ever had.

EAT THEIR CAKE AND KEEP IT, TOO

We have 12 Federal Reserve banks in this Nation. Each of these banks has an official that is authorized by the United States Government to cause to be printed and delivered to it new money, paper currency, produced by the Bureau of Engraving and Printing. In order to get this money the bank deposits with itself a Government obligation, which may be payable January 1, 1945, or any other date, as collateral security for the issuance of the money. While the bank uses the money, it continues to get interest on the bonds. It pays on the average of 27 cents a thousand dollars for the cost of printing the money. They use the credit of the Nation free. They eat their cake and keep it, too. Approximately three and one-half billion dollars have been issued to Federal Reserve banks in this way.

It is possible for the Government, under our plan, to pay the veterans $2,000,000,000 and not have one dollar extra circulating money, by merely withdrawing two billion in Federal Reserve notes, upon which the people are paying interest every day they are outstanding, and substitute therefor the two billion in United States notes we propose to issue and upon which no one will be paying interest while they are outstanding. This will take an annual bonus away from the Federal Reserve banks, which they do not need and are not entitled to.

EAT THEIR CAKE AND KEEP MORE CAKE THAN THEY HAVE EATEN

National banks of the country have deposited approximately a billion dollars in United States Government bonds, many of them payable January 1, 1945, and have received approximately a billion dollars in new money in return. Each of these banks can use that money as a reserve and lend $10 in credit on every one of these dollars that it has in its vaults or with the Reserve bank. These national banks continue to get interest on the bonds while they are using the money. They eat their cake and keep more cake than they have eaten.

IF RIGHT FOR BANKS, RIGHT FOR VETERANS

No person can possibly give a logical reason why it is not right for a veteran to deposit his Government obligation, which is payable January 1, 1945, and receive new money in return for it, and at the same time contend that it is fair and right for banks to deposit Government obligations payable January 1, 1945, and receive new money in return for them. If it is right for the banks, it is right for the veterans. If the money issued to the banks is good money—and it is—the money issued to the veterans will be good money.

There is more justification for issuing the money in return for the certificates, since the banks are paid a bonus to put money into circulation, which fee will not have to be paid to the veterans under the plan proposed. The veterans were not paid in 1924 because it was claimed that the country was not able to stand the payment. Conditions have changed since then, as the country now has several times as much gold as is necessary to pay this debt, if a gold backing is desired for the money issued for that purpose.

HOW INFLATION MAY BE PREVENTED

It has been said that there is danger of inflation after this money is paid. According to H. R. 1 the Secretary of the Treasury cannot withdraw any of the money we propose to issue, as we expect it to remain in permanent circulation, for no one will be paying interest on this money while it is outstanding, but the Secretary of the Treasury can retire sufficient money issued to Federal Reserve and national banks to prevent inflation. Therefore, it cannot be said that there will be danger of unbridled inflation under our plan.

AMERICAN VETERANS' ASSOCIATION

Members of the American Veterans' Association are entitled to their opinions. I do not impute to them ulterior motives. Nor do I impugn the sincere motives of any person who believes that these certificates should not be paid now.

Many people have asked me why a veterans' organization is opposing this bill. My information is that the American Veterans' Association has spent a considerable sum of money within the last 2 years carrying full-page advertisements in the daily newspapers of the Nation. Since the organization advertises that only money obtained through loans on certificates is used for this purpose, the members of this association must be in very affluent circumstances to contribute from $500 to $800 each.

It is my understanding that when the organization commenced to function, every member of the committee, of about 100 veterans, pledged all they could borrow on their certificates to carry on their fight against the other veterans in their efforts to get these certificates paid. Considering the small membership of the American Veterans' Association, which is about one-fifth of 1 percent of the veterans, and the enormous sum of money, obtained by the members on their certificates, that has been pooled and spent for advertising, the logical conclusion is that practically all the members are in a class that does not represent the sentiment of 1 percent of the veterans of the Nation. This sentiment, however, is well expressed by the two major organizations of veterans, the American Legion and the Veterans of Foreign Wars, who favor this payment.

SUMMARY

May we remember that it will require $2,000,000,000 to pay the balance due, that it will go into the homes of 3,500,000 veterans in every community in the Nation. The veterans in the five counties in New York City will receive a remainder of $121,000,000. It will go to every race, color, and creed; to those engaged in every avocation, trade, and business and to the unemployed. It will not cause the adoption of any new principle for the issuance of money. It will prevent the veteran from losing the remaining half of his certificate through the adopted compound-interest racket.

HAVE MADE A CASE

In conclusion, I believe that any fair-minded listener will agree: First, that I have shown that, although the adjusted-service certificates are payable in 1945, each veteran who holds one is now entitled to an amount equal to the face value of that certificate; second, that the amount due can be paid with sound currency; third, that such payment will not increase taxes or create an additional debt; fourth, that such payment will be a godsend to this country, because it will quickly distribute purchasing power evenly and uniformly into every nook and corner of this Nation; and, fifth, that it is in the interest of the nonveteran as well as the veteran that this payment be made now.

We are expecting a hearing on this bill before the Ways and Means Committee of the House in a very few days, and we are hopeful that it will become a law.

## Text of speech of Donald A. Hobart, national commander of the American Veterans' Association:

Mr. Chairman, Congressman PATMAN, and members of the radio audience, Congressman PATMAN has distinguished himself in recent years by zeal and persistency in behalf of veterans' legislation. He has made the veterans of the World War his special charge. He has ever been ready to defend and advance what he conceives to be their rights and privileges.

This concentration upon his objective and this continued solicitude may serve to explain what I believe to be his honest error of exaggerating the benefits to be derived from the immediate prepayment of the soldiers' bonus, which under the terms of the contract is not due before 1945, and in ignoring or minimizing the effect of such prepayment upon all citizens and upon the national welfare.

As the spokesman for the American Veterans' Association, a national patriotic organization composed exclusively of veterans, I declare that our association bases its position on the fundamental principle that there exists a reciprocal obligation between citizen and state and state and citizen.

Within the last few weeks the United States Supreme Court, in a unanimous opinion, has confirmed his principle of the American Veterans' Association in the following language:

"Government, Federal and State, each in its own sphere, owes a duty to the people within its jurisdiction to preserve itself in adequate strength to maintain peace and order and to assure the just enforcement of law. And every citizen owes the reciprocal duty, according to his capacity, to support and defend Government against all enemies."

My first argument against the prepayment of the 1945 soldier bonus is that it is unfair to the veteran. More than unfair, it is cruel in its effect upon the unemployed veteran on public relief—the one for whom the Nation should have the greatest sympathy.

President Roosevelt wants to give jobs to three and a half million employable wage earners who are in need and who are now living on relief funds. Does anyone believe for a moment that the unemployed veteran would prefer to continue in idleness? Does anyone think that veterans on relief would not rather have work? Will this veteran who wants a job regard as his loyal friend any individual who creates a situation whereby he is forced to continue in idleness and is unable to qualify for one of the three and a half million jobs which are to be provided,

and meanwhile finance his relief at the ultimate expense of his family?

The veteran who is in receipt of a sum as high as $750 cannot claim and cannot prove his destitution. Therefore I believe that it would be heartless to make the payment available to veterans now and create a situation where the unemployed veteran must continue without work until his savings are exhausted.

The veterans' certificates are, in fact, paid-up endowment insurance policies. As President Roosevelt wrote in his recent letter, the equity in the insurance policy in some cases is the only resource which the veteran's family has. It is not evidence of a nation's gratitude or thoughtfulness to say to the neediest veteran, "All right, soldier, go ahead and give up this little protection you now have for your family. Spend the money, and then when you are completely destitute we will hope that some of the Public Works jobs will still be open for you." Is this kindness? Is this what the unemployed veteran wants?

Nevertheless, this will be the situation which will exist if the veterans' bonus is paid.

In addition to being unfair to those veterans who merit our greatest sympathy, the prepayment of the soldiers' bonus of 1945 is unfair to the citizens.

The proposal is simply this: To hand out $2,000,000,000 to 3 percent of the citizens of the country. And is this money to go to the needy, the people you are most willing to help? Oh, no; it is to go to every kind of person; the bonus will be paid to the rich as well as the poor and to those who have suffered no unemployment and no distress.

There has been evidence submitted that those who must pay are actually financially less able than those who are to receive.

The official publication of the American Legion has unequivocally asserted that the average member of the American Legion has an income twice that of the general average income. In further proof of the buying power of its members, it was declared that 94 percent of the legionnaires carry insurance policies averaging over $12,000. And please remember that the American Legion has always contended that its members are truly representative of all the soldiers who served in the World War.

In the face of these assertions by these veterans of their fortunate economic status, could anything be more calculatingly unjust than the proposal which is before the country today? It means, in effect, that a veteran with an income of $50 a week says to his civilian neighbor, with an income of only $25 a week: "Pay me now what you promised to pay 10 to 20 years hence", and then, has the temerity to add, "It will be a good thing for both of us."

The prepayment of the soldiers' bonus is unfair to all citizens because of the burden of taxes and deficits which now rests on the shoulders of everyone.

The national debt stands at $28,000,000,000 now. The accumulated deficit from 1931 to the end of the fiscal year of 1936 will be more than $20,000,000,000. Every gainfully employed person in the United States is carrying on his back a combined national and local governmental debt of approximately $1,155. During the fiscal year ending June 30, 1935, the total debt will increase $16,123,901 every 24 hours. During this brief debate the total national debt will have increased $671,829, or $2,015,487 every hour of an 8-hour working day. And it is at this time, in a country which has already spent more than $7,000,000,000 on behalf of its World War veterans and their dependents, and when 1 out of every 6 families in the country is receiving public relief, that the demand for an additional $2,000,000,000 due in the years 1945 to 1955 is made.

If this be justice, then the citizens must plead for mercy.

I submit that it is in the interest of national recovery, in the interest of all veterans and all citizens, to uphold and strengthen as best we can our national credit, as President Roosevelt said before the American Legion convention in Chicago in October 1933. I submit that we should not now take the risk of weakening that credit by demanding the prepayment of a $2,000,000,000 obligation, none of which is due before 1945. I submit that it is not good sense to see how close we can come to the precipice; to see how many straws we dare place on the camel's back.

The American Veterans' Association is opposed to the prepayment of the soldiers' bonus now because we believe the economic advantages claimed for the payment are entirely false, illusory, and unsound. It is nothing more or less than a proposal that three and one-half million veterans should be urged to get immediate cash on an insurance policy, not yet due, and spend it.

If that makes sense, why should not every citizen of the United States be urged—indeed why should not the United States Government help him—to cash his own private insurance policies and spend the proceeds? There is more than $100,000,000,000 insurance in force in the United States, written in the names of some sixty or seventy million citizens. If it is a good and desirable thing for a limited number of persons to cash in their insurance, why is not it a good thing for everybody? And why should not all the 94 percent of the American Legion members cash in their $12,000-average-insurance policies.

Congressman PATMAN is probably thinking that I have missed the entire point of his argument. The particular method which he has devised for the payment of the soldiers' certificates is such, he contends, that it will completely avoid all the pitfalls which I have pointed out.

Congressman PATMAN's bill proposes that the Government shall issue $2,000,000,000 worth of non-interest-bearing notes which shall be declared legal tender by law, and that all veterans shall receive this money in return for their bonus certificates. Just as simple as that! No increase in taxes. No bond issue. No delay. No graft or favoritism. No additional interest payments on the part of the Government; and, in addition, the Federal Government, in the process, will save about $1,000,000,000 over the next 10 years.

Congressman PATMAN, I know, has never made any representation that he is an authority on money. Heaven knows I cannot qualify in that respect, either, but in common with the average citizen who thoughtfully reflects upon this proposal it is only natural that some common or garden variety of questions should suggest themselves.

If the United States Government can honestly pay off a debt of $2,000,000,000 without any bond issues and without any increased taxes, either now or in the future, what in the world is to prevent this Nation, or any nation, from paying off its entire debt in the same way? Why should there ever again be any taxes levied upon our citizens in the future? Can it be that the whole civilized world has been in financial darkness since money was first known? Can it be that every President of the United States, from Washington to Roosevelt, and every Secretary of the Treasury, from Alexander Hamilton to Henry Morgenthau, Jr., has been an ignorant fumbler?

President Roosevelt has had authority to issue $3,000,000,000 worth of non-interest-bearing notes for many months and has not done so. Does Congressman PATMAN believe he has been criminally derelict in holding back recovery by this refusal? The bluntest statement which can be made is that Congressman PATMAN's non-interest-bearing notes are nothing but "paper" money. The most considerate and kindly judgment that can be given, in my opinion, is that at best it is experimental currency.

Our soldiers who served in the army of occupation in Germany during the "paper inflation" will know why they do not wish to be paid in that kind of money.

We can give credit to Congressman PATMAN for his good intentions in setting up what he believes to be adequate safeguards against uncontrolled expansion, and there our approval must end. For it has been a common delusion of all statesmen and all nations that they could control currency expansions; and despite this, all nations which have started on such a toboggan ride have rarely been able to stop quarter or half way down the slide but have been forced to go the whole bitter way.

Is it fair to the veterans to ask them alone to bear the burden of this experimental currency? If something goes wrong—and as a nation I believe we are entitled to more assurances than the opinion of one Congressman that these dollars will always be worth 100 cents—it is not fair that the veteran should receive the brunt of criticism. For public sentiment might easily arise against the veterans and say: "You and your demand for a bonus have brought this evil thing upon us. It was your willingness to take this experimental money and to spend it which has brought disaster on us all."

If we must in the future resort to such an experiment in our monetary system, it is only fair that all the citizens should bear the risk evenly, so that no section of our population can ever be held exclusively responsible.

On a previous occasion, Congressman PATMAN has said concerning his bill, "It is my desire to help the country by the distribution of purchasing power that is very much needed at this time. Money is the blood of the body politic. There is no better way of giving the Nation a much-needed blood transfusion than by the injection of new money into the veins of business"

I should like for a moment to adopt this medical figure of speech and give a little additional consideration to it. We are all familiar with the value of a blood transfusion, and we also know something about the care with which the operation is safeguarded. We know that a most rigid examination is made of the type of blood which is to be transfused. Even Congressman PATMAN, I suggest, were he on the operating table, would want to be certain that he was getting the right type of blood. He would be far from satisfied with something that looked like blood, but which might be red ink, pink lemonade, or colored water.

If Congressman PATMAN has the same regard for himself which many war veterans have for his continued good health, he would want to be positive of these things. He would also wish to know for a certainty that the doctors who were performing the operation were skillful men; that they were not practicing on him, or merely trying an experiment. These would only be sensible precautions, and no one would accuse Congressman PATMAN of being unduly cautious were he to insist on them.

In a precisely similar way, if this currency transfusion of non-interest-bearing notes is to take place, if it is so completely foolproof and so devoid of all hazard, it must be that it has been approved by some experts besides Mr. PATMAN.

We have a right to inquire concerning their skill and identity. Has anyone in the Department of the Secretary of the Treasury given approval to the plan? Has Mr. Morgenthau seen any merit in the idea? Has President Roosevelt endorsed the measure? Have any individuals anywhere in the United States who are given any recognition as being students of money or having established any claim to speak as authorities approved Mr. PATMAN's plan? It will be interesting to know the names of some of the individuals who have endorsed the proposal so that we can appraise the value of the endorsement in terms of their general reliability, their knowledge, and their right to be heard with respect on the subject.

Congressman PATMAN no doubt believes that it is unfair for me to intimate that the currency which he proposes is nothing but printing-press money. It is all to be backed by Government obligations, he says, the obligations consisting of the adjusted-service certificates themselves. Congressman PATMAN observes that he cannot understand why good money can be issued against

interest-paying bonds and not against such obligations as the certificates.

Will it help Congressman PATMAN to understand if it is pointed out that there is a considerable difference in character between interest-paying Government bonds and non-interest-bearing debt certificates? Would Congressman PATMAN, when he invests any portion of his salary, just as soon have the latter as the former? And if he says that he would, does he believe that many investors would join him in this choice? Perhaps the word "obligation" is being too loosely used when it is applied in a precisely similar way both to bonds and to veterans' adjusted-service certificates. For, despite the fact that the Government has promised to pay the certificates, the arrangements which were made for payment provided for setting aside a sum of $112,000,000 each year for 20 years, this money to be collected from revenue and taxes, in order to make the payment. Is it reasonable or sound to point to a debt of this character and to say that it occupies precisely the same status in our financial system as do our Government bonds?

Now, if Congressman PATMAN is right in his contentions, if he believes that a Government debt of this kind can be used as the basis for the payment of $2,000,000,000, without taxes and without any harm to our present money, then, indeed, we are in a happy state. For, according to this theory, all we need to do to have continual prosperity is for the Nation to be constantly in debt to as many of its citizens as possible. Let us issue Government obligations to all the farmers who are to receive funds in the future. Let us issue Government obligations to all our Government employees, to all the unemployed who are to be given Public Works jobs, to all the school teachers, and to all our Regular soldiers and sailors, and to everyone else in the country. Then, using these "Government obligations or Government debts" as the basis, let us issue currency for their payment. If it will work in the case of the veterans—if it is absolutely sound and harmless for $2,000,000,000, why isn't it a good thing to do on the broadest possible scale? This is not a distortion of Congressman PATMAN'S plan. It is an absolutely logical, precisely parallel, extension of his idea. He makes the point that any kind of a Government debt is a good basis for issuing money, and I have replied that if this is sensible, let us have as many of these obligations or debts as possible.

Depressions will be ended forever. We need not make any provision for unemployment reserves or do any advance Public Works planning. All we will require are continuing and extensive debt reserves, which can be used as the basis of issuing new money to various groups of citizens whenever there is a touch of hard times.

In the remaining moments I should like to take this opportunity to ask Congressman PATMAN a number of questions, which I hope he will answer to the best of his ability in the rebuttal period allotted to him.

Question no. 1: If you were the trustee of an insurance company, Mr. PATMAN, would you feel yourself legally and morally justified in providing for the payment of 20-year endowment insurance policies at their face value 10 years before they were due, even though such an act would increase your popularity among the individuals who held the policies?

Question no. 2: Do you believe that the American Legion is representative of all the World War veterans, and if you do believe this, do you admit or deny their official claims that the members of the Legion have twice the earning power of the average citizen of the country?

Question no. 3: Have you ever urged, or would you now urge, every American Legion member who has an insurance policy to cash this policy and to spend the proceeds to help recovery?

Question no. 4: Is it your contention, Mr. PATMAN, that any veteran or any citizen who does not borrow cash on his insurance policy and spend this money is holding back economic recovery?

Question no. 5: Do you believe that such responsibilities as the Nation has incurred toward its soldiers and their dependents are being discharged fairly and justly by the prepayment of a debt due in 1945, when at the same time it is part of your knowledge that the widow of an American soldier who was killed in battle in France is now receiving but $30 per month in Government compensation? And if a choice must be made between paying the $2,000,000,000 soldiers' bonus or making adequate payment to such widows as I have described, which choice would you make?

Question no. 6: Do you contend, Mr. PATMAN, that former President Coolidge was wrong when he said: "We have no money to bestow upon a class of people that is not taken from the whole people. Our first concern must be the Nation as a whole * * *. To attempt to make a money payment out of the earnings of the people to those who are physically well and financially able is to abandon one of our most cherished American ideals."

Question no. 7: Do you believe, Mr. PATMAN, that former President Hoover was wrong when he said: "Nothing will give a greater flow of confidence to our country today than your enlistment and the vigorous support which you are capable of giving to this effort to prevent additional burdens upon your Government from whatever quarters they may come?"

Question no. 8: Do you believe, Mr. PATMAN, that President Roosevelt was wrong when he said to the American Legion members in October 1933: "* * * you and I are well aware of the simple fact that, as every day passes, the people of this country are less and less willing to tolerate benefits for any one group of citizens which must be paid for by others?"

Question no. 9: Do you believe that there is any essential difference between the soldier on the battlefields of France who, in an hour of great peril for his country, announced that he demanded an increase in wages or he would quit fighting, and the veteran of today, who, in an hour of great distress among his countrymen, with a nation straining every resource to bring about recovery, demands the payment now of a debt due 10 years hence?

Question no. 10: Do you sincerely believe, Mr. PATMAN, that if your bill is enacted into law that there will be no demands for pensions for widows, without regard to the date of marriage to the veteran and without regard to the date or cause of the veteran's death? Do you sincerely believe that if this bonus is paid now that there will not soon be a demand for a pension to be paid to every living veteran, without regard to disability or any other entitlement beyond the fact of having worn his country's uniform in time of war?

In closing, let me say that I like to think that numbered among my unseen audience are the shadowy forms of those veterans of Kitchener's "contemptibles" who died on the retreat from Mons; that there are figures in horizon blue who died before Verdun, as well as those men in olive drab who gave their lives in Belleau Wood.

I wonder what they would think of the spectacle of many of their able-bodied comrades in arms standing in line on the steps of the Federal Treasury, tin cup in hand, demanding cash in times like these for a service which cost other men their lives.

I think I should be ashamed to hear their comments.

In my rejoinder I stated:

That I have been for several years a member of the Committee on World War Veterans' Legislation of the House of Representatives is one reason that I have been so actively identified with their cause. Much of the work in Congress is done in committees. The Members of the House expect the members of a committee to be well informed on the subjects coming before their committee.

OPPONENT HAS NOT DENIED

My honorable opponent has not denied that the veterans did not receive interest on the debt which was confessed to them from 1918, or the time the services were rendered, to 1925, the date of the certificates.

He has not denied that the soldiers received very low wages and practically all they did receive was consumed in different ways, including payments to an insurance fund; that the Government collected from the meager wages of the soldier the sum of $400,000,000, which went into this insurance fund and was used for the protection of the dependents of their dead buddies, and they did not receive one penny of this money back after leaving the service.

He has not denied that the war contractors, railroads, and Federal employees were given billions and billions of dollars in adjusted pay after the war was over as adjustment of their wartime service; and that they received 6 percent interest from the time they claimed the payments were due until they were made; that income-tax payers received approximately $3,000,000,000 in adjustments on their income-tax payments made during and by reason of the war, and that interest at the rate of 6 percent was allowed from 1918, or the time of the alleged overpayment. While at the same time the veterans were asked to take their $1 a day for home service and $1.25 for service overseas 27 years later at 4-percent interest from 1925—the veterans being deprived of 7 years' interest.

Nor has my honorable opponent denied that the adjusted-service certificates were so arranged that it would permit banking institutions and the Government to consume in compound interest one-half of what the veterans were entitled to; that they would never receive a substantial amount but would get their money piecemeal, or in dribs, and would pay from 6 percent to 8 percent interest, compounded annually, on what they would borrow.

Nor has my honorable opponent denied that the Treasury has $8,000,000,000 in gold at this time which belongs to the Government, which is sufficient to issue $20,000,000,000 on a 40-percent gold reserve basis, and that we have outstanding today only five and a half billion dollars.

PUT A FORD RADIATOR ON A FRANKLIN CAR

He has stated that the veterans are not entitled to the same rights as banks in regard to obtaining money on Government obligations payable January 1, 1945, because when a bank deposits a Government obligation, payable at that time, it is interest-bearing, and the banks can collect interest each year until 1945, whereas there is no interest due between now and 1945 on the veterans' certificates. In answer to that I will state that such a distinction is in the interest of the Government, because the Government will save that much interest while getting money into circulation. It is true if the banks deposit such an obligation, they will get an annual bonus until 1945 in the form of interest on the bonds deposited, while at the same time they are using the money, whereas the veterans will receive the money, put it into circulation, and there will be no annual bonus on this amount of circulation between now and 1945 or after that time.

In Texas in the early days of automobiles the legislature passed a law requiring that each owner should purchase a metallic number seal from the State each year, which metallic seal must be at all times displayed on the front of the radiator of the automobile. An enthusiastic purchaser of a new car rushed to the tax collector's office, purchased his seal, and while standing and reading the instructions said to the collector: "This says that the seal must be placed on the radiator." The collector replied, "Yes; that is the law. It will have to be placed there." The applicant replied,

"My car doesn't have a radiator. It is a Franklin car." The collector then promptly replied, "I'd advise you to go out and purchase a Ford radiator and put it on the front of your car so you can comply with the law by putting the seal on it."

Applying this story to my opponent's argument: If he insists that there must be interest-bearing bonds for the issuance of money, I am willing for the Government to issue to each veteran an interest-bearing bond for the remainder due and then permit, or even require, him to deposit the bond and receive new money in return for it. This will be meeting the objection of my opponent, which is really a distinction without a difference.

SHOULD INSURANCE POLICIES BE CASHED?

I am asked if I favor all people holding insurance policies accepting cash settlements in order to speed recovery by putting the money in circulation. No; I do not advise that. The inference that the adjusted-service certificate is just an insurance policy is rather far-fetched. It is true that an effort was made to place it in that class, but the fact remains, an adjusted-service certificate represents an honest debt that has been accepted and confessed by the Congress of the United States to veterans of the World War for services rendered and is not in the class of just an insurance policy. It represents the $1 a day for home service and $1.25 a day for service overseas that veterans were entitled to really as of the time they rendered the service.

ARE VETERANS SO WELL OFF?

The gentleman further states that 94 percent of the American Legion members carry insurance policies averaging $12,000. If that is true as to Legion members, I am sure it is not true as to veterans generally. I have never seen that statement from an authentic source, and I do not believe it correctly represents the facts. Neither do I believe that it is true that the members of the American Legion are twice as well off as the general average of people. I have never seen that statement from an authentic source, and I do not believe that it correctly represents the fact. I believe the gentleman has been misinformed.

These statements do not harmonize with statements that are generally made that 85 percent of the veterans do not have anything to leave their families, in the event of their deaths, except the remainder due on their adjusted-service certificates and that practically all the veterans are in debt and if the money is paid to them now it will be used to pay their debts.

It is true that veterans are in the prime of life; the average age is 42½ years. It may also be said that regardless of any war veterans' pensions or anything else the people who are now 62½ years of age were better off 20 years ago, in the prime of life, in many ways than those of other age groups. I am quite sure if a correct check-up were made it would be discovered that those of the same age as the veterans, and who did not serve during the war, are as well off, if not better, than the veterans are.

PAPER MONEY

My opponent also says that the money I propose to issue is nothing but "paper" money and adds "why not pay off the entire national debt the same way and issue money to everybody." He overlooks the fact that I am only proposing the issuance of money within safe bounds and limitations; and although I personally do not believe a gold reserve necessary for a domestic medium of exchange, I am showing how we have sufficient gold for a 100-percent gold coverage of all the money that we propose to issue as well as the money now outstanding.

I am not proposing, neither am I in favor of, destroying the monetary system. I want to make it stronger instead of weaker; I want it used in the interest and for the benefit of all the people instead of a few.

GERMANY'S INFLATION

The illustration in regard to Germany's inflation is not in any way comparable to our proposal. After the war the German people owed more money than they could pay. They could not cancel the debts, and they did not have the money to pay the debts with, but through their Government their representatives had a right to authorize an issuance of an unlimited amount of money, the kind that could be used to liquidate the debts; therefore, the German people deliberately printed money until it was worthless for the purpose of wiping out certain indebtedness. A farmer could take a bushel of wheat and liquidate a $10,000 mortgage. A carpenter could work a half day and pay all the debts he had accumulated in a lifetime, including debts on his home. This was a deliberate, well-planned, inflationary policy conceived for the purpose of destroying a monetary system. No one in this country has such a thing in mind, to my knowledge.

EXPERIMENTAL CURRENCY

In regard to its being experimental currency, it will be the same kind of currency that is being issued every day. The Bureau of Engraving and Printing at Washington is printing and delivering on an average of 4 tons of paper money a day to the banks of the country. Much of this money is delivered in return for a deposit of Government obligations payable January 1, 1945.

Therefore, the money we propose to issue is not experimental currency, unless the currency that is now being issued and has over a long period of time been issued to the banks is experimental currency.

REJOINDER IMPROMPTU

The gentleman has asked me several questions. Since my rejoinder is necessarily impromptu and short, I have very little time to give consideration to these questions.

INSURANCE POLICY VOLUNTARY CONTRACT

One question is if I were a trustee of an insurance company, would I feel legally and morally justified in providing for the payment of 20-year endowment insurance policies at their face value 10 years before they are due? The answer to that is, no. The proposal we make is not similar to any such proposal as that. The one purchasing an insurance policy does so voluntarily, knows what he is getting, its terms and conditions, and he pays his money for it. The veteran was forced to take or leave alone the adjusted-service certificate. It was not a voluntary contract. He delivered services for which he was entitled to pay. Congress confessed that he did; that entitled him to a sum of money. The certificate was forced on him, even its terms and conditions, which is not true as to the ordinary private insurance contract.

SOLDIERS TURN OVER IN GRAVES

The gentleman referred to what a soldier would think who was killed in Belleau Woods if he knew that his comrades were asking for the payment of this debt. It is my opinion that if this payment would disturb such a soldier who so heroically and unselfishly gave his life to the cause of his country, he would probably turn over in his grave many times if he knew about the billions and billions of dollars that were given to war contractors, railroads, and others in adjusted pay on contracts that did not exist, on contracts that represented a violation of law, on informal contracts, on every kind of contract, and no kind of contract, together with liberal-interest allowances after a generous padding.

WHICH ORGANIZATION REPRESENTS VETERANS?

In answer to question no. 2, I will say that I believe that the American Legion and the Veterans of Foreign Wars represent the sentiment of the World War veterans. May it also be remembered that 90 percent of the members of these two organizations do not receive pensions or compensation in any form from the United States Government. Your organization, the American Veterans Association, Inc., has only a membership of one-fifth of 1 percent of the veterans and, therefore, you cannot claim to represent the sentiment of many of them. I made this statement in my opening remarks, and the audience is at liberty to believe that it is a correct statement since it stands undenied. I do not question their patriotism or sincerity of purpose. I am sure they all have splendid war records—I know some of them do—but I do question any claim they might make that they represent the sentiment of a very large group of veterans.

VETERANS' WIDOWS $30 A MONTH

Another question is: If I must make a choice between paying the veterans $2,000,000,000, and in raising the compensation of $30 a month now paid to a widow of a deceased veteran, which choice would I make? My answer is that widows of veterans must come first. Care for those who suffered by reason of their services to the country in time of war and care for the dependents of those who lost their lives in the war always come first with me. However, if these widows are not getting a sufficient amount it could even be doubled without being a drop in the bucket compared to $2,000,000,000, and would not in the smallest or slightest degree interfere with the payment of the veterans' adjusted-service certificates. Most, if not practically all, of these widows also receive $57.50 a month insurance, making $87.50 in all. In addition they also receive allowances for their children, if they have children, and if they do not have children, doubtless many of them are very glad to supplement their incomes with work that they are qualified to do and enjoy doing. The gentleman seems to be very solicitous about World War widows. I am inclined to believe it is an afterthought.

NO HEARINGS ASKED FOR

I am a member of the Committee in the House of Representatives on World War Veterans' Legislation. I am chairman of the subcommittee on hospitalization. Since the gentleman is so solicitous about those who suffered in time of and since the war and the dependents of those who died, I wonder why it is that neither he nor his organization has ever asked for consideration of a bill that would correct these abuses that he claims to exist. If he had ever asked for such a hearing, I believe that I would know it, and I have never heard of it.

WAS PRESIDENT HOOVER WRONG?

Another question is, Do I believe that former President Hoover was wrong when he made a certain statement, which I do not have time to read. My answer is "Yes." Not having an opportunity to read and analyze the statement, I can be on the safe side by answering "yes", because Mr. Hoover, although sincere, was usually wrong. It is possible he was right when he made this particular statement, but if he was I will say it was the exception, and not the rule with Mr. Hoover.

WILL SERVICE PENSIONS BE DEMANDED?

The gentleman also asked me if there would be a demand for pensions to every living veteran without regard to disability, and to the widows without regard to the date of marriage if this is passed. I am not in a position to answer that, because I do not know and have no right to speak for all World War veterans and their organizations. This much is evident: That if these certificates are permitted to be eaten up or consumed by the payment of compound interest and the veterans receive only $1 out of every $2 they were expecting to receive, very likely public sentiment will be on their side for almost any proposal that they make that will in any way correct this wrong. However, if the veterans

are paid now, and they should make an unreasonable demand, public sentiment would be against them, and such unreasonable demand could be very quickly stopped. I think the gentleman's question is anticipating a great deal and is rather visionary and speculative in the hope that he will scare someone, the same way that an effort is made to scare people through use of catch phrases and terms, such as "fiat" money and "printing press" money.

CONCLUSION

In conclusion, I have not answered in detail every question that was asked, but generally I believe that I have answered them, and I still believe that those who are informed on this question will say that we have the right side and the American Veterans' Association has the wrong side of this question.

Under leave to extend my remarks the following is inserted:

Exactly 10 minutes before the broadcast a representative of my honorable opponent delivered to me a copy of the questions that were going to be asked. During that 10 minutes we had our pictures made, our voices tested over the microphone and a few other little things that were necessarily arranged on the last minute. Naturally, I had no time to give serious consideration to the questions.

After answering in my impromptu rejoinder all that I could or that attracted my attention, I have again read these questions and the speech made by my honorable opponent and desire to make the following comments:

FEDERAL GOVERNMENT'S DUTY

His opposition indicates that the States should owe a duty to veterans instead of the Federal Government. This is the wrong assumption, since soldiers served the Nation and not the State. In regard to our great President's obtaining jobs for three and one-half million wage earners, I want to say that I am in complete sympathy with the proposal and will support him 100 percent in his efforts to do so.

It should not go unnoticed that the payment of $2,000,000,000 to veterans will create additional jobs, since buying power will be stimulated and there will be an extra demand for goods.

PAYMENTS WILL NOT INTERFERE WITH NONVETERANS

It cannot be said that the payment to veterans will interfere with relief to nonveterans in any way. In fact, if there are 20,000,000 people on the relief roll, I believe a conservative estimate would be that 1,000,000 veterans are on the relief roll, together with their families, representing about 5,000,000 of the 20,000,000 people on relief. If the veterans are paid the remainder due them now, they will be taken off relief, at least for a reasonable time, and the other 15,000,000 people will have more money to be expended for their benefit. It will not be detrimental to the veterans to do this, because if they do not get the money now, it will be paid to the banks and the Government in compound interest, and they will lose it anyway. I do not know a veteran who prefers relief to spending his own money.

Further, why should those interested in the nonveteran on relief, as we all are, object to this payment? It will not cost the Government anything and will certainly not take one dollar from the Treasury that could possibly be used for relief.

NO TAXES WILL BE LEVIED TO PAY

Another statement is that those who must pay this bill are actually financially less able than those who are to receive it. The gentleman is assuming that taxes must be levied to pay this bill, which is not true. Such payment will not create a new debt. It will merely convert one form of Government obligation into another form. Therefore there will be no additional taxes levied to pay it.

THREE PERCENT OF PEOPLE WILL GET IT

He also seems to object to the payment because it will go to the rich, not only to the poor, and to only 3 percent of the citizens of the country. He even calls it a "hand-out." The answer is it will go to those who hold certificates, the ones to whom Congress has confessed the debt. It is not a "hand-out" because the debt has been acknowledged by Congress.

Probably it will not go to more than 3 percent of the people, but, including the veterans' families and the ones dependent upon them and who will be benefited by such a payment, it will include a large percentage of the citizens of our country.

UNIFORM DISTRIBUTION

It will go uniformly over the entire Nation. It will require no cost of administration. It will not create additional jobs for politicians, or anyone else, to distribute the money; but, on the other hand, it will actually abolish one bureau in Washington, the Adjusted Compensation Division, which will cost the Government more than $10,000,000 between now and 1945, and this expense will be saved.

The gentleman refers to a veteran receiving $50 a week. If he is referring to the average veteran, I think his figures are very, very high; and, furthermore, his illustration of a $50-a-week veteran calling on his civilian neighbor, who receives $25 a week, to pay him is somewhat ridiculous in view of the facts that are undisputed.

ENORMOUS NATIONAL DEBT

It is true that the national debt stands at $28,000,000,000. Now, however, it is easier for the people to pay this $28,000,000,000 with what they have to pay with than it was for them to pay the national debt when it was $16,000,000,000, since everything they had to pay with at that time was so much cheaper than it is now. Personally, I would pay off the entire national debt with currency and save nearly a billion dollars a year in interest charges. It can safely be done by changing the reserve requirements of banks at the same time the money is paid out. If we were to issue a large sum of money and permit the law to remain that the banks can lend $10 to every $1 in their vaults, there would probably be undue expansion of the currency; but as we increase the amount of money, we can charge reserve requirements so the banks can only lend 8 to 1, or 6 to 1, or 4 to 1, or, possibly, reach that stage which I hope we will reach one of these days when banking institutions can only lend the actual money that they have in their possession or subject to their possession. In other words, a 100-percent money-reserve requirement. This will take that big national debt, which the gentleman now says rests on the shoulders of everyone, off their shoulders, and at the same time we will have a monetary system just as safe and sound as the one we have today; in fact, it will be a great improvement.

SUGGESTION OF MAYOR OF NEW YORK CITY

Major LaGuardia, a great mayor of a great city—the city of New York—advocates the Government loaning money to municipalities, counties, and States for as low as one-eighth of 1 percent for public improvements. I think the mayor is right and his proposal is a constructive one and should be adopted within safe bounds and limitations. What we propose to do will be a step in that direction.

EDISON WAS RIGHT

Thomas A. Edison was right when he said that any Government that can issue a dollar bond drawing interest can as well issue a dollar bill that does not draw interest. They are both backed by the credit of the Nation and the taxing power of the Government. If one is good the other is good. The bill is easier to pay because it does not draw interest.

HEAVY INTEREST BURDEN

It will probably interest the gentleman to know that the average interest payment by the Government today is 3 percent. Therefore, the interest on our present national debt of $28,000,000,000 within the next 30 years, if our monetary system remains as it is now, will be $38,000,000,000; over the next 60 years it will be $130,000,000,000; and we will still owe the principal sum of $28,000,000,000.

IDIOTIC MONETARY SYSTEM—A VOICE IN THE WILDERNESS

I insist that no country on earth, including our own, would think about adopting our present monetary system if we were starting the country anew. Over a period of over 100 years, through so-called "perfecting amendments" and various laws, an idiotic and imbecilic monetary system has grown up. It cannot be corrected quickly, and the administration in power that attempts to change it substantially must have the sentiment of the people behind it, otherwise it could not be done. Probably my voice is just a voice in the wilderness,

yet I am doing everything in my power to let the people know about this idiotic monetary system that is costing them a billion dollars a year, approximately, in interest on Government bonds that we should never be obligated to pay.

ACTUAL MONEY EARNS $2 ANNUALLY

We have on an average of $5,000,000,000 in circulation over a period of the last one or two decades. The annual interest bill paid by the people on all debts has been $10,000,000,000. Therefore, through our present pencil-mark, bookkeeping transaction, inflated credit monetary system, every $1 earns $2 over a period of a year. It is little consoling to the farmer or wage earner who has an annual income of $500 that his earning power is equal to just $250. In other words, he earns in a year only what $250 in actual money earns in a year.

UNITED STATES NOTES

My opponent indicates that the money we advocate issuing under the terms of my bill is unlike any money heretofore issued by the Government. The Government has $346,000,000 of United States notes outstanding that have been in circulation since the War between the States, more than 70 years. It is good money. No one has been paying interest on it, which has saved the people $12,000,000,000 on the basis of 5 percent interest compounded annually. A plan that has been in successful operation 70 years is certainly not an experiment. Our proposal is to pay the remainder due on the certificates with United States notes.

$15,000,000,000 BONUS

My opponent states that the Government has expended $7,000,000,000 on World War veterans' pensions, compensation, and in other benefits for such veterans and their dependents. The fact is that during our entire national existence our country has expended $15,000,000,000 on such benefits for veterans and their dependents of all wars. It is a coincidence, but an interesting one, that our Government has, during the same length of time, paid $15,000,000,000 in interest to holders of Government securities. Since it was unnecessary for the latter amount to have ever been paid, those in control of the money and credit supply of the Nation have collected in what may be termed a pure "bonus" as much as all our country's defenders and their dependents.

WHO FAVORS MONETARY REFORM?

The people one of these days will get the truth about this idiotic system that no particular person or party is responsible for, and when they do the country will be safe and the people will be safe and an enormous amount of money will be saved.

The gentleman asks me to name someone who endorses the monetary changes that I advocate. Prof. Irving Fisher advocates a 100-percent reserve for banks, and what I have said about money coincides with his views if I correctly interpret them from his writings and books.

Former United States Senator Robert L. Owen, framer of the original Federal Reserve Act—before the so-called "perfecting amendments" that ruined it—has endorsed monetary changes similar to the ones I advocate.

Many other prominent people have similar views.

I doubt that administration advisers have had the time to give this subject the consideration it deserves, and besides the administration cannot go very far in advance of public sentiment. We must first sell the changes to the country.

BANKS AND BANKERS I REFER TO

In regard to what I have said about banks, I desire to add banks are indispensable. Bankers are usually leading business men in every community. The local banker is not to be individually blamed, for he is helpless in the grasp of and under the domination of the systems of false premises and unsound economics. It is the system, not the individual banks or bankers, that I am referring to.

POLITICAL MOTIVES

My honorable opponent in his question no. 2 leaves an inference which I entirely overlooked or did not hear when he was delivering his address. In his question, asking if I would do such and such a thing, even though such an act would increase my popularity among the individuals who are affected, indicating that I only act or attempt to do things if it will increase my popularity and be helpful to me in a political way. Anyone who is acquainted with Congress knows that every Member of Congress must take sides on every important question and that he makes enemies every time he accepts a side of a question. Other people can refrain from expressing their views and save their popularity, but not so with one who is in public life, as a Member of Congress. The gentleman has no more right to infer that I am influenced by political support than I have a right to infer that he is acting only because of the salary he draws from the organization he represents. I wonder if he would give up his job and refuse to further fight the veterans who are in need of this money if I were able to convince him that he is wrong. I shall presume that he would. I do not question his sincerity, and he has no right to question mine.

TIN CUP

At the conclusion of his talk he also refers to a soldier on the steps of the Federal Treasury, tin cup in hand, demanding cash in times like these on their adjusted-service certificates. The war contractors did not use a tin cup; it was too small. Since he refers to tin cup in hand, may I suggest that the only veterans that I know of that have tin cups in hand are the American Veterans Association, whose members go about over Wall Street soliciting from wealthy veterans a contribution equal to the amount that these wealthy veterans can receive on their certificates, in order to fight and oppose their needy comrades who honestly believe that this is a just debt and should be paid now, and which such payment would contribute greatly to the comfort and welfare of themselves and family, as well as aiding the country generally. Since I have mentioned about the American Veterans Association carrying a tin cup, I will insert the following letter, which is self-explanatory. It is on the stationery of the American Veterans Association, Inc., executive headquarters, 420 Lexington Avenue, New York City, and is dated December 24, 1934:

DEAR MR. BLANK: Next Wednesday, January 2, is the last day on which veterans may apply for their adjusted-service certificates to which they are entitled by virtue of their war records.

If you have not already obtained your certificate, would you be willing to apply for it before next Wednesday and turn the proceeds over to the American Veterans Association? A total of 300 veterans, many of whose names appear on the enclosed list, have donated funds available on their bonuses to the association.

By means of these gifts the association is financing its fight against the prepayment of the bonus and is laying the foundation for a carefully prepared, long-time battle against the entire pension racket. Founded 2 years ago and possessing some 10,000 veterans as members, this association believes the time has come to call a halt on the exploitation of the veterans by lobbyists and politicians at the expense of the taxpayers. Do you realize that even today—16 years after the peace—a quarter of the Federal Budget is being paid as benefits to veterans, their dependents, or widows? I hope that you are with us in this fight and that you will accord us your support.

If you will promptly return the enclosed application or write me for further information, I shall see that one of our staff communicates with you before January 2 and attends to all the details connected with your application.

If you already have your certificate and have not borrowed on it, the time element is not important. In that case, will you please so advise us by special note on the application blank, and we shall get in touch with you after the New Year.

Sincerely yours,

D. A. HOBART,
*National Commander.*

In other words, my honorable opponent, the national commander of the American Veterans Association, places himself in the position of standing in Wall Street with a tin cup in hand. The statement that veterans receive one-quarter of the Federal Budget is incorrect. This policy of obtaining money is very much like the policy that has always been used by antibonus leagues. One of the first ones that was organized was financed by Wall Street interests, who sent out solicitors, to whom a list of contributors and a letter was given. That letter read as follows (a parrot could be taught to say it):

CANVASS FOR SOLICITORS

Mr. Smith, as you see from my introductory letter, I represent the Ex-Service Men's Anti-Bonus League, which is an organization

composed entirely of veterans, whose aim is to give as much prominence to veteran antibonus sentiment as has been given the probonus opinion by certain members of the American Legion.

You doubtless are aware that the coming bonus bill will center about approximately 10 doubtful Senators, and we are assured by Senate antibonus leaders that several of these will gladly vote against the bonus if they are able to point to veterans in their constituency who do not want a bonus.

You will note from our letterhead that our activities are supervised by an administrative board of prominent men. (At this point be sure that prospect reads names of administrative board.)

Up to this time we have not gone after money intensively, because our work is best accomplished by concentrating on this matter when the public mind is applied to it. We must immediately have $200,000 to cover our next 3 months' expenditures, and I am here to ask you for a contribution toward this work. (At this point exhibit list of contributors and estimate what you think prospect would give, and endeavor to get check on the spot. If any objection is made by prospect on the grounds of not having heard of us in the papers, the obvious answer is that we have spent 7 months in laying a suitable foundation without wasting money or effort on immediate publicity.) During this time we have lined up 203 newspapers who will give us full cooperation, gained assurance of cooperation on the part of nearly every major chamber of commerce in the United States, and accumulated through ballot an extensive mailing list of potential members.

By way of reference refer prospect to Merchants' Association of New York, the National Association of Manufacturers, and the United States Chamber of Commerce. In the case of the last organization, exhibit letter to Electric Bond & Share Co. written by the Washington manager of the United States Chamber committee. (In testimony before Ways and Means Committee of House, 1924.)

It was disclosed before a congressional committee in 1924 that one of these organizations spent $96,000 getting 10,000 members. I do not know what the American Veterans' Association spends, but I presume that if the law is complied with a statement of receipts and expenditures will be filed with the Clerk of the House of Representatives, because to my mind the activities of the organization bring it within the Corrupt Practices Act of 1925.

THOSE THAT DO NOT NEED IT

The American Veterans' Association, Inc., forwarded to prospects what is known as a "list of the members of the justice committee who have donated from funds available on their adjusted-compensation—that is, bonus—certificates", in which the following were listed—this list was mentioned in the D. A. Hobart letter of Dec. 24, 1934:

Ernest Angell, 74 Trinity Place; Reese D. Alsop, 120 Broadway; Dr. Carl A. L. Binger, 40 East Seventy-second Street; George T. Bowdoin, 120 Broadway; Ludwig F. Brauns, 55 John Street; Arthur Brentano, Jr., 1 West Forty-seventh Street; Delos A. Blodgett, 2d, 597 Madison Avenue; Chester G. Burden, care of International Telephone & Telegraph Corporation, 67 Broad Street; Joseph W. Burden, 30 Broad Street; I. Tucker Burr, Jr., Chestnut Street, Needham, Mass.; Stanley W. Burke, care of Reynolds, Fish & Co., 120 Broadway; Roger Burlingame, West Redding, Conn.; Samuel Cabot, 141 Milk Street, Boston, Mass.; Cass Canfield, care of Harper & Bros., 49 East Thirty-third Street; Harold W. Carhart, care of Carlisle-Mellick, 50 Broadway; Houghton Carr, 1 Federal Street, Boston, Mass.; William M. Carson, Jr., care of Rhoades, Williams & Co., 25 Broad Street; Morris Cassard, Jr., 307 East Sixty-third Street; John C. Cattus, care of Kean, Taylor & Co., 20 Exchange Place; George C. Clark, care of Clark, Dodge & Co., 61 Wall Street; J. Averell Clark, care of Clark, Dodge & Co., 61 Wall Street; John B. Clark, 350 Fifth Avenue; C. Kenneth Clinton, 11 East Forty-fourth Street; Robert Cluett, 3d, 120 Broadway, New York City; Howard R. Coan, 126 Ninety-first Street, Brooklyn, N. Y.; Henry A. Colgate, 25 Broad Street; Dudley M. Cooper, care of Tobey & Co., 25 Broadway; Robert Cutler, 1 Federal Street, Boston, Mass.

Anderson Dana, 30 Vesey Street; Andre de Coppet, 42 Broadway; Dr. George P. Denny, 66 Commonwealth Avenue, Boston, Mass.; Paul A. Degener, care of C. A. Auffmordt, 2 Park Avenue; J. Lloyd Derby, 1 Cedar Street; Norman H. Donald, 40 Wall Street; D. W. Dilworth, care of Carlisle-Mellick, 50 Broadway; Augustus C. Downing, Jr., care of New York Trust Co., 100 Broadway; Charles D. Draper, 49 Wall Street; Alfred Ely, 70 Pine Street; Raymond Emerson, care of J. M. Forbes & Co., Sears Building, Boston, Mass.; William I. Enequist, 120 Whitehall Boulevard, Garden City, Long Island, N. Y.; Eliot Farley, care of D. L. & W. Coal Co., 120 Broadway; W. Allston Flagg, 49 Broad Street; Charles M. Fleischmann, care of F. S. Smithers & Co., 15 Broad Street; James Forrestal, 28 Nassau Street, New York City; Henry W. Ford, care of Ford, Herald & Co., 115 Broadway; Charles Fuller, 485 Madison Avenue; Horace U. Gade, 100 Milk Street, Boston, Mass.; G. Peabody Gardner, Jr., 10 Post Office Square, Boston, Mass.; Chauncey B. Garver, care of Shearman & Sterling, 55 Wall Street; John P. Gaty, 191 West Tenth Street; E. Morgan Gilbert, care of Brown, Wheelock, Harris & Co., 63 Wall Street; John L. Goodbody, 115 Broadway; Lawrence I. Grinnell, 551 Fifth Avenue; Robert Stone Grinnell, 36 East Fiftieth Street, New York City; E. Burd Grubb, president Curb Exchange, 78 Trinity Place.

Henry F. Godfrey, 122 East Forty-second Street; Harold F. Hadden, Hewlett, Long Island, N. Y.; H. Dudley Hale, care of Lennen & Mitchell, Inc., 17 East Forty-fifth Street; Hamilton Hadley, 32 Liberty Street; Dexter C. Hawkins, care of Hawkins, Delafield & Longfellow, 49 Wall Street; James A. Hewlett, care of Spencer, Traske & Co., 25 Broad Street; Robert W. Hersey, 30 Rockefeller Plaza; John K. Hodges, 1040 Park Avenue; Albert L. Hoffman, care of G. M. P. Murphy & Co., 52 Broadway; William P. Homans, care of Atkinson, Haserick & Co., 152 Congress Street, Boston, Mass.; Roger F. Hooper, 84 State Street, Boston, Mass.; Gerard Beekman Hoppin, 120 Broadway, New York City; John P. Hubbell, 420 Lexington Avenue; Kenneth D. Hull, 120 Broadway; Oliver Iselin, 328 Broadway; Raymond Ives, care of Stagg, Mather & Hough, 141 Broadway; Oliver B. Jennings, 30 Rockefeller Plaza; Robert L. Johnson, care of Time, 135 East Forty-second Street; Henry R. Johnston, care of Case, Pomeroy & Co., 120 Wall Street; C. Maury Jones, care of Carlisle-Mellick, 50 Broadway; E. Coe Kerr, care of Hoge, Underhill & Co., 11 Broadway; John G. Kilbreth, care of National City Bank, 20 Exchange Place; David W. King, care of Reynolds, Richards & McCutcheon, 68 William Street; Dr. Shepard Krech, 950 Park Avenue; W. H. Labrot, 17 Battery Place; Eric Lagemann, 106 Wall Street; Walter Lagemann, 106 Wall Street.

Henry H. Landon, care of New York Hospital, York Avenue and Sixty-eighth Street; Stephen Landon, 11 East Forty-fourth Street; John H. Lapham, 135 East Forty-second Street; Charles Taylor Lovering, 42 Broadway, New York City; James H. Lowell, 54 Devonshire Street, Boston, Mass.; C. Russell MacGregor, care of Clark, Dodge & Co., 61 Wall Street; Percy C. Madeira, Jr., 260 South Broad Street, Philadelphia, Pa.; Charles H. Marshall, care of Butler, Herrick & Marshall, 30 Broad Street; William DeF. Manice, 31 Nassau Street; Samuel A. Mathewson, care of Columbia University Club, 4 West Forty-third Street; Gerald de Courcy May, Hotel Blackstone, 50 East Fifty-eighth Street; Dr. John A. P. Millet, 770 Park Avenue; Clarence V. S. Mitchell, 41 Broad Street; John C. B. Moore, 11 East Forty-fourth Street; Alfred R. Meyer, 42 Broadway; Alexander W. Moffat, 83 Leicester Street, Boston, Mass.; Donald Moffat, 83 Leicester Street, Brookline, Mass.; George P. Montgomery, care of Seamen's Bank for Savings, 74 Wall Street; D. P. Morgan, 1 Wall Street; John E. P. Morgan, care of Bank of Manhattan Co., 40 Wall Street; John A. Morris, care of Gude, Winmill & Co., 1 Wall Street; Benjamin D. Mosser, care of Clark, Dodge & Co., 61 Wall Street; C. Harold A. Mott, 106 Wall Street; Oscar H. Murray, 2 West Forty-seventh Street; E. Swift Newton, 1716 Lincoln-Liberty Building, Philadelphia, Pa.; Charles J. Nourse, 149 Broadway; John K. Olyphant, care of Central Hanover Bank, 70 Broadway; Henry Fairfield Osborn, Jr., care of Maynard, Oakley & Lawrence, 24 Broad Street; John G. Palache, Morristown, N. J.; Darragh A. Park, 55 Broad Street; Raeborn Parker, care of Halstead & Harrison, 30 Rockefeller Plaza.

Livingston Parsons, 35 East Seventy-second Street; Drexel A. J. Paul, 112 Drexel Building, Philadelphia, Pa.; Francis D. Perkins, care of Herald Tribune, New York City; Louis A. Perkins, Windsor, Vt.; Edwin O. Perrin, care of McCann-Erickson, Inc., 285 Madison Avenue; Lester W. Perrin, care of Lazard Freres, 120 Broadway; R. Stuyvesant Pierrepont, 115 Broadway; Frederick Pope, 30 Rockefeller Plaza; George B. Post, Jr., 49 Broad Street; Warwick Potter, 1 Wall Street; Stuart D. Preston, care of Metropolitan Life Insurance Co., 1 Madison Avenue; John F. Purcell, care of Insurance Co. of North America, 99 John Street; Albert W. Putnam, care of Winthrop, Stimson, Putnam & Roberts, 32 Liberty Street; Duncan Read, care of Fiduciary Trust Co. of New York, 1 Wall Street; Henry H. Reed, 99 John Street; Alfred Renshaw, Loudonville, N. Y.; John Reynold, 36 West Forty-fourth Street; Auguste Richard, 350 Fifth Avenue; John Richards, care of St. Paul's School, Concord, N. H.; Junius A. Richards, care of E. B. Smith Co., 31 Nassau Street; Dr. Henry B. Richardson, care of New York Hospital, York Avenue and Sixty-eighth Street; Sidney D. Ripley, 444 Madison Avenue; Powell Robinson, care of Chase National Bank, 18 Pine Street; Ernest C. Savage, 132 South Fourth Street, Philadelphia, Pa.; Melvin E. Sawin, 1 Exchange Place, Jersey City, N. J.; Anton H. Schefer, care of Central Hanover Bank & Trust Co., 786 Fifth Avenue; John Jay Schieffelin, Chubb & Son, 90 John Street, New York City; Frank P. Shepard, care of Guaranty Trust Co., 140 Broadway; Harold R. Shurtleff, post-office box F, Williamsburg, Va.; William D. Sidley, 30 Church Street; Theodore Simon, Assembled Products, Inc., 708 Broadway.

John Sise, Woodmere, L. I., N. Y.; Nathaniel J. Stern, 2 West Forty-sixth Street; J. Ernst Stern, care of Brand, Chatillon Co., 773 Fifth Avenue; Roger E. Stewart, 110 Dudley Road, Newton Centre, Mass.; John A. Sweetser, 136 Madison Avenue; Henry C. Taylor, 55 Worth Street; Murray Taylor, 2 Rector Street; James B. Taylor, Jr., Upressit Products Corporation, 420 Lexington Avenue; Archibald G. Thacher, 72 Wall Street; James C. Thornton, 28 Patterson Avenue, Greenwich, Conn.; I. Sheldon Tilney, 71 Broadway; Clifford M. Tinkham, Westcliffe, Colo.; John W. Thurlow, Assembled Products, Inc., 708 Broadway; Harold Tobey, 25 Broadway, New York City; Edward M. Townsend, 346 Broadway; James M. Townsend, 17 Battery Place; Roger Tuckerman, care of Walker Bros., 71 Broadway; Harrison, Tweed, 15 Broad Street; George P. Van Riper, Chestnut Hill, Norwalk, Conn.; Samuel Vaughan, care of Loring, Coolidge, Noble & Boyd, 82 Devonshire Street, Boston, Mass.; Joseph Walker, Jr., 120 Broadway; Samuel S. Walker, 120 Broadway; James P. Warburg, care of Bank of Manhattan Co., 40 Wall Street; W. G. Wendell, 15 Broad Street; Bache McE. Whitlock, care of Farr & Co., 90 Wall Street; Frederick S. Whitlock, care of

Farr & Co., 90 Wall Street; Robert H. Whiton, care of Clifford & Co., 52 Wall Street; Forsyth Wickes, 60 Broadway; Owen Winston, 346 Madison Avenue; Robert Withington, Northampton, Mass.; Oliver Wolcott, Asbury Street, Hamilton, Mass.; Leonard J. Wyeth, care of Bank of Manhattan Co., 40 Wall Street; George Gray Zabriskie, 49 Wall Street.

On October 6, 1934, Mr. Edwin O. Perrin, one of these contributors, wrote a letter to the American Veterans Association, Inc., in which it was stated (only a part of the letter is quoted):

I have applied for my adjusted-compensation certificates and have donated the funds available on that certificate to your work for pension reform. You have asked me how I came to decide upon making this particular form of contribution. * * * In talking this whole thing over, I found that many of my friends have been forced, through stress of circumstances, to borrow on their certificates. With these men I, of course, can take no issue. But in considering my own case I was able to say with reasonable certainty that it was hardly likely I should be so reduced as to be a charge on the Federal taxpayer.

A copy of Mr. Perrin's letter was sent with Mr. Hobart's appeal for funds, dated December 24, 1934. I repeat, these gentlemen are entitled to their views. The certificates belong to them. They can dispose of the proceeds any way they desire. However, since Mr. Hobart has brought up the tin-cup illustration, it is at least interesting to know the above facts.

VICTORY IN SIGHT

While we are in sight of victory, let us hope that no effort will be made by our friends to divide our forces.

Congress and the country have been sold on H. R. 1.

ANTHONY J. GRIFFIN

Mr. FITZPATRICK. Mr. Speaker, it is with profound sorrow I announce to the House the death of our colleague the gentleman from New York [Mr. GRIFFIN].

In the death of Congressman GRIFFIN the House has lost a valuable Member and the Borough of the Bronx, which he represented so ably for 16 years, an able Representative. During that period he took a great interest not only in the borough he represented but in his State and Nation. I know of no man in this House who gave of his time and energy more than Congressman GRIFFIN. Not only will he be missed in his congressional district but the State and the Nation have lost a great citizen and soldier.

Mr. Speaker, I offer the resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 51

*Resolved*, That the House has heard with profound sorrow of the death of Hon. ANTHONY J. GRIFFIN, a Representative from the State of New York.

*Resolved*, That a committee of four Members of the House with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to, and the Speaker appointed as members of the committee to attend the funeral, Mr. CULLEN, Mr. BOYLAN, Mr. FITZPATRICK, and Mr. BUCKLEY.

ADJOURNMENT

The SPEAKER. The Clerk will report the remainder of the resolution.

The Clerk read as follows:

*Resolved*, That as a further mark of respect the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 20 minutes p. m.) the House, in accordance with its previous order, adjourned until Wednesday, January 16, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

122. Under clause 2 of rule XXIV, a letter from the Chairman, Federal Power Commission, transmitting Fourteenth Annual Report of the Federal Power Commission and a statement showing the names and compensation of the members and employees of the Commission, was taken from the Speaker's table and referred to the Committee on Interstate and Foreign Commerce.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GASQUE: A bill (H. R. 3891) to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at Conway, S. C.; to the Committee on Interstate and Foreign Commerce.

By Mr. POWERS: A bill (H. R. 3892) to amend the naturalization laws of the United States; to the Committee on Immigration and Naturalization.

By Mr. BULWINKLE: A bill (H. R. 3893) to provide for the payment to veterans of the face value of their adjusted-service certificates in two annual installments, and for other purposes; to the Committee on Ways and Means.

By Mr. HILDEBRANDT: A bill (H. R. 3894) to stimulate competitive buying of swine, to provide for establishment of standards for grading swine, and for other purposes; to the Committee on Agriculture.

By Mr. RAMSPECK: A bill (H. R. 3895) to protect labor in its old age; to the Committee on Labor.

By Mr. VINSON of Kentucky: A bill (H. R. 3896) to provide for the immediate payment of World War adjusted-service certificates, to extend the time for filing applications for benefits under the World War Adjusted Compensation Act, and for other purposes; to the Committee on Ways and Means.

By Mr. MURDOCK: A bill (H. R. 3897) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Cache National Forest, Utah; to the Committee on Agriculture.

By Mr. BURCH: A bill (H. R. 3898) for the equalization of letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. BLANTON: A bill (H. R. 3969) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BRUNNER (by request): A bill (H. R. 3970) authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors and materialmen for material and labor furnished in the construction of a post-office building at Hempstead, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. LEA of California: A bill (H. R. 3971) to regulate sales in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DIES: Resolution (H. Res. 52) to provide for the appointment of a committee to investigate the possibility of the shackling of the press by the administration, and for other purposes; to the Committee on Rules.

By Mr. COCHRAN: Joint resolution (H. J. Res. 84) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. ANDREW of Massachusetts: Joint resolution (H. J. Res. 85) providing for the preparation for publication, and publication, of the important official records and maps relating to the participation of the military forces of the United States in the World War, and authorizing appropriations therefor; to the Committee on Military Affairs.

By Mr. BURDICK: Joint resolution (H. J. Res. 86) providing for the appointment of a joint committee to investigate the rules established by, and the way in which, and by whom Federal emergency relief is distributed in the several States, by the Federal Emergency Relief Administration,

and inquiring into the feasibility of allocating funds to the several States and placing the responsibility for just distribution of Federal emergency-relief money upon the States themselves; to the Committee on Rules.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission, for the fiscal year ending June 30, 1935; to the Committee on Appropriations.

By Mr. LUDLOW: Joint resolution (H. J. Res. 89) proposing an amendment to the Constitution of the United States with respect to the declaration of war and the taking of property for public use in time of war; to the Committee on the Judiciary.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREW of Massachusetts: A bill (H. R. 3899) granting a pension to Annie Beals; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3900) granting a pension to Jennie M. Spaulding; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3901) for the relief of Frank O. Glover; to the Committee on Military Affairs.

By Mr. BOLAND: A bill (H. R. 3902) for the relief of Patrick James Durkin; to the Committee on Naval Affairs.

By Mr. BOYLAN: A bill (H. R. 3903) granting a pension to Josephine Ensign; to the Committee on Pensions.

Also, a bill (H. R. 3904) for the relief of Joseph P. Kinlen; to the Committee on Military Affairs.

By Mr. BRUNNER: A bill (H. R. 3905) for the relief of Steven Bodnar; to the Committee on Claims.

By Mr. CARLSON: A bill (H. R. 3906) for the relief of Edd R. Boyer; to the Committee on Military Affairs.

By Mr. DALY: A bill (H. R. 3907) for the relief of James L. Park; to the Committee on Claims.

By Mr. DARDEN: A bill (H. R. 3908) for the relief of Hudson Bros., of Norfolk, Va.; to the Committee on Claims.

By Mr. DUFFEY of Ohio: A bill (H. R. 3909) for the relief of Joseph C. Mistretta; to the Committee on Military Affairs.

By Mr. EATON: A bill (H. R. 3910) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the city of Perth Amboy, N. J.; to the Committee on Claims.

Also, a bill (H. R. 3911) for the relief of Sarah J. Hitchcock; to the Committee on Claims.

By Mr. EICHER: A bill (H. R. 3912) to amend an act for the relief of Clarence R. Killion; to the Committee on World War Veterans' Legislation.

By Mr. EKWALL: A bill (H. R. 3913) for the relief of Edith M. Powell; to the Committee on Claims.

Also, a bill (H. R. 3914) for the relief of Oscar Gustof Bergstrom; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 3915) for the relief of Elizabeth Duke; to the Committee on Claims.

By Mr. HOFFMAN: A bill (H. R. 3916) for the relief of Edwin L. Menzer; to the Committee on Military Affairs.

Also, a bill (H. R. 3917) for the relief of the Olney National Bank of Hartford, Hartford, Mich.; to the Committee on Claims.

By Mr. KELLY: A bill (H. R. 3918) granting a pension to Marie Weed; to the Committee on Invalid Pensions.

By Mr. KVALE: A bill (H. R. 3919) for the relief of Knud O. Flakne; to the Committee on the Public Lands.

By Mr. LAMNECK: A bill (H. R. 3920) granting a pension to Mary J. Duling; to the Committee on Pensions.

By Mr. McANDREWS: A bill (H. R. 3921) for the relief of John Edward Ward; to the Committee on Naval Affairs.

By Mr. MERRITT of New York: A bill (H. R. 3922) for the relief of Winifred Meagher; to the Committee on Claims.

By Mr. O'CONNOR: A bill (H. R. 3923) for the relief of William Martin; to the Committee on Military Affairs.

Also, a bill (H. R. 3924) for the relief of Patrick McKernan; to the Committee on Naval Affairs.

Also, a bill (H. R. 3925) for the relief of John C. Ryan; to the Committee on Military Affairs.

Also, a bill (H. R. 3926) for the relief of the International Manufacturers' Sales Co. of America, Inc.; to the Committee on Claims.

Also, a bill (H. R. 3927) for the relief of Carlo Scarabello; to the Committee on Claims.

Also, a bill (H. R. 3928) for the relief of Joseph N. King; to the Committee on Naval Affairs.

By Mr. POWERS: A bill (H. R. 3929) granting an increase of pension to Bella J. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3930) granting a pension to Mary Tiger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3931) granting an increase of pension to Jennie M. Jenness; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3932) granting a pension to Mary Quirk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3933) granting a pension to Martha Hill; to the Committee on Pensions.

By Mr. REED of New York: A bill (H. R. 3934) for the relief of Art Metal Construction Co. with respect to the maintenance of suit against the United States for the recovery of any income or profits taxes paid to the United States for the calendar year 1918, in excess of the amount of taxes lawfully due for such period; to the Committee on Claims.

By Mr. RICH: A bill (H. R. 3935) for the relief of the Muncy Valley Private Hospital; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 3936) granting a pension to Mumzell Wooldridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3937) for the relief of Joe H. Ross; to the Committee on Military Affairs.

Also, a bill (H. R. 3938) for the relief of William F. Catching; to the Committee on Military Affairs.

Also, a bill (H. R. 3939) granting an increase of pension to William H. Hensley; to the Committee on Pensions.

Also, a bill (H. R. 3940) granting an increase of pension to William G. Patton; to the Committee on Pensions.

By Mr. SPENCE: A bill (H. R. 3941) granting a pension to Ellen Trier; to the Committee on Pensions.

Also, a bill (H. R. 3942) granting a pension to Belle Rhodes Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3943) for the relief of D. E. Wooldridge; to the Committee on Claims.

By Mr. STACK: A bill (H. R. 3944) for the allowance of certain claims for extra labor above the legal day of 8 hours at Hog Island Shipyard, Philadelphia, Pa.; to the Committee on Claims.

By Mr. STUBBS: A bill (H. R. 3945) for the relief of John A. Murray; to the Committee on Military Affairs.

By Mr. SUTPHIN: A bill (H. R. 3946) authorizing preliminary examination and survey of the Delaware and Raritan Canal, N. J.; to the Committee on Rivers and Harbors.

By Mr. TARVER: A bill (H. R. 3947) for the relief of Karl J. Howe; to the Committee on Military Affairs.

By Mr. TERRY: A bill (H. R. 3948) for the relief of Emma Fein; to the Committee on Claims.

By Mr. THOMAS: A bill (H. R. 3949) granting a pension to Louise Stockwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3950) granting an increase of pension to Nellie Murray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3951) granting an increase of pension to Nanette M. Heisinger; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 3952) directing the Secretary of the Treasury to pay the sum of $10,000 to Mr. and Mrs. Bruce Lee; to the Committee on Claims.

Also, a bill (H. R. 3953) granting a pension to Earl F. Alexander; to the Committee on Pensions.

Also, a bill (H. R. 3954) directing the Secretary of the Treasury to pay the sum of $10,000 to Mr. and Mrs. Jerome Wate Stewart; to the Committee on Claims.

Also, a bill (H. R. 3955) granting a pension to Jesse Johnson; to the Committee on Pensions.

Also, a bill (H. R. 3956) granting a pension to Josephene Johns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3957) granting a pension to Louie B. Reibold and Louis R. Reibold, Jr.; to the Committee on Pensions.

Also, a bill (H. R. 3958) granting a pension to Pharis Johnson; to the Committee on Pensions.

Also, a bill (H. R. 3959) for the relief of John Henry Tackett; to the Committee on Claims.

Also, a bill (H. R. 3960) for the relief of Floyd Carpenter; to the Committee on Military Affairs.

Also, a bill (H. R. 3961) granting an increase of pension to William Hargis; to the Committee on Pensions.

Also, a bill (H. R. 3962) for the relief of Charles D. Waldeck; to the Committee on Military Affairs.

Also, a bill (H. R. 3963) granting an increase of pension to William O. Scott; to the Committee on Pensions.

Also, a bill (H. R. 3964) granting an increase of pension to Harlan C. Allen; to the Committee on Pensions.

By Mr. WHELCHEL: A bill (H. R. 3965) for the relief of Prince Royal, Sr., Kathleen Royal Hays, Victor A. Royal, Lucile Royal, and Prince Royal, Jr.; to the Committee on Claims.

Also, a bill (H. R. 3966) for the relief of Maggie Fields Ramsey and R. J. Ramsey; to the Committee on Claims.

By Mr. WILCOX: A bill (H. R. 3967) for the relief of Raymond Parramore; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 3968) granting a pension to Cornelius J. Phillips; to the Committee on Pensions.

By Mr. SPENCE: Joint resolution (H. J. Res. 87) authorizing certain Army officers to accept the decoration of the Star of Abdon Calderon conferred upon them by the Government of Ecuador; to the Committee on Foreign Affairs.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

125. By Mr. BACON: Petition of sundry citizens of Merrick, Long Island, protesting against the existence of certain conditions in Mexico and urging the recall of the present American Ambassador to that country; to the Committee on Foreign Affairs.

126. By Mr. BOYLAN: Resolution adopted by the American Homestead Protective Association, Chicago, Ill., favoring the amendment of the bankruptcy laws; to the Committee on Banking and Currency.

127. Also, resolution adopted by the American Signal Corps Association, New York Post, Governors Island, N. Y., regarding training of reserve officers, etc.; to the Committee on Military Affairs.

128. Also, resolution adopted by the New York City Sponsoring Committee, National Congress for Unemployment and Social Insurance, New York City, favoring the passage of the Lundeen bill; to the Committee on Labor.

129. By Mr. BRUNNER: Resolution of Colon Council No. 309, Knights of Columbus, of Long Island City, protesting against the activities of the National Revolutionary Party in Mexico and urging the United States Congress to refrain from any intervention in support of said party and to refrain from trade relations which are profitable to the supporters of the National Revolutionary Party and urging tourists not to visit Mexico; to the Committee on Foreign Affairs.

130. By Mr. COLDEN: Petition signed by Lena F. Kincheloe and 30 other residents of Wilmington, Calif., and vicinity, in the Seventeenth California District, advocating the passage of a bill providing for the Townsend plan of old-age revolving pensions; and also the passage of a bill creating a Nation-wide Federal transaction sales tax to provide the revenue necessary to meet the requirements of said old-age revolving pension plan; to the Committee on Labor.

131. By Mr. PFEIFER: Petition of the Medical Society of the State of New York, New York City, opposing compulsory health insurance; to the Committee on the Judiciary.

132. Also, telegram from the Building Trades Employers Association of New York City, urging expenditure of public funds for construction work under the established contract system; to the Committee on the Judiciary.

133. Also, petition of the National Association of Audubon Societies for the Protection of Wild Life and Animals, New York City, favoring the creation of a new House committee to which would be referred all House bills relating to game and fish; to the Committee on Agriculture.

134. Also, petition of Haberman Furs, Inc., New York City, concerning excise tax on furs; to the Committee on Ways and Means.

135. By Mr. HILDEBRANDT: Petition of the Order of Benefit Association of Railway Employees, requesting the support to the fullest extent of the enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation; to the Committee on Interstate and Foreign Commerce.

136. Also, petition of the Spink County Farm Bureau, that the proper officers of the Seed Stock Committee or other Government agency shall be authorized to enter into contract and loan seed to producers; to the Committee on Agriculture.

137. By Mr. LEA of California: Petition of the Oroville Woman's Christian Temperance Union, opposing increased armaments as inimical to international peace and urging funds available be applied to the peaceful needs of the Nation; to the Committee on Military Affairs.

138. By Mr. McLAUGHLIN: Resolution by Nebraska State Legislature, memorializing Congress to provide effective assistance by the Federal Government to control and eradicate field bindweed; to the Committee on Agriculture.

139. By Mr. MEAD: Petition of the Southern Commissioners of Agriculture and other cotton interests, regarding expression of thanks to Members of Congress for passage of the excise tax on oils and urge that reduction be made in same; to the Committee on Ways and Means.

140. Also, petition of citizens of Buffalo, N. Y., regarding civil and religious liberties in Mexico; to the Committee on Foreign Affairs.

141. By Mr. RUDD: Petition of the National Association of Audubon Societies for the protection of wild birds and animals, New York City, favoring the creation of a new House committee to which would be referred all House bills relating to game and fish; to the Committee on Agriculture.

142. Also, petition of Haberman Furs, Inc., New York City, favoring the repeal of the 10-percent excise tax on furs wholesaling at $75 and over; to the Committee on Ways and Means.

143. Also, petition of the Medical Society of the State of New York, opposing compulsory health insurance and the regimentation of the medical profession; to the Committee on the Judiciary.

144. Also, petition of Miller & Weisman, manufacturing furriers, New York City, favoring the repeal of the 10-percent excise tax on furs wholesaling at $75; to the Committee on Ways and Means.

145. Also, petition of Wells-Treister Co., Inc., New York City, favoring the repeal of the 10-percent excise tax on furs wholesaling for $75 and up; to the Committee on Ways and Means.

146. Also, petition of Adolph F. Heintz, 971 Willoughby Avenue, Brooklyn, N. Y., and 11 other citizens, favoring the passage of the Lundeen unemployment insurance bill (H. R. 5798); to the Committee on Labor.

147. By Mr. STEFAN: Two resolutions adopted by the West Point National Farm Loan Association, of West Point, Nebr., asking passage of the Frazier-Lemke bill and action by Congress to defer payments on land-bank loans for the period of 1 year; to the Committee on Agriculture.

148. Also, resolution adopted by the Columbus National Farm Loan Association, of Columbus, Nebr., asking passage of the Frazier refinancing bill; to the Committee on Agriculture.

149. By the SPEAKER: Petition of Edna Willett et al.; to the Committee on Merchant Marine, Radio, and Fisheries.

150. Also, petition of the American Monetary Reform Association, Flint, Mich.; to the Committee on Ways and Means.

151. Also, petition of the Graphic Arts Association, Houston-Galveston region, Houston, Tex.; to the Committee on the Post Office and Post Roads.

152. Also, petition of Jesse C. Duke, regarding the impeachment of F. Dickinson Letts, Associate Justice, of the Supreme Court of the District of Columbia; to the Committee on the Judiciary.

# SENATE

## TUESDAY, JANUARY 15, 1935

*(Legislative day of Monday, Jan. 14, 1935)*

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day, Monday, January 14, was dispensed with, and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Megill, one of its clerks, communicated to the Senate the intelligence of the death of Hon. ANTHONY J. GRIFFIN, late a Representative from the State of New York, and transmitted the resolutions of the House thereon.

### SENATOR FROM VERMONT

Mr. McNARY presented the credentials of WARREN R. AUSTIN, chosen a Senator from the State of Vermont for the term of 6 years, beginning on the 3d day of January 1935, which were ordered to be filed and to be printed in the RECORD, as follows:

STATE OF VERMONT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 6th day of November 1934 WARREN R. AUSTIN was duly chosen by the qualified electors of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1935.

Witness: His Excellency our Governor, Charles M. Smith, and our seal hereto affixed at Montpelier, this 10th day of January, A. D. 1935.

CHARLES M. SMITH, *Governor.*

By the Governor:

RAWSON C. MYRICK,
*Secretary of State.*

### EXECUTIVE REPORTS OF COMMITTEES

Mr. FLETCHER. From the Committee on Banking and Currency I report favorably the nominations of Joseph P. Kennedy, of New York; George C. Mathews, of Wisconsin; Ferdinand Pecora, of New York; James M. Landis, of Massachusetts; and Robert E. Healy, of Vermont, to be members of the Securities and Exchange Commission.

From the same committee, I also report back favorably the nomination of Henry E. Hoagland, of Ohio, to be a member of the Federal Home Loan Bank Board, and James A. Moffett, of New York, to be Federal Housing Administrator.

Mr. HAYDEN, from the Committee on Printing, reported favorably the nomination of August E. Giegengack, of New York, to be Public Printer, to which office he was appointed during the last recess of the Senate, vice George H. Carter, resigned.

He also, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

### CALL OF THE ROLL

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Copeland | La Follette | Reynolds |
| Austin | Costigan | Lewis | Robinson |
| Bachman | Couzens | Logan | Russell |
| Bailey | Cutting | Lonergan | Schall |
| Bankhead | Davis | Long | Schwellenbach |
| Barkley | Dickinson | McCarran | Sheppard |
| Bilbo | Dieterich | McGill | Shipstead |
| Black | Donahey | McNary | Smith |
| Bone | Duffy | Maloney | Steiwer |
| Borah | Fletcher | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Hale | Murray | Truman |
| Byrd | Harrison | Neely | Vandenberg |
| Byrnes | Hastings | Norris | Van Nuys |
| Capper | Hatch | Nye | Wagner |
| Caraway | Hayden | O'Mahoney | Walsh |
| Clark | Johnson | Pittman | Wheeler |
| Connally | Keyes | Pope | White |

Mr. LEWIS. I announce the absence of the Senator from Georgia [Mr. GEORGE], who is detained from the Senate by illness.

I wish also to announce the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR], on the Philippine Commission.

I wish also to announce the absence of the junior Senator from Louisiana [Mr. OVERTON] occasioned by illness.

I wish also to announce the absence of the junior Senator from Pennsylvania [Mr. GUFFEY], who was called to Harrisburg, Pa., on official business.

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on the business of the Senate; that the Senator from New Jersey [Mr. BARBOUR] and the Senator from South Dakota [Mr. NORBECK] are unavoidably detained; and that the Senator from Wyoming [Mr. CAREY] is absent on account of a death in his family.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

### THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence, as reported by the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, the issue pertaining to the participation of the United States in the Permanent Court of International Justice has been pending in some form for almost 12 years. During the last Congress there were presented to the Congress so many measures of an emergency character intimately associated with domestic conditions that it was not found practicable to bring before the Senate for consideration and action the question of the entrance of the United States into the World Court.

It has been suggested by some authorities who oppose membership of the United States in the World Court that the present is an inopportune occasion to consider the subject; that there remains undisposed of a number of legislative proposals which are of vital consequence, and that consideration by the Senate of the protocols pertaining to the World Court will unduly interfere with the disposition of those measures and prevent action by the Senate on subjects which are affected with emergency consideration.

Since the Senate met on the 3d day of January, due to the fact that it was the beginning of a new Congress and all measures not disposed of during the last Congress had gone back to the respective committees having jurisdiction, there was nothing of great importance on the calendar for the Senate to consider. Throughout the period which has elapsed since the 3d of January our committees have been at work and proposed legislation is being considered, but very few measures of great consequence have as yet been reported.

When one contemplates the 12-year delay which has taken place in final action on the subject, he may well conclude that the demand incorporated in the platforms of

both the major political parties of the United States during the conventions of 1932, favoring adherence by the United States to the Court, should meet with response by the Senate. It will be recalled that the Democratic platform contains a provision reading as follows:

We advocate adherence to the World Court with the appending reservations.

The Republican platform on the subject is expressed in the following language:

The acceptance by America of membership in the World Court has been approved by three successive Republican Presidents, and we commend this attitude of supporting in this form the settlement of international disputes by the rule of law. America should join its influence and gain a voice in this institution, which would offer us a safer, more judicial, and expeditious instrument for the constantly recurring questions between us and the other nations that is now available by arbitration.

It may be pointed out that these platform provisions were adopted in the summer of 1932, at a time when the country was in the grip of a great depression, suffering from conditions which have been relieved in part, we believe, but which admittedly have not completely passed.

I do not intend at this time to undertake to present to the Senate a summary of the resolutions which have been adopted during the years that have elapsed since the subject was first transmitted to the Senate by President Harding in 1923; but I do desire to point out the fact that the American Bar Association and the organizations of the bar in many of the States, both State-wide and local, have adopted declarations advocating the adherence of the United States to the World Court protocols.

The subject matter of the protocols is one which it may be said is peculiarly within the purview of such studies as lawyers are in the habit of making. It is not now recalled that in any instance an organization of American lawyers has expressed opposition to favorable action by the United States. So far as the legal profession in this country is concerned, and so far as its members have knowledge of the subject and have expressed an opinion concerning it, that profession is committed to the action now proposed in the resolution before the Senate.

Mr. WHEELER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Montana?

Mr. ROBINSON. I yield to the Senator.

Mr. WHEELER. I merely desire to correct the Senator's statement to the extent of saying that the Montana Bar Association had the matter before them this summer and went on record against the World Court. In other words, they defeated a resolution which was brought in by the committee advocating adherence to the World Court.

Mr. ROBINSON. But took no action expressing the opinion of the Bar Association.

Mr. WHEELER. The sentiment of the Bar Association would seem to be implied by the action in defeating the resolution.

Mr. ROBINSON. I understand from the Senator's statement that the Bar Association of Montana—probably through the influence of the Senator from Montana—has recently committed itself to the rejection of a resolution relating to the subject.

Mr. WHEELER. If the Senator will pardon me, let me say to him that I was not present at the Bar Association meeting and knew nothing of the action they had taken until after it was taken, and the Senator is quite wrong in even intimating that I was influential in defeating the resolution.

Mr. ROBINSON. Very well. I am making no serious issue with the Senator from Montana. He had a perfect right, if he had chosen to do so, to appear before the Bar Association. I point out now, however, in connection with the statement just made by the Senator from Montana, that on August 15, 1931, the Montana State Bar Association did adopt the following resolution:

Whereas the United States, by the authority of the President, has signed the three treaties or protocols providing for the adherence of the United States to the Permanent Court of International Justice; and

Whereas the President has submitted to the Senate these treaties to be ratified; and

Whereas these treaties are approved by the administration and by many leaders of both political parties; and

Whereas this association believes that the interests of the United States have been properly safeguarded and that the Court is a great constructive agency for the maintenance of international peace: Now, therefore, be it

*Resolved*, That the Montana State Bar Association, in annual meeting assembled, on August 15, 1931, respectfully urges upon the Senate of the United States prompt ratification of these treaties in order that the United States at the earliest possible date may signify their adherence to the Permanent Court of International Justice; and be it further

*Resolved*, That the secretary of this association be requested to send a copy of these resolutions to each member of the Foreign Relations Committee of the United States [Senate], and to our own Senators, Hon. T. J. Walsh and Hon. Burton K. Wheeler.

So it appears, taking into consideration the statement just made by the Senator from Montana [Mr. WHEELER], that the Montana Bar Association has adopted one resolution urging the Senate promptly to ratify these protocols, and that last summer, in its session, it declined to adopt a second resolution.

I digress here to pay what seems to me to be a deserved tribute to the late Senator from Montana, Mr. Walsh, who served so long and ably in this body. Like his colleague, the present senior Senator from Montana [Mr. WHEELER], he was a lawyer of notable ability. Senator Walsh enjoyed the confidence, the admiration, and the respect of all the members of his profession; and it will be recalled that he was attached to the principles of international justice as incorporated in the statute and proceedings of the World Court. It is doubtful if any lawyer during the past generation has served in this body with more distinction and integrity and demonstrated more courage and ability than the late Senator Walsh, of Montana. I make this reference to him because of his interest in the subject-matter under consideration, and because of his devotion to the principles that underlie the resolution before the Senate.

The three protocols are now in the possession of the Senate, and a resolution with which most Senators are familiar has been reported with them by the Committee on Foreign Relations. It is not my intention in this address to attempt a discussion of all the phases of this subject or to anticipate the arguments that may be advanced in opposition to the pending resolution. I shall content myself for the most part with a brief outline of the World Court protocols, sketching their history, and finally state to the Senate some of the reasons which to me make it proper and desirable that this body should delay no longer in giving its advice and consent to American adherence to the Permanent Court of International Justice, as recommended by the Committee on Foreign Relations.

The first of the three protocols is the protocol of signature of December 16, 1920. It serves merely to set up the statute of the Court. This protocol has been signed by 55 states and ratified by 49, including most of the important states of the world. By becoming a party to this protocol of signature the United States would agree to join with these states in maintaining the Permanent Court of International Justice, but it would not confer any jurisdiction on the Court.

The second of the protocols has been termed the revision protocol of date September 14, 1929. It provides for various amendments to the original statute of the Court. This protocol has been signed by 54 states, of which 46 have ratified.

It is not practicable now to enter into a discussion of the details of these various amendments. Your speaker will content himself with the mere statement that for the most part they are intended to make effective the five reservations adopted by the Senate of the United States on January 27, 1926.

I do not apprehend that there can be any serious objection directed to this protocol in view of the character and purpose of the amendments to the Court's statute which it proposes. Should we enter the Court they will be helpful, not to say necessary, in implementing the various processes to be carried forward.

The third of the protocols, which is designated as the protocol for accession of the United States, also bears date, as does the second, of September 14, 1929. It sets forth the special terms agreed upon for the adherence of the United States to the statute of the Court.

A brief history of this protocol and of the steps previously taken toward the adherence of the United States may be in point at this place.

On February 24, 1923, about 11 years ago, President Harding asked the Senate to advise and consent to the adherence by the United States to the protocol of signature dated December 16, 1920, to which the statute of the Permanent Court of International Justice is annexed. The Senate subsequently gave its advice and consent, but not until January 27, 1926, approximately 3 years being consumed in the meantime for a resolution of the issues involved in the World Court proposition.

When the advice and consent of the Senate was given there were incorporated five reservations. The first declared that adherence by the United States should not be taken to involve any legal relation on the part of this Government to the League of Nations. The opposition to adherence came principally from those who believed or feared that the result of our entry into the Court would be complications with the League of Nations which might, in their opinion, prove harmful.

I did not feel then, and I do not believe now, that accepting membership in the Court would involve the United States with the League of Nations, although admittedly, if the formula as proposed be adopted, this Government will have the privilege, in either the council or the assembly, of asserting its interest in the subject matter and opposition to the entertainment of a request for an advisory opinion.

There is a second part to reservation 1, namely, that the United States, by taking membership in the Court, would assume no obligation under the Treaty of Versailles. I do not care now to elaborate on the thought that this reservation was the outgrowth of an undefined and vague fear on the part of the opponents of the Court that in some mysterious way, which they could not explain and which no one could comprehend, entry into the Court would impose obligations under the Versailles Treaty upon the United States.

The second reservation is to the effect that the United States shall be permitted to participate in the proceedings of the Council or the Assembly of the League in the election of judges or deputy judges. In my viewpoint, there can be no valid question raised that this involves the United States in the affairs of the League of Nations. Manifestly the process by which the judges of the Court are elected made some such provision as that contained in reservation 2 necessary if the United States were to have part in the selection of the judges, and I do not think that anyone here will question the advisability of taking for our Government that much participation in the proceedings of the Council or the Assembly if we are to join the Court. It would not be detrimental in any sense to the United States; it could not be harmful to any interest we have or to any principle for which our Government is believed to stand.

The third reservation prompts little consideration. It was to the effect that the United States would pay a fair share of the Court's expenses as determined and appropriated by the Congress of the United States.

I point out the fact, aggressively and with emphasis, that reservation 3, which has been unqualifiedly agreed to by the signatories already mentioned, constitutes the sole obligation assumed by the United States under the resolution reported by the Committee on Foreign Relations.

Reservation 4 relates to withdrawal. There are provisions in some 400 treaties heretofore entered into by this Government which provide for the withdrawal of the parties to the treaties when circumstances which make that course appropriate have arisen. Reservation 4 assures the United States the right of withdrawal at any time.

There is another provision in the reservation which has been accepted by the signatories, namely, that the World Court statute shall not be amended without the consent of the United States. So that the jurisdiction of the Court cannot be altered, nor its processes or proceedings materially modified, except with the approval of this Government.

I pass now to reservation 5.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. RADCLIFFE in the chair). Does the Senator from Arkansas yield to the Senator from Idaho?

Mr. ROBINSON. I yield.

Mr. BORAH. The Senator spoke about the message of President Harding with reference to our adhering to the Court. Reservation 5 was not incorporated in that message.

Mr. ROBINSON. Oh, no. I thank the Senator for the interruption, because it recalls to my mind a statement which it will be necessary to make very soon in the course of my remarks with reference to the historical analysis of this controversy.

Resolution 5 is the nucleus around which the principal controversies have been gathered. It provides that the Court shall not render any advisory opinion, except publicly, after due notice to all states in the Court, and to all interested states, and after public hearing or opportunity for hearing given to any state concerned.

That feature of reservation 5 has been accepted without qualification in any manner. It is to the second part of reservation 5 now to be quoted, and the manner in which it has been dealt with by the signatories, that the principal objections have been asserted. The second part is as follows:

> Nor shall it (the Court) without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

After the adoption of the 1926 resolution incorporating these five reservations negotiations were conducted with other governments. A conference was held, the signatories of the protocol assembling at Geneva early in September of 1926. At this conference a draft protocol for the acceptance of the Senate reservations was prepared, which was not satisfactory to the United States. Negotiations, after some years, were resumed by President Coolidge, and in March 1929 a committee of jurists, of which Mr. Root was a member, drew up a draft protocol for the adherence of the United States to meet the Senate reservations.

This protocol is the third that I have described and is called the protocol for the accession of the United States.

Mr. JOHNSON. Mr. President, if it will disturb the Senator from Arkansas, I shall not propound the query, but before the Senator proceeds with reservation 5 I want to ask him if it is his opinion that the third protocol accepts definitely the first four reservations?

Mr. ROBINSON. Yes; and I assert and expect to prove during the course of the debate that it accepts the fifth reservation also, but I admit that there is language in the protocol which may be regarded and which has been regarded by some as ambiguous.

On December 9, 1929, the three protocols were signed on behalf of the United States.

I pass now to a more definite consideration of the controversial question involved in reservation 5 and in the Root formula. The protocol of accession sets forth in considerable detail the procedure which would be followed for giving effect to the reservations voted by the Senate on January 27, 1926. The provisions of this protocol constitute an effective acceptance by the other States of the reservations of the United States. The only question that has arisen as to the adequacy of this acceptance relates to the second part of the fifth reservation concerning advisory opinions. This point is fully discussed in a report made to the Senate by the late Senator Walsh, of Montana, joined in by the former Senator from Ohio, Mr. Fess. The report makes clear the conclusion that the interests of the United States would be more adequately protected under any interpretation that may be given to this protocol than by abstention from membership in the court on the part of this Government.

In order that there may be no doubt of the position of the United States with regard to the matter it is recommended and embraced in the resolution of advice and consent that the advice and consent be—

With the clear understanding of the United States that the Permanent Court of International Justice shall not, over an objection by the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

This subject has been considered at great length on different occasions by the Senate Committee on Foreign Relations. It seems appropriate at this time to present to the Senate the analysis, or a part of it, made by Mr. Root, who was one of the authors of the protocol of accession. He said:

An essential thing to observe in this protocol is that it establishes as law the second part of the fifth Senate reservation without any change. The second part of the fifth reservation relates solely to the jurisdiction of the Court. It is:

"Nor shall it (the Court), without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest."

Resuming from Mr. Root:

It is purely statutory in form and its incidence is upon the Court alone. It does not impose any prohibition or command upon anyone who may request advisory opinions or who may be interested in them. Like most such statutes, it says nothing about how it may be enforced.

The express acceptance of that provision and the signature and ratification of the formal instrument by all the several nations under whose authority the Court acts, will make it a part of the statute, controlling the conduct of the Court. There are no terms or conditions attached to this acceptance which affect this prohibition or the rights of the United States under it.

The protocol is introduced as follows:

The signatory states and the United States—"have mutually agreed upon the following provisions"—

And so forth.

ARTICLE 1. The said signatories of the said protocol accept the special conditions attached by the United States in the five reservations mentioned above to its adherence to the said protocol upon the terms and conditions set out in the following articles.

The procedural provisions which follow and constitute the terms and conditions referred to in article 1, do not in the slightest degree modify the provisions of the fifth reservation. They relate to matters entirely outside of the prohibition of that reservation. The only provisions which in any manner refer to the jurisdictional rule prescribed in the fifth reservation, far from attempting to change that rule, are expressly declared to be with a view to its effective enforcement.

Article 5 of the protocol says:

"With a view to insuring that the Court shall not without the consent of the United States entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest"—

And so forth.

Then follow the provisions relating not at all to the Court or its jurisdiction but establishing a procedure out of court appropriate to secure full information for the Council before it resolves whether to request an opinion and for the United States before it decides whether to consent and whether to claim an interest.

The theory of these provisions is that to prevent hindrance and embarrassment in the ordinary business of the council—

Or the assembly, I interpolate—

the essential thing is to have at every stage of the proceedings that full mutual information and understanding produced by the process described in diplomatic language as "exchange of views" and that this same frank and open treatment of the businesss will remove all ground for apprehension on the part of the signatory powers lest the United States should divert the power given to her by the fifth reservation for the protection of her own interests into a means of interfering with affairs in which she has no particular concern.

If the fifth reservation had been accepted without being accompanied or followed by some such provision, the first thing the United States would have known about an objectionable request for an advisory opinion would have been by notice from the registrar of the Court to the United States, among the other nations, to the effect that such question was pending before the Court, and the only thing for the United States to do would have been to put before the Court something equivalent to a plea to the jurisdiction, based upon the fifth reservation. This would have left the Council in an unfortunate and injurious position.

The Council would necessarily have sent its request without knowing whether the question was going to be objectionable to the United States, for it had no means of getting direct and authentic information on that subject. It would have had no opportunity to seek from the United States its consent that the Court should give an advisory opinion on the subject. The result would probably be that the Council would be rebuffed by the Court, the plans for settlement of an international controversy, of which the request for an advisory opinion formed a part, would be frustrated and the whole use of advisory opinions, often very important for the prevention of war, especially during the readjustments following the World War, would be made doubtful and uncertain.

I shall not read all that Mr. Root said or all that was expressed in his memorandum supplied to the Committee on Foreign Relations. However, I will quote a little further:

The fifth reservation meets our apprehension as to the action of the Council; but what provision could be found to meet the signatory powers' apprehension regarding the action of the United States under the fifth reservation?

We could not agree to modify the fifth reservation or put an interpretation upon it, because this might affect the conclusiveness of our claim of interest before the Court. But it became apparent that if there could be assured a full, frank explanation, out of Court, between the United States and the Council, of the reasons, if any, why the United States considered that any particular proposed request would affect its interest, there would be no real danger that the Council would send to the Court a request which would require the United States to make to the Court a claim of interest for its own protection, and there would be no real danger that the United States would interpose in Court a claim to bar the jurisdiction except upon questions where the United States really did consider that it had an interest—

And so forth.

The Senate Committee on Foreign Relations, realizing that some lawyers regarded some of the provisions of the Root formula as ambiguous, have reaffirmed the second part of reservation 5. We do that because those who justify the Root formula, including ourselves, believe that there is no conflict, when properly interpreted, between reservation 5 and the Root formula. We do it because we believed that public opinion in the United States and our own opinion justify recognition of the right of the United States to prevent entertainment of an advisory opinion on a subject in which we are involved in dispute with another power or on a question which may become the subject matter of such a dispute.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Georgia?

Mr. ROBINSON. I yield to the Senator.

Mr. RUSSELL. I am profoundly interested in the argument of the Senator from Arkansas, but I want to find what is the opinion of the Senator from Arkansas as to the effect of the understanding of the United States as contained in the resolution of adherence. I was of the opinion that the advice and consent to the three protocols, particularly the one of accession of the United States to the World Court, would make us members of the Court; and therefore, if the purport of the fifth reservation is not already contained in the protocol of accession, this clause of the resolution would be nugatory and of no effect. It merely states the understanding of this body, of the Senate of the United States, but would not be binding on the other signatories.

Mr. ROBINSON. The other signatories have accepted the reservation; but in view of the difference of interpretation, we reaffirm the reservation.

Mr. RUSSELL. But the protocol is the entire contract between the United States and the other signatories, is it not?

Mr. ROBINSON. Certainly.

Mr. RUSSELL. If this understanding is not already embraced, then, within the protocol of accession, the understanding now expressed by the Senate will be of no force and effect?

Mr. ROBINSON. Oh, no. It is my position that the language to which the Senator refers is already in the protocol. It is in identically the same language in the fifth reservation, and that reservation has been accepted; but, in view of the fact that terms and conditions are attached, some have asserted that the protocol constitutes a modification of the fifth reservation. I do not think that is true.

Mr. RUSSELL. This is merely a restatement on our part of our belief, then, that this understanding is embodied in the protocol?

Mr. ROBINSON. It is a mere reaffirmation of reservation 5, which, as I said before, has been accepted.

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. ROBINSON. Certainly.

Mr. BORAH. Did I understand the Senator to say, and is it his contention, that with the insertion, which he has just read, placed in the resolution of adherence, that restores reservation 5 in its full legal import?

Mr. ROBINSON. That is not quite correct. I do not say, as some have said, including probably the Senator from Idaho, that reservation 5 has been emasculated by the action of the signatories. I say, though, that it makes clear and beyond dispute that reservation 5 has not been modified.

Mr. BORAH. Perhaps I stated my question inadequately, but I should like to have the Senator's opinion, because I think the point is important in view of his position.

Mr. ROBINSON. I think beyond a doubt if this resolution be agreed to, the Court cannot, so long as we are a member of the Court, entertain any request for an advisory opinion touching a dispute or question in which we have or claim an interest.

Mr. BORAH. Over our objection?

Mr. ROBINSON. Over our objection; certainly.

Mr. RUSSELL. That belief on the part of the Senator from Arkansas, I take it, in the light of what he has just said, is induced by his construction of the protocol of accession, rather than by his faith in any protection afforded by the last clause of the pending resolution?

Mr. ROBINSON. No. I have gone through that in detail and I have said repeatedly——

Mr. RUSSELL. I was detained and did not hear the Senator on that point.

Mr. ROBINSON. I have said repeatedly that I did not concede, and do not believe, that the terms of the Root formula nullify or impair reservation 5. I could say it over and over every time anyone wishes to have me do so, but I have said also that there are some who do not agree with that position, but who hold, in view of the terms and conditions attached, that the Court may, in spite of objection on the part of the United States, consider a question and render an advisory opinion touching a subject in which the United States asserts an interest. In order to relieve from that doubt, a doubt which I do not entertain, but which others entertain, the committee have incorporated in the resolution a provision reaffirming in the exact language of reservation 5 that the Court shall not in the end, over the objection of the United States, entertain a request for an advisory opinion touching a subject or question in which the United States has or claims an interest.

I think I have made myself clear. I have attempted to do so. Great lawyers outside this body have, as a rule, accepted the principle and interpretation announced by Mr. Root. The bar associations which have considered the subject have done that. But I say that, even granting there may be grounds for the contention that there is ambiguity in the matter, such ambiguity disappears when we reaffirm in its exact language the second part of the fifth reservation.

Probably no subject has been so clouded by misunderstanding as the proposal that the United States accept membership in the World Court. The advocates in some instances have claimed more advantages to the American public than reasonably can be expected, while some of the opponents have conjured up in their imagination disastrous results which cannot follow participation by the United States as a member of the tribunal. Admitting that many acute differences between nations may not be submitted to the Court for decision, there are still numerous issues arising from time to time which sound policy justifies shall be referred to judicial process for settlement.

Arbitral commissions have accomplished wholesome results, and it is believed that they will continue to do so. Nevertheless, experience has shown their inadequacy to adjudicate classes of cases arising between governments which are more appropriately referable to agencies, such as the World Court, charged with the application of international law according to standards of impartiality and justice.

Since the jurisdiction of the Court is limited to cases which the parties refer to it, save in the four classes of cases in which they may bind themselves in advance to recognize compulsory jurisdiction, there can be no basis for the assertion repeatedly made by the opponents of the Court that this Government compromises its sovereignty or sacrifices its independence in joining the Court. It is not proposed in the resolution of adherence that jurisdiction be conferred. After we have joined, the Court can take cognizance of no dispute or controversy in which our interests are involved except with the consent and approval of the United States.

There is a provision in the statute which authorizes any State to recognize as compulsory the jurisdiction of the Court in cases involving the interpretation of a treaty, a question of international law, the existence of any facts constituting a breach of an international agreement, or the nature and extent of the reparations to be made for such breach. But it is not proposed that the United States shall agree to this provision. It is expressly provided that we do not agree. Therefore the Court cannot take cognizance of any dispute to which the United States is a party unless the Government of the United States agrees it shall do so. This is true as to disputed cases and advisory opinions.

Were it not the express provision of the World Court statute that the Court's jurisdiction is confined to cases which the parties to disputes may refer to it, the same rule would apply. There is no power in one nation to bring, by judicial process, another nation against its consent into any court or tribunal for the determination of any issue or question. If the rule had not been expressly laid down in the statute, it would be the same and would have had equal force and effect.

The sole specific obligation which will result from our adherence pertains to the payment by the United States of a share of the Court expenses. The five reservations which the Senate made when it gave its consent on January 27, 1926, have already been fully discussed, at least as fully as I propose to consider them at this time.

The assertion has been made, since the United States may now avail itself of the Court's procedure without becoming a member, it is unnecessary for the United States to adhere to the protocol. It is said we are entitled to take cases before the Court and there is nothing further for us to gain.

It is a fact that under article 35 of the statute this Government is given the right to avail itself of the services of the Court, and in this sense we shall secure no greater right by adhering to the protocol and statute of the Court. But this contention merits designation as the sponger argument. It is within our power to retain the prerogative of a sponger, but who desires that the United States shall be a parasitical dependent? The sense of responsibility of our citizens has not sunk to such a low level that they are willing to avail themselves of the benefits of a tribunal set up by other nations and at the same time deny that tribunal moral and financial support.

It is well to remember that the right which we now possess of recourse to the Permanent Court of International Justice for the judicial settlement of international differences is not one of the so-called "natural rights." The right of recourse to this Court is only because of the organized efforts of others. If we do not choose to associate ourselves with the other nations in the effort to maintain this Court and make it a vital institution for good in the international affairs of mankind, we must not be surprised if others despair of the effort. If and when such a time should arrive and this institution and the principle upon which it is founded lose the united support of the nations, the sponger must be prepared to assume weighty responsibility.

Not only that, but when the right of recourse to such a Court shall not exist, most important of all the will to do so will be lacking. The will to make use of the judicial machinery for the settlement of international differences can be created and maintained only by the continuous cooperation of all the nations. The United States is an influential member of the community of nations, and it is necessary for

it to adhere to the World Court if it desires to place its influence behind the principle upon which the Court has been established and maintained.

The United States has played a prominent part in the promotion of the World Court idea—the idea of a court to which nations may take their disputes for judicial settlement. We have encouraged the adjustment of international controversies by pacific methods. We were among the first to propose the establishment of a true international court which would provide a more adequate instrument to this end.

As early as 1899 President McKinley charged the American delegates to the First Hague Conference to act upon—

> The long-continued and wide-spread interest among the people of the United States in the establishment of an international court.

Both at the First and at the Second Hague Conferences the American delegates proposed a plan for the establishment of a permanent international court. The delegates to the second conference were instructed by President Theodore Roosevelt to work for the development of the Permanent Court of Arbitration established by the First Hague Conference—

> Into a permanent tribunal composed of judges who are judicial officers and nothing else, who are paid adequate salaries, who have no other occupation, and who will devote their entire time to the trial and decision of international causes by judicial methods and under a sense of judicial responsibility.

In 1922 such a court was established. It has functioned for more than 12 years; and, in spite of efforts to detract from its effectiveness and usefulness, it has made a record for impartiality and justice which commends it to the consideration of those devoted to pursuits of peace.

It is, therefore, decidedly to the self-interest of this Nation to encourage and support the work of a judicial tribunal before which the undertakings of nations, when in dispute, may be taken for determination. It is possible to make technical and other criticisms; it is possible to find fault with the power and its exercise by the Court; but those who believe that in the progress of mankind intelligent efforts should be cooperated and coordinated for the substitution of lawful authority for force should not content themselves with making technical objections to our accepting membership in this tribunal. They owe it to themselves, to their country, and to the civilization of which they are a part, to contribute something substantial to the advancement of the cause of peace.

Before this debate shall be concluded I expect that such proposals as have been made by Senators to make provision for the creation of another court to take the place of the World Court will be brought to the attention of the Senate and discussed. When that shall be done you will be surprised and rejoiced at the thoughtfulness, the tolerance, the impartiality which underlies the statute of the Permanent Court of International Justice; and you will be equally surprised that great minds glorified here have demonstrated their incapacity to devise any plan comparable in its possible advantages and benefits to those of the Permanent Court of International Justice.

Mr. GORE. Mr. President, I had intended to present an amendment to the pending resolution of adherence providing that so long as any member of the Court is indebted to the United States, the United States shall not become a member; but if I am in error in my draft of the amendment, I merely give notice that I reserve the right to present it in the future if I should see fit to do so.

### THE CALENDAR

Mr. ROBINSON. I ask that the Senate proceed to the consideration of executive business on the calendar.

Mr. JOHNSON. Mr. President, will the Senator call for a quorum after the executive business is finished, in order that the Senator from North Dakota [Mr. NYE] may be present?

Mr. ROBINSON. Yes; I will see that that is done.

Mr. NYE entered the Chamber.

### FEDERAL COMMUNICATIONS COMMISSION—ANNING S. PRALL

The legislative clerk read the nomination of Anning S. Prall, of New York, to be a member of the Federal Communications Commission for the unexpired term of 1 year from July 1, 1934.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

### POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc, and that the President be notified.

The PRESIDENT pro tempore. Without objection, it is so ordered.

That completes the calendar.

### AMENDMENT TO WORLD COURT RESOLUTION OF ADHERENCE

Mr. GORE submitted an amendment intended to be proposed by him to the resolution of adherence on the part of the United States to the protocol of signature of the statute for the Permanent Court of International Justice, which was ordered to lie on the table and to be printed.

### LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate resume legislative session.

The Senate resumed legislative session.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Copeland | La Follette | Reynolds |
| Austin | Costigan | Lewis | Robinson |
| Bachman | Couzens | Logan | Russell |
| Bailey | Cutting | Lonergan | Schall |
| Bankhead | Davis | Long | Schwellenbach |
| Barkley | Dickinson | McCarran | Sheppard |
| Bilbo | Dieterich | McGill | Shipstead |
| Black | Donahey | McNary | Smith |
| Bone | Duffy | Maloney | Steiwer |
| Borah | Fletcher | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Hale | Murray | Truman |
| Byrd | Harrison | Neely | Vandenberg |
| Byrnes | Hastings | Norris | Van Nuys |
| Capper | Hatch | Nye | Wagner |
| Caraway | Hayden | O'Mahoney | Walsh |
| Clark | Johnson | Pittman | Wheeler |
| Connally | Keyes | Pope | White |

Mr. LEWIS. I reannounce the absence of certain Senators as announced by me this morning, and ask that this statement stand for the day.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

### HON. EDWARD T. TAYLOR, OF COLORADO

Mr. COSTIGAN. Mr. President, a well-deserved tribute to the public record and services of Congressman EDWARD T. TAYLOR, of Colorado, appeared in the Washington Daily News of Thursday, January 10, 1935. The author is the well-known and gifted Washington newspaper correspondent, George Sanford Holmes. The occasion for the tribute is so unusual, and Colorado's pride in the long and honorable career of Congressman TAYLOR is so genuine and State-wide, that it is highly appropriate to ask, as I do, the incorporation of the article in the CONGRESSIONAL RECORD.

Congressman TAYLOR and Speaker BYRNS, of Tennessee, are contemporaneously the oldest Members of the House of Representatives, tested by years of consecutive service in that honorable body. They have both concluded 26 years of official service, and each of them has recently begun his fourteenth term in Congress. Congressman BYRNS, of course, has recently joined the long line of noted Speakers, and, in the absence of Congressman BANKHEAD, of Alabama, Congressman TAYLOR is acting majority leader in the House of Representatives. In Mr. Holmes' article will be found

reference not only to Congressman TAYLOR's prolonged public activities and special helpfulness to the West but also to the picturesqueness and remarkable natural resources of the mountain empire he has faithfully represented for the better part of a generation.

I ask that the tribute to Congressman TAYLOR, of Colorado, be printed at the conclusion and as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Daily News, Jan. 10, 1935]

EDWARD T. TAYLOR, OF COLORADO

By George Sanford Holmes

Only 2 men are left in the House out of 86 who entered in the Sixty-first Congress 26 years ago. These two survivors, however, occupy today the two most important positions in the House. One is JOSEPH W. BYRNS, of Tennessee, new Speaker. The other is EDWARD T. TAYLOR, of Colorado, acting majority leader in the absence of WILLIAM B. BANKHEAD, of Alabama, who is ill.

BYRNS and TAYLOR are beginning their fourteenth consecutive terms. In continuous service they are outranked only by ADOLPH J. SABATH, of Illinois, who is in his fifteenth consecutive term.

Representative TAYLOR is the oldest of these three. Tall, erect as an arrow, immaculately dressed, alert in movement and countenance, he would pass for 60. He is 76.

HEADS PARTY CAUCUS

But for his years TAYLOR would have been active in the race for the Speakership or leadership. He was content to be chosen chairman of the Democratic House caucus and retain his vice chairmanship of the House Appropriations Committee and chairmanship of that body's subcommittee on Interior Department appropriations. On Congress' opening day illness prevented BANKHEAD from attending, and TAYLOR, as caucus chairman, functioned in his place. When it became apparent that BANKHEAD's absence might be protracted, TAYLOR was chosen to act in his stead. The choice has proved popular.

It is said of TAYLOR that he has served more than a quarter of a century in the House and never made an enemy. He has never been self-assertive or contentious, but he has an impressive record of legislative accomplishment, particularly with reference to the West.

SAVED BOULDER DAM

He was born in Illinois, but has lived in Colorado since 1881. He was a successful attorney in Glenwood Springs when elected to the House at 50. In Congress he has been as responsible as any one individual for the growth of reclamation, the national park service, the forestry service, and other Federal activities in behalf of orderly development of the public domain.

Twice he saved the Boulder Dam Act from defeat, leaving a sick bed on two occasions to break a House tie. He was an important factor in the successful outcome of the Colorado River Compact, which made Boulder Dam possible, and supported proposals to develop Muscle Shoals as a Government enterprise. He sponsored the important Taylor Grazing Act, adopted last session, which is aimed at preserving the remaining unappropriated Federal reserves from despoliation by predatory cattle interests.

SERVES VAST DISTRICT

His activity in the cause of western development accounts for the fact that he is widely known in the West but little known east of the Mississippi.

Taylor is married and has three children. He takes little part in social activities.

Several Eastern States could be dropped into his Colorado district. His home is in Garfield County, which is 120 miles long and 75 miles wide. In his district are to be found almost illimitable oil shale deposits which will some day furnish the Nation's oil supply; some of the most celebrated gold towns of the mining era, including Leadville; immense forest reservations; the fountainheads of 8 large rivers, and 40 mountain peaks each of which is more than 14,000 feet in height.

No man in Congress, probably, has done more to preserve the natural resources not merely of this district but of the entire West.

BOARD OF VISITORS TO NAVAL ACADEMY

The VICE PRESIDENT, in accordance with the provisions of the act of August 29, 1916, appointed the Senator from Illinois [Mr. DIETERICH], the Senator from Georgia [Mr. RUSSELL], the Senator from Rhode Island [Mr. METCALF], and the Senator from Pennsylvania [Mr. DAVIS] as members of the Board of Visitors on the part of the Senate to visit the United States Naval Academy at Annapolis, Md.

REPORT OF THE FEDERAL POWER COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Power Commission, transmitting, pursuant to law, the annual report of the Commission for the fiscal year ended June 30, 1934, with additional activities to December 1, 1934, and also transmitting a statement showing the names and compensation of the members and employees of the Commission, which, with the accompanying papers, was referred to the Committee on Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of New York, favoring the Federal regulation of milk produced in other States and marketed within the State of New York under similar regulations applied by the State to milk produced within its borders, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented today by Mr. WAGNER.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the House of Representatives of the State of Nebraska, memorializing Congress to enact legislation for the control and eradication of field bindweed, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented today by Mr. NORRIS.)

The VICE PRESIDENT also laid before the Senate a concurrent resolution of the Legislature of the State of New York, memorializing Congress to consider legislation looking to either taking all profits out of war or putting the business of the manufacturing of munitions of war solely in the hands of the Government, which was referred to the Committee on Military Affairs.

(See resolution printed in full when presented today by Mr. WAGNER.)

The VICE PRESIDENT also laid before the Senate a resolution of the Assembly of the State of New York, memorializing Congress to take appropriate action designating Floyd Bennett Field Airport in Brooklyn, N. Y., as an air-mail service station for New York City and environs, which was referred to the Committee on Post Offices and Post Roads.

(See resolution printed in full when presented today by Mr. WAGNER.)

The VICE PRESIDENT also laid before the Senate resolutions adopted by the Surety National Farm Loan Association, of Dodge, Nebr., favoring a permanent rate of 4-percent interest on farm mortgages made through the Federal Farm Credit System and a thorough investigation of the meat-packing business to bring about an equitable readjustment in the livestock industry as it affects the producer and consumer, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Surety National Farm Loan Association, of Dodge, Nebr., favoring the enactment of legislation to retrieve from private owners the power of coining and regulating money, which was referred to the Committee on Banking and Currency.

He also laid before the Senate a resolution adopted at Somerset, Pa., by the State convention of the Junior Order United American Mechanics, favoring the registration of all aliens and the deportation of those failing within 90 days therefrom to declare their intention of citizenship, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted by the State convention of the Junior Order United American Mechanics, at Somerset, Pa., protesting against any change in the jurisdiction of cases relating to aliens who believe in communism or anarchy, which was referred to the Committee on Immigration.

He also laid before the Senate a resolution adopted by the Board of Supervisors of the City and County of San Francisco, Calif., favoring the immediate payment of World War veterans' adjusted-service certificates, which was referred to the Committee on Finance.

He also laid before the Senate the petition of Vincent Jos. Klus, of New York, N. Y., praying for the immediate payment of World War veterans' adjusted-service certificates, which was referred to the Committee on Finance.

Mr. ROBINSON. On behalf of the Senator from Maryland [Mr. TYDINGS], who is necessarily absent on the business of the Senate, I ask to present voluminous petitions requesting that the testimony taken and the report of the

Federal Communications Commission relating to broadcasting be published at Government expense.

(The petitions presented by Mr. ROBINSON (for Mr. TYDINGS) are from numerous citizens of the State of Maryland, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcast Division, in relation to broadcasting of programs of interest, convenience, and necessity, together with the report of the Commission.)

Mr. BORAH. I desire to offer petitions relating to the same subject as those presented by the Senator from Arkansas, and ask that they be referred to the Committee on Interstate Commerce.

Mr. NORRIS. May we have them read, Mr. President?

Mr. ROBINSON. I object.

(The petitions presented by Mr. BORAH are from numerous citizens of the State of Idaho, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcast Division, in relation to the broadcasting of programs of interest, convenience, and necessity, together with the report of the Commission.)

The VICE PRESIDENT. The petitions presented by the Senator from Arkansas on behalf of the Senator from Maryland and those presented by the Senator from Idaho [Mr. BORAH] will be referred to the Committee on Interstate Commerce. Does the Senator from Nebraska insist upon the reading?

Mr. ROBINSON. The Senator from Nebraska, as I understand, was making a humorous allusion in view of the volume of the petitions.

Mr. NORRIS. Mr. President, if they have gone to the Committee on Interstate Commerce that is satisfactory, for that will make the Senator from Montana [Mr. WHEELER] read them, and I think that will be just as good.

Mr. THOMAS of Oklahoma. Mr. President, I have received petitions containing the signatures of 64,467 persons, and I present and ask unanimous consent to have the body of one of the petitions inserted in the RECORD and the petitions themselves referred to the appropriate committee.

There being no objection, the petition was referred to the Committee on Interstate Commerce, and the body thereof was ordered to be printed in the RECORD, as follows:

*To the Congress of the United States of America, greetings:*

In obedience to the mandate of the Seventy-third Congress, second session, the Federal Communications Commission, Broadcast Division, has taken the testimony of many witnesses in relation to the broadcasting of programs of public interest, convenience, and necessity. We are deeply interested in these facts and therefore petition Congress to publish all the testimony and the report of the Commission, at Government expense, and mail to each of us, the undersigned, a copy thereof.

Mr. DAVIS. Mr. President, I present petitions signed by some 20,000 or more persons in the State of Pennsylvania asking Congress to publish a report of the Federal Communications Commission based on testimony taken under authority of a resolution adopted by the Seventy-third Congress relating to the broadcast of programs. I ask that these petitions be referred to the Committee on Interstate Commerce.

It is necessary to take this means of acknowledgment because my office force is not sufficiently large to cope with this correspondence.

The VICE PRESIDENT. The petitions will be referred to the Committee on Interstate Commerce.

Mr. WAGNER presented the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Military Affairs:

STATE OF NEW YORK,
IN SENATE,
*Albany, January 8, 1935.*

Senate Concurrent Resolution 15 (by Mr. Berg)

Whereas, by the testimony before the United States Senate Committee on munitions of war, it was revealed in hearings before it, that while the youth and manhood of the United States were patriotically offering their limbs and lives during the late World War at $1 a day, manufacturers of munitions of war in this country made a profit of over 1,000,000 percent on their investment; and

Whereas, when the bugle sounds the call of war, the young, the strong, the very strength of our Nation rally to the defense of our starry standard. They constitute the very future of our fruitful and unselfish labor. They offer to go down into the silence of the dirt in order that our institutions may be perpetuated. Their services are real, genuine, and unselfish; and

Whereas manufacturers of munitions, against the best interests of the citizens of our country, have been wont to sell and transport to foreign countries munitions of war, poison gases, and other death-dealing devices solely and purely for profit despite the fact that these instruments of death may be used against our own soldiers in the event of war between us and such foreign country; and

Whereas the sale of munitions by American manufacturers to such countries should be under the sole control of the Government of the United States so as to eliminate that type of salesmanship, employed by munitions manufacturers, which creates fears and visions of impending danger of war, thus forming among the peoples of the world intense distrust, hatred, and war fever in a gigantically organized propaganda, born of a desire by these manufacturers to establish markets for their munitions: Therefore be it

*Resolved (if the assembly concur)*, That the Legislature of the State of New York hereby memorializes the United States Congress to consider legislation looking to either taking all profits out of war or putting the business of manufacturing munitions of war solely in the hands of the United States Government.

By order of the senate.

JAMES J. REILLY, *Clerk.*

In assembly, January 9, 1535, concurred in without amendment.

By order of the assembly.

HOMER W. STOREY, *Clerk.*

Mr. WAGNER also presented the following concurrent resolution of the Legislature of the State of New York, which was referred to the Committee on Agriculture and Forestry:

STATE OF NEW YORK,
IN SENATE,
*Albany, January 8, 1935.*

Senate Concurrent Resolution 16 (by Mr. Stokes)

Whereas the health, welfare, and prosperity of this State depends in a large measure upon the dairy industry; and

Whereas this State has established certain regulations pertaining to the production, sale, and distribution of milk within the State, which regulations are designed to aid the dairy farmer, stabilize the dairy industry, and assure to the consumers a continuous and ample supply of wholesome milk; and

Whereas a part of the milk supplied to consumers in this State is produced and sold in adjoining States and for this reason the cooperation and assistance of the Federal Government is essential so that interstate shipments may be regulated, in fairness to producers and consumers in this State, in conformance with the conditions imposed within this State by State authority: Therefore be it

*Resolved (if the assembly concur)*, That the Secretary of Agriculture of the United States be, and hereby is, requested to supplement the regulations made by this State pertaining to the production, handling, and marketing of milk within the State by making effective at the earliest possible date such Federal regulations as will place milk produced in other States and marketed within the State of New York under similar regulations to those applied by this State to milk produced within its borders; and be it further

*Resolved (if the assembly concur)*, That a copy of this resolution be transmitted to the President of the United States, to the Secretary of Agriculture of the United States, and to each Member of the Congress elected from the State of New York.

By order of the senate.

JAMES J. REILLY, *Clerk.*

In assembly, January 9, 1935, concurred in without amendment.

By order of the assembly.

HOMER W. STOREY, *Clerk.*

Mr. WAGNER also presented the following resolution of the Assembly of the State of New York, which was referred to the Committee on Post Offices and Post Roads:

STATE OF NEW YORK,
IN ASSEMBLY,
*Albany, January 8, 1935.*

By Mr. E. S. Moran

Whereas the Floyd Bennett Field Airport in the Borough of Brooklyn, county of Kings, State of New York, by reason of its readily accessible location and excellent facilities, is one of the finest equipped airports in the world; and

Whereas such airport has been established at very considerable expense to the city of New York; and

Whereas it is in the interest of the United States Government and the government of the city of New York that the excellent advantages of such airport be utilized to the fullest extent by the United States Air Mail Service: Now, therefore, be it

*Resolved (if the senate concur)*, That the Congress of the United States and the Postmaster General of the United States be, and

hereby are, respectfully memorialized to take appropriate action to the end that the Floyd Bennett Field Airport in the Borough of Brooklyn, State of New York, be designated as an Air Mail Service station for the city of New York and the environs of such city; and be it further

*Resolved (if the senate concur)*, That a copy of this resolution be transmitted to the Secretary of the United States Senate, to the Clerk of the House of Representatives, to each Senator and Representative in Congress from the State of New York, and to the Postmaster General of the United States.

By order of the assembly.

HOMER W. STOREY, *Clerk.*

Mr. WAGNER also presented resolutions of the Unit of Rockville Centre Post, No. 303, American Legion Auxiliary, in the State of New York, favoring the establishment and maintenance with proper care at appropriate points in the United States of suitable cemeteries for the burial of deceased war veterans, and also the making of Armistice Day a national holiday, which were referred to the Committee on Military Affairs.

Mr. CAPPER presented a resolution adopted by the Woman's Christian Temperance Union of Liberal, Kans., favoring the prompt ratification of the World Court protocols, which was ordered to lie on the table.

Mr. NORRIS presented a resolution adopted by the House of Representatives of the State of Nebraska, which was referred to the Committee on Agriculture and Forestry, as follows:

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT FEDERAL LEGISLATION FOR THE CONTROL AND ERADICATION OF FIELD BINDWEED

Whereas the Forty-ninth Session of the Nebraska State Legislature passed and approved a bill to provide for the control and eradication of field bindweed (Convolvulus arvensis), in which was prescribed the duties of certain county and State officers with respect thereto in article 14, Compiled Statutes Supplement, 1933, chapter 2, Session Laws of Nebraska, 1933; and

Whereas the eradication of the field bindweed, which has become common on Nebraska farms, is a question which requires Federal assistance and cooperation: Now, therefore, be it

*Resolved by the house of representatives in fiftieth session assembled*—

1. That this house respectfully petitions and memorializes the Congress of the United States forthwith to provide effective assistance by the Federal Government to control and eradicate field bindweed.

2. That the clerk of this house be directed forthwith to forward copies of this resolution, properly authenticated and suitably engrossed, to the President of the United States, the Vice President of the United States, and to the several Senators and Congressmen representing the State of Nebraska in the National Congress, as well as to the Secretary of Agriculture of the United States, to the end that necessary remedial and beneficial laws with respect to the control of field bindweed be enacted for the benefit of agriculture in Nebraska and neighboring States.

Mr. COPELAND. I present resolutions relating to pending measures and ask that they may be printed in the RECORD and lie on the table.

There being no objection, the matter referred to was ordered to lie on the table and to be printed in the RECORD, as follows:

WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM,
*New York, January 10, 1935.*

Senator ROYAL S. COPELAND,
*The Senate Chambers, Washington, D. C.*

MY DEAR SENATOR COPELAND: At the meeting of the New York State Board of Directors of the Women's International League for Peace and Freedom the following resolution was unanimously adopted:

"*Resolved*, That we reaffirm our desire, so often enunciated in the past, that the United States join the World Court immediately."

Permit us to urge you to help in every way possible to secure our early adherence to the World Court.

At the same meeting the following resolution was also adopted:

"*Resolved*, That we urge the immediate passage of an anti-lynching bill, so that our country may no longer be disgraced by lawless mob murders."

We feel sure that your kind heart will make you do exactly what we urge and that you will use your utmost power to secure the speedy passage of a bill that will make lynching impossible in the future.

Very cordially yours,

KATHERINE D. BLAKE,
*Acting Chairman.*
LYN SMITH,
*Executive Secretary.*

Mr. COPELAND also presented resolutions adopted by Young Emmet Council, of Yonkers, and Padraic Pearse Council, of Rochester, of the American Association for the Recognition of the Irish Republic, in the State of New York, protesting against certain alleged utterances of Hon. Robert W. Bingham, American Ambassador at London, and favoring a policy of "no entangling alliances", which were referred to the Committee on Foreign Relations.

SEED AND FEED, ETC., IN MINNESOTA

Mr. SCHALL. Mr. President, I ask leave to insert in the RECORD two resolutions sent me from Marshall County, Minn., by the agricultural drought committee and the board of county commissioners of that county. The purpose of the resolutions is to call attention to the fact that this particular county has been taken off from the relief roll, although the western part of it is equally as badly off as is the county to the west of there, Walsh County of North Dakota, designated as an emergency county. The resolutions ask for seed and feed and are directed especially to the Agricultural Adjustment Administration, urging it to declare this particular county an emergency county; and I ask that these resolutions be sent to the Committee on Agriculture and Forestry for such action as it can take in the circumstances.

There being no objection, the matter referred to was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

WARREN, MINN., *January 11, 1935.*

Senator THOMAS D. SCHALL,
*Washington, D. C.*

MY DEAR SENATOR: You will find enclosed a copy of a resolution to Mr. R. C. McChord, Acting Director Drought Relief Service, which has been forwarded to him.

Would you please continue in your efforts toward getting Marshall County designated as a primary emergency county?

Yours very truly,

R. A. REIERSON,
*Agricultural Extension Agent, Marshall County.*

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THE BOARD OF COMMISSIONERS OF MARSHALL COUNTY,
*Warren, Minn.*

Commissioner J. J. Pagnac offered the following resolution in writing and moved its adoption:

"R. C. MCCHORD,
"*Acting Director Drought Relief Service,*
"*Washington, D. C.:*

"On January 1, 1935, the issuance of orders for feed relief by the S. E. R. A. was discontinued in this county, leaving many of our farmers without means of obtaining feed for their livestock.

"Drought has been very severe in western Marshall County during the year of 1934. Many fields were abandoned. Pastures were dried out. Farmers were compelled to start feeding their livestock during the months of July and August. Because of this, many now find themselves entirely without feed and forage, and also without funds or credit with which to purchase these commodities.

"Added to the damage done by drought, ravages of the hail storms of July 1 and subsequent dates did much damage in certain areas of this county, destroying several hundred square miles of crops.

"The problem of obtaining feed and seed is a situation which our farmers cannot meet unless some assistance is given them in the form of feed and seed loans. Feed must be shipped into the county. Unless this is done many head of livestock will perish from starvation before spring. Foundation herds will have to be disposed of at prices which in many cases will hardly pay transportation costs. The human relief load will be increased because their means of livelihood will be taken away from them.

"We have in our county a committee designated as a 'county agricultural drought committee', which in a primary emergency drought county passes on F. C. A. loans for feed and seed. This committee finds itself severely handicapped because this county has not as yet been designated as an emergency drought county. It cannot therefore function in giving assistance to the many worthy cases which have appealed to it for feed relief.

"Western Marshall County's condition is just as serious as the condition in Walsh County, N. Dak., just across the State boundary line and which has been an emergency county for some time.

"Now, therefore, be it resolved, that we, the county board of commissioners of Marshall County, Minn., respectfully petition the designation committee of the drought section, A. A. A., to act at once to designate western Marshall County, Minn., as a primary drought county, in order that feed and seed loans may be made to worthy farmers of this county by the F. C. A. upon the recommendation of the county agricultural drought committee."

Commissioner Ole Bergman seconded the motion and the same being put, was unanimously adopted.

C. J. JOHNSON,
*Chairman County Board.*

Dated January 9, 1935.

WARREN, MINN., *January 11, 1935.*

Senator THOMAS D. SCHALL,
*Washington, D. C.*

DEAR SIR: You will find enclosed a copy of a resolution adopted at a meeting held by the county agricultural drought committee petitioning the Agricultural Drought Service, to designate this county as an emergency drought county. The original has been sent to R. C. McChord. This petition was signed by all members present at the meeting who represent various localities in this county.

Very truly yours,

R. A. REIERSON,
*Agricultural Extension Agent, Marshall County.*

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AGRICULTURAL DROUGHT COMMITTEE OF MARSHALL COUNTY,
*Warren, Minn., January 10, 1935.*

R. C. MCCHORD,
*Acting Director Drought Relief Service, Washington, D. C.:*

The issuance of orders for feed relief was discontinued in Marshall County on January 1, 1935, leaving many farmers without means of obtaining feed for their livestock.

Nineteen hundred and thirty-four has been a very severe drought year for western Marshall County. Where the population resides crops of feed and forage were far below normal. Fields were abandoned and pastures and meadows were dried out. Farmers were compelled to start feeding their supply of winter forage and feed in July and August, leaving farmers without adequate winter supplies. They now find themselves without feed or forage for their livestock and also without funds or credit with which they can purchase these commodities.

Added to this, the question of supplies confronts these men. The S. E. R. A. of the States of Minnesota, North and South Dakota have purchased any feed or forage which has been offered for sale in the eastern part of this county, shipping those commodities to areas designated as emergency drought counties, depleting the supply so that feed and forage must be shipped back into this county. These are problems which our farmers cannot meet unless some assistance is given them in the form of feed and seed loans. Unless this is done livestock will die from starvation before spring. Foundation herds will have to be sold and the human relief load will be increased because their livelihood will be taken from them.

The county drought committee of this county finds itself without any means of furnishing assistance to worthy farmers asking relief. Unless Marshall County is designated as a primary drought county and feed and seed loans can be made available this committee cannot function as it was intended to: Now, therefore, be it

*Resolved*, That we, the undersigned farmers, assembled at a meeting called by the drought committee, respectfully petition the designation committee of the Drought Relief Service of the A. A. A. to designate Marshall County as a primary drought county in order that feed and seed loans can be made to worthy farmers through the F. C. A., upon the recommendation of the agricultural drought committee of Marshall County.

Respectfully submitted.

Signed by members attending meeting.

### ADDITIONAL ASSISTANT CLERKS TO SENATORS

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 39) authorizing the appointment of additional assistant clerks to certain Senators, reported it with an amendment.

### BLANCHE A. HALL

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, without amendment, Senate Resolution 26, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 26) submitted by Mr. COPELAND on January 7, 1935, was read, considered, and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Blanche A. Hall, daughter of William L. Walling, late an employee of the Senate under supervision of the Sergeant at Arms, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

### ELIZA J. SELLERS

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I also report back favorably, without amendment, Senate Resolution 19, and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 19) submitted by Mr. DAVIS on January 7, 1935, was read, considered, and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Eliza J. Sellers, widow of James F. Sellers, late messenger at the card door of the Senate, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

### ELIZABETH TENNER

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I also report back favorably, without amendment, Senate Resolution 16 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 16) submitted by Mr. BANKHEAD on January 7, 1935, was read, considered, and agreed to, as follows:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Elizabeth Tenner, mother of Zelda Tenner, late an assistant clerk in the office of Senator BANKHEAD, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

### BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARRISON:

A bill (S. 994) to regulate sales in interstate commerce; to the Committee on Interstate Commerce.

By Mr. GLASS:

A bill (S. 995) to amend section 12 (b) of the Federal Reserve Act, as amended, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 996) for the relief of the legal representatives of the estate of Henry H. Sibley, deceased; to the Committee on Claims.

A bill (S. 997) to provide for the acquisition by the United States of Red Hill, the estate of Patrick Henry; to the Committee on Public Lands and Surveys.

By Mr. COOLIDGE:

A bill (S. 998) to carry out the findings of the Court of Claims in the case of George Lawley & Son Corporation, of Boston, Mass.; to the Committee on Claims.

By Mr. McGILL:

A bill (S. 999) for the relief of Judson B. Isbester;

A bill (S. 1000) for the relief of Anton C. Miller; and

A bill (S. 1001) for the relief of Frederick H. Pollman; to the Committee on Military Affairs.

A bill (S. 1002) granting a pension to William H. Owen;

A bill (S. 1003) granting a pension to Mary Webb;

A bill (S. 1004) granting a pension to Bessie Kirkman; and

A bill (S. 1005) granting a pension to Josephine Morton; to the Committee on Pensions.

Mr. AUSTIN. On behalf of my colleague [Mr. GIBSON], who is necessarily absent, I introduce two bills for appropriate reference.

By Mr. AUSTIN (for Mr. GIBSON):

A bill (S. 1006) granting a pension to Lottie Rumrill; to the Committee on Pensions.

A bill (S. 1007) for the relief of Charles Murphy; to the Committee on Military Affairs.

By Mr. NORRIS:

A bill (S. 1008) for the relief of the Fairmont Creamery Co., of Omaha, Nebr.; to the Committee on Claims.

A bill (S. 1009) for the relief of George W. Baker; and

A bill (S. 1010) for the relief of Fred Edward Nordstrom; to the Committee on Military Affairs.

A bill (S. 1011) granting a pension to Benjamin C. Reeve; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 1012) for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 1013) for the relief of Benjamin F. Hazlett; to the Committee on Military Affairs.

A bill (S. 1014) granting a pension to Elizabeth Jane Catron Mills Young; to the Committee on Pensions.

By Mr. COUZENS:

A bill (S. 1015) to authorize the issuance of a special series of stamps commemorative of the one hundredth anniversary of the admission of the State of Michigan into the Union; to the Committee on Post Offices and Post Roads.

By Mr. CAPPER:

A bill (S. 1016) to empower the health officer of the District of Columbia to authorize the opening of graves, and the disinterment and reinterment of dead bodies, in cases where death has been caused by certain contagious diseases; to the Committee on the District of Columbia.

By Mr. KING:

A bill (S. 1017) for the relief of Jasper J. Hammer and Sarah A. Hammer; to the Committee on Claims.

A bill (S. 1018) to amend an act entitled "An act to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913", and for other purposes; and

A bill (S. 1019) to define, regulate, and license real-estate brokers and real-estate salesmen; to create a real estate commission in the District of Columbia; to protect the public against fraud in real-estate transactions, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 1020) authorizing the Southern Ute and the Ute Mountain Bands of Ute Indians, located in Utah, Colorado, and New Mexico, to sue in the Court of Claims; to the Committee on Indian Affairs.

A bill (S. 1021) to provide for additional water supply for the Utah National Guard training camp on the Jordan Narrows Military Reservation; to the Committee on Military Affairs.

A bill (S. 1022) authorizing the purchase of certain lands within the State of Utah; to the Committee on Public Lands and Surveys.

By Mr. PITTMAN:

A bill (S. 1023) to provide for the payment of a military instructor for the high-school cadets of Washington, D. C.; to the Committee on the District of Columbia.

By Mr. SMITH:

A bill (S. 1024) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.; to the Committee on Claims.

By Mr. BACHMAN:

A bill (S. 1025) granting a pension to Martha E. Burrell; and

A bill (S. 1026) granting a pension to Mary Lee Pryor (with accompanying papers); to the Committee on Pensions.

A bill (S. 1027) for the relief of Dr. R. N. Harwood;

A bill (S. 1028) for the relief of Drew N. Keever; and

A bill (S. 1029) for the relief of John J. Tatum; to the Committee on Claims.

By Mr. HASTINGS:

A bill (S. 1030) for the relief of the Mutual Savings & Loan Association, Wilmington, Del.; to the Committee on Claims.

By Mr. NEELY:

A bill (S. 1031) granting a pension to Silman G. Brogan; to the Committee on Pensions.

By Mr. GORE (by request):

A bill (S. 1032) for the relief of Lula E. Simmons; to the Committee on Claims.

By Mr. BAILEY:

A bill (S. 1033) to authorize the Attorney General to investigate and sue for recovery of refunds of income taxes unlawfully paid or allowed; to the Committee on the Judiciary.

A bill (S. 1034) to encourage and revive export trade in agricultural products of the United States; to the Committee on Agriculture and Forestry.

A bill (S. 1035) granting a pension to Ann E. Rickards; to the Committee on Pensions.

A bill (S. 1036) authorizing adjustment of the claim of Dr. George W. Ritchey;

A bill (S. 1037) authorizing adjustment of the claims of Sanford A. McAlister and Eliza L. McAlister;

A bill (S. 1038) authorizing adjustment of the claim of Elda Geer;

A bill (S. 1039) authorizing the adjustment of the claim of the West India Oil Co.;

A bill (S. 1040) for the relief of George W. Miller (with an accompanying paper);

A bill (S. 1041) for the relief of Cohen, Goldman & Co., Inc.;

A bill (S. 1042) for the relief of J. R. Collie and Eleanor Y. Collie;

A bill (S. 1043) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death;

A bill (S. 1044) authorizing adjustment of the claim of the Public Service Coordinated Transport of Newark, N. J.;

A bill (S. 1045) for the relief of A. Cyril Crilley;

A bill (S. 1046) for the relief of E. Jeanmonod;

A bill (S. 1047) authorizing the adjustment of the claim of the Moffat Coal Co.;

A bill (S. 1048) for the relief of Robert J. Enochs;

A bill (S. 1049) for the relief of L. E. Baumgarten;

A bill (S. 1050) to authorize and direct the Comptroller General of the United States to allow credit in the amount of $921 to Hon. Matthew E. Hanna, former American Minister to Nicaragua;

A bill (S. 1051) for the relief of the Western Union Telegraph Co.;

A bill (S. 1052) for the relief of the Washington Post Co.;

A bill (S. 1053) authorizing adjustment of the claim of the Rio Grande Southern Railroad Co.;

A bill (S. 1054) authorizing adjustment of the claim of White Bros. & Co.;

A bill (S. 1055) authorizing adjustment of the claim of Frank Spector;

A bill (S. 1056) authorizing adjustment of the claim of Schutte & Koerting Co.;

A bill (S. 1057) authorizing adjustment of the claim of the Pennsylvania Railroad Co.;

A bill (S. 1058) for the relief of Charles L. Kee;

A bill (S. 1059) authorizing adjustment of the claim of Francis B. Kennedy;

A bill (S. 1060) authorizing adjustment of the claim of the Adelphia Bank & Trust Co.;

A bill (S. 1061) authorizing the United States Employees' Compensation Commission to consider the claim of Martin Luther Mauney; and

A bill (S. 1062) for the relief of James R. Young; to the Committee on Claims.

By Mr. HATCH:

A bill (S. 1063) for the relief of Charles L. Graves; and

A bill (S. 1064) for the relief of Albert Gonzales; to the Committee on Claims.

A bill (S. 1065) to further extend the period of time during which final proof may be offered by homestead entrymen; and

A bill (S. 1066) to extend the provisions of section 2 of the act of February 28, 1925, authorizing reservations of timber, minerals, or easements, to exchanges of lands in the State of New Mexico, under the act of February 14, 1923, and the act of February 7, 1929; to the Committee on Public Lands and Surveys.

A bill (S. 1067) to extend the provisions of the act entitled "An act for the relief of Indians occupying railroad lands in Arizona, New Mexico, and California", approved March 4, 1913, as extended by the acts of April 11, 1916, June 30, 1919, and March 10, 1928; to the Committee on Indian Affairs.

By Mr. KING:

A bill (S. 1068) to establish a commission for the settlement of the special claims comprehended within the terms of the Convention between the United States of America and the United Mexican States concluded April 24, 1934; to the Committee on Foreign Relations.

By Mr. CAPPER:

A joint resolution (S. J. Res. 33) providing that it shall be unlawful, unless otherwise provided by act of Congress or by

proclamation of the President, to export to any country violating the terms of the pact of Paris arms, munitions, implements of war, or other articles for use in war, or to make any such trade or financial arrangements with the violating country or its nationals as in the judgment of the President may be used to strengthen or maintain the violation; to the Committee on Foreign Relations.

INDEFINITE POSTPONEMENT OF A BILL

Mr. COPELAND. Inadvertently the other day in introducing bills I included one which I did not intend to present to the Senate at this time. I ask unanimous consent therefore that the Committee on the Judiciary be discharged from the further consideration of the bill referred to, namely, the bill (S. 10) to amend the penal laws of the United States, and that the bill be indefinitely postponed.

The VICE PRESIDENT. Without objection, it is so ordered.

CHANGES OF REFERENCE

Mr. McCARRAN. Mr. President, as to the Senate bill 345, to repeal Government-wage cuts as of January 1, 1935, and for other purposes, and Senate bill 346, to restore the basic rate of compensation of Federal officers and employees, which were referred to the Committee on Civil Service, that committee took action this morning to the effect that they had no jurisdiction to determine as to these measures. I therefore move, with the consent of the Senate, that the Committee on Civil Service be discharged from the further consideration of the bills mentioned and that they be referred to the Committee on Appropriations.

The motion was agreed to.

Mr. LOGAN. Mr. President, a few days ago I introduced Senate bill 230, a bill to amend the Tennessee Valley Authority Act of 1933 by including the Cumberland River and its basin within the provisions of the act, and for other purposes. By inadvertence, the bill was referred to the Committee on Interstate Commerce. I have advised with the chairman of that committee, and he has no objection to the request I am about to make. I ask unanimous consent that the Committee on Interstate Commerce be discharged from the further consideration of the bill and that it be referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

THE OIL INDUSTRY

Mr. GORE. Mr. President, I ask unanimous consent that the Committee on Finance be discharged from the further consideration of Senate Joint Resolution 26, to prohibit the shipment in interstate and foreign commerce of petroleum and the products of petroleum produced in contravention of State laws, and for other purposes, and that it be referred to the Committee on Mines and Mining.

The VICE PRESIDENT. Is there objection?

Mr. CONNALLY. Mr. President, has the Senator consulted the Senator from Mississippi [Mr. HARRISON] with reference to withdrawing the joint resolution from the Committee on Finance?

Mr. GORE. No, sir; I have not.

Mr. CONNALLY. I do not know in whose jurisdiction the matter is.

Mr. GORE. It is a joint resolution that I introduced on the subject of "hot oil."

Mr. CONNALLY. I have no objection; but since the measure has been referred to the Committee on Finance, I think the Senator from Oklahoma should consult the chairman of that committee before he withdraws the joint resolution from the committee.

Mr. GORE. The chairman is not present, and I have ascertained that the Committee on Mines and Mining is to take up on Thursday the bill introduced by the Senator from Texas. Since that committee is to consider the subject, I thought all measures on the subject should be before the Committee on Mines and Mining.

Mr. CONNALLY. I have no objection, Mr. President.

The VICE PRESIDENT. Is there objection to the request of the Senator from Oklahoma? The Chair hears none.

ACCEPTANCE OF STATUES OF CAESAR RODNEY AND JOHN M. CLAYTON

Mr. TOWNSEND. Mr. President, I submit a concurrent resolution and ask unanimous consent for its immediate consideration.

There being no objection, the concurrent resolution (S. Con. Res. 4) was read, considered, and agreed to as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware and placed in Statuary Hall, are accepted in the name of the United States, and that the thanks of Congress be tendered the State for the contribution of the statues of two of its most eminent citizens whose names are so thoroughly identified with the State and Nation.

*Resolved further*, That a copy of these resolutions suitably engrossed and duly authenticated be transmitted to the Governor of Delaware.

PRINTING OF PROCEEDINGS IN CONNECTION WITH UNVEILING OF STATUES OF CAESAR RODNEY AND JOHN M. CLAYTON

Mr. TOWNSEND submitted the following concurrent resolution (S. Con. Res. 5), which was referred to the Committee on Printing:

*Resolved by the Senate (the House of Representatives concurring)*, That there be printed, with illustrations, and bound, in such form and style as may be directed by the Joint Committee on Printing, 3,500 copies of the proceedings in Congress, together with the proceedings at the unveiling in the rotunda of the Capitol, and such other matter as may be relevant thereto, upon the acceptance of the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware, of which 500 shall be for the use of the Senate and 1,150 for the use of the House of Representatives, and the remaining 1,850 copies shall be for the use and distribution of the Senators and Representatives in Congress from the State of Delaware.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer and shall procure suitable illustrations to be published with these proceedings.

HEARINGS BEFORE COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS

Mr. ROBINSON (for Mr. TYDINGS) submitted the following resolution (S. Res. 47), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Territories and Insular Affairs, or any subcommittee thereof, is authorized during the Seventy-fourth Congress to send for persons, books and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee or any subcommittee thereof may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON IMMIGRATION

Mr. COOLIDGE submitted the following resolution (S. Res. 48), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Immigration, or any subcommittee thereof, hereby is authorized during the Seventy-fourth Congress to send for persons, books and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof may sit during the sessions or recesses of the Senate.

FINANCING AND PROPOSED REORGANIZATION OF MAYFLOWER HOTEL

Mr. KING submitted the following resolution (S. Res. 49), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That Senate Resolution No. 231, Seventy-third Congress, second session, agreed to June 13, 1934, is hereby continued in full force and effect until the expiration of the Seventy-fourth Congress, and the limit of expenditures to be made under authority of such resolution is hereby increased by $1,000.

ADDITIONAL CLERK TO COMMITTEE ON FOREIGN RELATIONS

Mr. PITTMAN submitted the following resolution (S. Res. 50), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Foreign Relations is authorized to appoint one additional clerk to serve until the expiration of the present session of the Congress, and to be paid a salary at the rate of $1,800 per annum out of the contingent fund of the Senate.

HEARINGS BEFORE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH submitted the following resolution (S. Res. 51), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Agriculture and Forestry, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any sessions or recesses of the Senate.

HEARINGS BEFORE COMMITTEE ON MILITARY AFFAIRS

Mr. SHEPPARD submitted the following resolution (S. Res. 52), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Military Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per one hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE COMMITTEE ON CLAIMS

Mr. BAILEY submitted the following resolution (S. Res. 53), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Claims or any subcommittee thereof be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during sessions or recesses of the Senate.

ANNIVERSARY OF THE KELLOGG PEACE PACT

Mr. CAPPER. Mr. President, this is the sixth anniversary of the ratification of the Kellogg Peace Pact by the Senate of the United States. As I remember it, only one vote was cast against ratification in the Senate. In that treaty the United States, and other nations subscribing to it, agreed to use only pacific means in settling disputes and disagreements.

Yet, Mr. President, what do we find today? We find the nations of the world engaged in another mad scramble to arm themselves for the next war, in the name of self-defense.

I did not say we find other nations arming themselves, although that statement would be true. I said we find nations arming themselves—spending upwards of $5,000,000,000 a year on armaments, with the probability that more than $6,000,000,000 will be spent in the next fiscal year.

And we ourselves, a pacific nation, a nation desirous of peace, a nation suffering distressfully from the effects of our latest war, seem to be planning to lead the march to Mars, god of war. We are facing a billion-dollar budget for war purposes; 65 percent more recommended than 2 years ago.

I am opposed to this huge war program, and I intend to oppose these huge appropriations. I think they can be reduced, and the United States still have adequate forces for national defense.

In this connection I ask permission to have printed in the RECORD at this point an editorial appearing in the Washington Post, this morning, which states the case very well, and which I fully endorse.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 15, 1935.]

ANNIVERSARY

Today is the sixth anniversary of the Senate vote approving, with just one dissenting voice, ratification of the Kellogg Pact for the renunciation of war. The second article of this treaty, now in force between nearly all the nations of the world, agrees that the settlement or solution of all disputes or conflicts of whatever nature or of whatever origin they may be, which may arise among them, shall never be sought except by pacific means.

It is ironic that on this anniversary the Congress should have before it the largest peace-time budget for national defense ever presented by any American President. For the next fiscal year the upward tendency is particularly pronounced.

The military expenditure for the fiscal year ended June 30, 1934, was $479,694,308. The estimated military expenditure for the current fiscal year is $612,785,756. The proposed military expenditure for the year ending June 30, 1936, is $792,484,265. This represents an increase in this item of about 65 percent over President Roosevelt's first Budget, not considering possible allocations to the Army and Navy from public-works appropriations.

There will be many, particularly across the Pacific, who will note the contrast between our precept in urging the world to adopt the pact for the renunciation of war and our practice in now advocating a program of military expansion costing as much as the entire governmental budget for a normal pre-war year. And the proposed 65-percent increase in military expenses over 1934 seems additionally inconsistent by contrast with the forgotten campaign pledge of 1932: "The Democratic Party solemnly promises * * * to accomplish a saving of not less than 25 percent in the cost of Federal Government."

Three weeks ago the administration urged the country, "particularly Members of Congress", against adopting a belligerent tone in connection with the failure of the London naval negotiations. Congress can best show its appreciation of that healthy admonition by giving very critical consideration to the administration's military estimates.

THE MUNITIONS INDUSTRY

Mr. NYE. Mr. President, it seems to me quite opportune that on this day of observance of the anniversary of the ratification of the Kellogg Peace Pact some little consideration should be given to possible elements which enter into the frightful uncertainty that seems to exist in the minds of the people of this Nation at this time.

Your committee named to investigate the munitions industry, of which I have the honor to be chairman, has by resolution requested an additional appropriation of $100,000 that it might continue with the study ordered by the Senate at the last session. There is assuredly nothing unreasonable about the committee's pending request. In light of what has already been accomplished through previous appropriations for the conduct of the investigation, and in light of what remains to be done, if the study made by the committee is in any degree to be complete, I am confident that the Senate will not hesitate in affording the necessary funds.

Certain it is that the money thus far expended has brought knowledge and benefit worth many times the cost entailed. The committee has hearings scheduled for resumption on next Monday. Unless there is action by the Committee to Audit and Control the Contingent Expenses of the Senate and by the Senate affording the additional funds, which everyone anticipates are going to be available, the committee at a very early hour is going to have at least to postpone the commencement of those hearings, so that I hope there may be expedition on the part of the Committee to Audit and Control which will afford the Senate early opportunity to pass upon the request which the committee has submitted.

SECRECY SAVES FACE OF INDUSTRY

For the first time, I believe, in the history of the world the munitions industry has been subjected to searching inquiry. Facts thus far disclosed raise the question as to why and how the industry could so long escape a public study. The answer to the question is not difficult of discovery. The industry has nestled itself under the wing of the military in all lands, has made itself part and parcel, so far as it could, of the implied confidential nature of branches of government, has woven itself into the very fabric of departments of government to a degree where to seem to question it or to question its motives was treason, an effort to undermine government itself, and to cripple the national defense. In such disguise, in this air of secrecy and patriotic purpose, the munitions industry has for years—yes, for generations—gone forth with programs the countenancing of which brings lasting shame upon us and our civilization.

KINDLE FIRES OF HATE AND SUSPICION

Knowledge now of record makes difficult a cool approach to the subject of private munitions manufacture. One might approach it with less of heat and passion were it not for the

fact that the industry has played with peoples and with the fate of nations as men play with checkers upon the checkerboard, moving entire nations quite at the will of an industry, an industry which finds such large profits not only in war but in preparation for war. Its kind of preparation finds it at this time enjoying greatest monetary gain when, of course, there can be kept alive the hates, the fears, and the suspicions of one another among nations and among peoples; and to keep for itself a very constant and improving market the munitions industry does not refrain from keeping the fires of hate, suspicion, and fear well kindled. Upon dark secrecy, upon appointed partnership with government, upon the fears of people, the munitions industry has thrived and continues to thrive.

Sir Basil Zaharoff until quite recently was considered a great man of mystery. Every crowned head in Europe decorated Sir Basil and honored him, as did the President of the United States, after the World War. He became the richest man in Europe.

ZAHAROFF SUCCESS NO MYSTERY

Today the mystery about him has quite vanished, and the world would like to crown him in quite another manner, for the world now knows the secret of Zaharoff's success. It knows that secret to have been that of a very ordinary salesman who discovered that by selling Greece one submarine he could on the following day sell Turkey two, and then Greece and Turkey would order more and more submarines. He extended this knowledge into other fields of munitions, selling until he had all Europe eating out of his hands and paying handsomely for that privilege. That was the secret of Sir Basil Zaharoff's success.

But was his method a secret? Hardly; for munitions makers and salesmen the world over, including ours in America, seem to be very adept in the art of arming the world against no one in particular but because others are doing it, arming the world with the same instruments of warfare for use in the name of preparedness, for use in the name of national defense.

How easy we have been, how easily we continue to be played with for the profit of munitions makers, is something to invite the anger of civilization. Yet it has not been anger that has moved your committee of the Senate in its work, nor has the committee sought to feed this justifiable anger. Rather, its goal has been the ascertainment of facts, facts called for under combination of the two resolutions introduced by the Senator from Michigan [Mr. VANDENBERG] and myself last February and ordered undertaken by the Senate.

NO PARTISANSHIP IN COMMITTEE

In the search for these facts no committee of Congress, Mr. President, has been more fortunate in the singleness of purpose, the singleness of direction which has moved every member of the committee and of its staff. A very difficult undertaking has been made comparatively easy by reason of this common purpose and understanding, and, as its chairman, I owe each colleague upon the committee my everlasting gratitude for his uncompromising cooperation at every turn of the work. Not once has there entered the committee consideration the ghost of partisanship to mar or embarrass the study of this problem of munition making and sale which relates, not to the welfare of one party or another, but to the welfare of all civilization.

The committee has been most fortunate in its staff of helpers. In Mr. Stephen Raushenbush, who has been largely the directing and coordinating head of the work, the committee has found talent and ability inviting our public praise. From Mr. Alger Hiss and other young men who have been associated in its large task the committee has had a helpful service that can certainly not be measured in the limited dollars of compensation which have been their reward from the limited appropriation at the committee's disposal.

That staff is quite intact today and prepared to carry on in prospect of further funds being available to complete the work. Their service at the moment without guarantee of pay is but one more of many evidences of the purpose of these men and women and their belief that the work being done is a service of large merit and may lead to blessings of unrealized proportions for humanity. For these reasons, to keep faith with these faithful, I express the hope that there will not be longer delay in compliance by the Senate with the full request of your committee so that the work may be carried on in keeping with plans carefully outlined by the committee and to the end that there may be expedition in completing the study, report made to the Senate and recommendations for remedial legislation submitted by the committee with the least possible delay.

At this time the committee is making no report to the Senate. It was united in its opinion that to make a report now would be a mistake; that it would be far better to go on and complete the study, or complete it at least in larger measure, before undertaking to report its findings to the Senate. However, should the Senate insist upon a report at this time, the committee is quite prepared and, with but a few days of notice, could, I am sure, lay before this body a report in which the large majority of that committee, if not the committee in its entirety, would concur; a report that I believe would bring rebellion within the heart of every Member of the Senate; rebellion in the thought that we have been as easy as we have been, being moved not alone in America but as nations are being moved elsewhere by men who are finding large profits in the business of war and in the business of preparing for war.

Mr. VANDENBERG. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. VANDENBERG. The Senator has spoken about the unity of the committee. I wish to ask him if he would not be willing to assert that the committee is equally united in the view that if anything should happen to impede or obstruct its work, or to forestall its further disclosures, the American people would be robbed of information which is utterly vital to their welfare and to the perpetuation of their peace?

Mr. NYE. Most assuredly can I concur in the Senator's thought.

The committee itself has knowledge today which has not been developed in such form as to make it available for dissemination or even for report. The committee feels that there is need for a much more complete study than has yet been made before undertaking a report to the Senate. However, when that study is complete the Senate will have a committee united in determining to lay before the Senate what I hope can constitute a textbook upon this issue of munitions making.

Just now, when members of the committee speak to the Senate, as others have, we speak as individual members of the committee, expressing perhaps some thoughts, some conclusions, that may not be concurred in by other members. As I undertake to speak my mind upon the issue this afternoon, I wish to express my appreciation and my concurrence in very large measure in the very splendid presentation which was made to the Senate a few days ago, and again yesterday, by my colleagues on the committee, the Senator from Idaho [Mr. POPE] and the Senator from Washington [Mr. BONE].

TAKING PROFIT OUT OF PREPAREDNESS AND WAR

Other members of the committee are still to speak their mind upon the matter. Out of it all will come something of realization for the Senate what some limited parts of the discoveries have been.

We hope that through such individual efforts as we are making to lay our own individual thoughts before the Senate thereby we shall invite and have that continued cooperation of the Senate which will enable a sweeping, complete study to be made. Mr. President, I think no greater issue exists today than this issue involved in the study of the munitions question.

Certainly it is important to find a way to take the motive of profit out of war. Certainly it is a first call upon us to make war a less profitable thing than it seems to be. As large an issue to cope with as this, however, is that of taking profit out of preparedness for war, especially where there is found a will to profit in the name of preparedness and national defense, a will to profit, even though gaining and satisfying that will jeopardizes the peace of all the world.

A comparatively unrestrained and unrestricted industry seems to me, from the investigations thus far made, to have lost all sense of reason, to have lost all sense of balance, to have lost all sense of decency and to be running wildly, indiscriminately and roughshod over nations. It gives us an issue that challenges our best effort as investigators and as legislators.

WAR MAKES NECESSARY RECOVERY PROGRAM

We have been dealing now for a number of years with what some consider the most serious challenge that has ever confronted a nation. We have been dealing with this thing we call depression; we have been battling for what we call a national recovery program. We have been seeking to accomplish one thing—call it what we will—we have been seeking to accomplish a restored economic balance in America, a balance the destruction of which is easy to trace. We have economic wreckage upon our hands today because of 4 years of World War, 2 years of which found the United States participating. We may endeavor to trace our present-day troubles to this, that, or the other cause; but, sooner or later, there must be agreement that our troubles are traceable to war.

We should not have anticipated anything other than these troubles following that war. War has never been followed by anything other than economic distress; economic wreckage. It has never been followed by prosperity. What we have today is what has come after every war—economic wreckage—so that if today it were possible for us in this Chamber and those in the House of Representatives to accomplish the passage of legislation which would enable us tomorrow morning to reach out and grow on every farm in America, where resides a third of our population, the most bountiful crop that ever was produced and afford for that crop the best market and the finest price the farmer ever knew—if we were able to do that, and at the same time find very lucrative employment for every unemployed man and woman resident in this country today, I presume we would assume that we had again accomplished an economic balance, that we had won national recovery; at least that is the direction of our efforts; that is the outside of what we hope to accomplish. Yet, Mr. President, if it were within our power to do that, what, after all, would we have if there were left, as there would be left, a power in the hands of a few, some in America, with others scattered over the world, to lure, to coax, to bribe, and to lead this world into another war which would destroy whatever economic balance we might now restore? I repeat the question: What, then, would be the gain of all our efforts to accomplish national recovery?

Recovery constitutes, Mr. President, a challenge, indeed; and if we had had no war, we would not have the challenge which today our economic conditions present; but since we had the war it might be, just for a moment, interesting to contemplate what we might do if we had available the sum which 4 years of war cost this world.

THE COST OF THE WAR

Much has been said about it, but I think Nicholas Murray Butler, perhaps, best expressed the magnitude of the cost of war when in a report he stated that if we could have what 4 years of the World War cost we could build homes costing $2,500 apiece; build those homes on 5-acre plots of ground costing $100 an acre; furnish those homes each with a thousand dollars' worth of furniture; and give such a home to every family in Canada, in the United States, in Australia, in England, in Wales, in Ireland, in Scotland, in France, in Belgium, in Germany, and in Russia; and have considerable money left, enough so that every city of 20,000 people in all those lands could have a $5,000,000 library or hospital and a $10,000,000 university, leaving still a balance for us to spend today, a balance sufficient, if we could find a secure place for investment which would win a return of 5 percent every year, to enable us to pay salaries of a thousand dollars a year to 125,000 nurses and 125,000 more school teachers; and there would still be money left, enough money left, if you please, so that we could go into Belgium and France and possess ourselves of every penny's worth of property that existed in Belgium and France before the advent of the World War.

It was not Mr. Butler's estimate, but I might add that, possibly, there might be enough after doing all that to afford the additional money that the special committee is asking for to complete its study of the possible part played by the industry manufacturing munitions of war in leading, bribing, coaxing, cozening, and driving nations and peoples into more war.

Of course, the great cost that President Butler was estimating was only a part of the total cost of that war. At every crossroads in America today there are to be found deep, ugly scars, reminding families, reminding communities of other costs that grow out of war.

IT MUST NEVER HAPPEN AGAIN

One cannot measure, one cannot weigh these terrible costs without recalling that it was only approximately 17 years ago that the world witnessed the end of that war, when, amid the blowing of whistles and the ringing of bells, we raised our faces and our hands heavenward and gave thanks that an end had been accomplished, that after 4 years of terribleness and of wastefulness we were finished with that, and then swore with great fervor that never, never, never again must we permit a thing like that to be visited upon this earth. That was our resolve then. Today here we and generations to come are going to have to go forward packing the burden of cost growing out of that war. And yet, though that was only 16 or 17 years ago, only 17 years since the close of that war to end war, will you please observe what this world is doing today? It is finding it possible to raise more money in preparation for more war today than it ever previously raised in peace times. It is variously estimated that the world's bill for maintaining armies and navies for the present fiscal year is all the way from $6,000,000,000 to $7,000,000,000. Here in America we see all too clearly, if we will see, what has been taking place in spite of our high resolve of other days.

GETTING READY FOR MORE WAR

The year before the United States went into the World War it was costing us $343,000,000 to maintain our Army and our Navy; for the present fiscal year we appropriated something more than $700,000,000 for the same purpose; now we are given the Budget for the next fiscal year, and that Budget for the Army and Navy calls for much nearer a billion dollars than the $700,000,000 which we appropriated for the current fiscal year. There seems to be no end to this madness, no end to this game of preparing, no end to this business of affording what we all like to call an "adequate national defense."

When my colleague from Missouri [Mr. CLARK] was speaking last week upon the subject of the Budget for military purposes, the Senator from Idaho [Mr. BORAH] made inquiry as to what was the Budget for the next year. Figures were suggested covering that Budget. I should like to add that it does not make a great deal of difference how much we appropriate this year for the Army and Navy; there is not any guaranty, there is not any assurance that the amount so appropriated is going to be the limit of expenditures for the Army and Navy. The $700,000,000 which we appropriated last year was not the limit of appropriations to maintain our Army and Navy, because under our Public Works program the Army and Navy both have been reaching out and drawing freely upon the moneys which were afforded for construction in order to put men to work, to dig out of this depression, following 4 years of war.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. POPE in the chair). Does the Senator from North Dakota yield to the Senator from Michigan?

Mr. NYE. I am glad to yield.

Mr. VANDENBERG. And if the unidentified purse this year is to be $4,000,000,000, it staggers the imagination to know what the limitation upon the ultimate diversion to the Army and Navy might be.

Mr. NYE. Precisely; and I thank the Senator from Michigan for his observation.

IF OTHERS REALLY FOLLOWED OUR EXAMPLE

We like to console ourselves, we like to fool ourselves, and we do fool ourselves into saying that we are assuming these burdens and making all this preparation for more war only and solely because the rest of the world is doing it. Only because the rest of the world insists upon being a lunatic in this respect, so must we try to "keep up with the Joneses." Men with fervor declare if only Europe would follow our example, if only Japan would follow our example, we could get out from under this burden of preparedness. How we do fool ourselves!

How hard was the jolt which I suffered when, after days of belief that my country was actually in all respects the leader in the cause of world peace, I was awakened to the fact that in some respects my country was a leader, not in the cause of peace but in the cause of war. If only Europe and Japan would follow our example! My good friends in the Senate, what would be the result here today if these other lands did follow our example only Heaven can know.

It is true that every power on earth has increased its appropriations to maintain armies and navies since 1913 before the World War came. Russia, Italy, France, and Great Britain have increased their budgets all the way from 30 to 44 percent. Japan has increased approximately 140 percent her budget to maintain her armies and navies. We here in America over the same span of years have increased our budget to maintain our Army and Navy 197 percent, and yet we have the audacity to rise in our places and take time to plead, "If only the rest of the world would follow our example!"

Mr. President, in the light of that high resolve which was ours 17 years ago never to let that 4 years' experience be visited upon this earth again, it is hard to understand the trend, the direction, the course the world and we ourselves are embarked upon today. Why this mad departure from our high resolve of other days? Why these enlarged plans of preparation for more war? Why these repeated failures of disarmament conferences?

LOVE FOR PROFIT, SCORN FOR PEACE

To my way of thinking the answer is to be found in part at least, in large part, in the record which has been made by the committee investigating the munitions industries. That record reveals all too clearly, first, the tremendous love, the tremendous urge, the tremendous appeal of profit to those engaged in the manufacture of those things for which national-defense programs call. That record also clearly reveals the scorn, the downright scorn of these munitions makers for disarmament conferences or conferences having to do with an endeavor to accomplish understanding, to win a more secure peace on this earth.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. NYE. I am glad to yield.

Mr. SHIPSTEAD. Has the Senator found any evidence to indicate that the munitions manufacturers have participated in disarmament conferences or endeavored to influence their deliberations in any way, and to have some control over delegates so as to make them something entirely different than disarmament conferences, as, for instance, in the case of the London Treaty or the so-called "disarmament treaty"?

Mr. NYE. There has been evidence that is now a matter of record, and it is going to be discussed at length, of the part which the munitions industry has played in driving away from the purposes which were involved in peace conferences, in disarmament conferences. It is already a matter of record how the industry put Mr. Shearer to work at Geneva in the early stages of the effort to accomplish a measure of disarmament. The record is filled today with reports from their lobbyists at Geneva and London to their masters back home telling the munitions makers that they need not worry about the outcome of that conference, that everything was well in hand, and nothing was going to be done that was going to hurt their business.

I think that record in large part answers the question why our departure from the high resolve of other days, why these enlarged war plans, why these repeated failures of disarmament conferences.

But there is another reason that ought to be stated; another reason which is to be found in the minds of the people of the world and especially the people of the United States. It is to be found in the education which seems to have become ours or at least in the belief that seems to have become ours that real prosperity can come only with war. One can go out on the corner here in Washington or back in his own community, he can talk with farmers, he can talk with laborers, he can talk with business men, he can deal with any and all classes of people, and among them he will find those who will say finally, perhaps rather thoughtlessly, but will say nevertheless, "What we need maybe to get out of this depression is another little war."

There is altogether too much of that attitude. I do not know who precisely is to blame for it; but I do know that the munitions industry does not hesitate to encourage or does not object to people entertaining that idea. They themselves assuredly do entertain it, whether they want to admit it frankly or not.

HIGH RESOLVE VANISHES WHEN PROFIT IS PROMISED

The answer to our failure to stand by the high resolve of armistice day 17 years ago perhaps is to be found in the fact that in America alone the World War created 22,000 new millionaires; 22,000 people who for the most part could not have had their profits, could not have had that great income and that wealth, except as men were willing to bleed, to die, to give their limbs, their lungs, their minds, and to leave their bodies upon foreign fields, all of which was necessary to the creation of the fortunes that were amassed by some few people compared with the many during 4 years of world war.

Mr. President, if we can find the way somehow to make for less dollar prosperity in time of war than in time of peace, we should have taken a very, very long step toward eliminating the larger dangers of more war.

Among those who enjoyed tremendous, unholy profits as the result of 4 years of war was the family of du Pont, the Du Pont Corporation. As one member of the committee, I could not help being struck by the coldness, the seeming conscienceless ness of the four members of that family, when they came and placed themselves for examination before our committee last September. It was altogether too evident that these men, like many others, were quite unaware of what they had done; were quite unaware of what they were attempting to do by reason of the practices they were pursuing in the accomplishment of larger incomes, larger business in those lines in which they are engaged in peace time as well as in war time.

FOUR HUNDRED PERCENT FOR THE DU PONTS

There was resentment on the part of that family when the committee looked with a little disfavor upon what it discovered to be the percentage of return coming to them upon their investment during 4 years of war. It was shown that 4 years of war won very large profits for the Du Ponts; that during 4 years of war they paid their executives very large salaries. In addition to that they divided among their executives in those 4 years something like $15,000,000 in bonuses, and after doing that there remained enough return upon their investment to represent a profit of over 400 percent, an average return of more than 100 percent per year.

The family resented, the company and its officials resented, any reflection upon them by reason of that profit; and they give you the impression, "Why, we are not to be questioned because of that. We earned it. It was our efficiency, it was our ability, that earned it for us. It was our service to the cause of the Allies—a very reasonable return; a very reasonable reward." One of that family, Felix du Pont, to be specific, declared as much as this before the committee:

"Why, if it had not been for the service that the Du Ponts performed for the cause of the Allies before and after the United States entered the World War, the United States today would be a German colony"; and he meant it. He was quite sincere about it. Evidently we could somehow have gotten along without the men down in the trenches, off on the battle front; but except for the service that the Du Ponts rendered we should today be a German colony!

ELECTRIC BOAT SUES GERMANY

After having this picture of fear of Germany painted, what irony there was in the discovery, on the very next day, that while the Du Ponts were most thankful that we were not a German colony, they nevertheless were quite willing to sell their specifications, their plans, their rights to manufacture this, that, and the other thing of national-defense proportions to German manufacturers, to the profit of the Du Ponts! They were not sufficiently afraid of Germany to prevent their selling anything they had in the way of a chemical device, or a munition of any kind, to those people of whom they were so fearful!

There was as much irony in that, I thought, as there was in the disclosure that after the World War the Electric Boat Co., of Groton, Conn., brought suit to recover moneys from Germany; brought suit, so to speak, against Germany, for what? To recover damages that German submarines had done to our cause during the war? No; not at all. The Electric Boat Co., of Groton, Conn., is the exclusive owner of patents used in the production of submarines. It is the exclusive private manufacturer of submarines in the United States. The Electric Boat Co. sued Germany to collect royalties on submarines which it insisted Germany had built upon patents, plans, specifications, and designs owned exclusively by the Electric Boat Co., of Groton, Conn.—irony indeed!

AN INDUSTRIAL EMPIRE BUILT WITH WAR PROFITS

The Du Ponts tell us that they are more prosperous in peace times than they are in time of war; that their profits today are greater than were their profits during the war, which is true, but not as respects percentage of return upon their investment. They are more prosperous today because of the profit that they had to invest after the war was over. Four hundred percent was their return upon their investment as a result of 4 years of war. Half of that was distributed in the form of dividends among stockholders. With the balance of their earnings they went out in 1918, 1919, and 1920, and looked for what? They looked for places where they could profitably invest this money; and as a result of the investment they made then, in those years, very largely of war profits, they today own the most titanic industrial empire that any American group has ever owned. Their control today over industry is larger than that exercised by any other single group in America.

The Du Ponts deny that it was par profits that enabled them to possess their present-day holdings industrially; but I have here an exhibit which was offered before the committee, showing the scores upon scores of corporations which the Du Ponts created, which the Du Ponts purchased after the war, in which they have invested more than $200,000,000, and in which they have won controlling interests.

Here is the General Motors Corporation, for example. The Du Pont Co. possess 23- or 24-percent ownership of the stock of that corporation in which they invested, after the war, their war-time profits.

Mr. Pierre du Pont, the senior of the family, was very resentful of any declaration as that the Du Ponts own and control the General Motors Corporation; and yet the facts are that with that 23- or 24-percent ownership in General Motors by the Du Pont corporation itself, individual members of the family, taking their war profits, also invested in General Motors stock; how largely, we do not yet know. Mr. Pierre du Pont was free to admit that he owned privately—individually—stock in General Motors. "How much?" He could not remember. "Was it not considerable?" "Well, not so considerable." "Have you not held considerable private personal interests in General Motors?" "No; nothing considerable."

When he was reminded that in 1929 he had sold $38,000,000 worth of General Motors stock that he owned, Mr. Pierre du Pont admitted that that was true. There was not any admission that that was a very vast holding, however. The facts are that between the corporation and the individual members of that family and company they do virtually own and control the greatest industry of automobile manufacturing in the world today. Their profit from these investments in the aggregate is larger in millions of dollars than was their profit during the war. They could not have had their profit of today were it not for the investment of their profits from 4 years of World War.

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nevada?

Mr. NYE. I do.

Mr. McCARRAN. In conjunction with the Senator's investigation, I wonder if he knows that General Motors today threatens to control the commercial air industry of this country, and today does control the commercial air industry as it exists?

Mr. NYE. I have heard something of the undertaking to control in that field; and, all things being equal, if I were called upon to wager money, with things continuing as they are, my wager would be that they would ultimately control.

The Du Ponts insist that it was not war profit that gave them their present industrial empire. John T. Flynn, one of the advisory staff of the committee making the investigation of the munitions industry, in the October 3, 1934, issue of the New Republic, quite clearly establishes just how the Du Pont Co. came into possession of its empire of today. I ask, without its reading, that that article may be printed as a part of my remarks at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article is as follows:

[From the New Republic, Oct. 3, 1934]

OTHER PEOPLE'S MONEY—THE DU PONTS ARE LESS THAN FRANK—A SUCCESSFUL REORGANIZATION—WHEN ARE WAR PROFITS NOT WAR PROFITS?

At the hearings of the Senate Committee on Munitions, Senator GERALD P. NYE sought to show that the foundation of the great Du Pont industrial empire was the profits made from the war. This Mr. Pierre du Pont flatly denied, and later Mr. Lammot du Pont energetically explained away by saying that the vast acquisitions made by the Du Pont Co. since the war were made, not out of profits, but chiefly by absorption of other companies through an exchange of stock involving no cash outlay whatever. In this I think the Messrs. du Pont were less than frank. And I shall try to prove it.

First, let me preface this with the statement made by Mr. Pierre du Pont, that at the conclusion of the war the Du Pont Co. booked its surplus as $71,000,000, and that though this was a goodly sum, it represented all that the company had to show for the so-called "vast war profits."

I shall put aside for the moment the simple arithmetical calculation that this is the sum required to pay 200,000 men in the trenches for a full year. It is not to be supposed that these 200,000 men have $71,000,000 left at the end of a year of fighting. The entire amount is consumed in caring for the families or in meeting the simple wants of the soldier himself. This $71,000,000 was what the Du Pont Co. had left, over and above all salaries, outlays, expenses, at the end of the war. If this were all, it seems to me it would be quite enough.

But the facts are something different. I beg the reader to follow these figures closely in order to see how well the carefree statements of great financiers will stand examination.

At the end of 1913 the Du Pont Co. had assets amounting to $74,816,826. Against these, however, there were outstanding bonds, preferred stock, bills payable, deferred liabilities, etc., amounting to $39,708,437. The common stock, therefore, had a valuation on the company balance sheet of $29,426,100. To this must be added the surplus of $5,682,289. Thus the free assets, the value allocated to the common stockholders, was $35,109,389.

Then came the war in Europe. The Du Ponts began to make enormous sales to the Allies. In the year before the war the net profits were $5,769,132. In 1915 they were $57,840,788. This only partly states the fact. Huge sums in cash were advanced by the Allies to the company to enable it to make plant expansions. In each year these expenditures, made out of these advances, were written off gradually.

Then in 1915 a new company was formed. I will not befuddle this account with names. The new company, which really represented only a slight change of name, bought out all the assets of the old company for $120,000,000, which it paid for in stock. When this was over the new company had the business. The old com-

pany had all the stock issued by the new company, amounting to $120,000,000.

Then the old company proceeded to call in the preferred stocks and the bonds standing against the old company. These were valued at $33,990,801. (There may be a discrepancy of a few thousand dollars in these figures.) They were exchanged for stock. After buying them up, therefore, and canceling them, the common-stock holders of the old company had for themselves $120,000,000 of stock paid to them by the new company, less the $33,990,801 paid for retiring the preferred and bonds. This left them debenture and common stock valued on the new company's balance sheet at $86,009,199.

This, then, was the first gain of the Du Pont common-stock holders. They gained in this reorganization the difference between the old $29,000,000 of common and the new $86,000,000 of common and debenture stock which they retained. I assume they continued to hold it.

At the end of the war, then, they had this $86,000,000 of common and debenture stock plus the $71,000,000 of surplus which had been piled up.

But they had a good deal more. They had the approximately $141,000,000 in cash dividends which had been declared.

In those war years they bought powder factories, chemical factories, paint and lacquer companies, and other related industries and all out of earnings. There were no exchanges of stock. Moreover, they bought a one-fourth interest in the stock of the General Motors Corporation, and this was bought with earnings. How much this is worth to the company may be seen from this simple fact. In 1929, the last big year, the dividends from the General Motors stock amounted to over half of all the earnings of all the extensive Du Pont enterprises. That stock is now carried at a book value of $147,000,000 on the company's books and in the 6 years up to and including 1929 brought into the Du Pont Co. $142,000,000 in earnings.

After the war, with this vast foundation, these huge earnings, the immense power and prestige of the company, it was able to acquire a large number of industries by an exchange of stock. But to say that they made only $71,000,000 out of war, that the swollen war profits are not the foundation of their far-flung interests of today, is to impose on the credulity and common sense of their listeners.

Mr. Irénée du Pont made another remark over and over again. He insisted that his company had made no profit out of its American war orders. It had made profits, of course, but these profits were less than the taxes the Government took back from the company during the war. Here again Mr. du Pont was less than frank. In those two war years the Du Pont Co. made enormous profits out of its sales to the Allies and to the United States Government. On those total sales it paid income taxes. It may be that the total income taxes were more than the profits made from the United States. But all the income taxes paid out were not paid on the profits made from America. If the taxes allocated to the American profits are measured against the American profits, then it will be seen that the Du Ponts did make a handsome profit out of this Government during the war. They should not be allowed to do that again.

JOHN T. FLYNN.

PATRIOTISM FOR PROFIT

Mr. NYE. I have wondered, and I am still wondering, just how large a part patriotism has played in the effort of munitions makers during the World War and since. They all, of course, will insist that their every move was prompted by a spirit of patriotism to rally to the defense of their country in the hour of its great emergency. On the basis of the record that has been made by this investigation thus far, I am prepared to say that if, in the case of some of them, it has been patriotism that moved them, that patriotism was very largely whetted by an appetite for profit—whetted by a knowledge that their "patriotism" would win large profits.

The Du Ponts may explain from day to day and from year to year this, that, and the other thing that has been developed in the record that makes a rather bad showing for them; but they never, never will be able to explain away the fact that they quibbled for long months with their Government before they responded to the demands and the requests of their Government in the very midst of war.

I have yet to find the doughboy who, when his Government asked him to get into a uniform and give his service during the war, stopped to quibble for even a minute as to what his pay was going to be; but when the Government wanted a powder plant built during the war they made their request for the building of that plant of the Du Ponts, who, they assumed, knew something about powder plants and the manufacture of powder. It was known that Government money would be utilized in building this Old Hickory powder plant. They asked the Du Ponts to undertake its construction and its operation when completed.



For more than 3 long months, in the very midst of war, the Du Ponts quibbled with the Government, with the War Department, with the Secretary of War, with the War Industries Board. For more than 3 months they denied response to the request that the Government had made of them. We have had access to the minutes of the Du Pont board of directors in that period. We have had access to the minutes and to the notations of record with the War Industries Board and with the Secretary of War. You cannot read those without knowing what it was that was occasioning the delay.

QUIBBLED ABOUT MARGIN OF PROFIT

Here, for example, is a memorandum concerning a special meeting of the War Industries Board, a memorandum signed by the secretary of that Board. I read from it:

The Secretary of War informed the Board that the Du Pont Co. had refused—

Remember, this was when we were in the midst of war—

The Secretary of War informed the Board that the Du Pont Co. had refused to undertake the building of the proposed powder plant on any other terms than those contained in their last proposition.

After our committee had battled all day trying to develop the facts in connection with this Old Hickory controversy, the committee turned to Colonel Harris, who was on the stand at the time, representative and spokesman for the War Department, not a foe of the private manufacturer of munitions at all, and asked:

Colonel Harris, was there a more critical period during the World War than this particular period in controversy?

Colonel Harris said it would be hard to declare what was the most critical hour, but he did not think there was any more critical hour than this was. The committee asked further:

To what one thing, Colonel Harris, do you attribute the delay of the Du Ponts in meeting the request of their Government during the war?

Colonel Harris said it was a difference of opinion as between the Government and the Du Pont Co. as to what the Du Pont margin of profit should be for constructing that plant, and for operating the plant for the Government after it was constructed.

SAVED OUR COUNTRY FOR US

An unadulterated quibbling over profits kept the Du Ponts for 3 months and more from responding to the wish of their Government in the very heart, the very trying time of that war. And these were the people who saved us from becoming a German province.

Mr. BONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. NYE. I yield.

Mr. BONE. I wonder whether the Senator will not at this point put in his remarks his conception of what he thinks would happen to a private soldier in the field who went on a strike against the Government for more salary or wages, with the enemy right in front of him.

Mr. NYE. Any soldier or any officer who had taken the attitude which the Du Ponts took during the war would not be here to explain it today.

Mr. BONE. Will the Senator just indicate what he thinks would have happened to the soldier?

Mr. NYE. He would have been tried and his life would have been taken away from him.

Mr. BONE. He would have been shot, would he not?

Mr. NYE. Of course, he would have been shot.

Mr. BONE. Shot as a traitor?

Mr. NYE. Exactly.

Mr. BONE. Let us get it in the RECORD.

Mr. NYE. It does not need to be made a matter of record that the Du Ponts are still alive and going strong today.

Mr. COSTIGAN. Mr. President, will the Senator yield to me?

Mr. NYE. I yield.

Mr. COSTIGAN. I rise to ask the Senator from North Dakota whether the facts he is developing do not have an

important relation to the so-called "Briand-Kellogg Peace Pact", in which it was declared, in part, that war shall no longer be an instrument of national policy?

Mr. NYE. I stated in opening my remarks this afternoon that I thought this a particularly appropriate time to discuss some of the features which might be entering into the uncertainties and the dangers of war that lurk in our path in the world today.

WAR A GAME FOR PROFIT

Mr. President, it probably is true that munitions makers are not altogether responsible for the making of war, but there is altogether too much truth to the assertion that war and preparedness for war are nothing more than games, games for profit, and until we learn in some way to eliminate this profit motive we are going to be in the midst of constant turmoil and danger every hour of our lives.

BIRTH OF LIBERTY LEAGUE

Last spring one of the great American munitions makers wrote a letter in which he said that this investigation had been sponsored, had been urged, by the "reds", the radicals, people who are out to undermine the national defense and destroy the Government.

They have great fear of "reds" and of radicals. Their fears continue today, and if they spoke very clearly and frankly, they would assuredly say that the new deal is very largely the result of agitation by "reds" and radicals.

THE DU PONT INDUSTRIAL EMPIRE

One of the partners of the Du Ponts, a vice president of the Du Pont Corporation, on the 20th day of March last year received a letter from a very eminent business man, a business authority as well as one who was eminent in the political field, none other than John J. Raskob. From the files of this Du Pont vice president, Mr. Carpenter, was taken a letter which really reveals the birth of the Liberty League. Here is the letter which suggested the creation, not of the Liberty League as such but of a thing which resembles what we now have and know as the Liberty League. Mr. Raskob was trying to point out to Mr. Carpenter just what ought to be done and why he, Mr. Carpenter, ought to be the one to do it. I ask that the letter from Mr. Raskob to Mr. Carpenter be printed in the RECORD in its entirety at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EMPIRE STATE,
*New York City, March 20, 1934.*

R. R. M. CARPENTER, Esq.,
*Du Pont Building, Wilmington, Del.*

DEAR RULY: In reply to your letter of March 16, which is just received, would advise that I have been entirely out of politics since July 1932, and I am anxious to keep out.

My statement at the directors' meeting was not that the people should support the President but that the people should not attack the President without knowing what they are talking about. At the time I resented the action of the United States Chamber of Commerce calling upon the President for a sound-money policy in language that would lead the people to believe that he was for some other kind of policy, particularly when a few days before he had definitely declared that two things were paramount: One was a sound-money policy and the other was the maintenance of the credit structure and good faith of the United States.

You haven't much to do, and I know of no one that could better take the lead in trying to induce the DuPont and General Motors groups, followed by other big industries, to definitely organize to protect society from the suffering which it is bound to endure if we allow communistic elements to lead the people to believe that all business men are crooks, not to be trusted, and that no one should be allowed to get rich.

There should be some very definite organization that would come out openly with some plan for educating the people to the value of encouraging people to work, encouraging people to get rich, showing the fallacy of communism in its efforts to tear down our capital structure, etc.

The reason I say that you are in a peculiarly good position to do this is that you are young enough to undertake the work, you have the time, you are wealthy enough to not have to depend upon a job or salary for a living, and are in a position to talk directly with a group that controls a larger share of industry through common-stock holdings than any other group in the United States. When I say this I mean that I believe there is no group, including the Rockefellers, the Morgans, the Mellons, or anyone else that begins to control and be responsible for as much industrially as is the Du Pont Co.

I, of course, know you won't do it, but I personally think you should, as I think it is incumbent upon all citizens to try to make this world, and particularly the country of which they are citizens, a better place in which to live. Our ancestors did it and handed down a fine form of government to us. There are very few people situated as you are.

Pierre, as a citizen, has set us a fine example, and I think you and Irénée, if you understake this job in a really big way, will find tremendous support and will be able to do one of the finest jobs that could be done for the Nation and for the future of society everywhere.

Sincerely yours,

JOHN J. RASKOB.

Mr. NYE. Mr. President, Mr. Raskob in this letter pointed out a thing which all of us ought to be made to realize. He pointed out the importance of the Du Ponts in the present economic set-up and structure. He put it in this language:

> The reason I say that you are in a peculiarly good position to do this is that you are young enough to undertake the work, you have the time, you are wealthy enough to not have to depend upon a job or salary for a living and are in a position to talk directly with a group that controls a larger share of industry through common-stock holdings than any other group in the United States.

That is what I have said. Mr. John J. Raskob is a far better authority than I could hope to be on the rank of the Du Ponts in our present industrial structure.

Mr. Raskob proceeded to make it a little clearer as to how sweeping he considered the control industrially of the Du Ponts. Listen to this:

> When I say this, I mean that I believe there is no group, including the Rockefellers, the Morgans, the Mellons, or anyone else that begins to control and be responsible for as much industrially as is the Du Pont Co.

Mr. COSTIGAN. Mr. President, will the Senator yield to me?

Mr. NYE. I yield.

Mr. COSTIGAN. Has the able Senator from North Dakota any basis for estimating what profits the Du Ponts have reason to expect from the proposed appropriation by Congress of more than $700,000,000 in one of our coming appropriation bills for armaments and other allied expenditures?

Mr. NYE. I am sorry, I must say to the Senator, that we have no approach to it, have no idea and no ability even to assume what part of that the Du Ponts might come to enjoy.

Mr. COSTIGAN. It is certain, however, is it not, that they will participate?

Mr. NYE. Assuredly they are going to participate. We cannot distribute money in this country in an industrial way and easily pick a field of endeavor where it would not be found that the Du Ponts would enjoy some part of it.

Mr. CLARK. Mr. President, will the Senator yield to me?

Mr. NYE. I yield.

Mr. CLARK. The Senator from North Dakota will recall that the evidence in the hearing showed that powder of certain classifications could be made approximately 30 percent cheaper in Government arsenals than by the Du Pont Co.

Mr. NYE. That is correct.

Mr. CLARK. Even under the figures prepared by the Du Pont Co. itself.

Mr. NYE. That is correct.

Mr. CLARK. Yet the great bulk of the powder orders of the United States Army consistently goes to the Du Ponts.

Mr. NYE. Precisely. I thank the Senator for his comment.

We find Mr. Raskob calling the Du Ponts responsible for more industrially than any other group in America today, and they are precisely and exactly that, made so through the profits which they were permitted to garner out of 4 years of war. They could not have the empire which is theirs today industrially except as they invested in it with their war-time profits.

HOW INEVITABLE IS WAR

We call war inevitable. That is our training. Every generation has been trained to believe that war is an

inevitable thing. There just is not any getting away from war. But when we note the profits which influential souls have enjoyed from war, and the profits which they enjoy from preparation for war, we are apt to begin to wonder how inevitable war really is. There was a time when witch burning was inevitable, not only inevitable but a virtuous thing, quite the thing to expect; but we long since have ceased burning witches. Possibly we have been fooling ourselves about the inevitableness of war. If war is inevitable, I have concluded that it is so primarily because the satisfaction of greed for profit is inevitable.

Assuming that the Du Pont Co. is only reflective of the general munitions industry, I would suggest that, in the event of another war, we call it, not a "war to make the world safe for democracy", but that we call it instead a war to make the world safe and profitable for "Du Pontcracy."

WAR AN INSTITUTION LAVISHLY FINANCED

Whether or not war is inevitable there must be agreement that war is very much an institution, an institution that thrives on government secrecy and aid, an institution that exploits the people on every hand, an institution that is ruthless with the fate of millions upon millions of souls in this world. No other institution is so well established, no other institution is so lavishly financed as this institution of war. Is it because of these reasons that we term war inevitable—because it is so well established, because it is so well financed?

Mr. LEWIS. Mr. President, will the Senator yield?

Mr. NYE. I am delighted to yield to the Senator from Illinois.

Mr. LEWIS. Will the Senator from North Dakota, who seems to have given a great deal of consideration to many phases of the question, tell us how much of the profit which was disclosed to have been made during the period under investigation was paid to the Government in income tax, or how much was paid to the Government by means of any tax? I am anxious to ascertain how much of the profit was afterward returned to the Government by the Du Ponts, or whoever made the profit.

Mr. NYE. The committee hopes one day to be able to present a picture of how much of the total profit came back to the Government. When that time comes the Senator from Illinois is going to be disappointed to find out how small a part of it came back to the Government.

Mr. COSTIGAN. Mr. President, will the Senator yield?

Mr. NYE. I am glad to yield to the Senator from Colorado.

Mr. COSTIGAN. Is there any reason known to the Senator from North Dakota, or developed by the testimony he is reviewing, why the cost of production of munitions should not be ascertained and the profit on such manufacture should not be restricted at the time when the contracts are awarded?

Mr. NYE. I am afraid the Senator does not make himself as clear as I should like to have the question. Others probably understood the question, but I am sorry to say I did not clearly hear it.

Mr. COSTIGAN. In the light of what the Senator has stated, is there any reason why cost-plus, allowing a definite percentage of profit, should not be made the basis of contracts allotted to the Du Ponts and other munitions makers?

Mr. NYE. If the Senator from Colorado will be patient for just a few minutes, I should like to show him what happened in the case of some of the cost-plus contracts that were engineered during the war, whereupon I am rather convinced he is going to conclude that it is exceedingly difficult to do what we want to do when we fix these cost-plus contracts.

Mr. HASTINGS. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Delaware.

Mr. HASTINGS. Before the Senator leaves the question asked by the Senator from Illinois [Mr. LEWIS] I should like to know whether it does not already appear in the evidence that 80 percent of those war profits did go to the Federal Government in the form of taxes.

Mr. CLARK. Mr. President, will the Senator from North Dakota yield?

Mr. NYE. I yield.

Mr. CLARK. The statement of the Senator from Delaware [Mr. HASTINGS] somewhat approximates the facts so far as the profit earned by the Du Pont Co. after the United States entered the war is concerned. I think the percentage was shown to be about 69 percent. However, it had no relationship whatever to the total profits earned by the Du Pont Co. during the period of the war, and no relationship whatever to the fact that the protection of the Du Pont's right to export munitions was a great contributing cause to bringing the United States into the war.

Mr. NYE. The fact remains that with that large levy in the way of tax rates we did not come anywhere near succeeding in taking the profit out of war.

Mr. CLARK. Will the Senator from North Dakota permit me one further statement?

Mr. NYE. I shall be delighted to yield to the Senator.

Mr. CLARK. The evidence also shows that after disbursing tremendous sums, running well into the hundreds of millions of dollars, in dividends to its stockholders during the war, the Du Pont Co. was able to buy control of the greatest manufacturer of automobiles in the whole world out of the surplus that was left over to it after the expiration of the war.

Mr. BONE. Mr. President, will the Senator yield to permit me to make an observation?

Mr. NYE. I yield to the Senator from Washington.

Mr. BONE. If my memory serves me right, the Du Pont Co. during the war paid and distributed to its stockholders something in excess of $255,000,000 in dividends. I think the Senator probably will recall that figure. The profits, as I also recall, amounted to 458 percent of the total assets of that corporation; and these profits were in addition to large bonuses paid the Du Ponts themselves and some of their executives.

Mr. NYE. And large salaries paid as well.

TO MAKE PEACE SECURE PREPARE FOR WAR

Mr. President, until we can find a way to take profit out of war, take profit out of preparedness for war, we shall have to live along with the uncertainty which we find on our doorstep every day. We have been taught to believe that there is only one sure way to make secure the peace of the world, and that is to be well prepared for war, "To make secure your peace prepare for war", and that in spite of the fact that for every mile of international boundary that has been adequately prepared for war and that has prevented war there can be brought into exhibition a thousand miles of international boundary that never has had any war or any threat of war, and that never has had a mounted gun upon it or a patrolling soldier upon it. Certainly preparation for war did not save other lands from the devastation and the defeat that finally was visited upon them without gain to themselves.

WHAT CONSTITUTES NATIONAL DEFENSE

It has been said that the Senate committee investigating the munitions industry is not as ardent in its championing of the cause of national defense as it might be. I wish to say that there is not one member of that committee but believes in an adequate national defense. There is not one member on that committee who would lend himself in any way to the jeopardizing of the interests of our country by failing to provide for an adequate national defense. However, there seems to be much division of opinion as to what constitutes an adequate national defense. For my own part I can conceive the United States providing an adequate national defense for far less money than is now being expended in the name of national defense. No country is so well situated to afford itself an adequate defense as is the United States and for less money than it can be procured by other countries, removed as it is by great bodies of water from those who might by any chance be our foes. Therefore, if the United States should determine to provide for an adequate national defense sufficient to repulse any foe or group of foes so foolish as to attack us, the United States would not need be approaching a billion dollars a year in the name of preparedneses and an adequacy of national defense.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Michigan.

Mr. VANDENBERG. On the contemplation of national defense, I should like to submit to the Senator that if we could reach the objective at which we finally aim, and could create a system under which every resource in America would enter a common reservoir in time of war, without special privilege or compensation to anybody, but all for one and one for all, we would have made the United States absolutely invincible.

Mr. NYE. The Senator from Michigan is quite right.

Mr. HASTINGS. Mr. President, will the Senator further yield?

Mr. NYE. I yield.

Mr. HASTINGS. Before the Senator leaves that subject, may I inquire of the Senator whether he is prepared to state in what respect we could save a portion of the huge sum which we now contribute toward national defense?

Mr. NYE. I should like to depart for just a moment from what has been my set course and purpose this afternoon to remind the Senator from Delaware that the last 5 or 6 years have seen the price of a cruiser double in cost to the United States Navy. There has been no comparable increase in the cost of labor entailed in creating a ship, and one of these early days, as the committee proceeds, starting next week, to study the shipbuilding phase of its work, the Senator will, I think, become convinced that at least we have not given enough attention to the costs we have been paying in the name of national defense.

Mr. HASTINGS. What inference does the Senator draw from this condition of the cost of the cruiser having been doubled?

Mr. NYE. I will draw no inference, but will wait and let what transpires in the next week or two speak for itself.

A CASH-AND-CARRY PLAN FOR NEUTRALITY

It is easy, of course, to contemplate a strict defense that we might call an adequate national defense. But at once, assuming that we were to afford an adequacy of defense for protection against any encroachment by any foe, the question quite naturally arises: Very well, all good, but what are you going to do if and when France and Germany, for example, again engage in conflict and an American ship carrying supplies to France, flying the American flag, is spotted by the Germans out over the high seas and destroyed, carrying to the bottom the cargo, the flag, and perhaps some few American lives?" That is altogether a fair question. The question goes on: "What then will you do? Will you sit idly by, say it is too bad, but there is not anything to do about it?"

No; under existing policy, under existing habit of mind in these United States, we all know what is going to happen in that event. We are going to get in or we are going to wish that we were adequately prepared to get into that fight between France and Germany. We would want to do it because our flag had been insulted; because our rights upon the high seas had been attacked. We would do that because that has been our policy and remains our policy today. And because that is true, I am delighted to see the present administration giving consideration to the development of new neutrality policies. I hope that, among other things, that program of new policies is going to provide that it shall be unlawful for the American flag to be flown upon any cargo whose destiny is a nation engaged in war in keeping with legislation I offered in the last session. We shall not thereby be boycotting nations that are engaged in war; we shall not be declining to sell them what they may want to buy from us. We shall only be saying to them, "We will sell you anything you want, but from this time on you have got to come and get it and take it to the place where you want it; we are not going to take the chance of jeopardizing our neutrality by trying to carry it to you; we are going on the cash-and-carry, f. o. b. plan; and if you want our goods under those conditions, come and get them; otherwise get them somewhere else or do without them."

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Colorado?

Mr. NYE. I yield to the Senator.

Mr. COSTIGAN. Reverting to an earlier question, under the circumstances stated by the able Senator, what becomes of the binding effect on nations, including our own, of the Kellogg-Briand Peace Pact?

Mr. NYE. I should like to hear the Senator speak his own mind on what becomes of it. I am sure his mind and mine are as one upon that question.

Mr. COSTIGAN. It is not my intention, of course, to interrupt the discussion of the Senator.

Mr. NYE. I am delighted that the Senator does so.

Mr. COSTIGAN. But obviously such facts run counter to the purpose of the Kellogg-Briand Peace Pact, which was to introduce a new and binding factor in the determination of national policy. If we and other nations really practiced what we preach and that pact were properly implemented and given force by public opinion, we should not again be thrust into a world conflict.

Mr. CLARK. Mr. President, will the Senator from North Dakota yield to me?

The PRESIDING OFFICER. Will the Senator from North Dakota yield to the Senator from Missouri?

Mr. NYE. I yield.

Mr. CLARK. Bearing in mind what the Senator from Colorado [Mr. COSTIGAN] has said, if the Kellogg Peace Pact were properly implemented by the support of public opinion in this country as well as in other countries, it would not be necessary for the United States, 6 years after the negotiation of the Kellogg Peace Pact, to be doubling its Budget for military and naval appropriations.

A COSTLY HABIT OF MIND

Mr. NYE. Exactly. Mr. President, if we could somehow find a way to make more secure our neutrality in time of trouble between other nations, there would still be an element in this land of ours that would rise up and say, "We must not cease making plans, we must not lessen our expenditures—our increasing expenditures—because there is one potential enemy that we have to look out for; look out for this country, look out for that country." I have been in the Senate for 9 years; I have witnessed the passage of nine appropriation bills; and not one of those bills has passed without first a strong demonstration of the danger of trouble with a particular country, which we all have in mind. We have been told, "Look out for that country"; and while we are looking out for that country we go on in this mad, insane race of competition in armaments. "Look out for that country", and in that very same country its people have been educated with fervor to say, "Look out for Uncle Sam, look out for Uncle Sam", all of which has made and laid the finest foundation for a lucrative business in munitions making, a base, Senators, the like of which has never before been known in peace time. Civilization has never seen such a race as is now on between the country that we have to be "looking out for" and our own country.

For example, to bear out the point I am making, last winter Congress passed appropriation bills providing $700,000,000 for our Army and Navy for the ensuing fiscal year. Two weeks after that we were frightened and disturbed by the announcement that the country which we have "got to look out for" had just made its appropriation for the same fiscal year in the sum of $281,000,000. Whereupon we proceeded to forget that for the same year we had appropriated $700,000,000, or three times as much, and authorized the appropriation of $1,000,000,000 more in order to enlarge upon our naval preparedness—"looking out" for that country. And ever since we passed the Vinson naval-building bill the country that we have "got to look out for" has been torn by agitation; "see what the United States is doing in preparation for trouble with us"; and the people of the country that we must "look out for" eternally are being "taken for the ride" that the American people are

being taken for in this mad race which I think is occasioned by nothing more than a frame of mind.

Fourteen years ago a very eminent naval authority in this country of ours wrote an article and published it in the magazine Asia, declaring that the whole danger of war between our country and the one to which I have been referring was not much more than a habit of mind. He said that there was agreement on the part of military and naval authorities on both sides of the Pacific that a war between these countries could come to nothing; that there could not be a decisive victory won on either side; that it would come to an end only when and if one or both those countries bled to death through the pocketbook; and he concluded his article by saying that the danger of war between these two countries was nothing more than an apprehensive habit of mind.

The American naval authority of whom I speak, writing that article 14 years ago, was none other than the man who is giving such large leadership to the correction of the economic ills confronting us today—Franklin D. Roosevelt. I wish we could now have from him the kind of leadership which I hope is going to be forthcoming and which is going to enable us to get away from this mad, crazy, purposeless course on which we are embarked and the building of naval armaments which are going to break our back even before we get into war.

THEY WHO ARM "FOES" CRY "LOOK OUT FOR THEM"

Mr. President, the men who cry out loudest "Look out for this country; look out for that country" are the men who are arming the various countries with implements which, it is said, are necessary for national defense. If we should come to blows with the country which we are told we have got to "look out for", resign yourselves, Senators, to the thought that when our boys move out to meet that foe they at once become the target of guns, or shrapnel, and of shell sold to our enemy by American munitions makers. That is not an exaggeration. We need but look to the figures of exportations during the last 4 or 5 years to know that there is one American industry which does not know what depression is as respects exportations. The exportations from America of munitions of war have been tremendous, and, as respects some items, the increase runs as high as six and eight and, I believe, even ten thousand percent. From our ports daily there are going cargoes of this, that, and the other kind of munitions of war whose destination is countries that we look upon or are made to look upon as our most likely foes in the event of our participation in another war.

Mr. CLARK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. NYE. I yield to the Senator.

Mr. CLARK. It is a fact, is it not, that those consignments of cargoes which could be used by possible enemy countries to kill American soldiers and sailors are not only permitted but sometimes encouraged on the part of the munitions makers by representatives of the War Department and the Navy Department of the United States?

FOES ARM FOES IN WAR

Mr. NYE. I am going to come back to that; but I want to remind the Senate of some things which were said here the other day by my colleague upon the committee from Missouri [Mr. CLARK], substantiating the statement that there is nothing unusual in this business of American munitions makers arming countries that might some day be our foes. The Senator from Missouri, in his able address before the Senate on January 10, said, among other things, that—

> When the British troops stormed the Dardanelles * * * they were fired on by Turks using guns made by a British firm financed by a French bank.

He said further:

> It has been established that French aluminum, exported to Germany through Switzerland, served to kill French soldiers and make possible Zeppelin raids on Paris and London.

The Senator went on to say:

> It has long since been proved that there existed in Switzerland during the World War rolling mills whose chief business was to remove German trade marks from steel in transit from Germany to France.

I assume the Senator meant during the war. The Senator further declared that—

> After the war Krupp, the great German munitions maker, sued in the British courts to collect from Vickers, the British armament trust, royalties for guns manufactured in England for killing German soldiers under licenses which Krupp had granted Vickers for the use of Krupp patents. Rather than go to court, Vickers settled by giving Krupp some Vickers stock.

Other examples of what was done to civilization during that 4 years of struggle can be cited. It has struck a lot of people as strange that among the institutions which seemed to be immune to the shells of opposing guns during the war were munitions makers' plants. Even those near the line somehow seemed to possess an uncanny ability to duck when a shell came their way. We know there were very few more fires and explosions in munitions plants during the war than during peace times.

We know shells went over munitions plants, went around them, reached hospitals, reached cathedrals, reached homes, found the opposing country's munition makers' property. reached the civilian population, but never or hardly ever

SAFEST PLACE IN WAR

I have had service men come to me and tell me that they were the laughing stock of their comrades because during the period of their service in France they had been stationed in the shadow of a French munition maker's plant, and that the boys all kidded them with the suggestion that there was only one safer place to be if they had to be on the front, and that safer place was under the roof of the munitions plant or within its walls.

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from North Carolina?

Mr. NYE. On this specific matter, if the Senator wants to interrupt, I gladly yield.

Mr. BAILEY. I do not want to interrupt, but I want some light. I should prefer not to interrupt, but I should like to ask a question.

Mr. NYE. I am glad to yield for that purpose.

Mr. BAILEY. Does the Senator mean to suggest by his words, which made upon me a strong impression of an insinuation, that the American Army or our allies did really protect the munitions works of the Central Powers?

Mr. NYE. If the Senator will allow me to finish my argument, I am going to make as clear to him as I can my own opinion regarding this matter. If he will be patient, I think he will understand why I am asking him to refrain from further interruption for the moment.

We do know that munition makers' plants were seemingly not shelled by the opposing guns. We do know that shells of opposing guns reached cathedrals and hospitals far beyond some of those plants, but they did not somehow reach the munitions plants themselves. If the Senator from North Carolina is trying to get me to say that there was collusion, that there was agreement that they would not do that to one another, I am sorry I cannot make that statement, but I have something else to say that may convince the Senator, as it has convinced me, that perhaps there is much more of truth to that than we would want there to be.

Mr. BAILEY. I shall not interrupt the Senator further, but I shall be content by making the remark that if there is something in his insinuation, then we have another task and that is through the court-martial procedure of the American Army.

Mr. NYE. Mr. President, I fear this is a story Senators have heard too many times, that during the World War a company of youth in a small British community were organized, trained, and finally sent into Belgium and into France and took their places in line of battle. This particular company found itself in a battle, lasting for several days, with a

German company, a bitter battle, a battle in which many of those British boys laid down their lives or left limbs on the field of battle, primarily because the Germans seemed to be possessed of an especially efficient gun. That battle ended only after the British had finally captured that particular gun.

MONUMENTS TO THE DEAD

The survivors of that British company thought how nice it would be, when the war was done, if they could take this gun, captured from the Germans, and place it in the square of their home town as a memorial to their comrades who had lost their lives in the battle.

When the war was over that is precisely what was done. Back to that community went that gun. It stands there today, beautifully mounted, a beautiful monument to the dead youth of that community. On one side of the barrel of that gun deeply engraved are the names of the British youth who laid down their lives before it, and on the other side there remains the engraving of the name of the British munitions maker who had manufactured and sold that gun to Germany. A beautiful monument, is it not?—and yet a splendid monument it could be if only somehow civilization could grasp the significance and the meaning of the thing.

So much business was done in supplying the French with munitions of war out of Germany and the Germans with munitions of war out of France that, as the Senator from Missouri [Mr. CLARK] has told us, they erected steel rolling mills in Switzerland to iron out the trade marks and the names before those supplies went on to their ultimate destination. It would have been embarrassing, would it not, to have a nice new gun or a nice new piece of steel machinery turned over to the French boys during the war and have them find that it came from some German munitions plant?

FAILED TO END WAR IN A HURRY

On both sides of the line of battle for 4 years were valuable coal mines and iron mines that never once were shelled by an opposing gun. Objects far behind those mines were shelled and destroyed, but not the mines. Was there collusion; was there agreement between the two sides that they would not destroy those mines?

Senators, I never dreamed that the day would come when a high military authority would admit that there had been no effort to destroy those mines.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Wyoming?

Mr. NYE. I yield.

Mr. O'MAHONEY. May I inquire of the Senator whether the statement he just made is based upon evidence produced before the committee?

Mr. NYE. No; it is not.

Mr. O'MAHONEY. Would the Senator name the officer who made that admission?

Mr. NYE. I am about to do that.

Mr. O'MAHONEY. Very well.

Mr. NYE. I never dreamed that the time would come when a man high in military authority in the United States or anywhere else would admit that no effort had been made to destroy those mines.

In the middle of December last I was called upon to speak at the Town Hall in New York, at which time I mentioned the ability or the seeming ability of those mines to evade destruction by opposing guns during the war.

The sponsors of that Town Hall meeting evidently thought it was time that somebody was invited to meet some of these things that were being said; and an invitation was extended to Maj. Gen. James G. Harbord, now retired from the Army. On the 4th day of this month Major General Harbord went to the Town Hall in New York, and I quote his speech as reported in quotation marks from the Army and Navy Journal of January 5, 1935. Listen:

> A perspective is hard to maintain amid wild claims and counterclaims. We have even heard the argument that collusion by munitions men was indicated in the World War because the French and Germans did not fire on coal and iron fields. A little thought will throw light on that.

"A little thought will throw light on that"! Well, let us get the light. Here it is; and I continue to read as he is quoted as having declared—

> A little thought will throw light on that. Naturally each side desired to have such fields, believing it had a chance to take them for its own use—an accomplishment that would have ended the war in a hurry.

Maj. Gen. James G. Harboard therein declares that the war would have ended in a hurry if either side could have captured the mines of its opponents. Why could they not have ended the war with equal hurry by destroying those mines?

Mr. President, I have had a hard time believing that there could be foundation of fact for some of the things which the Senator from Missouri [Mr. CLARK] has declared, and which I have repeated today. Now I am beginning to wonder how much collusion, how much agreement there was between opposing armies, between opposing masters, determining what should be destroyed and what should not be destroyed in time of war.

Mr. HASTINGS. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Delaware?

Mr. NYE. I yield.

Mr. HASTINGS. Does the Senator contend that the statement by Major General Harboard which he has read support the Senator's intimation that there was a refusal on the part of each army to destroy the coal mines of the other because of the munitions control over them?

Mr. NYE. No; I have not said that. It has been very freely said, however, and is being declared with great freedom in Europe today, that there was agreement not to destroy each other's munitions plants; that there was agreement not to destroy each other's mines; and now, when I see men admitting that war went on for 4 long years when it might have been ended by well-placed shells in mines, I wonder if perhaps what they are declaring over there does not have altogether too much truth—too much foundation for comfort.

Mr. HASTINGS. I wanted to know whether the Senator quoted Major General Harbord as supporting the rumor which he has heard.

Mr. NYE. No; I quoted Major General Harbord as admitting that the opposing nations did not fire upon each other's mines during 4 years of World War.

Mr. HASTINGS. But for a very definite reason; they hoped to capture them for their own good.

Mr. NYE. Yes; "to capture them for their own good"! Why should they not have destroyed them for the other fellow's harm?

Mr. HASTINGS. If they could capture them without destroying them, so that they could use them against the enemy, it seems to me that would be a good policy for an army to follow.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Louisiana?

Mr. NYE. I yield to the Senator.

Mr. LONG. I did not want to interrupt the Senator; but, since he has been interrupted, I read in the papers that some metal which was controlled by a corporation composed of English stockholders—it seems to me perhaps it was nickel—was furnished by the English corporation to the opposing army from some other country. May I ask the Senator just what that metal was?

Mr. NYE. I am not prepared to advise the Senator. I could not do so. But there was nothing unusual about the exchange of materials between France and Germany during the war, it seems. We have been discussing that matter.

THE PROFITS OF WAR

Mr. President, if anyone asks the question, I say there is profit in war. There is profit in preparation for war. The profit flows most freely to those engaged in the manufacture of munitions when blood flows most freely upon the battlefield. I may shock some of you when I say that the munitions industry actually puts peoples and nations into

war, and then prolongs their troubles as long as it can because of the selfish interest of profit which those companies have.

There came along the years 1916 and 1917. The Government of the United States entered into contracts with private industry to produce this, that, and the other thing needed to prosecute the war. Perhaps the Senate would be interested in knowing what happened to and for some industries as a result of awarding these contracts, some of which were on the cost-plus basis.

The year 1916 found the American Brass Co. with a net income, as related to invested capital, of 51 percent.

The 1917 profit of the Bethlehem Steel Co. was 43 percent.

Jones & Laughlin in 1917 made a profit of 47 percent.

Atlas Powder Co., 27 percent.

Colt's Patent Firearms Co., 64 percent.

Midvale Steel & Ordnance Co., 43 percent.

Savage Arms Corporation, 65 percent.

Western Cartridge Co., 35 percent.

Bethlehem Shipbuilding Corporation, 40 percent. Then, in 1919, Bethlehem Shipbuilding Corporation made a profit of 63 percent.

New York Shipbuilding Co., 49 percent.

Newport News Shipbuilding & Drydock Co. made, in 1917, a paltry return upon its capital investment of 86 percent!

The Bethlehem Loading Co.—shell-loading—made, in 1918, return upon its investment of 362 percent.

One could go on all afternoon and all night reciting the margins of profit which came to men and came to industries during those years.

Mr. President, I have a table for which Moody's is authority in its Analysis of Investments from 1912 to 1919, listing about a dozen American corporations manufacturing munitions. In the first column is given the average annual profit of the company during 4 years of peace preceding the war. In the second column is given the average annual profit of the same corporation during 4 years of war. I ask that the table may be printed in the RECORD in the form in which it appears.

The PRESIDING OFFICER. Without objection, the table will be printed in the RECORD.

The table is as follows:

| | Average profit, 4 years— | |
|---|---|---|
| | Preceding war | During war |
| Scovill Manufacturing Co | $655,000 | $7,678,000 |
| Niles-Bement Powder | 656,000 | 6,146,000 |
| Atlas Powder Co | 485,000 | 2,374,000 |
| Hercules Powder Co | 1,271,000 | 7,430,000 |
| Republic Iron & Steel | 4,177,000 | 17,548,000 |
| International Merchant Marine | 6,690,000 | 14,229,000 |
| General Motors | 6,954,000 | 21,700,000 |
| American Smelting & Refining Co | 11,566,000 | 18,602,000 |
| Utah Copper | 5,776,000 | 21,622,000 |
| Anaconda Copper | 10,649,000 | 34,549,000 |
| United States Steel | 105,331,000 | 239,653,000 |
| Bethlehem Steel | 6,840,000 | 49,427,000 |
| Du Pont | 6,092,000 | 58,076,000 |

Authority: Moody's Analysis of Investments, 1912 to 1919.

Mr. NYE. I call to the attention of the Senate just a few facts from this table.

The average peace-time profit of the United States Steel Corporation of $105,000,000 became $239,000,000 during the war.

The average annual profit of Bethlehem Steel rose from $6,000,000 to $49,000,000.

The profit of Anaconda Copper rose from $10,000,000 to $34,000,000.

The profit of the Du Ponts rose from $6,000,000 to $58,000,000.

Profit? Indeed there is profit in this business of war and in preparing for it; and if there is any duty upon civilization today, or its representatives in legislative halls, it is that of reaching out and unmercifully destroying the last motive that may exist for profit in either war or preparation for war.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. NYE. I yield to the Senator from Oklahoma.

Mr. GORE. I should like to place in the RECORD at this point the statement that in September 1917, soon after we entered the war, I made a speech in this presence upon the subject "Draft Money as Well as Men"; and I joined the then Senator La Follette, of Wisconsin, and Senator Thomas, of Colorado, in a minority report from the Committee on Finance recommending that we take the profits of war to pay the expenses of war as we went along. The point was made, however, that we were trying to make the war unpopular; and I think possibly it had something to do with an involuntary vacation which I enjoyed soon afterward.

Mr. NYE. I think the Senate is quite aware of what has been the experience of the Senator from Oklahoma for having, in another day, dared to take an advanced position in opposition to those who were anticipating a return to themselves by reason of the fact that men were willing and ready to go out and bleed and leave their bodies, or parts of their bodies, on fields of battle, and be returned to their homes, many of them, quite of no utility to themselves or to civilization for evermore. I think civilization owes a debt of gratitude to men like the Senator from Oklahoma and others who in that day dared to speak their minds upon an issue when it was a whole lot less popular than it is today.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. NYE. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. Has the Senate committee any information indicating how the sale of munitions to foreign countries was financed before we went into the war?

Mr. NYE. No; the committee is not prepared to make any report on that at all. No member of the committee can report in any intelligent manner upon that. The committee has a distinct and definite outline of a study to be made in that very direction before it finishes its work.

Mr. SHIPSTEAD. I think that is very important.

Mr. LONG. Mr. President, if the Senator will yield for another question, has the committee reached the Paraguayan-Bolivian situation yet?

Mr. NYE. Too many times, I would say to the Senator.

Mr. LONG. Does the Senator intend to speak on that today?

Mr. NYE. No; I shall not speak on that at this time.

Mr. SHIPSTEAD. Mr. President, may I ask the Senator another question?

Mr. NYE. I am glad to yield to the Senator.

Mr. SHIPSTEAD. The Senator seems to be apprehensive of the world drifting into another war. Does the Senator think that his apprehension would be allayed if we joined the World Court?

Mr. NYE. I do not, Mr. President. But at the moment it seems to me that is quite aside from the question at issue. To observe how intense, to observe how unscrupulous, how insane, has become what with some is a racket, an unadulterated racket, in the name of national defense, one needs but to review some of the things which have been brought to light by the investigation.

I have prepared a list of more than 50 points which occurred to me as points of interest as developed by the investigation. I do not want to hold the Senate to the time which would be necessary to run through those, although they are all stated very briefly; and unless the Senate insists upon their being read, I shall ask unanimous consent that they may be inserted in the RECORD at this point.

The PRESIDING OFFICER (Mr. MURPHY in the chair). Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SOME FINDINGS BY INVESTIGATION

1. The investigation has revealed, of course, the giant fortunes carved by men and corporations out of war while millions died.

2. The interest which prompts the munitions makers and salesmen to prolong strife and struggle which creates a market for their wares.

3. The will to sell to both sides in a conflict, sometimes in the name and on the excuse of neutrality.

4. An amazing number of colonels, majors, admirals—men formerly in the regular military service of their country—now in the service of the munitions industry. One wonders if this serves as an example to others in the service to aspire to favor of the industry upon their retirement from service.

5. The investigation reveals American munition interests smuggling their supplies into countries in spite of embargoes.

6. That participation by our Government in international conferences does not necessarily imply that there need be or always is unanimity of action on the part of all departments of that Government.

7. That officers of our Army, notably the Chief of Staff, are alleged by the munitions people to engage in recommending American munitions in other lands where they may visit, and that they recommend improved organization and greater efficiency in foreign armies.

8. That the industry of armament-making pulls the political strings to accomplish the selection of their choices into the Consular Service.

9. That commissions are paid to foreign hands for the sale of American munitions abroad; that fortunes were paid to Sir Basil Zaharoff by American industry for his sales of American munitions of war.

10. That the American industry helped Zaharoff to escape payment of income taxes in the United States.

11. That the munitions maker looks upon peace times as lean times.

12. That Mr. Taylor, Du Pont's European representative, considers that conscription of wealth and industry retards munitions production by 6 months.

13. That the Du Ponts would sell more cheaply to other lands than to their own country if secrecy could be certain.

14. That the munitions industry when agreeing in codes of fair trade and competition makes them apply to the domestic field alone, not to their fields of foreign trade.

15. The study of your committee has shown that one member of the War Industries Board signed for the Government contracts totaling more than $49,000,000 with the Du Pont Corporation, in which he was a stockholder.

16. That existing plans for industry's part in another war leaves the chance to repeat the profit-taking of other days, and that industry would be in its accustomed position of dictating prices and terms to the Government.

17. That at least one armament maker in America was so certain of the coming World War that they gambled to the extent of millions in providing all the capacity they needed during the war, and did this as much as 5 years before the war came.

18. That the British and American submarine trusts ganged up on the South American countries, corrupting their officials, fixing prices together, and paying speakers to scare the various nations of the south into a naval race.

19. That the American and British munitions people would not let Argentina build a powder factory so it could be independent of them; that they ganged together to make that factory so costly that it could not be built.

20. That in Chile the Germans helped the British and American munitions people by putting in a dummy bid on a powder factory.

21. That it did not matter to our submarine trust if the submarines which they bribed and scared the South American people into buying were built in Europe or elsewhere; that even American naval mission officers approved orders for submarines to be built in Europe.

22. That the practice of bribery by munitions people creates a class of governmental officials who profit by leaving the munitions business uncontrolled in every respect.

23. That both British and American munitions people sneer at the efforts of foreign offices and state departments to secure disarmament.

24. That one manufacturer of gas was working with the administration of Cuba and two opposing groups at the same time. In such circumstances how can there be peace in Cuba or anywhere else in the world?

25. That the investigation has established both American gas companies trade on their official sounding names and their boasted United States Government services in an attempt to sell their wares (Federal laboratories and United States ordnance engineers).

26. That one American gas company used convicts in a South American country as experimental victims of its gases; (Chile).

27. That aircraft companies live by governmental orders.

28. That the sale of military planes to China and the training of military pilots there by Americans has given aid to one faction in China and created a market for American planes.

29. That the airplane companies are the biggest sellers of machine guns in the country.

30. That during the last war, our biggest machine-gun company (Colts) tried to lower its taxes by claiming that it had been active all over the world before the war and knew the war was coming and prepared for it.

31. That the munitions people have a reporting service which keeps them informed of the causes leading to wars far more adequately than the people at large, or even governments at times, are informed.

32. That the War Department has no figures showing the cost of supplying a purely defensive army with munitions.

33. That the munitions makers of Britain, France, and America managed to get around the Chinese embargo without too much difficulty.

34. That the financial and sales interconnections of many of the foreign munitions makers are so close that an embargo imposed by only a few nations does not hurt them—they can have their allied companies supply orders; that it was in this way that the Du Ponts got around the Chaco embargo.

35. That the munitions makers opposed embargoes by all countries as well as embargoes by the United States alone, and asked the help of the War and Navy Departments in their opposition.

36. Because of the limited investigation already made we know that an American munitions company placed men in London and Paris to send back to America scare stories about gas warfare from these two countries in order to frighten the American people into an acceptance of gas warfare as a national policy.

37. That Government appointees to the disarmament convention of 1922 were recommended and approved beforehand by the chemical industries interested in gas warfare.

38. That the munitions companies, through friendly officers in the War Department, were informed about the selection of delegates to the Geneva Conference of 1925 for a month and a half before the American people were informed about them.

39. That representatives of the War Department have described plans for the next war which amount to turning over the country to the business interests.

40. That the spirit of the munitions industry is, "This is our country, not the country of Congress", as one Du Pont man wrote.

41. That law and policy fix frightful inequality between human life and property in war—an inequality as respects the compulsion of response to government and as respects pay of service. Property won tremendous profits while men and boys fought and died for their country at a dollar a day.

42. That a high official in the industry took credit to himself for the elevation of Members of Congress to high committee posts.

43. That at least one large munitions company claimed success in securing War and Navy Department support for its fight against a proposed embargo.

44. That there was admission by one munitions maker that he was working with the administration and two groups hostile to the administration of a friendly country at the same time.

45. The investigation has brought to light the utter willingness of the munitions people to secure tariff protection for their chemical business under the claim of preparedness, but a later unwillingness to submit any portion of that chemical industry to Government control.

46. That the munitions people have a very close connection with our War and Navy Departments.

47. That the War Department plans of today call for an Army of up to 4,000,000, and its calculations for the costs of another war, costs which run into the billions, are based on the necessity of sending huge forces overseas.

48. That the committee has thus far been unable to determine the cost of munitions for a purely defensive army.

49. That the last war was a record of our Government yielding to the great industrial interests and munitions people at many points.

The committee has had testimony revealing—

50. That the greatest experiment in arms control in the world—the attempt to keep Germany and Austria unarmed—was thwarted first because of the influence of the British munitions makers with the British Government on one hand and with the German explosives companies on the other hand.

51. That after the habit of breaking the treaty was established the American and British airplane manufacturers furnished Germany with from one-third to one-half of her air force of 2,400 planes. The foreign offices and state departments of the world allowed these exports to Germany and share with the munitions people the responsibility for the menace over Europe at present.

52. That the treaty for the control of the arms traffic in 1925 was weakened by the efforts of American and European munitions makers.

53. That there is a great interwoven net of American, British, and European explosive and chemical companies. A large number of them unite in sales and price agreements and have strong governmental connections.

Mr. NYE. I do wish to state what to me are outstanding developments in one or two or three instances as respects the study we have made.

INDUSTRY BRIBES PUBLIC OFFICIALS

The committee knows today, and the Senate knows if it has given any heed to the printed hearings, that the American munitions industry—and I think ours is no different from those of other lands—bribes public officials; pays commissions, so-called, to men who stand close to public officials who have to buy the machinery of national defense for their countries.

Our friends the Du Ponts may resent bitterly any accusation that they engage in these nefarious practices, yet the record is clearly written that they do bribe where bribery is necessary to accomplish sale of their wares.

Sometimes the record of bribery is not as clear perhaps as it ought to be. However that may be, I should like to call to the attention of the Senate the effort of the Du Ponts to sell their powder in Poland. I should like to point out to the Senate how they sell their powder to Poland.

A man by the name of Klawe is the Du Pont representative in Poland. Mr. Taylor is the Du Pont European agent. Both those gentlemen have been in that capacity for many years.

January 18, 1928, finds Mr. Taylor writing to Mr. O'Gorman, of the Du Pont Co. in this country, concerning an order involving 300 tons of powder per year for Poland. I quote Mr. Taylor:

In order to get this we will have to pay 7-percent commission, of which 2 percent must be paid in its entirety the day of the signing of the contract.

On February 3, 1928, a couple of weeks later, Mr. O'Gorman responded to Mr. Taylor in this manner:

You may be sure, in the event that you conclude a deal along the lines indicated in your letter of January 18, that I will promptly remit by cable the amount involved to pay the 2-percent commission, so that there will be no delay.

The 7-percent commission involved in this particular order was an excessive one, admitted to be so by the Du Ponts.

On July 3, 1928, Mr. O'Gorman is found advising Mr. Taylor, the Du Pont representative over in Europe, in this manner:

This matter can be handled exactly the same as we did on the 1,000-ton contract, so that the money will be available upon receipt of telegraphic advices from you. You may rely upon me to personally take care of this matter, so that the funds will be placed to Mr. Klawe's credit within 48 hours after receipt of telegraphic advices from you.

Then let us read concerning this 1,000-ton order involved in this last letter; let us read of it as related by Mr. O'Gorman, writing to another executive in the Du Pont corporation concerning this man Klawe, the Du Pont representative in Poland. I quote now Mr. O'Gorman:

Mr. Klawe's commission on the 1,000-ton order contract was 7 percent, or approximately $126,000. Upon signing the contract, even before we received the Polish notes, we made an advance payment of commission to Klawe of $30,000. * * * You are fortunate to have Mr. Klawe as agent, as he is a man who is very well connected and thoroughly understands what must be done in order to secure business.

I will admit that that is not proof that the Du Ponts bribed anyone there; it is not, yet it invites pondering. But move with us for a moment over into China, where the Du Ponts do business.

Mr. CLARK. Mr. President, before the Senator leaves the question of Poland, will he yield for a moment?

Mr. NYE. I gladly yield to my colleague.

Mr. CLARK. The 300-ton contract to which the Senator just referred, if I recall correctly, extended over a period of 12 years, 300 tons a year to be delivered each year for 12 years.

Mr. NYE. That is correct.

Mr. CLARK. So that the down payment, the cash on the barrel head, which the Du Ponts were advancing, was 2 percent of the total contract, which they allocated over a period of 12 years, which amounted to 24 percent of the actual amount for any 1 year.

Mr. NYE. Exactly. I thank the Senator.

BRIBERY AND PRESENTS IN CHINA

Over in China outright bribery was resorted to in order to get business for the Du Ponts, and the Du Ponts knew of it. In a cablegram dated September 23, 1929, addressed by the Du Ponts to Colonel Taylor, in Europe, we find this language:

N. E. Bates would suggest we do not pay any other commission except 7.5 percent, Preston Wills, Dyestuffs, Wilmington. Du Pont dyestuffs office, Shanghai, China, will advance all prices at plant 5 percent for distribution as follows: 4 percent, Chinese Army, Nanking.

This is the commission for sale of Du Pont wares in China.

Four percent Chinese Army, Nanking; 1 percent Colonel de Fremery—

Who, incidentally, was a Dutch officer working under contract with the Chinese Government as an advisor—

One percent to Colonel de Fremery. We will advise Bates to settle definitely on the basis quoted.

Then, on August 22, 1929, Dr. Noelting, in charge of the Shanghai offices of the Du Ponts, wrote or cabled the Du Ponts as follows:

Anyway, presents will have to be given to various parties in China New Year, and the overprice we get can be used for this purpose.

The committee had before it endless records of correspondence and communications revealing how widely and desperately the industry does engage in bribery. They like to call it commissions—commissions, of course, for "doing the necessary", for "oil", as they refer to it at times, for "greasing the way", as another industry expresses bribery. But, oh, how they resent and burn when one suggests to them that it was bribery.

The evidence reveals that there was altogether too much to the part which the industry played in accomplishing defeat of embargo efforts that are made in legislative bodies, in accomplishing the defeat of disarmament causes all over the world, in accomplishing the defeat of resolutions which might be introduced here which might embarrass the industry.

INDUSTRY AGAINST INVESTIGATION

Last winter while there was pending the resolution of the Senator from Michigan [Mr. VANDENBERG] and myself calling for this investigation of the munitions industry Mr. K. K. V. Casey, a very high and highly recognized agent of the Du Ponts, sat down and wrote this:

Had a talk with Colonel Brabson, of Military Intelligence, and drew his attention to the Nye resolution. As Colonel Brabson comes from Tennessee and is very close to Secretary Hull, he will discuss this matter with him, so that when the matter is referred to the State Department, at least they will be familiar with the situation and the possible disadvantages from the viewpoint of the Army.

No one knows better than the committee does that if the Du Pont effort did lead to an approach to Secretary Hull to do that which would prevent passage of this resolution, those who approached him failed miserably, because on the whole the committee has enjoyed splendid cooperation from the Secretary of State, both in accomplishing passage of the resolution and in fulfilling the study which has been undertaken under the resolution.

INDUSTRY FIGHTS ARMS EMBARGO

When a proposed embargo comes along that may deprive the American munitions makers of a market, they, through their lobbies here in Washington and capitals of the world, are on their toes to see that the strings are pulled to prevent anything that would be embarrassing to their business.

In 1926 there was a proposal for a convention to control the traffic in arms. We were all to send delegations to Geneva, and when the munitions makers in Europe awakened to what was about to take place, when they awakened to the fact that perhaps their industry was in jeopardy, they wrote letters, which are now of record, to our American munitions makers suggesting to them to get busy and prevent the kind of delegation coming to Geneva that would be embarrassing to the industry. Thereafter the head of an American munitions company wrote to the others, got them together, they talked it over, they came down here to Washington, and they went from place to place and from department to department trying to find out who were to be appointed as American delegates to the Geneva convention.

No one knew who was to be appointed—at least, we thought no one knew—but strangely enough, these men were steered for advice to men who were later actually named as delegates to the Geneva convention.

Then the munitions men went to the Department of Commerce, made known their displeasure with this convention, and the Secretary of Commerce was prevailed upon to get all the arms makers together in a conference here in Washington to talk over this proposal which was to be laid before

the convention at Geneva. They came and conferred not only with the Secretary of Commerce but with the delegates who had been appointed by our Government to go to Geneva and who attended the arms makers' conference.

More than 3 weeks before the public knew who the delegates to that convention were to be, Mr. Casey of the Du Pont corporation, knew who they were to be. The record carries evidence of how secure, how confident were our munitions makers after this conference in Washington, how confident they were that Geneva was not going to do anything to hurt them, and yet, even after our delegation under Theodore Burton, our former colleague, had departed for Geneva, the munitions makers still were not going to take any chances. And they did not take any chances, but had the best kind of representation in Europe to see that the American delegation did not go wrong, or did not in anywise embarrass the American manufacturers of sporting arms.

Mr. BONE. Mr. President, will the Senator yield?

Mr. NYE. I will ask the Senator to wait just a moment.

They had the best kind of representation over there, none other than the majority leader of that day in the House of Representatives, John Q. Tilson, who advised the munitions makers that he had been appointed or was to be appointed a confidential adviser to the American delegation—confidential to everyone, it seems, excepting the munitions makers who had irons in the fire in that convention.

Let me read the letter which John Q. Tilson wrote to Capt. H. F. Beebe, of the Winchester Repeating Arms Co. of New Haven, Conn., under date of April 24, 1925.

MY DEAR CAPTAIN BEEBE:—

To me a very interesting thing about all this corresponding and all this contact that our committee has had with the munitions industry has been the frequency with which the officers of these munition companies turn up with titles of "captain", "admiral", "major", "colonel"; and they are not all Kentucky colonels, either.

MY DEAR CAPTAIN BEEBE: My secretary forwarded to me your letter with enclosure relating to the Geneva conference which I am very glad indeed to have. It appears that I am to be designated either as a technical adviser or in some other capacity to attend this conference. I shall, therefore, be very glad to have any information that you may be able to give relating either to the general subject or to the interests of your company in particular. It is my desire to know as much as possible about the subject and I am sure that your advice will be helpful. Address me in care of the military attaché, American Embassy, 5 Rue de Chaillot, Paris.

My appointment to Geneva has not been announced, so far as I have seen, and in the letter to me from the War Department the matter was marked "confidential", therefore unless publication of the matter has been made it will be best to say nothing about my connection with the conference.

With best wishes, very sincerely yours,

JOHN Q. TILSON.

WHY DISARMAMENT EFFORT FAILS

That letter was written upon the stationery of the American Embassy in Paris. Yet some of us go on wondering, wondering why is it that there cannot be any accomplishment growing out of these repeated efforts to win disarmament in conferences? We do not get anywhere, my colleagues, because we leave alive the chance for profit to men through preparedness and through war. We get nowhere because we have not the courage to reach out and destroy that thing which plays altogether too large a part in the constant threat that is upon the doorstep of civilization of more and more war.

There are people in this world, there are people in our own country—can you not see how clear it is?—who do not want agreement for disarmament, who do not want any agreement that is going to cut these burdens of preparedness for war. They do not want it because if they cut the burdens which are upon the back of the public they cut their own profits.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. CLARK. The Senator will recall in that connection the correspondence which was exhibited before the committee in which one leading American munitions manufacturer referred to as "a pernicious activity" on the part of our State Department that it had been able to bring about a resumption of diplomatic relations between two South American countries which had broken off diplomatic relations and were about to have a war.

Mr. NYE. Exactly.

Mr. CLARK. And this American munitions manufacturer wrote to a British associate referring to those activities as "pernicious activities."

Mr. NYE. That is right.

Then on March 15, 1928, when the Burton resolution calling for embargoes was involved, we find Aiken Simons, high in the Du Pont ranks, writing to Mr. Beebe, of the Winchester Co., as follows concerning that proposed embargo. Incidentally Mr. Simons was one of the three or four men who the committee has been striving and wanting so badly to have before it for testimony. He is one of the three or four who has not been at all well. He has been one of the three or four whose name runs constantly through the record of the committee—the name of a man whom we have not yet seen, and I do not know that we are ever going to see him. For the most part their difficulties are, as reported to us by doctors, troubles of the heart.

INDUSTRY HAS GOVERNMENT IN HAND

Mr. Simons wrote to Beebe in March 1928 concerning this Burton resolution.

With the opposition of the War Department, the Navy Department, the State Department, the Department of Commerce, as well as the American Legion and certain Representatives on the floor, such as Mr. ANDREW of Massachusetts, I do not think that we need worry very much about the passage of these resolutions.

My personal opinion is that any activity before Congress on the part of your company, mine, or other munitions manufacturers would prove a detriment rather than a help to our cause in that it would enable the pacifists and seditious elements to claim that munitions manufacturers encourage war and the trade in war material for their own benefit.

We know what use the munitions industry made of Mr. Shearer when they wanted to destroy prospects of any successful agreement concerning disarmament.

SELLING "DEFENSE" TO POSSIBLE FOES

I suppose no one ought to be surprised at the revelations concerning the freedom with which our American munitions makers are selling their supplies, the patent rights, the specifications, and designs, and the right to make them all over the earth, including those countries which are most apt to be our foes in another war, and incidentally to this particular country for which we have to look out—doing it all over the world and doing it, and it seems to me a sad state too, because the War Department, the Navy Department, the Government itself say it is the right thing to do, that our national defense requires that American munition makers create as large a market for their wares all over the world as they possibly can.

Why? It is reasonable—why? Because the greater the foreign market, our Government says, the greater the sale of American munitions of war to other lands, the larger the capacity we will have in America at our command when and if the emergency of war strikes us!

Look at it in just a slightly different way. We must sell munitions to foreign lands, including those who may be opposed to us in another war, so we can have a sufficiently large capacity to produce what we need if and when those other countries decide to use against us what our munition merchants have sold to them!

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Texas?

Mr. NYE. I gladly yield to the Senator from Texas.

NATIONALIZATION

Mr. CONNALLY. Did the Senator's committee arrive at any conclusion with respect to the wisdom or unwisdom of the Government itself manufacturing its own munitions?

Mr. NYE. I am glad the Senator has asked the question. The committee is under specific instructions to make a study and to report to the Senate on that particular question. The committee has done some of it. The committee has much more to study and to undertake in that direction. It would

be very unfair for me to say what the conclusions of the committee are respecting nationalization of the munitions industry. For my own part I am prepared to say that the more I learn of the pernicious practices of the private munitions manufacturers, the more I come to feel that perhaps we cannot stop anywhere short of nationalization of some of these industries engaged in the manufacture of national-defense machinery.

Mr. CONNALLY. Mr. President, will the Senator yield further?

Mr. NYE. Certainly.

Mr. CONNALLY. When does the Senator think his committee will be ready to report? Will it be in time for legislation at this session of Congress or will it be necessary to wait until the following session?

Mr. NYE. The committee expects to be able to report sufficiently in the way of findings and in the way of recommendations to permit of very liberal advancement in a legislative way during this session of Congress.

Mr. CONNALLY. Would the Senator say the report will be submitted before the 1st of April?

Mr. NYE. I could not undertake to say at this moment. The committee is desirous of expediting its work so far as it can. The committee will sit down tomorrow morning and determine how it might best proceed to hasten and speed up the completion of this work.

Let me say to the Senator from Texas that he and others little realize how extensive and how expansive is the field of study on that question of nationalization alone. Not for 5 minutes has our War Department given any consideration to the issue of nationalization. They are against it. They have reported against it. But they have never enabled themselves to say what such nationalization would cost. They have never given it any study to enable them to know what we would have to possess ourselves of in the way of capacity to produce our own munition requirements. We have that very large field of investigation to be covered.

Mr. CLARK. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. NYE. I yield.

Mr. CLARK. I would simply call the attention of the Senator from Texas and of the Senate to the fact which we all admit, that much remains of this investigation yet to be completed. It is through no fault of the committee, because we have advanced just as far and in fact a little farther than the authorization of funds heretofore given us by the Senate really allowed us to do. As a matter of fact, if we had had more funds we might have been able to make our report on the first day of this session.

Mr. CONNALLY. If the Senator from North Dakota will allow me to interrupt further——

Mr. NYE. Certainly.

Mr. CONNALLY. Let me say to the Senator from Missouri that my query was not prompted by any thought of criticism of the committee or anything the committee has done, but merely with the view of getting some legislation relating to the matter.

Mr. CLARK. I did not for a moment suppose that the Senator from Texas was criticizing the committee. I merely wanted to point out that the progress of our investigation up to date has necessarily been regulated by the amount of money appropriated for our use by the Senate.

Mr. CONNALLY. Let me suggest to the Senator that it is all very well to make speeches, but, after all, unless we are going to legislate in response to the investigation of this committee, we will have to make another similar investigation 2 or 3 years from now, and go over the same ground again.

Mr. NYE. During the first hours of this present session of the Senate there was introduced, with the unanimous approval of the committee and at its request, a resolution calling for additional funds. The resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate and has not yet been reported out of that committee. That committee gave our request consideration this morning. I hope that tomorrow morning there will be brought before the Senate the report of that committee. If not, I am afraid we are going to have to disrupt whatever plans we have been able to make for expediting our work and abandon the call which has gone out for witnesses to appear before our committee on next Monday. I hope that does not come to pass as a necessary step.

Mr. CONNALLY. I merely want to suggest that I am very hopeful of being able to approach this matter from a legislative viewpoint, and I entertain some sort of hope that it might be done quickly.

Mr. NYE. If anyone is entertaining the slightest notion that our committee, or any individual on the committee, wants to prolong for one unnecessary day this investigation, or that there is anyone on the committee who is not wholly anxious and desirous of getting quick legislative results on it, I wish there might be a clearing away of that thought, because no one is more interested in obtaining results than are the members of the committee. There are those on the committee who feel it would be a frightful mistake to undertake legislation with only half a picture to legislate upon, especially when we know what more is to come and what more we think is to come in the way of information as the result of our continued study.

Mr. President, it is true that the munitions industry, including our American industry, goes into other lands, stirs up other peoples, stirs up nations, breeds fear, hatred, and suspicion, drives nations and peoples into war, and then keeps them in it just as long as it can.

Mr. Frank Jonas for years has been a salesman in South America in the employ of an American firm. Jonas was transferred to Cuba a few years ago, with instructions to sell products of his company's manufacture to the rebels who were trying to overthrow the Cuban Government; and the same company paid the same salesman a little higher commission when the same salesman sold similar supplies to the Cuban Government, which was trying to put down the rebels.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. VANDENBERG. Before the Senator leaves Mr. Jonas, I think it would be particularly pertinent to read into the RECORD two sentences from his testimony. This is the testimony of Mr. Frank Jonas, the munitions agent of the Remington Arms and the Federal Laboratories:

> We certainly are in one hell of a business when a fellow has to wish for trouble so as to make a living; the only consolation being, however, if we don't get the business, someone else will. It would be a terrible state of affairs if my conscience started to bother me now.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. NYE. I am glad to yield.

Mr. CLARK. In that connection, Mr. Jonas is a brother of another Mr. Jonas, who is a representative of the Winchester Arms, who boasted before the committee that he had bribed the minister of war of a Central American country, and he had notified his company about that, and had not been reproved, reprimanded, or discharged.

Mr. NYE. That is true.

Mr. LONG. Mr. President——

Mr. NYE. I yield to the Senator.

Mr. LONG. I just want to know from the Senator from North Dakota if there is any disposition on the part of anybody to stop this investigation. Down my way, it just looks to me from reading the papers—that is about all I could see—that the water is getting hot around here for some people, and they are trying to sidetrack the investigation. Is that the attitude? It looked to me as if the committee were getting right close to home on some of them. I did not know but that maybe there is a little squall being raised that the Senate ought to stop this thing and do something before the committee gets right to the point where these devils will be really found out. Has there been any disposition to stop this investigation?

Mr. NYE. Of course, not all the hot water is down in Louisiana. [Laughter.]

Mr. LONG. They investigated me for two and a half years.

Mr. NYE. I want to say to the Senator, however, that if there is any such disposition there certainly has not been evidence of it in any such shape or form as would enable me to say that there is one soul in the Senate who does not want the investigation to go on.

Mr. LONG. I was just hoping there was none. It seemed to me that if they investigated me for two and a half years it would not hurt to have about a year's time devoted to these damned scoundrels.

Mr. NYE. Mr. Jonas says, "this is a hell of a business", and "a hell of a business" it is—the business of bringing hell on earth just as fast as they and their kind know how to bring it, because they know there is larger profit when the hell that war is is in being.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. NYE. I yield to the Senator.

Mr. LEWIS. The Senator from North Dakota stated, in reply to the Senator from Louisiana, that he was quite confident there was no one in this body, meaning the Senate, who was making any effort to terminate the investigation. I am sure the learned Senator did not mean to indicate that in the War Department or the administrative or any other branch of the Government there was such effort; did he?

Mr. NYE. Mr. President, I am going to have to decline to answer the question which I know the Senator very respectfully submits. I cannot answer the question without possibly doing grave injustice to men who are not deserving of that sort of attitude at all.

Mr. LONG. Mr. President, does the Senator mean "justice" or "injustice"? [Laughter.]

Mr. NYE. Mr. President, to me—I do not know what the reaction of others has been—the most vicious feature of all the disclosures as a result of this investigation has been the revelation of a partnership that exists in the munitions business. The question was asked a while back, "What about nationalizing the munitions industry?" Quite as important, perhaps, as nationalizing the industry—perhaps more important—is the destruction of a partnership which exists in the munitions industry today; a partnership in an industry which has international tie-ups, which finds munitions makers the world over dividing territory, sharing profits, paying commissions to one another. The partnership of which I speak is the partnership which our Government—your Government and mine—has in the business of selling American munitions of war.

Jonas says it is "a hell of a business"; yet in this hellish business which it is, is the Government of the United States, going to all quarters of the earth to help American munitions makers sell their wares to other lands!

The munitions boys went to work on Peru a few years ago. They convinced Peru that she did not have an adequate national defense. Peru appealed to her good friend and adviser, Uncle Sam, "Won't you help us plan a national defense?" Uncle Sam sent down there, as a loan to Peru, a commission of our American naval experts, who planned with Peruvian officials a national defense for Peru. Among other things recommended by our commission was that Peru buy some submarines and destroyers, and Peru bought them. Of course we can all imagine how much weeping and wailing there was at Groton, Conn., when this order came in for submarines for Peru.

When Peru got her submarines, however, she did just what all of us liked to do, or used to do, in demonstrating any particular strength that was ours as boys: She went on parade with her new muscle. She went on parade with these new submarines to a point where her neighbor, Colombia, awakened one morning with a start, wondering if she had an adequate national defense against Peru's submarines, which were Peru's national defense; and the Government of Colombia appealed to Uncle Sam to send American experts down there to help them plan a national defense.

We sent down the experts. Incidentally, I believe those experts advised Colombia that they ought to have some more submarines to provide a defense, incidentally, against the defensive submarines that Peru had bought 2 or 3 years before; and one of these days, just as likely as not, we are going to have to load some of our fine marines on a couple of battleships or more and send them off down into that country in those troubled waters to straighten out trouble that no one is more responsible for than are we by reason of the will of our Government to help the munitions industry sell its wares all over the world.

Here is a photograph in which I think the Senate will find a lot of interest.

Back in 1928 the Driggs Armament Corporation developed a brand new type of gun for mounting on naval vessels, a very heavy weapon, not the kind that you can drag around with you. So efficient was it, so large an advantage was there in this particular gun, that the American Navy bought enough of them to equip a few of our fleet. Then Mr. Driggs sent his salesmen off to Europe to sell the same kind of gun to Europe, so that Europe could have the same efficiency, I suppose, that we had over here in this American development.

Europe would not do business with these salesmen because the salesmen were unable to demonstrate, or were unable to submit a sample of this new gun. The European nations would not buy, though they discussed it. The salesmen went off to Turkey, thinking that the officials of Turkey would not care so much; that they would not be so insistent about samples and demonstrations. But they found those officials insistent, too. In spite of all the fine parties the American salesmen staged, still the admirals and the generals of Turkey would not budge, deploring, as they all did, inability to get together and do business.

I should like to imagine them on one bright day down on the docks in Constantinople, all trying to console one another at their misfortune, probably saying, "We cannot do business simply because there is not a sample, no demonstration."

Imagine, if you can, their surprise, as they sat there deploring the situation, the surprise of these salesmen, the surprise of the admirals and generals of the Turkish Army and Navy, the surprise of the Minister of War of Turkey, all of them here on the dock, when into the harbor moved the good ship *Raleigh*, one of the few American ships equipped with this new naval gun. Imagine their happiness when the good ship *Raleigh* dropped anchor, and these American salesmen took on board the Minister of War of Turkey, the admirals and generals of Turkey, and our accommodating naval boys proceeded to show them what a fine weapon this gun was. Mr. Driggs' salesmen wrote out an order for like guns for the Turkish Navy, making of our Navy in this, as it was in other cases, nothing more than a salesman's sample case, pure and simple, a pretty expensive one, but one which we seem to like to maintain and support here in the United States.

Much has been said about what a desperate state of affairs would be ours if we did not have a private munitions industry producing munitions of war, because from the private industry comes all the development, all the progress, in armaments, all the progress in accomplishing a larger and more efficient national defense. Some day somebody is going to be prepared to show just how much private industry has contributed to that condition, and when the facts are known, it is going to be revealed, just as surely as that we are here today, that the real contributors have been our Army and Navy experts, while the profiteers, developing what the Navy and Army experts have started, have run away with millions in the name of national defense.

I think it was in 1925 that our Navy experts completed development of the air-cooled motor, a great advance in national defense, a splendid instrument. A private corporation was organized. The Senator from Missouri told us a few days ago of its investment to produce this motor. The Navy loaned this private corporation its experts to further develop

and perfect that air-cooled motor. That corporation did a splendid business, some years a hundred percent of its business with the United States Navy, other years a little business with other lands, including those most apt to be our foes in the event of another war.

This corporation has found a fine market for its air-cooled motor in Germany, in Japan, and elsewhere, but in all these years, from its organization in 1925, 90 percent or more of the business of that corporation has been with the United States Navy, and the profit of that corporation upon that business during those years has been 1,143,000, not dollars, but 1,143,000 percent upon its invested capital, and that percentage is figured without computing the increased value of stock in the company through these years.

Partners we are with the munitions makers, partners indeed, but not, if you please, when the Government in its partnership with these munitions makers asks for reasonable cooperation. The United States Government does manufacture some of its own ammunition. It manufactures largely its .30-caliber ammunition at the arsenal in Frankford. The private industry, the Western Cartridge Co., Peters, Remington, and Winchester, have been displeased about the Government taking that business away from them, and a few years ago they pleaded with the officials of the arsenal, they pleaded with the War Department, for such cooperation as would permit a study that would accomplish understanding of just what the costs were. They said, "If you let us bring this study to a point where all costs can be determined on a comparable basis, we shall be able to show you that the Government cannot produce its own ammunition more cheaply than can the private industry."

Our Government gave them every cooperation, in return for which the Government expected to have given to it the result of this study by the private industry of costs, charging up presumably all natural costs, all ordinary overhead costs, taxes, and everything against the Government industry, as well as against the private industry.

One day the arsenal officials wrote to the industry and said, "Can we not have a copy of your study?" That was long after the study had been undertaken. The industry notified the Government that the study was not yet in shape to be given out. Yet a week before that they had distributed among themselves a statement of the results of that study.

The Government of the United States never was able to get a copy of the result of that study, and never would have had knowledge of the result of the study except for the fact that one of our committee investigators who went into the Winchester and Remington files dug out a copy of the result of that study by the private industry, and when one sees what the result is, it is not difficult to understand why they did not want anyone, least of all the Government, to know what the result of their study was.

I have here some figures reached as a result of that study, figures showing the cost of producing .30-caliber ammunition.

In the Peters Cartridge Co. shop, $29.21 per thousand.

In the Remington shop, $28.88 per thousand.

In the Western Cartridge Co. shop, $33.87 per thousand.

In the Winchester shop, $31.67 per thousand.

On a comparable cost basis, in the Frankford Arsenal, at Philadelphia, owned by the Government, the cost was $23.18 per thousand.

So the cost in the Government plant was 33 percent less than the average cost of production in the shops of the four private institutions.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. NYE. I yield.

Mr. VANDENBERG. I want the Senator to be sure to emphasize that in these relative figures every possible necessary adjustment has been made in order to bring the operation of the public arsenal to a parity with the operation of the private plants—taxes, interest on investment, every essential bookkeeping item—so as to create a parity in order that the ultimate conclusion shall be accurate and justifiable.

Mr. NYE. Yes. If the Senator remembers, the committee pleaded with the industry to show wherein these findings were wrong. The industry were sure they were wrong, but they could not tell us wherein they were wrong. They insisted that they had endeavored to make a complete study.

Mr. President, I certainly am not going to prolong any further the Senate's agony this afternoon. Naturally, the question arises as to what we can do about all this. Of course, we can hope that pending international effort to accomplish agreement is going to prevail in accomplishing control over this industry. The munitions makers, however, like nothing better than the conviction in the public mind that the only approach to the munitions-control subject is through international agreement. They quake and they fear when they think that a single government might try to correct these ills in a domestic way. There is much that we can do in a domestic way, irrespective of what the rest of the world might choose or might not choose to do in cooperation with us. If we permit ourselves to get in the frame of mind that the only correction of this terrible mess lies through international agreement, we are going to give to the munitions makers the world over the most hopeful handle to grab hold of that they have seen in a good many months.

We should hope for, we should anticipate, ultimate international agreement. It will simplify matters very, very much indeed. Surely, however, we can proceed in a domestic way in very large measure to straighten out and bring into the line of fair play and decency our own munitions makers. Assuredly we can do something, do much, to destroy the motive of profit that rests in war and in preparation for war. If we do not do these things, I do not know why we should have any pity concerning the dangers confronting us of lasting troubles and of more and more war.

Eugene Schneider, great munitions maker of Europe, addressing his stockholders not so long ago, stockholders of a great munitions industry, declared—and I quote him now in his exact language:

> The defense of our country has brought us satisfactions which cannot be ignored.

Mr. President, when civilization awakens to the intimate relationships existing between war, preparation for war, and a will for industry or individuals to profit from it, there will arise an uncompromising people demanding their complete divorcement; and they will not be content with any compromise in bringing about that divorcement. If, on the other hand, we sit aside and do nothing about it, or find ourselves unable to do anything about it—if we cannot accomplish this kind of divorcement between war, preparation for war, and profit in it—we might as well resign ourselves to the inevitable; resign ourselves to glorying, for example, in military parades as those parades swing down the avenues here in Washington and elsewhere with a demonstration of unpardonable, unbelievable fact.

Watch the next parade; thrill in it, as I hope we all will continue to do; but look at it. Look at the guns the boys carry—guns for use in defense against a country perhaps armed with the same identical kind of gun. Look at the gas masks they carry to protect their own lungs against the gases which American manufacturers have sold to those countries against which we may have to use the gas masks some day. And those beautiful, glistening steel helmets, look at them, and then ask yourselves, why? It is the product of an American steel manufacturer sold to the Government at a profit. But why a steel helmet? Mr. President, to protect the fine head under that helmet against the shrapnel and the shell that the same steel manufacturer has sold to all the world, including those nations that might be our foes in the event of another war, including that nation of which at times we speak in a whisper, "Look out for them! Look out for them!"

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION—AMENDMENT TO RULES

Mr. SHEPPARD. Mr. President, I send to the desk a notice in writing of my intention to move to amend rule XXV and ask to have the notice read.

The PRESIDING OFFICER (Mr. HATCH in the chair). The notice will be read.

The legislative clerk read as follows:

In compliance with the terms of rule XL of the Standing Rules of the Senate, I hereby give notice that it is my intention to offer a resolution to amend rule XXV of the Standing Rules of the Senate by adding after the paragraph in said rule reading as follows: "Committee on Territories and Insular Affairs, to consist of 17 Senators," a new paragraph reading as follows: "Committee on World War Veterans' Legislation, to consist of 17 Senators."

ADDITIONAL ASSISTANT CLERKS TO SENATORS

Mr. BYRNES. I ask unanimous consent for the immediate consideration of Senate Resolution 39, which I reported earlier in the day, with an amendment.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the resolution (S. Res. 39), submitted by Mr. BYRNES on the 10th instant, as follows:

*Resolved*, That whenever during the remainder of the present session of Congress a Senator shall file with the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate a statement showing the necessity for an additional clerical assistant to enable him to discharge the duties of his office, such Senator may appoint one assistant clerk to be paid from the contingent fund of the Senate at $1,500 per annum until the end of the present session of Congress.

Mr. BYRNES. I ask that the amendment be stated.

The CHIEF CLERK. It is proposed to amend the resolution by striking out all after the word "That", on line 1, down to and including the word "such", on line 6, and inserting in lieu thereof the word "each", so as to read:

*Resolved*, That each Senator may appoint one assistant clerk to be paid from the contingent fund of the Senate at $1,500 per annum, until the end of the present session of Congress.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. McNARY. I have no objection, but the resolution is legislation, and it is late in the day; so I suggest that it go to the calendar.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

LETTERS AND ADDRESSES BY SENATOR ASHURST

Mr. ASHURST. Mr. President, I ask unanimous consent to print in the RECORD some letters and addresses by myself and also an editorial.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

*Monday, March 13, 1933*

Mr. ASHURST. Mr. President, I have received, as doubtless many Senators have, a large number of telegraphic dispatches respecting Senate bill No. 233, a bill to maintain the credit of the United States Government. One of the dispatches reads as follows:

"I feel it my duty to advise that your future success is in grave danger if you uphold granting Presidential power."

Another reads:

"Your attitude very unsatisfactory. You are taking $6,300,000 annually from Arizona, and are politically dead unless you change your attitude."

Mr. President, sometime ago I made the astonishing and for awhile, to myself, the distressing discovery that the perpetuity of the American Government did not absolutely depend upon the reelection of one HENRY FOUNTAIN ASHURST to the Senate of the United States.

When a Senator makes such a discovery at first the fact appears incredible. It seems as if the stars above his head had faded and the earth had slipped beneath his feet. But, as time rolls on, such a discovery proves to be a real antidote to megalomania; and the furtner flight of time brings to the discoverer a serenity and a humility to be envied by the world's greatest philosophers.

It may be, Mr. President, that the perpetuity of the American Republic does not depend upon my reelection to the Senate; but the perpetuity of the Republic may indeed depend upon granting to the President the authority to make the economies called for in his message to Congress.

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*Wednesday, January 10, 1934*

Mr. ASHURST. Mr. President, I ask leave to have printed in the RECORD copies of certain letters I have sent to citizens of Arizona.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MAY 29, 1933.

Mr. G. H. BROWN,
*Phoenix, Ariz.*

DEAR MR. BROWN: Yours of May 25 received, advising that you desire a position with the Bureau of Internal Revenue, and you request me to recommend you to the new collector at Phoenix as soon as he is appointed.

It is my duty to tell you that the district attorney, marshal, collector of internal revenue, collector of customs, and register of the local land office, respectively, will be appointed upon the recommendations of the United States Senators from Arizona.

In my judgment, it would be improper for a Federal Senator to make any suggestion as to whom such persons thus recommended by Federal Senators should appoint. The Federal officials who may be appointed upon my recommendation shall be left free to select their own assistants, deputies, accountants, and clerks.

On this point I may be—probably am—censurably delicate, but it is my inflexible rule to which I adhered during the Wilson administrations. Quite naturally, I desire to please as many of my constituents as possible and to offend as few of them as possible, but I believe in the principle of absolute noninterference by Federal Senators in the selection of the subordinates of Federal officials appointed upon my recommendation.

Sincerely yours,

HENRY F. ASHURST.

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OCTOBER 16, 1933.

Mr. G. A. ROBERD,
*Phoenix, Ariz.*

MY DEAR FRIEND: Your letter received advising that the chamber of commerce had denounced Senator HAYDEN and myself for not securing larger sums of Federal funds for Arizona.

This complaint of the chamber of commerce is not at all unique, for daily, from the mail bags, there are dumped upon my desk demands that this, that, or the other industry be nourished by some gift, bounty, or largess out of the Federal Treasury.

I sympathize somewhat with the impatience of the chamber of commerce and say in reply that I have worked harder since March 4 last than I have ever worked before, but I am not complaining, for, when an officeholder complains of overwork, he is simply proving that he has a task too big for him.

I have been for years a critic and hope I am able, without making a wry face, to take a small dose of that medicine—criticism—of which I have given other fellows sizable doses; in other words, I not only ladle it out but can also take it. Pardon my dropping into slang, but it conveys my thought precisely.

I believe you are correct in your conclusion that a number of candidates—all excellent gentlemen—will try to displace me at the next election, but it is beginning to appear as if I shall be reelected, not by reason of any particular merit that I possess or by any political activity on my part but by the folly of my opponents.

Kind regards.

Sincerely yours,

HENRY F. ASHURST.

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DECEMBER 18, 1933.

Mr. W. H. PETERSEN,
*16 South Twentieth Avenue, Phoenix, Ariz.*

DEAR FRIEND: Your letter of December 10 received requesting the payment of the adjusted-service (compensation) certificates before their maturity.

During the years when no deficit existed in the Federal finances I supported the adjusted-service (compensation) legislation, and I do not believe I made any mistake in so voting.

The question of cashing the adjusted-service (compensation) certificates before their maturity depends now upon the condition of the Federal Treasury.

If the Treasury may without disaster cash these certificates before they fall due, I should, so far as I am able to perceive at this time, be inclined to vote to cash the certificates now, provided always the Treasury may stand the strain.

If, however, the Treasury may not meet this demand and could not pay the certificates before maturity, I would not vote, and could not be expected to vote, to bring a collapse of our national credit. It is a principle of my personal and political conduct, and the same principle should guide governments, never to hold out a promise where such promise is obviously incapable of fulfillment; in other words, do not make promises unless you are certain you can translate the promises into actuality.

I decline to make promises that cannot be fulfilled.

I refuse to raise up hopes that I know will be dashed to the ground.

I shall indeed give careful consideration to and make a close investigation of the question of the ability of the Treasury to pay these certificates before their maturity.

I realize that the phrase "give careful consideration and make a close examination" is sometimes used as a polite euphemism for postponed negation, but I am not using the phrase in that sense, for I shall examine the subject in the hope of finding that the Treasury's condition may justify my voting to pay the certificates before they are actually due; and if, upon investigation, the facts show that the Treasury cannot stand that strain, I shall not be a party to an insincere gesture of pretending to pay an immature obligation out of an empty Treasury.

Kind regards.

Cordially yours, HENRY F. ASHURST.

JANUARY 2, 1934.

Mr. A. L. MOORE,
*Route 2, Box 223, Tucson, Ariz.*

DEAR FRIEND: Your letter of December 25 received, in which you say, "I ask you to work for and vote for repeal of this economy act."

I should be lacking in frankness and deficient in courtesy if I failed to tell you that I shall support President Roosevelt all along the line.

A crisis of terrible proportions, bringing many distressful results, came upon our country and has not lifted its blight from us; hence all citizens must continue to make sacrifices for their country's welfare.

It is often quite true that the only way in which an officeholder may render great service to the Nation, in its day of trouble, is by his willingness to lose his future or at least to lose his present position in political life, if he may thereby aid in bringing national recovery, just as the soldier may for a time give up a part of his civil liberties and may pay with his physical life in order to render service for his country in battle.

Whenever grave danger comes to our Nation, whether from unemployment, famine, fire, flood, war, pestilence, or depression, the officeholder must be willing to take action which might be temporarily unpopular if he may thereby aid in the recovery of his country.

I shall follow the President's leadership, and if he should urge that the present law be amended so as to meet your request, I shall support his efforts in that behalf.

Kind regards.

Sincerely yours, HENRY F. ASHURST.

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TRIBUTE TO THE LATE SENATOR JOHN B. KENDRICK, BY SENATOR ASHURST

Mr. NEELY. Mr. President, on the 27th day of April the senior Senator from Arizona [Mr. ASHURST] wrote a letter to the junior Senator from Wyoming [Mr. O'MAHONEY] in which he paid so very eloquent and beautiful a tribute to the memory of the late Senator John B. Kendrick that I think it should be preserved in the RECORD. The letter is as follows:

APRIL 27, 1934.

Hon. JOSEPH C. O'MAHONEY,
*United States Senator from Wyoming,*
*Washington, D. C.*

MY DEAR SENATOR O'MAHONEY: You were one of the closest friends our departed John B. Kendrick ever knew.

Romance and emprise clustered around him, and although his lips have now partaken of the sacraments of the dust, the influence of his character survives and is treasured by his relatives, his friends, and his proud State.

Senator Kendrick possessed that heaven-born attribute which the English call a "cool head" and the Americans call "judgment"; hence, in sharp parliamentary contests and stormy conventions, he held true to the main purpose, was master of himself and of the business at hand.

He was a practical idealist. Nature in one of her prodigal moods stamped upon him her royal seal.

Even when he viewed the swelling dome and the fluted pilasters of the Nation's Capitol he wistfully yearned for the far-away rim of the prairie.

Amidst the din and sensation of politics in Washington he longed for his shining Tetons and his gorgeous Yellowstone. His nostrils were always eager for the pungent odor of the wild sage, and his kindly eyes ever sought to descry the scarlet glory of the blossoming cactus.

In public office he trod the paths of his feet with marvelous circumspection, and he was inspired by an ardent enthusiasm for the public good. He was a competent Governor, a successful and influential United States Senator. He was a real cowboy, and he became the most distinguished of all of those excellent and racy spirits who, 50 years ago, drove the thundering herds.

The cowboy's work, like a particolored robe, is so woven about Senator Kendrick that a word describing the cowboy he so truly typified may not be out of place here.

No belted knight in chivalry on heath or strand ever appealed with such allurement and glamour as did the American knights of the remuda.

Among the cowboys there were varying degrees of sophistication, for they were drawn from the different walks of life. The majority, however, were drawn from pioneer stock. The nature of the cowboy's occupation afforded him scant opportunity for extended reading, for he must needs constantly attend the cattle.

If this cow range was on the desert, he must grind its bitter dust between his teeth, endure its flail of heat, and ride on and on. If his range was on the mountain, he must, in winter, ride hard beneath the cold stars. The cowboy's life was one of severe isolation, but his work was not only made endurable but was even rendered pleasurable as well when he took refuge, as many, if not most of them, did, during their lonely rides, by entering into the realm of imagination, where ideal experiences are possible without objective restraint—a realm where images form and fall; where glittering towers upthrust themselves and globes of gold expand and float; a domain peopled with a viewless throng, invisible to all but the eye of the imaginer, and in this way a high percentage of the American cowboys became endowed with intellect and grace, fascination and tremendous personal charm.

Senator Kendrick symbolized the American cowboy—calm, steady, generous, fair, adaptable, industrious, and firmly devoted to the rugged old virtues which made our Nation great and strong.

With high esteem, sincerely yours,

HENRY F. ASHURST,
*United States Senator from Arizona.*

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TAX-EXEMPT SECURITIES

*Thursday, January 4, 1934*

Mr. ASHURST. My proposed amendment strikes at an evil in our system of taxation which is already great, and if unchecked will grow—indeed has grown—to such magnitude as to threaten the existence of our institutions.

The existence of conditions that enable any municipality or political subdivision to issue tax-free securities directly permits a certain class of property owners to partake of the comforts and benefits of government without bearing any share of the expense burden of government.

All private property should pay its just proportion of the expense of maintaining the Government.

The issuance of tax-exempt securities permits:

(1) A large portion of property to escape taxation, thereby causing great loss of revenue.

(2) It violates the sound tax principle of ability to pay and it unfairly discriminates among taxpayers.

(3) It discourages investment in new enterprises.

(4) It encourages extravagances of governmental agencies.

(5) It grants private subsidies and special privileges, obnoxious to our system.

(6) By withdrawing money from private enterprises it increases the rate of interest required for all enterprises not carried on by the Government, and thereby adds to the cost of living.

(7) It creates, and quite naturally, social unrest.

Vigor and vision are the supreme need of the hour, and unless we act with promptness on this subject, the National Government and some of the States will bog down and sink into the grasp of the all-smothering, all-destroying quicksands of insolvency.

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ADMISSION TAXES

*In the Senate of the United States, May 26, 1932*

Mr. ASHURST. Mr. President, I invite attention to the fact that the spoken drama in the United States is now almost extinguished. I do not believe we have reached such a deplorable place in our history that we would be willing unfairly to tax or to penalize the spoken drama or the talkie movie.

I am opposed to admission taxes, whether for the spoken drama or the talkie movies. Such taxes are only an irritant—they are like unto a dash of Tabasco sauce in the eye and will be resented by the American people. Some well-informed persons argue that the theaters and talkie movies are luxuries and amusements only. That they are, from one angle, amusements is quite true; that they possess facilities for disseminating interesting information of much practical value, especially to those persons who cannot spare the time or money to travel, is none the less true.

It is also true that the theaters and the talkie movies make contributions to art, belles-lettres, literature, music, science, and philosophy, and appeal to and help to gratify that inborn cultural and artistic yearning inherent in every normal person; although in some breasts this yearning is meager and obscure, and sometimes is deeply hidden.

Robert Burns, during a flash of his shining genius, wrote, in his Address to the Unco Guid, or in his address To a Louse, I do not for the moment remember which, "Oh, wad some power the giftie gie us to see oursels as ithers see us."

The stage artists, the screen artists, and the vaudeville artists hold the mirror up to nature and only through them do we ever see ourselves as others see us.

On the stage and on the screen we see our own weaknesses, foibles, and pretensions made plain and then corrected. On the stage and on the screen the richness of human experience is laid before us, and all that is beautiful, all that is tragic, and all that is mournful in man's destiny is clearly shown.

The penetrating skill, the Attic salt, and the humor of the screen artist and the stage artist expose the shams and frivolities of a particular epoch and not infrequently teach a nation the way of truth.

The plays of Aeschylus and Euripides taught the Greeks to meet disaster becomingly and to realize that although Fate spins a strange pattern and motif into every career, such circumstance affords no reason for a refusal to meet life courageously and cheerfully.

The comedies of Shakespeare enriched England, softened the cruelties of his time, and gave seasonable advice and admonition to monarch, to lords, and commons. There would have been no polished Elizabethan England except for Shakespeare, who appeared personally in some of his own plays, notably his Twelfth Night, which he acted in 1602, and from the stage poured gentle satire upon vanity and injustice.

I do not doubt that Schiller and Goethe helped Germany, and I am certain that Molière and Rostand and Bernhardt enriched France. Who can measure the joy and the emotional sympathy that Dion Boucicault gave to the world? He was called the scribe of the American and English stage and had 124 dramas to his credit.

Unnumbered thousands of our own generation have been charmed by the melodious airs and clever rimes of the Gilbert and Sullivan light operas, and the talent of those two gentlemen was so exceptional and their criticisms of official smugness and complacency were so deft and subtle that their productions were given audition and applause by the most prim and rigid of the Mid-Victorians.

It would be impossible to estimate the ennobling influence showered upon our Nation by such characters as Edwin Booth and David Belasco.

Amidst the gloom of the depression and out of the darkness of the country's financial and industrial misfortune, there suddenly beamed forth, last winter, when the clouds were lowering, five stars, five distinguished Thespians to tour our country: The superb Maude Adams and the well-beloved Otis Skinner revived the Merchant of Venice; William Gillette came back to us in Sherlock Holmes; Ethel Barrymore reproduced Sheridan's School for Scandal; and Walter Hampden gave us again glorious Cyrano de Bergerac, the fascinating yet futile lover, poet, duelist, and hero of seventeenth century France. How many weary hours these artists beguiled; how many desolate hearts they encouraged; how many of our citizens learned anew from them that moderation, forbearance, and restraint are the virtues of victory and prosperity and that fortitude, patience, and courage are the virtues of disaster and defeat.

The drama is coextensive with the people and of all the arts, save music, it is probably the dearest to the human race. The stage is akin to poetry in that it is a great expression of human emotion. The stage is a vision of the romance inseparable from every human life; it is a magical place, breathing the inspiration of color and sound; a place for high thoughts, splendid truths, and beautiful words, for objects vividly observed and gorgeously imagined.

The stage is art. Art is truth, and in the final sum of worldly things, only art endures; the sculptures outlast the dynasty, the colors outlive Da Vinci, the coin outlasts Tiberius.

When Hamlet, Prince of Denmark, desired a rehearsal of the play which was to confound his uncle the king he said to the players: "Come, give us a taste of your quality." After the players had recited Hamlet turned to Polonius, the lord chamberlain, and said:

"My lord, will you see the players well bestowed? Do you hear, let them be well used, for they are the abstracts and brief chronicles of the time; after your death you were better have a bad epitaph than their ill report while you lived."

So, Mr. President, when our citizens, after a day devoted to the duties and claims of this fevered life, go to the theater or to the talkie movies, there to renew their exhausted strength, there mayhap to escape for an hour from the specter of their baffled hopes, from their broken ideals or evaporated illusions, so common in this complex machine age, or there to be spared for an evening from the fardels and the clangor of a bewildered world, let them not be met with a Federal admission tax, which, as I said before, is a vexatious, corrosive, pestiferous irritant.

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[From the Arizona Daily Star, Tucson, Ariz., Sept. 2, 1934]

SENATOR ASHURST SPEAKS

If politics could be conducted on the high plane with which Senator HENRY ASHURST conducts his campaigns, there would probably be more intelligent interest in governmental affairs and abler men aspiring to office. Those who heard the distinguished Senator speak Friday night at the armory heard a political campaign speech full of holes if one wanted to criticize but filled with charm, good humor, and kindliness. And, strangely enough, those who went expecting to listen for a few minutes soon found themselves staying on and staying on, consumed with interest.

Although Senator ASHURST spoke for over an hour, he said not one unkind nor harsh word about any of his opponents, while his brilliant shafts of wit had the audience frequently convulsed with laughter. On the other hand, the serious parts of his address, while filled with kindly but serious political bombast, won him the respect of his audience.

After all, a man can still be radical, yet be a gentleman. A man can win votes and still be a gentleman. The highest tribute that can be paid to Senator ASHURST is that for 41 years he has been in politics, yet he is a gentleman, and as such sets an example that other candidates, and even newspaper editors, might emulate.

Meanwhile, the Senator's opposition is a healthy thing. The opposition has brought him home so that the home folks once more can hear his delightful speeches.

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[From Miami Silver Belt, Nov. 4, 1930]

ASHURST PAYS TRIBUTE TO GOVERNOR HUNT; PORTRAYS ROMANCE OF THE CAREER OF GOVERNOR IN CAMPAIGN SPEECH

There is much romance in the career of George W. P. Hunt, who came into Arizona 50 years ago, during the now vanished days of the burro pack train, the shave-tail mule, and the covered wagon. Most of the men and women who came here during those days have crossed another frontier into the Great Kingdom; whilst for those pioneers who yet remain, the lovely nymphs of noonday are gone and their temples are crowned with silver streaks of the eternal dawn.

The 50 years of Mr. Hunt's residence in Arizona are equal to one-third of the present age of our American Republic and constitute a glorious epoch in the life of the Nation and the State. The purse of Fortunatus and the lamp of Aladdin seem tame and commonplace, when compared to Arizona's progress since Mr. Hunt lighted his first camp fire within her borders.

He saw the teepee and the hogan of the Indian give place to stately residences. He saw the railroad trains supplant the stagecoach and the buckboard, which once bounced and jolted over the rough and rudimentary roads. He now sees automobiles whizz over the very hills and valleys where once he saw the cowboy with jingling spurs, haystack hat, and leather chaps ride hard under the summer sun and winter stars for cattle and horses.

The same plains which once he knew as the habitat of wild beasts and upon which he later saw the quiet flocks of sheep feed upon the rich grasses beneath their feet are now covered by diversified agriculture, industrial enterprises, glittering cities and towns, or serve as airports and landing fields for winged cars that cleave the clouds and that skim the cream from off the milky way.

Some of the landscapes where once he saw the Knights of the Lariat hold their round-ups and rodeos are now covered by commanding schools, colleges, entertainment resorts for tourists, dude ranches, palatial hotels, and churches whose spires kiss the golden sunbeams.

Some of the particular spots where once he saw the noon breeze swirl the smoke of the cowboy's branding iron are now midget or Tom Thumb golf courses.

The air spaces which, when he came here 50 years ago, were agitated by the coyote's doleful howl, by the barkings of the prairie dog, the measured thrum of the mustang's hoofs, the war whoop of the ferocious Apache encircling the settler, now by the mystic voice of the radio, pour into our ears the Tales of Hoffman, the dulcet notes of Narcissus, the wild melodies of the Hungarian Rhapsody, and all the joys and inspirations which no other art save music's ethereal rain can give. On some of the deserts where once he swallowed their bitter dust as he plodded forward he now sees irrigation projects so practical and yet so ideal that they charm the imagination with their wizardry as they spread their living waters upon the thirsty soils. He saw Arizona accomplish that difficult feat in Government of fusing reforms with stability. He has earned competence and popular affection, for he aided in building this empire.

THE OIL INDUSTRY—ADDRESS BY BAIRD H. MARKHAM AND AXTEL J. BYLES

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD a speech by Gen. Baird H. Markham, of my State, on the subject of taxation of gasoline delivered at the national convention of the American Petroleum Institute in Dallas, Tex., last fall.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TAX EXTRAVAGANCE OR TAX JUSTICE?

Baird H. Markham

WHO WILL GET CONSUMER'S DOLLAR?

Contemplating the probable trends of taxation and legislation in the immediate future is productive neither of confidence nor comfort. The question as to who will get the consumer's dollar whether it be Government through taxation or industry through trade, is becoming a paramount issue.

Government has been attempting to restore trade activity by spending the citizens' money for them. Unfortunately, the mere restoration of trade activity has been found to be insufficient to maintain employment, fill pay envelops, meet dividend requirements, and finance overhead. Public attention increasingly has been called to the fundamental principles of reducing Government costs and reducing Government taxes, but the tax collector's hand plunges ever deeper into the taxpayer's pocket.

ONE HNUDRED AND EIGHTEEN OIL-INDUSTRY TAXES

So far as our own industry is concerned, the 117th and 118th taxes were imposed upon it last June by the Federal Government ostensibly to finance activities designed to assist in ridding it of the adverse effects brought about by the serious economic situation facing us, no small part of which was due to the first 116 taxes. Taxes levied upon the property, products, operations, and services of the petroleum industry in 1933 amounted to $1,004,824,028, while net earnings were only approximately $204,000,000, or about one-fifth of the tax bill. Total taxes upon the average barrel of crude oil and its derivatives now amount to an estimated $1.11. This figure may be compared with the Petroleum Administrative Board's recent report that the average market price of a barrel of crude has been 72 cents and the cost of production 80.6 cents.

REVENUES SHOULD FINANCE OTHER CONSUMPTION

The average taxpayer undoubtedly believes that the petroleum industry can afford to pay $1.11 taxes on a barrel of oil that costs 80 cents to produce and sells for 72 cents. His conviction blinds him to the fact that he himself pays 90 cents of that tax bill. Unfortunately for industry, the money that must go to pay tax bills might otherwise be used for additional purchases of all types of commodities.

Sales taxes upon the industry's principal income product, gasoline, still average more than 40 percent of the retail price. In some cases they exceed 100 percent. Government is using more and more of gasoline-tax revenues for purposes other than high-

ways, and curtailing, rather than expanding highway programs. Enforcement of gasoline-tax laws has been improved, but there still is evasion. Undoubtedly, further increases in gasoline-tax rates will have to be combated.

LITTLE IMMEDIATE RELIEF

The immediate future offers nothing particularly hopeful in the field of legislation. The legislatures of 44 States will hold regular sessions in 1935. Some legislators are seeking the enactment of laws designed to create a semblance of order out of the competitive chaos in the petroleum industry. Others are sponsors for legislation having the effect, if not the objective, of imposing further handicaps upon us.

Suffice it to say here that our industry probably will not, in the very near future, obtain substantial relief from its billion-dollar annual tax bill, nor will it escape being made the target of much troublesome legislation. In both cases, maintaining the status quo may be considered a commendable accomplishment.

Government still considers itself in need of additional revenue. In the past few years it has learned that not merely millions, but billions, of dollars can be extracted from the taxpayers' pockets without provoking more than a mild protest. Reducing both the cost of government and of taxation may be obvious needs, but the theory that taxes can be shifted to industry still is as popular as it is fallacious.

We cannot escape the conclusion that if government insists upon competing with industry for the consumer's dollar, it must observe certain principles, including the law of diminishing returns. It must tax so lightly and so broadly as to avoid discouraging consumption and the consequent reduction of its own tax income.

MOUNTING GOVERNMENTAL COSTS

I am not speaking primarily of the Federal Government. Its expenditures have been enormous. Its costs have risen to new extremes. The Federal Government, by the very vastness of costs and expenditures, will be forced to give further consideration to the need of balancing budgets and of economizing. State, county, and local governments, however, have shown only an academic interest in either economy or balanced budgets.

Of the $1.11 estimated taxes upon the average barrel of crude oil, 78 cents represents the levies of State, county, and local governments. Only 30 percent is levied by the Federal Government. This proportion, about 2½ to 1, is generally true of all taxes. One wonders if the theory of regimentation might not be applied to taxation as well as to industry. Taxes certainly need to be kept in line.

State, county, and local governments seem still to be unimpressed by the fact that the taxpayer also is forced to meet economic emergencies. They may have noticed that he first eliminates luxuries and economizes on essentials only as a last resort, but they are not inclined to emulate his example. Such little economizing as has been done has been by way of curtailing essential services without handicapping the political usefulness of the nonessentials. Unfortunately, this policy serves the double purpose of perpetuating the more remunerative leaks in the Public Treasury, and misleads the public as to the necessity of reducing the cost of government.

RESISTANCE TO TAX REDUCTION

If you are inclined to believe I exaggerate in emphasizing the opposition of government to reducing its costs and the citizens' tax burden, let me direct your attention to efforts recently made in Michigan and Ohio to reduce and to limit, by constitutional amendment, the rate of taxes imposed upon motor vehicles and motor fuel. Michigan taxpayers were informed by State and county officials that they faced a catastrophe in reducing their taxes. In order to protect the taxpayers against themselves every legal and political trick was used—even to the extent of employing public funds to finance an opposition campaign and distributing falsified and misleading sample ballots.

In Ohio, where taxpayers similarly sought by constitutional amendment to reduce and to limit gasoline-tax rates and to prevent double taxation of motor vehicles, it was admitted that amending the constitution was the only means of tax reduction left to the taxpayers. But warning was given that only misfortune could result from public tampering with that sacred document.

Even the attempt to prevent the diversion of gasoline-tax funds to purposes other than highways in those two States was denounced and opposed. Apparently government need of money to spend is held paramount to the rights and the welfare of the citizens.

TAX FIGHT IN PUBLIC INTEREST

You may have gathered from my remarks that reducing taxes and government costs are matters which transcend the interests and the welfare of the petroleum industry. That is true. Our industry, in seeking reasonable tax rates and sound policies of taxation, is working not merely for itself but in the interest of the public and of good government. It is engaged in a constructive undertaking which, once the issues clearly are understood, will attract public support and ultimately win the approval of the more forward-looking government officials themselves. After all, it is as impossible as it is impractical for government to continue spending the taxpayers' money extravagantly and to continue raising tax rates and imposing new taxes to meet unnecessary costs.

HIGHWAYS A MAJOR COST

One of the major costs of government may be ascribed to highways. It is interesting to note that since 1919 the Federal Government has spent $1,522,000,000 on highways, and has collected from highway users $1,664,000,000 in various kinds of special taxes in addition to the other taxes levied upon them in common with other citizens.

In this period the States have spent approximately $10,500,000,000 upon highways, and have collected from highway users through gasoline and motor-vehicle taxes more than $7,200,000,000. Twenty-five additional special taxes are levied upon the highway users. Highway users in 1933 alone paid the huge sum of $1,137,872,000 in special motor-vehicle user taxes. These taxes will defeat their own ends, and will kill the pocketbooks if they do not first destroy the patience of the highway geese that lay the golden eggs.

The remedy for this situation is not the addition of taxes to taxes or the seeking of untaxed sources of revenue, but in cutting the cost of government. It is not too much to ask that government do willingly that which the taxpayers have been forced to do—economize.

SOUND ROAD PLANNING ESSENTIAL

Hundreds of millions of dollars have been spent and are being spent by the Federal and State Gvernments for high-cost road construction where such high-cost construction is not needed. The funds thus unnecessarily expended should have been used to build country or marginal roads of low-cost construction which are badly needed in the rural communities. By surveying actual highway requirements, adapting paving to traffic needs, and measuring expenditures by potential tax returns, we could, by careful long-term planning, develop an adequate self-liquidating highway system financed by reasonable taxes paid proportionately by highway users. Our tangled highway-tax situation offers an unchallenged field of governmental planning as old as civilization itself. Sound governmental planning and economy along these lines would relieve the present inequities in the distribution of road funds, and would tend to stay the ever-rising tax tide.

SITUATION NOT HOPELESS

The immediate future of taxation and legislation, from our industry's point of view, is discouraging—but not hopeless. We now have a coordinated organization working in the interests of the public, and of the industry, in all except two States. The very existence of that organization will tend to discourage some legislative efforts further to tax and to handicap the industry. The work of that organization in opposing harmful legislation the moment it is introduced, and in making the industry's position immediately known, further will discourage these attempts. However, I wish to make it plain to you the industry cannot depend solely upon this, or any, organization. It must, upon occasion, draw upon its own recourses. Let me classify them for you.

OIL-INDUSTRY RIGHTS

First. The inherent right of this industry, constituted of American citizens, to have an opinion and to express that opinion.

Second. The right of this industry—in every legal and honorable way—to support legislation it regards as favorable or necessary and, similarly, to oppose legislation it believes to be unjust, unnecessary, or harmful.

Third. The industry's own personnel, consisting of roundly 1,250,000 workers, and roundly 4,000,000 more directly dependent upon them; in all, a vast army of 5,000,000 citizen taxpayers.

Fourth. The unalterable determination of the American citizen to protect himself, his job, and his salary.

Fifth. The frequent contacts of this industry, through its service stations, with more than one-fourth the entire voting population of the United States.

Sixth. The fact that the industry, producing commodities necessary to the welfare of almost every other industry and of practically every citizen, and consuming the products of most other industries, is an essential industry upon whose welfare the welfare of the large majority of all industries directly or indirectly depends.

PROBLEMS THAT UNITE US

Those of us engaged in the work of the petroleum industry may differ widely in opinion concerning some subjects; but, insofar as taxation and legislation inimical to the entire industry are concerned, we can, and must, be united. Furthermore, we must develop our own opinions and support our own efforts in these fields.

Too often, I fear, we have permitted ourselves to be sold on ideas and proposals which never were, and never could be, in the industry's best interest. Too often also Greeks bearing gifts endeavor to enlist the support of the industry for projects that can be of no possible benefit. Gasoline-tax rates were allowed to rise to unreasonable levels largely because many of us were sold on the idea that they would finance road building and so increase our market. Scores of other questionable promotional ideas constantly are placed before us, and our support asked—despite the fact that most of them can do us no possible good, and probably will do us much harm.

PRESENTING A SOLID FRONT

As to unity of thought in matters of taxation and inimical legislation, we urge that each of you, as individuals, and that your companies, as groups, seriously consider the advantages to be gained by presenting a united front. Occasionally our work is handicapped by the indisposition of some groups or individuals whole-heartedly to participate in State or National campaigns in the interest of the industry generally. All too frequently we hear expressions of fear of reprisals by public officials, loss of business, and the like. We can appreciate the position of those who take

this stand, but I do wish to say that we merely work against our own interests when we permit the hope of temporary advantage to blind us to the certainty of ultimate and permanent loss.

OUR WORKERS AND THE PUBLIC

If cooperatively we are to work in the interests of the industry and of the public, we must not forget that all the workers of the industry have a right to share in such activities. As citizens and taxpayers, all of them are vitally interested. The great mass of the employees of the industry have only to be given a clear understanding of the situation to turn their interest into activity. We assure you that this group, and their dependents, representing some 5,000,000 citizens and taxpayers, can be a mighty effective force.

We cannot pass lightly over this matter of making certain that both the personnel of our industry and the public generally understand the situation and know our motives and objectives. It is human nature to have the most decided opinions upon subjects concerning which we know the least. And we can expect opposition both within the industry and without unless everyone understands just what we are trying to do and why. We ask your cooperation in the task of enlightening at least every worker in this industry. We ask your cooperation also in giving the public, through all of your contacts, an opportunity to understand and to act.

OTHER ORGANIZATIONS

Before concluding I should like to discuss briefly the subject of this industry's interest in and support of outside organizations. You have been generous in supporting this committee. It is trying to repay you by accomplishing at least a portion of the vast amount of work that must be done before this industry obtains tax justice and fair legislative recognition. We can only say that this organization is working with you and for you. We ask that, before participating in the activities of outside organizations, you consider how their program fits in with that which you, through this committee, are supporting.

Again we call to your attention that the tax and legislative situation confronting our industry is discouraging, but not hopeless. We look for the maximum of trouble during the coming year, with 44 State legislatures and a Federal Congress in session—and Government convinced that it must have new taxes and additional tax revenues. But if you will continue to give us your whole-hearted cooperation and support, and if you will do for yourself the things that can be done so advantageously by individuals and by companies, we are convinced that the future damage done to our industry will be the minimum.

This industry has everything to lose if meekly it accepts whatever is imposed upon it, and cravenly submits to unfair taxation and legislation that is not even in the public interest. It has nothing to lose if boldly and aggressively it asserts its rights, organizes itself and its employees for protection of those rights, and takes a definite initiative in seeking them.

RESPONSIBILITY OF THE DEMOCRATIC PARTY—ADDRESS BY HON. JAMES A. FARLEY

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered over the radio on November 18, 1934, by the Postmaster General, Hon. James A. Farley, on the subject of Our Party's Responsibility.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR PARTY'S RESPONSIBILITY

Winning the election was the least of the tasks of the Democratic Party. Presently we must face the responsibilities brought by the victory of November 6, and then will begin the real test of capacity and patriotism.

What we have won is only an opportunity for service. What we have to do is to demonstrate our ability to take care of the most difficult problems that have ever beset this country. We must show that we are fit for the trust that has been given to us. If we do, the Democratic direction of our national affairs will continue indefinitely; if we do not, the people will not forgive us and will turn the Government into other hands. The unpardonable sin of an administration—any administration—is failure.

True, we have an unprecedented majority in both the House of Representatives and the Senate. We have been given the finest, most sweeping tribute of approval any American administration ever received. Nevertheless we are still on trial. The vote of confidence was in recognition of President Roosevelt's magnificent beginning of the work of reconstruction and recovery. The people recognized the cooperation he received from Congress and rewarded by reelection those Members for the most part who had helped, and penalized by discarding them the Members who sought to hamper and obstruct the President's program. Only in the sense that the majority voted under the Democratic emblem was it a party victory. As chairman of the Democratic National Committee, I am proud of the splendid work of our party workers in getting out the vote, in organizing and in presenting the issues of the campaign, but I fully realize that so many conspicuous Republican figures were not relegated to private life merely by citizens of my own political persuasion. Indeed, except for the willingness of millions of our people to subordinate party fealty to national welfare, I doubt very much if this would have been accomplished. The punishment they visited, for example, on Senator Reed, of Pennsylvania; Fess, of Ohio; Robinson, of Indiana; Hatfield, of West Virginia, and many others who had been prominent in the Republican Party, was due to the recognition that they had not been able to rise above partisanship in a great national emergency. I might mention that among the conspicuous figures that were rebuked in this manner were Congressman Fred Britten, of Illinois; Clyde Kelly, of Pennsylvania; and 10 other ranking Republicans on important House committees.

I do not mean to assume for an instant that all of these men were deliberately disloyal to their country. Doubtless some of them were quite sincere in their beliefs, but they had become so fossilized with reactionary principles that they were incapable of appreciating progress in economic thought.

They could see no virtue in any departure from the system that had been so good to them. It was really the struggle, as long as our history, between those who visioned prosperity as unstinted favor for the rich and powerful—on the theory that so much of this prosperity as was deserved would dribble down to the ordinary citizen—and the Jeffersonians, who hold that the common man is entitled to an equal share in the benefits of government.

Well, these archpriests of a bygone day have vanished from the political scene, leaving only a remnant of their order in either Chamber of Congress. The dream of the reactionary Republican high command of obtaining a third of the House of Representatives so that they might seriously obstruct the carrying out of the President's policies was dissolved by the election. That is what Chairman FLETCHER of the Republican National Committee had in mind when he issued his prophecy, on the eve of election, that his side would gain 60 to 70 seats in the House, instead of which we gained a dozen seats—something unheard of in the record of mid-term elections. Mr. Fletcher was figuring on the normal back-swing of these occasions, either not recognizing or unwilling to believe that this was no normal situation. It is in no spirit of criticism or ridicule that I cite this error of the opposition chief. We must take it for granted that he was blinded to the circumstance that the people felt they had given a job to President Franklin D. Roosevelt; that he was doing his job with sincerity and effectiveness; and that they had no patience with those who sought to balk or hinder his completion of his task.

Let nobody run away with the idea that the lesson of November 6 has put an end to the campaign against the President's policies. Every day we read of organizations having for their purpose interruption of the orderly processes of recovery. Some of these are radical, aiming at the enactment of wild legislation; more are reactionary. It seems to me that it is not improbable that both groups are financed from the same source, for both are calculated to alarm the country and to advance the idea that the Roosevelt administration is aiming at the redistribution of wealth, the elimination of the profit motive in business, unbridled inflation of the currency, and heaven only knows what other nightmare is being cited to shake the people's faith in their Chief Executive.

Of course, those who aim at the restoration of the old system of privilege do not admit their motive. They masquerade as defenders of the Constitution, as protectors of liberty, and all that sort of thing. They have no fear of their radical coworkers, for they know there is not the remotest chance of the crazy measures becoming law. But every ghost that can be raised adds to the impressiveness of their Halloween pageant.

Already the newly elected Congressmen are being solicited to sign pledges, more or less vague, which would enable these organizations to claim them as adherents and so make a showing of strength before or at the coming session. To these Congressmen-elect I would say that, in my opinion, a legislator who ties his own hands in regard to legislation on which he will vote is committing as great a sin as a juryman who goes into court pledged in advance to a particular verdict. His duty to his country is to keep his mind open, to preserve his freedom of judgment and his independence of thought, to the end that when he takes a position on any of the grave matters with which the coming Congress must deal he will vote as his conscience directs for the best interests of the people.

The responsibilities of the party in power cannot be exaggerated. The decisions of the coming Congress will be vital to the orderly continuance of our national institutions. We are getting along fairly well. Business is better by billions of increased income; our bank deposits are at the peak; our currency is stable; and our bonds rank among the highest securities in the world. All that remains to be done to make us again a happy and prosperous country is get unemployment back to normal figures. Sooner or later industry must absorb the men and women now out of work and those who are temporarily employed in Government projects. Then, and not till then, will the burden of direct relief be lifted from the Government's shoulders. We cannot, of course, permit people to starve. On the other hand, the Government cannot carry on indefinitely the support of such a multitude as is now on the relief rolls. How to get these people back into private employment is the problem of the industrialists even more than it is of the legislators. Business has shown its confidence in the President. Perhaps all that is needed now is that it should show confidence in itself. Such uncertainty as exists is translated into timidity, into supercaution in enterprise, and thus into stagnation of investment and business extension. It is peculiarly the problem of industry, because whether the cost of maintaining the unemployed is borne by the Government or not, inevitably the people as a whole must pay for it. In the last analysis the maintenance of these people is a charge on business, for whether that maintenance is done by direct charity or through the medium of taxes it is bound to be as much a part of your overhead as rent.

light, or power. It is the administration's job to see to it that the burden is equitably distributed, and, further, to take such steps as are necessary for gradually diminishing it, until at last it becomes as unimportant as it was in the days of our past prosperity when nobody noticed it.

We pledged our party to this duty in the campaign just closed. The vote of confidence is evidence that that pledge was accepted. Now we have to make it good, and I have no doubt that our majorities in Congress, of which I am so proud, will live up to that party's promise. Naturally they will be beset by enthusiasts who regard the new deal as the opening for those extreme measures which we label socialistic or communistic. Naturally they will be importuned by those who regard any departure from what has been done in the past as dangerous and unconstitutional radicalism. I do not imagine that anybody is much worried over the idea that the President's good old-fashioned horse sense will be missing from the administration's course in this situation.

There is no one less likely to overturn the apple cart than he. For nearly 2 years now he has conducted the affairs of his great office to the satisfaction of the people. He has been exposed at all times to the gales of conflicting opinion that will blow so fiercely about the coming Congress. The conservatives have clamored that he has arrogated to himself powers he should not have and that he was being swayed by theorists and economic visionaries. The liberals have been equally violent in their protests that he had stopped short in his policies and processes of what they deem the ideal government. He has listened to all of them but has yielded to none of them. He has kept his head and exercised his own wise judgment, based on years of experience in government and with a full perception of the consequences of his exercise of the powers conferred on him by the last Congress.

He has been accused of subjecting the legislative branch of the Government to his will, which is a silly accusation, for, while he has recommended much and generally had his recommendations sustained, he has dictated not at all. He had a plan, and Congress confirmed that plan in its essentials; and there is no reason to believe that the coming Congress will not cooperate with him as effectively as did its predecessor.

In a great measure the old Members have come back and the new Members of our vast majority are men of substance, of character, and are respected members of their Commonwealths. With few exceptions they were elected on platforms approving the President's policies. I feel quite safe in assuring this audience tonight that the Seventy-fourth Congress will not only be thoroughly appreciative of its responsibility to the party, but—what is of more importance—that it will realize and live up to its sacred obligations to our country.

### DEATH OF REPRESENTATIVE ANTHONY J. GRIFFIN

The PRESIDING OFFICER laid before the Senate the following resolution from the House of Representatives, which was read:

House Resolution 51

*Resolved*, That the House has heard with profound sorrow of the death of Hon. ANTHONY J. GRIFFIN, a Representative from the State of New York.

*Resolved*, That a committee of four Members of the House with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

*Resolved*, That, as a further mark of respect, this House do now adjourn.

Mr. COPELAND. Mr. President, the State of New York is represented in the Congress by 47 men and women. It so happens that we have just lost by death a Representative who has been here longer than any other Representative from the State, I think, with one exception, that exception being a man who was here a few days longer.

Representative GRIFFIN was known to all of us as a capable, energetic man, a fair-thinking man, a man of great capacity. His death is a great personal loss to me, and it is with great sorrow that I have learned of his passing.

I send to the desk a resolution, which I ask to have read, and for which I ask present consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 54) was read, considered by unanimous consent, and unanimously agreed to, as follows:

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. ANTHONY J. GRIFFIN, late a Representative from the State of New York.

*Resolved*, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. The Chair appoints as the committee on the part of the Senate the Senators from New York [Mr. COPELAND and Mr. WAGNER].

Mr. COPELAND. As a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, January 16, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 15 (legislative day of Jan. 14), 1935*

### MEMBER OF THE FEDERAL COMMUNICATIONS COMMISSION

Anning S. Prall, to be a member Federal Communications Commission.

### POSTMASTERS

#### ARKANSAS

Clyde S. Airheart, Augusta.
Herman Cross, Blytheville.
Clinton H. Northcutt, Decatur.
Thomas M. Coker, Glenwood.
Howard E. Powell, Gurdon.
Ella B. Mitchell, Havana.
Charles L. Moore, Helena.
Jerry J. Simpson, Huntsville.
Alonzo E. Nelson, Judsonia.
Clark H. Griscom, Lincoln.
Richard S. Remy, Mulberry.
Ross L. Lawhon, North Little Rock.
William B. Hunter, Parkin.
Mark B. Craig, Russellville.
Horatio J. Humphries, Salem.
Lewis B. Mason, Swifton.

# SENATE

## WEDNESDAY, JANUARY 16, 1935

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God and Heavenly Father, who hast called us to a life of service in which are mingled joy and pain to the understanding of the soul's true weal, draw us closer at this moment to Thyself, as in reverent sympathy we draw close to him our friend and colleague, upon whom this unexpected shadow has so lately fallen.

Enfold him and those so near and dear to him in Thy sheltering arms of love; draw them closer to Thy mercy's breast; give them the strength and comfort of Thine own indwelling, the inward peace that passeth understanding, which the world can neither give nor take away, the peace of God, revealed through Him, who on the cross hath vanquished death and opened unto us the gate of everlasting life, Jesus our Savior and Redeemer. Amen.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day, Tuesday, January 15, 1935, when, on request of Mr. ROBINSON and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### CALL OF THE ROLL

Mr. NORRIS. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Reynolds |
| Ashurst | Copeland | Lewis | Robinson |
| Austin | Costigan | Logan | Russell |
| Bachman | Couzens | Lonergan | Schall |
| Bailey | Cutting | Long | Schwellenbach |
| Bankhead | Davis | McCarran | Sheppard |
| Barkley | Dickinson | McGill | Shipstead |
| Bilbo | Dieterich | McNary | Smith |
| Black | Donahey | Maloney | Steiwer |
| Bone | Duffy | Metcalf | Thomas, Okla. |
| Borah | Fletcher | Minton | Thomas, Utah |
| Brown | Gerry | Moore | Townsend |
| Bulkley | Glass | Murphy | Trammell |
| Bulow | Gore | Murray | Truman |
| Burke | Hale | Neely | Vandenberg |
| Byrd | Harrison | Norris | Van Nuys |
| Byrnes | Hastings | Nye | Wagner |
| Capper | Hatch | O'Mahoney | Walsh |
| Caraway | Hayden | Pittman | Wheeler |
| Clark | Johnson | Pope | White |
| Connally | Keyes | Radcliffe | |

Mr. LEWIS. I announce the absence of the Senator from Georgia [Mr. GEORGE], occasioned by illness, and also the absence of the Senator from Louisiana [Mr. OVERTON], likewise caused by illness.

I wish also to announce that the Senator from Pennsylvania [Mr. GUFFEY] has been called away from the Capitol by official business, and I announce again that the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], and the Senator from Tennessee [Mr. MCKELLAR] are still absent on business of the Senate as members of the Philippine Commission.

Mr. NYE. I desire to note for the RECORD the absence of my colleague [Mr. FRAZIER] on account of a death in his family.

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on the business of the Senate; that the Senator from New Jersey [Mr. BARBOUR] and the Senator from South Dakota [Mr. NORBECK] are unavoidably detained; and that the Senator from Wyoming [Mr. CAREY] is absent on account of a death in his family.

The VICE PRESIDENT. Eighty-three Senators have answered to their names. A quorum is present.

### THE WORLD COURT (S. DOC. NO. 11)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, ordered to lie on the table, and to be printed, as follows:

*To the Senate:*

The movement to make international justice practicable and serviceable is not subject to partisan considerations. For years Republican and Democratic administrations and party platforms alike have advocated a court of justice to which nations might voluntarily bring their disputes for judicial decisions.

To give concrete realization to this obviously sound and thoroughly American policy, I hope that at an early date the Senate will advise and consent to the adherence by the United States to the Protocol of Signature of the Statute of the Permanent Court of International Justice, dated December 16, 1920, the Protocol for the Revision of the Statute of the Permanent Court of International Justice, dated September 14, 1929, and the Protocol for the Accession of the United States of America to the Protocol of Signature of the Statute of the Permanent Court of International Justice, dated September 14, 1929, all of which were submitted to the Senate December 10, 1930.

I urge that the Senate's consent be given in such form as not to defeat or to delay the objective of adherence.

The sovereignty of the United States will be in no way diminished or jeopardized by such action. At this period in international relationships, when every act is of moment to the future of world peace, the United States has an opportunity once more to throw its weight into the scale in favor of peace.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

### EXECUTIVE ORDERS RELATING TO VETERANS' REGULATIONS

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, ordered to lie on the table, as follows:

*To the Congress of the United States:*

Pursuant to the provisions of section 20, title I of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith Executive Orders No. 6775 (Veterans' Regulation No. 6 (c)) and No. 6776 (Veterans' Regulation No. 8 (a)), approved by me June 30, 1934.

Executive Order No. 6775 amends Executive Order No. 6566 (Veterans' Regulation No. 6 (b)), January 19, 1934, and Executive Order No. 6776 effected the cancelation of Executive Order No. 6096, March 31, 1933.

These regulations were promulgated in accordance with the terms of title I, Public, No. 2, Seventy-third Congress, "An act to maintain the credit of the United States Government."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

### LAWS AND RESOLUTIONS OF PHILIPPINE LEGISLATURE

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs:

*To the Congress of the United States:*

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands", I transmit herewith a copy of Act No. 4104, passed by the Ninth Philippine Legislature at its third session, and a set of the laws and resolutions enacted by the Ninth Philippine Legislature during its third special session, from April 30 to May 5, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

### REPORT OF GOVERNOR GENERAL OF THE PHILIPPINES (H. DOC. NO. 32)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Territories and Insular Affairs:

*To the Congress of the United States:*

As required by section 21 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands", I transmit herewith, for the information of the Congress, the report of the Governor General of the Philippine Islands for the calendar year 1933, together with appendixes, consisting of abridged reports of the heads of the six departments of the Philippine government for the calendar year 1933.

I concur in the recommendation of the Secretary of War that this report and its appendixes be printed as a congressional document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

(NOTE: Report accompanied similar message to the House of Representatives.)

### GENERAL RULES AND REGULATIONS OF BOARD OF SUPERVISING INSPECTORS, STEAMBOAT INSPECTION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting, pursuant to law, copies of the four classes of general rules and regulations prescribed by the Board of Supervising Inspectors under the Bureau of Navigation and Steamboat Inspection, with

supplements thereto for the years 1932, 1933, and 1934, and stating that the fifty-first supplement, covering the new boiler rules adopted by an executive committee of the Board of Supervising Inspectors and approved by the Secretary of Commerce, will be transmitted later, which, with the accompanying documents, was referred to the Committee on Commerce.

REPORT OF THE CHESAPEAKE & POTOMAC TELEPHONE CO.

The VICE PRESIDENT laid before the Senate a letter from the vice president of the Chesapeake & Potomac Telephone Co., transmitting, pursuant to law, the report of the company for the calendar year 1934, with the results of the operations for the month of December estimated only, which, with the accompanying report, was referred to the Committee on the District of Columbia.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a letter in the nature of a petition from the Woman Citizens Union, of New Orleans, La., praying for the continuance of the investigation of munitions manufacturers, which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

He also laid before the Senate a letter in the nature of a petition from the Woman Citizens Union, of New Orleans, La., praying for the prompt ratification of the World Court protocols, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the city council of Cambridge, Mass., favoring the enactment of legislation authorizing the immediate payment of the so-called " veterans' bonus ", which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted at a labor mass meeting assembled at Rockland Palace, One Hundred and Fifty-fifth Street and Eighth Avenue, New York City, N. Y., condemning lynching and mob law, and favoring the enactment of antilynching legislation, which were referred to the Committee on the Judiciary.

Mr. CAPPER presented a petition of sundry citizens of Marshall County, Kans., praying for the prompt passage of the so-called " Frazier-Lempke farm refinancing bill ", which was referred to the Committee on Agriculture and Forestry.

Mr. WAGNER. I present and ask to have printed in the RECORD and appropriately referred a memorial from the National Association of Letter Carriers, favoring the repeal of the salary reduction law affecting Federal employees.

There being no objection, the memorial was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

A MEMORIAL FOR REPEAL OF THE SALARY REDUCTION AS AUTHORIZED IN TITLE II, SECTIONS 2 AND 3, OF THE ACT ENTITLED "AN ACT TO MAINTAIN THE CREDIT OF THE UNITED STATES GOVERNMENT", APPROVED MARCH 20, 1933, AS AMENDED BY THE INDEPENDENT OFFICES APPROPRIATION ACT, 1935

*To the Senate and House of Representatives, Seventy-fourth Congress:*

The National Industrial Recovery Act was based in large measure upon the sound economic doctrine that recovery is impossible unless the wage-earners possess abundant purchasing power. In the pursuit of this objective, the N. R. A. for a year and a half has sought to increase wages in private employment.

The Government had an excellent opportunity to furnish an inspiring example to private business, and so hasten recovery. By far the largest employer in the country, it was under a moral obligation to treat its workers as it insisted that private employees be treated.

The same Congress that enacted the N. R. A., however, slashed postal and other governmental salaries 15 percent. This unwise move, besides inflicting unnecessary hardships upon a large body of faithful civil servants, intensified the depression by reducing purchasing power. By furnishing the worst possible example to private employers, it encouraged general wage cutting, and made genuine cooperation in the recovery effort difficult to obtain.

Part of the injustice has since been remedied by the restoration of one-third of the cut as of February 1, 1934, and an additional third on July 1, 1934. A 5-percent pay cut still remains in effect, however, and will not expire, in the absence of congressional action, before June 30, 1935. The elimination of that cut and the restoration of full basic salaries as of January 1, 1935, is a simple act of justice that would improve living standards among Federal workers, encourage private employers to take similar action, increase the purchasing power of the workers, heighten the confidence of business men, and so provide an important impulse toward recovery.

The postal workers had suffered losses in real wages before the depression. By 1914 Prof. Paul Douglas, of the University of Chicago, showed that the real wages of postal workers were 9 percent less than in the nineties. The rise in living costs during the war caused a further sharp drop in their living standards, and as late as 1926 their real wages were still 4 percent below the level of the nineties. This was in sharp contrast with the gains made by workers in other industries. Since 1920, it is true, postal workers have made slight gains in real wages, due to a fall in the cost of living; but these gains have been far too small to compensate for the earlier losses.

In the meantime real hourly wages in other industries were advancing rapidly. By 1929 they showed a gain of 36 percent over 1913, as contrasted with a 2-percent in real postal salaries. In 1931, when a fall in living costs had made real wages of postal workers 17 percent greater than in 1913, real hourly wages of union workers in general were 79 percent above the same base year. There was no warrant, therefore, for reducing postal salaries because of the depression.

Nevertheless, the pay of postal workers was cut several times. The Economy Act approved June 30, 1932, furloughed letter carriers and other employees for 1 month without pay during the fiscal year ending June 30, 1933. This was equivalent to a reduction of 8⅓ percent of the annual salary. The act likewise suspended annual leave with pay and made conditions worse in other respects. Furthermore, an act approved March 20, 1933, imposed a pay cut based upon living costs and permitted a maximum reduction of 15 percent. This maximum reduction was in effect from April 1, 1933, to January 31, 1934. It is this cut, now limited to 5 percent, which is still in effect. In addition, postal workers were required during the fiscal year that ended June 30, 1934, to take payless furloughs totaling 11 days. The conclusion is inescapable that postal workers have borne far more than their share of the burdens of the depression.

The very real likelihood that prices will rise rapidly in 1935 requires the restoration of full basic salaries as of January 1, 1935. The cost of living has risen steadily since April 1933 and the various devices employed by the Government to raise the price level, plus the stimulus of reviving business, are expected to cause further increases in 1935. In the past postal salaries have lagged behind increases in the cost of living, and during the interval the standard of living of postal workers has suffered. There is no excuse for allowing that to happen in the first half of 1935.

The provision in the act of March 20, 1933, by which postal salaries in the period following were to be measured by the cost of living, is highly dangerous and utterly repugnant to the philosophy upon which wages should be based. Congress should at once end this plan of fixing salaries by price levels, and so making any gain in real wages impossible. Sound social policy, as well as the steadily increasing productivity of postal workers, entitles them to an advancing standard of living.

The sum necessary to restore postal wages to their full basic amount as of January 1, 1935, instead of waiting for the automatic restoration scheduled for June 30, 1935, is trifling, compared to the magnitude of current governmental expenditures. Whereas total Federal expenditures for the fiscal year 1931, for example, were only $4,219,950,339, by December 6, 1934, in a little over 5 months, the expenditures of the current fiscal year had already passed the $3,000,000,000 mark. Emergency expenditures have assumed huge proportions, with $1,568,627,403 being spent for such purposes between July 1 and December 4, 1934. The deficit no longer alarms the Government, for it recognizes that in a war on depression, as in a military campaign, the cost is not the controlling factor.

The current advance in business, moreover, has led to a widespread feeling of confidence that business conditions in 1935 will continue to improve. Nothing could better stimulate this confidence that a decision by the Government to restore the full basic salaries of its employees; and, conversely, the Government's failure to make this move would indicate that it expected hard times to continue and might therefore exert a serious adverse effect upon the business confidence so essential to recovery. It should be recognized, moreover, that mere confidence is of little consequence unless adequate purchasing power is available.

Nor can it be argued any longer that more adequate wage payments to postal workers are barred by a postal deficit. That argument never had any validity. Thanks to the sacrifices made by postal workers, however, there is now a postal surplus instead of a deficit.

For the fiscal year ending June 30, 1933, the gross deficit was $112,374,892, and the net deficit $50,683,000. For the fiscal year ending June 30, 1934, after the regular authorized adjustments for certain subventions and free mailing services had been deducted from a gross deficit of $52,000,000, the Department showed a surplus of $12,161,415. This was the largest surplus in the history of the Postal Service, with the single exception of that for 1918.

According to figures released by Representative ROBERT L. BACON, a member of the House Appropriations Committee, the Post Office Department during the fiscal year 1934 saved $65,000,000 through the pay cut, $11,000,000 through the furlough, and $4,000,000 by cutting allowances and suspending promotions. This represents total sacrifices by the postal workers of $80,000,000 during the year. It is evident, therefore, that the excellent financial showing of the Department has been made, for the greater part, at the expense of the living standards of the postal employees.

Reviving business has increased postal revenues and made the financial outlook of the Department brighter than for some time. Revenues in October 1934, for example, were approximately 11 per-

cent greater than in the corresponding month of 1933. This tendency is expected to continue in 1935. Postal financial conditions, therefore, amply justify the restoration of full basic salaries as of January 1, 1935.

The impression must not be allowed to prevail, however, that postal salaries should be determined by the profit or loss experienced by the Post Office Department. A more fallacious argument could scarcely be advanced. The post office is a public institution, operated to serve the needs of the mailing public. It should not be judged by the standards commonly applied to business operated for profit, and the salaries of postal employees, in like manner, should not be determined by the balance sheet. In his book on United States Postal Policy, Representative Clyde Kelly, then a member of the House Committee on the Post Office and Post Roads, well expresses the right of the postal worker to "compensation which will enable him to support himself and his family on a standard of living worthy of his service in a vital public enterprise."

The minimum of justice to the great army of devoted postal workers requires the full restoration of basic salaries, effective January 1, 1935. The sacrifices made by postal workers during the depression, the likelihood that living costs will rise sharply in 1935, the current revival of business, the need for mass purchasing power and business confidence, the presence of a postal surplus instead of the usual deficit, and the right of loyal civil servants to an adequate and rising standard of living, all combine to make immediate pay restoration the least that the Government can do in fairness to the postal workers.

Respectfully submitted.

NATIONAL ASSOCIATION OF LETTER CARRIERS,
COUNCIL OF ADMINISTRATION,
By M. T. FINNAN, *National Secretary*.

JANUARY 1935.

REPORT OF THE COMMITTEE ON APPROPRIATIONS

Mr. GLASS, from the Committee on Appropriations, to which was referred the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, reported it with amendments and submitted a report (No. 12) thereon.

ADDITIONAL COPIES OF REPORT ON STOCK-EXCHANGE PRACTICES

Mr. HAYDEN, from the Committee on Printing, reported back favorably the resolution (S. Res. 36) submitted by himself on the 7th instant, which was considered by unanimous consent and agreed to, as follows:

*Resolved*, That 4,000 additional copies of the report (No. 1455) of the Committee on Banking and Currency, Seventy-third Congress, second session, on stock-exchange practices, be printed for the use of the Senate document room.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRD:

A bill (S. 1069) to advance Commander Alfred H. Miles to the grade of captain on the active list of the United States Navy; to the Committee on Naval Affairs.

By Mr. DICKINSON:

A bill (S. 1070) for the relief of William A. Thompson; to the Committee on Claims.

A bill (S. 1071) granting a pension to H. Emma Streepy; to the Committee on Pensions.

By Mr. BULKLEY:

A bill (S. 1072) for the relief of Earl N. Everson; and

A bill (S. 1073) for the relief of Louis Finger; to the Committee on Claims.

By Mr. METCALF:

A bill (S. 1074) for the relief of Anna Ventrone; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 1075) for the relief of Louis H. Cordis; to the Committee on Claims.

A bill (S. 1076) relating to the Oregon-Washington Bridge Board of Trustees; to the Committee on Commerce.

A bill (S. 1077) to further extend the time in which the States of Washington, Idaho, Oregon, Montana, and Wyoming may enter into a compact or agreement respecting the disposition and apportionment of the waters of the Columbia River and its tributaries; to the Committee on Irrigation and Reclamation.

By Mr. SHEPPARD:

A bill (S. 1078) to provide that transferors for collection of negotiable instruments shall be preferred creditors of national banks in certain cases; to the Committee on Banking and Currency.

A bill (S. 1079) authorizing the Secretary of the Treasury to execute a certain indemnity agreement; to the Committee on Finance.

A bill (S. 1080) making provisions in reference to personal injury suits by seamen; to the Committee on Commerce.

A bill (S. 1081) granting a pension to Mary L. Robinson; to the Committee on Pensions.

A bill (S. 1082) for the reinstatement of John Carmichael Williams in the United States Navy; and

A bill (S. 1083) for the relief of Cecil M. Autrey; to the Committee on Naval Affairs.

A bill (S. 1084) for the relief of W. F. Lueders;

A bill (S. 1085) for the relief of W. G. McGee;

A bill (S. 1086) for the relief of Mamie Randel;

A bill (S. 1087) for the relief of the Southern Products Company;

A bill (S. 1088) for the relief of J. H. Bowling;

A bill (S. 1089) for the relief of Arthur N. Knofft;

A bill (S. 1090) for the relief of Amy McLaurin;

A bill (S. 1091) for the relief of the Farmers and Merchants National Bank of Gilmer, Tex.;

A bill (S. 1092) for the relief of First Lt. Francis H. Kuhn; and

A bill (S. 1093) for the relief of the heirs of Frank Boddeker; to the Committee on Claims.

A bill (S. 1094) for the relief of Claude C. Martin;

A bill (S. 1095) for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the War with Germany; and

A bill (S. 1096) authorizing the appointment of Roy M. Kisner as a captain, Dental Corps, Regular Army; to the Committee on Military Affairs.

By Mr. SCHWELLENBACH:

A bill (S. 1097) to amend the naval record of Kenneth A. Kellog, alias Frank Barry; to the Committee on Naval Affairs.

A bill (S. 1098) to exempt the mining claims of disabled veterans from the requirements that labor be performed or improvements made on them; to the Committee on Mines and Mining.

A bill (S. 1099) for the relief of Ethel G. Remington;

A bill (S. 1100) for the relief of the estate of Regnor Dahl;

A bill (S. 1101) for the relief of H. M. Thatcher; and

A bill (S. 1102) conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claims of Alta Melvin and Tommy Melvin; to the Committee on Claims.

A bill (S. 1103) for the relief of William K. Beldin;

A bill (S. 1104) for the relief of Herman Wulff; and

A bill (S. 1105) for the relief of Presly Holliday, quartermaster sergeant, Quartermaster Corps, on the retired list, and for other purposes; to the Committee on Military Affairs.

A bill (S. 1106) granting a pension to Elmer K. Corbett;

A bill (S. 1107) for the relief of Sarah E. Thompson;

A bill (S. 1108) granting a pension to Jacob R. Stiltner; and

A bill (S. 1109) granting a pension to John W. Ferwerda; to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 1110) for the relief of A. Randolph Holladay; and

A bill (S. 1111) for the relief of Alfred L. Hudson; to the Committee on Claims.

A bill (S. 1112) authorizing the appropriation of $600,000, or so much thereof as may be necessary, to refund payments made to the collector of taxes of the District of Columbia for illegally assessed taxes for paving roadways or laying curbs or gutters in the District of Columbia, including penalties charged and paid, as may on the date of approval of this act be legally due Paving Tax Refund Corporation of the District of Columbia, a corporation organized under

the laws of the State of Arizona; to the Committee on the District of Columbia.

By Mr. WALSH:

A bill (S. 1113) for the relief of John A. Flagg; to the Committee on Military Affairs.

By Mrs. CARAWAY:

A bill (S. 1114) extending the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; to the Committee on Finance.

By Mr. SHIPSTEAD:

A bill (S. 1115) to amend section 5219 of the Revised Statutes, as amended (relating to State taxation of national banking associations); to the Committee on Banking and Currency.

A bill (S. 1116) authorizing the establishment of a filing and indexing service for useful Government publications; to the Committee on the Library.

A bill (S. 1117) authorizing the sale of Army rifles to honorably discharged soldiers, sailors, and marines; to the Committee on Military Affairs.

By Mr. DUFFY and Mr. BURKE:

A bill (S. 1118) to authorize the Secretary of the Treasury of the United States to refund to the Bankers Reserve Life Co., of Omaha, Nebr., and the Wisconsin National Life Insurance Co., of Oshkosh, Wis., income taxes illegally paid to the United States Treasury; to the Committee on Claims.

By Mr. BLACK:

A joint resolution (S. J. Res. 34) authorizing the improvement of the Lee Highway between Muscle Shoals and Norris Dam; to the Committee on Post Offices and Post Roads.

### PROPOSED COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

Mr. SHEPPARD submitted the following resolution (S. Res. 55), which was referred to the Committee on Rules:

*Resolved*, That rule XXV of the Standing Rules of the Senate be, and the same hereby is, amended by adding after the paragraph reading as follows: "Committee on Territories and Insular Affairs, to consist of 17 Senators", a new paragraph reading as follows: "Committee on World War Veterans' Legislation, to consist of 17 Senators."

### WITHDRAWAL OF PAPERS—ESTATE OF ELIZABETH PURTILL O'BRIEN

Mr. COUZENS. I ask unanimous consent to have the papers in connection with the bill I introduced in the Seventy-third Congress, known as "S. 3308", for the relief of the estate of Elizabeth Purtill O'Brien, a private claims bill, withdrawn from the files of the Senate, no adverse report having been made thereon.

The VICE PRESIDENT. Without objection, it is so ordered.

### ELECTRIC UTILITY BONDS AND THE INVESTING PUBLIC

Mr. COSTIGAN. Mr. President, a remarkable report of the Federal Power Commission was transmitted to the President of the United States on January 10, 1935, by Vice Chairman Basil Manly. It deals with the present market values of utility bonds issued by operating companies in the United States as distinguished from the stocks and debentures of holding companies and investment trusts. It exposes the characteristic and misleading propaganda recently practiced by certain utility agents.

The report discloses that 121 issues of such bonds last November had a market value of more than $109,000,000 above the value of such bonds in September 1929, previous to the stock market crash of that year. It further shows by figures and an illustrative chart that the utility bonds of operating companies for which records are available during the last 15 years are today selling at the highest price for that period. The report serves to refute the gloomy intimations of private utility company agents that public operation of power and light plants has proven injurious to the investments of widows, orphans, and estates.

I ask unanimous consent for the publication of this report, including the accompanying illustrative chart, in the CONGRESSIONAL RECORD as part and at the conclusion of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

FEDERAL POWER COMMISSION,
NATIONAL POWER SURVEY.

To the PRESIDENT:

In response to your request there is submitted herewith report on the present status of public-utility securities held by life-insurance companies and savings banks:

#### INVESTMENTS PRIMARILY IN OPERATING COMPANY BONDS

The utility investments of standard life-insurance companies and savings banks are, and have always been, almost exclusively in the bonds of operating companies. They hold few preferred stocks and practically no common stocks. They have almost no holding-company securities of any kind. This is in accordance with State laws, which impose strict limitations upon the investments of such institutions, prescribing as legal only those regarded as safe and conservative.

The security portfolios of six large life-insurance companies in New York State (Metropolitan, Equitable, New York Life, Guardian, Home, and Mutual Life), having total admitted assets of $8,518,000,000, have been examined. These companies, as reported by the superintendent of insurance of New York, 1933, have invested in public-utility bonds $720,000,000, or 8.4 percent of their total assets. They have only $81,000,000 invested in public-utility preferred stocks, or less than 1 percent of their total assets.

Fifteen large life-insurance companies in other States have total admitted assets of $7,871,000,000, and have $753,000,000, or 9.5 percent, in public-utility bonds. They have only $64,000,000 in public-utility preferred stocks, or eight-tenths of 1 percent of their total assets.

These 21 companies combined have total assets of $16,389,000,000, representing 79 percent of the admitted assets of all the life-insurance companies in the United States.

These figures are in substantial accord with a report submitted at the twenty-seventh annual convention of the Association of Life Insurance Presidents (December 1933) showing that the investments of 51 legal reserve life-insurance companies in public-utility bonds comprised 8.6 per cent of their total assets. Less than 1 percent of the total assets were in utility preferred stocks and less than one-tenth of 1 percent in common stocks. These figures cover telephone, gas, street railway, and other public-service companies in addition to electric utilities. The actual investment of insurance companies in the electric-light and power industry is therefore somewhat smaller than shown above.

A recent bulletin of the Savings Banks Association of the State of New York (Dec. 7, 1934) states that less than 3 percent of the assets of such banks are invested in public-utility bonds and indicates that their investments in utility stocks are negligible.

In view of the fact that utility investments of life-insurance companies and savings banks are thus limited almost exclusively to bonds, inquiry has been directed primarily to determining the present market value of that class of securities as compared with other periods.

#### PRESENT MARKET VALUE HIGHER THAN IN 1929 BOOM

Comparison is first presented of the current price of public-utility bonds of the class held by life-insurance companies and savings banks with the prices prevailing at the height of the stock-market boom of 1929. This comparison shows that the average market price of such bonds is now approximately six points higher than in September 1929.

Out of 164 public-utility bonds listed as legal for investments of insurance companies and savings banks in the State of New York in 1929, quotations are available for both September 1929 and November 1934 for 121 issues. The average quotations for these 121 issues were:

| | |
|---|---|
| September 1929: | |
| Bid | 99.4 |
| Asked | 100.6 |
| November 1934: | |
| Bid | 106.0 |
| Asked | 106.7 |

Applying this average appreciation of 6.6 points in the actual bid price of a large list of representative bonds to the total public-utility bond holdings of the 51 standard life-insurance companies ($1,658,209,000 in December 1933), we find that their market value is now $109,441,000 higher than it would have been in September 1929, before the stock-market crash of that year.

#### OPERATING UTILITY BONDS NOW AT HIGHEST PRICE IN 15 YEARS

A longer range view of the market for electric utility bonds of the class held by insurance companies and savings banks is even more impressive. It shows that utility bonds of this class are today selling at the highest price they have realized in 15 years. The average appreciation of such bonds, for which records are available throughout the period, has been 32 points, or more than 40 percent.

Out of 161 public-utility bonds listed as legal for investments by insurance companies and savings banks in New York in 1934, there are 38 for which quotations are available back to 1920. These are issues of representative utility companies in every section of the country from Maine to California. The average bid and asked quotations of these 38 issues follow. All quotations are for the last week of November of each year.

*Public-utility bonds—Legal for insurance-company investment*

| Year | Bid | Asked |
|---|---|---|
| 1920 | 76.6 | 80.1 |
| 1921 | 83.7 | 84.8 |
| 1922 | 92.6 | 93.6 |
| 1923 | 92.4 | 93.6 |
| 1924 | 96.6 | 97.4 |
| 1925 | 98.9 | 99.6 |
| 1926 | 100.8 | 101.4 |
| 1927 | 103.6 | 103.8 |
| 1928 | 102.7 | 103.3 |
| 1929 | 99.3 | 100.2 |
| 1930 | 103.7 | 104.2 |
| 1931 | 100.9 | 102.6 |
| 1932 | 103.1 | 103.8 |
| 1933 | 101.0 | 102.6 |
| 1934 | 108.9 | 109.7 |

These figures are graphically shown in the chart attached hereto (exhibit A). The detailed quotations appear in exhibit B.

The price trend for these 38 issues is fully confirmed by Moody's index for 10 public-utility bonds. This index shows a rise from a low of 76.38 in May 1920 to a high of 110.52 in December 1934.

UTILITY BONDS OF METROPOLITAN LIFE VALUED ABOVE PAR

In view of the concern expressed a little more than a year ago by Frederick H. Ecker, president of the Metropolitan Life Insurance Co., in a letter to George B. Cortelyou, president of Consolidated Gas Co., of New York, published in the New York Times of December 7, 1933, regarding the future security of public-utility bonds held by insurance companies, examination has been made of the present and past market value of the electric utility bonds held by that company. This examination shows that the average market value of such bonds is now above par and that they have enjoyed a material appreciation as compared with their value in September 1929.

Of the 217 electric utility bonds held by the Metropolitan Life Insurance Co. (report of superintendent of insurance, State of New York, 1933) quotations for 155 issues are available for both September 1929 and November 1934. The average quotations for these 155 issues were:

| | |
|---|---|
| September 1929: | |
| Bid | 97.2 |
| Asked | 98.8 |
| November 1934: | |
| Bid | 100.8 |
| Asked | 101.5 |

METROPOLITAN UTILITY HOLDINGS INCREASE $40,000,000

Unfortunately there is not available an exact list of the Metropolitan's utility holdings on December 7, 1933, when Mr. Ecker wrote Mr. Cortelyou. It is reasonable to assume, however, that the list of utility bonds and preferred stocks was substantially as reported by the New York superintendent of insurance for the year 1933. Using this list, we find that during the past year the average bid price for the public-utility bonds of the Metropolitan has increased 13.9 points and for the preferred stock 7.9 points. This is equivalent to $139 for each $1,000 bond and $7.90 for each share of preferred.

Applying these averages to the $339,000,000 par value of American public-utility bonds and to the $19,028,000 market value of utility preferred stocks held by the Metropolitan, it would appear that during the past year there has been an increase of more than $40,000,000 in the market value of that company's utility holdings.

It is worthy of note also that this increase was not due to any unusual gain in any particular security or group of securities. On the contrary, with the exception of one single issue maturing in 1935, every one of the 209 utility bonds for which comparable quotations are available increased in price during the past 12 months. Thirteen out of the 16 utility preferred stocks also showed a gain.

Within the last 6 months there have been several security issues by operating electric utilities on exceptionally favorable terms. The Edison Electric Illuminating Co. of Boston sold 2 issues of 3-percent 3-year notes totaling $55,000,000. The Consolidated Gas, Electric Light & Power Co. of Baltimore made an $18,000,000 issue of 3¾-percent bonds, and the Consumers Power Co. an $8,000,000 issue at 4 percent. The above interest rates indicate that investors retain complete confidence in the securities of conservatively capitalized operating companies.

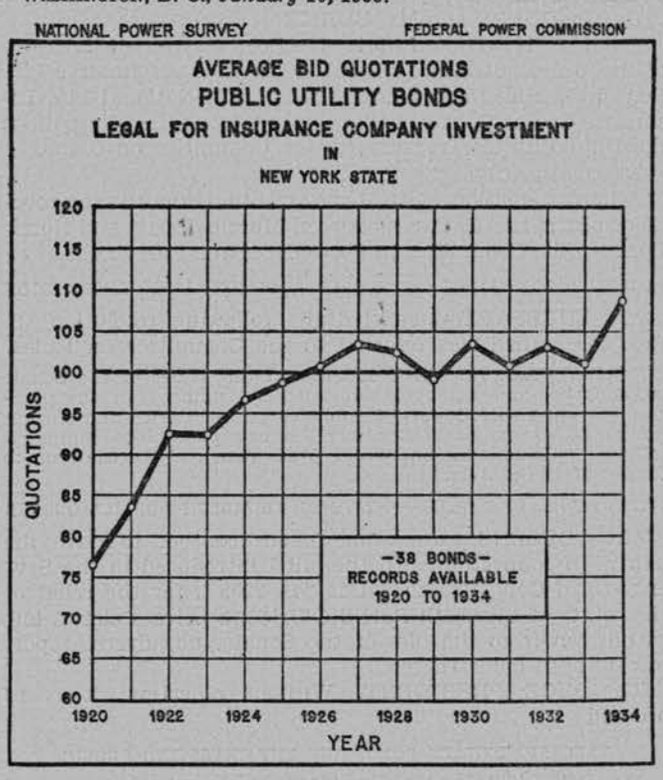
CONCLUSION

In view of the above facts, it is clear that holders of life-insurance policies and depositors in savings banks have no cause for concern regarding the security of that part of the assets of such institutions invested in electric utility bonds. Widows and orphans and other beneficiaries of estates likewise are secure; provided the executors and trustees of such estates have conformed to the legal requirements which most States have established for such fiduciary officers, and have invested the funds intrusted to their supervision in the securities of operating companies and not in stocks or debentures of holding companies or so-called "investment trusts."

Respectfully submitted.

BASIL MANLY, *Vice Chairman.*

WASHINGTON, D. C., *January 10, 1935.*




*Public-utility bonds legal in 1934 for investment by savings banks in the State of New York—Bid and asked quotations last week in November each year*

| | | 1920 | | 1921 | | 1922 | | 1923 | | 1924 | | 1925 | | 1926 | | 1927 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked |
| Brooklyn Edison Co., general 5's A | 1949 | 77½ | 77¾ | 90⅜ | 91 | 95 | 95½ | 96⅞ | 97¼ | 100 | 100¼ | 102¼ | 102⅜ | 104¼ | 104½ | 105¼ | 105¾ |
| Buffalo Gen'l Elec. Co.: | | | | | | | | | | | | | | | | | |
| First 5's | 1939 | 83 | 89 | 89 | 90 | 99 | 101 | 99¼ | 100 | 100½ | 101½ | 100½ | 102 | 103 | 104 | 105 | 106 |
| First and refunding 5's | 1939 | 80 | 82 | 89 | 91 | 97 | 98 | 97 | 97¾ | 100½ | 101 | 100½ | 102 | 102 | 103½ | 105 | 106 |
| Central Maine Power Co., first 5's | 1939 | 80 | 85 | 89 | | 95 | 96 | 95 | 96¼ | 98¼ | 99 | 99 | 101 | 101 | 102 | 104 | 105 |
| Cleveland Elec. Illum. Co., first 5's | 1939 | 82 | 84 | 92 | 93½ | 98 | 99 | 98½ | 99½ | 100¼ | 101 | 101½ | 102 | 103¼ | 104 | 105 | 106 |
| Connecticut Power Co., first and consolidated 5's | 1963 | 75 | 80 | 82 | 84 | 93 | | 95 | 97 | 103¼ | 104 | 103 | | 103 | | 104 | |
| Consol. Gas Co. of Baltimore: | | | | | | | | | | | | | | | | | |
| Consolidated first 5's | 1939 | 86 | | 91½ | | 100 | 101 | 98 | 99 | 100 | | 100¼ | 101¾ | 103 | | 105¼ | |
| General 4½'s | 1954 | 73¼ | 75 | 81½ | 82½ | 87 | 88 | 88 | 89 | 92¼ | 93½ | 94½ | 95 | 98 | 98¼ | 100¾ | |
| Consol. Gas & El. Lt. Co. of Baltimore, general 4½'s | 1935 | 72¼ | 73 | 84½ | 84 | | 91½ | 91 | | 95¾ | 96 | 97½ | 98½ | 98 | 98⅛ | 100½ | |
| Consumers Power Co. (Michigan), first lien and refunding 5's | 1936 | 82 | 83½ | 90¼ | 90½ | 95 | 95½ | 94¾ | 95¾ | 98¾ | 99½ | 100½ | 101 | 101½ | 102 | 104 | 104½ |
| Dayton Lighting Co., first and refunding (now first) 5's | 1937 | 79 | 83 | 85 | | 94 | 96 | 94½ | 96½ | 97½ | 99 | 99½ | 101 | 101¼ | 102 | 100½ | 101½ |
| Dayton Power & Light Co. first and refunding 5's | 1941 | 75 | | 78 | 80 | 91 | 93 | 92 | 93 | 97 | 98 | 99⅜ | 100⅝ | 101½ | 102¼ | 102½ | 103½ |
| Edison El. Illum. Co. of Brooklyn, first consolidated 4's | 1939 | 73 | 81⅛ | 81 | 81½ | 80⅝ | 89 | 89 | 89¾ | 90½ | 91 | 92¼ | | 94½ | 95 | 97⅝ | |
| Edison El. Illum. Co. of New York, first consolidated 5's | 1995 | 85 | | 91 | | 101⅛ | | 97⅜ | 100 | 99⅞ | | 102½ | | 106⅞ | | 112⅛ | |
| Equitable G. & E. Co. of Utica, first 5's | 1942 | 75 | 80 | | | 93 | | 94 | | 97 | 100 | 99 | 101 | 101 | 103 | 102 | |
| Idaho Power Co., first 5's | 1947 | 77 | 80 | 85 | | 91 | 91 | 87½ | 88½ | 92½ | 93½ | 96½ | | 98 | 98¾ | 101⅜ | 101¾ |

*Public-utility bonds legal in 1934 for investment by savings banks in the State of New York—Bid and asked quotations last week in November each year*—Continued

| | | 1920 | | 1921 | | 1922 | | 1923 | | 1924 | | 1925 | | 1926 | | 1927 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked |
| Kings County El. Lt. & Pr. Co.: | | | | | | | | | | | | | | | | | |
| First 5's | 1937 | 81⅛ | ------ | 89½ | 92½ | 97⅝ | ------ | 97¾ | ------ | 100 | ------ | 102⅛ | 103 | 103 | ------ | 104⅛ | ------ |
| Purchase money 5's | 1997 | 91 | 92½ | 104 | 104½ | 109½ | ------ | 110⅜ | 110⅞ | 115⅛ | 117 | 119⅜ | ------ | 122¾ | 124 | 130⅛ | ------ |
| Los Angeles Gas & Elec. Corp., first and refunding 5's | 1939 | ------ | 85 | 89½ | 91½ | ------ | 97 | 95¾ | ------ | 98½ | 99 | 105⅝ | ------ | 101¼ | 102 | 104 | 104¾ |
| Michigan Light Co., first and refunding 5's | 1946 | 75 | 80 | 81 | 83 | 87 | 90 | 90 | 92 | 97¾ | 98¼ | 98½ | 99½ | 102 | 102½ | 104½ | 105¼ |
| Nassau & Suffolk Lighting Co., first 5's | 1945 | 60 | 80 | 65 | 75 | 70 | ------ | 80 | 83 | 83 | 85 | 90 | 91 | 96½ | 97½ | 100½ | 101 |
| New England Power Co., first 5's | 1951 | ------ | 81¾ | 87¾ | 89½ | 98 | 100 | 95½ | 96½ | 101½ | 102¼ | 102½ | 104 | 102 | 103½ | 104½ | 105½ |
| N. Y. Gas & El. Lt., Heat & Pr. Co.: | | | | | | | | | | | | | | | | | |
| First 5's | 1948 | 81 | 83 | 90⅝ | 91 | 98⅞ | 100 | 97⅜ | 97⅝ | 100½ | 101 | 103½ | 103¾ | 105¼ | 106 | 103½ | ------ |
| Purchase money 4's | 1949 | 63 | 65¾ | 75 | 75¾ | 80¾ | ------ | 82¼ | 82¾ | 85⅜ | 86 | 88⅛ | 89 | 91⅜ | 92 | 96⅜ | 96¾ |
| North Hudson Lt. Heat & Pr. Co., first 5's | 1938 | 80 | ------ | 76 | ------ | 90 | ------ | 90 | ------ | 96 | ------ | 99 | ------ | 101 | ------ | 98 | ------ |
| Philadelphia Elec. Co.: | | | | | | | | | | | | | | | | | |
| First 4's | 1966 | 67 | 70 | 70 | ------ | 80 | 83 | 80 | 82 | 83 | ------ | 85 | 86 | 88 | 88¼ | 93¾ | 94¾ |
| First 5's | 1966 | 84 | 84½ | 90½ | 91 | 99¼ | 99½ | 97½ | 98 | 101 | 101¼ | 102½ | 103 | 104 | 104¼ | 107½ | 108 |
| Potomac Electric Power Co., consolidated 5's | 1936 | 82½ | 93 | 88½ | ------ | ------ | 95½ | 97 | 97½ | 98¼ | 99 | 99½ | 100 | 100¾ | 101 | 103 | 103¼ |
| San Diego Consol. G. & E. Co., first 5's | 1939 | 80 | 85 | 88 | ------ | 93 | 95½ | 92 | 95 | ------ | 99½ | 100 | 101 | 101 | 102½ | 103¾ | 104½ |
| Southern Calif. Edison Co., general 5's | 1939 | 80 | 83 | 90½ | 91½ | 97 | 98½ | 96½ | 97½ | 100 | 102 | 99 | 100 | 101 | 102¼ | 103½ | 104½ |
| Syracuse Lighting Co., first 5's | 1951 | ------ | 80 | 77 | ------ | 91 | 94 | 92 | 93 | 98⅛ | 98¾ | 99¼ | 101¼ | 102⅜ | ------ | 106⅛ | ------ |
| Twin State Gas & Elec. Co., first and refunding 5's | 1953 | 55 | 60 | ------ | ------ | ------ | ------ | 78 | 80 | 84½ | 86 | 92½ | 93½ | 99½ | 100½ | 102½ | 103 |
| United Elec. Co. of N. J., first 4's | 1949 | 63 | 68 | 68½ | 70 | 81 | 83 | 81½ | 82½ | 85 | 86 | 87½ | 88½ | 87½ | 88½ | 91¾ | ------ |
| Utica Gas & Elec. Co., refunding and extension 5's | 1957 | 73 | 80 | 85 | ------ | 90½ | 91¾ | 91½ | 92 | 97⅛ | 97⅝ | 100¾ | ------ | 102 | 102¼ | 106¼ | ------ |
| West Penn. Power Co., first 5's A | 1946 | 76 | 78 | 86 | 90 | 92⅜ | 92½ | 90⅜ | 91 | 96 | 96¼ | 99½ | 99⅞ | 100 | 101 | 103¼ | 103½ |
| Wheeling Elec. Co., first 5's | 1941 | 70 | 80 | 63 | ------ | 90 | 91¾ | 91 | 94 | 95¾ | 97 | 97¼ | 99 | 99½ | 100½ | 100 | ------ |
| Wisconsin Gas & Elec. Co., first 5's | 1952 | 72 | 77 | 75 | ------ | 90 | 93 | 91 | 93 | 97 | 97½ | 99 | 100 | 100 | 101¼ | 103 | ------ |
| York Haven Water & Power Co., first 5's | 1951 | 76 | ------ | 75 | ------ | 90 | 93 | 87 | 91 | 97 | 98 | 98 | 100 | 100 | 100¾ | 102¼ | 102¾ |
| Average | ------ | 76.6 | 80.1 | 83.7 | 84.8 | 92.6 | 93.6 | 92.4 | 93.6 | 96.6 | 97.4 | 98.9 | 99.6 | 100.8 | 101.4 | 103.6 | 103.8 |

| | | 1928 | | 1929 | | 1930 | | 1931 | | 1932 | | 1933 | | 1934 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked | Bid | Asked |
| Brooklyn Edison Co. general 5's A | 1949 | 104⅝ | 105 | 103¼ | 103¾ | 105¼ | 106 | 104⅜ | 104⅞ | 105⅝ | 106½ | 104⅛ | 105 | 109⅝ | 109¾ |
| Buffalo Gen'l Elec. Co.: | | | | | | | | | | | | | | | |
| First 5's | 1939 | 103¾ | ------ | 100 | 101½ | 103½ | 104½ | 101¾ | ------ | 105 | 105¼ | 103 | 104 | 109½ | 112 |
| First and refunding 5's | 1939 | 103½ | ------ | 100 | 101 | 103 | 104 | 101½ | ------ | 104½ | 105 | 102 | 103½ | 109½ | 111 |
| Central Maine Power Co., first 5's | 1939 | 102¾ | 103½ | 99½ | 101 | 102 | 103½ | 99 | 101 | 102 | 103½ | 100 | 102 | 105 | 106 |
| Cleveland Elec. Illum. Co., first 5's | 1939 | 102½ | 104 | 100½ | 101½ | 103⅝ | 104¼ | 102 | 104 | 105 | 106 | 103¾ | ------ | 107¾ | ------ |
| Connecticut Power Co., first and consolidated 5's | 1963 | 105½ | ------ | 103 | ------ | 105 | ------ | 103 | ------ | 106 | ------ | 107 | 109 | 110½ | 112½ |
| Consol. Gas Co. of Baltimore: | | | | | | | | | | | | | | | |
| Consolidated first 5's | 1939 | 102 | 103¼ | 100 | ------ | 102½ | ------ | 101⅝ | ------ | 107½ | 110 | 103½ | 105 | 109⅞ | 110¼ |
| General 4½'s | 1954 | 99¼ | 99¼ | 97 | 97½ | 101 | ------ | 101½ | ------ | 102 | 103 | 100¼ | 102 | 112 | 114 |
| Consol. Gas & El. Lt. Co. of Baltimore, general 4½'s | 1935 | 99 | 100 | 98 | 99 | ------ | 101½ | ------ | 100 | 101¾ | 103⅛ | 101½ | 102 | 100⅝ | 101⅜ |
| Consumers Power Co. (Michigan), first lien and refunding 5's | 1936 | 101 | ------ | 99½ | 100 | 102¾ | 103¼ | 101 | 103 | 104⅛ | 104⅝ | 100¼ | 101¼ | 103⅞ | 104 |
| Dayton Lighting Co., first and refunding (now first) 5's | 1937 | 100¼ | ------ | 97 | 100 | 100 | ------ | 100⅛ | ------ | 103 | ------ | 100½ | ------ | 106 | ------ |
| Dayton Power & Light Co., first and refunding 5's | 1941 | 101 | 102½ | 98 | 99 | 101 | ------ | 101 | 103 | 103½ | 104 | 100 | 101 | 106 | 107 |
| Edison El. Illum. Co. of Brooklyn, first consolidated 4's | 1939 | 96½ | 96¾ | 94⅛ | 95½ | 97 | 98½ | 96 | 97½ | 101½ | 102 | 99¾ | 100½ | 107 | 107¼ |
| Edison El. Illum. Co. of New York, first consolidated 5's | 1995 | 110½ | 113⅜ | 108 | ------ | 115¼ | 116½ | 105 | 114⅞ | 112½ | 115 | 107⅝ | 120 | 124⅝ | ------ |
| Equitable G. & E. Co. of Utica, first 5's | 1942 | 103 | ------ | ------ | ------ | 102 | ------ | 101 | 103 | 101½ | ------ | 99 | ------ | 110½ | 111 |
| Idaho Power Co., first 5's | 1947 | 100 | 101 | 98¾ | ------ | 102½ | 103½ | 97 | 98⅛ | 99½ | ------ | 86 | ------ | 104½ | 104⅝ |
| Kings County El. Lt. & Pr. Co.: | | | | | | | | | | | | | | | |
| First 5's | 1937 | 103⅝ | 104 | 100⅝ | ------ | 103 | ------ | 102¼ | 103 | 104⅜ | ------ | 104 | ------ | 108¼ | ------ |
| Purchase money 5's | 1997 | 130 | 133 | 124 | 125 | 133 | 136½ | 123¾ | 140 | 129⅛ | 131½ | 120⅛ | 130 | 142⅛ | 149½ |
| Los Angeles Gas & Elec. Corp., first and refunding 5's | 1939 | 102¾ | ------ | 99 | ------ | 102 | ------ | 100½ | 102 | 103¾ | 104 | 101 | ------ | 107¼ | ------ |
| Michigan Light Co., first and refunding 5's | 1946 | 102¾ | 104 | 99 | 101 | 103½ | ------ | 99 | ------ | 104 | ------ | 103 | 105 | 108 | ------ |
| Nassau & Suffolk Lighting Co., first 5's | 1945 | 99½ | 101 | 89½ | 91 | 100¼ | 101 | ------ | 99¼ | 96 | 98 | 97 | 100 | 100 | 102 |
| New England Power Co., first 5's | 1951 | ------ | 104 | 101 | ------ | 104½ | ------ | 101 | 104 | 100¼ | 100½ | 99 | 101 | 108 | 109 |
| N. Y. Gas & El. Lt., Heat & Pr. Co.: | | | | | | | | | | | | | | | |
| First 5's | 1948 | 107⅜ | 108¼ | 104⅛ | 105 | 107⅞ | 108½ | 105⅝ | 106½ | 108⅝ | 109 | 105⅞ | 106¾ | 116⅛ | 116¾ |
| Purchase money 4's | 1949 | 94⅞ | 95¾ | 92½ | 93⅞ | 96¾ | 97 | 93⅞ | 95¼ | 99¾ | 100 | 98 | 99 | 107½ | 108 |
| North Hudson Lt., Heat & Pr. Co., first 5's | 1938 | 100 | ------ | 98 | ------ | 101 | ------ | 100 | ------ | 98 | ------ | 100 | ------ | 105 | ------ |
| Philadelphia Elec. Co.: | | | | | | | | | | | | | | | |
| First 4's | 1966 | 95 | 96 | 88½ | 89½ | 95¼ | ------ | 93 | 95 | 95 | ------ | 98 | ------ | 104 | 105¼ |
| First 5's | 1966 | 105¼ | 106 | 102 | 102½ | 108⅛ | 108⅝ | 104½ | 105½ | 107 | 107½ | 107 | 108 | 113¼ | 113⅝ |
| Potomac Electric Power Co., consolidated 5's | 1936 | 101⅞ | ------ | 99 | 101 | 102⅞ | 103⅜ | 101 | ------ | 104½ | 105¼ | 102 | ------ | 105⅜ | ------ |
| San Diego Consol. G. & E. Co., first 5's | 1939 | 102¾ | 103¾ | 98½ | ------ | 102¾ | ------ | 100 | ------ | 103 | ------ | 100½ | 102½ | 105½ | 107 |
| Southern Calif. Edison Co., general 5's | 1939 | 101¾ | 102½ | 100 | 100¾ | 103 | 104 | ------ | ------ | 105½ | 106¼ | 101½ | 103 | 107 | 108 |
| Syracuse Lighting Co., first 5's | 1951 | 106⅞ | ------ | 103 | 103¾ | 107⅝ | ------ | 102¼ | 106¼ | 106 | ------ | 107 | 109 | 112 | ------ |
| Twin State Gas & Elec. Co., first and refunding 5's | 1953 | 99½ | 101 | 92 | 95 | 102½ | 104½ | 99 | 100 | 88 | ------ | 87 | 90 | 102 | 104¼ |
| United Elec. Co. of N. J., first 4's | 1949 | 92½ | 94 | 88 | 90 | 97 | ------ | 91 | 94 | 97 | 100 | 96 | ------ | 107¾ | 108 |
| Utica Gas & Elec. Co., refunding and extension 5's | 1957 | 106½ | 107½ | 102½ | ------ | 108⅜ | 109½ | ------ | 103 | 103¾ | ------ | 101⅞ | ------ | 115⅜ | ------ |
| West Penn. Power Co., first 5's A | 1946 | 103⅛ | 104 | 101 | 101½ | 104 | 105 | 102 | 103 | 105 | ------ | 102¼ | 103½ | 109⅛ | 110 |
| Wheeling Elec. Co., first 5's | 1941 | 100½ | 101½ | 95 | 98 | 100½ | 101½ | ------ | 100 | 98 | 100 | 100¼ | ------ | 106½ | 107¼ |
| Wisconsin Gas & Elec. Co., first 5's | 1952 | 102 | ------ | 99 | 101 | 103 | 104 | 100½ | 101½ | 99½ | 101 | 90 | 95 | 105½ | 106½ |
| York Haven Water & Power Co., first 5's | 1951 | 104 | ------ | 100 | ------ | 104½ | ------ | 99½ | 103½ | 97½ | ------ | 99 | 101 | 104½ | 106 |
| Average | ------ | 102.7 | 103.3 | 99.3 | 100.2 | 103.7 | 104.2 | 100.9 | 102.6 | 103.1 | 103.8 | 101.0 | 102.6 | 108.9 | 109.7 |

THE CALENDAR

The VICE PRESIDENT. The calendar is in order under rule VIII. The first order of business will be stated.

The first order of business on the calendar was the bill (S. 396) to amend section 1180 of the Code of Laws for the District of Columbia with respect to usury.

Mr. BULKLEY. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

ADDITIONAL ASSISTANT CLERKS TO SENATORS

The Senate proceeded to consider the resolution (S. Res. 39) submitted by Mr. BYRNES on the 10th instant, which had been reported back favorably from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment to strike out:

That whenever during the remainder of the present session of Congress a Senator shall file with the Chairman of the Committee to Audit and Control the Contingent Expenses of the Senate a statement showing the necessity for an additional clerical assistant to enable him to discharge the duties of his office, such—

And to insert in lieu thereof " that each ", so as to read:

That each Senator may appoint one assistant clerk, to be paid from the contingent fund of the Senate at $1,500 per annum until the end of the present session of Congress.

The amendment was agreed to.

The resolution as amended was agreed to.

The VICE PRESIDENT. That completes the calendar.

FIFTEENTH ANNIVERSARY OF EIGHTEENTH AMENDMENT

Mr. SHEPPARD. Mr. President, today marks the fifteenth anniversary of the eighteenth amendment. Thirteen months have passed since its repeal.

Within that time the evils of liquor and the liquor traffic have multiplied so rapidly as to call for the immediate return of national constitutional prohibition.

For instance, there are already more places where legalized liquor is sold in the United States today, only 13 months after repeal, than there were in the entire country at the time of the adoption of the eighteenth amendment.

The wets joined with us in denouncing the saloon. They said that it would not be permitted to return. They said they could not tolerate the idea of going back to the barroom of the days before prohibition. In fact, so general and so pronounced was this sentiment among the wets that it may be questioned whether a majority of them would have supported repeal if they had known it would result in the return of the saloon on a bigger and more devastating scale than ever. Where are those wet voices now? Where are those propagandists who mingled expressions of horror against the saloon with denunciations of prohibition?

In 1915, one of the last unrestricted wet years before prohibition, persons paying the Federal tax as retail dealers in distilled spirits for beverage purposes numbered 190,469, including keepers of saloons, drug stores, and other places licensed to sell distilled spirits at retail, and the number of retail dealers in fermented liquors was 13,740. In 1919, on the eve of national constitutional prohibition, war-time repression and other restrictions had reduced the number of retail dealers in distilled spirits to 107,851 and the number of retail dealers in fermented liquors to 4,628. During the national prohibition period retail liquor licenses to drug stores for medicinal purposes ranged in round numbers from 11,000 in the first year to 20,000 in the last year of that epoch. At the close of the fiscal year ending June 30, 1934, 7 months after repeal, the Federal Government had issued 207,382 licenses for beverage purposes to retail dealers in distilled spirits and 230,322 licenses for such purposes to retail dealers in fermented liquors. These numbers include licenses to saloons, State stores, drug stores, hotels, restaurants, and other places licensed to sell distilled spirits or fermented liquors at retail.

From widely distributed areas come reports of saloons, taverns, cocktail rooms, tap rooms, and other new-fashioned drinking and liquor selling places in operation, running at all hours, resuming old alliances with gambling, gangsterism, prostitution, political corruption, crime in general, with girls as young as 16 for barmaids, with women frequently conspicuous among the patrons. The Newark Evening News recently said that it was disappointing that the legalized sale of liquor in numerous States, including its own, had brought back the old saloon, call it by any name we please; that it was even probable that those who promised the elimination of the saloon did so with their tongues in their cheeks.

The New York Herald Tribune has within the last 2 months quoted an official of a great hotel in the city of New York as saying that prior to prohibition on rare occasions only did one see unescorted women imbibing cocktails in the afternoon, but that since repeal at least 50 percent of the patrons had been women.

The Chicago Daily News said in October last that the tavern, under the new Illinois liquor law, retained all the evils of the old saloon and added new evils of its own; that the old alliance between the saloon and politics had been resumed; that every promise that after the restoration of the liquor traffic to legality the business would be made and would be kept respectable and law-abiding had been violated. That same publication also said a short time before that politicians faithless to the solemn pledges of both Democratic and Republican Parties had thrown open the door of the saloon in its State; that Chicago had been flooded with evil concoctions called whisky, that bawdiness and murder had followed; that the saloon was breaking the law and provoking lawbreaking; that it was promoting social insecurity and menacing the home; that police regulation had become a farce; that the saloon was the ugly progeny of liquor traffic greed and political bad faith.

The Albuquerque Journal said last month that when the sale of intoxicating liquor was legalized in New Mexico in 1933 the people were assured by the wording of the law itself that the open saloon, outlawed since 1918, would not return, that the plain intent of the legislature, shown in the wording of the act, was to permit the serving of liquor by hotels, restaurants, and cafes to its patrons with meals only, that the effect had been just the opposite; that barrooms, cabarets, and roadhouses had sprung up and were in blatant, brazen operation openly specializing in hard liquor, wine, and beer, jazz dancing, raucous orchestras, that drinking was permitted in dance halls, which the legislature plainly attempted to prohibit, minors finding it easy to buy drinks and consume them on the premises until they reached such a state of intoxication that they could not reach their cars at closing time without assistance.

With the repeal of the eighteenth amendment has come not only the open saloon, but an increase in the use of intoxicants, in the number of automobile accidents—fatal and otherwise—and in the number of drinking and drunken drivers.

The New York Times in a recent editorial points to what it terms an alarming increase in deaths resulting from motor accidents. It cites the latest report of the National Safety Council to the effect that in 1934 they reached a total of 36,000—an increase of 16 percent in a single year—showing that all the gain since 1931 had been wiped out. It adds that there is no indication of any halt in what it calls the " fresh upward curve." It states, further, that increased use of automobiles accounts for only a part of the growth in fatalities, that the number of motor vehicles registered in 1934 was practically the same as in 1933, gasoline consumption rising only 5 or 6 percent; that there has been a decided increase in the entry, " Driving while drunk ", on the police blotters in many States in recent months, and refers to a report from the Travelers Insurance Co. of Hartford to the effect that there has been an increase in 1934 over 1933 of 42 percent in the number of intoxicated drivers involved in automobile accidents and of 60 percent in the number of intoxicated pedestrians so involved. It is but fair to say that the editorial asserts that increased speed must also bear a large share of the responsibility for these fatalities. It should be added here that the report of the Travelers Insurance Co. referred to by this publication shows that a person was killed every 15 minutes and some injured every 31 seconds, on the average, in automobile accidents in 1934, making a total of at least 36,000 deaths and 900,000 injured during the first

year of repeal—an increase of 16 percent over the number of deaths in 1933.

This means that deaths on the highways in time of peace and in the first liquor year since repeal, namely, 36,000, amounted to 72 percent of all American battle deaths in the World War during American participation—such deaths numbering 50,280. This means that injuries on the highways in the same period not resulting in death, namely, 900,000, were more than four times as many as battle injuries of nonfatal character to American soldiers in the World War during the time America took part—such injuries numbering 205,600.

Let us examine specific returns from various sections of the country. Manchester, the largest city of New Hampshire, reports 1,486 arrests for drunkenness during the last 12 months before repeal, and 1,953 arrests during the first 12 months of repeal, an increase of 31.4 percent. For the same periods before and since repeal arrests for driving while drunk in this city increased from 35 to 73, or 108.5 percent. On December 5, 1934, the commissioner of public vehicles reported that the permits of 744 operators had been canceled in New Hampshire during the first year of repeal, compared with 413 cancelations during the year before repeal, an increase of 80 percent.

The Boston Transcript in a recent issue quotes Chairman William P. Hayes, of the Massachusetts State Alcoholic Beverage Control Commission, as saying that this body is considering the withdrawal of liquor permits from all restaurants except the largest ones because drinking among young women has increased enormously—outrageously. He is also quoted by this paper as saying that the commission is considering an increase in the number of licensed liquor taverns from which women are barred by law.

Police figures for Boston for the year ending November 30, 1934, show 43,825 arrests for drunkenness, compared with 36,941 for the year ending November 30, 1933, an increase of 6,884, or 18.5 percent. They also show that the number of men arrested for drunkenness increased from 35,401 during the former period to 41,609 during the latter, or 17.5 percent, while the number of women so arrested grew from 1,540 to 2,216, an increase of 43.8 percent; that 114.3 percent more women and 17.7 percent more men were arrested for driving while under the influence of liquor during the latter than in the former period. Morgan T. Ryan, registrar of motor vehicles for Massachusetts, stated in September 1934, when automobile deaths in that State reached a total of 37 in 1 week, that this gruesome, cadaverous record was the worst story of auto tragedies ever known in Massachusetts; that it meant not only an average of more than 5 killings every day of the week but was 21 deaths more than those of the corresponding week a year before; that the total for the State fiscal year had risen to 633, a 13-percent rise over the preceding year; that no less than 32 different cities and towns had suffered the loss of inhabitants, old and young, with double deaths in 5 localities; that the two main factors in these accidents were speed and liquor.

Official figures from 13 cities in Virginia, which has the so-called "State authority plan", show an increase in arrests for public intoxication for the 4 months from June 1 to October 1, 1934, after the State stores began, as compared with the same period of 1933 under prohibition of 53.5 percent for Bristol, 46.4 percent for Charlottesville, 70.6 percent for Clifton Forge, 139.7 percent for Danville, 330.2 percent for Harrisonburg, 99 percent for Lynchburg, 151.2 percent for Newport News, 66.6 percent for Norfolk, 46.7 percent for Petersburg, 39 percent for Portsmouth, 59.3 percent for Richmond, 126.2 percent for Staunton. Hopewell reported a decrease of 40.7 percent. The average percentage of increase in arrests for intoxication in these 13 cities was 71.1 percent; for driving while drunk, 53.3 percent. In 11 of these cities from which reports were received the number of permits revoked for driving while drunk increased 47.7 percent.

Reports from police officials in seven cities of Pennsylvania, which also has the State authority plan, indicate the same trend toward an increase in intoxication and in driving while drunk. For the first 9 months of 1934, as compared with the same period of 1933, Allentown reports an increase of 26 percent in arrests for intoxication and of 30.7 percent in arrests for driving while drunk, Butler an increase of 62.5 percent in arrests for intoxication and no increase in arrests for driving while drunk, Chester an increase of 14 percent in arrests for intoxication and of 300 percent in arrests for driving while drunk, Harrisburg an increase of 8.8 percent in arrests for intoxication and of 25.8 percent in arrests for driving while drunk, Philadelphia an increase of 21.8 percent in arrests for intoxication and of 51.2 percent in arrests for driving while drunk, Reading an increase of 5.7 percent in arrests for intoxication and of 71.4 percent in arrests for driving while drunk, Wilkinsburg an increase of 12.3 percent in arrests for intoxication and of 200 percent in arrests for driving while drunk. Wilkinsburg also reported an increase of 40.5 percent in arrests for being drunk and disorderly for the same period in addition to the plain drunks.

Minneapolis reports 8,603 arrests for drunkenness in 1934, as compared with 7,678 in 1933, and 442 arrests for driving while intoxicated in 1934, as compared with 278 in 1933, an increase of 59 percent.

According to figures from the Washington, D. C., police department, the all-time record in automobile fatalities and injuries for this city was made under repeal in 1934, during which 135 persons were killed and 3,973 injured. During the previous year, 1933, the number killed in automobile accidents was 80. The first year of repeal showed an increase, therefore, of 68.75 percent in these tragic deaths.

Jail records for the District of Columbia show that in 1932 there were 8,430 commitments for intoxication, that in 1933 with beer legalized after April 7 these commitments rose to 11,618, that in 1934 under repeal they reached a total of 13,462.

In response to requests for information on the drunken driving situation from all over the State, E. Raymond Cato, chief, California Highway Patrol, compiled data based upon abstracts received from courts hearing cases on violations of the vehicle act, showing that in the first 9 months of 1934, 2,759 intoxicated drivers and 474 intoxicated pedestrians were involved in motor-vehicle accidents, as compared with 2,341 intoxicated drivers and 294 intoxicated pedestrians involved in such accidents during the same period in 1933. In actual practice, a number of cases in which liquor was involved would not appear in these figures. Very often traffic officers prefer a charge of reckless driving, noting usually, but not always, that the violator had been drinking.

The United States Bureau of the Census reports that the annual death rate for 86 cities of this country with a population of 37,000,000 was 11.3 percent per thousand of said population for the first 46 weeks of 1934, as against a rate of 10.8 for the same period of the previous year. The death rate from automobile accidents in these cities for the first 46 weeks of 1934 was 23 percent per 100,000 of the population as compared with 21.2 percent for the same period of 1933.

A recent report of an investigating committee of the Texas State Senate reveals liquor conditions in that State of most revolting character, a situation I predicted in my Texas campaign for the eighteenth amendment would follow repeal not only in Texas but throughout the Nation.

We were told that repeal would eliminate the bootlegger. The Director of the Federal Alcohol Administration has told us since repeal that so far as the liquor traffic is concerned the United States is living in a fool's paradise and that the bootleg trade is still with us. And yet we were told that prohibition was the cause of bootlegging and thus became a breeder of all crime, that the effort to prohibit made people want to drink, to violate the law, and that thus a spirit of lawlessness was let loose, expressing itself in crimes of many kinds. It was the favorite claim of the patron of the bootlegger in prohibition times that prohibition was making him a criminal. And yet, more than a year after repeal, the bootlegger and his clients are still functioning. The buyer from the bootlegger who charged that prohibition made him drink must now find some other excuse for his disregard of law and continued support of an outlaw trade. And those

who denounced prohibition as one of the principal sources of crime must find some other explanation for the contempt of law and its increasing violation which surround us today on every side 13 months after repeal.

At this point note the reasons which the recent Budget message gives to Congress for the request for additional appropriations for law enforcement and crime repression during the next fiscal year, the year beginning June 30, 1935. On page 426 of this message it is stated that on account of the anticipation that there would be a considerable decrease in prison population following the repeal of the eighteenth amendment and the expiration of the sentences of prohibition law offenders material reductions were made in appropriations for penal and correctional institutions for the fiscal year ending June 30, 1935. And then the message says that present indications are, however, that there will be no decrease in the number of prisoners, and that not only will the reductions in appropriations have to be restored but that further funds will be required because of the advance in commodity prices. A request is then made for an increase of $2,789,445 in the appropriation for the Department of Justice, $1,646,872 of which is for penal and correctional institutions. The message also requests an increase of $3,678,738 for the Coast Guard in the Treasury Department, stating that the appropriation for this service for the present fiscal year, the year ending June 30, 1935, was considerably reduced on the assumption that smuggling would diminish to a large extent. The message then adds that this situation has failed to materialize, and that it will be necessary to provide a deficiency appropriation for this service. This means, of course, that the rum-runner is again infesting our waters more than a year after repeal. Before May of last year the Coast Guard was allotted funds from the Public Works Administration to purchase 27 new seaplanes and amphibians, and it was anticipated that it would take over 14 land planes from the Customs Bureau and 6 Navy planes. This would make a total force of 61 planes as against 14 theretofore.

In the light of facts now developing, how rapidly are the old arguments against prohibition losing force? Take the cost of prohibition, against which the wets so bitterly complained, and compare the cost of protecting the legal liquor seller against his illicit competitor in what is only the beginning of repeal. The appropriations for the Government unit specifically charged with the enforcement of prohibition amounted to less than ten millions a year to and including 1926. In fact, the largest sum ever provided for the Bureau of Prohibition and the Bureau of Industrial Alcohol was appropriated in 1932, when they together expended $15,547,444.66. And yet the present Alcohol Tax Unit, charged with administering the Federal Liquor Tax Act of 1934, received an appropriation of $14,311,974 for its first year.

Take the question of revenue. How woefully the American people were misled! Mr. Jouett Shouse, president of the Association Against the Prohibition Amendment, was reported in the Evening Star, Washington, D. C., of September 14, 1933, as estimating that the total Federal revenue from the sale of beer, wine, and spirits in the 17 States that were wet and which contain 48 percent of our population would reach $1,236,547,690, while others later made predictions of $700,000,000 and $800,000,000. Professor Seligman's estimate, if I remember correctly, went as high as $1,500,000,000. The Bureau of Internal Revenue has recently issued a statement showing that the total internal-revenue receipts from liquor taxes during the calendar year 1934 amounted to $374,506,232.50. But whether the amount is three hundred and seventy-four millions or Mr. Shouse's billion two hundred million or Professor Seligman's billion and a half, or whether it runs into infinity, it would never compensate for the wrecked manhood, the debauched womanhood, the ruined souls the mills of the liquor gods grind out so mercilessly through the years.

Take the experience of the State of Pennsylvania. When its State liquor monopoly went into effect on November 29, 1933, the legislature was so enthusiastic over expected liquor revenues from the State stores that it appropriated $20,250,000 for unemployment relief, $4,000,000 for old-age assistance, and $1,310,000 for pensions for the blind, a total of $25,560,000, all to be paid from the profits anticipated from the State-operated liquor business. The financial statement issued by the State liquor control board as of September 29, 1934, showed a net profit to that date of $3,245,197.59, of which the Governor allocated $1,500,000 for unemployment relief and $598,000 for pensions for the blind. I assume he included some of the wet estimators among the blind.

In the campaign for repeal much emphasis was laid upon the argument that Congress would enact and maintain legislation to protect dry States and localities from importation in violation of local law. This promise was written directly into the twenty-first amendment, which was ratified by the people and is now a part of the Constitution. The second section of that amendment provides that the transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

This section imposes a constitutional obligation on Congress to protect States and localities desiring to prohibit the liquor traffic. Although Congress took immediate steps to provide for the collection of excise taxes on intoxicating liquors, it has done nothing to meet, and has ignored for 13 months, the obligation imposed upon it by the ratification of the twenty-first amendment, and this despite the most solemn promise given when repeal was under consideration that the dry States would be protected. The only action taken by Congress in reference to liquor matters in dry States was the repeal by the Liquor Tax Act of 1934 of section 5 of the act of March 3, 1917, enacted before national prohibition, which prohibited the use of the United States mails for the circulation of newspapers containing liquor advertising in dry States. The result is that today newspapers containing liquor advertising and radio programs financed by liquor interests praising the merits of various types of alcoholic beverages are being sent directly into the homes of citizens in dry States, despite State policy evidenced by State constitution and laws.

Such is a partial outline of the record of the liquor traffic for practically the first year of its restoration. Brief as this outline necessarily has been, it is sufficient to give some idea of what that restoration means for our country. It means that integrity in government, soundness in morals and in health, safety of life, respect for law, internal peace and order, and allegiance to the nobler principles of human conduct will be imperiled to an ominous degree unless our weapons are resharpened and reemployed for the destruction of that traffic.

Most effective among those weapons are example, law, and education. The immediate development of conditions far worse than those obtaining under the eighteenth amendment is the answer to the propaganda which undermined it. Experience has demonstrated that education and example are helpless against an organized and powerful evil such as the liquor traffic without the penalties and decrees of law. This fact is now being impressed with new emphasis on the American people as they see fatalities due to speed and liquor multiplying on the highways in time of peace at a rate approaching that of war—as they see injuries short of death exceeding those of combat; as they see crime striking at the foundations of society to an extent never before approximated; as they see drinking places in numbers greater than in any period of the past crowded with both sexes and with young and old challenging all that is decent in America; as they see bootleggers, rum runners, gamblers, gangsters, and corrupt officials now racing back in greater force than has ever yet been known, to plague and curse mankind once more.

LET'S STOP THE WAR MAKERS—ARTICLE BY SENATOR BONE

Mr. NYE. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the McFadden Weekly of October 27, 1934, entitled "Let's Stop the War Makers", by the senior Senator from Washington [Mr. BONE].

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From MacFadden Weekly, Oct. 27, 1934]

LET'S STOP THE WAR MAKERS—GOVERNMENT OWNERSHIP OF MUNITIONS PLANTS WOULD PUT AN END TO INCENTIVE NOW CAUSING HIGH-PRESSURE METHODS OF SELING ARMS, SAYS SENATOR BONE, OF WASHINGTON

(By U. S. Senator HOMER T. BONE, Member of the Senate Munitions Committee)

How can the private munitions business be controlled? Manifestly some method must now be devised to meet a condition which most thoughtful citizens consider the outstanding menace to world peace. If the ominous signs all about us are a true index of world trends, then we are rapidly heading toward another frightful explosion. If the frank statements of many witnesses who have so far appeared before the Senate Munitions Committee in Washington are to be believed, the next war will involve civilian populations in a mass slaughter that will demoralize them and hoplessly involve all our social institutions.

The covenant of the League of Nations recognized the great dangers inherent in private control over what seems clearly to be a purely governmental function—preparation for war. When the League was formed its charter contained the assent of signatories to the proposal that "manufacture by private enterprise of munitions and implements of war is open to grave objections."

Later, and in 1921, a subcommittee of the League considered the matter of private manufacture of munitions of war and reported that armament firms had been active in fomenting war scares and persuading governments to adopt warlike policies and increase armaments; that these firms had attempted to bribe Government officials, had disseminated false reports concerning the military and naval programs of various countries in order to stimulate armament expenditures, and had organized international armament trusts through agreement among themselves in order to increase the price of munitions.

The present Senate inquiry is proving these 1921 charges with a vengeance.

We are faced with the necessity of finding a practical answer to this bold challenge to our civilization. Manifestly moral suasion will not work. When men are made into multimillionaires in a few months in this sordid racket, mere argument about the unhappy nature of their business will not curb their activities. Ethical considerations find a resting place in the wastebasket. Witnesses before the Munitions Committee were very candid and told the committee that "so long as a chance to make money is in this game we are going to take advantage of the opportunity."

The private-profit motive is overwhelming and seems to have submerged practically all other considerations. To be sure, a few of the witnesses indulged in generalities about "patriotism" and made references to "national defense." In my judgment, enough evidence has already been produced to convince the American people beyond any reasonable doubt that the dominating and outstanding reason for the existence of a private munitions business lies in the enormous profits flowing to men who sell the instrumentalities of death.

In dozens of laboratories in this country, of whose existence American people are in entire ignorance, men work day after day with retort and test tube in a never-ending effort to improve the technique of mass murder. From these laboratories come death-dealing instrumentalities, which will make the next war more horrible. And from the activities of these men will flow great fortunes for a few—a new crop of multimillionaires whose fortunes will find root in blood and tears of the whole Nation.

In groping about for an answer to this grievous problem many of the major groups of this country have almost instinctively hit on the only practical answer. The most effective way to get at this problem in an intelligent way is to take the profit out of war and the preparation for war. Increasing millions of American citizens are beginning to realize the truth of this stubborn fact. There is only one way to take the profits out of this business. That is for the Government to exclusively manufacture all of its own munitions and instruments of war. In no other way will it be possible to curb the greed of men whose activities now threaten the peace of the world. It is the only answer to this ominous threat against national stability and social safety, and I believe that the American people will agree with me that these must be preserved at any cost.

TAKING PROFIT OUT OF WAR

This proposal does not carry with it the necessity of Government ownership of the sources of raw materials such as iron mines, steel plants, and the like. It simply means the exclusive manufacture by this Government of the recognized instrumentalities of actual military and naval combats. It implies only the manufacture of the actual war instrumentalities from raw materials purchased by the Government in the open market from those sources of supply best able to provide these raw materials.

It is only in the last stage—that is, the actual putting together of the materials in final form for actual combat—that the Government need establish a complete monopoly. This form of monopoly is, in my judgment, absolutely essential if we are to escape the payment of a frightful penalty in the years that lie ahead.

Quite naturally those who have a big stake in the large profits in this queer business are greatly concerned over such proposals. Some of them find a refuge in flowery utterances about patriotism and denounce the proposal as "an assault on our form of government" and one calculated to interfere with a proper preparedness program. The people of America are going to hear a lot of this sort of argument from now on and it will come from men who have so far enriched themselves out of this sordid business that they are numbered among the wealthiest citizens of the world.

How can such a proposal interfere with preparedness?

Certainly the Government can make all the munitions it needs in its own plants and arsenals. Under the lash of questions, private munitions manufacturers who appeared before the Senate Munitions Committee were compelled to admit that this was a vague and untenable argument since it was obvious to everyone that all the Government need do to manufacture the requisite amount of munitions was to expand its present facilities. No one was bold enough to deny that this could be done.

Such discussion as took place between committee members and witnesses concerning this matter finally developed the other argument which is so frequently heard to the effect that the Government will not be as efficient as the private manufacturers. While the whole proposal practically simmers down to a question of the relative efficiency of the public and private plants, one of the largest manufacturers of munitions for war broadly intimated that it might be immoral and unpatriotic for the Government to manufacture its own war munitions. He frankly stated that it would require some time for him to determine whether or not public building would be unpatriotic or socially immoral.

MENACE TO WORLD PEACE

If the munitions inquiry has developed any one fact it is that the private munitions maker is determined that the Government shall keep out of this highly profitable field and permit exclusive private exploitation. They do not want private profits disturbed. This argument is so untenable and so antisocial that society must of necessity reject it as utterly unsound and a menace to world peace.

The argument that exclusive Government manufacture of war munitions is an attack on preparedness is so stupid that it falls of its own weight. It is as ridiculous as the assertion that the people of a city are against electricity because they prefer a municipal power plant to an Insull power plant.

A city can manufacture electricity quite as well as Sam Insull. It is not necessary for a city to own manufacturing plants where wire, generators, water wheels, and steam equipment are made in order to go into the power business. It simply buys these items from houses that make them.

The important aspect of this comparison between the power business and the munitions business lies in the fact that when a city has purchased these materials and builds it own power plants and distribution system it thereafter controls the last and most vital process in the whole electric field—the production and distribution of electric energy. And in that form of control lies the very heart and soul of the whole power problem of this country.

It is this principle that I hope will be applied to the production of war munitions. It effectively answers the argument of munitions makers and other allies that the Government must go into all sorts of business in order to control its munitions business. The Government can control the last and final stage, which is the manufacture of actual munitions in finished form by doing this last and essential and controlling work in its own plants. And in so doing, it controls the very heart and soul of the munitions business.

ARMS SHIPMENTS DISGUISED

There will remain the further problem of social control over munitions manufactured in this country for export. The foregoing observations apply to war materials for use by this Government. It has been suggested, and I think wisely, that private manufacture of all kinds of war munitions for export can be effectively controlled by a system of licenses granted by the Government under conditions which require the most complete publicity for all such activities.

At the present time war munitions are shipped out of this country without check or hindrance, and these shipments are frequently disguised as to their character. Munitions makers of this country all profess to be very anxious to work in complete harmony with our War and Navy Departments, and some have even suggested that they have submitted their foreign orders to these Departments for security, if not tacit approval.

One huge concern proudly boasts that it maintains close and friendly relations with our Government, that it has become almost a semiofficial arm of the Government. It has been suggested that this relationship is founded in a desire of the owners to do a patriotic service for the Government by keeping the Government in close contact with all extraterritorial activities of this private company.

Manifestly, any form of regulation or control over the private manufacture of war munitions for export should be so rigid and inflexible in character as to require a form of publicity which goes far beyond that exercised over other forms of private business. As a very minimum of requirement, such companies, if permitted to manufacture for export, should be required to advise certain designated agencies of the Government of the exact nature of such shipments, with the names of the consignees, and these reports should be available at all times and at very frequent intervals to the Congress of the United States.

In other words, if that form of business is to be permitted, it should exist only in the white light of complete publicity. I am fully aware that millions of patriotic Americans believe that the

entire munitions business should be completely nationalized and private manufacture of war munitions absolutely forbidden. In the interest of social safety it may be necessary that this be done.

THE HERITAGE OF WAR

The people of this Nation have a right to know all of the facts about the munitions business. It directly affects them in their business and their property. The battle to take the profits out of war and of preparation for war should receive the enthusiastic cooperation of every father and mother in this Republic. The suggestion I have made would do away with the necessity of trying to capture the shocking and outrageous profits such as were made by war profiteers in the last war. The staggering burden of debt which now hangs over us is the heritage of that war. It is a grim reminder of what will happen to us in another war. That debt now constitutes an almost insurmountable obstacle to national recovery. About 75 percent of our normal Government income is devoted to paying off the cost of past and prospective wars.

That dismal fact should make us doubly anxious to suppress the inciters to more wars. I fully share the fears of one of the outstanding defenders of private profits in war materials who recently bluntly told the Munitions Committee that if we have another great international conflict our civilization as it now exists will perish.

Certainly when our Western civilization is at stake we cannot afford to longer trifle with a business whose subterranean activities have brought down upon it the just condemnation of thoughtful and patriotic citizens. It is my solemn judgment that if we take the profit out of war and preparation for war we shall have taken the first great step toward a lasting international peace, and we will have done all that can be done in that direction to preserve the coming generation from the horrors of another great conflict.

CONTROL OF LIBERTY LEAGUE—ARTICLE FROM NEW YORK WORLD-TELEGRAM

Mr. NYE. Mr. President, I ask unanimous consent to have incorporated in the RECORD an article appearing in the New York World-Telegram under date of January 9, under the heading "Liberty League Controlled by Owners of $37,000,000,000."

There being no objection, the article was ordered to be printed in the RECORD as follows:

[From the New York World-Telegram, Jan. 9, 1935]

LIBERTY LEAGUE CONTROLLED BY OWNERS OF $37,000,000,000—GIANT CORPORATIONS REVEALED AS PUSHING FIGHT UPON RADICALS—UNITED STATES STEEL, GENERAL MOTORS, STANDARD OIL, CHASE BANK, GOODYEAR TIRE, ETC., ALL HAVE MEN ON COUNCIL CRUSADING FOR LIBERTY

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WASHINGTON, January 9.—The American Liberty League, a nonpartisan society created to oppose radical movements in the National Government, was shown today to be under control of a group representing industrial and financial organizations possessing assets of more than $37,000,000,000.

A United Press survey of the league's new executive committee and advisory council disclosed a close connection between members and some of the Nation's greatest business enterprises.

League directors were shown to have affiliations with such organizations as the United States Steel Corporation, General Motors, Standard Oil Co., Chase National Bank, Goodyear Tire & Rubber Co., Westinghouse Electric & Manufacturing Co., Baltimore & Ohio Railroad, the Mutual Life Insurance Co., and scores of others.

A study of corporation and financial statistics showed that of the 20 men and women who will constitute the league's executive committee, 13 are officers or directors of organizations with assets of more than $14,000,000,000.

On the executive committee are Alfred E. Smith, former Presidential candidate and Governor of New York; Irénée du Pont, head of the huge Delaware powder concern; John W. Davis, former Democratic Presidential nominee; and A. A. Sprague, Chicago industrialist.

ONE HUNDRED AND FIFTY-SIX ON ADVISORY COUNCIL

Some of the corporations of which committeemen are directors and their total assets:

American Telephone & Telegraph Co., $3,078,568,666; General Motors Corporation, $1,183,674,005; Armour & Co., $356,179,450; United States Steel Corporation, $2,102,896,880; Mutual Life Insurance Co. of New York, $1,131,089,858; E. I. du Pont de Nemours & Co., $605,631,064; Chicago & North Western Railroad, $857,751,940.

The league named 156 men and women as members of its advisory council. Included were men who are serving as directors of a variety of organizations, including banks, railroads, investment houses, public utilities, and manufacturing concerns.

LIST OF ASSETS

Assets of some of the institutions represented by council members:

United Light & Power Co., $572,658,684; Illinois Bell Telephone Co., $326,153,423; Shell Union Oil Co., $657,609,898; Socony-Vacuum Oil Co., $990,061,283; Central Hanover Bank of New York, $696,913,634; First National Bank of Chicago, $643,114,767; Baltimore & Ohio Railroad, $1,220,833,814; Bethlehem Steel Corporation, $649,388,274; the Pullman Co., $276,555,754; Great Northern Railway, $851,424,768; Chicago, Burlington & Quincy Railroad, $680,464,026.

JERSEY CORPORATION NAMED

Missouri Pacific Railroad, $664,947,552; Anaconda Copper Mining Co., $692,430,089; Erie Railroad, $625,505,049; Public Service Corporation of New Jersey, $345,624,377; Bankers Trust Co. of New York, $737,202,420; United Gas Improvement Co., $345,460,440; American Can Co., $203,004,550; New York, Chicago & St. Louis Railroad, $309,951,133; Goodyear Tire & Rubber Co., $198,736,506; Phelps Dodge Corporation, $345,224,448; and the New York Trust Co., $310,432,263.

Among prominent members of the council were Pierre S. du Pont, Edward F. Hutton, Henry B. Joy, Alvan Macauley, Grayson M.-P. Murphy, John J. Raskob, Elihu Root, Alfred P. Sloan, Jr., E. T. Weir, Joseph E. Widener, and Hal E. Roach.

Many of the league's staff were listed as officers or directors of a dozen more banks and industrial concerns

N. R. A. CODES—LETTER FROM E. B. BARTLETT

Mr. DUFFY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from one of the leading industrialists of the State of Wisconsin commenting upon the operation of the codes of fair business practice under the N. R. A. While his comments are not in all respects favorable to the operation of such codes, the letter presents a viewpoint which I think is very interesting and instructive.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MILWAUKEE, WIS., *January 11, 1935.*

Hon. F. RYAN DUFFY,
*Senate Office Building, Washington, D. C.*

DEAR SENATOR: One of the most serious problems for settlement in Washington is the future of the codes and the entire N. R. A. set-up. As we see the picture, we have never obtained great value from the code work, except from the fact that study of codes and adoption of codes has forced each manufacturer to a more careful study of his own situation and with his competitors. We have gained greatly from the standpoint that the chiseling manufacturer who was able to underpay his labor and pursue dangerous practices has been forced to a better appreciation of proper ways of doing business. It is our opinion here that N. R. A. should not be discontinued. We think it very valuable from the following standpoints:

Firstly. There is no question that minimum labor payments are a good thing during a depression. This prevents the unscrupulous business man from forcing the labor rates of his more scrupulous competitors down below a minimum below which it should not go. Such a minimum should be reasonably low, but an actual minimum that can be enforced.

Secondly. Maximum hours. We are not so sure here that the maximum-hour provision of the code is a good thing. We think it desirable as a temporary measure to help unemployment, but not proper after the emergency is over. The emergency is not past, although it is much less severe.

Thirdly, the N. R. A. should continue to be the tie between business, labor, and government. The various national policies affecting business and labor and the country in general are so vital to all of us that these problems should be studied constantly by a Government unit. The effects of the tariff on business is very vital. We feel here that the N. R. A. should be continued for the above reasons.

Fourthly, as far as price fixing is concerned, that is a field in which various experimentations must be continued. There is no question that vicious price cutting in certain fields has raised havoc in those fields. We, ourselves, feel that posting of prices and publishing minimum prices is one of the best ways to solve the entire pricing problem. If every individual manufacturer is forced to post his price list and any change in that price list a few days or a week or two before he makes the change, he would very often think twice before he would change his price list, and the stability of the entire structure would be improved tremendously. Most price cutting comes under the stress of high-pressure buying, and some of it is regretted the next day. The greatest advantage in the code work, as far as price is concerned, results from the necessity in most of the codes of the manufacturer publishing his price list and only making changes upon a reasonable notice. As far as definite price fixing by Government is concerned, that is such a tremendous problem that we, ourselves, hardly recommend it.

Now, my dear Mr. DUFFY, I was asked by some friends of mine to give our position on the future of N. R. A., and I have tried to do this without going into great detail. I trust that the facts given here are worth while.

Yours very truly,

MILWAUKEE STAMPING CO.,
Per E. B. BARTLETT, *President.*

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

NOMINATIONS WITHDRAWN

The VICE PRESIDENT laid before the Senate a message from the President of the United States withdrawing sundry nominations in the Army, which was ordered to lie on the table.

(For nominations this day withdrawn, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the nominations of sundry officers in the Diplomatic and Foreign Service.

Mr. TRAMMELL, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

RESERVATIONS TO WORLD COURT RESOLUTION OF ADHERENCE

Mr. JOHNSON submitted four reservations intended to be proposed by him to the resolution of adherence on the part of the United States to the World Court protocols, which were ordered to lie on the table and to be printed.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CAPPER in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Copeland | Lewis | Robinson |
| Austin | Costigan | Logan | Russell |
| Bachman | Couzens | Lonergan | Schall |
| Bailey | Cutting | Long | Schwellenbach |
| Bankhead | Davis | McCarran | Sheppard |
| Barkley | Dickinson | McGill | Shipstead |
| Bilbo | Dieterich | McNary | Smith |
| Black | Donahey | Maloney | Steiwer |
| Bone | Duffy | Metcalf | Thomas, Okla. |
| Borah | Fletcher | Minton | Thomas, Utah |
| Brown | Gerry | Moore | Townsend |
| Bulkley | Glass | Murphy | Trammell |
| Bulow | Gore | Murray | Truman |
| Burke | Hale | Neely | Vandenberg |
| Byrd | Harrison | Norris | Van Nuys |
| Byrnes | Hastings | Nye | Wagner |
| Capper | Hatch | O'Mahoney | Walsh |
| Caraway | Hayden | Pittman | Wheeler |
| Clark | Johnson | Pope | White |
| Connally | Keyes | Radcliffe | |
| Coolidge | King | Reynolds | |

Mr. LEWIS. I reannounce the absence of certain Senators as announced by me a few moments ago, and ask to have that announcement stand for the day.

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present.

THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence, as reported by the Committee on Foreign Relations.

Mr. JOHNSON. Mr. President, this day has been of singular significance to the distinguished Senator from Texas [Mr. SHEPPARD]. It is of singular consequence to me, sir, too. This day is the twenty-first birthday of my older grandson, and, Mr. President, I cannot do better by him in whom my affections center nor for those situated as he is throughout this land than on this day to dedicate my poor efforts and my limited talents to the endeavor to preserve the traditional policy of the American Republic and to keep this country free and independent in its every action in regard to other nations.

I speak, Mr. President, not as a citizen of the world; I speak as a citizen of the United States. With that I am quite content, and speaking thus, sir, I speak with the philosophy that has ever been mine during my political life, the philosophy so well expressed in the words of Abraham Lincoln:

> I am not bound to win, but I am bound to be true; I am not bound to succeed, but I am bound to live up to what light I have. I must stand with anybody that stands right, stand with him while he is right and part with him when he goes wrong.

So, Mr. President, today I stand where I have stood during the entire political life that has been mine. I stand where I stood in 1918, in 1919, and in 1920, and where I have stood every minute since that time. I stand here, sir, quarreling with no man for his views as to our international relations. I stand here critical of none in this body. I stand here, though, sir, even though I be a little lonely now—I stand here representing the same spirit that I endeavored to represent many years ago and that in all the succeeding time I have represented as best I could here and in this Nation.

Mr. President, a matter of transcendent importance today comes before us. It will not do, sir, either by pronunciamento or otherwise to belittle what is now before us. It is nonsense to say to me that what we do is of little moment and small consequence, because the implications that arise from this action of ours today are implications which may bode ill for the future of the American Republic. Believing thus in every fiber of my body and believing it, sir, with every throb of my heart, I cannot do otherwise than present as best I may, within my very marked limitations, to this body and, although it may not carry far, to the people of this Nation what today is being sought and what, if accomplished, it may mean to the American people.

Mr. President, we are asked now to join the League of Nations Court. We are told that we have delayed action for so long that the Senate has been engaged in some reprehensible practices and is open to the caustic criticism of every internationalist there is upon the face of the earth. I deny it, sir. The Senate needs no defense at my hands at all. The Senate, indeed, ought to be unto itself sufficient for its defense under any and under all circumstances. I recognize the faults that may exist here; I recognize that there are times when all of us, if disposed, may indulge in all sorts of criticism concerning our action as a body, and all sorts of criticism, perhaps, concerning some individual activities; but, Mr. President, after all, this is the last free forum there is upon this earth; after all, speak of it as you will, denounce it as you wish, refer to it, if you please, in such language as the internationalists refer to us throughout this land, term it what you may, sir, this Senate of ours stands the bulwark of American principles, and it is the last place where people may look for the protection of their rights and the security of their liberties.

This Senate is just that; and so, Mr. President, I resent the criticism that has been leveled at the Senate by those who are citizens of the world, and who no longer are content with being merely Americans. When they tell us that we are responsible for the delay in regard to entry into this nefarious contraption abroad, I answer they are responsible, and their allies abroad, and not ourselves.

It was in 1926 when erroneously the Senate gave adhesion to the protocols of the League of Nations Court. It adhered to them with reservations which were the irreducible minimum of protection that should be accorded our country in entering that tribunal. Ever since 1926 all that was necessary to be done for taking us into this Court would have been the acceptance of the protective reservations that were made by the United States of America. Finally it remained, when those protective reservations were discussed, for a distinguished American to return here with something else and some substitute that altered the original reservations which had been adopted by this body, and it is they who have caused the delay and not the Senate of the United States. If our conservationists and Europe's scheming diplomats had been willing to accept the unreducible minimum of American protection, there would have been no delay. If Mr. Root had not at the instance of Sir Cecil Hurst manufactured something destroying our irreducible minimum of protection, there would have been no delay. At any moment, much as I would have regretted it, we would have been in this adjunct of the League of Nations. And that the Senate was right and they were endeavoring to do something else while assuming they were doing only what had been

done is demonstrated by the resolution of ratification with its addenda, the celebrated fifth reservation, now presented to the Senate.

Mr. President, the World Court, the League of Nations tribunal, the sacrosanct tribunal for the preservation of peace throughout the world—we are to enter for what? For the determination of any American question? Not so, not so. Are we to enter it for the purpose of deciding any controversy that exists between our country and any other country? Not so, not so. Are we to enter it, sir, in order that we may preserve peace between European nations that now disregard and snap their fingers at that court? Not so, not so.

Why do we enter it? Not for America, not for our beloved Republic; we enter it to meddle and muddle, under an hysterical internationalism in those controversies that Europe has and that Europe never will be rid of. We enter it to do something that is foreign to our soil, foreign to our people, foreign to the genesis of our institutions, foreign to the very characteristics of our Republic. We enter it for that and that alone, and you may be just as certain of that in the beginning as at the end. We are going into the World Court, sir, not for America, not for the United States. We are going in, sir, for the benefit of the Hejaz of Arabia and for Czechoslovakia and Yugoslavia, for Italy, for France, for England, and for all those States that constitute at present the League of Nations in foreign lands. That is why we go into it. We go into it in the sacred name of peace, when there is no peace. We go into it because in stentorian tones gentlemen, weeping great salty tears, tell us that we must go in in order to preserve the world's peace. We preserve the world's peace! It is a beautiful thought; it is a marvelously naive expression that we, with all the nations of Europe save one, feeling toward us like a recalcitrant debtor ever feels toward a creditor, are to go among them to preserve peace among them, which they cannot preserve for themselves.

Where do they go if they want to preserve peace? Not to their League or their Court. Italy meets with France in secrecy for the determination of African boundaries and for the settlement of differences that may exist. If this Court is such a body as is represented to us, if it has the capacity for peace that is attributed to it, attributed only by Americans and by no one else, if it can solve the problems that now exist in European nations and throughout the world, why do not those people with their problems go to that Court for solution? Yet not one of them in the matter of peace or the preservation of peace has ever used the Court or ever will. They will unite among themselves and do just exactly as they ever seek to do, and, doing that, they take us into their particular organizations; that if trouble arises we may bear the brunt, go forward and lead the way in matters which do not concern us and then pay the meddler's price.

For peace go into the League! What peace do you mean? Do you mean that we are going to take up the question of France bombarding Syria? Oh, no; we will stand aside and wink and blink and have naught to do with such a dreadful thing by such a great power. Will we deal with the Egyptian question, with the Egyptians knocking at the door for many, many months in the effort to take up their matters of difference with Britain? Oh, no; Britain is too powerful and too great for us for a single instant to touch such a subject unless Britain desires. Are we going to deal with Mussolini, who blowing up Corfu only a few years ago, laughed at the Court and laughed at the League? Are we going to stop him now in matters concerning Abyssinia, where he is to be given a free hand by France? No; we will do nothing of the sort, and none of them, although the League and Court are theirs, will brook the slightest interference from their own creations.

Are we going to take up the question of Japan's invasion of Manchuria and her rape of China? Are we going to attempt to deal with what Japan has done in tearing up the nine-power treaty and violating every treaty of peace into which she has entered? Oh, no; our Secretary of State prior to the present one tried that. He tried it when he was told by some of those great nations abroad to take the lead. He buckled on the sword and marched ahead, and when he had marched a short time he looked around to see those who had induced him to march, but they had vanished, and he had nothing to do but to turn and retrace his steps and unbuckle his sword, and the matter rests today just exactly in the sweet will of Japan.

Peace, sir! With what peace are we going to deal? Two little nations down in South America today are at grips. They are at grips in a dreadful and awful war, Bolivia and Paraguay. They are both members of the League of Nations, Mr. President. They are both members of the peculiarly sacred and noble institution abroad. They have been fighting for 3 years now. They have decimated their very populations by warfare. What peace are we going to bring? To what peace do we contribute by going into the League or into a part of the League? Who says we will have peace, peace? Only the blind American internationalists who in their anxiety to forget their Americanism in fawning upon other nations, would blithely lead us into any peril.

I want peace, and I yield to no man upon this floor in the desire for peace. I yield to none upon this floor in praying that there shall be no strife among nations or among human beings in the days to come. But where is peace today, and what peace do we gain by going into this Court or by going into the League of Nations? As I shall show, going into the Court will ultimately mean going into the League of Nations just as surely as that night follows day.

"Peace, peace, peace", they cry, when there is no peace. "Peace, peace, peace", they cry, when those for whom they strive do not desire to keep the peace and do not keep the peace and will not keep the peace. To say that our entry into this Court will bring peace to the world is to me the most silly thing that ever was advanced by sensible human beings. If the proponents rest their adhesion to it upon this mystic formula, and apparently they do, there is not a man in this body who understands the English language and follows current events who ought not in contempt to send them out of this Chamber and refuse to accede to their hypocritical cry.

Peace, Mr. President! We have maintained the peace for years and years in this Nation. We have done it with arbitral courts and arbitration treaties. One hundred years of record of our arbitrations will not be met by this particular instrumentality of the League of Nations in 10,000 years. We have never refused to arbitrate a question or a controversy; never! We have arbitrated some that were of extraordinary consequence and that were of transcendent importance to our land and to the world.

Always we have heeded every award that has been made. Never have we violated in any fashion or in any way any award that has been made by our arbitral tribunals. We have accepted all that have been made, and we have preserved our peace, and we have settled our controversies in that way. To say to us now that we can preserve peace and we can be influential in world affairs only by entering a part of the League of Nations, a League of Nations Court, is to deny the truth of the past 100 years in this Nation and in the world, and is to set at naught the remarkable record which has been made by the United States of America in its arbitral relations with other countries.

I am interested in peoples, Mr. President. I care not for those who consider themselves rulers of peoples. What commends the gentleman in the White House to me is that in his philosophy I take it he believes in peoples. Peoples I should like to protect. Peoples' interests I should like to conserve. But I cannot conserve the interests of the people of the United States by sending them into a league or a court where the controlling individuals represent dictatorships, absolutism, tyranny. The state of the world today is that that is exactly what is the fact.

This, sir, is the most unpropitious time to ask this country to betray its long-standing traditional policy. Of all the times that have come to us during the lifetime of the oldest of us, this, sir, is the worst moment in which to ask the

United States of America to join this peculiar foreign relationship of the League of Nations.

All Europe is seething now. We do not need to be told that. All Europe sits over a volcano. No one knows when the explosion will occur and when difficulties will happen. If Europeans do know, Mr. President, they are looking forward to the day when with their propaganda they will do what they did with their propaganda in 1917—take this glorious country of ours into a war which with our treasure and blood will win, and then afterwards hate us for the very aid that we rendered them and never forgive us for saving them.

We have had our lesson, Mr. President. How often must we be kicked in order to understand exactly what is transpiring? Mirabeau once said of the distinguished statesman Talleyrand that he could be kicked on one side 17 times and retain his facial composure. That might be. I am wondering if the expectation is with our foreign brethren that they cannot only kick us once, twice, or thrice, but that they can kick us 16 times and we, with the inferiority complex which seems to be a part of some men's character in America, kicked thus we will retain our facial composure and go right ahead to do exactly as they want.

Mr. President, what is transpiring abroad to-day all of us understand. Why go abroad to be a part of them in one fashion or in another? Why, now of all times that the Lord ever gave to us, should we depart from the policy which has been ours ever since we have been a nation, and become a part of the mess that exists over there and put ourselves in a position not where dire results with certainty will happen, but where possibly dire results may happen? Why should America take the chance?

I am interested, sir, in 11,000,000 unemployed Americans. I am interested in the swelling relief rolls all over this land. Do you not think there is room here for the exercise of the highest degree of statesmanship we possess in dealing with our 11,000,000 unemployed Americans and the relief rolls which are swollen out of all bounds now? Do you not think that we can deal with our own for a brief period and forget Europe's controversies, Europe's difficulties, and Europe's wars, into which again they would take us if it were possible for them to do so?

Do you not think, Mr. President, there is work enough here for all of us? Do you not think it tries us to the uttermost to deal with the subjects now before us? Why not deal with them? I detest the idea of standing upon this floor and taking even a brief period upon a subject matter such as is now before us. I resent that I have to turn my mind, little as it is, from those things which seem so important to me in our own domestic economy and deal with some subject which is across the sea and which amounts, it is said, to little, but into which, with all the driving force that there is politically in this country and by a powerful and costly propaganda, they are shoving us at the earliest possible moment.

Why, sir, must we turn aside? Delay in the Court, you say, Mr. President? Yes; delay there has been, delay because those abroad would not accept what the Senate wrote into the Senate's acceptance of the protocol of accession. Delay? What delay is there that will occur in the near future that need affect us in the slightest degree? Why turn aside now from ourselves to go abroad for others? I would rather take care of the trials of American citizens here than indulge in the trials of a foreign court abroad.

This Court, Mr. President, comes, as we know, from the League of Nations. It will not do in the heat of this discussion to say that we are undertaking no obligation concerning that League. If there is anything that the American people have definitely decided and upon which they have rendered their verdict, it is that our country should not enter the League of Nations with or without reservations.

If there is anything that ought to have been definitely in the limbo of the past it is the League of Nations so far as the United States of America is concerned. And yet, sir, it is proposed now to take us in, not only to a part but to an integral part of the League of Nations, and the hope is that we will be taken into the League itself, and when in the League itself, then it will not be difficult for Europe to wreck us.

Authority for this Court, Mr. President, is contained in article 14 of the Covenant of the League of Nations, constituting part I of the Treaty of Versailles. Let me digress to suggest, What is the trouble abroad? What is it that causes the unrest, the unrest which seems to be in every nation over there, and which has been growing constantly and more menacingly with the passage of time? What is it that has caused it? It is the Treaty of Versailles that is maintained there in all its rigors and with all its injustices. What is maintaining it and what is it today that maintains the status quo under that treaty which now nearly every publicist in all the world denounces as a wrong and injustice?

What is it that retains the status quo of that treaty? It is the League of Nations—a part of it the World Court—and it is because that treaty has been continued in inflexibility, with all its harshness, that the difficulties have arisen abroad and that today war is in the air everywhere. It is the Treaty of Versailles; but do Senators think that we would go into this sacred Court and rectify the Treaty of Versailles? Rectify the treaty? Why, those who profited by it would not for an instant tolerate its rectification.

And so these great institutions that we are to be driven into, either with the party whip or to be driven in by propaganda of internationalists or by those pseudo intellectuals who have been driving, driving, driving during the year—these contraptions abroad, foreign in character, are maintaining the status quo of the Versailles Treaty; and they, and they alone, are responsible for the unrest and the inflammable condition that exists abroad now.

The Treaty of Versailles came into force January 10, 1920. It contained provisions that the jurisdiction instituted by the League of Nations is authorized to adjudicate certain disputes. At the second meeting of the Council of the League in February 1920 M. Bourgeois proposed that a committee of League experts be appointed to prepare a draft scheme for the organization of the Court.

I read this because this is the historic statement of how the Court was organized.

In making his report, M. Bourgeois, among other things, pointed out that in order to give full effect to the stipulations contained in the treaty, it was essential that consideration be given without delay to the formation of a court.

The Council appointed an advisory committee of jurists to prepare plans. In the communication inviting the members to serve the Secretary General of the League pointed out that they were to prepare plans for a court, "a most essential part of the organization of the League of Nations." In accepting the invitation the committee assumed the obligation of creating a court in accordance with these instructions.

At the first meeting of the committee at The Hague June 16, 1920, the solidarity between the League of Nations and the proposed Court was emphasized. M. Bourgeois described the two institutions as complementary to each other. M. de Labradell said:

> The new Court, being the judicial organization of the League of Nations, can only be created within this League.

Mr. Root acted in accordance with these views.

On June 22, 1920, Mr. Root said:

> We must first consider that this new Court must be provided as a part of the system of which the League of Nations is part. We cannot accept the invitation of the Council and recommend a plan for a Court which is not going to form a part of that system.

The plan of the committee was referred to the Council. Modifications were made by the Council of the League. The Assembly of the League made other modifications and alterations; and finally a draft statute was presented to the plenary Assembly of the League of Nations and adopted December 13, 1920. The statute of the Court came into being through a resolution passed by the Assembly of the League of Nations providing for a protocol of signature. The signature to the protocol was limited by the League to members of the League and to states mentioned in the annex to the Covenant of the League.

One of the officials of the League, Mr. Hagerup, of Norway, reported the Court's constitution to the Assembly of the League away back in 1920 and used this language:

> You know that a representative of the United States of America, a man of the highest authority, Mr. Elihu Root, took part in the preparation of this constitution. The political party to which he belongs in the United States will soon come into power—

Of course, you realize that this is an old prophecy. [Laughter.]

> The political party to which he belongs in the United States will soon come into power; and though this party has not yet decided to go into the League of Nations, it has proclaimed in a resolution that it is quite prepared to accept the Court. I think I shall be voicing the general sentiments of the Assembly when I say this resolution has within it important results. It is a first step leading to the entrance of the United States into the League.

There is an unbiased and an unprejudiced opinion concerning the Court by one of the gentlemen who was a part of the League of Nations at that time.

Not only that, Mr. President, but there is other evidence as well that makes it perfectly certain what the situation will be after we adopt this resolution.

It will not do to say that nothing will happen, because the propaganda that has been in evidence in the past year or two concerning the Court will be emphasized a hundredfold to go into the League after we shall have gone into the Court, and we shall be pilloried day in and day out by the highly paid propagandists and all their dupes.

Just after the matter concerning the World Court was presented in 1923, a gentleman who was then a friend of mine wrote me concerning it. He is a member of this great organization presided over by Mr. Manley Hudson, that has some title like "The League for the Preservation of Peace", or "The League for the Obtaining of Peace", or something of that sort. It is a big national organization. My correspondent is its regional director in the West and this he wrote me. I asked him at the time if he was willing that I should publish it. He said he was, and I read it then in a speech that was made in 1926. I say that so that the Senate may know that I violate none of the amenities in reading it.

He wrote me:

> MY DEAR JOHNSON: How small the world is, now that electricity has put us all into one room!
>
> Anyhow, I read in the paper this morning your sarcastic quotation from an alleged "great writer" who could perhaps be identified—"all of which is partly true."
>
> You are quite right. * * *
>
> Your strictures on the Hughes-Root-Taft plan to sneak in the back door of the League of Nations are "partly true." Hughes' arguments for it are at most "partly true." The whole scheme is illogical, impractical, insincere, and cowardly. And I am for it. But not for these reasons. You, from your standpoint, will be quite right in being against it. There is no present practical situation calling for action. It is a purely academic, theoretical proposal. There are theoretical arguments for it which are "partly true." You can make others as good against it. I am for it because, as an opportunist, if the Government has not the courage to walk into the League by the front door, I am willing not to approve but to submit to the alternative policy of sneaking in the back door. It will ultimately get us in. This is the final reason why you should be against it and I for it. But in your immediate strictures on the manner of it I agree with you, and am glad if you found my phrase one which you could use, even derisively, as a weapon in the criticism.

Mr. ROBINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MINTON in the chair). Does the Senator from California yield to the Senator from Arkansas?

Mr. JOHNSON. I do.

Mr. ROBINSON. Has the Senator stated, or does he desire to state, the name of the author of the letter he has just read?

Mr. JOHNSON. Oh, yes—Chester H. Rowell. He is a publicist of California, and is now one of the editors of the San Francisco Chronicle; and Senators will find, if they look in Mr. Manley Hudson's last book, that he is on the committee that is conducting the campaign.

It may be that Mr. Rowell since then has changed his views. I do not know; I do not care; but I am not of the same opinion that he is. I am not ready to walk into the League by the back door, or the front door, or in any other fashion. I recognize, and of course you do, the danger inherent in what we are doing today, and the possibilities that may transpire.

Away back in 1926 the New York Times printed a dispatch from Europe in which it quoted an incident that occurred when the news came to Geneva or to Paris—I do not know which—concerning our subscribing to the World Court at that time. The dispatch was by Edwin L. James:

> When Premier Briand was asked today to express an opinion on the Senate's favorable vote on the adhesion of the United States to the World Court, he said:
>
> "It is a beau geste. I hope it is the first step."

"I hope it is the first step"! Of course he knew, just as we knew, that it is the first step. But here the clever English diplomat, Austen Chamberlain, British Foreign Secretary, who was present, interrupted quickly:

> It is better not to say that.

"It is better not to say that!"

And so we have M. Briand saying with great glee, "It is the first step", and Mr. Chamberlain saying, "Hush! It is better not to say that"; but we can know and we can understand just exactly what this means, and what will be done.

Our distinguished brother, the junior Senator from Idaho [Mr. POPE], openly avows in the press that he is going to endeavor to take us into the League, and that the State Department already has written for him the resolutions that are essential. That, I take it, is the fact, because it was repeated to him in the committee meeting, and he substantially agreed that it was so. So there we are. We are going into this Court with the knowledge upon the part of those who are the influential members of it and of the League that it is the first false step.

Senators, remember Virgil:

> Facilis descensus Averno.

"Easy is the descent to hell." This is the first step that we are taking in going into the League of Nations, and the propaganda will be wellnigh irresistible once we have taken that step.

There is another reason—and I shall not deal with it at any great length—why it should be impossible for us to enter this so-called "Court." This is no court as we understand courts. This is no institution where merely justice is done judicially between the litigants. This is a court not only with its judicial attributes but with its political attributes, and the latter the more important of the two. This Court, political in character, has demonstrated its political proclivities, and demonstrated them so clearly that nearly the entire press of this Nation, in disillusionment, on the rendition of the decision in the German-Austrian tariff case, spoke of the political character of the Court.

The political character arises, of course, out of advisory opinions. I am not going into them at any length today, because they will be presented upon this floor by another and far abler man, who, having made a study of the subject, can present it so that none can misunderstand. But what are these advisory opinions? Purely political. Judge Cardozo, in a case in New York State, long ago defined what an advisory opinion is. In Two Hundred and Twenty-fourth New York he says, concerning advisory opinions:

> The giving of such opinions is not the exercise of a judicial function.

Then he goes on to explain how in England they are given, and winds up with the fact that they are merely advisory; they are not judicial in character.

So we have decisions that are rendered by this Court political in character; and I am sorry to say that the reservation which protects us from any political activity with nations abroad—the reservation which has been carried on every single solitary resolution of accession to this Court in the past—was defeated before the Foreign Relations Committee, but will come upon this floor again for action by the Senate.

When the decision was rendered in the Austro-German customs union case, various newspapers throughout the land commented on it. I have gathered some of those comments

together from those papers which are not unfriendly to the entrance of the United States in the Court. I have taken but a few of the many, but these few I want to read so the Senate will understand that it is dealing here not with a judicial tribunal but with a political tribunal, and it ought not to require any evidence on the part of any man with a head upon his shoulders to understand that fact.

How long do Senators think a man from Italy would sit upon that Court and render a decision against Italy and Mussolini? If Germany had continued to be a member of the League and Germany had a representative upon that Court, how long do Senators think that representative would last with Mr. Hitler if that representative rendered a decision against him?

Take it with every one of those governments where dictatorship exists that have representatives upon the Court—why, of course, human nature will convince us, unless we have forgotten all we know about it, that the men who sit there, representatives of dictators, representatives of those people where angry passions nationally have arisen—those representatives will decide not according to the law, not according to the judicial concepts that we may have; they will decide upon the politics of the situation and upon the politics that affects their particular territory.

Here are some of the views that were expressed by newspapers upon this subject when the German-Austrian decision was made.

[From the Chicago Daily News, Sept. 9, 1931]

THAT WORLD COURT ADVISORY OPINION

Many advocates of entry by this Nation into the International Court of Justice, one must think, are deeply disturbed by the inescapable implications growing out of the advisory opinion given by that tribunal in the Austro-German customs union case. It is painfully manifest that the majority in the 8-to-7 result reached its adverse conclusion by a process of reasoning that is decidedly more political than judicial. * * * The United States Senate has yet to decide whether or not it will accept the World Court protocols approved by the National Executive. And most assuredly neither the Senate nor enlightened public opinion will entertain the idea of adhering to a quasi-judicial tribunal that sacrifices principles of law to political considerations or the fancied interests of a particular power or alliance of powers. Such a court * * * belies its solemn pretensions and betrays instead of upholding the cause of international law and justice.

[From the New York Herald Tribune]

THE TROUBLE WITH THE WORLD COURT

The reaction in this country to the World Court's advisory opinion on the Austro-German customs union has inevitably been unfavorable. Some of the strongest friends of the Court have expressed the greatest disappointment. It could hardly be otherwise. For the line-up of the Court exhibited a depressingly strong political bias, and its decision by an 8-to-7 vote robbed its findings of all weight or pretense to finality. Faced by a major issue, affecting the fundamentals of European organization, the Court failed to function either judicially or effectively.

[From the Chicago Evening Post]

By a vote of 8 to 7, the pact was ruled illegal. Unfortunately for the prestige of the Court, the cleavage was almost wholly on partisan lines, with France and her continental allies swinging the majority vote. Former Secretary of State Kellogg, the American member of the Court, voted with the minority, which held that "It cannot find reasons explaining how the regime would endanger her (Austria's) independence."

World Court skeptics can claim, with some show of justice, that wherever there is a shadow of doubt, politics rather than law dominates the Court's post-war decisions. * * *

From the New York Times, probably the strongest internationalist paper there is in the United States:

A fear that the behavior of the World Court in the matter of the German-Austria customs alliance would be seized upon by American enemies of the Court was justified last week. Washington dispatches related that Senators who have steadily opposed American adhesion to the Court, with or without the Root formula, are prepared to fight the proposal again, and believe that they at last have definite evidence to support their hitherto theoretical argument. This evidence the Senators hold to has been supplied by these circumstances of the World Court's opinion—its political cast; the advance intimation, so that the abandonment of the plan at Geneva by Germany and Austria before the decision was made public could be charged to foreknowledge, and inferences to be gathered from the division among the judges.

Realistic friends of the World Court are agreed that its prestige has been deeply injured. There can be little doubt that the chances of American adhesion have been badly damaged. In the Senate there has been no particular enthusiasm for the Court. The protocols have been kicked about committee rooms. Presidents, while urging them upon the Senate in grave and lofty terms, have been inclined to let things go at that. No real administration effort to press the issue has been made.

Meanwhile the enemies of American adhesion have attacked the advisory-opinion function of the Court from two angles. They have expressed resentment at the prospect that the United States should be given European advice on its sovereign rights, thrusting aside the answer that, by formula, this prospect is excluded. They have contended that in its decision the Court is certain to decide from the political viewpoint when great nations are involved. The recent line-up of the Court has given strength to the latter contention and color to the former. When the World Court divides 8 to 7 on an advisory opinion, sought by the League Council, it is obvious that this opinion is of no value. And when the detail of the division shouts "politics" it is obvious that the charge must lie.

And then in addition to that, the other equally strong internationalist paper, the Baltimore Sun, has this terse expression. It says of the opinion:

The product of partisan judges who voted like ordinary politicians for the boys back home.

And this is the sacrosanct Court that we are to go into in order that we may save the world, bring peace to a war-torn Europe, and ever afterward have happiness among all the peoples of the earth!

The propaganda that has been used in this regard is such that it ought, indeed, to make every man here stand straighter in determining the fact and rendering his decision.

There is one thing that is of extraordinary importance in this Court as well, and that is what the implications are from membership. Before the Committee on Foreign Relations during the hearings appeared Mr. Clark, and he presented a brief in relation to this subject matter that I think is unequalled in all the briefs we have had and all the evidence that has been put before us since this controversy began.

Mr. Clark holds distinctly that behind the Court are the sanctions of the League, and that we may find ourselves, if we sit upon this Court, in the very singular situation finally of being a party to sanctions being imposed upon recalcitrant nations. We understand, of course, what sanctions are. Sanctions, under the League formula, mean any sort of thing that may be done to enforce its conclusions and its decisions. But they mean something else. Oh, you peace-loving gentlemen! Oh, weep your eyes red in telling us about the peace that will come to us from the League of Nations and the Court—you, you are standing here in behalf of League of Nations sanctions in thus doing—sanctions that are the cruelest, the harshest, the most terrible thing in all the horrors of warfare. I would rather see men shot by shell or even killed by poison gas than to have women and children and noncombatants, the weak, sick, and the infirm starved to death, as is the plan of the League of Nations when its decisions may not be carried out.

Sanctions! If there are sanctions behind any decision that this Government may render, then this Government has departed so widely from its old traditional policy that every American ought to hang his head in shame.

Sanctions! Sanctions mean simply starvation, want, hunger, killing the weak, the infirm, the small, the aged, and the young—those who cannot fight. They mean the cruelest thing that there is in all warfare.

Not only does Mr. Clark say that sanctions are behind the decisions of this Court, but Mr. Manley Hudson himself, the great bellwether in all the propaganda in behalf of the League and the Court, says exactly the same thing. Mr. Hudson says, in his work:

The statute fails to make any provision for the enforcement of either interim or final judgments, and the only sanctions behind the Court are those contained in the covenant; and if any State shall fail to abide by a decision it will be for the council of the League to propose what steps shall be taken to give effect thereto.

And the Council of the League may determine that sanctions be employed.

Why, there was talk of sanctions only a little while ago when Japan tore up her treaties and broke her solemn agreements—there was talk of sanctions then. But do you know what they asked and what was wanted? They wanted the United States of America to stand in the van and to be the

one first to apply the sanctions to Japan because of Japan's actions in Manchuria and in China. And be it said to the good sense of our people, we declined to be the cat's-paw, although our Secretary of State apparently marched ahead for the purpose of going the route. And, of course, he was immediately deserted by the great members of the League.

I do not want any son of mine or any grandson sent over to China in a war between China and Japan. And I have very strong feelings concerning the attitude of the Japanese in relation to treaties and in relation to what they have recently done, but God deliver us from the day when by joining a league, or joining a court, this country of ours will be party to levying sanctions upon a harmless part of a particular nation or bring starvation to those who are least able to bear it. I want none of mine in it. Why take the risk? How ironical to join for the sake of peace—the peace of sanctions.

Mr. LONG. Mr. President, how does the Senator mean to spell that word "peace"? They have an $11,000,000,000 piece over there now belonging to this country.

Mr. JOHNSON. I was going to speak of that in just a moment.

One of the arguments which was advanced by my distinguished friend from Arkansas the other day—an argument with which I was not unsympathetic—was that we should not stand aside, accept something from the Court, and then refuse to pay our proportion of expenses or to do that which we ought to do. He called it a "sponger" argument, and as a sponger argument he held it up to ridicule and to obloquy. I would not say that he was not right concerning that sponger argument; but just look for a moment at the other side of the picture. You want to take our own revered Uncle Sam where? Where spongers upon him sit in judgment upon him, and not only the spongers upon him but those who made and solemnly signed treaties. Every one of the spongers got our money as they begged it. Every one of them wept in gratitude. Every one promised in treaties to repay. Every nation owing us save Finland violated their solemn written promises and repudiated their plighted faith. Now we are to sit with spongers, with welchers, and with repudiators of treaties in the sacred name of peace. What a scene!

Talk to me of a sponger argument! Take our country into a gathering of that sort, and where are we? I have heard in my time of a debtor submitting himself to the judgment of his creditors, but I never yet have heard of a creditor submitting himself to the judgment of his debtors, and that is what we might wander into in the course of our peregrinations down this internationalist bypath. In their gyroscopic somnambulism, these gentlemen, pseudointellectuals, who think they are beyond ken and that no man is able to comprehend them, talk in this lordly fashion. They tell us, "Just take your country into the leadership of the world", never for an instant thinking of the older nations that have lived all their lives with their glorious history behind them and are proud of their traditions. What do they think when they hear us prating about leading the world and leading them? They must smile with their tongues in their cheeks as they devise the methods for utilizing our idiocy.

Some of our people have an inferiority complex in dealing with foreign nations; that is something remarked upon all over the world, and we cannot avoid remarking upon it here. There seems to be a segment of the American population that spends its time in its anxiety to obtain a foreign decoration. I recall when I was in Paris one distinguished American waiting there for 2 long months to get a decoration from France.

I feel friendly toward every nation; I have no prejudices, no hatreds—none whatever—or bias at all concerning a single one; I recognize their right to do just as they please; but I demand my right to have my country do just as it pleases. I do not want my country shoved across the water, so that it may be—not will be, but that it may be—under the power or the authority of those who are abroad. Senators all know how those abroad think and feel toward us; there is no use amplifying that subject; but now is the most unpropitious time that was ever suggested for us to join the League Court; now is the worst of all the periods when this question has been before us to do what is asked of us.

I wish that I could prevail upon the Members of the Senate to secure the statement of Mr. Reuben Clark which will be found in the Foreign Relations Committee hearings, part II thereof, and read what he says, and also read his brief. It is a remarkable document prepared by a very able man. He has the advantage of not only being a very great lawyer but he has also been a diplomat, and he has been connected with the State Department in days gone by. If Senators will read that brief, if they will follow at all his argument, they will be in a better frame of mind to do the thing that ought to be done this day.

Now, in order to ease us into the World Court, we are repeatedly told that we need not submit any questions unless we want to and that we can go in and be a part of the Court and submit questions or not, just as we choose. Like my friend from Arkansas, in the case of the sponger argument, I cannot fathom entirely that kind of argument. It is neither appealing nor persuasive with me. It was phrased a little differently by one of our Presidents when he said that it—the Court—is a convenient instrumentality to which you may go but to which you cannot be brought.

I do not care for instrumentalities of that sort. If this country is going to join any organization abroad, let us go in not with the idea that it is an instrumentality to which we may go but to which we cannot be brought; let us go in with our heads high, though we hate it; let us go in as Americans manfully to play our part. To say to me that we are going into an organization as to which we may go in if we want or stay out if we desire is an argument that has neither force nor weight nor logic nor persuasiveness behind it. If we are going to act in the fashion that we should, if we are going to stay out altogether, the argument may be more or less effective with certain individuals. But that is not the purpose of this particular organization, and very shortly after we get in we would find the purposes presented by the organization vastly different from what we assumed them to be under an argument of that kind.

Mr. President, the resolution of accession presents a rather strange situation. I am not going to present it at any length particularly today, but I should like to commend it to the distinguished Senator from Arkansas and to the Members who are here. I am not clear as to what was done with the reservations that were supposed to be attached to the resolution of accession to the Court. Let me recall to you the historical situation. We have a protocol dated 1920; that is the original protocol of admission to the Court. We have then a protocol, or call it such, concerning amendments to the Court; and then we have the protocol presented at the time the Root formula was submitted here. I am unable to determine for myself, I am not clear in respect to the matter whether or not the first four reservations are preserved by the protocols that are thus accepted by us. It is true that we accepted on one occasion the protocol with our reservations; it is true that thereafter there was a gathering of the clans at Geneva out of which came the Root protocol, but the Root protocol does not traverse the first 4 reservations, only 1 of which, in my opinion, is of very great importance. I may be entirely in error in this, and we will take it up as we proceed with the argument hereafter, but there is no place that I am able to discover where there has been an acceptance of the reservations which were adopted by the Senate which will be authentically official in the days to come. As I say, I express that thought in interrogative form to the Senator from Arkansas and we may take it up subsequently during the debate.

Mr. STEIWER. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Oregon?

Mr. JOHNSON. I yield.

Mr. STEIWER. In referring to the reservations, is the Senator from California referring to the five reservations incorporated in what we usually call the Swanson resolution?

Mr. JOHNSON. Yes, sir; and let me call attention to the fact that not only were there 5 reservations but there were 2 resolutions which were quite as important, quite as necessary for the protection of our country as the reservations. Indeed, the only one of the reservations that I deemed of consequence was the first one saying that we had no connection with the League of Nations or the Treaty of Versailles.

Mr. BORAH. Mr. President——

Mr. JOHNSON. I yield to the Senator from Idaho.

Mr. BORAH. I desire to ask where do the five reservations appear in any document which the foreign nations have approved? They have referred to these reservations, but in what document do the five reservations appear as having been specifically approved by the foreign nations?

Mr. JOHNSON. That is exactly what I was referring to.

Mr. ROBINSON. The reservations, of course, appear in the Senate resolution of advice and consent of 1926. In the protocol of accession, which is now under consideration, in the first paragraph, as I remember, it is stated that the signatories accept the five reservations.

Mr. BORAH. That is true, Mr. President; they accept them by reference, but the reservations which were presented to the foreign nations in 1926 were rejected; they refused to accept them. The only reference made to them thereafter is in the resolution to which the Senator adverts, where they refer to the four reservations.

Mr. ROBINSON. The five reservations.

Mr. BORAH. The five reservations. They say that these five reservations are approved upon the terms and conditions herein specified. I think that that is not an approval of those five reservations. It is an approval of them with modifications, which are therein stated. I do not see, if the Senator from Arkansas will permit me and if the Senator from California will also indulge me, why those five reservations should not be incorporated in the resolution of ratification.

Mr. ROBINSON. The only reason that I can see is that it is wholly unnecessary to do so, the reservations having been set forth in the original resolution of the Senate and having been accepted by the signatories to the protocols. They are in the RECORD.

Mr. BORAH. I do not want to take the time of the Senator from California further.

Mr. JOHNSON. That is all right. I am very glad to yield because I was seeking information when I asked the question of the Senator from Arkansas. I wanted his opinion upon it. I have looked at the matter since, and I am very doubtful whether we can hold that the reference is sufficient unless we can find that the reservations are a part of some official document in the League of Nations.

Mr. ROBINSON. They are a part, as I have already stated, of the original resolution of advice and consent.

Mr. BORAH. Mr. President, what I call the attention of the Senator from Arkansas to, which I sincerely hope he will consider before we finally vote upon this question, is that the reservations in the resolution to which he has referred are accepted upon the terms and conditions "herein stated."

Mr. ROBINSON. I understand that fully.

Mr. BORAH. "The terms and conditions herein stated" may and do modify, in my judgment, those reservations, and I do not see why they should not be incorporated in full, and then accepted as herein provided.

Mr. THOMAS of Utah. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Utah?

Mr. JOHNSON. I yield.

Mr. THOMAS of Utah. If the Senator from California will yield for a moment, I desire to say that I think in the protocol which is called the protocol of revision and acceptance there will be found not only the wording but also the spirit of all five of the reservations, and in the protocol of revision it will be found that the reservations themselves have been incorporated into the fundamental statutes of the Court itself, that the protocol of revision sets up the present rules under which the Court operates, and those rules include the spirit and provisions of the first four reservations.

Mr. JOHNSON. Does the Senator say that in the amendments made to the statute, reservation 1, occurs—

> That such adherence shall not be taken to involve any legal relation on the part of the United States to the League of Nations or the assumption of any obligations by the United States under the Treaty of Versailles.

Does that occur?

Mr. THOMAS of Utah. That reservation is accepted and is understood.

Mr. JOHNSON. Pardon me; I understood the Senator to say it was in the amendment to the statute.

Mr. ROBINSON. Mr. President, will the Senator indulge me further for a moment?

Mr. JOHNSON. Certainly.

Mr. ROBINSON. To my mind, the question is easily answered. There is not the slightest occasion for uncertainty about the matter.

The Senate of the United States in 1926 adopted a resolution advising and consenting to the protocol. It attached certain reservations—five in number. When the other signatories considered the subject, there was finally incorporated in the protocol, which is now before the Senate, as I said a moment ago, the following statement:

> ARTICLE 1. The States signatory to the said protocol accept the special conditions attached by the United States in the five reservations mentioned above to its adherence to the said protocol upon the terms and conditions set out in the following articles.

Then articles 2, 3, 4, 5, 6, 7, and 8 follow, but all of those articles with probably one exception are intended to give practical effect to the five reservations and do not in any particular modify the reservations or change their effect. They give force to them, as clearly appears from reading the language.

As I said yesterday in my remarks upon the subject, a question did arise touching that part of the terms and conditions which had application to reservation no. 5, but any doubt that may exist as to that is removed by the provisions of the pending resolution. When we adopt the resolution, if we do so, we will have agreed to the protocol in which they have accepted the five reservations, and that will conclude the matter.

Mr. BORAH. Mr. President, may I ask the Senator from Arkansas another question?

Mr. JOHNSON. I yield for that purpose.

Mr. BORAH. I would agree with the Senator entirely in his contention if it were not for the clause which reads "upon the terms and conditions herein."

Mr. ROBINSON. The expressed terms and conditions, when we consider the language of the terms and conditions, do not in any wise modify the reservations. They do not change their legal or practical effect. The principal object of the terms and conditions set forth is to make certain that the United States will have notice of an application for an advisory opinion and be afforded the opportunity if interested to prevent the request for the opinion going forward from the Council or the Assembly, and then also be afforded the opportunity, if the request does go forward, to prevent the entertainment of the request for the opinion and the rendition of an advisory opinion by the Court touching a subject in which it has or claims an interest.

The terms and conditions referred to facilitate and give effect to the reservation of the United States denying the Court's jurisdiction to consider, without the consent of the United States, any request for an advisory opinion touching a question or dispute in which the United States has an interest.

To my mind the question raised by the Senator from Idaho presents not the slightest difficulty.

Mr. BORAH. I did not raise it. The Senator from California raised the question.

Mr. ROBINSON. I beg the Senator's pardon—the question raised by the Senator from California. When we agree to this resolution, if we do so, and when the ratifications are exchanged, all five reservations will be in force and effect. There can be no doubt of that, because one of the protocols which we are considering expressly makes that declaration.

Another protocol, as suggested by the Senator from Utah [Mr. THOMAS] relates to the statute of revision, and the revisions that it carries are intended to give effect to the reservations which the United States has made, which reservations have been accepted by the signatories.

I thank the Senator from California.

Mr. JOHNSON. I appreciate what the Senator has said, and I invited it. I am very glad to have his explanation. I am not clear in the matter myself, but I shall take it up at some future time.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Nebraska?

Mr. JOHNSON. Certainly.

Mr. NORRIS. I should like to ask further what effect have the two resolutions which were adopted at the same time with the five reservations? I am wondering why they do not appear as reservations instead of resolutions. When reference is made to the approval, are those resolutions approved?

Mr. ROBINSON. I do not understand that the resolutions to which the Senator from Nebraska refers are agreed to in the protocol. I do not understand that to be the case, because the language of the protocol is that the special terms and conditions set forth in the five reservations are accepted and there is no mention of the resolutions that I recall. I shall look further into the matter.

Mr. NORRIS. There is none. I have made examination of the matter.

Mr. JOHNSON. The first refers to conditions, my recollection is, and the second refers to reservations. It is rather a strange thing, but until the recent meeting of the Foreign Relations Committee I had never heard of any rejection or objection to the two resolutions originally adopted by the Senate. I think the Senator from Arkansas and the Senator from Idaho are in like position in that regard.

Mr. NORRIS. Mr. President, if I may interrupt the Senator further?

Mr. JOHNSON. Surely.

Mr. NORRIS. I think the Senator from Arkansas is right when he says that the protocol as now before us makes no reference whatever to those resolutions.

Mr. JOHNSON. Quite so.

Mr. NORRIS. But it does refer to the five reservations. The resolutions are really reservations just the same as the others.

Mr. JOHNSON. That is quite so; but what I was trying to say to the Senator was that up to the discussion which has just transpired in the Foreign Relations Committee I never assumed and I never thought there was the slightest objection to the two resolutions.

Mr. NORRIS. Let us get the parliamentary situation. Suppose we approve the resolution offered by the Senator from Arkansas, then will it not follow as a matter of fact that the two resolutions originally adopted by the Senate are not approved?

Mr. JOHNSON. Oh, yes; because we have had that contest.

Mr. NORRIS. We would have to pass them again at this time?

Mr. JOHNSON. I think so, because the contest has arisen on them now. Both of them were presented in the Foreign Relations Committee and both were defeated.

Mr. ROBINSON. I think there is no doubt about that. Since the acceptance by the signatories of the proposal of the United States does not include the resolutions to which the Senator from Nebraska refers, but specifically includes the five reservations attached to our resolution of advice and consent, the resolutions are not in the protocol.

Mr. JOHNSON. That is obvious now.

Mr. ROBINSON. Yes. It has been obvious to me from the beginning.

Mr. JOHNSON. Did the Senator from Arkansas ever hear these discussed since they were presented? Was not the only discussion carried on about them after the Root formula and the five reservations?

Mr. ROBINSON. Yes; that is entirely true, and in my judgment that circumstance is responsive to very sound considerations affecting the subject matter. Of course this is a matter of argument, and it is a matter about which the Senator from California and I probably would not be in accord.

Mr. JOHNSON. That is quite so.

Mr. ROBINSON. We are in accord upon a great many subjects, but we have never been able to reach an agreement about anything I can recall touching the World Court.

Mr. JOHNSON. I think the Senator is right. [Laughter.]

Mr. ROBINSON. It is hardly with the hope of convincing him at this juncture that I have offered any suggestions.

Mr. JOHNSON. I was trying to straighten the thing out so we would know just "where we are at." That is the reason why I made the inquiry.

Mr. ROBINSON. I repeat what I said in the Foreign Relations Committee, that the Moses resolution, or whatever it may be termed, and the two resolutions which have been specifically mentioned by the Senator from California are not incorporated in my resolution of advice and consent. If my resolution be agreed to in the form in which it is presented they will not be a part of the arrangement.

Mr. JOHNSON. That is perfectly clear.

Mr. BORAH. Mr. President——

Mr. JOHNSON. I yield to the Senator from Idaho.

Mr. BORAH. When the resolution of ratification which was adopted in 1926 was completed it included the two resolutions about which we have been talking—that is, the resolutions with reference to abandoning the traditional policy of the United States and the action of the Senate with reference to submitting treaties. But when the conference ended at Geneva, which was attended by Mr. Root and which resulted in the Root-Hurst protocol being returned to the United States, they were eliminated and they have not since been considered as a part of that protocol. That is one thing in the Root-Hurst protocol about which there was no ambiguity.

Mr. JOHNSON. Mr. President, in order that we may clear this matter slightly, let me recall to the Senate that originally 5 reservations were adopted by the Senate and 2 resolutions which in effect are reservations as well. The dispute arose neither concerning the first 4 reservations nor concerning the 2 resolutions. The dispute related along to the fifth reservation and a part of that fifth reservation. Until the other day, as I said a moment ago, I had assumed that there was no objection upon the part of foreign countries to the two resolutions. I have never heard any discussion or any suggestion concerning the nonacceptance of any part of the reservation of accession originally passed by the Senate save concerning a part of reservation no. 5. There has been no allusion, so far as I know there has been no suggestion of hostility by those who met abroad with Root to the two resolutions.

Let me read the two resolutions; and the first time that I knew of any objection on the part of anybody to these two resolutions was when we met in the Foreign Relations Committee the other day. These are the two resolutions:

*Resolved further,* As a part of this act of ratification that the United States approve the protocol and statute hereinabove mentioned, with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can be had only by agreement thereto through general or special treaties concluded between the parties in dispute.

That was no. 1. It was intended originally, when that resolution was adopted, to maintain our hand, if we could, upon the disputes that were presented by the United States of America, and wield the power that the United States Senate had ever wielded in regard to treaties or in regard to matters of that sort.

The last one, the second resolution, was as follows:

*Resolved further,* That adherence to the said protocol and statute hereby approved shall not be so construed as to require the United States to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions of policy or internal administration of any foreign

state; nor shall adherence to the said protocol and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions.

That reservation has been defeated by the Foreign Relations Committee. It will come upon the floor here, so I shall not attempt to argue it at this time; but I want to put it, if I can, in the mind of every man upon this floor, and I want to ask him whether he is ready to say by his vote that the traditional policy of the American Republic is finally repudiated by the United States Senate upon political questions that arise abroad, or that the policy in respect to domestic questions is abrogated or changed.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. JOHNSON. Yes.

Mr. ROBINSON. In order that there may be no misunderstanding of the position taken by the committee, and waiving argument of the matter at this time, deferring it until the question is actually before the Senate, I wish to state that, in my judgment, no question of abandoning our traditional policies, or of submitting to the Court of International Justice purely domestic questions, is involved in the consideration of this resolution of adherence; that the adoption of such a resolution would be merely confusing, would add nothing to the position of the United States, and would accomplish no wholesome end; and that by rejecting such a resolution we do not abandon any policy that we have, or any purpose that we have.

I thank the Senator for yielding to me.

Mr. JOHNSON. Mr. President, I am forced to disagree with the distinguished Senator from Arkansas in that regard. This resolution has been attached to every foreign treaty of conference, organization, and the like into which the United States has ever entered. Even in 1909, upon the treaty relating to the Hague Court, that reservation was appended by the Senate. Twice, I think, while this matter has been pending before the Senate of the United States that reservation has been adopted.

It may be that the question never would arise. That may be correct. I am not going to gainsay it; but this is one of the protective reservations that has ever been deemed essential by the Senate, and to eliminate it at this time in connection with this particular tribunal would leave implications that would be most unfortunate for the United States of America.

I do not argue this matter now, because doubtless it will be the subject of an extended debate in this body shortly. The reservation has been presented by the Senator from Michigan [Mr. VANDENBERG], and he undoubtedly will take the laboring oar in presenting his views upon it. Then all of us, I assume, will likewise express ours. So I leave the subject now with the simple statement that here is a reservation which preserves the United States in its traditional policy not to be involved in any political questions abroad, which the United States Senate apparently will decline to sanction. Never in the course of the history of the United States Senate has it ever been denied before. When the argument comes up we shall ascertain whether or not it is to be denied for the first time in 1935.

Mr. VANDENBERG. Mr. President, will the Senator yield before he leaves that part of the discussion?

Mr. JOHNSON. I yield.

Mr. VANDENBERG. There is a very curious disagreement respecting the statement of the situation as submitted by the Senator from Arkansas and the record in respect to the status of these two resolutions.

It is true that the protocol of accession says that our adherence is acknowledged subject to the five reservations. It is equally true that the official document of the United States Senate respecting the World Court defines both of these resolutions as being the third and fourth paragraphs of the fifth reservation. I show the Senator from California the official publication, and I show him the identification of the resolution which he has just read; and the official identification is that it is the fourth paragraph of the fifth reservation.

If that be the official identification, why is it that the paragraph which accepts the five reservations in the protocol of accession does not accept the resolutions as well?

Mr. ROBINSON. Mr. President, to what document is the Senator referring?

Mr. VANDENBERG. The Senate's official compilation of World Court material, published on December 16, 1931. It assumes to quote from the Executive Journal of the Senate.

Mr. ROBINSON. Mr. President, it is clear to my mind that the two resolutions—the one relating to traditional policies and the other relating to the manner of referring questions to the Court—are not a part of the fifth reservation. They were never so treated by the Senate or by the Foreign Relations Committee; and the document to which the Senator refers is not an official document in the sense in which he attempts to describe it.

Mr. VANDENBERG. Mr. President, will the Senator from California yield for one moment further?

Mr. JOHNSON. I yield. If Senators will pardon me for saying so, I think this discussion is informative, and that it is a good idea to have it at this time.

Mr. VANDENBERG. I assume that I have a right to rely upon the compilation made by the Secretary of the Senate, and I assume that it is accurate when it purports to quote the CONGRESSIONAL RECORD.

Mr. ROBINSON. From what page of the document is the Senator reading?

Mr. VANDENBERG. Page 37 of the document. It assumes to quote from the CONGRESSIONAL RECORD, and quotes the CONGRESSIONAL RECORD as describing in this language the final resolution which the Senator from California has just read:

The fourth and last paragraph of reservation no. 5 was read, as follows:

Therefore, so far as our official Senate identification is concerned, the resolution to which the Senator refers is part of the reservation; and when the protocol of accession accepts the reservations, and then we in turn decline to reinsert the fifth reservation, I submit that it is a most amazing paradox.

Mr. NORRIS. Mr. President——

Mr. JOHNSON. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to add a word to what the Senator from Michigan says.

The Senator from Michigan refers to this document and says that it refers to the CONGRESSIONAL RECORD. I do not think that necessarily makes it evidence; but it also refers to the Executive Journal, which is an evidence of what the Senate has done—the Executive Journal, volume 64, pages 541 and 542.

If the Journal of the Senate would show that this resolution is a part of reservation no. 5, I think any court would have to accept it as part of the record; and if this is a correct copy of the Journal, it would be a part of reservation no. 5.

Mr. JOHNSON. One of the indicia of what the Senator says is the fact that no living soul ever heard of an objection to those two reservations until the other day.

Mr. VANDENBERG. Mr. President, will the Senator yield further?

Mr. JOHNSON. Yes.

Mr. VANDENBERG. As bearing further upon the Senator's latest observation, this particular paragraph of the fifth reservation was submitted by itself for a vote in the Senate on January 26, 1926, and it was unanimously approved.

Mr. JOHNSON. Yes; I know that. The statement to that effect will be found in the RECORD.

Mr. President, to resume briefly, I want to say that I am very glad to have these discussions. The fact of the matter is that all of us have been engrossed in our daily tasks. They are no small tasks, too. All of the Senators, I am sure, feel just as I do in that regard. Naturally, it has been a difficult thing to twist our minds back over the period of 12 years in a contest that was of great moment, but that lasted for a long time, and had many, many details; and I think the more we can thrash this thing out upon the floor in the fashion that we have done today, the better it is for the Senate and the more information will be derived,

because, sir, I believe there are men in the Senate who want information upon the subject and are very glad to have it.

As the President said this morning, this is not a political question. It is not a political question with Members of this body, I take it. I know it is not a political question with me. This is one of the questions where men may disagree, it is true; but it is one of the questions where a man may do all in his power under all circumstances, and go forward, no matter what the consequences may be, in behalf of an honest opinion. I am ready to do that, and I have done it for 16 years in the past.

In 1919, when we began the contest on the League of Nations, there were few to do us honor, and few to listen to our arguments. We went from State to State then presenting our cause; and although the great newspapers of the country supported the League, and every paid propagandist in the country was on his feet and on the rostrum in behalf of the League, when the common people—who, thank God! are in the majority yet in this Nation—understood the issue, there was no question about the result.

It is just people in whom I am interested. I cannot, of course, convince a metropolitan daily or a professor from a particular college. Of course, I cannot convince a gentleman who receives a salary of considerable extent per week or per month for propagandizing concerning this matter. But I should like again in the strength that I had in 1919 and 1920—I should like again to present this question and the question of our going into Europe—I should like to present it to just the common people of America, and I would do it with an absolute confidence that they would again agree that we should never join with a European organization that might take us across the water and again embroil us in Europe's wars.

Mr. President, this is not the first time that this country of ours has had to consider what would be done under certain circumstances in regard to its foreign policy. It is a little more than 100 years ago when with sanctified utterance the endeavor was made by the Czar Alexander to bring to the world his great Holy Alliance. His language was not different from that we heard during the fight upon the League of Nations or that we hear now about this World Court—a court so futile in its operations that it is really unable to decide anything except a political question.

The Czar Alexander, one of the great monarchs of the time, and one of those who was a conqueror of the great Frenchman—the Czar Alexander in language as florid as any that has been dripped on us, told of the aims of his Holy Alliance, and I desire to read a word or two that you may see how history repeats itself, and so that you may see how even in the young days of the Republic men then stood their ground and fought their fight, fought it for their country, and announced their doctrine, which has been the doctrine from that time unto this.

The Czar and his fellow sovereigns forming the Holy Alliance sent forth their pronunciamento to the world as this:

> Conformably to the words of the Holy Scriptures, which command all men to consider each other as brethren, the three contracting Monarchs will remain united by the bonds of a true and indissoluble fraternity. Considering each other as fellow countrymen, they will on all occasions and in all places render each other aid and assistance; toward their subjects and armies, they will extend a fatherly care and protection, leading them (in the same spirit of fraternity with which they are themselves animated) to protect religion, peace, and justice.

I will not read the rest of the pronunciamento, but it is composed in the same diction and follows along the same high plane with the same high purpose. Then forming, as they did, the Holy Alliance, the victorious monarchs started in the holy name of peace to make plain to the people of the world how never again should war trouble, how men should ever walk upright, and all should be brothers. Unctuous in their liberality, they promised subjects happiness and prosperity. They went on with the Holy Alliance until finally England, canny England, began to understand, and England ultimately withdrew.

That is what we are doing today, you know, bringing peace and happiness to all our people by joining a warlike aggregation across the Atlantic Ocean! The Holy Alliance continued its activities until Metternich, wily politician and clever statesman, finally wrought his will within that alliance and its cornerstone became legitimacy. Then when people had revolted in Spain and a wretch who had been put upon the throne had fled, the Holy Alliance, in the name of "religion, peace, and justice" sent its troops to Spain, destroyed freedom, and put him back upon the throne, and thereafter the Holy Alliance became simply the engine of tyranny and an object of contempt and ridicule.

During the period of time when the Holy Alliance was embracing the world and telling the world just exactly how it should act, and how it would carry on and keep its peoples free and happy and contented and prosperous, its advocates came to America for the purpose of engaging our Monroe and our Adams, and getting our accession to their particular tribunal. Oh, ye people of Massachusetts! let me read what Mr. Emerson said in that day. Let me state to you that during that period when the Holy Alliance was asking the accession of the United States of America the Massachusetts Peace Society passed its resolutions, demanding that we join this particular tribunal for the sake of maintaining peace throughout the world. Emerson then indulged in just a brief remark:

> Aloof from contagion during the long progress of their decline, America hath ample interval to lay deep and solid foundations for the greatness of the New World.
>
> Let the young American withdraw his eyes from all but his own country, and try, if he can, to find employment there * * * In this age the despots of Europe are engaged in the common cause of tightening the bonds of monarchy about the thriving liberties and the laws of men; and the unprivileged orders, the bulk of human society, gasping for breath beneath their chains, and darting impatient glances toward the free institutions of other countries. To America, therefore, monarchs look with apprehension, and the people with hope.

Today what have you in Europe? What is there there? Monarchies? Worse. You have the absolutism in Italy, you have the peculiar sort of government in Germany; you have the strange crew now cheerfully engaged in executions in Russia. All along the line Europe has its separate affairs to solve. It has its kind of people—better than we, perhaps, but not like us. There they are governing in their own fashion. They have in the sacred name of peace their League and their Court. Let them have them; but do not make us become a part.

Think of the things that have passed in the long days gone by in the history of our country when it was young, and when it was weak. During that period is when here we gave birth to the Monroe Doctrine. You will realize, I have no doubt, the difficulties that confronted the small Government during that period, and why it was that we endeavored to keep ourselves free and keep ourselves clear of foreign entanglements. I never can forget the language of your Massachusetts man, Mr. Adams, during that period of time. Mr. Adams instructed Middleton, July 1820:

> The political system of the United States is * * * essentially extra-European. To stand in firm and cautious independence in all entanglements in the European system has been a cardinal point of their policy from the peace of 1783 to this day. * * *
>
> Yet in proportion as the importance of the United States as one of the members of the general society of civilized nations increases in the eyes of the others, the difficulties of maintaining this system and the temptations to depart from it increase and multiply. * * *

And that is what troubles us. The temptations increase and multiply during these days with us to depart from that which has been our only safe anchorage during all the days of our existence.

Our intellectuals, you know—these pseudointellectuals who are so perfectly certain they are right, and who feel very assured of their mentality with the cherished views that they hold, who are impervious to any knowledge of anything that smacks of reality—they go about all over the land trying to muddle us in theories that are theirs, to have us change the Government under which we have lived so long. Mr. Adams, clear headed and American, said the possibilities:

> Should renewed overtures on this subject be made—

Said Mr. Adams to Mr. Middleton—

Russia would be answered that the organization of our Government is such as not to admit of our acceding formally to that compact. But it may be added that the President, while approving of its final principles and thoroughly convinced of the benevolent and virtuous motives which led to the conception and presided at the formation of this system, by the Emperor Alexander, believes that the United States will more effectually contribute to the great and sublime objects for which it was concluded by abstaining from formal participation in it. As a general declaration of principles, the United States not only give their hearty assent to the articles of the Holy Alliance, but they will be among the most earnest and conscientious in observing them.

As a general principle I will give my hearty assent to the doctrines of the League of Nations and the World Court so long as they are practiced and so long as they are developed in Europe for European ills, but we are different from those people abroad—can you not understand that? We have not only national prejudices in this country of ours, but we have difficulties which arise within us from those who come from abroad. The other day we saw accounts of a number of American citizens going over to the Saar to vote. I resent the idea that American citizens should do that. But it illustrates better than any words of mine could how difficulties with us multiply, and are different from those difficulties that exist abroad.

Here we are supposed to have a melting pot. It has not melted as yet, and we are obliged to concede it. Here we have men and women from every clime on the face of the earth—men and women who perfectly naturally have their hot passions for the territory from which they come. You may take an oath and say you abjure it all, but it is in the very nature of man that he should love the spot in which he was born, and you cannot eradicate it from his mind or from his soul. And in this country, with these various elements, we have the troubles not that they have alone but we have the added troubles of having every one of these racial groups interested, passionately interested, in what goes on in the country from which they came. We are different from these people abroad. We are told every day, Oh, distance has been annihilated and means of communication are such that we are all brought closer together, and therefore we ought all to form one great world nation and one great world community. A distinguished gentleman in the State Department, Mr. Wallace McClure, has been issuing some releases of late. Senators may get them if they desire. I understand he is a most excellent gentleman and is the assistant to Mr. Sayre, who has been here among us. Mr. McClure has been releasing some speeches that he has made which are so grandiose in character that I sometimes fear he is afflicted with delusions of grandeur. It is said that all distance is annihilated and all communications bring us right together, and therefore it is time for us to go abroad.

God gave us two great oceans that put us here upon this hemisphere. Distance has been annihilated abroad, it is true. There is only the shadowy boundary line between France and Germany, but that shadowy boundary line, across which these two Nations are brought face to face constantly, in a generation—aye, in a century—cannot because of proximity remove and cannot obliterate the national passions that exist or remove the enmities of centuries.

We are different over here. Why go abroad? What reason is there that we should alter our system in the slightest degree and go abroad to enter a Court or a League of Nations or any other organization of any other kind or character there where political questions may be decided and political questions determined?

Mr. LONG. Mr. President, I wonder if the Senator has noticed the publicity given to the fact that England has balanced her budget and is preparing to reduce her taxes?

Mr. JOHNSON. Certainly.

Mr. LONG. While at the same time sending a note to America, that has not a balanced Budget, but one of increasing debt, that she is unable to pay the interest on her debt to us, that note coming along about the same time we are invited into this benevolent participation?

Mr. JOHNSON. Yes; it is a very interesting thing. I do not want to get into a discussion of the debts at the moment. I do not know whether or not Senators remember the arguments on the League of Nations. They were founded all upon a moral obligation that we had—a moral obligation. We were so great and so beneficent, so beautiful and so good that we had the moral obligation to lead all the rest of the world, and we were going to do it by virtue of going into the League of Nations and putting our resources and our men at the disposal of that particular aggregation. Today it is the same thing. A moral obligation rests upon us to go into this Court. Do you not realize, Mr. President, when they say to us now, to minimize what we are doing, that we will not need to do anything once we get in because we do not need to submit to a decision unless we want to and we do not need to have a decision acted upon at all unless we wish—do you not realize that once we get in we have gone in and the moral obligation will be preached to us day in and day out until we will be called a "welcher" if we do not do the job in the fashion in which the internationalists wish us to do it? Once we get in we are gone. That is all there is to it. So if there be any danger at all, out we should keep and out we should remain.

Mr. President, let us look, too, at another thing which is important in this case. If there were anything like a Republican Party in this body, I would address myself to it in that regard, but I address myself to everybody here in that respect. To the Root protocol is annexed practically the latter part of the fifth reservation which was adopted by the Senate. What it provides is that if the United States has or claims an interest over the objection of the United States a case cannot be heard. That is, in substance, what is provided; I do not quote it with accuracy but I quote the substance of it. Who is to determine whether or not a case shall be heard? Who is to decide it? The cry is rampant throughout the land today to destroy the Senate as a part of the treaty-making power. All the good people who want to take us abroad and who want to make us citizens of the world instead of citizens of this country, all of them in unison cry, "Take from the Senate of the United States its power in making treaties; strip it of the right and leave them naught to say respecting treaties." By this reservation the Senate is deprived practically of the right to say aught concerning what is a treaty. It is a delegation of power that is quite as dangerous as delegations against which there has been some outcry of late. A portion of the reservation that is attached to the Root formula therefore may be effective under certain conditions, or it may not be effective at all. Where do you suppose we will land if the State Department, with the international views of our present State Department—and I speak in terms of high commendation in some respects of the present Secretary of State—where do you think we will land if that Department has the determination of whether or not an objection shall be made to the hearing of a case by people abroad? Once we have advisory opinions relating to the United States of America, political as they are, and as we know they are, and as has been admitted today—once we have advisory opinions rendered in matters in which the United States is interested, the whole fabric that has been built up since we were a nation goes crumbling to the ground, and so it is that we ought not to take the initial step.

I read a little while ago the instructions of Adams to Middleton. By the way, Mr. Canning, who was running the affairs of England at the time, made some remarks about the Holy Alliance when finally he quit it. He said:

What was the influence which we had had in the counsels of the alliance? We protested at Laybach; we remonstrated at Verona. Our protest was treated as waste paper; our remonstrances mingled with the air.

If they get us over there at Geneva into the Court, our protests will be treated as so much waste paper and our remonstrances will be mingled with the air.

On November 19, 1823, during an interview with Addington, Mr. Adams, while suggesting the difficulties that Great Britain might find in breaking her former close relations with her allies, declared that the United States would decline to attend any conference on South America, unless the new republics were also invited to be present. No

Congress, he maintained, could give Europe a right "to stretch the arm of power across the Atlantic." In the strongest terms, he reflected upon the pretensions of the congressional system:

That was the Czar Alexander system under the Holy Alliance. Mr. Adams said:

The very atmosphere of such an assembly must be considered by this Government as infected—and unfit for their plenipotentiary to breathe in. The ground I wish to take—

Wrote Adams in his diary—

is that of earnest remonstrance against the interference of the European powers by force in South America, but to disclaim all interference on our part with Europe.

As the Holy Alliance has come to edify and instruct us with their principles—

He wrote in reference to Poletica's Mission of Exhortation—

it is due in candor to them and in justice to ourselves to return the compliment.

Oh, of course, that was a long time ago. The man who uttered those words long since passed away. Naturally his words and the words of those who were his contemporaries are regarded now by our internationalists not only with contempt but with some degree of contumely. We have been teaching some of our people that patriotism is a sin and that no man should speak his love of country and none should engage in any eulogium upon his Nation.

There is a grand old man who wrote the fifth reservation, John Bassett Moore, undoubtedly the most astute international lawyer who lives and the most learned. He has filled many roles, always with credit to himself and always with honor to his country. He it was, in conjunction with the late Senator Walsh and former Senator Swanson, who prepared the fifth reservation, but, you will remember, Mr. President, how the difficulties mounted and multiplied over that reservation in the days that followed. Just think for a moment and then see if you cannot doubt some of the intellectuals who believe now with such certainty that they can direct world affairs.

When the reservation was presented it was overwhelmingly adopted by this body. It went abroad, where it met with some objection in some particulars; and then the most astute lawyer that probably has existed in this generation was sent abroad by one of our Presidents in order to write a new fifth reservation and bring back something that was just as good but a little different, and he did it. He brought it back, and then all the intellectuals accepted the Root formula.

I was belabored, as every other man who was opposed to the Root formula was belabored all over this land, bludgeoned by the newspapers who believed in internationalism and wanted to take us abroad. Oh, it was claimed, the Rood formula answered every question, every single, solitary objection; it had to be accepted in 15 seconds by the recalcitrant Senators; it ought to be adopted without a single solitary moment of hesitation. All over the land the cry went up, and those individuals who had not approved of Mr. Root's substitution for the work of the Senate of the United States were abused in a fashion that has seldom been met with. Yet what has happened? Finally we are justified in the opposition we made to the Root reservation, for today the proponents of the World Court annex to the Root formula the fifth reservation which the Senate had adopted and which the Root formula sought to destroy.

So I say to you, Mr. President, if we do with too much confidence in what our internationalists and our pseudointellectuals insist upon as the appropriate method of procedure, remember what has transpired in regard to this single reservation and look at least a little skeptically and a little doubtfully upon what they say.

Mr. President, I know what the situation is, and I know it full well. I am very glad that the Lord gave me the ability to stand upon my feet and to fight my fight, no matter what was in store. I am very glad that today, on an occasion such as this, I can present my views, even inadequately and in sketchy fashion, as I have, concerning a matter in which I think my country is involved.

I wish I had the power and the eloquence—oh, I long for that which some men have been given in such profusion, I long for that facility of expression and that power which could arouse in the Members of the Senate the same thoughts that I have regarding our country and regarding its future. We are all alike in our designs, none of us would do aught that would injure our Republic; none of us desires to do that which in the days to come we may repent; the only question is, How can they see this thing; and the only appeal that I can make to Senators is to see it with your own eyes, to probe it with your minds and your own heads; decide it according to the God-given mentality you have, and decide it as you believe to be the right. If you believe in that right, stand up to it no matter what the consequences may be, for it is your country that calls to you today. This is no little matter with which we deal; this is no trivial policy upon which we are asked to act; this is the American policy which comes to us today. It is the American policy that means either that which we love in the future or that which we may fear in the future. We can be, and we ought to be, Americans. The only appeal that I make is, for the love of God, without fear, let us be just Americans!

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendment of the Senator from Michigan [Mr. VANDENBERG] to the resolution of adherence.

Mr. ROBINSON. Mr. President, I am sure the Senate is not ready to proceed to vote now upon the questions involved in the proposed amendment. I suggest that the Executive Calendar be called. There is further debate upon the World Court which cannot be concluded today.

## EXECUTIVE CALENDAR

The PRESIDING OFFICER. The first order of business on the Executive Calendar will be stated.

## PUBLIC PRINTER

The legislative clerk read the nomination of August E. Giegengack, of New York, to be Public Printer.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. McNARY. Mr. President, I think there should be a call of the Senate inasmuch as there has been a change in the program for the afternoon. Therefore I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Copeland | Lewis | Russell |
| Austin | Costigan | Logan | Schall |
| Bachman | Couzens | Lonergan | Schwellenbach |
| Bailey | Cutting | Long | Sheppard |
| Bankhead | Davis | McCarran | Shipstead |
| Barkley | Dickinson | McGill | Smith |
| Bilbo | Dieterich | McNary | Steiwer |
| Black | Donahey | Maloney | Thomas, Okla. |
| Bone | Duffy | Metcalf | Thomas, Utah |
| Borah | Fletcher | Minton | Townsend |
| Brown | Gerry | Moore | Trammell |
| Bulkley | Glass | Murphy | Truman |
| Bulow | Gore | Murray | Vandenberg |
| Burke | Hale | Neely | Van Nuys |
| Byrd | Harrison | Norris | Wagner |
| Byrnes | Hastings | O'Mahoney | Walsh |
| Capper | Hatch | Pittman | Wheeler |
| Caraway | Hayden | Pope | White |
| Clark | Johnson | Radcliffe | |
| Connally | Keyes | Reynolds | |
| Coolidge | King | Robinson | |

Mr. LEWIS. I have announced previously the absence of several Senators, giving the reasons. I repeat that announcement for the present roll call.

Mr. McNARY. I wish to announce that the Senator from North Dakota [Mr. NYE] is absent attending the funeral of his colleague's wife.

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present. The clerk will state the next order of business on the Executive Calendar.

SECURITIES AND EXCHANGE COMMISSION

The legislative clerk read the nomination of Ferdinand Pecora, of New York, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert E. Healy, of Vermont, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James M. Landis, of Massachusetts, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George C. Mathews, of Wisconsin, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph P. Kennedy, of New York, to be a member of the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL HOME LOAN BANK BOARD

The legislative clerk read the name of Henry E. Hoagland, of Ohio, to be a member of the Federal Home Loan Bank Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL HOUSING ADMINISTRATION

The legislative clerk read the nomination of James A. Moffett, of New York, to be Administrator of the Federal Housing Administration for a term of 4 years from June 30, 1934.

Mr. NEELY. Mr. President, I ask that the nomination go over for the day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and the nomination will be passed over.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. HAYDEN. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

That completes the Executive Calendar.

LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate resume legislative session.

The Senate resumed legislative session.

ADJOURNMENT

Mr. ROBINSON. I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 25 minutes p. m.) the Senate adjourned until tomorrow, Thursday, January 17, 1935, at 12 o'clock meridian.

## WITHDRAWALS

*Executive nominations withdrawn from the Senate January 16, 1935*

PROMOTIONS IN THE REGULAR ARMY

TO BE COLONEL

Lt. Col. Odiorne Hawks Sampson, Quartermaster Corps, from October 1, 1934.

TO BE MAJOR

Capt. Lessley Eugene Spencer, Coast Artillery Corps, from October 1, 1934.

TO BE FIRST LIEUTENANTS

Second Lt. Carl Frederick Theisen, Air Corps, from October 1, 1934.

Second Lt. Charles Harold Earnest, Air Corps, from October 1, 1934, subject to examination required by law.

Second Lt. James Lee Majors, Air Corps, from October 1, 1934.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate Wednesday, January 16, 1935*

PUBLIC PRINTER

August E. Giegengack to be Public Printer.

MEMBERS OF THE SECURITIES AND EXCHANGE COMMISSION

Ferdinand Pecora to be a member of the Securities and Exchange Commission.

Robert E. Healy to be a member of the Securities and Exchange Commission.

James M. Landis to be a member of the Securities and Exchange Commission.

George C. Mathews to be a member of the Securities and Exchange Commission.

Joseph P. Kennedy to be a member of the Securities and Exchange Commission.

MEMBER OF THE FEDERAL HOME LOAN BANK BOARD

Henry E. Hoagland to be a member of the Federal Home Loan Bank Board.

POSTMASTERS

ARIZONA

Jessie I. Cooper, Chandler.
Woodie A. Gatlin, Patagonia.
J. Albert Brown, St. Johns.
Sparlin B. Boner, Seligman.
Neal H. Phelps, Springerville.
Harold B. Collins, Tucson.
Joseph M. Balsz, Yuma.

IDAHO

Robert R. Walker, Avery.
Pearl Kennedy, Burke.
Charles E. Bales, Caldwell.
Arthur T. Combs, Kellogg.
Lee Highley, New Meadows.
William H. Goldsmith, New Plymouth.
Jessie L. Kelly, Winchester.

ILLINOIS

Arthur S. Austin, Altona.
Fred Rohr, Ashkum.
James R. Freddy, Atkinson.
Ruth L. Patterson, Bement.
John C. Kepner, Blue Mound.
Michael Colgrass, Brookfield.
John R. Markley, Bushnell.
Leslie W. Hunt, Cambridge.
Elmer E. Dallas, Cerro Gordo.
William M. Donovan, Clifton.
Thomas W. Cramer, Clinton.
Claude H. Rendleman, Cobden.
Claude Shaffner, Dallas City.
Louis J. Albrecht, Dolton.
George A. Wall, Elizabethtown.
Kile E. Rowand, Fairmount.
John H. Mauzey, Findlay.
Mervin F. Hinton, Fisher.
Lowell R. Murray, Herrick.
John Petry, Hoopeston.
George E. Roe, Industry.
George J. Pfaff, Itasca.
Fred D. Hatter, Millstadt.
John F. Hartsfield, Monticello.
Leslie J. Smith, Mount Auburn.
Henry R. Richardson, Moweaqua.
Arthur L. Reinheimer, New Athens.

John R. Goodson, Newman.
Amiel J. Toelle, Orland Park.
William D. Steward, Plano.
Hallie Weir, Pleasant Hill.
Glenn G. Watson, Roseville.
Floyd E. Denhart, St. Joseph.
Burleigh A. Murray, Sesser.
William J. Woodard, Sidney.
Paul H. Rauhoff, Tinley Park.
William Connell, Tremont.
Robert K. Collinson, Victoria.
Joseph P. Daly, Waukegan.
Arthur E. Swan, Waynesville.
E. Donoven Stover, Western Springs.
Fred C. Shetler, Woodhull.

MICHIGAN

Roy Winegarden, Boyne City.
Jettena Watson, Wolverine.

NEW HAMPSHIRE

Martin A. Lynch, Alton Bay.
Edith L. Stillings, Bartlett.
Edwin L. Batchelder, Hampton.
Berl E. Tilton, New Hampton.
William T. Whenal, North Hampton.
Gordon A. Russell, North Weare.
Harold A. Aher, West Lebanon.

NEW YORK

Daniel A. Driscoll, Buffalo.
Albert Goldman, New York.

NORTH CAROLINA

Laucy E. Johnson, Angier.
Jesse T. Morgan, Benson.
Howard A. Kerlee, Black Mountain.
Wade C. Hill, Canton.
Pat D. Gray, Cary.
Estelle I. Baldwin, Chadbourn.
Robert A. Eubanks, Chapel Hill.
John W. Mosteller, Cherryville.
Lemuel A. Smith, Clarkton.
Paul A. Williams, Clayton.
R. Andrew Love, Jr., Cliffside.
Lillington Hendrix, Cooleemee.
Matt A. Elmore, Dover.
John K. Clark, Elizabethtown.
Russell A. Crowell, Enka.
Alexander E. Waller, Fair Bluff.
Willie B. Jennings, Fairmont.
Marvin T. George, Four Oaks.
Thomas W. Porter, Franklin.
Victor O. Tilley, Fuquay Springs.
Alger R. Henderson, Graham.
Irene I. Morphew, Jefferson.
James C. Wright, Landis.
James T. Martin, Liberty.
Merrimon D. Lanier, Lillington.
B. Franklin McMillan, Jr., Lumberton.
Charles R. Evans, Mantee.
Euna B. McBride, Marshville.
Clarkie Belle Williams, Maxton.
Gillam Craig, Monroe.
John M. Kennette, Mooresville.
Clarence A. Pennington, Oteen.
Sallie F. Matthews, Randleman.
Robert N. Stansill, Rockingham.
William J. Butler, St. Pauls.
Ernest B. Satterwhite, Sanatorium.
P. Frank Bushan, Southern Pines.
Ally N. Fuller, Spruce Pine.
Bonnie B. Shingleton, Stantonsburg.
Charles M. Price, Sylva.
John A. Davis, Waxhaw.
Milton J. Sexton, Zebulon.

TENNESSEE

Mattie B. Goodner, Alexandria.
Joe C. Hamlett, Ardmore.
Lily D. Seay, Bethpage.
Henry S. Dupree, Brownsville.
Timmie M. Bryant, Charleston.
James R. King, Clarksville.
Bert Poe, Daisy.
Albert D. Ward, Decatur.
Ethelbert J. Shannon, Halls.
Henry C. Johnson, Lafayette.
Robert L. Wagstaff, Lynnville.
John W. Fuqua, McEwen.
James H. Smith, Martin.
James J. Darnell, Morrison.
Isaac S. Davidson, Petersburg.
E. French Fugate, Rutledge.
Flossie Gardner, Tellico Plains.
Nell I. Griffith, Vonore.
John L. Vann, Watertown.
Morris L. Collier, Waynesboro.
Gaston H. Rhodes, Whiteville.

WASHINGTON

Andrew F. Farris, Cashmere.
Alfred K. Filson, Centralia.
Hubert S. Storms, Chewelah.
Harold W. Kreidel, Cle Elum.
Harry E. Robbins, Coulee Dam.
Elizabeth S. Garland, Endicott.
Morgan J. McNair, Farmington.
Fred E. Olmstead, Grandview.
Emmett A. Phillips, Harrington.
Oscar E. Foster, Hoquiam.
Frank H. Lincoln, Kennewick.
George A. Hauber, Leavenworth.
Charles E. Schutz, Lind.
Harry C. Smyth, Mabton.
Charles J. Fredricks, Moxee City.
Moses S. Brinkerhoff, Okanogan.
Emugene W. Jones, Poulsbo.
John C. Cody, Republic.
Cecilia Allen, Zillah.

# HOUSE OF REPRESENTATIVES

## WEDNESDAY, JANUARY 16, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, we praise Thee that Thou art a Being clothed with infinite power, succoring the weak, the ignorant, and the sinful. Blessed Lord, Thou art the inspiration that lifts man from forbidding conditions and makes him superior to circumstances which deteriorate character. Heavenly Father, do Thou restrain and shape our desires and fit us for the image of true and divine manhood. May our heart throbs be true to Thee and our fellow men. Preserve our Speaker and the Members of this Congress in the freshness of joy and hope and in the promise of life. Inspire every cherished impulse, every true feeling, every right ideal, and every high conception. In the name of our Lord and Master. Amen.

The Journal of the proceedings of Monday, January 14, was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed the following resolution:

Senate Resolution 54

*Resolved*, That the Senate has heard with profound sorrow the announcement of the death of Hon. ANTHONY J. GRIFFIN, late a Representative from the State of New York.

*Resolved,* That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

*Resolved,* That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

*Resolved,* That as a further mark of respect to the memory of the deceased Representative, the Senate do now adjourn.

The message also announced that in compliance with the foregoing resolution the Vice President had appointed as said committee Mr. COPELAND and Mr. WAGNER.

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 4. Concurrent resolution providing for the acceptance by the United States of the statutes of Caesar Rodney and John M. Clayton, and extending the thanks of Congress to the State of Delaware for the contribution of such statues.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

SWEARING IN OF MEMBER

Mrs. GREENWAY appeared at the bar of the House and took the oath of office.

CALENDAR WEDNESDAY

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that business in order today, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

FAILURE OF THE RECOVERY PROGRAM

Mr. SNELL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by inserting a speech, somewhat political, that I made over the radio last evening.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address delivered by me on January 15 over the National Broadcasting System:

Nothing could more accurately define the situation today than the old Latin proverb, "Lack of confidence is not the result of difficulties; difficulties come from lack of confidence."

There can be no denial of the fact that we are finishing the second year of the Roosevelt administration facing serious economic difficulties. Nor can there be any denial of the equally obvious fact that these difficulties have constantly become more serious during the past 18 months.

Eleven and one-half million industrial wage earners are in the ranks of the unemployed—one-half million more than a year ago.

The true and final test of recovery is the number of men put back to work. Judged by this test, the experiments of the present administration are condemned.

Approximately 19,000,000 individuals are dependent in whole or in part upon public relief, an increase of 5,000,000 over a year ago. The cost of relief borne by the Federal Government has been constantly increasing. A year ago, according to the latest report of the Federal Relief Administration, it was expending $70,000,000 a month for public relief. This has increased to $170,000,000—more than double.

In addition, during the last 6 months we have expended $200,000,000 on the C. C. C. camps, an increase of $47,000,000 over last year. The Department of Agriculture has expended, strictly for relief purposes wholly apart from its agricultural adjustment benefits, $70,000,000.

This increase in unemployment and the number dependent upon public relief has taken place in face of the fact that during the last 18 months this administration has expended $11,000,000,000 on its so-called "recovery program." In making this lavish expenditure, it has been expending $2.15 for every $1 it collected, has run our Government $6,000,000,000 "in the hole", and increased our interest-bearing public debt by $7,000,000,000, until today it is higher than it was at the close of the World War.

In addition to having unlimited funds at its disposal, the administration has had equally unlimited power, by reason of the last Congress making the office of the Chief Executive a dictatorship, under the plea of emergency, and at the request of the President.

The failure of the so-called "recovery program" cannot, therefore, be charged to lack of money or lack of authority. It has failed because it ran counter to every economic law, to every tradition of the American people, to common sense and human nature.

The administration has preached recovery but practiced destruction. It urged private industry to go ahead and take up the slack of unemployment. It then made such revival impossible, first by putting the Federal Government in competition with private industry, and, second, by taking from private industry all voice in the management of its affairs through various instruments of Federal regimentation.

It deliberately, and without cause, abandoned the gold standard, debased our currency, and started tinkering with our monetary system, making it impossible to tell what the value of the dollar will be next month or in 6 months.

It has persisted in a program of wild expenditures, uncontrolled and nonaudited, until, according to President Roosevelt's own definition prior to election, the credit of our Nation is threatened and economic recovery made impossible.

By reason of these expenditures, plus its flirtation with fiat-money advocates in order to gain votes, the administration has pushed the Government to the very door of wild inflation—which would wreck our entire economic structure and render all investments valueless.

Under such circumstances, prudent men do not make long-time investments or plan new expenditures. Industry dares not expand. It dares not tie up too much money in raw material. Business dares not carry large inventories. It must live from hand to mouth. Capital goes into hiding. Those with savings must husband their every resource. In other words, our entire economic system has been paralyzed by the experimental policies of the new deal.

The thing which more vitally concerns business and industry today is the refusal of the Roosevelt administration to profit by its mistakes—indeed, its refusal to admit it has made mistakes or that its 2-year experimental program is a near failure.

Another shock to business is that the administration has even abandoned the hope it entertained a year ago of eventually balancing our Budget. Apparently it has also abandoned any real desire to do so, for it possesses both the power and the machinery to accomplish that purpose if it so willed.

Yet, in the face of this record, the administration is asking Congress for the additional colossal sum of $4,000,000,000 purely for further experiments, without any known, definite plan, insofar as the public or Congress is aware, for its expenditure.

The administration is asking that the President be permitted this sum of money without any restrictions being imposed upon the purposes or methods of its expenditure. Such a request is contrary not only to all precedents, regardless of whether the Republicans or Democrats control Congress, but it is contrary to the entire theory of our Government, which places the control of the raising and expenditure of public funds in the hands of the legislative branch of the Government.

Before Congress appropriates any such sum, it should be furnished a fairly definite program as to the objects upon which the money is to be spent. Surely the administration must have such a program to have arrived at that sum. Certainly the Congress and the people are entitled to be informed of that program.

If, on the other hand, the administration has no definite plans for the expenditure of an additional $4,000,000,000 for so-called "emergency purposes" after nearly 2 years of planning, then it should not be granted such a sum of money.

The logical conclusion is that notwithstanding the President's statement at the opening of Congress of his desire to cooperate with the Congress, he is not willing to cooperate. He is not willing to trust the members of his own party, for they are in absolute control of both branches of Congress. And by this same action he indicates he is not willing to trust the taxpayers with advance information as to how he intends to expend another $4,000,000,000 of their money.

Is this money to be expended this year or next? Is it to be expended putting the Government still further in competitive private business? If so, in what lines is the Government going to compete? Does anyone believe this threat held over American business is going to put any more men back on private pay rolls? I for one certainly do not think so. We should also remember that next year there is a Presidential campaign and election, and there is always the possibility that the expenditure of immense Federal funds in close congressional districts and States might easily play an even more important part in the decision of that election than it played in the decision in the congressional elections of last November.

The administration still refuses to attempt to stabilize the value of the American dollar.

It announces its purpose of making permanent the multitude of alphabetical bureaus, brought into being by Executive order and which have existed only to harass private enterprise.

It persists in its policy of using public works as a political weapon to reward its friends and punish its enemies, as witness the recent refusal of the Public Works Administrator, Mr. Ickes, to allocate funds to a $43,000,000 project for New York City until and unless Robert Moses, recently Republican candidate for Governor of New York, resigns from his position in the New York City administration. This demand has been made in order to satisfy a personal and political grudge upon the part of the Roosevelt administration.

The administration announces its determination to continue its policy of negotiating in secret tariff agreements with other countries, a policy which leaves every industry in this country in doubt

as to whether or not it will be compelled to share its already meager domestic market with cutthroat foreign competition.

All these things breed fear instead of confidence, tear down instead of build up, increase the confusion and uncertainty that exist on every hand, and render economic recovery absolutely impossible.

In closing I want to state, with all the emphasis possible, the first and most important step in our recovery program is the return to confidence of the people in the Federal Government. That can be best obtained by a definite statement upon the part of the administration declaring: First, it will immediately stabilize our currency at home and abroad; second, it will withdraw from the competitive field of honestly conducted private business and industry; and, third, it will reduce its bureaucratic expenditures and insist upon an honestly balanced budget.

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter received by me from the Ohio Chamber of Commerce, urging me to vote against the immediate cash payment of the soldiers' bonus, together with my reply, and, possibly, a few additional remarks.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, I here insert the letter mentioned from the Ohio Chamber of Commerce:

OHIO CHAMBER OF COMMERCE,
*Columbus, Ohio, January 14, 1935.*

Hon. WILLIAM A. ASHBROOK,
*House Office Building, Washington, D. C.*

MY DEAR MR. ASHBROOK: I am justified by official action taken by the Ohio Chamber of Commerce to urge that you should vote against the proposed payment of the soldiers' bonus at this time. In fact, there are very good reasons why this bonus should not be paid until its normal maturity date.

Payment at this time means payment of $1,400,000,000 more than the present value of the certificates, and, of course, to that extent, is that much more added burden on the taxpayers and the people of the Nation.

A leaflet recently issued by the Chamber of Commerce of the United States, entitled "Service Men's Bonus", sets forth the issue quite clearly. As stated above, the official position of the Ohio Chamber of Commerce justifies me in transmitting this leaflet to you. You will find it enclosed.

Trusting our declarations may have your careful consideration when this matter is up for vote, I am,

Very truly yours,

GEORGE B. CHANDLER, *Secretary.*

And here, Mr. Speaker, is my reply to the above letter, which plainly states what I expect to do when the question of the immediate cash payment of the soldiers' bonus comes before this body:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D. C., January 15, 1935.*

Mr. GEORGE B. CHANDLER,
*Secretary Ohio Chamber of Commerce,*
*Huntington Bank Building, Columbus, Ohio.*

DEAR MR. CHANDLER: Your letter of the 14th advising me that the Chamber of Commerce of Ohio, by official action, urges me to vote against the present payment of the soldiers' bonus because the present payment would mean $1,400,000,000 more than the present value of the certificates and would add that much more burden to the taxpayers. Your figures may be correct but mean nothing to me, and I say this as a more than average taxpayer.

I wonder how many members of the chamber of commerce saw real service in the World War. Certainly not many. I am so much opposed to war I am almost, but not quite, a pacifist. I was a Member of Congress during the World War period and voted for a declaration of war, much against my convictions, a thing I will never do again if it means political exile for me. Nothing short of an invasion of our shores by a foreign enemy would again prompt me to vote for a declaration of war. But war was declared—those who suffered should be reimbursed as far as it is possible and those who benefited should foot the bill. But that is not the question at hand.

Everyone of mature years who did not enter the World War remained at home and received high wages. I remember paying 15-year-old boys $3 per day for common labor, and ordinary mechanics from $1 to $1.50 per hour during the war. Those who slept on their own feather beds, enjoyed mother's home cooking, and the comforts of the family fireside, far from bullets and deadly gas, had the opportunity at least, free from danger and amid happy and comfortable environment, to make much more than was paid the World War soldiers, including the so-called "bonus." The stay-at-homes—I am not criticizing them—reaped the benefits, if there is such a thing as a benefit resulting from war, while the boys who were sent to training camps and overseas received $1 and $1.25 per day plus the bonus, which many now begrudge. The boys who remained at home were in as good physical condition when the war was over as they were when war was declared.

Many thousands of the boys who entered the service met untimely death, their young lives were blotted out, not to make the world safe for democracy but to pay higher dividends to munitions makers and selfish greed. I had a nephew, a bright, young college student, who now sleeps in France. Many more thousands returned to their homes maimed and diseased for life. Very few who saw war service are today in as fit condition as when the strong arm of the Government was placed upon their shoulders and they were bid to leave home, mother and friends, abandon pursuing their chosen life pursuits, then in the forming, and take up arms in the defense of their country.

And yet you, through the Ohio Chamber of Commerce, ask me to vote against the immediate payment of the bonus. With high regard for the purposes and usefulness of your organization, I wish to plainly, yet respectfully, advise you that, entertaining the feeling that I do for the soldier boys, I would consider myself a very poor American citizen to vote against the immediate payment of the bonus.

I not only expect to vote for its immediate payment, but to vote to pass it over the President's veto, if it should be vetoed. I yield to none in my admiration of our great President, but on this question I am not in accord. I so declared myself before the primary election and before the general election and will not betray my constituents by voting as indicated.

I served in Congress for 14 years and during that service was dubbed "Pension Bill" because of my activity on behalf of the soldiers and their dependents. I was involuntarily permitted to remain at home for 14 years and then returned for what may be a brief stay, but a leopard was never known to change his coat, and so long as I am here there will be no doubt about how and where I stand when the rights of those who risked their lives that the rich might grow richer, for a time, is concerned.

Frankly, and briefly, I am strong for the soldiers' bonus and against the Economy Act so far as it has deprived thousands of soldiers and their dependents of the admitted debt due them.

Trusting that I have made my position on this very important question clear, I am with high esteem,

Very respectfully,

WILLIAM A. ASHBROOK.

### QUESTION OF PERSONAL PRIVILEGE

Mr. CELLER. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. CELLER. Mr. Speaker, I appeared in the House restaurant yesterday and endeavored to get a glass of wine, and I was denied this privilege.

I want to call the attention of the House to the fact that we who fought against prohibition for a great many years feel a great deal of chagrin when we go down to the House restaurant and are thus proscribed. Practically the whole country, and soon the whole country, will be able to get all the refreshment of this kind it desires, and yet we, the Members of the House, cannot be trusted—shall I put it that way—we cannot be trusted for fear there may be some intemperance developed among some of our Members. I call the attention of the House and, particularly, the attention of the members of the Committee on Accounts to the fact that this situation should be remedied, and the Members of the House should have the right to go into the House restaurant and imbibe temperately. It is ridiculous to object to the use of liquor refreshments in one restaurant for fear of intemperance among our Members. That is an unwarranted aspersion upon all of us. I resent it.

We can procure beer and ale; why not wine?

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Texas.

Mr. BLANTON. If the gentleman from New York claims the right to have his glass of wine in the House restaurant, surely I would be entitled to the right to have a glass of straight Scotch whisky if I wanted it.

Mr. CELLER. Why not?

Mr. BLANTON. Then the gentleman would seek to turn the Capitol of the United States into a common barroom.

Mr. CELLER. Oh, the gentleman knows that is not so. The gentleman can be trusted to act decently and honorably.

Mr. BLANTON. Mr. Speaker, I raise the point of order that the gentleman has not stated a question of privilege, either of the House or of an individual Member.

Mr. CELLER. I submit that I have.

Mr. BLANTON. We have done without barrooms in this Capitol for many years; and never again are we going to open any more barrooms in this Capitol.

Mr. CELLER. It seems rather anomalous with the demise of prohibition, resulting in the opening up of restaurants

in the District where wines and liquors may be served, that the dining room of the Members must function without the use of wine. You permit beer, which has upward of 4 percent by volume of alcohol, and ale, which has upward of 6 percent by volume of alcohol. There seems to be no good reason in my mind why wine should not be permitted, particularly dry wines like clarets, sauternes, chablis, and the various Rhine-wine types whose alcoholic percentages vary from 9 to 13 percent by volume. These are usually table wines, and the grapes from which they are crushed grow in California primarily. Other States, however, supply very fine wines of this character, notably New York, Ohio, Missouri, New Jersey, and Delaware. Then there is the very palatable wine made from the scuppernong grape, which grows in many Southern States.

If stronger wines are wanted, you could arrange for the serving of fortified wines, like port, sherry, muscatel, angelica, and madeira. These wines are usually California wines, although some of them are grown in New York, New Jersey, and Ohio. Fortified wines have an alcoholic percentage upward of 22 percent.

Mr. BLANTON. Mr. Speaker, I make the point of order the gentleman has not stated a question of privilege.

The SPEAKER. The Chair is ready to rule.

Rule IX of the House provides as follows:

> Questions of privilege shall be, first, those affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings; second, the rights, reputation, and conduct of Members, individually, in their representative capacity only.

The Chair fails to see where the gentleman has raised a question of personal privilege under the rule, and therefore sustains the point of order.

OLD-AGE PENSIONS

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, my distinguished colleague from California, Mr. JOHN STEVEN MCGROARTY, introduced a moment ago the much-heralded Townsend old-age revolving pension plan.

This plan has been ridiculed and criticized by the press and by various individuals, and I am now giving formal notice that next week I am going to ask for ample time to explain the Townsend plan to the Members of the Congress. I believe I shall be in position to advance a mode of procedure whereby this old-age pension can be paid to the aged citizens of our Nation with not more than a 2-percent sales tax.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. Briefly.

Mr. BLANTON. If all of the 435 Members of this House would join the Ways and Means Committee and spend 6 months devising every means of taxation known to tax experts, we could not raise enough money to pay $200 a month to over 8,000,000 people over 60 years of age. This proposed $24,000,000,000 per year pension plan to civilians is so ridiculously absurd that I am surprised that the gentleman from California would espouse it.

Mr. HOEPPEL. I hope my friend the distinguished gentleman from Texas will assist me so that I may obtain ample time to expound my ideas. It is my belief that if he will listen to my argument, he will not consider as absurd the plan which I outline. We heard a question of personal privilege propounded here a moment ago by a Member who protested the refusal of the House restaurant to serve him wine with his meals. In my opinion, it behooves us as Members of the Congress to think of the millions and millions of aged citizens of our country to whom we should extend the wine of hope and adequate and proper old-age pensions, and if the House will give me time next week I feel confident that I can present this question in an understandable and practical manner.

Mr. BLANTON. I am in favor of a reasonable, sane, old-age pension. But the so-called "Townsend plan" of paying $24,000,000,000 per year is utterly absurd, for neither this Government nor any other could ever raise that sum of money.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. Yes.

Mr. TRUAX. I assume the gentleman is in favor of the Townsend bill, and I would ask the gentleman if he would not rather favor a tax on wealth than a sales tax to finance any old-age pension bill?

Mr. HOEPPEL. If the gentleman will help me to get sufficient time, I am confident that I can answer his question satisfactorily.

Mr. TRUAX. I will not object to the gentleman's request.

THE BLACK M'KELLAR ACT

Mr. WELCH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on section 15 of what is known as the "Black-McKellar Law", relating to the Postal Air Mail Service.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH. Mr. Speaker, for the purpose of effecting economies in the Federal Government, the Seventy-third Congress enacted the Black-McKellar bill revising the air-mail laws. Among other provisions of this act, and with a view to creating competitive bidding that would bring about reduced air-mail rates, was included section 15 of the bill making it unlawful for air mail contractors, competing on parallel routes, to merge or to enter into any agreement, expressed or implied, which may result in common control or ownership. Designed to prevent monopolistic abuse, the worthy objective of this provision cannot be honestly questioned, but under the stress of the closing weeks of that Congress we failed to exercise proper and rational foresight with regard to the consequences which would follow from this specific provision of the bill. Despite its intended benefits, the application of this law will exercise a decided hardship upon certain sections of our country and particularly the entire Pacific coast.

Section 15 of the Black-McKellar Act will handicap the constructive advance in air transportation America has been proud to maintain as the world's leader, and particularly will it cripple this advance along the Pacific coast. The interpretation placed upon this section of the act compels any transcontinental air line to divest itself of any connection with the Pacific Coast Air Line which operates between Seattle, Wash., and San Diego, Calif. As a matter of fact, however, the Pacific Coast Air Line is in no sense competitive with transcontinental air service. It so happens that it is owned and controlled by a company operating transcontinental air services as a feeder to this service, and it functions as a necessary public carrier for the people of that section of our country.

Always progressive, and marked from the very beginning as a people of pioneering spirit, the people of the Pacific coast have been air conscious for a long number of years. The necessity for efficient, prompt communication and transportation up and down the Pacific coast has grown with the years. Many of our cities have expended large sums in the development and upkeep of modern airports. The city of San Francisco has spent millions of dollars in the building and maintenance of one of the most efficient and successful airports in the world. The need for it is best illustrated by the fact that in recent years, and during the present depression, its use has been so great as to make it self-sustaining. Other communities up and down that 1,200 miles of coastline have also spent additional millions to bring this valuable service to them. What is true of the Pacific coast is undoubtedly also true of other sections of the United States comprising large groups of our population.

It is surely inconsistent with good public policy for the Congress of the United States to permit this section of the act to become effective and thus materially handicap, if not completely destroy this service. The value of efficient airports, particularly along our coastlines, as strategic points for military defense of the country cannot be overestimated. Every endeavor should be put forth by the Congress to

encourage their development. In no sense should obstructions be placed in their way.

The act does not contemplate to repel the marked advance of air transportation in the United States, but its application does. In order that this great injustice may not be done to large groups of our people, I urge upon the Congress the necessity for immediate remedial legislation to overcome the obstacle created by this section 15, of the Black-McKellar Act, to the continued and consistent development of aviation in every section of our Nation.

ADDITIONAL CLERICAL SERVICE FOR MEMBERS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker and Members of the House, I have today introduced a resolution to provide for additional clerical service for Members of the House during the present session of Congress.

Due to the extreme burden of clerical work placed upon the Members through veterans' cases and various other matters that come to us I believe we require the same proportion of clerical service that is accorded to the other branch of Congress. To meet this I am introducing a resolution providing for additional clerical service to Members of the House during the present session.

Mr. DIES. Will the gentleman yield?

Mr. WHITE. I yield.

Mr. DIES. Is it not a fact that in another body they are providing for another assistant to their secretarial force?

Mr. WHITE. I am not informed as to that.

Mr. DIES. It is a fact.

Mr. TABER. Will the gentleman yield?

Mr. WHITE. I yield.

Mr. TABER. Is the proposed additional clerical service to take care of the distribution of patronage that is coming to Members?

Mr. WHITE. It is not; it is to take care of the veterans' cases and the additional work placed upon Members of the House due to many increased activities of the National Government.

Mr. SHORT. Will the gentleman yield?

Mr. WHITE. Yes.

Mr. SHORT. Did not the gentleman's party in their platform promise the electorate that they stood for economy in government, and does he not think it is time to abolish the bureaus and cut down expenses?

Mr. WHITE. This is economy for the Government, because it is to enable the Members to conduct their business in a normal and expeditious manner. The Members of the House who have been here for some time are well aware of the fact that the work incident to the conduct of a congressional office has increased tenfold. Due to the great expansion of the National Government's activities, we must deal with all branches of the Departments in representing the people of our district. The people are taking an interest in their Government as never before, with the result that we are being flooded with thousands of letters and inquiries; and, unless we are provided with additional help, it will be impossible for us to give our constituents the service they deserve and have a right to demand.

HISTORY OF THE TARIFF IN THE UNITED STATES

Mr. HANCOCK of New York. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address by my colleague, Mr. TREADWAY, delivered to the Wesleyan University on the history of tariff legislation in this country.

The SPEAKER. Is there objection?

There was no objection.

Mr. HANCOCK of New York. Mr. Speaker, under leave to extend my remarks in the RECORD I am inserting an address delivered by my colleague from Massachusetts, Hon. ALLEN T. TREADWAY, to the students of government in Wesleyan University at Middletown, Conn., on the history of tariff legislation in this country.

HISTORY OF THE TARIFF IN THE UNITED STATES

In addition to being a fruitful source of revenue, the tariff is one of the principal means of regulating the industrial and commercial life of a nation in relation to that of other countries. Thus, while financial exigencies generally are an important consideration in the imposition of customs duties, economic and social factors also exercise a major contributing influence. This has been the experience of our own country from colonial times to the present.

COLONIAL TARIFFS

The colonial tariffs were chiefly for revenue, but at the same time a number of protective laws were enacted. In those days, while there were no manufacturing industries to protect, each colony encouraged its own agriculture, either by prohibiting the importation of commodities from other colonies, or by imposing tariff duties. Thus, Massachusetts in 1652 excluded all imports of malt, wheat, barley, biscuit, beef, meal, and flour. Virginia, on the other hand, prohibited the importation of tobacco, especially from North Carolina, and Maryland discriminated against liquors from Pennsylvania.

With the outbreak of the Revolution, each independent State prohibited all commercial intercourse with Great Britain, and that with all other countries was virtually cut off by the hostilities. Foreign trade being at a standstill, the people were compelled to provide for their own wants from the resources at hand. The Revolution, therefore, had a profound effect upon the early economic development of the country. Manufactures, which by British mandate had been prohibited in the Colonies, were stimulated behind an absolute wall of protection, and the foundations were thus laid for many of the industries which subsequently were fostered under protective tariffs.

TARIFFS UNDER THE ARTICLES OF CONFEDERATION

At the close of the Revolution, the newly formed United States of America began its existence under the Articles of Confederation; and although the States bound themselves to perpetual union, they did not yield their independence but reserved to themselves so many important functions that the General Government was weak and ineffectual. Among the powers reserved was that of levying customs duties. As a result, each State could frame a tariff to suit itself and make the duties apply not only to foreign merchandise but to that from other States of the Confederation as well.

The debts incurred during the war and the difficulty of collecting taxes caused most of the States gradually to reimpose their tariff duties. At first, the rates were low and applied mostly to luxuries and articles thought to be harmful.

In the South, tariffs were used chiefly as a source of revenue, but the Northern States gradually advanced and extended their levies until their tariff schedules were quite comprehensive, embracing protective as well as revenue duties. In this connection, it is interesting to note some of the preambles to the early statutes. For example, the New Hampshire law of March 4, 1786, begins as follows:

"That the laying duties on articles, the produce or manufacture of foreign countries, will not only produce a considerable revenue to the State, but will tend to encourage the manufacture of many articles within the same."

Similarly, a Rhode Island statute of 1785 is entitled:

"An act for laying additional duties on certain enumerated articles for encouraging the manufacture of them within this State, and the United States of America."

A Massachusetts statute of 1786 prohibiting the importation of some 58 articles of common use, apparently had protection as its sole object, because no revenue could be derived thereunder. It began with the following preamble:

"And whereas it is the duty of every people, blessed with a fruitful soil, and a redundancy of raw materials, to give all due encouragement to the agriculture and manufactures of their own country."

The National Government, being precluded from imposing customs duties, was forced to seek its revenue by requisitions upon the States, which for the most part went unheeded. Congress twice sought from the States the authority to levy a general revenue duty of 5 percent, applying to all imports, but each time a single State prevented the plan from going into operation.

Congress was then led to consider the question of vesting the General Government with greater power over the States, and in 1787 passed a resolution recommending a Constitutional Convention for the purpose of revising the Articles of Confederation. Under the new Constitution subsequently adopted, the States were specifically prohibited from levying customs duties, either upon foreign merchandise or that from the other States. Instead, the Federal Government was given the exclusive power to impose duties on imports, thus assuring it an independent source of revenue. As a consequence of the mandatory free exchange of goods between the States, the establishment of a great home market was made possible.

TARIFFS UNDER THE CONSTITUTION: THE ACT OF 1789

Congress was not long in making use of this new power. Very soon after its first meeting, in April 1789, James Madison offered a resolution calling for the adoption of a general revenue tariff. As a counterproposal, Mr. Fitzsimons, of Pennsylvania, who was the first Chairman of the Ways and Means Committee, moved that Congress enact a tariff measure along the lines of the Pennsylvania law, which not only would furnish the needed revenue but at the same time give encouragement to domestic industries.

With these two proposals before it, Congress adopted the Fitzsimons plan. The House of Representatives then proceeded in Committee of the Whole to consider the details of the measure, with Members from each State championing duties on the products of their respective sections.

The debate on the bill disclosed the antagonistic interests of the North and South with regard to protection. The Southern States sought an unrestricted commerce that would promote a market for their agricultural products and permit the purchase abroad of manufactured products, for the production of which conditions in the South were not favorable.

The resulting Tariff Act of 1789 was the first general legislation enacted by Congress under the Constitution. It began with the following preamble:

"Whereas it is necessary for the support of government, for the discharge of the debts of the United States, and the encouragement and protection of manufacturers that duties be paid on goods, wares, and merchandise imported."

The act imposed specific duties on more than 30 kinds of commodities, and laid ad valorem duties on certain others ranging from 7½ to 15 percent. A duty of 5 percent was imposed on all articles not specifically enumerated.

TARIFFS FROM 1789 TO 1812

Between 1789 and the War of 1812, 13 tariff measures were enacted for both revenue and protective purposes, with the trend of the rates steadily upward. Only a year after the first tariff act was passed, it was superseded by another law increasing some of the old duties and imposing certain new ones. In May 1792 another general tariff revision occurred, in which increases were made in many of the rates.

Two years later the existing ad valorem duties on certain articles were increased by a flat 5 percent, and under the act of May 13, 1800, an additional 2½ percent was imposed on all articles then subject to a 10-percent duty. The act of 1804 imposed an additional 2½-percent duty on all articles on which an ad valorem duty was then imposed. As a result of this cumulative legislation, most of the ad valorem rates were increased to 17½ percent. Many of the specific duties also were increased during this period.

The appearance in 1791 of Alexander Hamilton's Report on Manufactures undoubtedly exercised a great influence over the post-Revolutionary tariff legislation. This report was prepared by Hamilton as Secretary of the Treasury, in response to a resolution of Congress calling for suggestions and plans "for the encouragement and promotion of such manufactures as will tend to render the United States independent of other nations."

THE WAR OF 1812

In 1812, all tariff duties were doubled to furnish the revenue with which to carry on the war with Great Britain. An embargo act also was passed prohibiting all commercial intercourse with the enemy. During the period of the war, manufacturing expanded materially, just as it had during the Revolution. The country was again thrown upon its own resources and was compelled to manufacture for its own needs. This new demand for manufactures was met mainly in New England, where much of the capital formerly engaged in shipping was temporarily idle.

With the ratification of the Treaty of Ghent in 1815, terminating the war, Congress was faced with the problem not only of increasing the revenues to discharge the war debts but with protecting the new manufacturing industries which, with the resumption of European competition, would face ruin. One week after the treaty was ratified, the House of Representatives called upon the Secretary of the Treasury to report a complete plan of duties. His report was not made, however, until a year later, and in the meantime Congress extended the double war duties until June 30, 1816, after which time a duty of 42 percent was to be imposed in addition to that existing on articles prior to July 1812. This was equivalent to a reduction of 29 percent in the war duties.

THE TARIFF ACT OF 1816

In 1816, Congress adopted a general tariff measure which conformed, in the main, with the plan submitted by Secretary of the Treasury Dallas. Articles which could be produced at home were taxed sufficiently high to exclude foreign competition; those which were only partially supplied by domestic producers were given a lower rate; and those which could not be produced in the domestic market were taxed for revenue purposes only.

The act of 1816 was the first tariff measure in which protection was the object, rather than the incident, and because of the intense feeling of nationalism then prevailing, it was supported by all sections of the country. John C. Calhoun and Henry Clay lent their support to the cause of protection by urging that economic independence from Europe was essential to real political independence.

THE ACT OF 1824

In 1819 there occurred the first world-wide industrial depression, and the resulting distress in this country was made the occasion for an unsuccessful attempt to raise customs duties. The agitation for increased protection continued, however, and in his message of December 2, 1823, President Monroe called upon Congress to review the tariff "for the purpose of affording such additional protection to those articles which we are prepared to manufacture, or which are more immediately connected with the defense and independence of the country."

The resulting Tariff Act of 1824 has been pronounced by some writers as the first really protective measure enacted by Congress. Its passage became assured only by the union of the manufacturing Middle States and the agricultural West. The bill found its chief supporter in Henry Clay, who glorified the protective policy with the name "the American system." The debates again revealed the conflict of sectional interests, the bill being opposed by the planting interests of the South and the commercial interests of the East. Although the South had been almost solid for protection in 1816, it now denied that it was constitutional. New England was divided, wavering between manufactures and a return to its old shipping interests.

Under the tariff of 1824 the average rate rose to about 33 percent, and behind this wall of protection the capital invested in industries trebled in 3 years.

THE ACT OF 1828, OR TARIFF OF ABOMINATIONS

In 1828 the tariff was again increased, the general level of the rates being raised to 49 percent. This represented the extreme of protective legislation prior to the Civil War and stirred up increased resentment in the South. The act of 1828 had its origin in the agitation for increased protection following the defeat of the Mallary woolens bill in 1827, which culminated in the Harrisburg Convention.

One significant feature of the debate on the bill was the reversal on the part of Daniel Webster of his attitude toward the tariff. In 1824, representing as he did the commercial city of Boston, he strongly espoused free trade. Now he frankly changed sides, giving as his reason the fact that Massachusetts had accepted protection as a settled national policy and had invested her capital in manufactures.

The act of 1828 was derisively termed the "black tariff" and the "tariff of abominations" and gave increased impetus to the nullification movement, which was then gaining a foothold in the South.

NULLIFICATION

When Andrew Jackson assumed the Presidency in 1829, the threat of nullification was one of his most pressing problems. The interests of the South were the reverse of those of the North. Prevented by its slave labor from the development of manufactures, it sought the unrestricted importation of foreign goods and a wide foreign market for its agricultural products, particularly its cotton.

During 1828 and 1829 every legislature from Virginia to Mississippi declared for secession or nullification if the tariff policy were not radically changed. John C. Calhoun reversed his stand on the tariff to support his section and advocated nullification as the milder of the two remedies for the South's problem. In his famous Exposition he contended that the tariff was ruinous to the South; that protection was unconstitutional; and that in the case of an act so injurious and unconstitutional, any State had a right peacefully to nullify the law within her borders until Congress should appeal to the States and be sustained by three-fourths of them.

In 1830 the question precipitated the great Webster-Hayne debate, and a few weeks thereafter President Jackson indicated he would meet nullification with force when at a Jefferson Day dinner in Washington he uttered his famous toast, "The Federal Union: It must be preserved."

THE TARIFF ACT OF 1832

With a view to appeasing the South, President Jackson later recommended a downward revision of the tariff. Defying Jackson, and in spite of an excess of revenues in the Treasury, Henry Clay continued to champion the so-called "American system." The resulting Tariff Act of 1832 was perhaps a victory for both, as it removed some of the objections to the act of 1828 and restored the tariff to about the level of the act of 1824.

THE COMPROMISE TARIFF OF 1833

The reductions made by the Tariff Act of 1832 did not satisfy the South, and the opposition to protection continued to be violent. During the campaign for Jackson's reelection in 1832, South Carolina adopted an ordinance declaring the tariff laws void within that State and threatening war if the Federal Government attempted to enforce them.

Although President Jackson reaffirmed his determination to uphold the law, by the bayonet if necessary, he again recommended a downward revision of the tariff. Clay, feeling that the whole protective system was endangered, joined hands with Calhoun to draw a tariff bill acceptable to South Carolina. Their measure, known as the "Compromise Tariff of 1833", enlarged the free list and provided for a gradual reduction of duties so that by 1842 no rate should exceed 20 percent.

Congress passed the Compromise Tariff, and with it a Force bill, giving the President forces with which to bring South Carolina to obedience. President Jackson obtained what satisfaction he could by signing the Force bill ahead of the tariff measure, and 10 days later South Carolina repealed its nullification ordinance.

THE TARIFF ACT OF 1842

After the Compromise Tariff had been in effect for 4 years and the gradual reductions in rates began to be felt, a panic occurred which was the greatest the country had known up to that time. While the advocates of free trade ascribed it to currency inflation and speculation, the friends of protection believed that the Compromise Tariff was in part, if not wholly, responsible. In the election of 1840, the Whigs, who had espoused protection, were swept into office, and 2 years later, under the act of 1842, tariff duties were restored to about the level which had existed prior to Clay's Compromise measure.

THE WALKER TARIFF OF 1846

Following the enactment of the Tariff Act of 1842, the Nation again experienced a period of prosperity, and there was an excess of revenues in the Treasury. In the Presidential campaign of 1844, Henry Clay was the candidate of the Whig Party and James K. Polk bore the Democratic standard. Clay continued to support the policy of protection, but his connection with the Compromise Tariff of 1833 lost him many friends, who thought that he had conceded too much. Polk, on the other hand, was represented as a free trader in the South and as a protectionist in the North. The question of slavery was then a big issue, and the Abolitionist Party, under Birney, drew enough votes from Clay in New York to give that State and the election to Polk.

Democratic success at the polls, along with the surplus in the Treasury, presented a favorable opportunity for a downward revision of the tariff. The Secretary of the Treasury, Robert J. Walker, laid before Congress a proposed bill which embraced the following principles, among others: No more money was to be collected from customs than is necessary for the support of the Government; no duty was to be imposed above the lowest rate which will yield the greatest revenue; the maximum duty was to be imposed on luxuries; and all specific duties were to be abolished.

Congress in 1846 adopted the Walker plan with some modifications, including an increase in the suggested ad valorem duties, in order to provide revenue with which to carry on the war with Mexico. The act of 1846 remained in effect for 11 years, and during the last 8 years of its operation the average rate on dutiable imports was 26 percent.

THE TARIFF ACT OF 1857

Between 1846 and 1860 the people laid aside the consideration of economic and business questions to give their undivided attention to the slavery issue, which was then threatening to dissolve the Union. Thus, with little opposition, the tariff was again lowered in 1857 to offset a redundant revenue. The act of 1857, which remained in effect for 4 years, reduced the average rate on dutiable imports to approximately 20 percent. This was the lowest average under any act from 1812 to the present time.

THE MORRILL TARIFF OF MARCH 2, 1861

The reduction of rates under the act of 1857 was made when the country was at the height of a wave of prosperity and speculation, which culminated in the financial crisis of that year. To offset the consequent decline in customs receipts, the Morrill bill was passed by the House of Representatives in March 1860, restoring the rates of the Walker Tariff of 1846. The bill was held up in the Senate for approximately a year, and as finally enacted contained many higher rates and was avowedly protective. It was signed by President Buchanan just two days before he relinquished his office to Abraham Lincoln.

CIVIL WAR TARIFFS

When the Republican Party, under President Lincoln, assumed control of the Government in 1861, it found the Nation's credit impaired and the Treasury bankrupt. Moreover, the Southern States had begun to secede from the Union immediately after the election, and on February 4, 1861, Jefferson Davis had been named President of the Confederacy. It is significant that the Constitution which the seceding States adopted gave the Confederate Congress the power to levy duties and imposts for revenue purposes only, it being specifically provided therein that no duties should be laid to promote or foster any branch of industry.

The Republican Party in nominating Lincoln had made protection one of its cardinal principles. Accordingly when it came to framing the Civil War tariffs, Congress had protection as well as increased revenue in mind. The first of the war tariffs was the act of August 5, 1861, which imposed new and increased duties upon a large number of items, in addition to levying certain internal taxes. In December of the same year the duties on coffee, tea, and sugar were increased. The most important of the other war tariffs were the act of July 14, 1862, increasing tariff rates generally; the resolution of April 29, 1862, increasing duties by 50 percent for a period of 60 days; and the act of June 30, 1864, making additional general increases.

These tariff increases were all made in conjunction with the imposition of comprehensive and burdensome excise taxes upon many kinds of manufactures and occupations, as well as a tax upon incomes. Under the various Civil War acts customs receipts rose from $39,000,000 in 1861 to $179,000,000 in 1866. Receipts from internal-revenue taxes, which had not been imposed prior to the war, rose to $309,000,000 in 1866.

The effect of the war tariffs upon the average rate on dutiable imports was to raise it from 19 percent in 1861, the last year under the act of 1857, to 47 percent in 1865.

POST CIVIL WAR TARIFF LEGISLATION

With the close of the war it became the policy of Congress to reduce the volume of direct taxation and, so far as possible, limit governmental expenditures to the receipts from customs and the excise taxes on tobacco and spirits.

On July 14, 1870, President Grant approved the general tariff act of that date, which reduced the duties on many articles and gave additional protection to others. Such reductions as were made applied almost exclusively to articles of a distinctly "revenue" character, such as tea, coffee, sugar, spices, and so on.

In 1872 the country was again in the midst of a wave of prosperity and speculation. Imports and customs receipts reached new heights; and, despite the enormous reductions in internal taxes, the Government's receipts continued to be excessive. Largely to offset this condition the act of May 1, 1872, was passed, transferring the most important revenue items, coffee and tea, to the free list. Later, under the act of May 1, 1872, Congress made a flat reduction of 10 percent in the duties on a number of the protective items and effected numerous specific changes in addition to adding a large number of articles to the free list. Following the panic of 1873, the Government's revenues fell off sharply, and these reductions were abrogated.

The depression in business following the panic of 1873 nearly cost the Republicans the Presidency in 1876, and did cost them control of the House of Representatives in the Forty-fourth and two succeeding Congresses, beginning December 6, 1875. During this period the Democrats made numerous unsuccessful assaults upon the tariff, including proposals not only to reduce rates but to impose duties "purely and solely" for revenue. Only one of the Democratic proposals was enacted—a measure putting salts of quinine and sulphate of quinine on the free list.

The election of James A. Garfield, in 1880, continued the successive line of Republican Presidents following the Civil War, and insured a continuation of the protective tariff. It was during the campaign of 1880 that Gen. Winfield Scott Hancock, the Democratic candidate, remarked that the tariff was a "local affair." This now-famous statement was greatly ridiculed by the Republicans, who upheld protection as a national system, and may have had much to do with his defeat. The words "local affair" have been changed by popular use to "local issue."

The surplus in the Treasury was at that time so great that the necessity for some revision of the tariff was universally conceded. The Democrats demanded a return to a tariff for revenue, or free trade, while the Republicans insisted upon the preservation of the principles of protection. In 1882, in response to the suggestion of President Arthur, who had succeeded to that office following the assassination of President Garfield, Congress authorized the appointment of a commission of nine to study the question and make recommendations.

THE TARIFF ACT OF 1883

The commission appointed to investigate the tariff made its report in December 1882, as a result of which the House Ways and Means Committee formulated a bill reducing duties by about 20 percent. The commission's schedules were followed in the main, and most of the deviations were in the direction of further reductions rather than increases. However, before the House could pass the bill, the Senate passed the internal revenue bill which had previously been sent over from the House, adding amendments which virtually revised the entire tariff. The House then laid aside its own bill, disagreed to the Senate amendments to the internal revenue bill, and sent the latter measure to conference, where the final draft was shaped.

As approved by President Arthur on March 3, 1883, the measure was quite different from that recommended by the commission, some of the duties being higher and others lower. In general, it was thoroughly protective and remained in effect for the next 7 years, during which time no important revisions occurred. Under the 1883 law, the average rate on dutiable imports was 45 percent.

DEMOCRATIC TARIFF PROPOSALS, 1884–90

In 1884, Representative Morrison, of Illinois, the then Democratic Chairman of the Ways and Means Committee, introduced a bill proposing a general tariff reduction of 20 percent and the entire remission of the duties on iron ore, coal, lumber, and other articles. This measure failed to pass the House of Representatives in spite of a Democratic majority of nearly 80. It was in connection with the debate on this measure that William McKinley raised himself to leadership of the protectionist forces in this country.

In the Presidential campaign of 1884 the Republican candidate, James G. Blaine, was opposed by Grover Cleveland. Notwithstanding large reductions in the internal-revenue taxes, there was still a large surplus in the Treasury, and both parties seemed to concede the need for a further reduction in the tariff.

Owing to factional differences in the Republican Party, Mr. Blaine failed to carry New York, thus throwing that State and the election to Mr. Cleveland. In his message to Congress in December 1885, President Cleveland called upon his party to take up the tariff, but the Democratic House of Representatives refused to consider a bill proposed by Mr. Morrison. Two years later President Cleveland sent his famous free-trade message to Congress, in which he referred to the tariff as "vicious" and "inequitable."

In response to this message the House passed the Mills bill, so named after the then Chairman of the Ways and Means Committee, Roger Q. Mills, of Texas. This measure proposed to transfer nearly all raw materials to the free list, together with most of partially manufactured articles, and in addition made sweeping reductions in the protective duties. In the Senate, where the Republicans still had a majority, a substitute measure was prepared which was in harmony with the principles of protection. With Congress thus divided, no final legislation was enacted, but the position of both major parties was sharply defined, and in the campaign of 1888, between President Cleveland and Benjamin Harrison, the tariff question was squarely presented to the American people.

THE M'KINLEY TARIFF OF 1890

The Republicans naturally interpreted the election of Mr. Harrison as a mandate for the continuation of the policy of protection. Accordingly, in 1890, Congress enacted the McKinley tariff, which takes its name from the then Chairman of the Ways and Means Committee, William McKinley, of Ohio, who later became

President. The purpose of the bill, as explained in the report of the committee, was to impose duties upon such foreign products as compete with our own, and to enlarge the free list wherever it could be done without injury to any American industry.

While the McKinley Act raised the general level of the protective duties, it at the same time extended the free list to such an extent that one-half the importations, on a value basis, came in free of duty. This was the highest ratio of free imports in the history of the country up to that time. In the fiscal years 1892–94, the average rate on dutiable imports proved to be over 49 percent, but on free and dutiable goods combined it was only 22 percent.

One feature of the act of 1890 was the provision for penalty duties on certain items. Coffee, tea, hides, sugar, and molasses were placed on the free list; but it was provided that if any country producing and exporting such articles to the United States imposed unequal or unreasonable duties on our products, the President should suspend the free entry of these articles from that country and impose thereon certain rates of duty provided in the act.

It had been found that 87 percent of the imports from Central and South American countries were free of duty, while nearly every class of articles which we exported to them was subject to high duties. This penalty provision forced these countries to admit our products on favorable terms. Unlike most reciprocal arrangements, it did not involve any concessions in duty on our part which might result in injury to domestic industries.

THE WILSON-GORMAN TARIFF OF 1894

The Democrats were returned to power under Grover Cleveland in the election of 1892, and although a financial panic occurred in September 1893, the administration felt compelled to go through with its promise to reduce the tariff. Accordingly, the Wilson bill was reported to the House by the Ways and Means Committee and was passed substantially unchanged. In the Senate, however, where some of the Democratic Members were more or less half-hearted on the question of tariff reduction, many changes were made in the direction of modifying the reductions proposed in the House bill. The bill was then sent to conference, where, despite a letter from President Cleveland urging resistance to the Senate amendments, the House conferees capitulated. Mr. Cleveland signified his displeasure by letting the Wilson-Gorman Act become a law without his signature.

The changes made by the act of 1894 were not very great but tended in the direction of lower rates. To offset the anticipated reduction in revenue a duty was again placed on sugar and an income tax was imposed, which was later declared unconstitutional. The Wilson-Gorman Act remained in effect for 3 years, during which time the average rate of dutiable imports was 41 percent.

THE DINGLEY TARIFF OF 1897

The Presidential election of 1896 was won by the Republicans on the issue of sound currency. The successful candidate was William McKinley, who had been defeated for reelection to the House following the enactment of the tariff bill of 1890, which bears his name, but who the next year was elected Governor of Ohio. In spite of the predominance of the currency question President McKinley gave immediate consideration to the tariff by calling a special session to revise the Wilson-Gorman law.

During the closing days of the Cleveland administration the Republican Ways and Means Committee, under the leadership of its chairman, Nelson Dingley, Jr., of Maine, had been preparing a bill to be introduced at the opening of the new Congress. The resulting Tariff Act of 1897 was in general a redraft of the McKinley Act, although in many instances the rates were lower, and in a few cases the rates of the Wilson bill were allowed to stand. Its twofold purpose, as expressed by Mr. Dingley, was to "raise additional revenue and to encourage the industries of the United States."

In addition to restoring protection, the Dingley Act revived the penalty duties provided in the McKinley Act and also set forth a list of concessions which the President might make in the duties on certain articles (argols, spirits, wines, paintings, drawings, and statuary) in return for equivalent concessions by foreign countries. The act also authorized the President to negotiate reciprocity treaties granting reductions up to 20 percent, but required that any such treaty, before becoming effective, must be ratified by both the House and Senate.

The Dingley law remained in effect for 12 years, or until 1909, and during that time the average rate on dutiable imports was 46 percent. In this period, domestic manufactures increased tremendously, and our exports found their way into the markets of the world. That the people were entirely satisfied with the return to protection was attested by the successive Republican victories at the polls in the years following the enactment of the Tariff Act of 1897. In addition to electing Presidents McKinley, Roosevelt, and Taft, the Republicans controlled the House of Representatives from 1895 to 1911, and the Senate from 1895 to 1913, a remarkable record.

RECIPROCITY WITH CUBA

After the War with Spain, President Theodore Roosevelt negotiated a reciprocity treaty with the new Republic of Cuba, to which the Senate advised and consented. Pursuant thereto, Congress passed the act of December 17, 1903, which provides that as long as the treaty shall remain in force all Cuban products which on that date were imported into the United States free of duty shall continue to be so admitted, and that all other articles shall be granted a reduction of 20 percent in the duties then or thereafter imposed. Cuba, in turn, grants similar concessions to the United States. The treaty is still in force.

THE PAYNE-ALDRICH TARIFF OF 1909

After the Tariff Act of 1897 had been in effect for about a decade there was a general feeling that its rates were ill-adjusted to the existing industrial conditions. Moreover, there was a growing animosity toward trusts, which were thought by some to be fostered by the tariff.

In response to public sentiment, the Republican platform of 1908 declared for a thorough-going revision of the Dingley Act, and asserted that the "true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries." The Democratic platform, on the other hand, called for an immediate reduction of the duties on necessaries, and for placing on the free list all articles entering into competition with the so-called "trust controlled" products.

Immediately after Mr. Taft's election, the Ways and Means Committee, under the direction of its chairman, Sereno E. Payne, of New York, began the preparation of a new bill which was introduced at the special session of Congress in March 1909. The bill passed the House substantially as prepared by the committee, but in the Senate a large number of amendments were made, the tendency of which was to increase the rates in the House bill and wipe out many of the reductions which had been made therein. When the bill reached the conference stage, President Taft brought pressure to bear in favor of the lower House rates, and in the end a measure resulted which was acceptable to him.

It has been estimated that the act of 1909 reduced rates in 584 instances, affecting 20 percent of the imports, while making 300 increases. During the 4 years which it was in operation, the average rate on dutiable imports was approximately 41 percent.

The Payne act abandoned the principle of reciprocity, which had proved very unsatisfactory, and adopted instead a maximum and minimum schedule of rates. The maximum schedule was made generally applicable, but the President was empowered to put the minimum schedule into effect with respect to imports from any country which he found did not discriminate against our own products. To assist the President in making his findings, authority was given for the establishment of a tariff board, and as a result of its investigation the minimum schedule of rates was proclaimed with respect to imports from all countries.

THE UNDERWOOD-SIMMONS TARIFF OF 1913

In the Presidential election of 1912 Woodrow Wilson was swept into office by an unprecedented electoral vote on account of the split between President Taft and Theodore Roosevelt. While the Republican platform of that year reaffirmed the party's belief in protection, the Democrats declared for a tariff for revenue only, asserting that "protection" was unconstitutional. Owing to the peculiar circumstances of the campaign, it could hardly be said that the Democrats received a mandate from the people in favor of a revenue tariff. Nevertheless, they were quick to seize the opportunity presented by Mr. Wilson's election to revise the Payne-Aldrich Law.

Upon assuming office President Wilson called an extra session of Congress to meet April 7, 1913, and on the opening day Mr. Underwood, of Alabama, then Chairman of the Ways and Means Committee, introduced a tariff bill which had been prepared by the Democratic majority in the short session of the Sixty-second Congress. This bill became the basis for a second bill which was introduced and reported 2 weeks later.

The bill passed the House approximately 2 weeks after its introduction, the Democrats having bound their Members to support the bill and resist all Republican attempts at amendment. In the Senate progress was much slower, but after being debated in that body all summer the bill was passed on September 9. The Senate made many amendments to the House bill, but the differences were easily ironed out in conference, owing to the active influence of President Wilson.

In addition to reducing rates generally the Underwood-Simmons Act made considerable additions to the free list, including such items as iron ore, pig iron, agricultural implements, coal, lumber, numerous agricultural products (such as wool, cattle, meat, eggs, milk, cream, wheat, corn, flour, and hemp), and numerous manufactures (including boots and shoes, gunpowder, wood pulp, and print paper). Sugar also was made free of duty under a process of gradual reductions, but this provision later was modified because of the large loss of revenue which resulted.

One feature of the act of 1913 was the introduction of the so-called "competitive" principle, as distinguished from the Republican doctrine of equalizing foreign and domestic production costs. Although the Democratic platform had declared simply for a tariff for revenue, Chairman Underwood gave a new interpretation of this phrase when he declared that it meant a competitive tariff, or one which allows sufficient imports of every product made into the United States to bring about active competition in all industries. President Wilson expressed a similar view in his message to Congress.

The act of 1913 had been in effect but 10 months when in August 1914 the World War broke out in Europe. During the war period commerce was so disturbed that the rates of the Underwood law had little effect one way or the other. Virtually all European competition was cut off, and in spite of lowered duties domestic producers enjoyed a high degree of artificial protection. After the war, however, there came a deluge of foreign importa-

tions. In 1920, the last full year under the Underwood Act, the average ad valorem rate on dutiable imports was only 16.4 percent, the lowest in any one year since before the Civil War.

Any reference to the Tariff Act of 1913 would be incomplete without mentioning that it was this law which gave the country its first income tax subsequent to the ratification of the sixteenth, or income-tax, amendment. During the Civil War a temporary income tax had been imposed, the constitutionality of which was never challenged; but when a simliar levy was enacted in 1894, the Supreme Court held it to be a direct tax, which, under the Constitution, must be apportioned among the States according to population. The sixteenth amendment, which became effective February 28, 1913, obviated this requirement with respect to the income tax. It provides as follows:

"The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States and without regard to any census or enumeration."

From 1789 until the Civil War customs receipts furnished practically the entire revenue of the Government. At that time, in order to meet the costs of the war, certain internal-revenue taxes were imposed in conjunction with increased tariff duties, to which reference already has been made. From 1864 through 1868 these internal taxes produced more revenue than the tariff. Most of these war levies were later repealed, but, as has been previously pointed out, the excise taxes on tobacco and spirits continued to be a major source of revenue.

The year before the income-tax law of 1913 was enacted, 45 percent of the Government's ordinary receipts came from customs duties, 42 percent from miscellaneous excise taxes, and 4 percent from the excise tax on corporations. The balance of the total receipts of $693,000,000 was accounted for by sales of public lands and other miscellaneous revenues.

The income tax as imposed under the act of 1913 was not a large revenue producer, due to the low rates and large exemptions. However, beginning with the World War years, from 1916 on, when the demand for revenue was so great, it became the backbone of the Federal revenue system, producing nearly $4,000,000,000 in the fiscal year 1920 as compared with $322,000,000 from customs.

Although in the fairly normal year of 1926 customs receipts were nearly $580,000,000, this sum represented less than 15 percent of the Government's ordinary receipts, the income tax accounting for 50 percent and miscellaneous excise taxes nearly 22 percent. The fact is that Government expenditures have grown so great that customs receipts no longer can be counted upon for a major portion of its revenues. In 1912, when customs receipts produced 45 percent of the ordinary receipts, the cost of government was less than $700,000,000. Now, of course, it runs up into the billions.

### EMERGENCY TARIFF OF 1921

I have already stated that the World War provided a period of artificial protection to domestic producers, in spite of the low rates of the Underwood tariff and the placing of many agricultural and other products on the free list. After the war, when the normal channels of trade were reopened, this country became the dumping ground for surplus European war stocks. At the same time, deflation and the collapse of the price structure delivered a staggering blow to industry and agriculture, especially the latter.

With a view to relieving agricultural distress as much as possible, the Republican Congress in the winter of 1920–21 passed an emergency tariff bill placing temporary duties on a number of the principal farm products. This measure was vetoed by President Wilson the day before Mr. Harding became President. However, in a special session of Congress called by the latter the measure was again passed, becoming a law on May 27, 1921. Originally it was to have operated for only 6 months, but it was later extended indefinitely, or until permanent general legislation could be enacted.

In addition to imposing temporary duties on agricultural products, the emergency tariff provided for an embargo on dyestuffs and levied a special antidumping duty on all foreign merchandise sold to domestic importers at less than the fair market value. This latter duty, by the way, is still in effect.

### THE FORDNEY-M'CUMBER TARIFF OF 1922

The conditions which gave rise to the enactment of the emergency tariff also necessitated a permanent general tariff revision. In fact, work on a permanent measure was begun long before the emergency act became a law. As early as 1919 the Republican House of Representatives passed a resolution directing the Tariff Commission to prepare a summary of tariff information containing data in condensed form on each item in the law. In June 1919 hearings were held on the subject of dyestuffs and other new war-time industries. Following President Harding's election in 1920 the Ways and Means Committee announced public hearings beginning January 6, 1921, with a view to undertaking a general revision of the tariff. These hearings lasted until the middle of February, but it was not until July that a bill was reported to the House by Chairman Fordney.

The Fordney bill passed the House less than a month after its introduction, and the Senate Finance Committee at once began hearings on the measure. It was not reported to the Senate, however, until the following April, the Finance Committee having in the meantime laid aside the tariff to take up the internal-revenue bill which had been sent over from the House. The delay was occasioned by the fact that the tariff bill, as passed by the House, had provided for American valuation of imported merchandise, with the rates adjusted accordingly. The Finance Committee voted to restore the foreign valuation basis before considering the House bill further, thus necessitating a recomputation of all ad valorem rates.

The Fordney-McCumber bill was under consideration in the Senate until August, finally becoming a law on September 21, 1922, 1 year and 9 months after the House began hearings on the measure.

In enacting the Fordney measure it was the aim of the Republican Congress to substitute protection for the "tariff for revenue" policy of the Underwood law, and in the main the 1922 act constituted a return to the general level of rates which had existed before the Democrats came into power in 1913, with the necessary adjustments for changed competitive conditions. The bill showed the influence of a number of new industries which had grown up during the war and whose existence was threatened by the return to normal times. One of these was the production of dyestuffs, which formerly had been supplied by Germany.

It was interesting to note in connection with the debate on the Fordney bill, both in the House and Senate, that the Republican theory of protection was seldom attacked by the Democrats, most of the criticism being directed to the degree of protection provided. For over a hundred years, protection had been anathema to the South, but with its recent industrial development there has come a change of viewpoint. Not only did the cane producers of Louisiana continue to demand protection, but they were joined by various other groups, including the textile manufacturers of the Carolinas, the graphite producers of Alabama, and so on.

During the nearly 8 years during which it was in operation the average rate on dutiable imports under the Fordney law was 38.5 percent, as compared with 27 percent under the Underwood Act and 40.7 percent under the Payne Act of 1909. The average rate on both free and dutiable imports under the Fordney Act was 14 percent.

The most notable feature of the act of 1922 was the introduction of the flexible tariff. It was evident when the bill was under consideration that because of rapidly changing conditions and the necessary readjustments following the war, the task of writing a more or less permanent rate on a given article was exceedingly difficult. Within a few months it might be entirely too low or too high. It was to cope with this prospective situation that the House originally based the duties in the Fordney bill upon the American value of imported articles.

When the Senate rejected American valuation, it substituted the flexible tariff, by which the President was given the power to modify the duties fixed in the act within a range of 50 percent, either up or down, when he found after investigation by the Tariff Commission that an existing duty did not equalize the difference in cost of production of a domestic article and like or similar foreign articles. The President also was given the power to base duties on the American value where he found that the differences in production costs could not be equalized by changing the rate itself.

The purpose of Congress in enacting the flexible-tariff provision was to provide a means whereby duties might be maintained at the proper level to offset foreign cost-of-production advantages without the necessity of constant congressional action.

The constitutionality of the flexible tariff was immediately challenged on the ground that Congress had thereby delegated legislative powers to the President. However, in a test case the Supreme Court overruled this contention, holding in effect that Congress had merely laid down a rule or "yardstick" for rate making and directed the President to modify rates to conform thereto. Such a delegation of authority, the Court held, was administrative only and therefore did not constitute an unconstitutional delegation of legislative powers. (See *Hampton & Co.* v. *United States*, 276 U. S. 406.)

### THE HAWLEY-SMOOT TARIFF OF 1930

The Tariff Act of 1922 was passed while the unsettled conditions following the World War still prevailed, both at home and abroad. Subsequent to that time many new products entered the markets, new conditions of production arose, and new and active competitors entered the field.

In the Presidential campaign of 1928 the Republican Party promised the country a readjustment of the tariff "in the light of changes in the world competitive situation" subsequent to the enactment of the Fordney law. Construing the Republican victory at the polls as both a mandate and a direction to carry out this pledge, the Ways and Means Committee began hearings in the short session of the Seventieth Congress with a view to revising the act of 1922. These hearings lasted from January 7 to February 27, 1929, during which time more than 1,100 persons were heard and some 11,000 pages of testimony taken.

Following the hearings, the Republican members of the committee began the preparation of the bill, the Democratic members being excluded in accordance with the practice followed by both parties. Prior to the hearings, each of the 15 majority members had been assigned by the chairman to specialize on one of the 15 schedules of the 1922 law, and when the actual drafting of the bill began these members became chairmen of the subcommittees in charge of the respective schedules. The subcommittees were composed of three members, so each Republican served on two others in addition to the one of which he was chairman.

In the preparation of the first draft of the bill, the subcommittees were assisted by commodity experts from the Tariff Commission, who briefed the hearings and gave technical information regarding the thousands of items under consideration. The Tariff Commission also prepared a summary of tariff information giving

statistics and other data regarding the articles in each paragraph of the law.

When all of the subcommittees had finished their work, they reported to the full Republican membership, and their recommendations were then approved, modified, or rejected. The bill was then put in final shape and was introduced in the House by Chairman Hawley on May 7, 1929, during the special session of Congress called by President Hoover to consider the tariff and farm relief. The following day the bill was formally referred back to the committee for report, and on May 9, by a strict party vote, it was reported to the House. After being fully debated in the House, it was passed on May 28, with sundry committee amendments.

The Senate Finance Committee immediately began hearings on the measure, and it was reported to the Senate September 4. From that time until March 24, 1930, it was before the Senate, finally passing that body on that date with 1,253 amendments. The bill was in conference during April and May, and it was not until the middle of June that it finally passed. The new law was approved by President Hoover on June 17, 1930, 18 months after its preparation began.

An analysis of the Hawley-Smoot Act made by the Tariff Commission showed that of the 3,296 items specifically mentioned as dutiable in either the 1922 or 1930 acts, the rates on 1,112, or 34 percent, were changed. Of these changes, 890 were increases, including 50 transfers from the free list to the dutiable list, and 235 were decreases, including 75 transfers to the free list. The more significant rate increases pertained primarily to the agricultural schedule. The flexible-tariff provision, which was first incorporated in the act of 1922, was continued in the Hawley-Smoot Act with some modifications.

From the time of its enactment in June 1930, until the end of the calendar year 1933, the average rate on dutiable imports under the Hawley Act was 52.8 percent. However, on free and dutiable goods combined the average was only 17.7 percent. This great difference is accounted for by the fact that approximately two-thirds of the imports, on the basis of value, are entered duty free.

DEMOCRATIC TARIFF PROPOSALS IN THE SEVENTY-SECOND CONGRESS

When the Democrats assumed control of the House of Representatives in the Seventy-second Congress, beginning in December 1931, one of their first major legislative proposals was a bill amending the flexible-tariff provision of the 1930 law and providing for the negotiation of reciprocal-tariff agreements.

Under the bill, the President would have been shorn of his power to modify tariff rates, and any proposed changes recommended by the Tariff Commission would have required congressional action to put them into effect. While the bill authorized and requested the President to negotiate trade agreements with foreign countries, it also provided that such agreements should not become operative "until Congress by law shall have approved them."

The measure was passed in the House by a party vote, and its passage in the Senate was made possible by a coalition of Democrats and Progressives. President Hoover vetoed the bill, and the House failed to pass it over the veto. Mr. Hoover contended that the measure destroyed the principle of the flexible tariff and said that the provision for foreign-trade agreements was an abandonment of the policy of uniform and equal treatment for all nations.

IMPORT TAXES UNDER THE REVENUE ACT OF 1932

During the consideration of the internal-revenue bill of 1932 there was considerable agitation for a tariff on petroleum, coming principally from the independent producers of Texas and Oklahoma.

Piecemeal tariff revision has seldom been undertaken in recent years, but the necessity for amending the tariff act was obviated by the simple expedient of including in the internal-revenue bill an item placing an excise tax upon imported crude petroleum and related products. This was a signal for other groups desiring tariffs to put forth their demands, and when the Revenue Act of 1932 was finally passed it contained three other tariff items in the guise of an excise tax. In addition to crude petroleum, coal, lumber, and copper were subjected to a tax upon their importation.

When the Revenue Act of 1934 was under consideration, certain animal and vegetable oils were added to the list.

RECIPROCAL TARIFF ACT OF 1934

The Democratic platform of 1932 advocated a competitive tariff for revenue, presumably along the lines of the Underwood law, coupled with reciprocity. Although they are now in complete control of the legislative and executive branches of the Government, the Democrats have avoided a general downward revision of the tariff. However, virtually the same end can be achieved under the Reciprocal Tariff Act, which was passed in the Seventy-third Congress as an administration measure.

This act gives the President virtually carte blanche authority to enter into binding reciprocal-tariff agreements with foreign countries, and to make concessions in duties pursuant to such agreements, without the necessity of congressional approval of his action. In the latter respect, it differs from all past reciprocity measures, including the Democratic proposal in the Seventy-second Congress.

It is the theory of those sponsoring the measure, including the present Secretary of State, Hon. Cordell Hull, that we should not produce in this country any article which can be more efficiently or more economically produced elsewhere. They believe that certain of our domestic industries should be sacrificed as a means of gaining larger foreign markets for other industries which are on an export basis.

When this measure was before Congress, it led to a partisan debate, with the Republicans in bitter opposition. They contended, among other things, that it constituted an unprecedented and unconstitutional delegation of the taxing and treaty-making powers of Congress; that it put into the hands of one man the power of life and death over every domestic industry dependent upon tariff protection; that it was inconsistent with the recovery program, since by inviting a flood of foreign importations it would result in increased unemployment; and that owing to the present tendency of nations to make themselves self-sustained and self-contained, any hope of recovering the old foreign markets was illusory.

In view of their opposition to the enactment of the flexible-tariff provisions, it was surprising that the Democrats would have sponsored a measure which went far beyond that law in granting to the President power over the tariff. They even cited the flexible tariff as a precedent for the reciprocal-tariff measure, but the Republicans answered that there was no comparison in the two propositions, since under the former a rate-making formula was laid down by Congress to which the President was required to conform, whereas under the reciprocal tariff he could fix rates upon any basis he chose.

The Democrats also cited as a precedent the President's powers under the McKinley tariff of 1890, but again the Republicans answered that no analogy could be drawn, because under that act Congress merely gave the President the authority to put prescribed rates into effect on certain named articles when he found a given state of facts to exist. In other words, they said, he had no rate-making powers.

When the Democrats attempted to show that the Republican Party in the past had been committed to a policy of reciprocity, the Republicans answered that it was an entirely different kind of reciprocity which they had advocated, involving neither a surrender of the taxing power to the President nor the destruction of any domestic industries. If an attempt was to be made to expand foreign trade by reciprocal-tariff agreements, they contended, it should be done along the lines of the McKinley law, using the great domestic market for noncompetitive items now on the free list, which constitute two-thirds of our imports, as a lever to force favorable concessions for our exports in foreign markets. Such a measure, they said, would not injure a single domestic industry and would cost the country nothing in actual concessions.

Aside from their opposition to the reciprocal tariff measure on economic and constitutional grounds, the Republicans bitterly criticized the methods which the Democrats used to enact it. Whereas the Fordney-McCumber law was 21 months in the course of preparation and the Hawley-Smoot Act 18 months, this measure was before Congress only a little more than 3 months. The hearings on the measure were called only a few days after its introduction, before the industries affected had time to digest the bill or prepare their cases, and it was rushed through the House without anyone understanding what it was all about or what its ultimate effect on the country would be.

CONCLUSION

It is evident from this brief review that the tariff has played an important part in the economic development of the United States, and that it is perhaps the oldest political issue in our history.

For nearly a century and a half the Nation has grown and prospered under the protective tariff. In the early days it made possible the establishment of home industries which today make this country economically independent of most of the world. It has resulted in the establishment within our borders of the greatest home market on earth, in which is consumed 90 percent of the domestic production of movable goods and where one-half the business of the world is transacted. In addition it has enabled the building up of the American standard of living through the payment of higher wages than are enjoyed in any other country.

As a political issue, the tariff has had an interesting history. Universally accepted as a source of revenue, the propriety of its use as a means of encouraging home industries has frequently been challenged, even though upheld by the courts. The tariff once divided the North and the South and was one of the contributing causes of the Civil War.

The Republican Party, since its birth just prior to that war, has consistently upheld the protective tariff as one of its cardinal principles. Moreover, the Democratic Party, which for so long has advocated the use of the tariff "for revenue only", has gradually come to accept protection in principle, although differing as to the degree to which it should be applied. Thus, as the great Daniel Webster said a century ago, "protection" seems to be the settled national policy of this country.

Matters of public interest come and go, but it is perfectly apparent that from the beginning of our history no other subject has continued to hold such a predominant place in legislation as the tariff.

HOME OWNERS' LOAN CORPORATION

Mr. TRUAX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a copy of the bill that I am introducing today in reference to the H. O. L. C.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRUAX. Mr. Speaker, the deplorable plight of thousands of home owners may be traced directly to this tremendous centralization of wealth in the hands of the few. These pirates who feast and fatten on the bleaching bones of a suffering humanity not only squeeze from them their small incomes and earnings in normal times, their all, but in periods of great economic distress they mortgage the future earnings and incomes of these unfortunates by foreclosing their homes and farms and then obtaining deficiency judgments for the disparity between the confiscation price of today and the normal price of good times.

This nefarious practice of these human vultures commonly known as "money lenders" can and must be stopped.

We stopped it with respect to farm foreclosures and deficiency judgments when we enacted into law on the last day of the last session of the Seventy-third Congress the Farm Bankruptcy Act, commonly known as the "Frazier-Lemke bill."

In that act we gave the hard-pressed farmer a 5-year moratorium, a scale down of the mortgage to its present value, the abolition of deficiency judgments, and a livable rate of interest of 1 percent on the mortgage. This in the event that the majority of the creditors in number and amount agree to abide by the provisions of this act. In the event that a majority refuses to agree then we again throw the protecting arm of Congress about these worthy citizens by providing that the farmer can continue to reside on his farm for a period of 5 years by the payment of a reasonable rental annually to the mortgagee or Shylock.

This is exactly what we propose to do for the distressed home owner under the provisions of the bill which I have introduced today and which herewith appears in my remarks.

Everyone seems to agree that additional bonds should be authorized for the use of the Home Owners' Loan Corporation. Nearly everyone concedes that when these additional bonds are authorized, instead of giving the bureaucrats of the Home Owners' Loan Corporation carte blanche in the disposal of said bonds and funds, certain restrictions and regulations should be incorporated. We all know that abuses have been and now are tolerated by these bureaucrats that have militated against the welfare of those home owners who are most distressed and who need emergency refinancing most. The bill I am introducing is designed to eliminate all abuses, favoritism, and discrimination, so that those who are most keenly in distress will receive the greatest assistance and at the earliest possible moment.

My desire is to help, first, those wageworkers who have formerly earned their bread by the sweat of their brows and who now through no fault of their own, face continued unemployment; and those salaried workers in the professions and those thousands in small business and industry and those other thousands classed as independent producers.

The maximum amount that can be loaned to one individual, namely, $14,000, is much higher than needed to relieve the wants of these classes of worthy citizens which I have just enumerated. A maximum amount of $7,500 to be loaned to these wageworkers who create all the wealth and pay all the taxes would be ample and sufficient to relieve them fully. Indeed, in the cases of thousands the equivalent of $1,000, $2,000, $3,000 would be fulsome; hence I have reduced the maximum amount to $7,500, believing that this amount will represent the needs of the great majority of distressed mortgagors, not only those whose applications have already been filed but those other untold numbers who must either be given the opportunity to now file an application for Government refinancing or be foreclosed by the greedy and unfeeling money lenders.

To make it certain that the individual making application for a Government loan from the Home Owners' Loan Corporation is really in distress, your attention is called to section 4 (k) of the Home Owners' Loan Act of 1933, as amended, which further amended so as to read as follows:

Providing and stipulating that the applicant must be in an involuntary default in the payment of principal, interest, or taxes, and does not possess the ability to maintain nor liquidate his present mortgage.

In short, he must actually be threatened with foreclosure and loss and confiscation of his home. That is the test. That is the yardstick that will measure his distress, and not to be subject to the rules, regulations, and whims of unsympathetic bureaucrats.

Safeguards are also provided in this bill to preclude the possibility of the distressed home owner being foreclosed and sold out by the liquidator of defunct banks, such as was done in a ruthless manner by Ira J. Fulton, State superintendent of banks during the administration of Gov. George White.

A typical case of the tragic sufferings of American people dispossessed by money lenders and set out in the street by the edicts of the court is pathetically depicted by a constituent of mine, Mrs. Mary E. McNabb, of Columbus, Ohio, who has, under date of January 5, advised me that she made application to the Home Owners' Loan Corporation and endeavored to secure a loan through them ever since the first day that it opened. She states that—

I heard the President speak over the air asking everyone to write to him if we could not get a loan. I wrote in to him about this loan. They told a certain newspaperman that they would do nothing for me because I took it over their heads, so you see I lost the loan in answer to the President's message over the air inviting me to write in.

We had 4 double and 2 single houses. I lived in one of the doubles and the loss of rent from the unemployed was the cause of getting behind in payments on this property. They foreclosed and sold the double where I lived. They refused to give me a loan on any of the other properties as it was not my home, so you see I lost it all. They have taken away my home and income as my husband is an invalid and unable to work, with six in the family. He has had rheumatism for the last 24 years, bedfast part of the time, on crutches part of the time, and a builder part time. He has had several attacks of rheumastim and has been bedfast as long as 1 year at a time with the most severe pain, but still he managed to keep his family together. A source of income has always been from rent, but we have lost it all now unless there is a chance to get a home loan on our home which has been sold.

Copy of my bill to issue an additional $1,250,000,000 in bonds to enable the Corporation to grant additional relief to distressed home owners follows. You will note that the amount requested under maximum loans of $7,500 will relieve thousands more than under the old provision of a maximum loan of $14,000.

A bill to authorize the Home Owners' Loan Corporation to issue an additional $1,250,000,000 of bonds to enable the Corporation to grant additional relief to distressed home owners

*Be it enacted, etc.*, That the first sentence of the Home Owners' Loan Corporation Act of 1933, section 4 (c), as amended (relating to the aggregate amount of bonds which the Home Owners' Loan Corporation may issue), is amended by striking out "The Corporation is authorized to issue bonds in an aggregate amount not to exceed $3,000,000,000" and inserting in lieu thereof "The Corporation is authorized to issue bonds in an aggregate amount not to exceed $4,250,000,000."

Section (d) (2) of the Home Owners' Loan Act of 1933, as amended, is further amended by striking out "The face value of the bonds so exchanged plus accrued interest thereon and the cash so advanced shall not exceed in any case $14,000, or 80 percent of the value of the real estate as determined by an appraisal made by the Corporation, whichever is the smaller" and inserting in lieu thereof "The face value of the bonds so exchanged plus accrued interest thereon and the cash so advanced shall not exceed in any case $7,500, or 80 percent of the value of the real estate as determined by an appraisal made by the Corporation, whichever is the smaller."

Section 4 (k) of the Home Owners' Loan Act of 1933, as amended, is further amended so as to read as follows:

"(k) The Board is authorized to make such bylaws, rules, and regulations not inconsistent with the provisions of this act as may be necessary for the proper conduct of the affairs of the Corporation: *Provided*, That no such bylaws, rules, and regulations made or adopted which shall be inconsistent with the provisions of this act, as amended, to prevent foreclosure and provide emergency relief from foreclosure and for the refinancing of home mortgages, and which will prohibit or prevent distressed home owners who are qualified and eligible under the terms of this act, as amended, from obtaining refinancing of said home-mortgage indebtedness. The Corporation is further authorized and directed to retire and cancel the bonds and stock of the Corporation as rapidly as the resources of the Corporation will permit. Upon the retirement of such stock, the reasonable value thereof as determined by the Board shall be paid into the Treasury of the United States and the receipts issued therefor shall be canceled. The Board shall proceed to liquidate the Corporation when its purposes have been accomplished and shall pay any surplus or accumulated funds into the Treasury of the United States. The Corporation may declare and pay such dividends to the United States as may be earned and as in the judgment of the Board it is proper for the Corporation to pay."

Section 4 (1) of the Home Owners' Loan Act of 1933, as amended, is further amended to read as follows:

"(1) No home mortgage or other obligation or lien shall be acquired by the Corporation under subsection (d), and no cash advance shall be made under subsection (f) unless the applicant was in involuntary default on June 13, 1933, in the payment of either principal or interest on his home real estate, or of taxes the nonpayment of which constitutes a default under the terms of the mortgage on his real estate, and is found by the Corporation, at the time his application is considered not to possess the ability to maintain nor liquidate his present mortgage indebtedness: *Provided*, That the foregoing limitation shall not apply in any case in which it is specifically shown to the satisfaction of the Corporation that a default after June 13, 1933, and prior to the date this subsection as amended takes effect was due to financial losses, economic distress, unemployment, or other conditions beyond the control of the applicant, in which the home mortgage or other indebtedness is held by any institution in the process of liquidation."

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1936

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 3973; Rept. No. 7) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District, for the fiscal year ending June 30, 1936, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. DITTER reserved all points of order on the bill.

ADDITIONAL APPROPRIATIONS FOR FEDERAL COMMUNICATIONS COMMISSION, THE NATIONAL MEDIATION BOARD, AND THE SECURITIES AND EXCHANGE COMMISSION, 1935

Mr. BUCHANAN. Mr. Speaker, I call up the resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission, for the fiscal year ending June 30, 1935, and ask unanimous consent that the same be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. CELLER. Reserving the right to object, will the gentleman state what the bill is about?

Mr. BUCHANAN. The bill is a supplemental appropriation bill to provide for the Federal Communications Commission, the Securities and Exchange Commission, and the National Mediation Board to give them funds so that they can operate for the balance of the fiscal year.

The SPEAKER. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I reserve all points of order on the House joint resolution.

The Clerk read as follows:

*Resolved, etc.*, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1935, for the purposes hereinafter enumerated, namely:

FEDERAL COMMUNICATIONS COMMISSION

For all authorized expenditures of the Federal Communications Commission in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat., 1064), the Ship Act, approved June 24, 1910, as amended (U. S. C., title 46, secs. 484–487), the International Radiotelegraphic Convention (45 Stat., pt. 2, 2760), and Executive Order No. 3513, dated July 9, 1921, as amended by Executive Order No. 6779, dated June 30, 1934, relating to applications for submarine cable licenses, including personal services, contract stenographic reporting services, rental of quarters, newspapers, periodicals, reference books, law books, special counsel fees, supplies and equipment, including purchase and exchange of instruments, which may be purchased without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed $25, improvement and care of grounds and repairs to buildings, traveling expenses, including expenses of attendance at meetings which in the discretion of the Commission are necessary for the efficient discharge of its responsibilities, and other necessary expenses, $480,000.

NATIONAL MEDIATION BOARD

For all printing and binding for the National Mediation Board, $1,750.

NATIONAL RAILROAD ADJUSTMENT BOARD

For authorized expenditures of the National Railroad Adjustment Board, in performing the duties imposed by law, including personal services, contract stenographic reporting services, supplies and equipment, law books and books of reference, periodicals, traveling expenses, and rent of quarters outside the District of Columbia, $150,000.

SECURITES AND EXCHANGE COMMISSION

For all authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law and for other personal services, including employment of experts when necessary; contract stenographic reporting services; supplies and equipment; purchase and exchange of law books, books of reference, directories, periodicals, newspaper and press clippings; travel expenses, including the expense of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Securities and Exchange Commission; garage rental; foreign postage; mileage and witness fees; rent of building and equipment at the seat of government and elsewhere; and other necessary expenses, $825,000.

For all printing and binding for the Securities and Exchange Commission, $21,000.

Mr. BUCHANAN. Mr. Speaker, a short explanation of this bill should be sufficient. The activities provided for in this bill were created during the last session of this Congress. The Congress never appropriated and never intended to appropriate sufficient money to carry them through this fiscal year. The money they did provide was sufficient to carry them until this Congress met, in order that we might go into their needs and necessities and make a proper appropriation for the balance of the fiscal year. So, in fact, it is not a deficiency, but a supplemental appropriation, and intended to be so by the Congress.

Now, as to the items, the Budget sent us an estimate of $480,000 for the Federal Communications Commission. It had for this year only the appropriation made for the old Federal Radio Commission. The act of Congress last year greatly expanded its activities, and prescribed greater duties for it, such as regulation in telephone, telegraph, and cables, and the authority to fix the rates on those utilities, and evaluation of their property; also to prevent discrimination and to prevent refunds. So it was evident that the old appropriation for the Radio Commission alone was not sufficient. Therefore the Budget estimated $480,000, and the committee after investigation allowed that amount.

Mr. SNELL. Does the gentleman care to yield for a question right there?

Mr. BUCHANAN. Yes, I yield.

Mr. SNELL. As I understand the gentleman's statement, nothing has been given to this new commission except what had been appropriated for the old Radio Commission?

Mr. BUCHANAN. Correct. In other words, the appropriation for the old Radio Commission had passed the House when we passed this bill creating the Federal Communications Commission.

Mr. SNELL. And with the additional duties, it needs the additional money?

Mr. BUCHANAN. Yes.

Mr. JENKINS of Ohio. Will the gentleman yield for a question?

Mr. BUCHANAN. I yield.

Mr. JENKINS of Ohio. I notice in the last two sentences, on page 2, line 17, this language is used:

Which, in the discretion of the Commission, are necessary for the efficient discharge of its responsibilities, and other necessary expenses, $480,000.

I should like to ask the gentleman whether it has been customary heretofore to allow sums of this size to be distributed in the discretion of the Commission?

Mr. BUCHANAN. These new activities added to it are something that no department of government has had any experience with to amount to anything. The Commission would be compelled to hold hearings in various parts of the country, as to rates, as to the question of discrimination in telephone and telegraph corporations, and so forth, and the Commission is charged with the duty to fix rates. Therefore, this traveling expense is necessary if they are to function properly and perform what we desire them to do. There is nothing new or unusual about that language.

Mr. LANHAM. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. LANHAM. I have no objection to the passage of this resolution, but one or two provisions in it prompt me to predicate an inquiry thereon. There are provisions in this measure for printing and binding for these various agencies. Of course, that is all right, but it seems to me that attention should be called to the fact that there is a great deal of printing being done, perhaps not all by the Government Printing Office, but some of it through mimeograph machines and otherwise, and a great deal of expense being entailed from the standpoint of the Government, in sending out promiscuously daily reports, codes, and other things of these various Government agencies.

Mr. BUCHANAN. And the CONGRESSIONAL RECORD.

Mr. LANHAM. Well, of course, the CONGRESSIONAL RECORD serves a different purpose, but these various reports we can get upon request, when we wish them, and the sending of them to Members of Congress and broadcast over the country to be thrown into the wastebasket must involve considerable expense from the standpoint of material, of the employees in making these printed or mimeographic reports, and also from the standpoint of distribution through the mail. It seems to me that there is an element of economy that might well be observed in restricting this activity to absolutely necessary distribution.

The SPEAKER. The time of the gentleman from Texas [Mr. BUCHANAN] has expired.

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to speak for 15 additional minutes.

The SPEAKER. Without objection it is so ordered.

There was no objection.

Mr. LANHAM. I suppose that my experience is the same as the experience of all Members of Congress—that we receive daily a great many of these reports for which we have no need, and which we can get upon request. It seems to me that this matter ought to be brought to the attention of the Committee on Appropriations in the annual supply bills, upon which we are soon to pass, in order that there may be curtailment of unnecessary expenditure in this regard. [Applause.]

Mr. BUCHANAN. No doubt the gentleman has put his finger on some abuses in our Government. These abuses, however, apply to the older departments, the regular established departments of the Government which sometimes engage in unnecessary and uncalled-for propaganda. I am thoroughly in accord with any effort to have a proper investigation made and the evil remedied as quickly as possible. In this bill, however, the entire amount carried is to do necessary printing. They have not yet reached the propaganda stage.

Mr. LANHAM. May I say to my colleague, Mr. Speaker, that I have not predicated my inquiry upon the provisions of this particular bill. I recognize the necessity for the appropriations made here.

Mr. BACON. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. BACON. As I understand it, these supplemental appropriations simply permit these activities to be carried on upon the same scale as they will be carried on after the 1st of July, in accordance with the independent offices bill recently passed by the House.

Mr. BUCHANAN. Mr. Speaker, the gentleman's statement is very nearly correct. The deficiency bill now before the House does not carry quite enough funds to enable them to carry on upon the same standard they will be using after the beginning of the next fiscal year which was provided for in the independent offices appropriation bill passed the other day.

Mr. BACON. And the appropriations we are considering today provide simply the money necessary to carry on these activities to the 1st of next July.

Mr. BUCHANAN. Correct. The next item, Mr. Speaker, is that for the National Railroad Adjustment Board. The estimate was $150,000. We allowed the estimate.

Just a few words of explanation regarding this Board. It was created at the last session of Congress. It is not a governmental board. The members of this Board are not employees of the Federal Government. They consist of 36 men. Eighteen of the members are selected by the railroad employee organizations and 18 are selected by the railroads themselves. Their duties are to prevent and adjust disputes growing out of the construction of labor agreements and to settle other disputes that arise between the carriers and their employees before they reach the stage of a strike.

The railroads pay the salaries of their 18 representatives and the brotherhoods pay the salaries of their 18 representatives. The total amount of the salaries paid by these organizations will amount to between $275,000 and $280,000. The bill we passed last session creating this Board provided that the Government should furnish the Board with its staff, its rent, heat, and light. This appropriation of $150,000 is to comply with that promise translated into law at the last session of Congress as the Government's contribution toward the prevention of these industrial disturbances that sometimes cost so much.

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. O'MALLEY. Does the gentleman know what the Board has accomplished thus far? Have they settled any dispute?

Mr. BUCHANAN. I understand 50 or 60 grievances, perhaps most of them of minor importance, have been adjusted. I call attention further, Mr. Chairman, to the fact that should this Board become deadlocked on any question, the Mediation Board selects a referee to break the deadlock, and both sides must comply with the settlement. What better system could we have to prevent railroad strikes in this country?

Mr. BACON. Mr. Speaker, will the gentleman yield for a further question?

Mr. BUCHANAN. I yield.

Mr. BACON. As I understand, the independent offices appropriation bill carried $156,000 to cover the activities of this Board for the fiscal year beginning the 1st of next July.

Mr. BUCHANAN. Yes.

Mr. BACON. Then, why is $150,000 needed for this activity from now until the 1st of July, a period of only 6 months?

Mr. BUCHANAN. Answering the gentleman, Mr. Speaker, I may say this Board never has had any appropriation.

Mr. BACON. How much are they in debt?

Mr. BUCHANAN. They borrowed $20,000 from the Mediation Board. They borrowed $6,400 from the railroads. On the basis of their credit they contracted for about $17,000 worth of furniture. Also, the Board is committed for rent. Therefore, out of this $150,000 they have already obligated over $56,000. It is contemplated they will hire 56 employees. Additional furniture must be bought. Furniture, of course, is not a recurring item to come out of the appropriation for next year.

Mr. BACON. The gentleman really thinks they need the full $150,000 from now to the 1st of next July?

Mr. BUCHANAN. I certainly do; and I may say to my colleague that this $150,000 is a recognition by Congress and a contribution by this Government in response to the interest the public has in preserving our transportation system in operation and intact at all times, while dealing equitably in every instance with the employees.

The other item, and there is only one, is that for the Securities Exchange Commission. There is no use going into that. It was discussed here fully the other day. The estimate for salaries and expenses was $975,000. We cut that estimate $150,000. This places the Commission upon the same proportionate basis for the balance of this fiscal year that they will be on during the next fiscal year under the appropriations made in the independent offices appropriation bill.

Mr. Speaker, the committee has gone into this carefully and the committee believes the amounts carried in this appropriation bill are necessary and ought to be passed.

Mr. TABER. Mr. Speaker, the first item in the bill, the Federal Communications Commission, calls for an increase in the force of the Commission from approximately 121 in the main office in the District of Columbia to 402.

The old Radio Commission had a force of approximately 121. The new Communications Commission will have a force of 402. Frankly, I previously felt, when the independent offices bill was on the floor, that this was too large an increase. I believed that they ought to be able to get along with considerable less, and I offered at that time an amendment which would reduce the appropriation by 20 percent. Of course, that amendment was not agreed to. I feel that this one could undoubtedly be cut 20 percent, and it would still provide funds permitting this Commission to function properly.

It is a new activity, and they are going into the rates and the capital structure of the telephone and telegraph companies in this country. This activity, in my opinion, could be accomplished entirely with less money, but they are going along with it, and we have to see the results obtained in years to come.

The second activity, that of the Board of Mediation, I do not think presented sufficient justification to cover $150,000. I think undoubtedly they could have covered all of their activity with $110,000. However, I shall not offer an amendment, because I do not believe that we would succeed in putting across such an amendment.

Mr. SNELL. Will the gentleman yield for a question?

Mr. TABER. I yield to the gentleman from New York.

Mr. SNELL. In connection with the Mediation Board, what new and additional work have they to do over the old Board?

Mr. TABER. They have a lot of work to do in addition to what the old Board did, because they have included the 36 members of the Railroad Adjustment Board, 18 of whom are paid by the railroads and 18 of whom are paid by the employees, but the entire clerical and stenographic force, as well as the referees, if they have to have a fifth party on a board, the two representing each side not being able to agree, have to be paid by the Government.

Mr. SNELL. How much additional cost is this Board going to involve annually over the old Board?

Mr. TABER. Oh, probably $175,000 to $200,000.

Mr. SNELL. What was the total cost of the old Board; does the gentleman remember?

Mr. TABER. I have not the figure here, but as I remember it, somewhere around $125,000.

Mr. SNELL. This is more than double?

Mr. TABER. Oh, yes; there is no question about that.

Mr. SNELL. This is not reducing the Government cost very much?

Mr. TABER. The only advantage is a provision in the act, which could have been put in the old act, requiring the Board to stay in session until they agree. This was probably a good provision.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. JENKINS of Ohio. I understood there were some divisions in the Board of Mediation that were brand new, and that these have been operating since the last Congress without having any appropriation or funds available. Will the gentleman explain just what these functions are?

Mr. TABER. Yes. That is the National Adjustment Board which I just described. There are 18 railroad representatives and 18 employee representatives on this Board. These people have been paid up to this time, and they will be paid in the future, by the railroads and by the employees, but their expenses, such as rent, stenographic and clerical force, and the expense of these referees who may be called in, although none have as yet been called in, to act as arbiters where these boards that are set up of two representing each side cannot agree, are paid by the Government.

[Here the gavel fell.]

Mr. TABER. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. I think probably $110,000 would cover everything that these people would need; however, it is a new activity and they will have to work out their own record.

The Securities and Exchange Commission is practically a new activity. There were about 100 employees transferred to it from the Federal Trade Commission. They are building up a force now to about 600. You cannot tell exactly, because there was $150,000 cut off this appropriation and approximately $300,000 was cut off the estimate which called for 658 employees sent in here by the Budget for the fiscal year 1936 in the independent offices bill. I think the committee did right in cutting $150,000 off the appropriation for salaries and expenses here, because they will have plenty of money with which to function. The activity of this Commission which ought to be of the most use to the public is the checking and preventing of the peddling of securities from door to door by agents amongst the unsuspecting people of this country. That is where the greatest abuse has been found to lie and where the people are being swindled the most. I hope with these funds they will be able to come in here and show a considerable curtailment in the operations of the swindlers who have been working on the public in this way. Frankly all of these activities represent a tremendous increase in boards, commissions, and employees in the civilian forces of the Government. The increase here over the former operations of the Trade Commission is approximately 600 percent. The activities are somewhat enlarged, but, frankly, I believe after they get organized we will find if we examine the matter closely that they could get along with a great deal less. I believe that the activities of the Communications Commission could be carried on with a great deal less.

I deplore the continual bringing in of deficiencies. We ought to better accommodate ourselves to original appropriations in the regular bills. These are, of course, new activities, but nevertheless we ought to get to the point where we can keep these things down and not be everlastingly increasing them.

Mr. FISH. Mr. Speaker, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. FISH: On page 2, at the end of line 19, add "*Provided*, That no public official receiving pay from the Federal Government, or member of his or her immediate family, shall receive any pay or compensation for speaking over the radio."

Mr. BUCHANAN. Mr. Speaker, I make a point of order against the amendment.

The SPEAKER. The gentleman will state his point of order.

Mr. BUCHANAN. I make the point of order it is not germane and is legislation on an appropriation bill.

The SPEAKER. The Chair will hear the gentleman from New York on the point of order.

Mr. FISH. Mr. Speaker, this is just a limitation on the expenditure of the money.

The SPEAKER. The gentleman from New York offers an amendment, which reads as follows:

*Provided*, That no public official receiving pay from the Federal Government, or member of his or her immediate family, shall receive any pay or compensation for speaking over the radio.

It will be observed that this amendment applies to all public officials and is not confined to those for whom this appropriation is made. The Chair, therefore, sustains the point of order on the ground it is not germane.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### DISTRICT OF COLUMBIA APPROPRIATION BILL, 1936

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 3973) making appropriations for the government of the District of Columbia, and other activities chargeable in

whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes; and pending that I should like to arrange for some division of the time in general debate. What arrangement can be made as to time, may I ask the gentleman from Pennsylvania?

Mr. DITTER. Mr. Speaker, may I suggest to the chairman of our subcommittee that we run along this afternoon with general debate and defer any definite agreement as to time until we see how we make out during the afternoon?

Mr. CANNON of Missouri. Then, Mr. Speaker, pending that motion, I ask unanimous consent that the time for general debate this afternoon be equally divided and controlled, one-half by myself and one-half by the gentleman from Pennsylvania.

Mr. DITTER. That is agreeable to me.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 3973, the District of Columbia appropriation bill, with Mr. GREENWOOD in the chair.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, before I discuss the provisions of the bill, I want to mention a widespread propaganda now misleading people of the United States.

I refer to the Townsend pension plan. I am in favor of a reasonable, sane, old-age pension. I want to see a proper old-age pension bill passed, one that will care for the aged, who are unable to work, who are dependent and have no income and no one to take care of them—a reasonable pension bill that would pay them at least $20 a month and as much as $35 a month to a man and his wife. That is about the figure heretofore recognized as just by this Government.

I want to see that kind of a bill passed in this session of Congress, initiated and passed by the Representatives of the people who have more interest in our constituents back home than any Dr. Townsend you can find between Maine and California.

Who is Dr. Townsend that he should have more interest in the people of the United States than you chosen Representatives of those people? Is Dr. Townsend interested in aged people or in what he gets out of them? At a later date I will furnish you some interesting facts on this subject.

I have some documents here that I want to put in the RECORD in connection with my remarks, both now and later, so, Mr. Chairman, I ask unanimous consent to extend my remarks and put in certain excerpts to which I shall refer.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks and include therein certain excerpts. Is there objection?

There was no objection.

Mr. BLANTON. I have some very interesting disclosures which I have received from Dr. Townsend's California office, which shows that his business is in thriving condition financially.

TOWNSEND RECEIPTS LAST OCTOBER $750,000

I quote from a letter received from Townsend's office last October, the letterhead having at the top "Old Age Revolving Pensions, Ltd.", and "The Townsend Plan", there being printed on it "F. E. Townsend, M. D., Founder and President" and "R. E. Clements, Secretary and Treasurer", and dated from "Long Beach, Calif., 148 American Avenue, October 15, 1934", and addressed to me at Abilene, Tex., the following admissions signed by Dr. Townsend's secretary, to wit:

With reference to the Townsend Clubs which are being organized throughout the Nation, the only demand of members is that they purchase a booklet at 25 cents, giving a complete analysis of the plan.

It may be of interest to you to know that we have several million signatures on our petitions and this is not omitting your own good State of Texas.

If, as stated by Dr. Townsend's office, on October 15, 1934, he had "several million members" and the only demand he made on them was to require that they pay him 25 cents each for a pamphlet, it is a mere matter of calculation to find out what are his receipts. When I pinned one of his employees down as to what was meant by "several million" he said it meant over 3,000,000. Well, 3,000,000 members at 25 cents each amounts to $750,000 that Dr. Townsend received from them up to October 15, 1934. And he must have received quite a sum from them since that date.

The Washington press reports that Dr. Townsend, with his staff, are quartered at the Ambassador Hotel. It is the aged poor of the United States who are paying his hotel bills.

I have some very interesting data sent me by one of Dr. Townsend's former employees in California, telling about the use of these funds by Dr. Townsend, and at the proper time I will place the contents of this employee's evidence before my colleagues.

Dr. Townsend says that his plan is for the Government to pay $200 per month to every person in the United States over 60 years of age, and he claims that there are only 8,000,000 such persons. Taking his own figures, that would mean that our Government would have to raise for this item alone the stupendous sum of $1,600,000,000 each month, or the aggregate of $19,200,000,000 per year for civilian pensions.

Why, for the last fiscal year the total revenues of the Government amounted to only $3,700,000,000, yet for old-age pensions alone Dr. Townsend would pay out each year $15,500,000,000 more than the entire revenues of the Government amounted to during the last fiscal year.

I quote the following from the Washington Post of Sunday, January 13, 1935:

TAX REVENUES AT PEAK LEVEL IN UNITED STATES HISTORY

Government tax collections, aside from those on incomes, are running at the highest levels in history.

Miscellaneous internal revenue, which comprises such taxes as beer and liquor, gasoline, "nuisance levies", and tobacco, running at the rate of $1,710,000,000 annually, are accounting for nearly a half of the Government's total revenues of approximately $3,700,000,000 annually.

With our total revenues amounting to only $3,700,000,000 per annum, Dr. Townsend would have this Government pay out each year $19,200,000,000 in old-age pensions alone. Where would the Government get the money? How would the Government get the money?

Dr. Townsend is short in his estimate of cost, just as he would be short in raising the money. Our expert actuaries and census authorities say that to pay $200 per month to every person in the United States over 60 years of age would require at least $24,000,000,000.

The Associated Press last Monday stated that the American Magazine would carry a statement by Frances Perkins, Secretary of Labor, denouncing the Townsend plan as unsound, stating it would cost $2,000,000,000 per month, or $24,000,000,000 per year, and that its supporters are utterly reckless in their figures. Yet, as I do, Secretary Perkins favors a sane, old-age pension.

In the Washington Post last Sunday, January 13, 1935, respecting what Dr. Townsend's plan would cost the District of Columbia alone, appeared the following:

ANNUAL COST TO CAPITAL TAXPAYERS FIGURED AT $106,000,000

Lusk, who is secretary of the Washington Taxpayers Protective Association, said the Townsend plan would cost the taxpayers of Washington more than $106,000,000 a year.

"In other words", he said, "the total outlay will be three times the present cost of the District government and approximately 35 percent of all the money made by every man, woman, and child in Washington.

In order to pay $200 per month to every person in the United States over 60 years of age, costing the Government $24,000,000,000 a year, you would have to place our entire

Membership of 435 Congressmen on the Ways and Means Committee and let them sit 24 hours a day, 365 days in the year, to devise every scheme known to tax experts in order to raise taxes sufficient to pay even half of this $24,000,000,000 a year.

Dr. Townsend says he is going to raise it by a sales tax. You are not going to let that burden be put upon the shoulders of the people. [Applause.]

You remember the Canadian trip of Mr. Hearst, where they had plenty to eat and plenty to drink, with plenty of entertainment along from Broadway, all financed in efforts to have a sales tax put upon the backs of the people. You did not stand for it. We killed it by a tremendous vote here in this House. Remember how our colleague, LaGuardia, helped us in that fight?

Mrs. KAHN. He is standing for it now.

Mr. BLANTON. Mr. LaGuardia helped BOB DOUGHTON when he led the fight against such a tax on this floor. And we killed the sales tax, and that fight helped to make LaGuardia mayor of New York.

Mrs. KAHN. He is putting one on now.

Mr. BLANTON. That was put onto him by his advisers. You know some advisers of men in authority do much to ruin them. It was the advisers of Woodrow Wilson who caused his premature death. It was advisers of Harding who ruined him. They have ruined many men.

I am advising my constituents that the Townsend plan is nothing in the world but bunk, pure and simple, for them not to let him get any of their money.

Now, I want to mention another subject. Are we going to be able to spend our way back into prosperity by voting and spending billions of dollars for our unborn posterity to finance and pay hereafter? Are we going to bring back normalcy in industry, in business, in that way? I am going to say some things now that I don't believe another man in this House will say. I am going to tell you what I think. Some of you may think as I do, but you won't talk as I do. If we would repeal that foolish law that Congress passed that took from the courts of the United States the power of injunction to stop violations of law, to stop murder, to stop the destruction of property, when labor unions are destroying and murdering, and if we would provide safe means for all labor to work under, provide proper environment, provide, if you please, a proper wage scale, a scale that would permit living under the American standard of living, and then if we would write on every signboard in the United States that from now on the head of every business enterprise in the United States is going to be permitted to run his own business, according to law, and that if he wants to work men who are not union men he has the right to do it if they want to work for him, and that no organization in the world has a right to force his workers against their will to unionize. If we would do these things, we would restore business in the United States, and if Europe too, would wake up and adopt that policy, we would restore business in the whole world, because business will not be restored to normalcy as long as you have some outsider running it. [Applause.]

Some of you think you cannot make that kind of a speech and come back here, but you can. I have been making that kind of a speech for 18 years. My district is as thoroughly organized as any other district in the United States, from the union standpoint, but most of the union men I represent are thinking men, they are men of intelligence, they believe that a worker has the right to join a union, or not to join, just as he pleases. And they do not like taking orders from others. Note the following that appeared in this morning's Washington Post:

PLANT CLOSES, 1,100 JOBLESS WEEP IN VAIN—TEARS OF MERCHANTS AND WORKERS FAIL TO STAY MILL'S LIQUIDATION

BOSTON, January 15.—The pleas and tears of Southbridge workers and merchants today failed to save the jobs of 1,100 employees of the Hamilton Woolen Co., one-fifth of the community's employable population, as stockholders of the corporation overwhelmingly voted for liquidation, 26,589 to 815.

"These people will be thrown upon the world helpless as babes", George W. Grant, resident of Southbridge and stockholder, asserted tearfully. After declaring that the community had been built "in great measure by the company" and that adjacent towns, with an aggregate population of from 40,000 to 50,000, would be affected, Grant begged for further consideration.

He declared that after "mingling" with the workers, he knew 95 percent would return if not influenced by "outside organizers, who would sacrifice Southbridge or even Boston, to obtain their own ends."

Note that 95 percent of these 1,100 employees wanted to work on, and that it was outside organizers who prevented them and caused the plant to close. Thus 1,100 Americans are kept from working and from earning an honest living for their families because outside organizers interfered with their business, and interfered with the business of this plant, and closed the plant up. That is the secret of all of our trouble; that is what has stagnated business; that is what is keeping us in a depression; and we will be in a depression until we stop these outside organizers from meddling in other people's business.

Here is our colleague from New York [Mr. BLOOM]. Sol is a contractor. He hires men to lay brick. Suppose there are five bricklayers Sol employs and all but one of them can lay 1,200 bricks a day, and they like to lay 1,200 bricks per day, and get paid for it, but the fifth man can lay only 600 bricks per day, and the union will not allow them to lay more than 600 bricks. The four men are thus handicapped by the one who can lay only 600 bricks a day. Sol puts them to work on a wall. They begin to lay the bricks, and the slow man holds back the other four. They are all paid the same wage. Sol is not permitted to pay one of them more than he pays the others. That is the system that is in vogue all over the United States. You cannot pay a man a premium for doing extra work.

The whole business structure of the world is based on competition. The man who can conduct the best business and give the people the most for the least money is the man who has heretofore succeeded in business, but now everything is standardized, with minimum production, minimum hours, maximum pay, on a basis where all of the workmen are equal, regardless of their prowess, their skill, and their ability to perform. You will never get back to normalcy under that sort of system.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. SIROVICH. Does my distinguished friend realize that for the past 100 years every liberal and progressive measure which has emancipated labor has been forced by labor upon capital, and that capital has never voluntarily given of itself?

Mr. BLANTON. Do you know that when I practiced law, and fought in courthouses for men's rights, I have always represented the under man, the little man as against the big one?

I have never represented a monopolistic corporation. I have represented the individual. I know what their problems are. I have worked all my life. It does not hurt me to work 16 hours a day, and yet we have a proposition right here in the committee of our good friend from Massachusetts [Mr. CONNERY] to fix a 30-hour week in industry all over the country. That is what is stifling the country. That is what is stifling the world. You have got 4,000,000 men organized to the teeth. Before you can go into a primary all of their various organizations make you sign a questionnaire pledging yourself as to what you will do when Congress meets, if you are elected. If you do not pledge them, you do not get the approval of the union leaders here in Washington.

You are put on their blacklist, unless you give them a hundred-percent obedience. You cannot obey them like Bill Upshaw used to do, obey them 99 times and disobey them once. They will turn against you and beat you, unless you obey them 100 percent.

Mr. SIROVICH. How about the National Economy League?

Mr. BLANTON. Oh, I do not know any more about that than the gentleman does. [Applause and laughter.] The National Economy League is nothing to me; neither it nor any other league has any control over me. On this floor and

in Congress I think and speak my own language and my own thoughts. I am not guided by any of them.

Let me quote you a news item from the Washington Herald of January 7, 1935:

UNIONS WILL HARASS UNORGANIZED BAKERS

A campaign of harassment admittedly designed to drive nonunion bakery trucks off the streets and unionize the entire baking industry here will be undertaken today by the two bakers' union locals.

Carrying instructions to trail all delivery trucks of the Barker Bakery, Inc., and Sunrise Bakery, Inc., both nonunion, 19 carloads of union men will assemble at Georgia Avenue and W Street NW. This form of picketing was evolved at meetings last week of Local No. 118 and Salesman Union No. 33.

Union leaders notified the police department of their plans and Inspector of Detectives Frank S. W. Burke cautioned all precinct commanders to watch carefully for violence or outbreaks.

The above is occurring in the Capital of the United States Government. Those 19 carloads of union men could destroy property, murder, and maim, and not a court in the land could enjoin them, because this Congress has passed a law, at union labor's command, to take the power of injunction away from the courts respecting union-labor troubles.

Mr. BOILEAU. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BOILEAU. Does the gentleman believe that the administration's National Recovery Act has been a failure?

Mr. BLANTON. There are many things I do not like about it. Down at Moran, Tex., there was a splendid young fellow named Marcus H. Ward, who built up a nice little business selling some plumbing equipment and some farm equipment. He died in 1933 and his widow had to take charge of his business and carry on. Respecting the several commodities in her little store, they all come under a different code, and these code authorities come there regularly and collect from her on different commodities before she is allowed to sell them.

She was controlled by one code authority on the few plumbing articles she sold and had to pay them an assessment. Then she was controlled by another code authority on the few farm articles she sold and had to pay them an assessment. Here is the receipt for what she paid them:

TEXAS—RECEIPT NO. 812

OCTOBER 17, 1934.

Received from Marcus H. Ward, Moran, Tex., $5. It is agreed that this payment will be deducted from the regular assessment which will be made under the terms of the approved budget of the divisional code authority.

DIVISIONAL CODE AUTHORITY FOR THE PLUMBING CONTRACTING DIVISION OF THE CONSTRUCTION INDUSTRY.

E. G. BUELTAMAN,
*Agent of the State Executive.*

And, Mr. Chairman, I want every colleague in this House to now read the voluminous rules and regulations which this code authority, respecting the retail farm-equipment trade only and regarding a small business embracing only a few occasional sales, served on this widow and to which she was forced to comply in order to keep from being prosecuted, to wit:

CENTRAL CODE AUTHORITY, RETAIL FARM-EQUIPMENT TRADE (WESTERN DIVISION), 400 WEST MADISON STREET, CHICAGO, ILL.

Authorized by the National Recovery Administration

OFFICIAL ASSESSMENT NOTICE

OCTOBER 15, 1934.

To: Marcus H. Ward, Moran, Tex.

Code in force: In conformity with the provisions of the Retail Farm Equipment Code, all legal requirements having been met, you are hereby notified that the code is in full effect and that authority has been issued to the retail farm-equipment trade, through its central code authority, to administer and enforce this code. From now on this trade has the right to govern itself, subject to Government supervision as provided in the code, which is the law of our industry.

Assessment authority and notice: By the authority contained in article IV, section C, of the code approved by the President and Administrator January 6, 1934, and amendment 1, approved June 7, 1934, and of the basis of assessment and budget of necessary expenses approved by the Administrator July 2, 1934, you, as a farm-equipment dealer, are hereby notified of your legal assessment for your share of the expenses incident to the preparation, administration, and enforcement of the code on the following approved basis:

New basis of assessment approved July 2, 1934: One-tenth of 1 percent (decimal form .001) on your retail sales volume of farm equipment, using as a base for this year your retail sales volume for 1933.

(NOTE.—This form, by order of the Administrator, July 2, 1934, supersedes the old basis announced earlier to the trade of $10 for the first $25,000 sales volume and $5 for each succeeding $25,000 or major fraction thereof.)

What 1933 volume covers: In estimating your 1933 volume use only that part of your sales volume as described in article II, section A, of the code, which reads as follows:

"Retail (sales) of all equipment and repair parts for the operation, upkeep, and development of the farm, including raising, harvesting, and storing of crops, dairying, stock and poultry raising, or any other agricultural pursuit."

Instructions: On the above basis fill out the following form in duplicate. Mail the original to this office. File the duplicate for your protection. Pay by check, money order, or cash. Make checks payable to David E. Darrah, executive manager.

Fill out this volume form: I/we hereby certify that to the best of my/our knowledge, my/our retail sales volume of farm equipment for 1933 as described in the code was $———.

Fill out this assessment form: My/our assessment on the above volume for 1933, at the authorized rate of one-tenth of 1 percent, is $———.

Receipt for payment: It is understood that when my assessment is received by the central code authority, western division, formal receipt for it will be sent to me.

Sign here: Firm name ——— ———. Individual signing ——— ———. Title ———. Street ———. City ———. County ———. State ———.

Dealer classification: Check classification under which you operate.

——— Full line service. ——— Nonservice. ——— Implement and hardware. ——— Automotive. ——— General store.

CODE ASSESSMENT RIGHTS AND REQUIREMENTS ISSUED BY THE CENTRAL CODE AUTHORITY, RETAIL FARM-EQUIPMENT TRADE (WESTERN DIVISION), JULY 1934

Under the administration orders for mandatory assessment as provided in amendment 1 of the code, the following statement is made for your guidance and protection:

1. The budget for the western division for all code costs of preparation, administration, and enforcement in the 33 States in this division has been submitted to the Administration and approved July 2, 1934. Copy of budget may be secured from this office.

2. The basis or rate of assessment has been submitted to the Administrator, and approved July 2, 1934, as just and equitable for this trade.

3. Payment of assessment must be made within 30 days from date assessment notice is received. Failure to pay within 30 days, no notice of protest as specified in paragraph 4 having been filed, becomes a code violation for you, punishable as such, and legal action for collection can be started and carried through.

4. You have the right of protest within 15 days from date assessment is received on the grounds of (1) the basis of assessment is unjust as applied to you; (2) the basis of assessment is not being followed by this office; (3) you are already contributing to another code embracing your principal line of business; or (4) any other valid reason.

5. You pay code assessment only for "that part of your trade which embraces your principal line of business, subject to such exceptions as N. R. A. may provide."

EXCEPTION 1. HARDWARE AND IMPLEMENT DEALERS

By agreement between the central code authority, retail farm equipment trade, the National Recovery Administration, and the board of governors of the retail hardware trade, the following assessment rule for 1934 shall govern assessments for hardware and implement dealers only.

"Any retail hardware dealer whose sales of farm equipment for 1933 exceeded a total of $2,500 shall pay the minimum assessment presented by the code authority of the retail farm-equipment trade." The words "minimum assessment" means the exact amount figured on your retail sales at the rate of one-tenth of 1 percent.

6. Your statement on page 1 of your 1933 sales volume and total assessment will be accepted as correct unless evidence to the contrary develops. In such a case the central code authority reserves the right to check your books for the correctness of your sales figures.

DAVID E. DARRAH,
*Executive Manager.*

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BASIC FACTS COVERING APPLICATION, ADMINISTRATION, AND COMPLIANCE OF THE RETAIL FARM EQUIPMENT CODE ISSUED BY THE CENTRAL CODE AUTHORITY, WESTERN DIVISION, AUGUST 25, 1934

The code is law: The code is now the law of the retail farm-equipment trade under the National Recovery Act. It was written by your legally elected central code authority, composed exclusively of farm-equipment dealers, elected at your Government's suggestion by the Farm Equipment Dealers' Trade Associations, representing a preponderance of the retail farm-equipment trade. Your Government acted as an advisor to protect the rights of the public.

The code has been approved by the President of the United States and by the National Recovery Administrator, and ordered into operation as the law of our trade. It is now in the hands of the implement dealers of the United States of America for administration and enforcement, making it possible for this trade

of ours to govern itself, and become of greater service to agriculture and more profitable for you through the elimination or control of vicious trade practices, which have made your business unprofitable.

Who comes under the code? Every retail farm-equipment dealer is liable under all provisions of the code. By order of the Administrator June 29, 1934, and again confirmed and explained by the Administrator's statement on August 6, 1934, it was ruled that—

1. Retail farm-equipment dealers are not engaged in strictly local business.

2. Such dealers are engaged in business covering a wide field in the country surrounding the towns in which they operate.

3. Such dealers are usually in competition with dealers located in other towns for their consumer trade.

4. Therefore, all retail farm-equipment dealers, regardless of the size of the town in which they operate or size of their retail sales volume, are subject to all provisions of the retail farm-equipment code, including all assessment, wage and labor, and fair-practice provisions.

(NOTE.—By this ruling retail farm-equipment dealers in towns of less than 2,500 population are not exempted from any of the provisions of the code.)

Who pays assessments? All retail farm-equipment dealers are liable for assessment and are governed by the above Administrator's orders. Failure to pay within 30 days is a code violation, punishable as such. (See p. 2 of your assessment form for explanation, limitations, and right of appeal.)

What is the code? The code is a law under the N. R. A., making a legal statement, approved by the President and the Administrator, of—

1. A plan for trade self-government by farm-equipment dealers like yourself.

2. A statement of approved trade practices for you to follow, with a method of protecting and perpetuating them.

3. A statement of the most vicious evils for you to avoid, with a method for controlling or eliminating them.

4. A plan for administering, enforcing, and financing the code, in which you have a share.

5. A method for changing or amending the code to solve new problems, for your protection and the advancement of the trade.

6. Full protection for the consumer, for labor, and for the general public whom you serve.

Official copy of the code will be mailed to you upon request. Study it carefully. It is your trade law for your protection.

How is code administered by the trade? With the approval of the Administrator, a complete administration and enforcement organization of implement dealers is being set up by your code authority in all States composed of:

1. Regional boards of implement dealers.

a. One for the East.

b. One of the Middle States.

c. One for the Pacific area.

2. Regional or State committees.

a. One for each State or trade territory. All composed of implement dealers.

3. Local committees.

a. One for each local trade territory, composed of one or more counties. There are over 400 of these committees, all composed of implement dealers.

These boards and committees have authority and jurisdiction for administration and enforcement in their respective territories. Any cases of violation which these boards and committees are unable to settle may be passed on by them to the N. R. A. for trial in courts of law. These courts have the power to fix penalty, including fines and imprisonment, if the case in question so warrants it.

How will complaints be made? Regular legal complaints forms will be furnished you from this office or by any of the above committees or by the secretary of your implement dealers' association. Your name as complainant will be held in confidence.

How are violations handled? A complete manual for procedure for handling complaints has been written, with the approval of the Administrator, outlining exact steps to be taken and the authority delegated to the above boards and committees. Copies of this manual will be available for you at this office or from any farm-equipment association secretary or from any of the above compliance boards or committees covering your territory.

Who should make complaints? The code applies to all dealers. Its enforcement on all dealers makes it effective and protects you in your efforts to live up to its requirements. You are injured; your trade is demoralized; the entire industry suffers, when a dealer is allowed to violate the code without being called to account. Enforcement of this code is now in the hands of all implement dealers. You should consider it your duty to yourself and the trade to lay the facts of provable violations before your local compliance committee.

How can conciliations be conducted? The best and most constructive permanent improvement under our code will come through conference and conciliation when dealers meet together to discuss their problems and agree on workable plans under the code. Most violations will be through ignorance of the meaning of the code. Dealers who have violated the code can, in most cases, be instructed at such meetings and their loyal cooperation received.

Who will levy assessments? All assessments must be levied by the central code authority at this office. No other assessment source will be authorized.

Who gets the Blue Eagle? Only dealers who pay their assessment and against whom formal violations have not been proved will receive a Blue Eagle. The Blue Eagle is the property of the Government. It will be removed in all cases of proven violation. Your Blue Eagle will be mailed from this office when your assessment is paid.

How will I figure overhead costs? Under the code retail sales price is wholesale invoice, plus freight, plus overhead. To protect yourself you must know your own individual overhead sales costs. Overhead must be figured on a uniform basis for all dealers. As required in the code and with the approval of the Administrator, we have prepared for you a uniform cost-accounting system covering all items that must be covered in your cost. This plan will be printed as soon as approved by the Administrator and furnished you from this office or from the above boards or committees. In the meantime, where the manufacturers' list price is lower than your individual overhead, plus invoice price, plus transportation costs, you may use it as your retail price.

How will I get code information? The regular trade press has been named official medium for code information. The latest code rulings, interpretations, etc. appear in each issue. You should keep a file of one good trade paper for your own information and protection.

What place is there for local dealers' group meetings? Local club or group meetings of dealers at regular intervals is the very heart of code work. Under the code administration and compliance set-up provision has been made for such local meetings. The secretaries of your State implement dealers' associations have already held hundreds of such meetings. You should attend these meetings and invite your competitors to attend with you. It is your job to keep yourself posted.

Where do implement trade associations fit in? The Government recognized the fact that the implement dealers' associations in the eastern and the national federations represented a preponderant number of all implement dealers and turned over to them the preparation of the code and the setting up of the central code authority. These associations, through their members, have given much time to this work. The central code authority delegated to the associations authority to organize the final administration and enforcement set-ups for all States, under the plan approved by the Government, and thus avoided setting up an organization of scores of field secretaries at prohibitive expense. They are doing this work in splendid shape. In addition, these trade associations have become clearing houses for all code information in a helpful and constructive way.

It is the policy of the central code authority to work as much as possible through implement trade associations that the benefits under the code may be preserved for the trade during the years to come. Every implement dealer should be a member of his trade association, and join in its work under the code, for the good of the trade and for his own benefit. We are building for tomorrow, not just for today.

DAVID E. DARRAH,
*Executive Manager.*

And respecting her few items of plumbing equipment, there was another voluminous set of rules and regulations served on her from the Plumbing Code Authority, and she was assessed and had to pay another fee to them, and her life is harassed by them.

In my old home town of Abilene, Tex., there is an enterprising American named " Spencer " who is in the oil business and running a little gasoline plant. He works a number of men under him. He does not produce the kind of gasoline that the Standard and other big companies produce. He manufactures a gasoline of a lower grade that he sells to farmers for their tractors and others; a gasoline that he must sell at a much cheaper price than these standard gasolines. The authorities wrote him and told him he could not sell that gasoline at all unless he sells it at the same price the Standard Oil Co. sells its gasoline.

When he is busy in the morning one of these little shirttail Federal agents from Washington will come down there and walk into his place of business and say, " I am a Federal inspector. Get your books out here. I want to see what you have been doing." They tell him they are going to bring him up before the authorities for underselling the big companies, and the first thing you know he will get tired of that Federal agent interference and he will go out of business. And then all of those men working for him are put out of jobs.

Remember the news item this morning about the plant closing near Boston and 1,100 men losing their jobs because some outside organizers interfered with other people's business. No business man is going to invest his time and money in a business that he cannot run himself. He does not want some outsider running his business.

Those stockholders voted to go out of business. Why? They wanted the right to run their own business in this country.

Mr. O'MALLEY. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. O'MALLEY. Does the gentleman think that stockholders should have that power of life and death over the livelihood of workers?

Mr. BLANTON. Oh, I expected that. That is the kind of sharpshooting that any man has to stand for if he makes the speech I am making. The gentleman must not have been here when I began my remarks.

Mr. O'MALLEY. I was right here.

Mr. BLANTON. I began by saying that this Congress should provide proper laws to insure safe environment, safe and proper equipment, and for a standard wage that will permit the American standard of living, and that will insure the employees, in whom I am just as much interested as the gentleman is, to be protected. I have got just as many of them in my district as the gentleman has in his district, and every one of them votes down there, and I have to run the gantlet every time. I go down there with a blacklist from the union leaders in Washington, but the workers in my district reelect me every time. [Applause and laughter.]

Mr. O'MALLEY. Does not the N. R. A. do what the gentleman is proposing should be done by Congress, or is it not supposed to do that?

Mr. BLANTON. I want to say that we must stop this Federal agent interference with our people back home. [Applause.]

Mr. KELLER. What does the gentleman mean by that?

Mr. BLANTON. There is another sharpshooter who probably has signed their questionnaires. He says, "Oh, yes; I will vote for it." [Applause and laughter.] I will guarantee that he has answered "Yes" on every questionnaire they have sent him before the primary. [Applause and laughter.]

A little Federal narcotic inspector came into my home city and went to the office of a splendid doctor, a high-class citizen, who had the confidence of every person who knew him. This little agent said to Dr. Glenn:

I am a Federal narcotic inspector. Get your books out here.

And when Dr. Glenn said:

I am busy right now and have patients waiting.

This agent replied:

That makes no difference; I want to see them now. Let your patients wait. I represent the Government up in Washington. Get your books out here.

He examined the books and said:

I find that on a certain date you overprescribed certain narcotics for Mrs. Glenn.

Yes; that's my wife.

The agent said:

Well, you prescribed too much.

And Dr. Glenn replied:

Oh, but my wife is on her deathbed, with no chance to recover. I am trying to make her last days as peaceful as possible. I am trying to stop that terrible pain she suffers.

And this agent arrogantly said:

It makes no difference; I have got to report you.

Then Dr. Glenn telephoned me and I told him to bring the narcotic agent down to my office. When the narcotic agent found I was going to report him he tried in every possible way to make me believe that he had not insulted Dr. Glenn.

Any doctor in the United States who willfully violates the narcotic laws ought to be sent to the penitentiary, but a high-class doctor who prescribes narcotics to stop the pain of a suffering woman, dying, ought not to have some little agent insulting him and reflecting on his character and standing.

I am getting tired of seeing the rights of American citizens trampled upon by little Federal agents from Washington, and I hope that our great President in the White House will take steps to stop it.

Mr. Chairman, it is an unpleasant task to provide appropriations for the District of Columbia. There is a continual growing clamor each year for more money. If the Budget Bureau, which is the financial agent of the President, were to approve all of the estimates, enlarged each year, requested by the numerous departments of the District government, the Washington people would be overburdened with unbearable taxes, unless the United States Government furnished a great part of the civic expenses for the people here, as it did for so many years in times gone by.

The District Commissioners annually prepare and present to the President's Budget their estimates for increased appropriations. With skillful auditors and experienced advocates they present their justifications. The Budget patiently hears them. The Budget annually grants them a million or more increases. But they are never satisfied. They immediately prepare a campaign to wage before the House Appropriations Committee. The five daily newspapers of Washington immediately begin to fire their big guns. Specially prepared articles at times covering several columns appear each day, reminding Congress that Washington people cannot vote, hence, therefore, they should not pay the taxes citizens in the States pay, and that the Government should grant them all of the money they seek out of the Treasury.

Of course, they never mention the fact that this 10 miles square was specially set apart for the use of this Government, as the seat of government for the United States of America. They do not mention that it was our wise forefathers who saw fit to provide that people who saw fit to reside in the seat and government, and acquire property here, and engage in business pursuits here, and enrich themselves by selling to, renting to, and dealing with Government officials and a hundred thousand Government employees, should not vote, unless they qualified in some State. This same restriction was placed upon 12,000 Army officers and 117,000 enlisted men in our Army. Yet they are taxed and pay their own civic expenses.

Just as soon as members of the committee having the District bill in charge reach Washington they are besieged by reporters from the five Washington newspapers asking for a declaration of intentions regarding all cuts the Budget might make respecting various estimates. If committeemen approve, they are statesmen and fine fellows. If they disapprove, they are attacked, and ridiculed, and belittled, and denounced, and misquoted, and misrepresented.

They lead the good citizens of Washington to believe that such members are unfriendly toward them, and have malice against them, and seek to injure them, when just the contrary is true, and such members are earnestly and sincerely trying to do their duty, and for their right arm would not treat the people of Washington unjustly.

Such misrepresentation of members of the committee by Washington newspapers causes Washington people unjustly to dislike said committeemen, and incites some people to threaten such members and to become their enemies, when there is no reason or excuse whatever for such a situation.

Just as soon as it is learned that the Appropriations Committee has refused to grant the amounts requested by the Commissioners, then resort is had to some Members of Congress not on the committee. The Public Utilities will appeal to some friend in Congress and request that he will lead a fight and offer amendments from the floor to increase appropriations. The school authorities will look up some special friend to some special officer or teacher and persuade him to make a floor fight to increase different items. The police department will urge some close friend in Congress to lead their fight on the floor and try for them to secure increases demanded. The fire department will have some friend to wage a battle in the House for increases they demand. In many cases the Members thus appealed to will know nothing about the facts or justifications, and nothing about the hearings or the patient consideration given by the committee to such matters. And a new burden is placed upon the members of said committee to resist such onslaughts made from the floor.

After the House passes the bill, and as soon as it reaches the Senate, the fight shifts over to that side of the Capitol. The Washington newspapers begin immediately to praise the Senators who will handle the bill there. They will be eulogized daily. Confident predictions will be made that they will grant back every cut the President's Budget made and will allow every cut made by the House of Representatives. And usually all such cuts are restored in the Senate, with practically no debate, and then to preserve the Budget action and to preserve the will of the House the House conferees must carry on their shoulders the burden of insisting on supporting the financial policy of the President.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. After I have discussed this bill I shall be glad to yield.

If you will look on page 26 of the hearings you will find that for 1905 the appropriations for the District of Columbia were $9,665,785; for 1910 they had grown to $10,528,291; for 1915 they had increased to $12,322,539; for 1920 to $16,329,-521; for 1925 to $27,682,067; while for 1930 they had increased to $44,540,115; but for 1934 we decreased the appropriations to $33,073,334, but for the present fiscal year of 1935 Congress appropriated $36,584,677.

This 1936 bill appropriates the sum of $39,308,404, and to carry out the recommendation of the President's Budget the Federal contribution is $5,700,000.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. TABER. Is not that contribution altogether too big?

Mr. BLANTON. I do not believe we should contribute anything. I will leave it to the gentleman to answer, and I will accept whatever the gentleman has to say about it.

Mr. TABER. It is $5,700,000. It seems to me it is altogether out of line with the lowest tax rate in the United States.

Mr. BLANTON. I agree with my friend. I think the gentleman has sound ideas on everything except political matters. [Laughter.]

No man in this Nation loves his Capital more than I do. I am proud of it. I take great pride in showing it to my constituents when they come here. It is their Capital. I have had a small part in building it up during the last 20 years. I am proud of its 1,200 parks; I am proud of its magnificent buildings; I am proud of all of it. But it is a 10-mile square which was set apart by this Government for the transaction of the Government's business. Our forefathers saw fit to provide by law that the people who live here cannot vote unless they aline themself with State organizations. Our forefathers had the right to do that. The people who came here poor but who now are influential and rich because of the governmental plants here, knew that when they moved to Washington. They knew that when they fixed their domicile here and they came here with their eyes open. They knew what the law was; they knew they could not vote. They knew this was the seat of government.

For years and years in the matter of paving, in the matter of street improvement, in the matter of the sewer system, the water system, all the bridges, like the million-dollar Connecticut Avenue Bridge, the hospitals, the schools, everything here was paid for half by your constituents and half by Washington, 50-50. The Government paid half of it for a while and then they established a 60-40 basis. When I first came to Washington the tax rate was 90 cents on $100. It was raised then to $1.10 on the $100; then it got to $1.20; then it got to $1.30; and then $1.70. Last year the rate was $1.50 on the hundred.

All libraries owned by individuals are tax exempt. Whether your family library is worth $100 or $100,000, it is exempt from taxation. In addition to your library, there is $1,000 worth of household furnishings exempt from taxation in Washington.

Prior to 2 years ago I could name you piece of property after piece of property in Washington that was not assessed at 50 percent of what it would sell for, 50 percent of what the man would take for it, or 50 percent of what he gave for it. Of course, some of the property was assessed high, but, on the other hand, lots of it was not assessed for more than 50 percent of its actual value. Every time this Government seeks to take a piece of property the Washington people sit as a jury to assess damages. And we have cases where they made the Government pay 500 percent above its assessed value.

The hearings will show that the District Commissioners arbitrarily last year reduced the assessed values $80,000,000 and distributed this to the property owners of the District. This year they made another decrease of $50,000,000 on the assessed valuation.

[Here the gavel fell.]

Mr. JACOBSEN. Mr. Chairman, I yield the gentleman an additional 10 minutes.

Mr. BLANTON. So that this year and last year the assessed value of property in the District of Columbia was arbitrarily reduced $130,000,000 to benefit the people of Washington.

The water charges were also decreased last year, and the District of Columbia has the finest water in the world. The average family pays $6.75 per year for 10,000 cubic feet of water. The Government owns the original water conduit in connection with this water system. You will not find finer water in the whole world than here in Washington.

Mr. DONDERO. Will the gentleman compare the tax rate here with other places?

Mr. BLANTON. It is less than the tax rate in any other comparable city in the whole world.

Now, take the sewer service. Where I live I pay $3 a month to my home city just for the sewer service. You pay nothing in Washington.

All school books and school supplies are furnished free to the children and many lunches are furnished free in the various schools. Instead of the age of admission to the schools being 7 years, as it is in some States, a child may be sent to the Washington schools at 5 years. They have nurses to look after the little fellows so that they will not bother their mothers and fathers at home.

Take all of these beautiful trees around the residences in Washington. Every one of them was furnished free. They do not have to pay anything additional to the $1.50 per $100 tax rate.

Mr. McFARLANE. Will the gentleman yield?

Mr. BLANTON. I yield to my colleague.

Mr. McFARLANE. Will the gentleman discuss the rents here?

Mr. BLANTON. They are higher than in any other city in the United States.

The trees are sprayed free. They are pruned, and replaced when they die, without charge.

Take the gathering of ashes. I have to pay for that service at home. Here you do not have to pay anything extra. The same thing is true of garbage and trash. The gathering of garbage and trash is all free. That is, it is paid for out of the $1.50 tax rate.

Mr. SIROVICH. The rentals ought to be proportionately diminished.

Mr. BLANTON. Certainly. There is no income tax here like there is in some of the States. There is no inheritance tax here like there is down in my State.

In the District, whether your automobile is a Rolls Royce or Ford, you pay $1 registration fee for license tags. Here you pay $1 a year to get a driver's license; it is $3 for a 3-year license. Elsewhere it costs more.

The gasoline tax here is 2 cents. Over in Virginia it is 5 cents a gallon. Down in Tennessee, where our Speaker lives, the gasoline tax is 7 cents. I passed through some States this summer where the gasoline tax was 9 cents per gallon.

Now, I am not an enemy of the District. Some of the finest men in the world live here. I know the business men here and they are big, whole-souled fellows and good scouts. They are good companions and I have enjoyed myself with them. I go to their banquets and I like them all, and I do not believe that the newspapers that make this continual fight here represent the sentiment of the good people of Washington.

The gentleman from New York [Mr. SIROVICH] asks whether I own any automobiles here. Yes; I have to keep two.

I keep a big car to show my constituents around the city. Many of my constituents come here. I also keep a little Ford work car to go to the departments. And besides I use many taxicabs. I have been to the departments this morning. It is a lot easier to jump in a cab than to send for your car and find a parking place. I have used taxicabs this morning. We have a provision here that keeps the 20-cent zone, the 30-cent zone, the 50-cent zone, and the 70-cent zone, and protects the people of Washington from being robbed by some of these cabs.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. DIRKSEN. The gentleman from Texas, of course, is familiar with the taxicab bill introduced in the last session?

Mr. BLANTON. I voted for it.

Mr. DIRKSEN. Can the gentleman very well justify that static rate of 20 cents and still compel these cabbies to buy a rather expensive kind of liability insurance?

Mr. BLANTON. I will tell the gentleman about that. I hope the gentleman will report that bill again, and I shall help to pass it. I voted for it the last time it was considered. It is a bill that provides liability insurance, and they ought to be put under liability insurance. When they have an accident here they ought to pay for any damage done. I want such a bill passed, and I am going to vote for it; and when you enact such a measure, instead of having 4,000 cabs here, which is 1,000 too many, you will have 3,000. This bill alone will take 1,000 bad cabs off of the streets—cabs that are run by irresponsibles.

[Here the gavel fell.]

Mr. CANNON of Missouri. I yield the gentleman from Texas 10 additional minutes.

Mr. BLANTON. When you pass this bill you will take the irresponsibles off the streets, the ones who are causing most of the accidents, and the 3,000 taxicabs that will be left at 20 cents for the first zone will make a great deal more money than they are making now because more people will ride in them. Some people are afraid to ride in a taxicab now.

I could not use all this time without telling you of the splendid, patriotic, patient, loyal work that your chairman of this subcommittee [Mr. CANNON] and the other members have done; our good friend from Missouri [Mr. CANNON], our good friend from Pennsylvania [Mr. DITTER], our good friend from Iowa [Mr. JACOBSEN], and the other members of this committee who have met with Mr. CANNON in the month of December, before you came here, working on this bill and trying to give you a good bill, fair to the District and fair to the Government of the United States. Mr. CANNON is a most valuable man to this Nation. He is one of the most valuable Representatives in Congress. I have served with him here and have been active with him for 18 years. He is a prince, and I am glad to follow him as my leader.

I do not want to be unfair to a single person in the District of Columbia. I have as many friends, close personal friends, among the people of the District as any man in this House. I know their hearts; they do not want gifts from their Government. They are not in favor of this newspaper propaganda.

Some of the newspapers here are fair respecting all matters except District appropriations. There are some fine newspaper men representing them. There is not a better newspaper in the United States than the Washington Star. In many instances the News is fair. But the Washington Post, the Washington Herald, and the Washington Times have all been very unjust to me. They have misrepresented me. They have attacked me without cause. They have tried to ridicule me because I would not obey their commands. They have tried to belittle me. They have incited Washington people unacquainted with the facts to dislike me, and to believe that I am their enemy, and to write me threatening letters. They have helped to stir up opposition to me in my district. They have helped to cause aspiring politicians in my district to run against me in every election during the past 18 years.

Within the past 2 weeks, influenced and incited by attacks against me in Washington newspapers, I have received numerous letters from Washington people announcing that they will see to it that I have opposition in the next election, and threatening me with defeat. I wish they knew just how little such threats scare me. I wish they knew just what opposition I have surmounted during the past 18 years. I have no fear of elections. I have no fear of political opponents. I perform my duty here with the confident realization that my loyal constituents back home will look after my interests. I have confidence in them. They have confidence in me. So such threats do not scare or deter me.

So that these people who threaten me with defeat may know how I stand with my constituents in my district I might mention that they kept me on their circuit bench 8 years; I then defeated Hon. J. M. Wagstaff for Taylor County's congressional candidate in a preferential primary February 5, 1916; then defeated Congressman W. R. Smith and Hon. R. N. Grisham for election to Sixty-fifth Congress in old Sixteenth District, then embracing 59 counties. After redistricting I was reelected in 1918 from new Seventeenth District, defeating Hon. Oscar Callaway (former Congressman), Hon. William G. Blackmon, and Hon. Joe Adkins; again defeated Grisham in 1920; again defeated Hon. Oscar Callaway, and also Ernest G. Albright, Prof. N. S. Holland, Hon. W. J. Cunningham, and Hon. Joseph B. Dibrell, Jr., in 1922; again defeated Albright in 1924; defeated Judge J. R. Smith in 1926, carrying all 19 counties; ran unsuccessfully for United States Senate in 1928, carrying 79 counties against field of 6 candidates, finishing 12 years in Congress on March 3, 1929; defeated widow of Hon. R. Q. Lee in special election May 20, 1930, for the unexpired term in the Seventy-first Congress; renominated in Democratic primary July 26, 1930, over Hon. Venus Earl Earp, district committeeman of American Legion, by majority of 23,000 votes; reelected to Seventy-second Congress in general election November 4, 1930, without opposition; defeated District Attorney Joe H. Jones in Democratic primary July 23, 1932; reelected without opposition November 8, 1932, to the Seventy-third Congress; defeated Carl O. Hamlin, district judge, and Oscar F. Chastain by a clear majority of 2,096 votes over both opponents in the Democratic primary election on July 28, 1934, carrying all 27 boxes in Chastain's home county of Eastland, all 30 boxes in my home county of Taylor, and every voting box in my old home county of Shackelford.

CONSTITUENTS APPROVE DUTY FEARLESSLY PERFORMED

At the time the State of Texas was last redistricted, Oscar F. Chastain, of Eastland, was in the State legislature at Austin and was chairman of the house redistricting committee. This gave him an inside advantage in framing congressional districts in Texas. He helped to engineer through the legislature a redistricting bill, specially framing up on me, which took from my Seventeenth District 10 of my splendid counties and added 3 new counties in which Chastain thought he had a special advantage, one being Erath, where he was born and had many influential relatives, and the others being counties in which he had taught school and had many acquaintances. After thus framing my district, Legislator Chastain immediately announced against me for Congress and began an active campaign.

District Judge Carl O. Hamlin, who for 13 years had been district judge at Breckenridge, and who while drawing a State salary of $5,000 per year had drawn retired pay, upon presumed disability, of $150 per month from the Government, being mad because I had helped to cut him and about 3,500 other retired officers off of the Government pay roll and stopped their drawing big pay for presumed disabilities, also announced against me and began a vicious campaign of abuse and misrepresentation.

Both Chastain and Hamlin used Washington attacks on me as their campaign slogans.

As a part of the game, a little irresponsible feature writer from Austin, named Raymond Brooks, went out to Abilene and Cisco, and without consulting Mr. G. Fisk, of the Abilene Times, or Mr. Bernard Hanks, or Mr. Max Bentley, or Mr. Frank Grimes, of the Abilene Reporter-News, all reputable

newspapermen of Abilene, and without consulting Mr. B. A. Butler or Mr. W. H. LaRoque, of Cisco, reputable newspapermen there, Raymond Brooks sent telegraphic news dispatches from both Abilene and Cisco on March 21, 1934, bemeaning me, eulogizing my opponents, and predicting my defeat, and falsely asserted that—

Abilene people are keenly enlivened over the prospect of sweeping TOM BLANTON out of Congress this year—

And glowingly told how very popular Oscar Chastain was in his home county of Eastland, and asserted that—

Chastain was strong in BLANTON'S home city.

My opponents caused this false propaganda from Raymond Brooks to be reproduced in many newspapers in my district as news dispatches and paid advertisements.

They reproduced in newspapers many Washington attacks on me.

It was June 25, 1934, before I could finish my congressional duties here in Washington following the adjournment of the last session of Congress, and I had less than a month in which to campaign my new district before the primary of July 28, 1934.

Proving just the opposite of what Raymond Brooks had falsely predicted, I carried every voting precinct in my home city of Abilene against both opponents. I carried all 30 of the voting precincts of my home county of Taylor against both opponents. I carried all 27 of the voting precincts against him in Oscar Chastain's home county of Eastland. In Shackelford County, where I married in 1899, and in which I have not lived since 1908, I carried all nine of the voting precincts against both opponents. I carried all three of the new counties, Erath, Fisher, and Hamilton, which legislator Chastain placed in my new district, thinking it would give him an inside advantage over me. I carried the voting precinct of Bluff Dale, where Oscar Chastain was born. I carried several of the voting precincts in Judge Carl Hamlin's home county of Stephens.

The House having granted me authority to extend by printing excerpts, so that neither Raymond Brooks nor any other feature writer may ever again misrepresent the facts concerning the splendid support my home people give me, and so Washington enemies may know how futile their threats are, I want to show the exact vote in said counties, polled in the last Democratic primary election on July 28, 1934, to wit:

*Certified vote in Taylor County*

| Voting precinct | Thomas L. Blanton | Carl O. Hamlin | Oscar F. Chastain |
|---|---|---|---|
| 1. Courthouse | 316 | 128 | 134 |
| 2. Fire station, Butternut | 702 | 153 | 176 |
| 3. City auditorium | 597 | 134 | 126 |
| 4. Gowan Motor Co | 573 | 103 | 141 |
| 5. Fire station, Cedar Street | 375 | 89 | 106 |
| 6. Fire station, Orange Street | 390 | 102 | 87 |
| 7. North Park | 158 | 61 | 47 |
| 8. Hamby | 26 | 4 | 1 |
| 9. Knights of Columbus Hall | 109 | 38 | 37 |
| 10. McMurry filling station | 184 | 46 | 49 |
| 11. Caps-Abilene | 38 | 8 | 8 |
| 12. Tye-Abilene | 40 | 6 | 10 |
| 13. Buffalo Gap | 83 | 39 | 17 |
| 14. Jim Ned | 50 | 6 | 0 |
| 15. Moro | 29 | 7 | 14 |
| 16. Nubia | 74 | 18 | 14 |
| 17. Merkel | 542 | 155 | 187 |
| 18. Guion | 52 | 18 | 11 |
| 19. Shep | 94 | 9 | 17 |
| 20. Potosi | 70 | 22 | 23 |
| 21. Trent | 143 | 23 | 22 |
| 22. Caps-Merkel | 18 | 5 | 4 |
| 23. View | 87 | 7 | 8 |
| 24. Tuscola | 151 | 34 | 6 |
| 28. Lawn | 174 | 29 | 27 |
| 29. Blair | 38 | 16 | 20 |
| 30. Bradshaw | 123 | 8 | 18 |
| Total | 5,428 | 1,312 | 1,337 |

The foregoing is the kind of support my neighbors gave me in my home county of Taylor. The following is the treatment accorded by the neighbors of Oscar Chastain, who framed my district, in his home county:

*Certified vote in Eastland County*

| Voting precinct | Thomas L. Blanton | Carl O. Hamlin | Oscar F. Chastain |
|---|---|---|---|
| 1. Eastland | 348 | 112 | 194 |
| 2. Ranger | 223 | 150 | 152 |
| 3. Strawn | 18 | 7 | 6 |
| 4. Sabano | 23 | 9 | 11 |
| 5. Cisco | 226 | 79 | 82 |
| 6. Cisco | 506 | 220 | 223 |
| 7. Rising Star | 206 | 50 | 78 |
| 8. Desdemona | 63 | 36 | 53 |
| 9. Pioneer | 70 | 26 | 34 |
| 10. Ranger | 40 | 12 | 9 |
| 11. Kokomo | 35 | 6 | 8 |
| 12. Carbon | 268 | 46 | 47 |
| 13. Corman | 232 | 211 | 124 |
| 14. Long Branch | 36 | 3 | 7 |
| 15. Okra | 78 | 23 | 26 |
| 16. Scranton | 78 | 8 | 4 |
| 17. Nimrod | 73 | 11 | 7 |
| 18. Olden | 84 | 36 | 25 |
| 19. Dotham | 40 | 11 | 13 |
| 20. Romney | 38 | 22 | 14 |
| 21. Carbon | 26 | 7 | 7 |
| 22. Pleasant Hill | 33 | 8 | 4 |
| 23. Staff | 36 | 9 | 12 |
| 24. Cook | 46 | 7 | 4 |
| 25. Ranger East | 185 | 133 | 147 |
| 26. Rising Star East | 134 | 22 | 57 |
| 27. Eastland East | 377 | 88 | 261 |
| Total | 3,522 | 1,361 | 1,608 |

Soon after leaving the University of Texas I began practicing law in Shackelford County. I married there in 1899. Three of my children were born there. I moved from there in 1908. For 8 years I was their circuit judge. They are my old neighbors. By the following vote on July 28, 1934, they gave me a clear majority over both opponents, to wit:

*Certified vote in Shackelford County*

| Voting precinct | Thomas L. Blanton | Carl O. Hamlin | Oscar F. Chastain |
|---|---|---|---|
| 1. Albany | 730 | 97 | 78 |
| 2. Fort Griffin | 51 | 4 | 5 |
| 3. Moran | 295 | 153 | 43 |
| 4. Post Oak | 58 | 13 | 9 |
| 5. Rock Hill | 55 | 5 | 1 |
| 6. Berryhill | 39 | 11 | 18 |
| 7. Hastings | 66 | 2 | 7 |
| 8. Sedwick | 35 | 7 | 6 |
| 9. Ibex | 35 | 26 | 5 |
| Total | 1,364 | 318 | 172 |

In Judge Carl Hamlin's home county of Stephens I carried the following voting precincts on July 28, 1934, to wit:

| Voting precinct | Thomas L. Blanton | Carl O. Hamlin | Oscar F. Chastain |
|---|---|---|---|
| Crystal Falls | 25 | 13 | 2 |
| Eolian | 60 | 10 | 1 |
| Lacasa | 48 | 30 | 5 |
| Harpersville | 54 | 36 | 4 |
| Pioneer | 34 | 20 | 2 |
| Eureka | 19 | 18 | 9 |
| Ivan | 48 | 18 | 9 |
| Gunsight | 38 | 17 | 0 |
| Necessity | 52 | 42 | 3 |

The foregoing is important to the people of the United States only for the purpose of showing that they cannot always rely on the reports these irresponsible feature writers broadcast in newspapers in an effort to injure a Congressman, and to show these enemies in Washington that their threats to defeat me do not scare me and do not deter me.

In conclusion, Mr. Chairman, I maintain that any Congressman who will earnestly, faithfully, energetically, and conscientiously perform his duties here, without fear and without truckling, he has nothing to fear from his constituents. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. JACOBSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, I am taking advantage of this early opportunity to bring to the attention of the Committee and the country a resolution—House Joint Resolution No. 89—I have introduced which seeks to amend the Constitution of the United States so as to require a plebiscite before a declaration of war, except in the case of attack or invasion, and also to provide for conscription by the Government of war properties in the event of a declaration of war.

The objective of this proposed constitutional amendment is twofold. First, it gives to the rank and file of our citizenship who have to suffer and die and pay the awful costs of war the right to decide whether there shall be a war. Secondly, it takes the profits out of war, and by removing the incentive of those whose hellish business it is to foment wars minimizes the probability of wars in the future.

By exposing the machinations of the munitions manufacturers, President Roosevelt and Senator Nye are rendering a signal service to humanity. If the fruits of their efforts are to be permanently secured for the benefit of posterity, something more than a mere statute will be required. Nothing less than a constitutional amendment will suffice, and the purpose of the resolution I have proposed is to furnish this security to Americans for all time.

Seventeen years after the World War, which was supposed to be a war to save civilization, we need this proposed amendment to save civilization from the munitions manufacturers. Language is impotent to describe the diabolism that creates and fosters wars, with their cataclysm of sorrows, for the sake of dirty financial profits. Senator NYE's condemnation of this iniquitous practice sounded like the wrath of the Almighty when the Senator arose yesterday and made this statement:

> The munitions industry actually puts peoples and nations into war and then prolongs the conflict as long as it can because of selfish interest.

The statesmanship of America, without delay, and at the present session of Congress, should take bold and resolute steps to keep America out of future wars.

The world is in a state of economic and political ferment. Seeds of discord are being sown and there are ominous signs that a harvest of strife is in the making. War clouds are lowering on the horizon. Before it is too late, wise and well-considered action should be taken to prevent America's involvement in another war which the perfection of human invention will make the most terrible, the most deadly, the most devastating war of all time.

TEXT OF THE PROPOSED AMENDMENT

In my opinion, the best safeguard that can be erected to prevent America from being drawn into future wars is an amendment to the Constitution of the United States such as I am proposing, which provides for the adoption of a new article effective when the same shall be ratified by the legislatures of three-fourths of the States. The proposed new article consists of two sections, as follows:

> SECTION 1. Except in the event of attack or invasion the authority of Congress to declare war shall not become effective until confirmed by a majority of all votes cast thereon in a Nation-wide referendum. Congress may by law provide for the enforcement of this section.
>
> SEC. 2. Whenever war is declared the President shall immediately conscript and take over for use by the Government all the public and private war properties, yards, factories, and supplies, together with employees necessary for their operation, fixing the compensation for private properties temporarily employed for the war period at a rate not in excess of 4 percent based on tax values assessed in the year preceding the war.

History shows that as a rule wars are seldom, if ever, the result of popular mandates but are caused by irresistible forces that drag nations into them. Section 1 of my proposed amendment provides that those whose lot it is to be torn from their families and to suffer and die in the event of war shall have a right to say whether there shall be war. That is elemental justice.

Section 2, by providing for the conscription by the Government of war properties in the event of war, will remove the profit incentive to war. Take the profit out of war and there will be few wars. If this section is adopted, the noble objectives of the splendid drive made by President Roosevelt and Senator NYE's committee to curb the unconscionable activities of munitions manufacturers who traffic in human misery will be permanently and securely fixed in the fundamental law of the land.

OBLIGATION WE OWE TO HUMANITY

In the present state of world affairs we owe to humanity no less than to posterity the adoption of this amendment or one similar to it. The agonized cries of war mothers whose sons sleep in the fields of France demand it, in order that they may know that their children did not die in vain. America's share of the direct cost of the World War was $36,000,000,000, or more than $50,000 for every day since Christ was born. The indirect cost in mental and bodily suffering, as well as in dollars, is incalculable. Eighty cents of every dollar wrung from the taxpayers for the regular expenses of government goes to pay for wars past and for preparation for wars to come. The depression through which we are passing, with its inconceivable vastness of human woe, is a backwash of war. If statesmanship has not entirely vanished from the earth, now is the time for it to assert itself, lest these things may occur again.

I shall expect to discuss this subject more fully later, and I am only bringing it up now to direct attention to the resolution I have introduced. That resolution has been referred to the Committee on the Judiciary, of which the distinguished gentleman from Texas, Hon. HATTON W. SUMNERS, is chairman. The resolution probably will fail to pass unless it is supported by a Nation-wide manifestation of favorable public opinion. I hope that all persons, groups, and organizations that are interested in this proposed amendment will take prompt action and will send their expressions to their respective Members of Congress, with copies to Judge SUMNERS and myself. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. BLAND].

Mr. BLAND. Mr. Chairman, I ask unanimous consent to extend my remarks and to incorporate therein a letter from the president of the Board of Commissioners of the District of Columbia, together with a report from the Superintendent of Markets, Weights, and Measures.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLAND. Mr. Chairman, the matter to which I wish to call attention is of peculiar interest to the District of Columbia, to the people of Washington, and also to the tidewater sections of the States of Maryland, North Carolina, and Virginia. I refer to the condition of the wharves at the municipal fish market and to the need for replacement of the large wharf there which was demolished in 1932. In 1914 there were built three wharves, one known as the "large wharf" and two smaller ones. They were built out of an appropriation of $50,000. In 1932, because of the deteriorated condition of the largest wharf, it was necessary to tear it down. There are now only two of these wharves, and they are used very largely for agricultural and sea-food products which come from the Chesapeake and its tributaries and also from the waters of North Carolina. Those products come in by boats. The volume of these products brought in by boat is very large. These products embrace fish, oysters, watermelons, canned goods, potatoes, and truck products generally. The approximate average of these commodities which were delivered to the wharves during the last 4 years were: Fresh fish, 2,300,000 pounds; salt fish, 40,000 pounds; oysters in the shell, 45,000 bushels; watermelons, 250,000; potatoes, 50,000 barrels; canned tomatoes, 70,000 cases; grain, 10,000 bushels. Since the large wharf has been torn down, the facilities have been wholly inadequate. The president of the Board of Commissioners advised me that the engineer of the wharf committee informs him that the two existing piers at the fish market are in better condition than the pier which was demolished, and that some of the temporary timber supports which have been in service for 3 years will soon require replacement; also that the progressive concrete deterioration will require continued installation of additional new supports. The replacement of the upper pier within the next 2 years is essential if service at these piers is not to be further curtailed.

Mr. Chairman, since coming here this morning I have learned that there is an appropriation of $5,000 in the current bill for repairs to some piers. I have endeavored to find out if that appropriation refers to the two piers. I know it does not contemplate the replacement of the large pier. I am advised that it would take $20,000 to replace the large pier, and $20,000 additional to restore the existing two to first-class condition. The situation is now such that the small boats that come in sometimes lie two and three deep in tiers along these piers, and have to unload one across the other. It is important to the shipping public that there shall be ready access to these piers in order that these perishable products shall be unloaded quickly after they arrive here. Some of these commodities are sold to wholesalers, and others are sold to the retailer and to the consumer himself, thus serving to keep down the price of such articles to the consumer. Unless restoration is made of these piers it is probable that this trade will be lost. For my part I feel that Washington, located upon the Potomac River, with access to Chesapeake Bay, has a right to its development as a port to which its tributary territory may send its products.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. BLAND. Yes.

Mr. CULKIN. Does the gentleman know, and I assume he does, that there is a comprehensive report on port improvement at the port of Washington, which involves, I think, a disbursement of about $3,000,000, recommended by the engineers, with local contribution, which involves the construction of these piers and various betterments and beautification of the water front.

I will say to the gentleman for his information that that report has gone as far, legislatively, as it can, and has been approved by the Committee on Rivers and Harbors.

Mr. BLAND. I think that is excellent.

Mr. CULKIN. The gentleman's mode of attack, I assume under the present set-up, would be the P. W. A.?

Mr. BLAND. It is not my purpose now to offer an amendment to this bill, because the appropriation desired by me has not been considered by the committee, and I think it would need committee consideration. However, it is my hope that this matter, having been brought to the attention of the committee, may be covered by an amendment offered in the Senate to this bill. I am afraid that this small project, that this necessary project, may be lost or materially delayed as part of the larger project. This work is so essential, in my opinion, that I would ask that these improvements be included in the regular appropriation bill and be provided for in the regular way.

Mr. CULKIN. May I say at that point, with the gentleman's permission, that the tonnage for the port of Washington, its importance, and the phase which the gentleman has so ably presented here justify this improvement.

Mr. BLAND. I think they justify the larger improvement, and I think they justify immediately the smaller improvement that I am asking for.

I call attention to the fact that after the loss of the largest pier the revenues fell off. In 1931 the revenues were $4,093.50; in 1932, $4,245; in 1933, $5,195.91; and then the superintendent reports that after the largest pier was demolished there was a decrease of $1,511.86 from the wharfage collected in the preceding year. There are now patronizing these wharves 76 principal shippers of oysters and fish from Virginia, Maryland, and North Carolina, 129 shippers of watermelons, 57 shippers of potatoes, and 17 shippers of canned tomatoes. The information which comes from the superintendent's office also shows that there has been a demand for lumber that could be imported at these piers. A considerable quantity of lumber has been shipped into Washington by boat and many concerns have desired dockage which could not be furnished, some of which will appear in my extension of remarks. [Applause.]

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. BLAND. Availing myself of the permission to extend my remarks, I insert at this point a letter to me dated January 3, 1935, from the president of the Board of Commissioners of the District of Columbia and the report submitted therewith.

Hon. S. O. BLAND,
*Chairman Committee on Merchant Marine, Radio, and Fisheries, Washington, D. C.*

MY DEAR MR. BLAND: Reply is made to your letter of December 24, 1934, in regard to the reconstruction of the upper pier at the municipal fish market on Water Street SW.

The engineer of the wharf committee informs me that the two existing piers at the fish market are in little better condition than the pier which was demolished and that some of the temporary timber supports which have been in service for 3 years will soon require replacement. Progressive concrete deterioration will also require continued installation of additional new supports. The replacement of the upper pier within the next 2 years is essential if the service of these piers is not to be further curtailed.

In regard to the volume of business that has been handled over these piers during the last few years, your attention is invited to the attached copy of a report by the superintendent of weights, measures, and markets.

Very sincerely yours,
M. C. HAZEN,
*President Board of Commissioners of the District of Columbia.*

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JANUARY 2, 1935.

In re facilities at fish wharves.

Commissioner HAZEN:

Report: In 1914 three concrete piers were constructed at the Municipal Fish Wharf and Market from an appropriation of $50,000 for that purpose. The three piers were each 60 feet wide and 100 feet, 120 feet, and 184 feet long, respectively. In 1932 the longest of the three piers, having been found upon examination by engineers to have become deteriorated to such an extent that it was unsafe, was torn down, leaving only the two small piers available for use. Examination of the latter piers by engineers indicates that they have disintegrated to such an extent that they are now unsafe for heavy loads, and that it will be necessary to replace them within 3 or 4 years.

The wharves in question are used largely for docking boats bringing fish, oysters, watermelons, potatoes, canned goods, and other miscellaneous farm products to Washington from eastern Virginia, southern Maryland, and eastern North Carolina. The volume of products brought in by boat from the sections named is quite large. The approximate average per year of commodities named delivered to the wharves during the last 4 years were:

| | | |
|---|---|---|
| Fresh fish | pounds | 2,300,000 |
| Salt fish | do | 40,000 |
| Oysters in shells | bushels | 45,000 |
| Watermelons | | 250,000 |
| Potatoes | barrels | 50,000 |
| Canned tomatoes | cases | 70,000 |
| Grain | bushels | 10,000 |

Fish, oysters, watermelons, and potatoes which are brought to the wharves by boat are sold at wholesale to merchants and to a considerable extent at retail directly to consumers. Maintenance of these wharves offers an outlet for such products coming from those sections of Virginia and Maryland not having convenient rail facilities and offer the cheapest possible means of transportation to the Washington market. Thus it is that people of the District of Columbia are able to obtain such products as are brought to the fish wharves at lower prices than from other sources. The existence of the wharves also maintains keen competition and effectively prevents any combination among local seafood dealers to increase prices. No other place is available for docking boats bringing such products to the District of Columbia market, hence maintaining adequate facilities at this point is extremely important and beneficial to the general public in the District.

Since one pier was torn down in 1932, as stated, facilities offered by the two remaining piers have been extremely inadequate for the proper accommodation of boats desiring dockage space. Only about 10 boats of the size usually coming to the wharves can dock at the 2 small piers now in use.

During most of the year, beginning August 1, 1933, and ending July 31, 1934, many more boats were at the wharves daily than could be accommodated with dockage space as indicated by the number of boats on the dates named as follows. For brevity, the number of boats is omitted. They show:

In August, 518 boats, ranging from 11 on 2 days to 28 on 1 day; in September, 519, ranging from 12 on 1 day to 32 on 1 day; in October, 199, ranging from 11 on 1 day to 17 on another day; in November, 293, ranging from 11 on 3 days to 25 on 1 day; in December, 315, ranging from 11 on 3 days to 23 in 1 day; in January 1934, 231, ranging from 11 on 3 days to 17 on 2 days; in March, 153, ranging from 11 on 2 days to 15 on 2 days; in April, 64, ranging from 11 on 1 day to 14 on 2 days; in May, 88 on 7 days, ranging from 11 on 1 day to 14 on 1 day; in June, 38, and in July, 185, ranging from 11 on 2 days to 18 in 1 day.

By reason of the present overcrowded conditions it is often impossible to furnish dockage space with any reasonable degree of promptness to boats desiring to unload commodities. It is not unusual for some of them to have to wait from 2 to 4 days before being able to obtain berths. It is often necessary for boats to tie up in from two to three tiers, and in such cases, in order to unload products at all, same must be carried across from one to two boats.

Prior to demolishment of the largest of the three piers, business at the wharves had, on the average, increased during the past several years as indicated by the amount of wharfage collected each year, as follows:

| | |
|---|---|
| 1931 | $4,093.53 |
| 1932 | 4,245.02 |
| 1933 | 5,195.91 |
| 1934 | 3,684.05 |

It will be observed that for the year ending June 30, 1934, after the larger wharf was demolished, there was a decrease of $1,511.86 in wharfage collected over the preceding year. This decrease is due largely to lack of sufficient accommodations for boats at the two existing piers.

(There follows the names of the principal shippers of oysters and fish, watermelons, potatoes, and canned goods, which, for brevity, are omitted.)

Prior to condemnation and demolishment of the large pier in 1932 a large amount of sugar was shipped to Washington, which docked at said pier. The average amount was about 6,000 tons per year, said to be more than one-half of the sugar used in Washington. Such shipments of sugar by boat were necessarily discontinued after the large pier was demolished, because of inability to furnish dockage space.

In the past a considerable quantity of lumber has also been shipped to Washington by boat. Existing facilities are not adequate to provide for such business. Some of this lumber came from the Pacific coast and some from other points. Among concerns desiring dockage which could not be furnished are:

The Hammond Lumber Co., Chicago, Ill.
The Long Bell Lumber Co., Longview, Wash.
St. Andrews Bay Lumber Co., Sherman, Fla.
Krauss Bros. Lumber Co., Seattle, Wash.
Robert N. Sizer & Co., New York City.
Captain O. Sutherland, Baltimore, Md.
Rosslyn Steel & Cement Co., Rosslyn, Va.

It has been stated upon what appears to be good authority that there is ordinarily used in Washington about 50,000,000 feet of lumber per year from the Pacific coast now brought to Baltimore by boat and reshipped to Washington by rail. It is stated upon the same authority that a saving in transportation and handling cost of about $4 per 1,000 feet would result if there were sufficient docking space at Washington wharves for boats bringing this lumber from the western coast.

Mr. DITTER. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, the gentleman from Maine [Mr. BREWSTER] in the course of the debate on the independent offices bill viewed with justified alarm the effect of the Cuban Tariff Trade Treaty on the Maine potato grower. The result of this trade treaty with Cuba, made in the name of the President by the Secretary of State, sitting in close communion with the representatives of Cuba, seriously affects every potato grower in America. I have asked for time today to discuss another phase of this treaty-making power which threatens to destroy a great American industry.

THE MATCH INDUSTRY

I wish to give the House a birdseye view of this branch of national production. The match industry of America gives steady employment to more than 35,000 wage earners actually engaged in the manufacture of matches. It consumed, in the year 1933, American lumber and other products amounting in value to $10,433,000. It is safe to say that from the industry itself, and the various activities which produce its raw materials, more than 100,000 Americans obtain their livelihood. This industry, which is highly competitive, has had hard sledding in recent years. The American manufacturer has had to compete with the low-priced labor of the Scandinavian countries, Japan, and the forced labor of Soviet Russia.

FINDINGS OF TARIFF COMMISSION

It is interesting to note that on April 5, 1934, the Tariff Commission, under the provisions of section 3E of the National Industrial Recovery Act, made a report to the President with respect to matches. It found, among other things, that matches are imported almost entirely from the countries above named and that they are sold at prices below the cost of production in the United States. The Tariff Commission also found that the domestic cost of production has been increased materially as a result of the operations of the N. R. A. It further found that the import of matches seriously endangers the operation of the domestic industry under the code. The Commission then made certain recommendations to the President, which were enacted into law in the last session. The match industry, as a result of this legislation, seemed to be entering on happier times. But its security was not for long. Its situation is now definitely threatened by the tariff treaty-making power which Congress in an evil hour delegated to the administration.

Mr. FISH. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. FISH. Is the gentleman going to put into the RECORD the cost of production in Japan?

Mr. CULKIN. I do not have those figures, except as to the daily wage paid in that country.

Mr. FISH. Does the gentleman know that the wage scale in Japan is approximately 20 cents a day?

Mr. CULKIN. Yes. It is under 20 cents.

Mr. FISH. And that they can feed themselves at 5 or 6 cents a day?

Mr. CULKIN. I will say to the gentleman that the male laborer in Japan works 12 hours a day and gets approximately 17 cents. The female operative gets approximately 9 cents a day and works 12 hours.

Mr. FISH. I believe the gentleman is correct. I wish the gentleman would emphasize that, because this is an entirely new factor that has developed in the last year only.

Mr. CULKIN. I will say to the gentleman from New York that, by reason of the low cost of production, Japan has already preempted several industrial fields. A notable example of this is the textile industry. I was told recently that the Japanese have driven English textiles out of India; that they have driven American, German, and English textiles out of the South American market. I am creditably informed that they not only produce a garment identical in weave and texture to the competing product but they forge the labels of recognized American brands and counterfeit the boxes which carry their trade mark. Japan is able to sell this product at 25 percent less than the cost of American production. This, by reason of the fact that wages paid in Japan are as I have stated. We will need a strong national policy to meet this situation. With a free trader at the helm in the State Department, I am naturally pessimistic about getting results.

A meeting was recently held at the country estate of Samuel Untermeyer, a multimillionaire lawyer, who is attorney for the International Match Corporation. Fifteen empire builders came from England, Sweden, and other European countries to attend the conference. The purpose of the conference was to write a match tariff for the United States. Norman H. Davis, who is the ambassador at large for the present administration, was represented at the meeting by an international firm of public accountants. Mr. Davis looms large in the international activities of the present administration. He appeared at this meeting as general chairman of a committee in charge of the three Kreuger companies. I do not wish to impugn the integrity of Mr. Davis. I do question the propriety of his participating, even by proxy, in this type of meeting where an attempt is being made to undermine and destroy an essential American industry. The procedure in this case is open to the same objection made by the gentleman from Maine to the treaty with Cuba. Obviously, until the deed is accomplished and the treaty made, the public will know little about it.

THE SWEDISH MATCH TRUST

The Swedish Match Trust, through the diplomatic officers of Sweden, now asks our Government to cut the match tariff in half and for an import quota on safety matches of five millions gross, or over 60 percent of the American consumption of that type of matches. These interests are backed by certain international bankers who have rooked the American investor to the tune of $200,000,000 in the sale of worthless Kreuger securities. These apostles of high finance are now seeking to destroy the match industry of America. The House knows that the Swedish Match Trust was brought into being by the manipulations of Ivar Kreuger, greatest industrial swindler of this or any other generation. This man left a trail of corruption around the world. The Swedish Match Trust was his evil creation and over two hundred millions of American savings were lost in this enterprise. Kreuger is said to be dead but his lobbying tactics are kept alive

through the trust which he organized. The only Americans who ever made any money out of Kreuger were certain banking groups, lobbyists, and such like. These same groups now have the temerity to attempt to recreate for the benefit of the Swedish bankers the match monopoly once enjoyed by the swindler Kreuger.

SECRETARY HULL AN AVOWED FREE TRADER

Under the Trade Treaty Act of last spring, Congress gave blanket and plenary powers to the President to negotiate these treaties. The President of necessity delegates the negotiation of these treaties to the distinguished Secretary of State, Mr. Cordell Hull. I have the greatest respect for Mr. Cordell Hull. I have the highest regard for his character and for his idealism, but he is a free trader, unashamed and unafraid. In times of national stress we need realists in the public service, not men who are pursuing ideals. Those of us who sat in the House with him recall his repeated statements that all tariffs were destructive of national good. It may now be told that Professor Moley's retirement from the office of Assistant Secretary of State was due to the fact that the editor of Today was and is a vigorous nationalist. He battled bravely with his erstwhile chief for the continuance of American standards of living. By a strange turn in the wheel of fate Cordell Hull is now in the driver's seat on tariff matters. With his tariff viewpoint he is more dangerous to American labor, agriculture, and industry than a wilderness of "brain trusters." But Congress at one fell swoop delegated to him the power to make tariffs.

Mr. SHORT. Will the gentleman yield?

Mr. CULKIN. I yield.

Mr. SHORT. Does the gentleman think that this Congress has any right or authority under the Constitution to delegate its powers?

Mr. CULKIN. I am coming to that later. I am very firmly of the opinion that the recent decision in the oil case settles that question, that Congress had no such power, but I will discuss it more fully later.

We may assume that he will be true to his mistaken idealism and whenever possible the distinguished Secretary of State will wipe out tariff barriers. This procedure, in my opinion, will largely destroy American industry and American labor. Unemployment in America already menaces our very existence. Under this type of tariff making it will increase it by leaps and bounds. There is but one solution to this situation in which we find ourselves. The Congress should repeal the tariff-making power delegated to the President and resume its constitutional duty in the tariff-making field. [Applause]. Pending this the responsible Democratic leadership of the Nation should scrutinize these tariff treaties carefully, and by appeal to the President save American industry and agriculture from being destroyed by an influx of foreign products. It is obvious that the match maker of America drawing $3 or $4 a day for 7 hours cannot compete with the forced labor of Soviet Russia or that of Japan and Sweden where wages are nominal and the daily grind without limit. This same proposition applies to every phase of American production, whether industrial or agricultural.

It is my judgment that the Supreme Court, following its reasoning in the oil case, will, if given an opportunity, declare this nefarious act a nullity. American industry, labor, and agriculture are in grave danger and the issue should be promptly adjudicated by the high court.

May I say, in conclusion, that in this and every other surrender of its constitutional power to the Executive, Congress has abased itself and laid the foundations of a fascism, where there will be neither personal liberty nor representative government. [Applause.]

Mr. DITTER. Mr. Chairman, I yield 1 hour to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, if there were only more new Members in the Chamber at this time, I should like to disabuse their minds of some of the things that were stated here a little while ago by the distinguished gentleman and philosopher from the sagebrush country of Texas. I shall never forget as a Member of the Seventy-third Congress, listening with deep interest to the statement that was made at that time about how we frittered away the money of the people of this country and lavished it upon the people of the District of Columbia, despite the fact that they have here an automobile license fee of $1, that they have a so-called "municipal" tax rate of only $1.50 per hundred, that they get free garbage disposal and garbage collection, that trees are planted and parks provided where they may bask in the shade or gambol on the greensward, all at the expense of the Federal Government. I listened with a degree of rapture when I heard that first statement 2 years ago, and I assumed that most of the people who are permanent residents in the District of Columbia had horns, or should have had horns, on the basis of that recital.

At that time I was assigned as a member of the Committee on the District of Columbia. It did not do any particular good out in my district. I could not make any votes by doing something for the people here, but yet, like good soldiers, we are supposed to take on these tasks that are assigned to us by virtue of our Membership in this House, even though we may not like them.

After a while I found that the conditions that obtained here were not nearly so bad as they were painted by the distinguished gentleman from Texas. I assumed at that time that my constituency in Illinois would want me to do precisely the same thing for the people in the District of Columbia that they would want me to do for those folks out there. So all during the Seventy-third Congress I followed that theory, and I think we got pretty fair results.

I shall not undertake to disabuse the minds of new Members at this time as to what does or does not obtain with respect to the benefits derived by the people of this District from Uncle Sam, except to say that when you look at the amount appropriated, be it $37,000,000, $38,000,000, or $39,000,000, remember that after all Congress is only reappropriating the District's own money. Last year something like $5,700,000 was contributed by the Federal Government as a lump sum toward the expenses of the District of Columbia, but most of the money in this appropriation bill comes from the pockets of the taxpayers in the District. The lump sum of $5,700,000 supposedly represents displacement of prospective revenues by Government property in the District, and if we live until doomsday there will be no unanimity of opinion as to whether that sum is too much or too little.

Remember, also, that the residents of the District do not have a vote; and let me make it clear right here and now, parenthetically, that I am not in favor of extending the right of franchise to the people of the District because of the great transient population here and of the difficulties that might arise from their enfranchisement. I still say that if by virtue of the fact they have no vote but have to look to this body for government, and generally have to take such crumbs as too often come to the stepchild, you will find as you go along that it is not a one-sided picture. There will be opportunity for me to address myself to this question, however, at greater length at some later time. Right now I wish to follow and continue the thread of the argument delineated on a moment ago by the gentleman from New York [Mr. CULKIN] with respect to reciprocal trade.

I suppose if somebody with a mathematical turn of mind were to put a ruler on the CONGRESSIONAL RECORD of the Seventy-third Congress he probably would find that more space and more words had been devoted to the subject of agriculture than to any other subject that has been discussed upon this floor. Now, I do not happen to be a dirt farmer, nor do I happen to be an industrialist. I am not so sure but what freedom from both prejudices makes it possible for one to get a rather dispassionate view of this reciprocal trade agreement plan that was fastened upon the country by the Seventy-third Congress. In response to the question of constitutionality raised by the gentleman from Missouri a little while ago, my own humble opinion is that, after all, it may be entirely constitutional. It departs somewhat from the facts in the oil controversy upon which the Supreme Court passed a week or two ago in that their decision concerned itself largely with the fact that

there was no rule of conduct or guidance laid down by which the President was circumscribed in controlling the oil industry. When we study the Reciprocal Trade Agreement Act, however, we find that Congress did set down some rule of conduct. First of all, the President may not transfer goods from the free list to the dutiable list and vice versa; and limitations were further imposed upon the President in that he could not alter existing rates by more than 50 percent. At least, there was a rule of conduct. At least, there are these limits so that it is not strictly on all fours with the hot-oil decision and it may be held constitutional.

But getting back to reciprocal trade agreements, I say I am not a farmer and I am not an industrialist. I do not like to venture too far from shore on matters of agriculture. I believe that once before I told the story of the gentleman who was holding forth at great length on agriculture, telling that he was a dirt farmer and could do anything that was done on a farm respecting all these various operations. When he got through a small boy in the back of the room asked him:

"Mister, did you say you could do everything that was done on a farm?"

He said, "Yes, sir."

"Well", said the boy, "mister, did you ever lay an egg?"

And so with that kind of repartee, coming from somebody who knows something about agriculture as a dirt farmer, I do not want to venture too far from shore on the farm problem. However, back in the days of Pharaoh there was a farm problem. You will recall the story of the 7 years in which there was an abundance in Egypt and then the 7 lean years; and you will recall the dream of Pharaoh as related by the Scriptural story, a dream in which he saw 7 well-fleshed kine come up out of the river to be swallowed by 7 ill-fleshed kine; how the 7 poor ears of corn devoured the 7 good ears. There came a period of plenty in Egypt which endured for 7 years, followed by 7 years of famine, and, finally, Pharaoh set Joseph over the kingdom and allowed him to appoint a great personnel and conduct a kind of warehousing and distribution system. Joseph did not undertake to solve the farm problem in Egypt by exporting a lot of fancy pyramids, camel's hair shawls, camels, and such things; he solved it by treating it as an internal-warehousing and distribution problem.

So they had the farm problem thousands of years ago, and the world has had the farm problem ever since. Those Members who were here last session will remember that a great deal of time was devoted to the subject of agricultural emergency. I voted for every one of those agricultural emergency bills; and if they were again to come into this Chamber under similar conditions I would do precisely the same thing all over, because I thought then and still think that there was justification for an emergency program. But a distinction must be made between an emergency program and a program that is supposed to be lasting and durable. At the time the distinguished Secretary of Agriculture, Mr. Wallace, sent his emergency program to this body, after laying out this system of processing taxes and cash benefits on tobacco, cotton, wheat, corn, hogs, and other commodities, he announced informally in his pamphlet, America Must Choose, that we had only one of two alternatives, either continued regimentation in this country or expanded foreign outlets, with the qualification that there is a middle ground.

It seems to me that this was a rather unsound premise I could not follow, because I do not believe it necessarily follows if we do not have outlets in foreign countries that we still have to regiment all the divers farmers in the United States of America and curtail acreage as a permanent policy, and to that subject I want to address my attention for just a little while.

It is a rather singular thing that, insofar as our own country is concerned, and its problems of surpluses, it goes back to the Civil War, and too often we underestimate some of these historical forces that have been operating to create problems of the present day. An examination of these forces may elucidate some aspects of the problems that concern us at the present time. You will recall from your reading of American history that, after the Civil War was over, we had dissipated a slave empire, embracing 4,000,000 slaves and 350,000 landowners of the South. Those slaves became competitors in a free labor market. Lots of them came up into the State of Illinois and other Northern States, and there they received the same rate of pay that any other labor received for similar work. This competition became operative immediately after the Civil War, and tended to raise wages.

Moreover when this great reservoir of slave labor had been ended in the South there was a great impetus to the invention of labor-saving devices in order to till and cultivate the same amount of land and at the same time keep down the agricultural overhead. That was historical item no. 1 that made a great contribution to the agricultural problem of today, because it raised wages, stimulated invention, promoted expansion, made agriculture a business.

The second historical fact was the closing of the frontier. This country had a Secretary of the Treasury in 1827 who with a great flourish stated that we had enough arable domain to last us for 500 years, and yet just 70 years after the gentleman made this statement all the good, arable land in this country had been preempted or taken over; so he missed his guess by approximately 430 years.

What happens when the frontier closes on itself? What happens when people shift from the eastern seaboard over to the other side of the Alleghenies, then to the Mississippi Valley, and finally get out to the Pacific coast and find that the frontier has disappeared? The forces of population begin to close on themselves and, like some centripetal force, develop a fixed and stable civilization. Your frontier is gone. It is no longer possible for a man who exhausts a tract of land in one locality to move elsewhere without paying for the domain. The net result is that land values go up and agriculture becomes a settled thing, to be developed and expanded. First the dissipation of the great slave empire, and secondly the closing of the frontier, and third the machine-invention age that we had right after the Civil War were all factors in this development. There was the Oliver chilled-steel plow, the binder, the reaper, and then in gradual succession, the potato digger, the corn binder, the threshing machine, the grain thresher, and all of those implements for greater production and lower costs. This made a business man and capitalist out of the farmer, and he had to march down the road shoulder to shoulder with the banker. Everyone knows that you cannot stock a farm with livestock and proper equipment unless you have money. The result was when land values went up and when it became necessary because of the invention of machinery for the farmer to march down the road together with the banker, by the same token he had to become mindful of the agricultural forces that were operative in other parts of the world.

It was not any longer a case of scratching the soil and bartering his corn, cotton, or tobacco to the gentleman who ran a store at the crossroads and receive in return some shoes, clothing, and other store goods. Those days were over. He became a business man, interested in every factor that might affect the price of products which he produced. He was concerned about the things that were taking place in other countries. This means, translated into terms of every-day conduct, that if they had a premature frost in the Argentine tomorrow morning, it might affect their wheat crop, we would know it in Washington within 6 hours. You will then see the grain market getting bullish or bearish, depending on the effect. If they have a premature frost in Russia, we would know it on the board of trade in Peoria just as fast as the wires can get it to us. You would see prices go either up or down. So we do live in a kind of a well-integrated world. That can be proved every day and every day.

So you have the traditional forces of machine production on the farm, the closing of the frontier, the raising of agricultural prices, then the dissipation of the slave-labor empire in the South, and finally geographic specialization of agriculture.

When Andrew Jackson was President of this country, six of the leading corn-producing States were below the Mason-Dixon line. Where are they now? They are all out in the Central West—Iowa, Illinois, Indiana, and Nebraska. Along about 1850 the center of wheat production was at Columbus, Ohio. You can drive there today from Washington in about 12 or 14 hours with your automobile. Where is it now? It is on the other side of Kansas City.

What is the reason for the shifting of these production centers? It is due to specialization. They raise cotton in the South; they raise tobacco in the South; they raise hogs and corn out in my country; they raise wheat in Nebraska, Kansas, Oklahoma, and the Northwest. So we have become a very specialized kind of country so far as agriculture is concerned.

There you have the basic forces that were operative two generations ago and that were tending to build up a surplus sooner or later—this very surplus that haunted us 2 years ago and made experts cudgel their brains for a solution.

Now may I point out a singularity in connection with this agricultural development. In 1895 we produced about 2,500,000,000 bushels of corn in this country. Our population at that time was 70,000,000 people. In 1931, with 122,000,000 population, we produced 2,750,000,000 bushels of corn. This was a 9-percent increase in the production of corn, whereas our population almost doubled in the same period. Does that not induce a most acute question as to why the production of corn, for instance, did not keep pace with population? It might be well to carefully examine the changes and forces that were operative during that period and see whether they furnish a clue to the cause and whether our attempts to find relief for agriculture through reciprocal-trade treaties go to the heart of the farm problem.

I think the very first clue, as we search for specific reasons, is the decrease in the domestic consumption of meat, as well as in the export of meat.

For those not identified with the Central West, it is too difficult to believe, and yet 85 percent of all the corn crop that is grown out in the 11 major corn-producing States is marketed on the hoof or in the form of meat. They throw that corn into hogs and into beef, and then it is marketed in the form of meat and livestock. This is the way they get rid of it. So there is about 15 percent of the crop available for odds and ends on the farm and for industrial purposes.

Now, in proportion, as the export of meat is curtailed, so you curtail the outlet for grain. If you curtail, voluntarily or involuntarily, the domestic consumption of meat by new-fangled diets or other food fads, or by substitutes, the number of animals needed to supply the people of this country with meat decreases and then, a priori, your outlet for grain decreases.

From 1921 to 1928, our average annual exports of beef and pork were about 439,000,000 pounds. Two years ago, when we were on the decline, it was only 270,000,000 pounds. This is a differential of about 140,000,000 pounds, and what does it mean? It means that much of the outlet for corn and wheat and that sort of thing has been taken away. Now, if you go on with your static production of grain and you take away all these animals that furnish an outlet, what happens? You just pour that into the surplus. There is no magic or mystery about that. You do not have to be a Houdini or a Chinaman or anything of that sort to understand that if you take away 140,000,000 pounds of meat in the domestic and export market, you just curtail the market for grain to that extent and then it goes into the surplus. This is item no. 1.

Item no. 2 concerns itself with the decrease in the number of horses and mules in this country. We read these facts about decreasing farm animals rather casually, and we pay very little attention to their economic implications, and yet the effects on agriculture are very readily discernible when you stop to think about it.

In 1915 we had 29,000,000 horses and mules in this country. How many have we today, according to the Department of Agriculture? About 18,000,000. There has been a decrease of 11,000,000. Why? Oh, that does not necessarily have to be answered. You can answer it for yourself, because everybody knows the answer. It is the displacement of farm animals by the truck, the tractor, and the motor car. Remember the days when the farmers in your country—and I believe my good friend, Governor PIERCE, can recite this out of his own personal experience—used to drive to town, whether it was 8 or 10 or 12 miles, in one of these old Democrat buggies with a fringe around the top and a beribboned whip in the whip socket and a spirited team of horses clamping at the bit. You do not see them any more. How do they go to town now? In Dodges, Buicks, Fords, and Chevrolets. This is one of the reasons why we do not have as many horses and mules by 11,000,000 as we had just a half generation ago. The use of trucks instead of big, strapping draft animals and the use of tractors ahead of the plough are the other reasons.

Now, the implication of the displacement of horses and mules by trucks, tractors, and motor cars is just this: Take away 11,000,000, multiply that by four, because it takes about 4 acres to subsist a good, healthy Missouri mule or a good work horse from one end of the year to the other, and that makes 44,000,000 acres that have been displaced by the automobile, the tractor, and the truck. There has not been any compensation whatever along the line for this loss in behalf of the farmer. The farmer has accepted it stoically as a rather progressive condition, just the result of a movement forward in this as in other sections of the world. The fact remains, however, that we have displaced 44,000,000 acres when we have taken 11,000,000 horses and mules and displaced them with some kind of mechanical power. What happens to the grain and the agricultural commodities raised on this 44,000,000 acres? If there is no outlet, it goes into the surplus, and I am sure even Mr. Wallace is quite in accord with this appraisal of one of the basic factors contributing to a surplus.

So there you have item no. 2—displacement of horses and mules with machinery and tractive power.

Now, item no. 3 concerns itself with the displacement of our own farm products by competitive products that are imported from other countries, and let me enumerate some of those that are imported.

One of the reasons I was so earnestly opposed to this Cuban reciprocal agreement was that there was a possibility of reducing the existing duty by 50 percent upon blackstrap molasses. Goodness knows, the duty on it now does not amount to a tinker's whoop, and yet they have authority to reduce it by 50 percent.

Now let me show you the economic and the agricultural implication of the importation of hundreds of millions of gallons of this blackstrap molasses that comes from Cuba. In fact, blackstrap comes not only from Cuba, but it comes from every sugar-producing, offshore island, probably, within 1,000 or 2,000 miles of this country. You call up the Department of Internal Revenue and ask them how much alcohol was manufactured in this country in 1932 for the fiscal year, and the chances are they will tell you that 142,000,000 gallons of industrial alcohol was produced. How much of that was made of molasses and how much was made from grain? They will tell you that 85 percent of all the industrial alcohol produced in the fiscal year 1932 was made from blackstrap molasses imported from these islands. How much from grain? Oh, about 3½ or 4 percent. Think of it! On the one hand, through the instrumentality of the Agricultural Adjustment Act, they go to the farmers in my district and say to them, "You reduce your corn production by 20 percent, you reduce the production of hogs by 25 percent, and teach birth control to the rest of them, so that we may get this hog and corn production down to some kind of level where it can be absorbed in this country", and then in the next breath, we let all this competitive sirup come from Cuba and Puerto Rico and the Philippine Islands, directly in competition with the corn that is grown out in our States. Now, does this make good, consistent sense? On the one hand we say to the farmers, "Reduce", and on the other, through a reciprocal agreement, we say, "Send in all this stuff you want, even though it is in direct competition with corn and other commodities grown in the Central West."

What difference does that make? Send it in. They did this, and you see what has been done. By letting these competitive products come into this country we have seriously impaired the industrial market for the farmer so far as corn is concerned, and this industrial market was the only certain market that still remained for him.

Perhaps I am a bit obtuse, and yet I have never heard a single satisfactory explanation of a program which pays cash benefits to farmers to permit acreage to stand idle and in the same breath declares: "We are sorry, but we will have to take 85 percent of that 142,000,000 gallons of industrial alcohol which might well be made of corn and give it to Cuba and take it away from you."

Mr. PIERCE. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. PIERCE. Will the gentleman tell us the rest of the reciprocal trade on lard and other products? Do not confine yourself to one article. I am much interested in the gentleman's remarks. I am a real farmer, living on my farm, and I know this thing from beginning to end. What is the remedy, will the gentleman tell us?

Mr. McFARLANE. Will the gentleman yield?

Mr. DIRKSEN. Briefly.

Mr. McFARLANE. Is it not true that one of the largest distilleries in the country is located in the gentleman's district?

Mr. DIRKSEN. That is quite true, but they do not produce industrial alcohol. The seaboard and New Orleans get that. The distilleries in my district make drinking alcohol—not the kind that you pour into radiators or rub on your ankle. I am considering the taking away of the farmer's market. The gentleman may also be interested to know that for a time an effort was being made to convert molasses into potable alcohol for mixture with liquor.

Mr. CRAWFORD. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CRAWFORD. Why is it that they produce the bulk of this alcohol on the seaboard?

Mr. DIRKSEN. Well, transportation enters into it. For another thing, the duty on molasses is negligible; moreover, the cost of the molasses is very low, and, finally, in the process of making alcohol it takes about 8 hours to convert molasses as against 30 hours for grain. Hence the overhead is much lower.

Mr. CRAWFORD. Can the gentleman tell us the cost of shipping a bushel of grain from Des Moines, Iowa, to Peoria, compared with the shipping of a gallon of alcohol from the Philippine Islands to New York?

Mr. DIRKSEN. I am sorry, but I have not that information. I shall be glad to try to get it and put it into the RECORD, if it can be obtained. I should like to know, myself. The matter has never been presented to me before.

Going along with a few more of these competitive items, take tapioca starch. On the 29th of January they will close the hearings before the reciprocal-trade group or the reciprocity-information committee on negotiations with the Netherland Empire, preparatory to entering into a trade agreement with the Netherlands. Now, when you talk to the Netherland Empire, remember that it includes not only that little chunk of country in Europe but Netherland Guiana, and Netherland Indies, and Netherland West Indies as well. Down in those Dutch islands they produce what is known as "cassava" and "arrow root", and "sago starch", and "tapioca starch." They can produce twice as much per acre as we can of starch from corn in our country. Labor, as has been testified here before, commands about 20 cents a day. Land is worth $5 an acre. Yield is high, production prolific, costs low. The result is they export that starch to this country for the purpose of making glue and adhesives, in the production of yeast, and for use in confectioneries and textile mills. They send it over in great quantities, duty free. Back in 1908 it was not a problem. Only 20,000,000 pounds of such tapioca starch came in; but in 1933, which, by the way, was a depression year, when one would think that the importation would fall off sharply, it increased steadily, so that in that year we imported 192,000,000 pounds of tapioca starch, every pound of it in direct competition with these great lush, abundant fields of corn that wave their pennons in the breeze out in Illinois and Iowa and the western country in the spring and in the summer. One hundred and ninety-two million pounds! Just convert it into terms of 28 pounds of starch per bushel and use your own arithmetic, in figuring out how many million bushels of corn are thereby displaced. It comes in duty free. There is no duty on it, and the reason why I cordially disapprove of any proposed reciprocal trade agreement affecting such starch is that the authority to make such treaties was extended to the President for 3 years, and once those treaties are imposed, you know very well that they will not be revised before that time. The Corn Belt will therefore be foreclosed for 3 years in its hope for some relief. They are sending great quantities of that tapioca starch into this country from the other side of the earth, in direct competition with the very corn farmer whom we have asked to reduce his acreage by 20 percent. Is that reason, is that logic? Is there consistency in that kind of a program?

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Certainly.

Mr. DITTER. Is the gentleman familiar with the competitive conditions in connection with the proposed Netherland agreement insofar as the cement industry is concerned?

Mr. DIRKSEN. They have not progressed to that state as yet, but I shall touch upon that directly. Here, then, you have these specific causes for our surplus—decrease in the domestic consumption of meat; decrease in the export of our meat, taking away the outlet for the farmers' corn; the decrease in horses and mules, displaced by automobile tractor power, taking away a great portion of his market; and, third, the importation of these competitive products like blackstrap, tapioca starch, in direct competition with corn. Finally, there was a substantial expansion of acreage during the World War. Is there, then, any mystery about this surplus? It was an inevitable development; and when it became so acute in 1932 and 1933 as to send prices for farm products to ruinous levels, we had to resort to artificial remedies to keep the farmer going.

Now, getting back to Mr. Wallace, he assumed the premise in that little book called "America Must Choose" that either we had to find an outlet in foreign countries or we had to regiment. He did not say that there might be something else, although he did speak about a middle ground. For myself, however, I still cherish the notion that we do not have to find a foreign outlet. We can follow an intense kind of nationalism for our own welfare and for the protection of the standard of living of labor in this country, and still do not have to regiment either. Under these reciprocal-trade agreements, as pointed out, what are the possibilities? They can enter into a trade treaty with any country and can reduce existing duty by as much as 50 percent, with a limitation, of course, that nothing is to be transferred from the free list to the dutiable list or vice versa.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. WOODRUFF. As a matter of fact, cannot the President also under the flexible clause of the 1930 Tariff Act first reduce the tariff on a product by 50 percent, and then, under the legislation that the gentleman is speaking of, again reduce that tariff 50 percent?

Mr. DIRKSEN. I presume the gentleman is right.

Mr. WOODRUFF. The gentleman is right, because the President has already done that in regard to sugar.

Mr. DIRKSEN. That is correct. What are the possibilities for an outlet of agricultural products in foreign trade? If you want to read something rather illuminating, look at the recent experience of Etienne Flandin, the new Premier of France, the young man who is trying to make over that country. Last year—that is, 1933—they had a wheat crop of 362,000,000 bushels in France, the largest since 1907. The year before the wheat crop was 334,000,000 bushels, and the

year before that about 340,000,000 bushels. They had probably thirty or forty million bushels of surplus wheat per year during the last 3 or 4 years. In fact, their surplus began in 1929. Think of all the artificial devices, such as subsidies, controls, and that sort of thing, they resorted to in order to correct the problem, and yet it is just as aggravated now as it ever was. France was never a wheat-exporting nation, but she is rapidly becoming so, especially when she produces an exportable surplus for 5 successive years. So what hope have we of sending them any of our flour or wheat under such conditions? What hope have we of sending bacon and hams and lard to Denmark, when her hog production has increased 500 percent since the war? Mr. Wallace said that we lost 8 percent of our English market for bacon and ham just a few years back. There is no mystery about that. It does not cost nearly as much to ship from Denmark to England as from America to England, and because of their increase in pork production they have taken away our market, and we shall not get it back unless we are willing to enter into price competition in the world market.

Germany, too, has subsidized the production of heavy hogs, so that her production of pork products has more than doubled since the war. What hope is there of sending our agricultural surpluses to her when she is making a determined effort to become self-contained?

When we enter a world price-competition market, we begin to sadly impair the living standards in this country. The man who sells cheapest in the world market gets the business, and to meet world prices we must junk the N. R. A., reduce costs, and lower the standard of living. Is there anyone who cares to follow such a course?

Now, what is the outlet in Italy for agircultural commodities? Up to 2 years ago they bought, on an average, about 51,000,000 bushels of wheat every year. Did they buy it last year or the year before? Indeed not. Mussolini has been draining the swamps along the Tiber River. He has been expanding the agricultural acreage of his country, so that Italy is going to become an exporter, as a matter of fact, having enough for her own needs, and an exportable surplus. What is the situation in Canada?

Mr. McFARLANE. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. McFARLANE. Does not the gentleman believe that the tariffs that those countries have had, have had more to do with that than the reasons which the gentleman has given?

Mr. DIRKSEN. I doubt it very much. I was so glad to see in the newspaper the other day a statement by a well-known Englishman, who was feeling so happy over the fact that now Britain was lodged behind a high tariff wall and could take care of her people, while over in this country we try to break it down and open up the greatest market in this country to a lot of foreign competition.

Now, I want to come to that directly. But here is Russia increasing her wheat in a single year from about 780,000,000 bushels to 1,200,000,000; Canada increasing by leaps and bounds. So gradually the whole world has in a way been shut off, because the world is becoming agricultural minded, and they do not need our commodities.

Now, do not misunderstand. There are some outlets in Cuba for bacon and lard. There are some outlets in France for some of our lard, bacon, and ham if we will take some of their wine, which is in competition with the wine growers of California. There is some chance of exporting some of our commodities to Spain if we will accept her products in competition with some of our own industries. Do not misunderstand. There is still some outlet, but the premise I want to follow is that we are going to come out on the short end of this deal because we are not the shrewd traders that they are. Finally we will open up our great American markets to all comers, for the sake of insubstantial benefits and say, "Come and get it."

So when you survey the agricultural development in Norway, Sweden, Denmark, Spain, and Germany where they subsidize the production of heavy hogs, in Russia and in the Argentine, you can see what we are facing. We have even bought beef for the C. C. C. camps from the Argentine. We had to go down there and buy several million pounds because the Secretary of War said that we did not produce the right kind of beef for those boys. We had to bring that in, in competition with our own farmers, and at the same time we watched their great struggle to keep alive and try to preserve some market for their own products, ultimately having to be subsidized by the Federal Government.

Mr. PIERCE. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. PIERCE. The matter of Argentine beef for the C. C. C. camps is not now being used in those camps.

Mr. DIRKSEN. No; it is not. But the gentleman will remember that the Secretary did buy several million pounds of that beef.

Mr. PIERCE. Oh, yes.

Mr. DIRKSEN. And there was a lot of noise made in the well of this House about it.

Mr. WOODRUFF. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. WOODRUFF. The gentleman is aware, of course, that there are constant importations of canned and other beef brought into this country from both the Argentine and Brazil?

Mr. DIRKSEN. Oh, without doubt.

Mr. WOODRUFF. Constantly.

Mr. DIRKSEN. The records of the Department of Commerce will indicate the importation of all those products, even though we have a surplus of those products in our own country at the present time.

So as you survey the world's trade structure there is little cause to believe that there is a great outlet for our surplus products, but somebody believes there is and from that belief prepares to give something in return—a something far more valuable than anything which other nations have to offer. We cannot expect them to take our ham and our bacon and some of these other things that we produce without taking something from them also.

You know what the old historical theory is of this exchange of products. It goes back to the time of Adam Smith, the old English economist, in his Wealth of Nations, and his theory of a division of production. Let America, if it has more efficiency in one line, produce it and send it to Europe, and, if they over there have particular efficiency in some other line, let them send us their products in which they are more efficient. I say to you now that I would fully subscribe to that old theory of the division of labor, even on an international basis, in the days of the handicraft guilds, but not today. There has been a development of the mass-production principle, which was carried to all corners of the earth. It is the thing that has dumped the free traders over. In the day of Adam Smith, in England, who was one of the first free traders, there was perhaps some justification for producing things here and sending them over there and accepting their things in return, but that does not obtain today, because when you go to Germany, for instance, they will find this thing that they interpret as "Fordism", the principle of mass production and standardization of industry, by Henry Ford, as well exemplified there as it is in this country. Go to Japan and what will they talk about? They are talking about the principle of "Fordism." We did not have it a generation ago when there was a kind of leisure in this country, but today they are all trying to industrialize on this theory of mass and quantity production. It is a kind of virus that not only goes into industry but it goes into every integral element of our national life.

Mr. RICH. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RICH. Does the gentleman know that at the present time they are discussing a reciprocal trade agreement with Holland on cement?

Mr. DIRKSEN. Oh, yes; and with Belgium and some of the other countries.

Mr. SHORT. And with Switzerland on the chemical industry.

Mr. DIRKSEN. Yes; and on watches and clocks and electric meters and other products.

Mr. SHORT. And with Mexico and other countries as pertains to the production of lead and zinc?

Mr. DIRKSEN. Right.

Mr. SHORT. Two-thirds of the United States production is in my district in southwest Missouri.

Mr. DIRKSEN. That is right; but it is the old division of labor by the free traders. Therefore, to carry out this reciprocal trade doctrine, we buy from them and they buy from us. Then comes along the high-power, high-speed machine, and this idea of mass production and it just sort of dumps the Adam Smith theory overboard.

Witness somewhat of the concern of the Department of State: Within the last few months Japan's increase in the exportation of woolen piece goods to Oceania, Latin America, and elsewhere, has been 780 percent—such an increase in 1 single year. And who wants to put the embargo on them? Nobody but Great Britain; a gentleman from Lancashire, where they have the great calico mills, stood up in Parliament and said:

> Gentlemen, it will be just 10 years and these mills will shut down and the work will be transferred to Japan and the Orient, because they are going to take the business.

Fordism, mass production! Why, go to Czechoslovakia and see what they are doing with shoes. Go to New York City or go to Chicago and see these Bata shoe stores. They sell better shoes cheaper than they can be produced in this country and they are getting the business. You know why the chain stores get business: Because there is the lure of low price. You know that as well as I do. The same principle applies with respect to the world markets and we are greatly outdistanced because these other countries have adopted the principles of mass production coupled with low labor costs. I am willing to wager that you can go to any 10-cent store in the city of Washington and the chances are 99 to 1 that on whatever incandescent light globe you bought would be the statement that it was manufactured in Japan. Why? Because they can do it cheaper. They have the same machinery; and then they have something else. What is it? There is no N. R. A. in Japan. They work 55 and 60 hours a week. The employees make from 9 cents to 40 cents a day, depending on whether it is a male or female operative. Finally, there has been a depreciation of the yen. So all the advantages are on the side of Japan, including the mass-production principle; and we cannot hold a candle to them in the effort to compete in the world price market. That is the reason they are getting the business. Look at the increase in Japan's export of woolen piece goods. In the case of rayon the increase has been 322 percent, and yet there are rayon mills in Lewisburg, Pa., and other sections of the country working probably half time, because there is no business. Yet Japan does an unprecedented business. Why? Low price. We are trying to match wits with a country which has all the advantages, and then sooner or later I suppose we are going to come along and make some trade adjustments with these people, in the hope that we, like Lazarus of old, may pick up a few of the foreign-trade crumbs.

In my district is a little pottery factory which employs about 100 people. The manager of this factory said he wished I would come down to Washington and see what I could do about the importation of pottery from Japan. I asked him why. He told me the Japanese were importing into this country thousands of cases and barrels of pottery a month. He told me the Japanese could manufacture one of these great brown stone beer pitchers and six steins to sell at retail at a profit, at a price which was less than the cost of manufacture in this pottery factory in my district, and still pay the duty.

Now, do you think we can get anywhere in the competitive world market trying to sell against people who can produce so cheaply as all that?

What has been said about Japan applies also to Switzerland; it applies to Belgium; it applies to Holland; it applies to Germany. It applies to the principal countries of this globe; and these are the people with whom we are going to compete under reciprocal trade treaties and permit their stuff to enter our market.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. SHORT. The tomato-canning industry is one of the largest in the Ozark region in the southern part of Missouri and the northern part of Arkansas. It is also a great industry in the States of New York, Indiana, Florida, Texas, and California. Unless we maintain a high protective tariff on these commodities, both on the raw and on the canned product, this great industry will be absolutely paralyzed as it was before we passed the Hawley-Smoot tariff law when we placed a duty upon both the raw and the manufactured product to protect us from imports from southern countries and from Mexico.

Mr. DIRKSEN. I think the gentleman from Missouri is quite correct.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DONDERO. I think the farmers of the United States, regardless of their political faith, want to know why it was necessary to reduce the acreage on corn 20 percent and on tobacco 40 percent when at the same time we imported $677,000,000 worth of agricultural products, which was the figure for last year.

Mr. DIRKSEN. Yes; of all kinds, including cheese, milk, powdered and frozen eggs from China, and everything under the sun.

Mr. PIERCE. Does the gentleman want to build a wall around the country?

Mr. DIRKSEN. Let me get to that subject in a minute.

Mr. PIERCE. Is that the gentleman's idea?

Mr. DIRKSEN. It is pretty nearly my idea, depending on what the developments will be in the next 6 months or year. I am a rather confirmed nationalist, because I am afraid we will make it possible to impair the standard of living of American labor when we try to put them on the same basis as in foreign countries.

Mr. PIERCE. Can the gentleman picture the fate of this Nation if there is a wall built around it in connection with its world trade?

Mr. DIRKSEN. Yes. I think that is all a lot of hooey about this world trade. I think we ought to talk a little more about internal economy. That is what we need. [Applause.]

Mr. SHORT. I agree absolutely with the gentleman. There is no use in putting out a garden unless you build a fence high enough around it to keep the neighbors' chickens out.

Mr. FADDIS. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Pennsylvania.

Mr. FADDIS. Would the gentleman agree to limit the immense salaries paid to some of the corporation officials?

Mr. DIRKSEN. That does not enter into the matter. That is just one of those red herrings which is drawn across the trail to divert the argument, and has nothing to do with the matter. Whether a corporation official gets $20,000 or $100,000 a year does not affect the situation. It is one of those smoke screens that is put out in order to divert from the main argument.

May I go on with my theory? We are negotiating a treaty with Belgium and, among other things, do you know what they want to do? They want to give Belgium, for instance, 1 percent of the cement production in this country and then reduce the tariff 50 percent. They manufacture cement in Spain, they manufacture it in Holland, and they manufacture it in Great Britain. So Belgium is only one country. Under the theory and the sense of direction that the reciprocity committee now has, they may barter away 10 percent of our production—several hundred thousand barrels a year. Of course, we are going to get something in return, so we will get to that subject right now.

Mr. Chairman, foreign trade has to be evaluated in terms of labor. They send over lead pencils from Japan. The wood in a lead pencil is scarcely of any value. The graphite or the lead in a pencil has scarcely any value. It becomes valuable only when you put the hands of human beings to

the wood that is in the forest and to the graphite that is in the earth and give it form, shape, and substance, producing a lead pencil, that it has any commercial value. Labor makes it valuable, and nothing else. Coal in the ground has no value whatsoever until the roughened hands of man address themselves to the job of digging it out. You could freeze to death unless human hands first brought it out so that you could put it in the stove and derive warmth.

So when you talk about foreign products, whether it is pottery, whether it is woolen goods, or whether it is rayon or lead pencils does not make any difference. It just represents so much Japanese, Czechoslovakian, or Belgian labor that is sent to this country. That is all it is.

Now, then, we are going to open up our market for them, and we are going to get some benefits in return. That is why they call it reciprocal. In other words, you scratch my back and I will scratch yours. It will be preferential. What are we doing? We are eliminating one American customer and taking foreign customer in return. May I show you how I think that will work?

Out in Illinois we have a number of watch factories. They have watch factories up in Massachusetts and elsewhere. In this contemplated treaty with Switzerland we are going to let watches, clocks, electric meters, and all that sort of thing come in under this deferential treaty and throw off 50 percent of the tariff. What happens in the watch industry that has a pay roll of $65,000,000 a year? Mind you, Switzerland has most of the world's watch business, including 50 percent of the watch business of this country. We are going to say to them, "Well, boys, some of you take your dinner buckets and go home, because we are going to let some of these watches come in from Switzerland. But they are going to buy some ham, they are going to buy some bacon, and they are going to buy some cotton goods, so we are going to buy their watches and clocks." That will mean that some of the boys in the watch industry might just as well pick up their dinner buckets and go home, because we are going to barter away a great deal of their market. By such a bargain, we have just added a few more to the long, sinister, and tragic line of unemployed in this country, and in return we have taken on one foreign customer in Switzerland. I would not kick if their standard of living compared to ours. A Chinaman can subsist on a bowl of rice and a cup of tea a day.

The same thing is true of Japan and every other country on the other side. Their standard of living is infinitely lower, and I certainly will not assent to or give my approval to any plan which seeks to do that to the American laboring man. When our laboring man has the purchasing power he will sit down to a breakfast of three or four eggs, some ham or bacon, a half loaf of bread, washing it down with a gallon of coffee, then stretch himself several times and be ready for a day's work. I am not willing to swap that kind of a customer for one who can subsist on a bowl of rice and a cup of tea every 24 hours.

Mr. RABAUT. Will the gentleman yield?

Mr. DIRKSEN. I am not willing to make that kind of a swap. I yield to the gentleman from Michigan.

Mr. RABAUT. Is it not true that under the protective system the very money that was made off the sweat of American labor was used to start a capitalistic system in the form of established factories in all European countries in direct competition to American labor and incidentally his bench was exported over there, too?

Mr. DIRKSEN. What have the moral derelictions of a few of the capitalistic to do with this argument? That is just another red herring across the trail and has not anything to do with the matter.

Mr. RABAUT. But it is the herring that affects American labor.

Mr. DIRKSEN. But why condemn the whole strata of American management and industry for the sake of the moral derelictions of a few, because, after all, you cannot condemn them all any more than the bank debacle invites us to condemn every banker in the country, although there were a number of bankers who fell in that class.

Mr. RABAUT. The results that we have had to face makes very little of the gentleman's expression "just a few."

Mr. DIRKSEN. Will the gentleman enumerate them, outside of the so-called "international bankers" that the gentleman from Ohio [Mr. TRUAX] likes to pick on up there? There are some, but, in proportion to the total number, not so very many; at least, they have not come to my attention and I have listened with an abiding kind of patience here day after day to the great reproaches that were hurled against the international bankers as if they were the whole kit and caboodle. It seems to me, numerically, they are a very small proportion of the total number of good, solid, honest, substantial business men who are of unimpeachable integrity. The trouble is there has been a disposition to say too little for business and too much against business. This has been one of the troubles. [Applause.]

But getting back to this division of labor, here we are going to swap a good, sod-busting, two-fisted Missourian, like those who live in DEWEY SHORT's district, for a Chinaman in the marts of world trade. We are going to trade off one of these good, two-fisted Michiganders, like those who live in ROY WOODRUFF's district, for somebody over in Czechoslovakia who will eat just enough to keep body and soul together and no more.

You have got to reduce imports to a basis of labor. This is all it is, and nothing more, and this is what we are going to throw away, and this is what we are going to take chances on when we allow all these industrial products to come in, take our own men out of industry and say that at least we get an outlet over on the other side, although we have not added to the sum total of American purchasing power one nickel's worth.

Now, one should end up where he started, and so we have to go way back into the days of Joseph and Pharaoh in Egypt. There it was a case of warehousing and distribution. It was not a case of bringing in a lot of obelisks from some other country or a lot of fancy pyramids and sending out a flock of camels. No; it was just a case of distribution, and this is the thing that Henry Wallace is talking about at the present time when he talks about the balance between industry and agriculture.

I venture to say that if we could read the Secretary's mind aright, he probably has a different notion about this reciprocal trade business than he had when he wrote that memorable little booklet, America Must Choose. You see from his public statements that he is getting more and more away from that, and I doubt whether he has a very deep and abiding faith in this thing that we call reciprocal trade, taking a chance on opening up our own market and swapping one of our own citizens and his purchasing power for purchasing power over on the other side of the ocean.

Now, while I think about it, I want to mention silver just briefly because I see my good friend the gentleman from Texas [Mr. DIES] is in the Chamber.

You will recall that we tried to cure some of our agricultural difficulties by the first silver bill that was introduced—to accept silver at a 25-percent premium over world price in return for agricultural commodities. This, apparently, did not satisfy the silverites, as you gentlemen of the previous Congress will recall, so finally we passed the silver-purchase bill. You remember the great argument that was made here about the wonderful lot of good it would do to tamper with our monetary system in order to find a world outlet and, somehow, give great momentum and impetus to purchasing power. Well, what has happened, as a matter of fact? My good friend the gentleman from Texas [Mr. DIES] can tell you this himself. The visible supplies of silver in Shanghai in the last 6 months have decreased from 467,000,000 ounces to 287,000,000, and did you see what the Chinese did over here at the State Department? They have sent a note of protest to this country within the last few weeks on our silver arrangement. Why? Oh, because we are destroying the economy of China because prices are going down, because unemployment is running rampant over there, and we are harvesting just the obverse of all these beneficent results that were prophesied and anticipated

right in the Well of this House when the Silver Purchase Act of 1934 was considered. So when we tamper with the monetary system, when we tamper with imports and exports and seek to tear down the wall and say, "Boys, send her over; we will absorb it even though it will put our own folks out of work", we usually do not get the benevolent results we have anticipated; at least, we have not up to this time, and I am beginning to view askance and become very skeptical about all these great experiments that we have tried, because they have not worked out.

Now, it is a case of balance, it is a case of distribution, it is a case of internal economy instead of world economy.

Let us build up the absorbing power of our own people through purchasing power instead of diminishing and impairing this power by letting more of these manufactured products come in from outside. We have not scratched the surface of potential consuming power in this country and, if instead of gallivanting to the four corners of the earth for customers and trade, we will look within the limits of our own Nation, we can bring prosperity to our own workers, find a domestic outlet for all our farm products, put idle acreage back to work and set in motion the forces that will achieve an internal balance.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GREENWOOD. The gentleman has consumed 1 hour, and under the rules his time cannot be extended except by unanimous consent.

Mr. DITTER. Mr. Chairman, on behalf of the gentleman from Illinois, I ask unanimous consent that his time be extended 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PIERCE. Will not the gentleman use this 10 minutes in telling us what should be done with this big surplus?

Mr. DIRKSEN. I will say to the gentleman from Oregon I believe this country can absorb everything it can produce, if people can only be provided with some of the comforts and the luxuries which come from an adequate kind of purchasing power; but how are you going to rehabilitate this purchasing power when you let all these foreign commodities come in for the sake of a little bit of outlet for some of our own agricultural products? There is too much of a disparity in spite of all the astuteness of these gentleman on the Reciprocity Commission, and we are going to throw away too many advantages.

Now, the gentleman raises the question of cotton, and I will say that cotton presents somewhat of a problem, and it will become more aggravated in proportion as Brazil, India, the Georgian Caucasus in Russia, and all these other countries begin to expand their cotton production. Cotton will be a greater problem in years to come than it is now, and then perhaps we shall poignantly regret that we were so short-sighted as to overlook principles of internal economy that would prompt the development of other crops besides cotton in the South.

It is going to become a more aggravating problem.

Now let me point out what I have in mind. They have been experimenting with slash pine in the South, converting it into pulp. It makes an excellent kind of newsprint paper. We buy pulp at present from Sweden, from Finland, and from Canada. Millions of dollars' worth come in every year. And yet here we have a great potential field for slash-pine expansion in the South to take away more cotton acreage and diversify production in the South.

It makes for further diversification. Out in my country we have been raising corn year in and year out. At the same time there is a possibility of raising Jerusalem artichokes in that country and producing enough sugar and levulose to supply the entire sugar market without depending on other sugar countries.

The gentleman from Oregon will remember the figures that were introduced here last year showing that only 26 percent of our sugar requirements were produced in this country. We passed a law limiting the sugar produced, saying, "Thus far you shall go, and no farther."

I am not so concerned for the people living in the outlying possessions. I am concerned about my own people. [Applause.] That is what makes me a kind of nationalist. The gentleman from Michigan [Mr. SADOWSKI] knows it—he sees all these people unemployed, who are unable to get something to eat; hungry children going to bed supperless.

Mr. SADOWSKI. Will the gentlemen yield?

Mr. DIRKSEN. I yield.

Mr. SADOWSKI. Is it not true that we have had in the past high tariffs and low tariffs, and that there may be something else responsible for the conditions besides the tariff?

Mr. DIRKSEN. It may be so, but you have to consider all the factors.

Mr. SADOWSKI. Does not the gentleman think that if we could devise some plan for distributing the wealth of this country among the producers we might find a solution to some of these troubles?

Mr. DIRKSEN. Why worry about the distribution of wealth, unless we get to the production of wealth, because it would not take very long to distribute all the wealth in this country. You could do it in a year and exhaust it all, and if there were no constant repletion through the production and development of that wealth where would we be? We would be a Nation in bankruptcy and nothing more.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. DUNN of Pennsylvania. I just heard the gentleman say that there are many people going hungry in this country. Is there any reason why any people should go hungry in this country when we have an abundance of all kinds of food?

Mr. DIRKSEN. None whatsoever, and if we would practice a little more internal economy and get over our sympathy about these people living in the far corners of the world, the chances are that we would be infinitely better off. [Applause.]

After all, we are all interested in the welfare of every element of our national life—the farmer, the business man, the laboring man. Our differences spring from different ideas as how best to attain the welfare of these various elements. In the light of what has transpired in the last 2 years, in the light of industrial developments in the far corners of the earth, in the light of low living standards prevailing in other nations, I believe we best serve all interests in this country when we protect the greatest purchasing market in the world, rehabilitate purchasing power by retaining high tariffs, and protecting labor, so that American labor may once more buy the products of the American farmer and thereby achieve that happy balance that will bring prosperity to all.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. TRUAX].

Mr. TRUAX. Mr. Chairman, I was extremely interested in the remarks of my friend the gentleman from Illinois [Mr. DIRKSEN], but like a great many individuals who have not been born and reared on the farm, he is not entirely familiar with his facts and observations. We have heard a great deal of complaint about the ills that will befall the farmers of this country if we enter into reciprocal-trade agreements that have been approved, directed, and sponsored by the President of the United States. It happens to be my good fortune to know personally the two gentlemen who will negotiate for these agreements providing the same are gone into, and I refer to Mr. Wallace, the Secretary of Agriculture, and Mr. Peek, the confidential adviser to the President upon foreign trade. It so happens that Mr. Peek was chairman of a committee of 22, of which I was vice chairman, which committee in 1926 and 1927 sponsored the McNary-Haugen bill—the bill that was designed and created and framed to help the American farmer, a bill that was twice passed by this Congress by a majority of both parties, a bill that had the approval of all of the great farm organizations of this country, but was twice vetoed by President Coolidge. There were many of us who thought that this bill, known as the "McNary-Haugen bill",

was a better bill than the one adopted in the Seventy-third Congress. There are many of us who still believe that the fundamental principles of that bill are preferable to those under which we are now operating. If there was in my mind ever for one moment the thought that either Mr. Wallace or Mr. Peek had in mind any reciprocal agreements or any legislation that would be detrimental instead of beneficial to the American farmer, I would have as heartily condemned such agreements or legislation as any Member of this House. Regardless of the criticism, which has been voluminous, the price of American farm commodities has steadily advanced during the past 12 months. That is the proof of the pudding, in the chewing of the string, and the thing that the American farmer is most interested in today is the selling price of the commodities which he produces. I call attention to the fact that today the selling price of hogs in the city of Cleveland, which is our principal terminal market in the State of Ohio, is $8 and $8.25 per hundred. I contrast this selling price with that of $2.50 a hundred in the spring of 1933. The price that I have named does not include the processing tax, which ranges from $2.25 to $2.75 per hundred.

So the fact is today that the American hog grower who operates under the corn-hog program is receiving around 10 cents a pound minus the transportation and commission and yardage and feed charges. A year ago a price of 10 cents per pound would have been undreamed of. Yet that is approximately the price today. Beef cattle are selling today in the Cleveland market at from $7 a hundred to $10 a hundred, and so at last after a period of 12 long years the American farmer is beginning to get back on his feet and the American farmer today knows that it was no empty promise or fulsome pledge that was made by the President of the United States in 1933 when he said that he would see to it that the forgotten man of America, the American farmer, was no longer discriminated against, but would be given his just due and that his industry would be placed on a parity with the industrial activities of the East.

Referring again to the reciprocal-trade agreement, the fact remains that you can take any 10-year period during the past 50 years and you will find that our exportations of agricultural commodities never amounted to more than 15 percent. In other words, year in and year out we consume 85 percent of the agricultural commodities that we produce and export only 15 percent. That has been the trouble in the past. The 15 percent that we export has been the tail that has wagged the dog for 12 long years, and for 12 or more long years we fought for the very principles which we have today, to complete this circle, this protective circle, if you please, by including the farmer in that circle. That circle has been completed by the legislation which this Congress has enacted, and that was not a partisan measure, but was a measure supported by a great majority of the members on both sides of the aisle, and it is a measure that today will be praised and approved and again supported by those Members who come from the great agricultural districts of the Nation, regardless to which political party they belong.

There has been considerable talk in the past about the diversification of farming in the South. Those of us who are familiar with agricultural conditions in the South know that diversification is limited, the same as diversification is limited in the State of Illinois. In that rich, black soil in certain sections of Illinois the principal crop is corn, and the principal livestock crop into which that corn is fed are hogs and beef cattle and, to some extent, dairy cattle.

The farmers there always have raised corn and they have raised hogs. As someone has said, they raise more corn to raise more hogs, and to raise more corn and more hogs ad infinitum.

So, my friends, it is idle to talk about diversification in this great Corn Belt of ours. It is idle to talk about diversification in the great southland, where cotton is the principal commodity and will continue to be for the years to come.

Talk about expansion of the production of cotton in other great cotton-producing countries is futile. For instance, Egypt is one of the principal cotton-producing countries of the world. In 1931 and 1932 Egypt tried the plan of crop regulation. Their conditions of moisture and their conditions of tillage are such that the country can absolutely control its production, yet it did not control prices. So in the past 2 years Egypt has established the policy of producing all of the cotton they can produce. That policy is now being followed by every cotton-producing country in the world.

The Bankhead Act, which was enacted by the Seventy-third Congress, has been the greatest stabilizer of the price of cotton of any legislation that has yet been proposed, and when the continuation of the policies inaugurated by the Bankhead Act was placed to a vote of the growers they voted 10 to 1 for the continuation of the provisions of that act. In my State of Ohio, where the farmers of some twenty or thirty counties voted on the wisdom of continuing the corn and hog program, created by this Congress, a majority of those farmers voted for a continuance of the plan. Until you can offer us some other alternative, until you can offer a better program or a better plan, we are bound to state that this legislation enacted for the benefit of the American farmer has been of such nature that at last the American producer of foodstuffs is beginning to rehabilitate himself; and when you rehabilitate the American farmer, you begin to rehabilitate the whole country. This rehabilitation of the American farmer will in no far distant time be reflected on the sidewalks of your great city of New York.

Mr. FISH. Will the gentleman yield?

Mr. TRUAX. I yield.

Mr. FISH. I should like to ask the gentleman, who is an expert on the cotton situation, if he will tell the House why it is that Brazil, which exported a year ago 10,000 tons of cotton, exported this year 100,000 tons?

Mr. TRUAX. Now, the gentleman, I assume, belongs to the class to which I referred a while ago, because the gentleman from New York, although I know he means well, is talking about the exportation of cotton in tons, when everybody knows that it is exported in terms of bales.

Mr. FISH. Not from the foreign countries. We do it by bales here. I could not translate what a metric ton is, and I thought the gentleman could do so, as he is an expert.

Mr. TRUAX. I am not an expert. Someone has defined an expert as one who knows less and less about nothing. I am simply a plain farmer.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. TRUAX] has expired.

Mr. CANNON of Missouri. I yield the gentleman from Ohio 5 additional minutes.

Mr. TRUAX. The exporting troubles of this country started with the passage of the Fordney-McCumber tariff bill and later on, in a much stronger manner, by the passage of the Hawley-Smoot tariff bill. In the Seventy-third Congress I introduced in the RECORD certain tables, which I shall be glad to introduce again, showing the exact effect on the American farmer, and with particular reference to the exportation of wheat, of those high-tariff bills. Immediately following the passage of the Hawley-Smoot tariff bill all European nations enacted reciprocal tariffs, running as high as $1 and $2 a bushel tariff against the importation of our wheat by those foreign countries.

Mr. BOILEAU. Will the gentleman yield?

Mr. TRUAX. I yield.

Mr. BOILEAU. A great deal has been said with reference to our reduction in production of cotton, but is it not a fact that even though we have reduced the acreage of cotton, we still produce and have on hand more cotton than we can sell either domestically or in foreign trade at a price that will give our farmer a fair return for his cotton?

Mr. TRUAX. That is exactly right. The accumulation was there, nearly as much as 1 year's crop, between ten and twelve million bales that had accumulated because of the wholly unsatisfactory and demoralizing prices.

Now, Mr. Chairman, I want to get down to the real text of my remarks today. Much has been said about rehabilitation of the American people. You will never have any real and complete rehabilitation of this country until you revise, and drastically revise, your system of taxation. Many of us read today about the enactment of a 3-percent sales tax to finance

the Townsend old-age-pension plan. Just recently my State of Ohio enacted a 3-percent sales tax, which it is anticipated will raise between seventy and one hundred million dollars per year. At the same time they increased the excise tax on the public utilities only 1 percent. Most of the public utilities in Ohio are owned by J. P. Morgan, a man who is said to own or control $40,000,000,000 of wealth. In other words, one individual in this great country of ours owns or controls nearly one-sixth of our wealth. Another way to put it: The total public and private indebtedness of this country—bonded, mortgaged, or otherwise—amounts to about $235,000,000,000. Our country may be worth today $250,000,000,000. In other words, 120,000,000 people, who constitute 95 percent of our population, have an equity of $15,000,000,000 in a $250,000,000,000 corporation, owned largely by a few international bankers and by other malefactors of great wealth.

A few days ago some gentlemen referred to the recent article by Gen. Hugh S. Johnson in the Saturday Evening Post.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. CANNON of Missouri. I yield the gentleman from Ohio 5 additional minutes.

Mr. TRUAX. He failed to note or to stress one of the major recommendations of General Johnson, and that is a substantial scale-down in the indebtedness of this country. The general reports that we are trying to blow life into dead assets. In other words, we are trying to revive and we are largely paying for dead horses. This is particularly true with the agricultural industry of this great Nation of ours. It is particularly true of the thousands and hundreds of thousands of distressed home owners who are about to lose their homes. Even though they are so fortunate as to refinance their mortgage loans the rate of interest is so high, so extreme, that with their present incomes, or with no incomes at all, they simply cannot make the grade.

This Congress could well consider, Mr. Chairman, a scale-down in mortgage indebtedness contracted a dozen years ago, during the boom time. This Congress could well consider a scale-down of this indebtedness from 30 to 50 percent. Even then, on such a scale-down, those in distress, including the millions of unemployed, including the farmers who are now trying to get on their feet, would have a difficult time to make the grade. What would help this situation, Mr. Chairman, is to tax wealth; tax the wealth of this country to the limit; tax the plutocratic wealth of this country beyond the limit. In other words, until you begin to scale down the enormous, swollen fortunes, until you begin to take the fortune of J. P. Morgan and scale it down about $39,999,000,000 and leave the old pirate $1,000,000—until this is done you will not see permanent rehabilitation or recovery in this country—not as long as you permit individuals, selfish, greedy individuals, to draw incomes of $1,000,000 a year.

I know a certain man in public life in this country who would make it possible for one individual to draw an income of $10,000,000 a year. Scale them all down and limit them to $50,000 per year. [Applause.] Why, the President of the United States receives only $75,000 a year. Fifty thousand dollars ought to be enough in these days of prohibition repeal—$50,000 a year ought to be enough for any man or any woman, regardless of how aristocratic or blue-blooded he or she may be, to live on decently and comfortably. [Applause.]

We must follow the precedent established by England, with her heavy inheritance taxes. England is able to balance her budget. England is able to take care of her unemployed, without bond issues, by taxing wealth and by placing an inheritance tax that will bring back into the treasury these millions that have gone to selfish individuals.

Mr. Chairman, I hope to see the day—and I hope to see Mr. John D. Rockefeller, Sr., live long enough to see it, too—when this Congress will pass a taxation bill that will redistribute his enormous wealth, that will take $499,000,000 of the $500,000,000 he owns and place it back in the Federal Treasury. When this is done, your taxation problem will be solved. [Applause.]

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I think there is a great deal in what the gentleman from Ohio has just said. I rather believe that those of us in this House, humble Members of Congress, could probably live on $50,000 a year. I was wondering whether it would be worth while to offer such an amendment to the next bill and see if we could not try to live within those limits by just raising our pay to $50,000 a year. I am sure that if we tried hard enough we probably could get along on that. Of course, I know, we know, we are worth more. We all know it, and maybe if we have real Democratic inflation our pay may exceed the limit set by the gentleman from Ohio.

Mr. TRUAX. Mr. Chairman, will the gentleman yield?

Mr. FISH. No; the gentleman is worth more than that.

Mr. TRUAX. Mr. Chairman, will the gentleman yield for a question?

Mr. FISH. I certainly will yield for a question.

Mr. TRUAX. I suppose the gentleman's constituents think he is worth more than that.

Mr. FISH. Well, my constituents gave me several thousand more votes than I had the prior election; and I would say to the gentleman from Ohio that I come from the same district as does the President of the United States. I would further say to the gentleman that it has not been decided yet whether the President is my constituent or I am his [laughter]; but I will confess to the gentleman that at least I am not his spokesman in the House or on this occasion.

The gentleman from Ohio, who comes a long way from the cotton States, was just expressing his views as to the Bankhead bill and as to the future of the cotton growers of the South. Now, it is not my purpose to decide what is best for the cotton producers and growers of the South. I maintain, in view of the fact that they have adopted the mandatory features of the Bankhead bill and approved them by popular vote, that they ought to know what is best for their own interests.

They certainly ought to know their own business. We of the North know very little about the growing of cotton, but at least we know that in the last year, with the price of cotton going up and the Government's paying for a reduction of the cotton crops, the South has had a prosperous year. At the same time, I think it is right, not only for northerners but for every Member of the House who believes in the welfare of the United States, both in the North and South, to strike a note of warning by pointing out that the cotton producers are losing their export markets for cotton. The South is losing its world markets. I have not the figures in my head at this time, but I imagine you have lost one-third or more in the last year. If the loss was going to stop there it might not be such a serious matter, but it looks to me as if you are gradually losing every day a greater part of your export market on cotton. If you lose all your markets, of course, it will be a very serious loss to the whole country, not alone to the South. Whether it is due to the high price of cotton on account of the legislation curtailing cotton production or due to the growing of more cotton in other countries is a matter for experts to determine. The fact is that the rest of the world is growing more cotton and exporting cotton in vast quantities. Brazil is doing this, as well as India, Egypt, Russia, and other countries.

I am very much interested in what the gentleman had to say about soaking the rich. That is an old story. I was very sorry to note, as one who believes that Democrats are loyal Americans and have the interests of their country at heart and believe in our form of government, that for political purposes in the last campaign many of the more radically inclined Democrats joined with the Communists and Socialists in a campaign of soaking the rich, saying that the fortunes of the country had been accumulated in the hands of a very few people, which was endangering our economic and political systems. That is a most effective argument to the man on the street who is walking around looking for a job. There is nothing more effective. But of all the political bunk that has ever been spread around the country

for election purposes, that is the worst I have heard for many years.

Everyone knows that owing to the depression the rich man has lost most of his money just as well as the poor man, and perhaps more. Some of them lost 50 percent, some 75 percent, and some have been wiped out entirely. Every Communist, every Socialist, and every pink intellectual, as well as the radicals, joined together in one main slogan, and that is that a very few very rich men control this Government and that a few rich men in Wall Street own practically all the wealth of the country. It is asserted that they control the Government, the Supreme Court, and our economic and political institutions. Outside of the fact that these wealthy men have lost half of their money, and more, owing to the depression, the truth about the matter is that they do not control, and never have controlled the Government or the Supreme Court or even our economic institutions. However, if it should ever come about that a small number of ultrarich men in the future, when we emerge to better times, should accumulate the wealth of the country in their hands and endanger our institutions, it is the easiest problem to solve and does not need a constitutional amendment.

I want every Member to note this, because this is the stock argument of every Communist and every Socialist and every radical when he wants to denounce American institutions and spread class hatred. All we have to do is to raise the inheritance tax. We raised it from 20 to 40 percent 2 years ago. If that is not high enough, it can be raised to 80 percent by a simple act of Congress if the majority of the Members of Congress, representing their people back home, believe that should be done. The rich man, like the poor man, must inevitably die and he cannot take his money to the grave with him. There are many rich men and women I know of, arrogant with wealth, who would like to take their money to the grave with them, but it cannot be done. If the time should ever come when the wealth of this country is accumulated in the hands of a very few, I shall be very glad to go along with the majority and vote for an increase in the inheritance or estate tax in order to prevent the wealth's getting into the hands of a few and endangering our institutions.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Does the gentleman at this time favor raising the inheritance tax above 40 percent?

Mr. FISH. May I say I voted for the increase to 40 percent, and if I could find sound arguments for raising it further I might go along, but I am going to talk on a subject that is connected with that very situation, which deals with tax-exempt securities. This is a far more vital, a far more important, and a far larger issue as affecting the rich men in the country today, because I propose to show by figures that the rich men of America are escaping taxation. We have imposed a 60-percent tax on incomes in excess of $500,000. An American who has an income of $500,000 is a darn fool, to put it mildly, if he does not put all of his money into tax-exempt securities which exempt him from all income tax whereas he would otherwise have to pay an income tax of 60 percent. That is what is happening in America today. The rich man, the multimillionaire, and you cannot blame him for it because he is allowed to do so under the law, is escaping taxation and the burdens are being carried by the smaller income-tax payers. What has happened, and who is to blame?

Mr. BOILEAU. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. The gentleman made a very fine statement in reference to his views in regard to a high inheritance tax, but does the gentleman take the same view with reference to income taxes?

Mr. FISH. No. I think the income taxes are high enough, if not too high, because it takes money out of private industry. The income tax goes up to 59 percent. I think that even may be too high, although I probably voted for it. To my way of thinking the most important thing to be done in the country today is to get money back into private industry, thereby getting the wheels of industry started so that people may be employed. [Applause.] If you take the money away from the rich man or the man of moderate means through excessive income taxes you are practically seizing it and confiscating it for the Treasury of the United States and that money does not get into private industry, which is the main trouble today. I want to stress this tax-exempt-security situation, because that is far more important. I am not posing here as an expert on it, because these figures were given to me today and I have not had time to check them up or look into them, but these are the astounding figures that have been presented to me; and if accurate, show an amazing and vicious financial situation that should be remedied.

Since the 3d of August 1933, a year and a half ago, $9,000,000,000 of totally tax-exempt securities have been issued by the Federal Government, known as "Treasury notes." A Treasury note is a note that has a life not in excess of 5 years and not less than 1 year. There have been $9,000,000,000 of these Treasury notes, totally tax exempt, put out by the Democratic administration since August 3, 1933.

This money, I presume, has largely gone into the hands of the richest men and women in America and subscribed for by the big interests as well as by the big banks and corporations of the country in order to avoid taxation. These Treasury notes are totally tax exempt. Our bonds are exempt, generally, for normal taxes of 4 percent, but not exempt for surtaxes. You will notice that the Secretary of the Treasury every time he issues these Treasury notes, no matter whether the issue is for one-half billion or one billion or two billion dollars, publicly states that it shows the great credit of this Government; that it shows the confidence of the people in this administration because they have all been oversubscribed. Why, the subscribers rush to get to the head of the line in order to get some of them, and who is trying to buy them? The rich man, or the big bank or corporation, in order to escape taxation.

The multimillionaire puts his money into tax-exempt securities and does not pay a penny of income to the Government. This is what is going on, and this is why the tax-exempt Treasury notes are being grabbed up immediately, and this is the vicious circle we are up against. The man who ought to bear the burden, according to his income and his own share of the wealth which he has made out of the country, is not paying anything at all, whereas the rest of the people who have not the ready money to buy the Treasury notes and tax-exempt securities are paying according to the law, whether it be 4 or 20 or 30 percent of their income. It is the middle-class and not the very rich who are bearing the burden of taxation in America today, and the answer to it is that we ought to cease issuing any tax-exempt securities whatever. [Applause.]

Mr. TRUAX. Mr. Chairman, will the gentleman yield for a question?

Mr. FISH. I yield.

Mr. TRUAX. Does not the gentleman think that if you would stop his income over a certain amount, say $50,000, and place a limitation there, he could not buy tax-exempt securities?

Mr. FISH. I understood the gentleman's argument, and I understand he stands for a capital levy.

Mr. TRUAX. That is right.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman from New York 5 additional minutes.

Mr. FISH. When you talk of a capital levy, the depreciation of the dollar by act of Congress, to a large extent, was a capital levy. If it had gone out to the country as a capital levy, I think the country would have been against it. No one ever raised that issue, but it was a direct capital levy, and it took away 40 percent from the value of the dollar, automatically, by act of Congress. It not only hit the rich man, it hit the poor man as well. It hit the man who had an insurance policy, it hit the man who had savings in a bank just as well as the rich man. The man in the

street thought you were hitting the rich, and he applauded. He did not realize that where you hit one rich man in this way, you hit about 1,000,000 poor men. This was a distinct capital levy, and the United States Government, to prove it, made a profit of $2,000,000,000 out of it.

There are two objections to the issuance of tax-exempt securities. First, the rich man has the money to take advantage of them and, naturally, does; and as long as we continue to issue them, he will escape taxation. The other one is that this money that the rich man has, which ought to go into private industry to keep the wheels of industry going and to provide employment, puts the money into Government tax-exempt securities, such as Treasury notes, and goes into the Treasury of the United States and is used by the Government. The result is that private industry, which generally gets most of its money from the wealthy, is not able to get any money at all. This is one of the main difficulties today and is seriously retarding business and industrial recovery.

The Government of the United States cannot continue to have deficits of four and a half billion dollars every year and act as a substitute for private industry which is unable to get money to finance itself, because the rich men are putting all their money into tax-exempt governmental securities. It is an absolutely vicious circle.

Of course, the Democratic administration claims a lot of credit because, they say, the people back home have all the confidence in the world in the administration and buy all of these issues; but it is not the American people, it is nothing but the big interests and corporations and the banks and the rich people. It is not surprising that these issues are oversubscribed two or three or four or five times. The big fellows, the big taxpayers, fight for them and line up just like people at a baseball game trying to get in first.

I introduced the following resolution, and I hope some member of the Ways and Means Committee on the Democratic side will take this resolution and reintroduce it under his own name, because I know what a swell chance I have of having any of my resolutions adopted by the Democratic majority:

*Resolved*, That the Secretary of the Treasury be, and he is hereby, directed to transmit to the House of Representatives the following information: The names and addresses of all persons and corporations who own tax-exempt securities in the amount of $100,000 or over; the amount of such holdings held by each individual or corporation; kind of securities held in each case; and the interest paid on such securities per annum.

I believe that the people and Members of Congress are entitled to have this information in order that they may find out how much of this money is going into the hands of the richest people in America in order to escape taxation. This is the only way you can get it, by passing a resolution of this kind. [Applause.] The purpose of this resolution is to ascertain approximately to what extent the big taxpayers and big business interests are escaping taxation in the higher income brackets by buying Federal, State, and local government tax-exempt bonds or other securities.

Certainly we need that information if we are going to formulate a remedy for a very serious situation arising out of the issuance of tax-exempt securities on a huge scale.

Mr. McFARLANE. Will the gentleman yield?

Mr. FISH. I yield.

Mr. McFARLANE. Did the gentleman vote for the amendment offered by the gentleman from Wisconsin [Mr. BOILEAU] stopping the issuing of tax-exempt securities?

Mr. FISH. It never got on the floor. I would have voted for it if it had.

Mr. McFARLANE. Oh, yes; it did.

Mr. FISH. Then I voted for it.

Mr. McFARLANE. Is the gentleman in favor of it?

Mr. FISH. I certainly am. I am putting in an amendment today to stop the issuance of tax-exempt securities by a constitutional amendment. I put in the resolution I just read last year, but it did not get very far. A subcommittee of the Ways and Means Committee considered it, but at the last moment the Treasury found some objection to it. Of course, the Treasury would object to it because tax-exempt Treasury notes are the easiest way to finance a deficit. It is the easiest way to finance all the expenditures of this administration or any other. What I want to emphasize is that we have $14,000,000,000 of tax-exempt securities, of which nine billions have been issued within the last year and a half. Total tax-exempt securities amounting to the huge sum of forty-five billions have been issued. Federal tax-exempt securities are rapidly increasing and now amount to fourteen billions and fourteen billions more partially exempt. The question is whether we are going to issue more tax-exempt Treasury notes for the new deficit of four and one-half billion dollars next year. They are more popular today than ever before with big investors. The continued issuance of tax-exempt securities by the Federal Government is a serious question as to whether money badly needed in legitimate channels of trade and commerce and in all private industries is not being diverted into tax-exempt securities for the benefit of wealthy individuals and rich corporations. I am putting this up to the Democrats. I am making the speech, but you have the responsibility.

Do not take the floor and say you are in favor of it and talk for political purposes about soaking the rich and the concentration of wealth in the hands of a few and then do nothing about stopping the issuing of tax-exempt securities and let the rich man escape taxation altogether. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, ladies and gentlemen of the Committee, the criticism that the gentleman from New York [Mr. FISH] made in reference to the issuance of tax-exempt bonds is entirely just and justified. There is not a defense that can be offered to the practice in the United States of issuing great quantities of tax-exempt bonds, held mainly by the wealth of the country to escape taxation.

But the inconsistency of the gentleman from New York is that on the one hand he is not in favor of tax-exempt securities, but on the other hand he does not favor what he terms "tinkering" with the currency. Yet he admits that owing to the tremendous unemployment in the United States, either relief must be furnished to the unemployed or we must assume the responsibility of furnishing the work for them. The truth about the whole thing is simply this. From 1921 to 1929 we had the greatest credit inflation that this or any other country ever witnessed. As a result of that credit inflation commodity prices rose very high, and during that period a tremendous public and private indebtedness was contracted in terms of a cheap dollar. Then, following the crash of 1929, with the inevitable deflation which resulted from the preceding credit inflation, the dollar rose in value. It was not solely due to that, but that was one of the contributing causes to the increase in the purchasing power of the dollar. The dollar rose so high in value that in terms of commodities the debtors of the Nation found themselves burdened by a staggering public and private indebtedness. As a result of that situation business was paralyzed, and in my humble judgment the most serious problem that still confronts us is the crushing public and private indebtedness that is stifling business in the United States. The gentleman will admit that. Conservatives admit it, and so-called "progressives" admit it. But the problem is, How can we scale down this indebtedness? The gentleman perhaps would propose that we permit the laws of liquidation to assert themselves and that through foreclosure or bankruptcy and other court proceedings we permit the creditor class, through the usual recourse to law, to seize the property of the debtor class and appropriate the properties to the partial payment of obligations.

Gentlemen who make that statement do not realize the consequences that would ensue in the United States. That would produce the greatest concentration of wealth in a period of 2 or 3 years that the world has ever seen; and when we come out of such a liquidation, a very small percentage of the people would own and control all the property in the United States. The other method by which we could deal with the situation is to undertake by lowering the purchasing power of the dollar and by other methods to raise commodity

prices so that the debtor can discharge his obligation in the same kind of a dollar that he borrowed. But, the gentleman says, that is tinkering with the currency; and when the gold inflation bill was before the Congress, the gentleman and other members of his party denounced that measure as a confiscation of wealth, and he now says that it constituted a capital levy to the extent of 40 percent. When this bill was before Congress, I had the pleasure of making the opening speech, and I then predicted in my speech that the mere reduction of the gold content of the dollar unaccompanied by the issuance of new currency placed in circulation would not accomplish a rise in commodity prices in the United States proportionate to the reduction of the gold content of the dollar. So far as our foreign trade is concerned, it did stimulate it, because foreign buyers were able to take an ounce of gold and buy 35 American dollars, whereas before the revaluation they could only purchase 20 American dollars, and with 35 dollars they could buy more of our products with the same ounce of gold. Put in another way, they could buy our products 40 percent cheaper. Then we passed the Silver Purchase Act, which the gentleman from Illinois [Mr. DIRKSEN] has pronounced a dismal failure.

It is amusing to me to see the position gentlemen on the other side of the Chamber occupy. They say that we are interfering with the law of supply and demand, that we are undertaking by legislation to interfere with those natural laws. Yet the action of the party that was in control of this Government for many decades made necessary some of the legislation that we have put on the statute books. For years and years they interfered with the law of supply and demand by the enactment of tariff legislation. That was orthodox; they had no objection to that; but when we undertake to make the tariff laws function for the agricultural producers in the same way that it had been functioning for the industries of the East, then they talk about price fixing and say that it is contrary to the law of supply and demand and that it is un-American. Let me say to the gentleman that we might as well reconcile ourselves to one or two fundamental propositions in this country. We cannot eat our cake and have it, too. We can be either an export country or we can adopt a strict nationalistic policy, as the gentleman from Illinois [Mr. DIRKSEN] recommends; but the nationalistic policy that he recommends would necessitate economic dictatorship in the United States. If we commit ourselves to a course of economic isolation, then it is apparent that we must regulate and control production in the country. There are only two ways foreign countries can buy our products. They can pay for them only in goods or in gold. If we refuse to permit them to ship their goods into the United States in exchange for our surplus, then they have nothing else to use in settlement of international trade balances except gold. They did that for a long time, as long as the gold lasted, but the United States, with a favorable trade balance, soon got possession of nearly one-half of the gold of the world, and we had it locked in the vaults of our Federal Treasury.

Gold became cornered by three nations. It is, therefore, manifest that we cannot continue to have settlement in gold when nations do not possess the gold to settle with. The fact is that about the only thing that foreign nations have had to settle their international trade balances with, outside of imports, which to a restricted degree they have shipped into the United States, has been silver. The gentleman fails to recognize that for every dollar of silver that we buy abroad, we give some foreign buyer a purchasing power with which to settle international trade balances. The same thing might be said of copper. We could buy copper abroad and allow so much a pound for it, and that would give foreign buyers a purchasing power with which to settle international trade balances.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DIES] has expired.

Mr. CANNON of Missouri. I yield the gentleman from Texas 15 additional minutes.

Mr. DIES. I proposed a measure to enable foreign buyers to settle their international trade balances with silver; to accept silver at a premium not less than 10 percent, no more than 25 percent above the world market price of silver. That measure passed the House of Representatives, as you know; and when it went to the Senate, there were those who objected to it on the theory that it would constitute dumping. Then we passed my silver-purchase act, which is now in force.

It seems to me that we must recognize one of two things. We must either be prepared to lower our tariffs by reciprocal trade treaties, which the gentleman from Illinois denounces as being so vicious, or we must make it possible for foreign buyers to purchase our products. The gentleman deplores the expenditure of huge relief funds. Of course, none of us feels very happy about the necessity of appropriating billions of dollars for relief and public works.

I certainly do not. But what are you going to do? It is not a question about the wisdom of it, but what else can you do? The point I am making is that we are accumulating a tremendous public indebtedness which the American citizens, in generations yet to come, must discharge.

Mr. RANDOLPH. Will the gentleman yield?

Mr. DIES. I yield.

Mr. RANDOLPH. It is a fact that while we have a staggering national debt of some $27,000,000,000, England has an indebtedness of about $46,000,000,000. The distinguished gentleman from Texas presents a dark picture of our financial condition. I am in agreement with what he says, and yet I wish to have the RECORD disclose that England's per capita debt is said to be $991 and the per capita debt in the United States is $370. It is true, however, that as we go forward in new-deal expenditures, we guard against impairment of our credit.

Mr. DIES. Oh, true; but God help this country if we ever emulate the example of Europe. We who live in this country who imagine that we are taxed ought to study taxation in foreign countries.

To illustrate the effect of gold revaluation from a theoretical or legal point of view: If the Supreme Court of the United States holds against the Government, it is conservatively estimated that that will increase the indebtedness of the United States $69,000,000,000. Why? Simply because if the Supreme Court holds that those obligations payable in gold must be discharged in gold or in the currency equivalent of gold, then it will become necessary for the debtor who owes an obligation payable in gold—and there are $100,000,000,000 of obligations payable in gold in the United States—to put up $35 for every ounce of gold he owes, instead of $20 under the old statute. Consequently, the indebtedness, in terms of dollars, will be increased $69,000,000,000 under that theory.

Of course, none of us know what the decision of the Court will be, but I have introduced a bill, in case that decision is unfavorable, directing the Secretary of the Treasury, in the event that in obedience to the mandate of the Supreme Court it becomes necessary for us to discharge our public obligation in the currency equivalent of gold, or on the basis of $35 an ounce, to issue $5,000,000,000 of United States notes, and pay that difference with United States notes. Men say "inflation." Well, it is a peculiar thing, to my mind, that during all of the credit inflation, when values were created out of thin air, when we were reveling in so-called "luxury and prosperity", that few sound orthodox bankers ever warned against inflation. There seems to be in this country a class of people who favor credit inflation and who denounce currency inflation. We might as well make up our minds to certain fundamental facts. We are either going to pass this indebtedness on to our children and our children's children or we must have the courage now, through lowering the purchasing power of the dollar, and other methods to raise commodity prices, to bring about the discharge of at least a reasonable part of this indebtedness during the lifetime of our own people. [Applause.] But they say it cannot be done. Now, the gentlemen who say that fail to realize that

we are in a different attitude from any other country. For instance, when we revalued our gold, Professor Warren predicted that commodity prices would rise 40 percent. Many other gentlemen predicted that. No such thing happened. Why? Because we did not increase the quantity of our money one dollar; and we have in the Treasury today more gold back of our currency than ever before in the history of the United States. We have $8,000,000,000 of gold in the Treasury of the United States as against an outstanding currency issue of about $5,500,000,000. Not only was this true, but we are an export nation, and as an export nation other countries cannot call upon us for the settlement of debts. They cannot "raid" us.

The only way that a foreign country could raid our gold supply would be in case we foolishly resumed specie redemption, and the only way they could then do it would be to buy our currency and come to the Treasury and demand that that currency be redeemed in gold and transported abroad. The Congress is not going to do that. We respect the wisdom and authority of the Supreme Court of the United States. If the Supreme Court in its wisdom and judgment rules against the Government, we have a method by which we can save the American people from what I regard to be one of the most appalling economic tragedies that could ever happen to a free people. We can tax the obligations that are payable in gold after July 1, 1935. This will give creditors an opportunity to escape the tax by making the obligations payable in currency. These gentlemen talk about confiscation of wealth. Now, is it confiscation? The men who loaned their money between 1921 and 1929 loaned what kind of a dollar? They loaned a dollar that in terms of purchasing power was not worth more than 50 cents. After all, what other method do you have to measure dollars? What method do you have by which you can determine the value of a dollar except by the quantity of commodities that it will purchase? I say they loaned a dollar that in purchasing power was not worth more than 50 cents.

Then, when the subsequent deflation occurred and the purchasing power of the dollar increased and commodity prices fell, this same conservative crowd represented by the gentleman, or I should say he speaks for them, said it would be repudiation if we did not give them back $1.69. They are unwilling to accept the same kind of dollar in terms of purchasing power as that which they loaned.

It is all right to talk about the integrity of a country and about its reputation for honesty, but there never has been a country which went through a war such as we went through without expanding its currency so as to lower the purchasing power of its money and then and there settling it with the people then living. Oh, men throw their hands up in horror and talk about money tinkering and talk about silver being money tinkering! Why, silver is about the only real money left in the world. Gold is no longer money; it is not a medium of exchange. Money is something that circulates, and gold does not circulate any longer. It is no longer a reserve, because we do not have any gold in the banks as a reserve. The only purpose for which it is being used today is for hoarding by three great countries—France, the United States, and Great Britain—and the settlement of trade balances. Gentlemen, as I say, talk about cheap money. Let me tell you something: Money as the instrument of trade is supposed to increase as the production of a country increases. As the production of a country increases year by year, you need more of the instrument of exchange than you would otherwise. That is the reason why we see the quantity of money constantly increasing with the increase of production. If it lags behind, business will stagnate. If, on the other hand, through excessive issuance on the part of a central government it becomes redundant, then it becomes extremely cheap.

The analogy of a hundred ships carrying the cargoes from one country to another illustrates the purpose of money. It carries the cargo of trade, and when you have insufficient money, then the value of that instrument of exchange is unduly increased. There is no question but that the value of money is determined by the law of supply and demand just as is the value of any other commodity; and anyone who knows anything, knows that if Congress should deliberately undertake to issue large quantities of irredeemable paper, such money would depreciate to a tremendous degree; and we might as well recognize that other countries have either been forced into such desperate measures or have taken them deliberately. We, in this country, with $8,000,000,000 of gold and with nearly $1,000,000,000 of silver, are issuing tax-exempt bonds which result not only in withdrawing millions of dollars from the channels of trade and industry, and enable those of tremendous wealth to escape and evade our taxation laws, but also these tax-exempt bonds are a contributing factor to concentration of wealth; for, by enabling the privileged few to escape the burdens of taxation, this burden falls upon the middle classes and upon the wage earners and farmers.

You ask what is the remedy? The gentleman does not propose any remedy. I do not believe he is honoring me with his presence. I may be wrong about it, but I think sooner or later we are coming to it. As far as I am concerned, I am not in favor of transferring this enormous burden to my children and my children's children. I want some of it settled here and now by the generation responsible for these problems and responsible for this deplorable economic crisis. In order to make this generation assume its share of the burden, I would deliberately undertake to expand our currency. This can be done safely in the United States.

The gentleman from Texas [Mr. PATMAN] has done more work on the bonus question than any man in the United States. He is not here today, but you gentlemen know as well as I that the gentleman from Texas [Mr. PATMAN] is due most of the credit, or at least a large part of the credit, for having over a long period of time, when it was unpopular, espoused it. I am not now discussing whether it ought to be paid or not to be paid, but the man who holds up his hands and cries "fiat money" and views with alarm the issuance of new money to pay the bonus fails to recognize that already since the revaluation of gold we have increased our supply of gold $1,000,000,000, and this at a time when all the conservative bankers said we were destroying the financial strength of the United States. In spite of their dire predictions we have $1,000,000,000 more gold in the Treasury today than we had when we revalued gold. We could issue money against this gold and have 100-percent backing for the currency we would issue under the Patman bill. What are we going to do? Shall we continue to issue tax-exempt bonds? The gentleman objects to the increase in income tax because he says it is soaking the rich. It is true that if you increase your income taxes you reach the point of diminishing returns and get less tax than you otherwise would, and the tax is to some extent passed on to the masses of our people.

What is the remedy? What is the remedy of the gentlemen who are prating about money tinkering? What are you going to do in your district and what am I going to do in my district with the thousands of unemployed people?

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DIES. Mr. Chairman, I have listened time and time again to all of this prating about unsound policies. Why, if it had not been for the credit inflation between the years 1921 and 1929 there would not be any necessity for tinkering with the currency. The only reason it is necessary to lower the purchasing power of the dollar today is on account of debts that were contracted with a cheap dollar and now have to be discharged with a high dollar. Our people just cannot do it.

How are you going to force liquidation? I see that the distinguished former head of the N. R. A., General Johnson, recommends liquidation. He and many thoughtful men in this country say the thing to do is to write it off, but how are you going to do that? Did we not pass a bankruptcy measure about 2 or 3 years ago? What happened? Did we not pass a municipal bankruptcy law to permit the municipalities

to compose their debts? What happened? Where do we have the constitutional authority to compel creditors to scale down their indebtedness? If any man can tell me the authority under which we can do this, I should like to have him show it to me. The only way that Congress can reach the situation is through a sensible and sound currency expansion and other methods to increase commodity prices. I do not mean that as you increase the money all commodity prices will rise in the same proportion. I do not mean to imply it is a cure-all, but I say it is a necessary medicine that we have to take in this country. To increase indebtedness through the continued issuance of tax-exempt securities is to increase the burden of debt. As far as I am concerned, I trust that the opportunity will present itself to me to vote for the issuance of new money to take up some of these obligations or to discharge some of the obligations of the Government. I shall certainly oppose an overissue, and I appreciate the danger of excessive issues of currency.

Mr. Chairman, it is a long, hard battle. Every time you propose something with reference to silver there is a howl raised. These gentlemen do not want to lower the tariff, they do not want to accept goods; and yet, when you undertake to let the foreign nations pay for our surplus with silver, an objection is raised. The only reason silver was selected is because silver is money to about half the world. We can get it and store it in the Treasury and it does not compete with American industry. However, these gentlemen do not want that. They do not want to lower the tariff, and yet they cry "autocracy" when production is restricted.

May I say if we continue our nationalistic policies to protect everything in the United States and refuse to meet competition in foreign countries, we might just as well get ready to pass a Bankhead bill relating to every agricultural commodity and industry in the country. We might just as well accept the consequences of economic isolation, which is economic dictatorship, because there is no escape. It seems to me that when these gentlemen from day to day continue to denounce the administration they are making a mistake. I do not feel good about all of this. It is worrying me as it is every other Member of this House. I have talked to nearly all the Members of this House, in the cloakroom and various other places, and I do not know of a Member of the House who is not worrying tremendously on account of this situation.

We do not want to spend money on relief, but what are you going to do—let them starve? When you come in with the public-works proposition, some say "We do not want public works, we want the dole." Yet 2 years ago every big-business man in the country was denouncing the dole. When we undertake to keep away from the dole, which is demoralizing our people, then they come in and say that the public works is too expensive.

It is all right to criticize and condemn. No doubt there are some of the things that we are doing that are not wise. I do not think the N. R. A. in every respect has been a success by any means, but I think it has accomplished some definite good.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, the gentleman from Illinois [Mr. DIRKSEN] is unavoidably absent from the Chamber at the present time. On his behalf I ask unanimous consent that he have the privilege of extending and revising his remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 3973, the District of Columbia appropriation bill, had come to no resolution thereon.

## MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—THE PHILIPPINE ISLANDS (H. DOC. NO. 32)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Insular Affairs and ordered printed.

*To the Congress of the United States:*

As required by section 21 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands", I transmit herewith, for the information of the Congress, the report of the Governor General of the Philippine Islands for the calendar year 1933, together with appendixes, consisting of abridged reports of the heads of the six departments of the Philippine government for the calendar year 1933.

I concur in the recommendation of the Secretary of War that this report and its appendixes be printed as a congressional document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

The SPEAKER laid before the House the following further message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Insular Affairs:

*To the Congress of the United States:*

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands", I transmit herewith a copy of Act No. 4104, passed by the Ninth Philippine Legislature at its third session, and a set of the laws and resolutions enacted by the Ninth Philippine Legislature during its third special session, from April 30 to May 5, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

## VETERANS' ADMINISTRATION

The SPEAKER laid before the House the following further message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Expenditures in the Executive Departments and ordered printed:

*To the Congress of the United States:*

Pursuant to the provisions of section 20, title I, of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, I am transmitting herewith Executive Orders No. 6775 (Veterans' Regulation No. 6 (c)) and No. 6776 (Veterans' Regulations No. 8 (a)), approved by me June 30, 1934.

Executive Order No. 6775 amends Executive Order No. 6566 (Veterans' Regulation No. 6 (b)), January 19, 1934, and Executive Order No. 6776 effected the cancelation of Executive Order No. 6096, March 31, 1933.

These regulations were promulgated in accordance with the terms of title I, Public, No. 2, Seventy-third Congress, "An act to maintain the credit of the United States Government."

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 16, 1935.*

## COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. RAYBURN. Mr. Speaker, I desire to make a brief statement and then submit a unanimous-consent request.

The Committee on Interstate and Foreign Commerce had money appropriated to make its investigation in the holding-company field. This appropriation expired, of course, at the close of the last Congress. There are about 30,000 proof pages to be read and there is a young man and a young woman in the office now who are doing this work. They

cannot be paid unless I get unanimous consent to use a part of this fund, as has been done in other cases. There is $10,500 which the committee did not use and which will be turned back into the Treasury.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, has the gentleman taken this matter up with the ranking Republican member of the committee, the gentleman from Ohio [Mr. COOPER]?

Mr. RAYBURN. No; I did not think to do that. I am sure it will be all right with the gentleman from Ohio [Mr. COOPER], but I cannot speak for him.

Mr. MARTIN of Massachusetts. I do not want to object to the gentleman's request, but, of course, it is customary to confer with the ranking minority Member.

Mr. RAYBURN. If the gentleman has any objection at all, I shall withdraw the request until a later date; but I think I may say that the gentleman from Ohio would not object.

Mr. MARTIN of Massachusetts. With that assurance, I shall not object.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that $500 of this amount may be made available until the 1st of March to pay these two employees who cannot be paid until this is done.

The SPEAKER. The gentleman from Texas asks unanimous consent that $500 of the amount unexpended in the utilities-investigation fund be made available for the payment of the salary of two employees until March 1 next. Is there objection?

There was no objection.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Thursday, January 17, 1935, at 12 o'clock noon.

## COMMITTEE HEARING

The House Committee on Immigration and Naturalization will meet at 10 a. m. Thursday, January 17, room 445, House Office Building, to hold public hearings on bill H. R. 2753, regarding cancelation of citizenship of naturalized Americans who voted in the plebiscite in the Saar region, Germany.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

123. A letter from the Secretary of War, transmitting a report of designs, aircraft parts, and aeronautical accessories purchased by the War Department, the prices therefor and the reason for the award in each case; to the Committee on Expenditures in the Executive Departments.

124. A letter from the Secretary of the Interior, transmitting copy of a letter from the Commissioner of the General Land Office, dated January 9, 1935, transmitting report of the withdrawals and restorations of public lands in certain cases; to the Committee on Expenditures in the Executive Departments.

125. A letter from the Secretary of Commerce, transmitting 2 sets of the 4 classes of the general rules and regulations, as required by section 14 of the Seamen's Act, approved March 4, 1915, and as prescribed by the Board of Supervising Inspectors, with 3 supplements thereto; to the Committee on Interstate and Foreign Commerce.

126. A letter from the vice president of the Chesapeake & Potomac Telephone Co., transmitting a report for the year 1934; to the Committee on the District of Columbia.

127. A letter from the Secretary of Labor, transmitting report of statistical studies performed by the Department of Labor for other than Government activities; to the Committee on Labor.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BUCHANAN: Committee on Appropriations. House Joint Resolution 88. Joint resolution making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935; without amendment (Rept. No. 6). Referred to the Committee of the Whole House on the state of the Union.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3973. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes; without amendment (Rept. No. 7). Referred to the Committee of the Whole House on the state of the Union.

Mr. JONES: Committee on Agriculture. H. R. 3247. A bill to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas, and for other purposes; with amendment (Rept. No. 8). Referred to the Committee of the Whole House on the state of the Union.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

The bill (H. R. 1220) granting a pension to Venia Moody; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

The bill (H. R. 1685) granting a pension to Mary P. Paul; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

The bill (H. R. 1900) granting a pension to Ida Miller; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MEAD: A bill (H. R. 3972) to revise and amend the Food and Drugs Act of June 30, 1906, as amended August 23, 1912, March 3, 1913, March 4, 1913, July 24, 1919, January 18, 1927, July 8, 1930, and June 22, 1934, to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drugs, and cosmetics; to prevent the false advertising of food, drugs, and cosmetics; and to regulate traffic therein; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON of Missouri: A bill (H. R. 3973) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. ELLENBOGEN: A bill (H. R. 3974) to amend the Home Owners' Loan Act of 1933, to reduce the rate of interest to 3½ percent, to extend the time of maturity to 25 years, to provide for authority to issue an additional two and one-half billion dollars of bonds, and for other purposes; to the Committee on Banking and Currency.

By Mr. DEEN: A bill (H. R. 3975) to provide for the establishment of a Coast Guard station on the coast of Georgia, at or near Sea Island Beach; to the Committee on Interstate and Foreign Commerce.

By Mr. LORD: A bill (H. R. 3976) to provide for unemployment insurance; to the Committee on Ways and Means.

By Mr. McGROARTY: A bill (H. R. 3977) to promote the general welfare, to assure permanent employment and social security for all, and to stabilize business conditions through an assured definite and constant circulation of money and credit by the National Government, and for other purposes; to the Committee on Ways and Means.

By Mr. MAPES: A bill (H. R. 3978) declaring Armistice Day to be a legal public holiday; to the Committee on the Judiciary.

By Mr. RANKIN: A bill (H. R. 3979) to safeguard the estates of veterans derived from payments of pension, compensation, emergency officers' retirement pay, and insurance, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SIROVICH: A bill (H. R. 3980) to improve the Government service, and for other purposes; to the Committee on the Civil Service.

By Mr. BEITER: A bill (H. R. 3981) to provide braille medals for certain blind veterans; to the Committee on Military Affairs.

By Mr. BOEHNE: A bill (H. R. 3982) to extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Ind., and Owensboro, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. BURCH: A bill (H. R. 3983) to legalize a bridge known as "Union Street Bridge", across the Dan River at Danville, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. HOEPPEL: A bill (H. R. 3984) to amend the rate of postage on air mail for official business sent by Members of Congress; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 3985) granting to certain enlisted men of the Army, honorably discharged for disability, the pay of retired warrant officers; to the Committee on Military Affairs.

By Mr. QUINN: A bill (H. R. 3986) to fix the weight of the gold dollar; to the Committee on Coinage, Weights, and Measures.

By Mr. RAMSAY: A bill (H. R. 3987) extending the time within which applications for benefits under the World War Adjusted Compensation Act, as amended, may be filed; to the Committee on Ways and Means.

By Mr. SECREST: A bill (H. R. 3988) to authorize the further improvement of rural free delivery mail roads and to aid in relieving unemployment throughout the country, and for other purposes; to the Committee on Roads.

By Mr. TAYLOR of Tennessee: A bill (H. R. 3989) to authorize the Secretary of Labor to deport aliens whose presence in the United States is inimical to the public interest; to the Committee on Immigration and Naturalization.

By Mr. YOUNG: A bill (H. R. 3990) to authorize the Home Owners' Loan Corporation to issue $2,500,000,000 of additional bonds; to the Committee on Banking and Currency.

By Mr. GASSAWAY: A bill (H. R. 3991) to prohibit making any charge for the handling of the United States Treasury checks issued for personal services or in carrying out the activities of the Agricultural Adjustment Administration; to the Committee on Banking and Currency.

By Mr. MARTIN of Colorado: A bill (H. R. 3992) to amend the Agricultural Adjustment Act, as amended, by making beans a basic agricultural commodity; to the Committee on Agriculture.

By Mr. BERLIN: A bill (H. R. 3993) to prohibit the killing of migratory waterfowl during the period from July 1, 1935, until July 1, 1936, and for other purposes; to the Committee on Agriculture.

By Mr. AYERS: A bill (H. R. 3994) to provide for the issuance of route certificates to carriers on star routes, fixing the compensation of such carriers, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. MONAGHAN: A bill (H. R. 3995) for the relief of the aged; to the Committee on Labor.

By Mr. DINGELL: A bill (H. R. 3996) to provide for the issuance of $2,000,000,000 in additional bonds of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. PEYSER: A bill (H. R. 3997) to amend the Criminal Code; to the Committee on the Judiciary.

By Mr. WALLGREN: A bill (H. R. 3998) for the refunding of certain countervailing customs duties collected upon logs imported from British Columbia; to the Committee on the Judiciary.

Also, a bill (H. R. 3999) to provide funds for cooperation with Marysville School District, No. 325, Snohomish County, Wash., for extension of public-school buildings to be available for Indian children; to the Committee on Indian Affairs.

By Mr. O'CONNELL: A bill (H. R. 4000) authorizing certain officials under the Naval Establishment to administer oaths; to the Committee on Naval Affairs.

By Mr. BRUNNER: A bill (H. R. 4001) to permit shipment of intoxicating liquors via parcel post; to the Committee on the Judiciary.

By Mr. CELLER: A bill (H. R. 4002) to provide for the construction of two vessels for the Coast Guard designed for ice breaking and assistance work; to the Committee on Interstate and Foreign Commerce.

By Mr. MURDOCK: A bill (H. R. 4003) to provide for the purchase of a certain lot of land in Cedar City, Utah; to the Committee on Public Buildings and Grounds.

By Mr. BOLAND: A bill (H. R. 4004) to amend section 1383 of the Revised Statutes of the United States; to the Committee on Naval Affairs.

By Mr. RAYBURN: A bill (H. R. 4005) to amend section 21 of the Interstate Commerce Act, as amended, with respect to the time of making the annual report of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4006) to amend section 24 of the Interstate Commerce Act, as amended, with respect to the terms of office of members of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNELL: A bill (H. R. 4007) to amend article 6 of the Articles for the Government of the Navy authorizing trial by court martial of any person in the naval service charged with the crime of murder committed without the geographical limits of the States of the Union and the District of Columbia; to the Committee on Naval Affairs.

Also, a bill (H. R. 4008) to provide for the better administration of justice in the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 4009) to authorize certain officers of the Navy and Marine Corps to administer oaths; to the Committee on Naval Affairs.

By Mr. SCRUGHAM: A bill (H. R. 4010) authorizing the Secretary of the Interior to erect and lease or operate custom mills for the treatment of gold and silver ore; to the Committee on Mines and Mining.

By Mr. KNIFFIN: A bill (H. R. 4011) to authorize the wearing of miniature facsimile medals, with ribbon, by personnel of the Navy and Marine Corps who have been awarded medals; to the Committee on Naval Affairs.

Mr. McSWAIN (by request): A bill (H. R. 4012) to provide certain benefits for officers and enlisted men of the National Guard and the Organized Reserves who are physically injured in line of duty; to the Committee on Military Affairs.

By Mr. DIES: A bill (H. R. 4013) to provide for the payment of obligations of the United States Government, or of any State or political subdivision thereof, in currency and authorizing the issuance of $5,000,000,000 of United States notes; to the Committee on Ways and Means.

By Mr. WEAVER: A bill (H. R. 4014) to extend the benefits of the act approved May 1, 1926, to persons who were employed as teamsters in the Military Establishment in the War with Spain or the Philippine Insurrection; to the Committee on Pensions.

By Mr. SECREST: A bill (H. R. 4015) authorizing the establishment of a filing and indexing service for useful Government publications; to the Committee on the Library.

By Mr. DREWRY: A bill (H. R. 4016) to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934; to the Committee on Naval Affairs.

By Mr. BLAND (by request): A bill (H. R. 4017) to amend section 21 of the act approved June 5, 1920, entitled "An act

to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes", as applied to the Virgin Islands of the United States; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 4018) to provide for the investigation, control, and eradication of marine organisms injurious to shellfish in the Atlantic and Gulf States; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. COCHRAN: A bill (H. R. 4019) authorizing the Comptroller General of the United States to settle and adjust the claims of subcontractors and materialmen for material and labor furnished in the construction of a post-office and courthouse building at Rutland, Vt.; to the Committee on Public Buildings and Grounds.

By Mr. FLETCHER: A bill (H. R. 4020) extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes; to the Committee on the Civil Service.

By Mr. McCORMACK: A bill (H. R. 4021) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

Also, a bill (H. R. 4022) to provide for the refund of stamps used in respect of beer, ale, porter, or other similar fermented liquor which has become spoiled; to the Committee on Ways and Means.

By Mr. McFARLANE: A bill (H. R. 4023) to prohibit Members of Congress from employing their kinsfolk; to the Committee on Expenditures in the Executive Departments.

By Mr. DEROUEN: A bill (H. R. 4024) to amend an act of Congress approved June 13, 1933 (48 Stat. 139), entitled "An act to extend the mining laws of the United States to the Death Valley Monument in California"; to the Committee on the Public Lands.

By Mr. DREWRY: A bill (H. R. 4025) authorizing the assignment of two officers on the active list of the United States Marine Corps not below the rank of colonel to duty as assistants to the Major General Commandant of the Marine Corps; to the Committee on Naval Affairs.

By Mr. ROBERTSON: A bill (H. R. 4026) to amend section 5 of the act of March 2, 1919, generally known as the "War minerals relief statute"; to the Committee on Military Affairs.

By Mr. CELLER: A bill (H. R. 4027) to provide that moneys paid to contractors shall constitute trust funds; misapplication thereof to constitute a larceny; and to amend and supplement the act entitled "An act for the protection of persons furnishing materials and labor for the construction of public works", approved August 13, 1894, as amended by act approved February 24, 1905; to the Committee on the Judiciary.

By Mr. SABATH: Resolution (H. Res. 53) authorizing the Speaker to recognize the Chairman of the Committee on Claims after the reading of the Journal in reference to certain bills; to the Committee on Rules.

By Mr. WHITE: Resolution (H. Res. 54) to provide additional clerical help during present emergency; to the Committee on Accounts.

By Mr. SIROVICH: Resolution (H. Res. 55) authorizing hearings on operation and effect of patent pools; to the Committee on Rules.

By Mr. FISH: Resolution (H. Res. 56) requesting the names and addresses of all persons and corporations who own tax-exempt securities in the amount of $100,000 or over; to the Committee on Ways and Means.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 90) authorizing the issuance of a special stamp in behalf of the island of Puerto Rico; to the Committee on the Post Office and Post Roads.

By Mr. SHANLEY: Joint resolution (H. J. Res. 91) directing the President of the United States of America to proclaim October 11 of each year as a memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SECREST: Joint Resolution (H. J. Res. 92) directing the Federal Trade Commission to investigate and report to the Senate and to the House of Representatives the cause or causes for the high prices of agricultural implements and machinery; to the Committee on Interstate and Foreign Commerce.

By Mr. BURNHAM: Joint resolution (H. J. Res. 94) providing for the participation of the United States in the California Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936; authorizing an appropriation therefor; and for other purposes; to the Committee on Foreign Affairs.

By Mr. FERGUSON: Joint resolution (H. J. Res. 95) to amend section 9 of Public Law No. 67, Seventy-third Congress, otherwise known and cited as the "National Industrial Recovery Act"; to the Committee on Ways and Means.

By Mr. LEE of Oklahoma: Joint resolution (H. J. Res. 96) to prohibit the shipment in interstate and foreign commerce of petroleum and the products of petroleum produced in contravention of State laws, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SIROVICH: Joint resolution (H. J. Res. 97) for the purpose of improving the Government service; to the Committee on the Civil Service.

By Mr. McFARLANE: Joint resolution (H. J. Res. 98) proposing an amendment to the Constitution of the United States relative to taxing certain incomes; to the Committee on the Judiciary.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 99) to transfer to the government of the capital, Puerto Rico, a parcel of land, and for other purposes; to the Committee on Naval Affairs.

By Mr. KNUTSON: Joint resolution (H. J. Res. 100) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: Joint resolution (H. J. Res. 101) proposing an amendment to the Constitution of the United States empowering the United States and the several States to lay and collect taxes upon income derived from certain securities; to the Committee on the Judiciary.

By Mr. KELLER: Joint resolution (H. J. Res. 102) to provide that the National Archives Establishment shall be a designated depository of Government documents; to the Committee on the Library.

By Mr. McCORMACK: Joint resolution (H. J. Res. 103) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 104) to provide for the disposal of smuggled merchandise, to authorize the Secretary of the Treasury to require imported articles to be marked in order that smuggled merchandise may be identified, and for other purposes; to the Committee on Ways and Means.

By Mr. PETTENGILL: Joint resolution (H. J. Res. 105) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

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## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 4028) for the relief of George W. Fenton; to the Committee on Claims.

Also, a bill (H. R. 4029) for the relief of Thomas Enchoff; to the Committee on Claims.

By Mr. BEAM: A bill (H. R. 4030) to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow

fever", approved February 28, 1929, by including therein the name of Gustaf E. Lambert; to the Committee on Military Affairs.

Also, a bill (H. R. 4031) for the relief of Stanley T. Gross; to the Committee on Claims.

By Mr. BRUNNER (by request): A bill (H. R. 4032) for the relief of Julius Zimmern; to the Committee on Claims.

By Mr. CARY: A bill (H. R. 4033) granting a pension to Maggie Sanders; to the Committee on Invalid Pensions.

By Mr. COLE of Maryland: A bill (H. R. 4034) for the relief of Charles Szymanski; to the Committee on Claims.

Also, a bill (H. R. 4035) granting a pension to Laura C. Hobbs; to the Committee on Invalid Pensions.

By Mr. COLLINS: A bill (H. R. 4036) for the relief of Ralph C. Irwin; to the Committee on the Post Office and Post Roads.

By Mr. COSTELLO: A bill (H. R. 4037) granting a pension to Frank B. Hayes; to the Committee on Pensions.

By Mr. CROWE: A bill (H. R. 4038) for the relief of M. P. Creath; to the Committee on Claims.

Also, a bill (H. R. 4039) for the relief of Strother B. and Mary N. Earls; to the Committee on Claims.

Also, a bill (H. R. 4040) granting a pension to Edwin Wade Buford; to the Committee on Pensions.

Also, a bill (H. R. 4041) granting a pension to Eugene Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4042) granting a pension to Sarah E. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4043) granting a pension to Emma Cole; to the Committee on Pensions.

Also, a bill (H. R. 4044) granting a pension to Edward C. Steward; to the Committee on Pensions.

Also, a bill (H. R. 4045) granting a pension to Major Buley; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 4046) for the relief of the Germania Catering Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 4047) granting 6 months' pay to James Zanetti; to the Committee on Naval Affairs.

By Mr. CULKIN: A bill (H. R. 4048) granting a pension to Dorothy King; to the Committee on Pensions.

Also, a bill (H. R. 4049) granting an increase of pension to Mary A. McNeil; to the Committee on Invalid Pensions.

By Mr. DIMOND: A bill (H. R. 4050) for the relief of the heirs of John Mitchell, alias Tonias Kyprios, deceased; to the Committee on Claims.

By Mr. DINGELL: A bill (H. R. 4051) to authorize a preliminary examination and survey of Detroit River, Mich.; to the Committee on Rivers and Harbors.

By Mr. DOBBINS: A bill (H. R. 4052) for the relief of the city of Decatur, a municipal corporation; to the Committee on Claims.

By Mr. FISH: A bill (H. R. 4053) granting a pension to Catherine Harrigan; to the Committee on Pensions.

By Mr. FLETCHER: A bill (H. R. 4054) for the relief of George E. Moody; to the Committee on Claims.

Also, a bill (H. R. 4055) for the relief of Henry J. Corcoran; to the Committee on Military Affairs.

By Mr. FORD of California: A bill (H. R. 4056) for the relief of Earl E. Keen; to the Committee on Military Affairs.

Also, a bill (H. R. 4057) granting a pension to Shirley R. Selvin; to the Committee on Pensions.

By Mr. FULMER: A bill (H. R. 4058) granting a pension to Clarence D. Sexton; to the Committee on Pensions.

By Mr. HIGGINS of Connecticut: A bill (H. R. 4059) for the relief of Ella B. Kimball, daughter and only heir of Jeremiah Simonson; to the Committee on Claims.

By Mr. HOUSTON: A bill (H. R. 4060) for the relief of Jessie T. Lafferty; to the Committee on Claims.

By Mr. IMHOFF: A bill (H. R. 4061) granting a pension to Viannie M. Walters; to the Committee on Invalid Pensions.

By Mr. JONES: A bill (H. R. 4062) for the relief of John F. Cain; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H. R. 4063) for the relief of Sol J. Hyman; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 4064) for the relief of Elmer Aloysious Roussey; to the Committee on Naval Affairs.

By Mr. KRAMER: A bill (H. R. 4065) for the relief of Mrs. Ida Appelbaum; to the Committee on Claims.

By Mr. McFARLANE: A bill (H. R. 4066) granting an increase of pension to David R. Majors; to the Committee on Pensions.

Also, a bill (H. R. 4067) for the relief of H. B. Van Emden; to the Committee on Claims.

Also, a bill (H. R. 4068) for the relief of R. F. Lane; to the Committee on Claims.

By Mr. MARTIN of Massachusetts: A bill (H. R. 4069) for the relief of Mary H. Jordan; to the Committee on Claims.

By Mr. MILLER: A bill (H. R. 4070) granting an increase of pension to Please Waits; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4071) granting a pension to Gracie Marie Kent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4072) granting a pension to Euell, Eldon, Lucille, Louise, Mary Sue, and Herman Joe Pollett; to the Committee on Pensions.

By Mr. MONAGHAN: A bill (H. R. 4073) for the relief of T. W. Robbins; to the Committee on Naval Affairs.

Also, a bill (H. R. 4074) for the relief of Joe Petran; to the Committee on Claims.

Also, a bill (H. R. 4075) for the relief of Marie M. Leipheimer; to the Committee on War Claims.

Also, a bill (H. R. 4076) granting a pension to Daisy Saunders; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 4077) authorizing a preliminary examination of the Nehalem, Miami, Kilchis, Wilson, Trask, and Tillamook Rivers, in Tillamook County, Oreg., with a view to the controlling of floods; to the Committee on Flood Control.

Also, a bill (H. R. 4078) providing for a survey of the Skipanon Channel, Oreg.; to the Committee on Rivers and Harbors.

By Mr. O'BRIEN: A bill (H. R. 4079) for the relief of Garfield Arthur Ross; to the Committee on Claims.

By Mr. PATMAN: A bill (H. R. 4080) granting a pension to Tom F. Taylor; to the Committee on Pensions.

By Mr. PETTENGILL: A bill (H. R. 4081) for the relief of Peter S. Kaminski; to the Committee on Military Affairs.

By Mr. PIERCE: A bill (H. R. 4082) for the relief of St. Anthony's Hospital, Pendleton, Oreg.; to the Committee on Indian Affairs.

By Mr. PITTENGER: A bill (H. R. 4083) for the relief of Pete Jelovac; to the Committee on Claims.

Also, a bill (H. R. 4084) for the relief of Charles D. Jeronimus; to the Committee on Naval Affairs.

Also, a bill (H. R. 4085) for the relief of Joseph Watkins; to the Committee on Claims.

Also, a bill (H. R. 4086) for the relief of Ellis Duke, also known as "Elias Duke"; to the Committee on Claims.

Also, a bill (H. R. 4087) for the relief of John Cyrol; to the Committee on Claims.

By Mr. REECE: A bill (H. R. 4088) for the relief of Alexander Hayes; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky: A bill (H. R. 4089) granting a pension to Anderson B. Curtis; to the Committee on Pensions.

Also, a bill (H. R. 4090) granting a pension to Frank Broyles; to the Committee on Pensions.

Also, a bill (H. R. 4091) granting an increase of pension to John D. Jones; to the Committee on Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 4092) for the relief of Max Dole Gilfillan; to the Committee on Naval Affairs.

By Mr. SAUTHOFF: A bill (H. R. 4093) granting a pension to Lorania M. Blackman; to the Committee on Invalid Pensions.

By Mr. SMITH of Virginia: A bill (H. R. 4094) granting a pension to Earlene E. Rixey; to the Committee on Pensions.

By Mr. SMITH of Washington: A bill (H. R. 4095) providing for a survey of the Chehalis River from the mouth of

Skookumchuck River extending up the Chehalis River to the Ocean Beach highway bridge at Riverside Park, Chehalis, and to the deep water of the Chehalis River at the Grays Harbor County line, Washington; to the Committee on Rivers and Harbors.

By Mr. TARVER: A bill (H. R. 4096) for the relief of James Harold Hunter; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 4097) granting a pension to Spurgeon C. Portwood; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 4098) granting an increase of pension to Sarah H. Tefft; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 4099) for the relief of Joseph L. Plouffe; to the Committee on Military Affairs.

Also, a bill (H. R. 4100) granting a pension to Mary A. C. Scales; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 4101) granting a pension to Thomas Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4102) granting a pension to Lewis Stamper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4103) granting a pension to Ned Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4104) granting a pension to Minnie Allen Lacy; to the Committee on Invalid Pensions.

By Mr. WADSWORTH: A bill (H. R. 4105) for the relief of Julian C. Dorr; to the Committee on Claims.

Also, a bill (H. R. 4106) to authorize the presentation of the Congressional Medal of Honor to Clarence R. Oliver; to the Committee on Military Affairs.

By Mr. WALLGREN: A bill (H. R. 4107) granting a pension to Elmer K. Corbett; to the Committee on Pensions.

Also, a bill (H. R. 4108) granting a pension to Margaret Keefe; to the Committee on Pensions.

By Mr. WEAVER: A bill (H. R. 4109) granting a pension to Flora Duckett; to the Committee on Invalid Pensions.

By Mr. WELCH: A bill (H. R. 4110) for the relief of Samuel J. Scharf; to the Committee on Claims.

By Mr. WOLCOTT: A bill (H. R. 4111) granting a pension to Richard J. Huss; to the Committee on Pensions.

Also, a bill (H. R. 4112) granting a pension to Maud Patterson; to the Committee on Pensions.

Also, a bill (H. R. 4113) granting a pension to Gussie Gates; to the Committee on Pensions.

Also, a bill (H. R. 4114) granting a pension to Jane Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4115) granting a pension to Mary Elizabeth O'Keefe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4116) granting a pension to Kate Hess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4117) granting a pension to Margaret Fonda; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4118) granting a pension to Anna Lovejoy; to the Committee on Invalid Pensions.

By Mr. WOLFENDEN: A bill (H. R. 4119) to provide a preliminary examination for the repair of certain breaks in the banks of the Delaware River in Tinicum Township, Delaware County, Pa., with a view to the control of its floods; to the Committee on Flood Control.

By Mr. DIMOND: Joint resolution (H. J. Res. 93) authorizing a preliminary examination or survey of Sitka Harbor, Alaska; to the Committee on Rivers and Harbors.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

153. By Mr. BACON: Petition of the Assembly of the State of New York, urging the designation of Floyd Bennett Field Airport, in the Borough of Brooklyn, N. Y., as an air-mail service station for the city of New York and its environs; to the Committee on the Post Office and Post Roads.

154. Also, petition of the Legislature of the State of New York, urging the consideration of Federal legislation to take profit out of war or of exclusively putting the business of manufacturing war munitions in the hands of the Federal Government; to the Committee on Military Affairs.

155. Also, petition of the St. Joseph's Branch of the Holy Name Society, Babylon, Long Island, N. Y., protesting against the persecution of Catholic Church in Mexico, and urging withdrawal of American Ambassador to that country; to the Committee on Foreign Affairs.

156. By Mr. BELL: Petition of the Order of Benefit Association of Railroad Employees, George O'Neal, secretary; to the Committee on Interstate and Foreign Commerce.

157. Also, resolutions adopted by independent oil jobbers; to the Committee on Mines and Mining.

158. Also, petition favoring Townsend plan of old-age revolving pensions; to the Committee on Labor.

159. By Mr. BRUNNER: Resolution of the Queens County Committee, the American Legion, Department of New York, Queens Village, N. Y., asking Congress to make additional funds available for the Home Owners' Loan Corporation; to the Committee on Appropriations.

160. Also, resolution of Hon. E. S. Moran, State of New York, in assembly, Albany, N. Y., asking Congress to take appropriate action to the end that Floyd Bennett Field Airport in the Borough of Brooklyn, N. Y., be designated as an air mail service for the city of New York and the environs of such city; to the Committee on the Post Office and Post Roads.

161. By Mr. CANNON of Missouri: Petition of John Fox and 1,889 other citizens, of St. Charles County, Mo., favoring adoption of the Townsend plan for old-age pension; to the Committee on Labor.

162. By Mr. CROWTHER: Petition of the Gloversville (N. Y.) Lodge, No. 341, of the Czechoslovak Society of America in behalf of House bill 7598; to the Committee on Labor.

163. By CULKIN: Petition of Thousand Island Grange, No. 593, against the adoption of the Townsend plan of old-age pension; to the Committee on Labor.

164. Also, petition of the citizens of Copenhagen and vicinity, State of New York, favoring the Townsend plan of old-age revolving pensions; to the Committee on Labor.

165. By Mr. GOODWIN: Memorial of the Assembly of the State of New York, wherein it is resolved that the Congress of the United States and the Postmaster General be memorialized to take appropriate action to the end that the Floyd Bennett Field Airport in the Borough of Brooklyn, N. Y., be designated as an Air Mail Service station for the city of New York and its environs; to the Committee on the Post Office and Post Roads.

166. Also, petition of the Southern Commissioners of Agriculture and other cotton interests in the city of New Orleans. expressing appreciation to the Members of Congress for their passage of the excise bill for a tax on foreign oil and urge that this tax not be reduced, but may be extended as found necessary; to the Committee on Agriculture.

167. Also, petition of the Foreign Commerce Club of New York, Inc., voicing opposition to and the defeat of the St. Lawrence Seaway Pact; to the Committee on Interstate and Foreign Commerce.

168. Also, memorial of the State of New York, through its senate and assembly, submitting resolution no. 15, wherein it is resolved that the Legislature of the State of New York hereby memorializes the United States Congress to consider legislation looking to either taking all profits out of war, or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Military Affairs.

169. Also, memorial of the State of New York, through concurrent resolution no. 16 passed by the senate and assembly, wherein it is resolved that the Secretary of Agriculture of the United States, be, and hereby is, requested to supplement the regulations made by this State pertaining to the production, handling, and marketing of milk within the State by making effective at the earliest date such Federal regulations as will place milk produced in other States and marketed within the State of New York under similar

regulations to those applied by this State to milk produced within its borders; to the Committee on Agriculture.

170. By Mr. KIMBALL: Petition of the citizens of the Third District of Michigan, favoring Townsend plan of old-age revolving pensions; to the Committee on Labor.

171. Also, resolution of the Battle Creek (Mich.) Division No. 219, Order of Benefit Association of Railway Employees, favoring enactment of legislation as recommended by the Federal Coordinator and covered in House bill 8100 of the Seventy-third Congress; to the Committee on Interstate and Foreign Commerce.

172. By Mr. KRAMER: Resolution of the board of directors of Redlands, Calif., with respect to communism; to the Committee on the Judiciary.

173. Also, resolution of the executive committee of the Southern California Chapter of the American Institute of Architects, Los Angeles, with respect to the maintenance of the strong motion seismographs recently installed in various sections of the State of California by the United States Coast and Geodetic Survey; to the Committee on Mines and Mining.

174. Also, resolution of the board of directors of the Redlands Chamber of Commerce, relative to the insidious propaganda which is being disseminated to undermine the sterling foundation of the Government of the United States of America and to overthrow our American social order, etc.; to the Committee on the Judiciary.

175. Also, resolution of the Independent Petroleum Association of America, with respect to the discrimination practiced by the Bureau of Public Roads in the Department of Agriculture against the domestic asphalt industry is to the detriment of American labor and of the national recovery program, etc.; to the Committee on Mines and Mining.

176. Also, resolution of the executive council of the California State Federation of Labor, with respect to the owners of the mines in and about Jackson, Amador County, Calif., having served public notice that they intend to flood certain mines and thus to make unavailable for America the raw gold so necessary for its recovery; to the Committee on Mines and Mining.

177. By Mr. LAMBERTSON: Petition of M. A. Warren and other citizens of Marshall County, Kans., urging the passage of an old-age pension in the amount of $200 payable monthly to all persons of 60 years of age not engaged in a gainful business or profession and for a Federal retail sales tax to provide the revenue for such an old-age pension; to the Committee on Labor.

178. Also, petition of C. F. Teagarden and 101 other citizens of Marshall County, Kans., urging passage of the Frazier-Lemke farm-refinancing bill and cost-of-production legislation; to the Committee on Agriculture.

179. By Mr. LAMNECK: Petition of Mrs. Myron S. Seibert, of 1166 Wyandotte Road, and other citizens of Columbus, Ohio, urging that the Nye munitions investigation be continued; to the Committee on Military Affairs.

180. By Mr. MARTIN of Massachusetts: Petition of Elsie P. Tragard and 120 other residents of Mansfield, Charles C. Conrod and 9 other residents of Plainville, Willa C. Dutton and 9 other residents of Foxboro, all of the State of Massachusetts, advocating the Townsend plan of old-age revolving pensions; to the Committee on Labor.

181. By Mr. PFEIFER: Petition of the National Fur Tax Committee, New York City, opposing House bill 7835, section 608, of the Revenue Act of 1934; to the Committee on Ways and Means.

182. Also, petition of the Assembly of the State of New York, Albany, favoring designation of Floyd Bennett Field Airport, in the Borough of Brooklyn, as an Air Mail Service station for the city of New York and its environs; to the Committee on the Post Office and Post Roads.

183. Also, petition of the Senate of the State of New York, Albany, urging Congress to consider legislation taking profits out of war or the manufacturing of munitions of war by the United States Government; to the Committee on Military Affairs.

184. Also, petition of the Senate of the State of New York, Albany, urging the Secretary of Agriculture to supplement the regulations made by New York State pertaining to the production, handling, and marketing of milk; to the Committee on Agriculture.

185. Also, petition of Knights of Columbus, Long Island Chapter, New York City, consisting of 68 councils in Kings, Queens, Nassau, and Suffolk Counties, protesting against the persecution of the religious in Mexico, refrain from trade relations with that country, and urging tourists not to visit Mexico; to the Committee on Foreign Affairs.

186. By Mr. RUDD: Petition of the Architectural Sculptors and Carvers' Association, New York City, favoring the Black-Connery 30-hour-week bill; to the Committee on Labor.

187. Also, memorial of the Legislature of the State of New York, that the Secretary of Agriculture of the United States, be, and hereby is, requested to supplement the regulations made by the State pertaining to the production, handling, and marketing of milk within the State by making effective at the earliest possible date such Federal regulations as will place milk produced in other States and marketed within the State of New York under similar regulations to those applied by this State to milk produced within its borders; to the Committee on Agriculture.

188. Also, memorial of the Legislature of the State of New York, favoring legislation taking all profits out of war, or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Military Affairs.

189. Also, petition of the Long Island Chapter, Knights of Columbus, consisting of 23,000 members in 68 councils in Kings, Queens, Nassau, and Suffolk Counties, in the State of New York, protesting against the reign of terror in Mexico, etc.; to the Committee on Foreign Affairs.

190. By Mr. PFEIFER: Petition of Miller & Weisman, manufacturing furriers, New York City, urging the repeal of the 10-percent excise tax on furs wholesaling at $75, as provided in section 608 of the Revenue Act of 1934; to the Committee on Ways and Means.

191. By Mr. SANDERS of Texas: Petition of the Bethlehem Baptist Church, Tyler, Tex., urging passage of Costigan-Wagner antilynch bill; to the Committee on the Judiciary.

192. By Mr. SHANNON: Resolutions adopted by Kansas City Division, No. 88, Order of Benefit Association of Railway Employees, urging the enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation; to the Committee on Interstate and Foreign Commerce.

193. By Mr. WELCH: Petition, containing 30 signatures, favoring the Townsend plan for old-age pensions; to the Committee on Labor.

194. By Mr. WERNER: Petition of citizens of Trippe County, S. Dak., urging an appropriation for seed grain conserved on the basis of repayment in seed; to the Committee on Agriculture.

195. By Mr. LEHLBACH: Petition regarding munition sales; to the Committee on Interstate and Foreign Commerce.

196. By Mr. TRUAX: Petition of State Water Conservation Board, Columbus, Ohio, by Daniel C. Warner, executive secretary, recommending to the President and the Congress of the United States that the Civilian Conservation Corps be increased in numbers to 1,000,000 enrollees; also conservation of natural resources through the trinity of source-stream control by forestation, by soil-erosion prevention, and by many small slack-water reservoirs; to the Committee on Labor.

197. Also, petition of Local Union No. 1802 of the United Brotherhood of Carpenters and Joiners of America, requesting the Honorable ROBERT F. WAGNER, Senator of the State of New York, to introduce again his labor-disputes bill, in its original form, with certain amendments; and urging

Senators and Representatives to support this bill in its amended form as herein suggested; to the Committee on Labor.

198. Also, petition of the Ohio Buckeye Brewers Association, of Cleveland, Ohio, requesting that Members of Congress give early consideration to the reduction of the present taxes on beer and other brewery products; to the Committee on Ways and Means.

199. Also, petition of the City Council of Maple Heights, Ohio, endorsing and bringing to the attention of the Seventy-fourth Congress of the United States, the workers' unemployment and social insurance bill, known as "House bill 7593"; to the Committee on Labor.

# SENATE

## THURSDAY, JANUARY 17, 1935

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal God and Father of mankind, ere we enter upon the duties of another day we would first commit our soul and life to Thy almighty care. Lead us, O Father, just as Thou wilt, and when and where, for Thou alone canst direct our wills by noble motives in accordance with the claims on us of right and love.

If we have lingered overlong in the valley of contentment and a stern fate mocks our selfish aims, give us the courage of men who dare to scale the heights where we may see the everlasting things that matter for our Nation, the peaks of honor, truth, and righteousness, and, clad in spotless white, the towering pinnacle of sacrifice, pointing with pierced hand to the city that hath eternal foundation whose builder and maker is God.

We ask it in the name of Jesus Christ, our Lord and Savior. Amen.

### THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of Wednesday, January 16, 1935, when, on request of Mr. ROBINSON and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935, in which it requested the concurrence of the Senate.

### SENATOR FROM NEW MEXICO—NOTICE OF CONTEST

The VICE PRESIDENT laid before the Senate a letter from J. W. Gum, attorney at law, Washington, D. C., submitting a notice served by Dennis Chavez, of New Mexico, upon Hon. BRONSON M. CUTTING of his intention to contest the right of Mr. CUTTING to a seat in the Senate for the term beginning January 3, 1935, which, with the accompanying paper, was referred to the Committee on Privileges and Elections.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Byrnes | Fletcher | Lewis |
| Austin | Capper | Frazier | Logan |
| Bachman | Caraway | Gerry | Lonergan |
| Bailey | Clark | Glass | Long |
| Bankhead | Connally | Gore | Maloney |
| Barbour | Coolidge | Guffey | McCarran |
| Bilbo | Copeland | Hale | McGill |
| Black | Costigan | Harrison | McNary |
| Bone | Couzens | Hastings | Metcalf |
| Borah | Cutting | Hatch | Minton |
| Bulkley | Davis | Hayden | Moore |
| Bulow | Dieterich | Johnson | Murphy |
| Burke | Donahey | Keyes | Murray |
| Byrd | Duffy | King | Neely |
| Norris | Robinson | Steiwer | Vandenberg |
| Nye | Russell | Thomas, Okla. | Van Nuys |
| O'Mahoney | Schall | Thomas, Utah | Wagner |
| Pittman | Schwellenbach | Townsend | Walsh |
| Pope | Sheppard | Trammell | Wheeler |
| Radcliffe | Smith | Truman | White |
| Reynolds | | | |

Mr. LEWIS. I announce the absence of the Senator from Arizona [Mr. ASHURST], the Senator from New Hampshire [Mr. BROWN], and the Senator from Kentucky [Mr. BARKLEY], who are detained on official business.

I regret to announce the absence of the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness, they being confined to their rooms.

I repeat the announcement as to the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], and the Senator-elect from Tennessee [Mr. MCKELLAR] on business of the Senate in connection with the Philippine Commission.

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on the business of the Senate; that the Senator from South Dakota [Mr. NORBECK] is unavoidably detained; and that the Senator from Wyoming [Mr. CAREY] is absent on account of a death in his family.

I wish further to announce that the Senator from Iowa [Mr. DICKINSON] is necessarily absent and that the Senator from Minnesota [Mr. SHIPSTEAD] is detained from the Senate on official business.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

### COST-ASCERTAINMENT REPORT, POST OFFICE DEPARTMENT

The VICE PRESIDENT laid before the Senate a letter from the Postmaster General, transmitting, pursuant to law, the cost-ascertainment report of the Post Office Department for the fiscal year 1934, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

### INDUSTRIAL PRICES AND THEIR RELATIVE INFLEXIBILITY (S. DOC. NO. 13)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, submitting, pursuant to Senate Resolution 17 (submitted by Mr. BORAH and agreed to on Jan. 7, 1935), a report prepared by Gardiner C. Means, economic adviser on finance, touching the subject of industrial prices and their relative inflexibility, which, with the accompanying papers, was ordered to lie on the table and to be printed with illustrations.

### SEPTEMBER REPORT OF FEDERAL EMERGENCY RELIEF ADMINISTRATOR

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Federal Emergency Relief Administration, transmitting, pursuant to law, the report of the Administrator, covering the period of September 1 to September 30, 1934, inclusive, which, with the accompanying report, was ordered to lie on the table.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by 101 members of Wayne County Post, No. 3200, Veterans of Foreign Wars of the United States, Jesup, Ga., condemning the action of 135 of the veterans' rank-and-file committee which left Savannah, Ga., for Washington, D. C., for the purpose of forming a bonus march and other allied activities and to excite sympathy in favor of the payment of adjusted-service certificates, which was ordered to lie on the table.

He also laid before the Senate a letter from the Adjutant General (Edwin S. Bettelheim, Jr.) of the Military Order of the World War, embodying a resolution adopted by the fourteenth annual convention of that order at Miami, Fla., opposing the entry of the United States into either the League of Nations or the World Court, which was ordered to lie on the table.

Mr. CAPPER presented a petition of the committee of the Ladies Society to the Brotherhood of Locomotive Firemen

and Enginemen, Lodge No. 428, of Emporia, Kans., protesting against the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

Mr. COPELAND presented a concurrent resolution of the Legislature of the State of New York, memorializing Congress to consider legislation looking to either taking all profits out of war or putting the business of the manufacturing of munitions of war solely in the hands of the Government, which was referred to the Committee on Military Affairs.

(See resolution printed in full when presented by Mr. WAGNER on Jan. 15, 1935, p. 450, CONGRESSIONAL RECORD.)

Mr. COPELAND also presented a concurrent resolution of the Legislature of the State of New York, favoring the Federal regulation of milk produced in other States and marketed within the State of New York under similar regulations applied by the State to milk produced within its borders, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented by Mr. WAGNER on Jan. 15, 1935, p. 451, CONGRESSIONAL RECORD.)

Mr. COPELAND also presented a resolution of the Assembly of the State of New York, memorializing Congress to take appropriate action designating Floyd Bennett Field Airport in Brooklyn, N. Y., as an air-mail service station for New York City and evirons, which was referred to the Committee on Post Offices and Post Roads.

(See resolution printed in full when presented by Mr. WAGNER on Jan. 15, 1935, p. 451, CONGRESSIONAL RECORD.)

Mr. COPELAND also presented resolutions adopted by Warren G. Harding Council, No. 118, Junior Order United American Mechanics, of Mineola, and the North Side Council of United Unemployed of Nassau County, Williston Park, Long Island, both in the State of New York, which were referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

WARREN G. HARDING COUNCIL, No. 118,
JUNIOR ORDER UNITED AMERICAN MECHANICS,
*Mineola, N. Y., January 7, 1935.*

Resolution title: Registration of aliens and taxing amounts sent to foreign shores by aliens.

*Be it resolved by Warren G. Harding Council, No. 118, Junior Order United American Mechanics,* That the United States Senators and Congressmen from the State of New York shall be requested to take the necessary action to enact into the Federal laws of the United States of America the intent of the following resolution:

*Resolved,* That every male or female immigrant who seeks asylum in these United States of America be made to declare their intention to become citizens of this country, and that they must register to the proper Government officials every 6 months, and at the end of 5 years and 6 months, if they have failed to become citizens, they shall be deported; and be it

*Resolved,* That all aliens sending money out of this country to any foreign country, except for the relief of American citizens, shall be taxed 30 percent of the amount sent, and that suitable legislation shall be enacted by the Congress of the United States to provide for the reporting and collection of said 30 percent of taxable income; and be it further

*Resolved,* That the recording secretary of this council shall transmit a copy of this resolution to the State secretary and the Senators and Congressmen of the State of New York, requesting the enactment of this legislation.

ARTHUR E. KRAEMER,
*Councilor, Warren G. Harding Council, No. 118,*
*Junior Order United American Mechanics.*

Attested:
[SEAL] FRANK C. FUELLING,
*Recording Secretary, P. O. Box 45,*
*Albertson, N. Y.*

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THE NORTH SIDE COUNCIL OF UNITED UNEMPLOYED
OF NASSAU COUNTY,
*Williston Park, Long Island, N. Y., January 9, 1935.*

Resolution title: Registration of aliens and taxing amounts sent to foreign shores by aliens.

*Be it resolved by the North Side Council of United Unemployed of Nassau County, State of New York,* That the United States Senators and Congressmen of the State of New York shall be requested to take the necessary action to enact into the Federal laws of the United States of America the intent of the following resolution:

"*Resolved,* That every male or female immigrant who seeks asylum in these United States of America be made to declare their intention to become citizens of this country, and that they must register to the proper Government officials every 6 months, and at the end of 5 years and 6 months, if they have failed to become citizens, shall be deported; and be it

"*Resolved,* That all aliens sending money out of this country to any foreign country, except for the relief of American citizens, shall be taxed 30 percent of the amount sent, and that suitable legislation shall be enacted by the Congress of the United States to provide for the reporting and collection of said 30-percent taxable income; and be it further

"*Resolved,* That the corresponding secretary of this council shall transmit copies of this resolution to the United States Senators and Congressmen of the State of New York in the House of Representatives, and the local press, requesting the favor of the enactment of this legislation."

CHARLES HUNTER, *President.*

Attested:

CHARLES ANDERSON,
*Corresponding Secretary.*

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in full in the RECORD and appropriately referred a resolution, which I am sending to the desk, adopted by the Board of Commissioners of the City of Orange, N. J., urging that sufficient funds be appropriated to permit the Home Owners' Loan Corporation to continue its work.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

OFFICE OF CITY CLERK,
*Orange, N. J.*

I, William F. Christiansen, city clerk of the city of Orange, in the county of Essex, and State of New Jersey, do hereby certify that the following annexed is a true copy of the records in my office relating to taxes and Home Owners' Loan Corporation:

"*Resolved by the Board of Commissioners of the City of Orange, N. J.,* That whereas the department of revenue and finance did, for and at the request of the directors of the Home Owners' Loan Corporation, remove and take out from the list of properties advertised to be sold at its tax sale held on November 2, 1934, certain properties on which liens for tax arrears were then due and owing to the city of Orange; and

"Whereas the owners of the aforesaid mentioned properties have been informed by the directors of the Home Owners' Loan Corporation that the said Corporation has no further funds on hand with which to refinance the aforesaid properties: Now, therefore,

"The board of commissioners of the city of Orange, after due and careful consideration of the matters aforesaid, do respectfully petition the President of the United States and Congress that there be appropriated at the next session of Congress a sum of money sufficient to carry out the terms of the contemplated mortgage loans on properties of the aforesaid described home owners under the same terms and conditions as heretofore. The said board of commissioners deem it necessary and wise that there be a resumption and completion of the loans heretofore promised.

"*Be it further resolved,* That a copy of this resolution be sent to the President of the United States and the honorable United States Senators from New Jersey, Messrs. W. WARREN BARBOUR and A. HARRY MOORE, and to Congressman PETER A. CAVICCHIA, of the Eleventh District of New Jersey.

"WALTER B. SAVAGE,
"O. C. BIANCHI,
"CHAS. IPPOLITO,
"JOHN J. CONDRON.
"*Board of Commissioners.*"

Adopted January 8, 1935.

WM. F. CHRISTIANSEN,
*City Clerk.*

In testimony whereof, I have hereunto set my hand and the corporate seal of said city of Orange, on this 10th day of January, A. D. 1935.

[SEAL] WM. F. CHRISTIANSEN,
*City Clerk.*

## NATIONAL MONETARY CONFERENCE

Mr. THOMAS of Oklahoma. Mr. President, on yesterday there was held here at the Capital a national monetary conference, made up of representatives of some 16 organizations interested in a solution of our monetary problems.

The delegates attending the conference represented the Sound Money League, the national farm organizations, the national veterans' organizations, the Committee for the Nation, the National Depositors Committee, the American Society of Martians, the National Union for Social Justice, the American Monetary Reform Association, the Public Ownership League of America, and the Western States Silver Conference.

The conference adopted resolutions, and I ask unanimous consent that they may be referred to the Committee on Banking and Currency and printed in the RECORD as a part of my remarks.

There being no objection, the resolutions were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF NATIONAL MONETARY CONFERENCE HELD AT WASHINGTON, D. C., JANUARY 16, 1935

*Resolved*, That the object of this National Monetary Conference is that there be established an equitable price level for the goods, commodities, and services of this country; to assure to labor a living, just, and annual wage; to guarantee to the farmer a price that will cover the cost of production plus a profit; to protect the profit motive in commerce and industry, and to relieve the taxpayer from a present unjust burden.

*Resolved*, That the only means to secure the afore-mentioned objective, which we conferees jointly undertake to support, are contained in the following program, which comes strictly within the constitutional power of Congress to enact.

*Resolved*, That the following program designed to accomplish the aforesaid ends be set up in proper form for legislative enactment by the Congress of the United States.

*Resolved*, That the full force and power of the organizations whose representatives are here assembled be placed behind the passage of this program.

*Resolved*, That article I, section 8, clause 5, of the Constitution of the United States, in providing that "Congress shall have power to coin money, regulate the value thereof, and of foreign coins * * *" fixes the responsibility of Congress for the kind and value of our monetary unit, or units, the status of our banking and monetary system, and the necessity of the perfecting of that system to meet the exigencies of our economic development. In consequence, we do hereby demand:

1. That the 12 Federal Reserve banks be converted into a new central bank, Government-owned and Government-operated, with the merging of all present functions, powers, and services for the Federal issue and control of all credit and currency, including demand bank deposits, the said central bank to be authorized and directed to acquire the assets of banks closed since January 1, 1930.

2. That a sound and adequate currency be forthwith supplied the people of this Nation, first, by detaching the dollar from a fixed relationship to gold, that we may successfully cope with the effects of the manipulation of depreciated currencies of foreign nations; second, by remonetizing silver in order more effectually to accomplish such purpose.

3. That such central bank be the sole bank of issue of the currency of the Nation.

4. That to secure immediately a substantial increase in the purchasing power on the part of the most widely distributed group of creditors and potential consumers—in fact, the only group of creditors of the United States Government who have accepted its obligations and are willing and anxious for their redemption in non-interest-bearing legal-tender notes; namely, the holders of adjusted-compensation certificates—that these veterans be paid forthwith in full in the currency of the United States.

5. That hereafter the public borrowing of the United States Government shall cease, and in lieu of the present practice of issuing tax-exempt interest-bearing bonds that the new central bank issue non-interest-bearing legal-tender notes retirable when necessary by taxation.

6. That when and as the present obligations of the United States become due and payable they be retired by an exchange of legal-tender notes of issue from the new central bank.

7. That the internal purchasing power of the dollar be established at an equitable price level, at least that of 1926, maintained and controlled by expansion and contraction of the volume of currency and credit, and to achieve the desired price level for basic commodities, that the value of the dollar in terms of foreign currencies be controlled through operations of an equalization fund maintained for such purpose.

8. That for the guidance of Congress in a fuller understanding of the present low prices of agricultural commodities there be referred to the proper committee of Congress and accompanied by a proper appropriation a mandate to investigate the identity of holders of the outstanding obligations of the United States as of January 1, 1935, and of the real owners as distinguished from the nominal holders, together with the names and identities of all who have become creditors of the United States Government since January 1, 1935, with the object of determining and disclosing potential enemies of this Nation here or abroad.

Signatories:

SOUND MONEY LEAGUE,
ROBERT L. OWEN, *President.*
NATIONAL FARMERS' UNION,
EDWARD E. KENNEDY, *Secretary.*
NATIONAL DEPOSITORS' COMMITTEE,
CHARLES B. BLOOME, *President.*
NATIONAL UNION FOR SOCIAL JUSTICE,
LOUIS B. WARD.
WORLD MONETARY REFORM LEAGUE,
ROBERT M. HARRISS.
GEORGE L. LEBLANC, *Monetary Adviser.*

LEGISLATIVE PROGRAM OF THE NATIONAL GRANGE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD the legislative program of the National Grange, as adopted at the recent annual session of that great farm organization. I urge upon Senators that they study this program carefully. With much of it I find myself in full accord. The Grange has been a powerful influence for advancement in the agricultural thought of this country for many years, and its views are the expression of the views held by a large part of the farm interests of the United States. I ask that the resolutions be printed as part of my remarks.

There being no objection, the matter referred to was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

NATIONAL GRANGE LEGISLATIVE PROGRAM

1. NATIONAL RECOVERY PROGRAM

While it is the declared policy of Congress, as expressed in the Agricultural Adjustment Act, to reestablish and maintain the same price parity between agricultural and industrial commodities which existed in the pre-war period, this objective has not been realized. As the year 1934 drew to a close, the average price level of farm products stood at 102 of pre-war, while industrial prices averaged 126, giving the farm dollar a purchasing power of 81 cents. This does not include rental or benefit payments under the Agricultural Adjustment Act. But it is worthy of note that only about one-half of the farmers of the country are engaged in the production of so-called "basic commodities", upon which rental or benefit payments are made. Justice and the national interest alike demand that all arbitrary and artificial price boosting in industry must stop until farm prices are brought to an equality with industrial prices.

We demand the observance and enforcement of section 3 of the National Recovery Act, which forbids code provisions calculated to eliminate or suppress small enterprises, and which expressly prohibits monopolies or monopolistic practices.

2. SURPLUS CONTROL

Drafted to meet a great emergency the Agricultural Adjustment Act is recognized as being experimental in character. It shall cease to be in effect whenever the President finds and proclaims that the emergency has ended. Acreage control has been of value in the case of certain crops, and benefit payments have had a tendency to restore farm purchasing power. As a result of the drought acreage restrictions are not now so seriously needed, but guidance and balance will be essential to ease agriculture through this period of readjustment. With practically all of our burdensome surpluses under control, with an actual shortage in seed and forage, little acreage reduction is required for 1935, and we hope for the gradual elimination of governmental restrictions.

3. LAND UTILIZATION

The goal of any long-time policy for land utilization should be the preservation of the family and the medium-sized farm unit. Corporation farming is un-American and fatal to both democracy and our type of agriculture. The very large farm should not receive encouragement from the Government.

Following is a concise outline of Grange policy on this question:

(a) There should be no expenditure of public funds for the development of new irrigation or reclamation projects until there is a demand at profitable prices for the products that such lands will produce. Sound policy demands that if, under prevailing conditions, new land is brought under cultivation at public expense, the Government should purchase and retire from agricultural production a much greater amount of submarginal land.

(b) Submarginal agricultural land should be utilized for timber production, recreational uses, game preserves, or other suitable purposes.

(c) The present efforts of the Government to arrest soil erosion throughout the country should be continued. Increasing attention should be given to soil conservation in the development of a permanent national policy. In the interest of administrative efficiency and economy this work should be transferred to the Department of Agriculture, where it properly belongs.

(d) Such additional soil surveys as may be needed to enable us intelligently to appraise the value of our lands should be made promptly.

(e) The Federal Government should cooperate to the fullest extent with those States that are now making soil surveys.

(f) In the establishment of subsistence homesteads due care must be exercised that the families located upon these projects do not become a burden to rural taxpayers.

With agriculture still struggling for equality we oppose any subsidized competition in commercial food production.

(g) We favor the restoration of the Bureau of Soils as a separate entity under the Department of Agriculture.

(h) The Bureau of Reclamation should be transferred from the Department of the Interior to the Department of Agriculture.

4. TAXATION

The mounting deficits sustained by the Federal Treasury emphasize the need of economy in governmental expenditures.

Falsifying of records and juggling of tax statements are making it possible for a large amount of property to escape its just share of the cost of government. We condemn every form of tax evasion, whether it be by failure to list taxable property, the falsifying of income-tax and other tax statements, the shifting of ownership to holding companies, or the common practice of large corporations of making two financial statements, one for taxation purposes and the other as a basis for rate making.

The present situation calls for heavy income and inheritance taxes in the higher brackets, especially upon high and excessive salary incomes, together with excessive corporation profits. The gift tax must be high enough to prevent tax evasions.

We reaffirm our vigorous opposition to the imposition of a general sales tax, because such a tax ignores the principle of ability to pay and is a tax upon the necessities of the people.

We oppose the further issuance of tax-exempt bonds and securities.

We favor the appointment of a Federal commission to make a study of our whole system of taxation, Federal and State, with a view to securing better coordination and greater economy in the assessment and collection of taxes.

5. MOTOR TRANSPORTATION

We approve of the appropriations made by the Federal Government for highway construction. The Grange believes that the time has come when more consideration should be given to the improvement of farm-to-market and post roads. Following is an outline of the position assumed by the Grange regarding various proposals for further legislation to regulate and tax motor vehicles:

(a) The interest and safety of the public require enforcement of proper restrictions regarding the size, weight, and speed of all vehicles moving over the public highway.

(b) Such regulations should be uniform as between the several States, and there should be reciprocity between the States, based on such uniformity.

(c) The power to regulate is a police power lodged with the States. As a basis for regulation, we commend to all the States adoption of the Uniform Code for the Regulation of Traffic, approved by the American Association of State Highway Officials and the United States Bureau of Public Roads.

(d) With respect to highway taxation, each motor vehicle should be taxed its fair share of the cost of the highways which it uses. The State should be the sole taxing agency.

(e) Every special tax collected for highway improvement should be conserved for that purpose alone. Consequently no gasoline tax diversion should be permitted.

(f) No taxation or regulation of motor vehicles should be permitted which has for its purpose any increase in cost or restriction in use, in order to equalize competition between motor transportation and other forms of transportation.

6. RAILROADS

One of the prime reasons for the continued financial embarrassment of the railroads is the unwieldy, interest-bearing debt structure which the managers of the roads have saddled upon their properties. Nearly 60 percent of the capitalization of the carriers is in the form of bonds rather than stocks.

Railroads should cooperate to reduce competitive expenses; unnecessary services should be abandoned; metropolitan terminals should be consolidated and circuitous haulage should be eliminated. We believe that the railroads should be permitted to engage in motor transportation under proper conditions, and we favor the elimination of some of the restrictions on railroads which were necessary when they had a monopoly of land transportation.

We oppose placing water and motor transportation in interstate or foreign commerce under the jurisdiction of the Interstate Commerce Commission, the sole function of which has been to regulate the railroads.

7. INLAND WATERWAYS

We are in favor of the development and improvement of our inland waterways, when practical and economically sound, for the promotion of our foreign and domestic commerce.

8. TARIFF POLICY

Following is an outline of the tariff policy adopted by the National Grange:

(a) So long as the American protective policy is maintained, we favor such rates of import duty as will insure the American market to the American farmer upon farm commodities which can be produced advantageously in any part of our country.

(b) Since it is well understood that producers of surplus crops receive no direct tariff benefits, equality and justice demand that import duties on commodities which the farmer must buy should be fixed at fair and reasonable levels.

(c) We advocate that growers of crops of which we produce an exportable surplus shall be accorded benefits to equalize tariff costs, as through the medium of processing taxes, or as provided under the export debenture plan.

(d) Because the natural resources of the country should be wisely used and conserved for the benefit of this and succeeding generations, we affirm that it is contrary to sound public policy to impose tariffs for the protection of such resources as cannot be renewed when they are once exhausted.

(e) In no case should tariff rates be granted which breed monopoly, enriching the few at the expense of the many, and which encourage inefficiency rather than efficiency in American industry.

(f) We reaffirm the long-established policy of the Grange in demanding "tariff for all or tariff for none."

(g) In no case should reciprocal trade agreements be made with other nations that will deprive the American farmer of the home market.

9. AGRICULTURAL CREDITS

The Farm Credit Administration deserves to be commended for the good work it has done. We urge the appropriation of $300,000,000 by the Seventy-fourth Congress for the continuation of Commissioner's loans during the present emergency.

We favor the reduction of interest rates to the lowest point consistent with a sound loaning policy.

We approve of the work of the farm debt conciliation commissions functioning in the several States. However, debt-conciliation supervisors should be appointed by the conciliation commissions themselves, and F. E. R. A. funds should not be used in compensating them.

We urge Congress to restore to farmer borrowers the right to name a majority of the directors of the Federal land banks, as was provided in the original farm-loan act.

The Governor of the Farm Credit Administration should not be permitted to dismiss without cause district directors of the land banks, as he may do under the Farm Credit Act of 1933.

10. MONETARY STABILIZATION

The Grange stands for an honest dollar, a dollar that will be fair to debtor and creditor alike. We are in favor of expanding the currency to such an extent as to reestablish the 1926 price level. The President should immediately establish the maximum price for gold authorized by Congress. This would serve the two-fold purpose of lifting prices and restoring confidence.

To save interest on the public debt we believe that it would be sound policy for the Government to issue non-interest-bearing Treasury notes not exceeding $3,000,000,000 in providing relief funds or financing any further Public Works projects which may be undertaken. In issuing such currency, however, it is essential to make definite provision for its redemption at a given rate per year.

Guaranteeing bank deposits as now provided under the operations of the Federal Depository Insurance Corporation should be continued.

11. PRICES OF FARM MACHINERY

We favor congressional action directing the Federal Trade Commission to investigate corporations engaged in the manufacture, sale, or distribution of agricultural implements and machinery to definitely establish whether or not unfair trade practices and price-fixing agreements are responsible for the continued unreasonably high prices demanded of farmers for such implements and machinery.

12. ELECTRIC-POWER PROJECTS

We favor the maximum development and completion of all Government electric-power plants, including the building of main transmission lines in a manner that will deliver power to the rural people and to others under Government operation and control at the lowest possible cost.

13. PACKERS AND STOCKYARDS ACT

We advocate the amendment of the Packers and Stockyards Act to provide for the more effective regulation by the Department of Agriculture of the marketing of livestock. Direct buying by the packers merely in an effort to evade the law and depress prices must not be further tolerated.

Packers should likewise be prevented from engaging in large-scale feeding projects, either directly or through financial interest.

14. AGRICULTURAL EDUCATION

With added responsibilities resting upon them under prevailing conditions, we favor adequate appropriations for our agricultural colleges and the experiment stations.

The Grange heartily approves the appropriations made by the Federal Government for the support of vocational education. These appropriations represent an investment paying substantial dividends.

We recommend that the Smith-Lever Act be so amended as to forbid direct or indirect contributions to the Agricultural Extension Service on the part of private citizens, chambers of commerce, farm organizations, or similar groups, so that extension workers shall be paid entirely from public funds, leaving them free to serve the people without favoritism or discrimination. In no case should the extension service be dominated by any particular farm organization.

15. BUREAU OF FORESTRY

The Grange reaffirms its opposition to the proposed transfer of the Bureau of Forestry from the Department of Agriculture to the Department of the Interior. Such a transfer would result in duplication and overlapping of governmental functions and activities; it would encourage the wasteful and extravagant expenditure of public funds and be detrimental to the forests and subversive of the public interest.

16. PURE FOOD AND DRUGS ACT

Nearly 30 years of experience in the administration of the Pure Food and Drugs Act has shown its great value, besides disclosing certain inadequacies to control present-day abuses. This legislation should be so amended as to bring collateral advertising within the scope of the act.

17. PREDATORY ANIMALS

Since farmers and stockmen in various sections of the country have suffered burdensome losses due to the ravages of coyotes, prairie dogs, rodents, and predatory animals generally by reason of insufficient appropriations for the control of these pests, we advocate adherence to the 10-year program adopted by Congress in this connection.

18. TREE DISEASES AND PESTS

We urge the Federal Government to take prompt and effective steps looking to the eradication of the Dutch elm disease, which threatens to destroy one of our stateliest trees is not speedily eradicated. The acceleration of control measures in connection with the white-pine blister rust and the gypsy moth is also imperative.

19. MIGRATORY WILD FOWL

The Grange condemns as unfair the baiting of migratory wild fowl on hunting preserves for the purpose of their slaughter, and we ask the Biological Survey to formulate regulations to prevent this practice.

20. RURAL MAIL SERVICE

We believe that the adoption of the contract system, as advocated in some quarters, would be detrimental to the Rural Delivery System. We are opposed to such a move, or any other step that would in any way endanger, hinder, or interfere with the regular and efficient distribution of mail to rural communities. We favor restoration of the 2-cent rate on first-class matter.

21. IMPORTED FATS AND OILS

The Grange favors a processing tax on imported oils sufficiently high to protect the domestic producer.

22. IMITATION DAIRY PRODUCTS

It is of vital interest to the dairy industry as well as to the consuming public that all legislation for the control and regulation of manufacturers of and dealers in imitation dairy products should remain in full force and effect. We emphasize our support of the essential features of a proper oleomargarine-control law, namely:

(a) Adequate licensing of manufacturers, wholesalers, and retail dealers.

(b) An inclusive definition of the imitation product, including color specifications.

(c) Clear provisions for labeling and notice to the buyer.

(d) License fees and tax sufficient to cover Government cost of enforcing the law.

The Grange asks for such legislation as may be necessary to prevent mail-order or other interstate sales of oleomargarine which are in violation of such laws as are now in force or may hereafter be enacted.

23. PROTECTION OF POULTRY INDUSTRY

Under prevailing conditions, we favor an embargo on the importation of foreign eggs in any form. We believe that eggs should be dated when put in cold storage and plainly labeled as storage eggs when sold.

24. CONTROL OF LIQUOR TRAFFIC

The results following the repeal of the eighteenth amendment, which speak for themselves, emphasize the need of doing everything possible to protect society against the ill effects of the liquor traffic. We are as much opposed to this demoralizing traffic as ever. The Grange's position on this question is summarized as follows:

(a) We oppose the sale of intoxicants in the immediate vicinity of churches, schools, and colleges.

(b) We oppose the advertising of intoxicants over the radio, in newspapers or magazines, and in moving-picture theaters.

(c) The element of profit should be eliminated as much as possible from the manufacture, distribution, and sale of intoxicants.

(d) We favor the adoption of adequate measures by the Government to protect dry States from the shipment of intoxicating liquor across their borders from wet territory, fulfilling the pledge that was made by the advocates of repeal.

(e) We are opposed to excessive taxes on liquor, since excessive taxation will encourage bootlegging, official corruption, and general violation of the law.

(f) We recommend that granges throughout the land join with other organizations in promoting a campaign of education, calling attention to the evil effects of strong drink, exposing the fallacy of the idea that any nation can drink its way to prosperity, and emphasizing the truth that decency and sobriety are virtues that bring their own reward.

25. TAKING PROFITS OUT OF WAR

The Grange reaffirms its position in favor of taking the profits out of war. Legislation should be enacted providing that in the event of future armed conflict, wealth as well as man power should be conscripted, while the manufacture of armaments and munitions for national defense should be vested in the Government. In the case of war involving other nations, we favor the placing of an embargo upon the sale of war materials to the combatants.

We heartily approve of the Senatorial investigation of the munitions industry and ask Congress to make the necessary appropriation to complete this inquiry.

26. REGULATING COMMODITY EXCHANGES

The Grange advocates needed legislation prohibiting pure gambling on commodity exchanges dealing in agricultural products.

27. UNEMPLOYMENT RELIEF

The Grange believes that putting the unemployed to work on useful public projects is far preferable to the dole. Every able-bodied person receiving Government relief should be required to render a commensurate return. The wage scale, as well as hours of labor, on Government projects should be in accord with those of the locality in which the work is done.

28. OLD-AGE PENSIONS

The Grange is opposed to any form of old-age pension that will discourage thrift and saving during the person's productive years, but strongly favors a contributory system of old-age insurance.

29. REGISTRATION OF ALIENS

The Grange favors legislation requiring that all aliens be registered by the Federal Government and compelled to pay a registration fee of from $5 to $10. Those who fail to become naturalized within a period of 10 years should be deported. We oppose any weakening of the present immigration laws.

30. LAND LEASED BY ALIENS

In some sections of the United States undesirable aliens are leasing land or acquiring ownership in the name of their children. In the opinion of the Grange, legislation should be enacted making it impossible for children born in the United States of alien parents to own or lease land until attaining the age of 21 years, when such children should be required to choose their allegiance.

31. CHILD LABOR AMENDMENT

While the Grange is in full sympathy with all measures prohibiting the exploitation of child labor in industrial pursuits, particularly such as are detrimental to health, interfere with the opportunity of acquiring a good common-school education, or those that subject the workers to physical danger, we are not in favor of the sweeping grant of power which would be conferred upon Congress by the ratification of the proposed child labor amendment to the Federal Constitution.

32. TRAIL SMELTER DAMAGES

We urge the Federal Government to do all in its power to secure speedy justice for those farmers in the State of Washington whose crops and livestock have been damaged and whose health has been impaired by the sulphurous fumes of the Trail Smelter, located across the boundary line in British Columbia. Any settlement of the case should make provision for future control of the smelter fumes.

33. HOLDING COMPANIES

The Grange favors the enactment of drastic legislation that will protect the American people from further exploitation and injustice on the part of large holding companies.

34. MOTION-PICTURE REGULATION

We deplore the offenses against decency committed by the motion-picture industry, and we advocate Federal regulation of the production of all films entering into interstate commerce to protect public morals and establish higher standards.

35. TRUTH IN FABRICS

We favor legislation for truth in fabrics, both for the benefit of agriculture and for the protection of the consumer.

36. WORLD PEACE

The Grange earnestly advocates that the Government of the United States should continue to exert every effort to promote peace and good will among nations. Since disarmament on a purely national basis is not practicable, we cherish the hope that our Government may use its best endeavors to bring about reduction in armaments on an international scale.

We reaffirm our endorsement of the World Court with reservations sufficient to fully protect the rights and interests of the United States.

PAYMENT OF ADJUSTED-SERVICE CERTIFICATES

Mr. SCHALL. Mr. President, I ask leave to insert in the RECORD a letter, with enclosure, I just received from a Minnesota veteran in favor of payment of the bonus. It is typical of letters sent by veterans and indicates in no uncertain terms the feeling prevalent among them, and justly so. The writer of this letter, Mr. Johnson, requests that it be brought to the attention of the Senate, and I therefore ask that it be placed in the RECORD and appropriately referred.

There being no objection, the matter referred to was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

MOUND, MINN., *January 14, 1935.*

Hon. Senator SCHALL,
*Washington, D. C.*

DEAR SENATOR: Roosevelt cannot pay the bonus but can buy all the land at the cost of $675,000,000. He can borrow $8,400,000,000 to make the rich man richer. He can also pay some old drunk $200 per month that never did anything in his life for the country nor anybody else. But he can't pay the bonus. He can buy up all the little pigs and kill them off and pay the farmer to leave his land lay idle and he can't pay the bonus. President Roosevelt can buy hay from Canada and let England go by on default on the war debt. When Mr. Roosevelt was elected President of the United States he said he had something up his sleeve for the veterans, and he did. He cut the veterans off that had no legs nor arms; he also promised us a balanced Budget in 1932; since that time he has not paid the bonus and the national debt grows larger every day. A year ago today I had 32 cows, 7 horses, some young stock, 150 chickens, and all kinds of machinery. Today I have 4 cows, 2 horses, and hardly any machinery, and no feed. Still he says the times are better under the Roosevelt depression. I have five children, hardly any clothes on them, and I am wearing a pair of shoes I have worn for a year. If there were a few more men like Senator ——— and Senator ——— they would give the Government to the Mellons, Du Ponts, Rockefellers, and the bankers but would not pay

the bonus. If we had men like those two Senators here in Minnesota we would do to them what we did to Mr. Hoidale when he ran for United States Senator last fall.

He voted "no" for the bonus when he was in the House, and when he ran for Senator we voted "no", you stay at home, and he did. When Mr. Regan ran for Governor we gave him the same answer. We want men in Washington who do not have to be told by President Roosevelt—vote on such bills as the bonus. We do not need the bonus when our children are grown up, we need it now—this winter. HUEY LONG has the right idea—that Washington wants to see the big man get bigger and the small smaller. We, the people of Minnesota, do not send to Washington men like —— and ——; we send men who know how to vote. We soldiers won't forget when it comes 1936. We have already made up our minds how we will vote. We want men who appreciate what us soldiers did and not for men to use us like dogs now. In war time, when the people at home were getting $10 or $15 a day, us soldiers received $1 a day, laid in mud, went over the top when we were told, and didn't retreat like this present administration is doing. We did what we promised to do when we raised our right hand to God. We promised to obey the United States Government, and he don't want to pay the bonus. Senator SCHALL, I request you to read this letter on the Senate floor. Wishing you a happy New Year, I am,

Yours respectfully,

ARCHIE JOHNSON.

P. S.—Please answer this letter.

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LAND-BUYING PLAN DRAFTED

WASHINGTON, January 11 (A. P.).—A huge program to spend $675,000,000 in buying up poor land and retiring it from farm production was recommended to President Roosevelt Friday by the National Resources Board.

The purchasing would be extended over 15 years, 5,000,000 acres being bought each year at an annual cost of $45,000,000.

This farm land, comprising 450,000 farms, should be withdrawn from agriculture, the Board said, "in order that both the natural and human resources of the Nation may be conserved."

The report, drawn by the Board's land-planning committee, was supplementary to the Board's earlier study, which President Roosevelt told Congress would guide the expenditure of $4,000,000,000 in his new work-making program.

It urged that the Federal Government and the States take steps to prevent further settlement of lands so poor that occupancy is "clearly contrary to the public interest." It turned thumbs down on any "substantial movement of unemployed people from urban areas into commercial agriculture."

Land to be retired, the committee suggests, may be added to the national forests or leased to States for wildlife refuges, parks, and the like.

REPORT OF THE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 859) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes, reported it with amendments and submitted a report (No. 13) thereon.

EXPENSES OF SPECIAL COMMITTEE ON INVESTIGATION OF THE MUNITIONS INDUSTRY

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with amendments, Senate Resolution No. 8, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. Mr. President, the resolution has not as yet been read in its entirety.

The VICE PRESIDENT. The clerk will read the resolution.

The legislative clerk read the resolution (S. Res. 8), submitted by Mr. NYE on the 4th instant, as follows:

*Resolved*, That the special committee appointed by the Vice President, under authority of Senate Resolution 206, agreed to on April 12, 1934, to investigate the munitions industry hereby is authorized to expend from the contingent fund of the Senate $100,000 in addition to the amount heretofore authorized to be expended for the purposes set forth in said resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. McNARY. Mr. President, I am advised that this resolution and its provisions are agreeable to the chairman of the committee, and I have no objection to its present consideration.

There being no objection, the Senate proceeded to consider the resolution which had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with amendments.

The amendments were, in line 5, after the word "Senate", to strike out "$100,000" and insert "$50,000"; and in line 7, after the word "resolution", to insert a colon and the following proviso:

*Provided*, That the committee is requested to report to the Senate, on or before April 1, recommendations for legislation at this session of Congress based upon the inquiry to the date of such report.

So as to make the resolution read:

*Resolved*, That the special committee appointed by the Vice President, under authority of Senate Resolution 206, agreed to on April 12, 1934, to investigate the munitions industry, hereby is authorized to expend from the contingent fund of the Senate $50,000 in addition to the amount heretofore authorized to be expended for the purposes set forth in said resolution: *Provided*, That the committee is requested to report to the Senate, on or before April 1, recommendations for legislation at this session of Congress based upon the inquiry to the date of such report.

The amendments were agreed to.

The resolution, as amended, was agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARBOUR:

A bill (S. 1119) for the relief of George W. Stout;

A bill (S. 1120) for the relief of J. P. Nawrath & Co., Inc.;

A bill (S. 1121) for the relief of Isidor Greenspan;

A bill (S. 1122) for the relief of the Delaware Bay Shipbuilding Co.; and

A bill (S. 1123) for the relief of William Sulem; to the Committee on Claims.

By Mr. DAVIS:

A bill (S. 1124) for the relief of Anna Carroll Taussig; to the Committee on Claims.

A bill (S. 1125) to correct the naval record of John Charles Rosepiler; to the Committee on Naval Affairs.

By Mr. WALSH:

A bill (S. 1126) for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee; to the Committee on Claims.

By Mr. BYRD:

A bill (S. 1127) authorizing the Secretary of the Treasury to pay subcontractors for material and labor furnished in the construction of Government buildings at Fort Myer, Va.; to the Committee on Public Buildings and Grounds.

By Mr. BORAH:

A bill (S. 1128) to add certain lands to the Humboldt National Forest, Idaho; to the Committee on Agriculture and Forestry.

By Mr. CONNALLY:

A bill (S. 1129) to provide for the extension and completion of the United States Capitol; to the Committee on Public Buildings and Grounds.

(Mr. WAGNER introduced Senate bill 1130, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. MOORE:

A bill (S. 1131) relating to bad debts of national banking associations; and

A bill (S. 1132) relating to the insurance of loans for the payment of medical and dental services; to the Committee on Banking and Currency.

A bill (S. 1133) relating to the eligibility of certain persons for admission to the civil service; to the Committee on Civil Service.

By Mr. COPELAND:

A bill (S. 1134) to amend the naturalization laws with respect to records of registry and residence abroad; to the Committee on Immigration.

A bill (S. 1135) for the relief of Alice F. Martin, widow, and two minor children; to the Committee on Military Affairs.

A bill (S. 1136) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy;

A bill (S. 1137) for the relief of the Security Trust Co. of Rochester, Rochester, N. Y.;

A bill (S. 1138) for the relief of Art Metal Construction Co. with respect to the maintenance of suit against the United States for the recovery of any income or profits taxes paid to the United States for the calendar year 1918 in excess of the amount of taxes lawfully due for such period; and

A bill (S. 1139) for the relief of Henry C. Zeller and Edward G. Zeller with respect to the maintenance of suit against the United States for the recovery of any income tax paid to the United States for the fiscal year beginning October 1, 1916, and ending September 30, 1917, in excess of the amount of tax lawfully due for such period; to the Committee on Claims.

A bill (S. 1140) for the relief of Anthony J. De Amara; to the Committee on Naval Affairs.

A bill (S. 1141) granting a pension to Elizabeth H. Camp; to the Committee on Pensions.

By Mr. McCARRAN:

A bill (S. 1142) to reserve certain public domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nev.; to the Committee on Indian Affairs.

A bill (S. 1143) to restore, as of January 1, 1935, Government salaries and other benefits reduced by the economy acts; to the Committee on Appropriations.

By Mr. CLARK:

A bill (S. 1144) to further extend the time for constructing a bridge across the Missouri River at or near St. Charles, Mo.; to the Committee on Commerce.

A bill (S. 1145) for the relief of Minnie D. Hines; and

A bill (S. 1146) for the relief of Michael Dalton; to the Committee on Claims.

By Mr. WHITE:

A bill (S. 1147) for the relief of Frank L. Weed; to the Committee on Military Affairs.

A bill (S. 1148) to authorize the transfer of the Green Lake Fish Cultural Station in Hancock County, Maine, as an addition to the Acadia National Park; and

A bill (S. 1149) to provide for the creation of the St. Croix Island National Monument located near the mouth of the St. Croix River, in the State of Maine, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 1150) for the relief of persons engaged in the fishing industry;

A bill (S. 1151) to prevent discriminations against American ships and ports, and for other purposes;

A bill (S. 1152) relating to the carriage of goods by sea;

A bill (S. 1153) authorizing a preliminary examination and survey of Eastport Harbor, Maine; and

A bill (S. 1154) authorizing a preliminary examination and survey of the St. Croix River at and near Calais, Maine; to the Committee on Commerce.

A bill (S. 1155) for the relief of Joseph J. Fortin; to the Committee on Finance;

A bill (S. 1156) granting a pension to George N. Butler;

A bill (S. 1157) granting a pension to Emily A. Bailey;

A bill (S. 1158) granting a pension to Isidore H. Smith;

A bill (S. 1159) granting an increase of pension to Achsah E. Purinton;

A bill (S. 1160) granting a pension to Benjamin F. Howatt; and

A bill (S. 1161) granting an increase of pension to Edward L. Hayes; to the Committee on Pensions.

By Mr. KING:

A bill (S. 1162) to regulate the business of making small loans in the District of Columbia, and to amend an act to regulate the business of loaning money, etc., approved February 4, 1913; to the Committee on the District of Columbia.

By Mr. CAPPER:

A bill (S. 1163) to amend section 5138 of the Revised Statutes, as amended, with respect to the required capital of national banks; to the Committee on Banking and Currency.

REPEAL OF FEDERAL GASOLINE TAX

Mr. CAPPER introduced a bill (S. 1164) to repeal section 603 of the Revenue Act of 1934, which was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That section 603 of the Revenue Act of 1934 be, and the same is hereby, repealed.

Mr. CAPPER. Mr. President, this amendment proposes to strike out the Federal tax of 1 cent a gallon on gasoline. This tax, which is generally regarded as discriminatory, unjust, and outrageous, ought to be repealed. It invades a field that should be left to the States, which already have loaded the automobile and truck owners with taxes that amount to a 25-percent annual tax on their property.

It is my thought, and I believe it also is the belief of most Members of the Senate, that gasoline taxes should be reserved for State and local taxing units, and that these should be devoted entirely to construction and maintenance purposes. A fairly heavy tax on gasoline, when the proceeds are used on the highways, can be, and is, justified. The users of the highways should pay for their construction and maintenance.

But here we have the motor-car operators and owners today paying more than a billion dollars a year in taxes to Federal, State, and local governments. This does not take into account that in most States motor vehicles are also taxed as personal property. I sincerely hope we may get rid of the unfair Federal tax at the end of the present fiscal year.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935, was read twice by its title and referred to the Committee on Appropriations.

UNIFORM SCALE OF TRANSPORTATION RATES

Mr. RUSSELL submitted the following concurrent resolution (S. Con. Res. 6), which was referred to the Committee on Interstate Commerce:

Whereas it is the policy of the Congress to encourage and promote the equal development of every section of the United States, and

Whereas the existing rates of transportation in force with respect to carriers subject to the Interstate Commerce Act, as amended, have a tendency to deter such development in certain sections of the country: Therefore be it

*Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of the Congress that in the administration of such act it would be to the best interests of the people of the United States to have a uniform scale of transportation rates on a mileage basis which would apply equally in all sections of the United States.

HEARINGS BEFORE COMMITTEE ON INDIAN AFFAIRS

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 56), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Indian Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

INDEPENDENT OFFICES APPROPRIATIONS

Mr. GLASS. I ask unanimous consent that the Senate proceed to the consideration of House bill 3410, being the independent offices appropriation bill.

The VICE PRESIDENT. Is there objection to the request of the Senator from Virginia?

There being no objection, the Senate proceeded to consider the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

The first amendment of the Committee on Appropriations was, under the heading "Independent Establishments—American Battle Monuments Commission", on page 4, line 4, after the word "purchase", to insert a semicolon and "the purchase of one motor-propelled passenger-carrying vehicle at a cost not exceeding $2,400", so as to read:

For every expenditure requisite for or incident to the work of the American Battle Monuments Commission authorized by the act of March 4, 1923 (U. S. C., title 36, secs. 121–133), and by

Executive Order No. 6614 of February 26, 1934, including the acquisition of land or interest in land in foreign countries for carrying out the purposes of said act and Executive order without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes (U. S. C., title 34, sec. 520; title 40, sec. 255); employment of personal services in the District of Columbia and elsewhere; travel expenses; rent of office space in foreign countries; the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles which may be furnished to the Commission by other departments of the Government or acquired by purchase; the purchase of one motor-propelled passenger-carrying vehicle at a cost not exceeding $2,400; printing, binding, engraving, lithographing, photographing, and typewriting, including the publication of information concerning the American activities, battlefields, memorials, and cemeteries in Europe; the purchase of maps, textbooks, newspapers, and periodicals, $199,059:

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. LONG. Mr. President, I want to speak on that amendment.

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Louisiana?

Mr. LONG. If we are going to vote on this amendment, I have a right to speak.

The VICE PRESIDENT. The Senator will have his right; there is no doubt about that; but the Senator from Virginia had the floor when we came to the first amendment to the bill.

Mr. LONG. Yes.

The VICE PRESIDENT. The Chair does not know whether or not the Senator from Virginia desires to occupy the floor on that amendment.

Mr. GLASS. I do not care to occupy the floor for more than a minute or so to explain the provisions of the bill.

Mr. LONG. I have no objection to the Senator from Virginia doing that.

Mr. GLASS. Mr. President, this bill involves appropriations for some thirty-odd independent offices, meaning offices not within the jurisdiction of any Cabinet officer. The bill as it passed the House carried a total appropriation of $777,267,462. The Senate committee made but one material alteration in the bill. There was presented a situation the like of which I do not think has occurred since I became a Member of the Senate, if it ever before occurred. Although letters were dispatched to all the thirty-odd independent offices with invitations to appear before the Senate committee to propose any amendments which they might have in mind to suggest to the bill, there was a response from only one, the new Commission on Securities and Exchange. All other of the independent offices signified their acquiescence in the terms of the bill as it passed the House. No member of the committee proposed any alterations to the bill, and we venture to hope that the same concord may obtain here on the floor of the Senate.

The bill, as may be seen from the report, appropriates $115,506 less than the Budget estimates amounted to. As we proceed with the reading of the bill I shall be glad to answer any questions which may be propounded.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Michigan?

Mr. GLASS. I yield.

Mr. COUZENS. Of course, the Senator understands that the bill is not going to be read in detail. The bill is going to be read only for amendments.

Mr. GLASS. Yes; it will be read only for amendments.

Mr. COUZENS. That, of course, would not explain the increase in the appropriations over the fiscal year 1935, amounting to one-hundred-and-seventy-nine-million-one-hundred-and-ninety-nine-thousand-odd dollars. I wonder if before the Senator takes his seat he will explain briefly how these enormous increases came to be made in the independent offices bill?

Mr. GLASS. The increases are in the Veterans' Administration.

Mr. COUZENS. All of them?

Mr. GLASS. Practically altogether in the Veterans' Administration.



The VICE PRESIDENT. The question is on agreeing to the amendment of the Committee on Appropriations.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

THE WORLD COURT

Mr. LONG addressed the Senate on the World Court. After having spoken for about 45 minutes, he yielded to permit the Chair to lay before the Senate a message from the President of the United States, and for the transaction of other business, as follows:

ECONOMIC SECURITY (H. DOC. NO. 81)

The PRESIDING OFFICER (Mr. SMITH in the chair) laid before the Senate a message from the President of the United States, which was read and ordered to be printed, and, with the accompanying report, referred to the Committee on Finance, as follows:

*To the Congress of the United States:*

In addressing you on June 8, 1934, I summarized the main objectives of our American program. Among these was, and is, the security of the men, women, and children of the Nation against certain hazards and vicissitudes of life. This purpose is an essential part of our task. In my annual message to you I promised to submit a definite program of action. This I do in the form of a report to me by a Committee on Economic Security, appointed by me for the purpose of surveying the field and of recommending the basis of legislation.

I am gratified with the work of this committee and of those who have helped it: The Technical Board of Economic Security, drawn from various departments of the Government; the Advisory Council on Economic Security, consisting of informed and public-spirited private citizens; and a number of other advisory groups, including a Committee on Actuarial Consultants, a Medical Advisory Board, a Dental Advisory Committee, a Hospital Advisory Committee, a Public Health Advisory Committee, a Child Welfare Committee, and an Advisory Committee on Employment Relief. All of those who participated in this notable task of planning this major legislative proposal are ready and willing at any time to consult with and assist in any way the appropriate congressional committees and Members with respect to detailed aspects.

It is my best judgment that this legislation should be brought forward with a minimum of delay. Federal action is necessary to and conditioned upon the actions of States. Forty-four legislatures are meeting or will meet soon. In order that the necessary State action may be taken promptly, it is important that the Federal Government proceed speedily.

The detailed report of the committee sets forth a series of proposals that will appeal to the sound sense of the American people. It has not attempted the impossible nor has it failed to exercise sound caution and consideration of all of the factors concerned: the national credit, the rights and responsibilities of States, the capacity of industry to assume financial responsibilities and the fundamental necessity of proceeding in a manner that will merit the enthusiastic support of citizens of all sorts.

It is overwhelmingly important to avoid any danger of permanently discrediting the sound and necessary policy of Federal legislation for economic security by attempting to apply it on too ambitious a scale before actual experience has provided guidance for the permanently safe direction of such efforts. The place of such a fundamental in our future civilization is too precious to be jeopardized now by extravagant action. It is a sound idea—a sound ideal. Most of the other advanced countries of the world have already adopted it, and their experience affords the knowledge that social insurance can be made a sound and workable project.

Three principles should be observed in legislation on this subject. In the first place, the system adopted, except for the money necessary to initiate it, should be self-sustaining

in the sense that funds for the payment of insurance benefits should not come from the proceeds of general taxation. Second, excepting in old-age insurance, actual management should be left to the States subject to standards established by the Federal Government. Third, sound financial management of the funds and the reserves and protection of the credit structure of the Nation should be assured by retaining Federal control over all funds through trustees in the Treasury of the United States.

At this time, I recommend the following types of legislation looking to economic security:

First. Unemployment compensation.

Second. Old-age benefits, including compulsory and voluntary annuities.

Third. Federal aid to dependent children through grants to States for the support of existing mother's pension systems and for services for the protection and care of homeless, neglected, dependent, and crippled children.

Fourth. Additional Federal aid to State and local public health agencies and the strengthening of the Federal Public Health Service. I am not at this time recommending the adoption of so-called "health insurance", although groups representing the medical profession are cooperating with the Federal Government in the further study of the subject, and definite progress is being made.

With respect to unemployment compensation I have concluded that the most practical proposal is the levy of a uniform Federal pay-roll tax, 90 percent of which should be allowed as an offset to employers contributing under a compulsory State unemployment compensation act. The purpose of this is to afford a requirement of a reasonably uniform character for all States cooperating with the Federal Government and to promote and encourage the passage of unemployment compensation laws in the States. The 10 percent not thus offset should be used to cover the costs of Federal and State administration of this broad system. Thus, States will largely administer unemployment compensation, assisted and guided by the Federal Government. An unemployment compensation system should be constructed in such a way as to afford every practicable aid and incentive toward the larger purpose of employment stabilization. This can be helped by the intelligent planning of both public and private employment. It also can be helped by correlating the system with public employment so that a person who has exhausted his benefits may be eligible for some form of public work as is recommended in this report. Moreover, in order to encourage the stabilization of private employment Federal legislation should not foreclose the States from establishing means for inducing industries to afford an even greater stabilization of employment.

In the important field of security for our old people it seems necessary to adopt three principles—first, noncontributory old-age pensions for those who are now too old to build up their own insurance; it is, of course, clear that for perhaps 30 years to come funds will have to be provided by the States and the Federal Government to meet these pensions. Second, compulsory contributory annuities, which in time will establish a self-supporting system for those now young and for future generations. Third, voluntary contributory annuities by which individual initiative can increase the annual amounts received in old age. It is proposed that the Federal Government assume one-half of the cost of the old-age-pension plan, which ought ultimately to be supplanted by self-supporting annuity plans.

The amount necessary at this time for the initiation of unemployment compensation, old-age security, children's aid, and the promotion of public health, as outlined in the report of the Committee on Economic Security, is approximately $100,000,000.

The establishment of sound means toward a greater future economic security of the American people is dictated by a prudent consideration of the hazards involved in our national life. No one can guarantee this country against the dangers of future depressions, but we can reduce these dangers. We can eliminate many of the factors that cause economic depressions and we can provide the means of mitigating their results. This plan for economic security is at once a measure of prevention and a method of alleviation.

We pay now for the dreadful consequence of economic insecurity—and dearly. This plan presents a more equitable and infinitely less expensive means of meeting these costs. We cannot afford to neglect the plain duty before us. I strongly recommend action to attain the objectives sought in this report.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 17, 1935.*

A summary of the report of the President's Committee on Economic Security, which report accompanied the message, was ordered to be printed in the RECORD, and it is as follows:

EMPLOYMENT ASSURANCE

Since most people must live by work, the first objective in a program of economic security must be maximum employment. As the major contribution of the Federal Government in providing a safeguard against unemployment, we suggest employment assurance—the stimulation of private employment and the provision of public employment for those able-bodied workers whom industry cannot employ at a given time. Public-work programs are most necessary in periods of severe depressions, but may be needed in normal times as well to help meet the problems of stranded communities and overmanned or declining industries. To avoid the evils of hastily planned emergency work, public employment should be planned in advance and coordinated with the construction and developmental policies of the Government and with the State and local public-works projects.

We regard work as preferable to other forms of relief where possible. While we favor unemployment compensation in cash, we believe that it should be provided for limited periods on a contractual basis and without governmental subsidies. Public funds should be devoted to providing work, rather than to introduce a relief element into what should be strictly an insurance system. * * *

The resources of all public bodies—Federal, State, and local—must be coordinated if the policy of employment assurance is to be effectively realized. It would be advantageous to include in the program many types of public employment other than those which are considered necessary for the regular operations of government. This would include not only public construction of all kinds but also appropriate work to employ usefully the professional and self-employed groups of our population. It would also be desirable to extend Federal loans at low rates of interest to States and local governments for employment purposes. Such loans, once established, should be on a self-liquidating basis, and should become a revolving fund to be used over and over again as loans are repaid.

This entire program points immediately and inevitably toward practical advance planning on a broad scale to make the potential resources of a region available for the general welfare of the people involved, and toward detailed development of individual projects. To this end we endorse the recommendation of the National Resources Board for the establishment of a permanent national planning board.

UNEMPLOYMENT COMPENSATION

Unemployment compensation, as we conceive it, is a front line of defense, especially valuable for those who are ordinarily steadily employed, but beneficial also in maintaining purchasing power in depression time. While it will not directly benefit those now unemployed until they are reabsorbed in industry, it should be instituted at the earliest possible date to increase the security of all who are employed.

We believe that the States should administer unemployment compensation, assisted by the Federal Government. We recommend as essential the imposition of a uniform pay-roll tax against which credits shall be allowed to industries (which have contributed to unemployment insurance funds) in States that shall have passed compulsory unemployment compensation laws. Through such a uniform pay-roll tax it will be possible to remove the unfair competitive advantage that employers operating in States which have failed to adopt a compensation system enjoy over employers operating in States which give such protection to their wage earners. * * *

We believe also that it is essential that the Federal Government assume responsibility for safeguarding, investing, and liquidating all reserve funds, in order that these reserves may be utilized to promote economic stability and to avoid dangers inherent in their uncontrolled investment and liquidation. We believe, further, that the Federal act should require high administrative standards, but should leave wide latitude to the States in other respects, as we deem varied experience necessary within particular provisions in unemployment compensation laws in order to conclude what types are most practicable in this country. * * *

In the basis calculations of our actuaries, a waiting period of 4 weeks, a 50-percent compensation rate and a maximum of $15 per week, but no minimum, were assumed. We suggest to the States in framing their laws that on the basis of 3-percent contribution rate the maximum benefit period cannot safely exceed 16 weeks and should be reduced to 15 weeks, if it is desired to give workers who have been long employed without drawing benefits an additional (maximum) week of compensation for each

6 months they have been employed without drawing benefits, up to a maximum of 10 additional weeks.

Extended cash benefits seem to us far less desirable than work benefits, and we recommend that an employee, after he has exhausted his contractual rights, be certified to the authorities in charge of the Federal work program as entitled to a work benefit. Such certification shall entitle the unemployed insured worker who has exhausted his cash benefits to employment on any available public employment project. * * *

The States should make all contributions compulsory and may require them from employers alone, or from employers and employees, with or without contribution by the State government. The States should have freedom in determining their own waiting periods, benefit rates, maximum benefit periods, etc. We suggest caution lest they insert in their laws benefit provisions in excess of collections. * * *

We earnestly recommend prompt enactment by the Congress of legislation which will (1) impose a uniform tax on the employers to whom the act is applicable, beginning with the year 1936, and (2) create machinery for participation in the administration of unemployment compensation.

The tax should be imposed upon all employers who have employed four or more employees for a reasonable period of time (any 13 weeks of the taxable year for example), and should be measured by a percentage of the employer's pay roll. By 1938 the rate of tax should be 3 percent of the pay roll; but in the first 2 years, if economic recovery has not progressed satisfactorily, we recommend a lower rate, and suggest that the index of industrial production of the Federal Reserve Board may well be used to determine whether the rate in the first and second years shall be 1 percent, 2 percent, or 3 percent. We are opposed to exclusions of any specified industries from the Federal act, but favor the establishment of a separate nationally administered system of unemployment compensation for railroad employees and maritime workers.

Against the tax imposed in the Federal law, a credit, up to 90 percent of the tax, should be allowed for the money the employer has paid to the proper State authority as contributions for unemployment compensation purposes pursuant to State law. These credits, however, should be permitted only if the State is cooperating with the Federal Government in the administration of unemployment compensation, expending the money raised solely for benefits, and is depositing all contributions as collected in an unemployment trust fund in the United States Treasury.

If a State, to encourage stabilization of employment, permits particular industries or companies to have individual reserve or guaranteed employment accounts (such accounts to be kept by the State authority, but with deposit of the funds in the United States Treasury) or allows lower rates of contributions to employers not having such individual accounts on the basis of their favorable experience, an additional credit beyond the amount contributed in a particular year may be granted in the Federal act. We recommend, however, that such credit be allowed in all cases only on the condition that the employer has discharged in full his obligations under the State law and continues to pay at least 1 percent into the pooled State fund. Further, such an employer with an individual reserve account before becoming entitled to any additional credit, must have and maintain a reserve equal to at least 15 percent of his pay roll, and an employer with a guaranteed employment account a reserve of 7½ percent of his pay roll; while no additional credit for any reduction in rates payable to a pooled State fund may be allowed until after the State law has been in operation for 5 years.

To encourage efficient administration, without which unemployment insurance will fail to accomplish its purpose, we believe that the Federal Government should aid the States by granting them sufficient money for proper administration, under conditions designed to insure competence and probity. Among these conditions we deem selection of personnel on a merit basis vital to success. We also recommend that as a condition, both of grants in aid for administration and of the allowance of any tax credits for payments made under any State unemployment compensation act, the State must have accepted the provisions of the Wagner-Peyser Act (Public Employment Service) and provide for the payment of unemployment compensation through the public employment offices established under such act. A grant in aid for administration would not create any new burden on the Federal Government, as it would be paid for by the amount of the pay-roll tax over and above the credits allowed for contributions to State funds.

As an essential part of the Federal law, it should be made a requirement for any tax credits that all moneys collected for unemployment compensation purposes under State laws (including those credited to individual industry or company accounts) be deposited as collected in the Treasury of the United States in a trust account to the credit of the State, to be invested and liquidated as the Secretary of the Treasury may from time to time direct. Withdrawals from the fund are to be made only for unemployment compensation purposes, under regulations to be prescribed by the Secretary of the Treasury. * * *

The plan of unemployment compensation we suggest is frankly experimental. We anticipate that it may require numerous changes with experience, and, we believe, is so set up that these changes can be made through subsequent legislation as deemed necessary. If we are to wait until everyone interested in the subject is in agreement as to what is a perfect measure before enacting unemployment compensation legislation, there will be a long and unwarranted postponement of action.

We submit that the Federal part of the program should be enacted into law by the Congress at the earliest date possible. This is urgently necessary if the State legislatures are to act in time to permit the legislation to go into effect January 1, 1936. In the coming year, 44 of the 48 States will hold regular sessions of their legislatures. Most of these will convene in January and will be in session 3 months or less Unemployment compensation in this country will suffer another year of delay unless there is prompt action by the Congress.

OLD-AGE SECURITY

To meet the problem of security for the aged we suggest as complementary measures, noncontributory old-age pensions, compulsory contributory annuities, and voluntary contributory annuities, all to be applicable on retirement at age 65 or over.

Only noncontributory old-age pensions will meet the situation of those who are now old and have no means of support. Laws for the payment of old-age pensions on a needs basis are in force in more than half of all States and should be enacted everywhere. Because most of the dependent aged are now on relief lists and derive their support principally from the Federal Government, and many of the States cannot assume the financial burden of pensions unaided, we recommend that the Federal Government pay one-half the cost of old-age pensions, but not more than $15 per month for any individual. * * *

Since the Federal Government, under the plan we recommend, is to assume one-half the cost of old-age pensions, we deem it proper that it should require State legislation and administration which will insure to all of the needy aged pensions adequate for their support. We recommend that aid be granted only to those States which enact laws that are State-wide or Territory-wide in scope, and, if administered by political subdivisions, are mandatory upon them. Such laws may limit the granting of pensions to citizens of the United States and residents of the State or Territory, but may not require a longer period of residence than 5 years, within the last 10 years preceding the application for a pension. Property and income limitations may, likewise, be prescribed but no aged person otherwise eligible may be denied a pension whose property does not exceed $5,000 in value or whose income is not larger than is necessary for a reasonable subsistence compatible with decency and health. The pension to be allowed must be an amount sufficient, with the other income of the pensioner, for such a reasonable subsistence. Federal grants in aid are to be paid only on account of pensions granted to persons over 65 years of age but until January 1, 1940, States may maintain a 70-year age limit, which must thereafter be reduced to 65. No Federal aid is to be extended for aged persons cared for in institutions, and so much of the total pensions paid to any pensioner as was derived from the United States Government shall constitute a lien on the estate of the aged recipient, which, upon his death shall be enforced by the State or Territory and refunded to the Federal Government. The administration of the old-age pension laws must be under the supervision of a designated State department and must be so conducted as to insure fulfillment of the intent of the Federal grants in aid; namely, to give all dependent aged persons not in need of institutional care a decent subsistence in their own homes.

COSTS

Only approximate estimates can be given regarding costs of proposed grants in aid. The estimates of actuaries consulted by this committee are in our judgment so high in estimated figures for the year 1980 that further careful studies must be given to them with the objective of finding ways and means for reduction and limitation of estimated Government contributions as of that year.

Obviously figures will be reduced if a compulsory system of contributory annuities is established simultaneously with the Federal grants in aid. Sound financing demands this simultaneous action. Furthermore, the actuarial figures assume that contributory annuities will not cover a large percentage of our population, comprising those who are not actual wage earners. It is essential that as soon as possible these persons be brought into the compulsory system of contributory annuities, else the annual Government contributions will be so high as to constitute an impossible charge on the taxpayers.

CONTRIBUTORY ANNUITIES (COMPULSORY SYSTEM)

The satisfactory way of providing for the old age of those now young is a contributory system of old-age annuities. These will enable younger workers, with matching contributions from their employers to build up a more adequate old-age protection than it is possible to achieve with pensions based upon a means test. To launch such a system we deem it necessary that workers who are now middle aged or older, and who, therefore, cannot in the few remaining years of their industrial life accumulate a substantial reserve, be, nevertheless, paid reasonably adequate annuities upon retirement. A portion of these particular annuities will come out of Government funds, but because receipts from contributions will in the early years greatly exceed annuity payments it will not be necessary as a financial problem to have Government contribution until after the system has been in operation for 30 years. The combined contributory rate we recommend is 1 percent of pay roll, to be divided equally between employers and employees, which is to be increased by 1 percent each 5 years until the maximum of 5 percent is reached in 20 years. * * *

We recommend that the contributory annuity system include, on a compulsory basis, all manual workers and nonmanual workers earning less than $250 per month, except those of governmental units and those covered by the United States Railroad Retirement

Act. (In the first 5 years that the act is in effect only employees who on the effective date are less than 60 years of age are to be included.) Employees who lose compulsory coverage (by becoming employers, ceasing to work, etc.) after they have made at least 200 weekly contributions are to be permitted to continue membership on a voluntary basis by paying a contribution equal to the combined contributions required from employers and employees.

The compulsory contributions are to be collected through a tax on pay rolls and wages, to be divided equally between the employers and employees. To keep the reserves within manageable limits, we suggest that the combined rate of employers and employees be 1 percent in the first 5 years the system is in effect, 2 percent in the second 5 years, 3 percent in the third 5 years, 4 percent in the fourth 5 years, and 5 percent thereafter. If it is deemed desirable to reduce the burden of the system upon future generations, the initial rate may well be doubled and the taking effect of each higher rate advanced by 5 years.

Both the tax on the employers and the employees is to be collected through the employers, who shall be entitled to deduct the amount paid in the employees' behalf from wages due them. The necessary rules and regulations for collection of contributions are to be prescribed by the Secretary of the Treasury.

We suggest that the Federal Government make no contributions from general tax revenues to the fund during the years in which income exceeds payment from the funds, but that it guarantee to make contributions, when the level of payment exceeds income from contributions and interest, sufficient to maintain the reserve at the level of the last year in which income exceeded payments. According to our actuarial estimates the reserve on this basis would be maintained at about $15,250,000,000.

No benefits are to be paid until after the system has been in operation for 5 years, nor to any person who has not made at least 200 weekly contributions, nor before the member has reached the age of 65 and retired from gainful employment. Persons retiring after having passed age 65 will receive only the same pension as if they had retired at that age. The benefits are normally to take the form of annuities payable during the remainder of the life of the annuitant. Should a member die before the age of 65 or before the amount of his own contributions has been paid to him as an annuity, the difference between his contributions and the amount which he may have received as an annuity, with interest at 3 percent, is to be paid as a death benefit to his dependents. Members who have made contributions for a short time, but who, on reaching age 65 are not entitled to an annuity (because they have not made 200 contributions), are to be refunded their own contributions with 3-percent interest.

Under one proposal considered by the committee the annuity payable to members in whose behalf contributions are first paid during the years 1937 to 1941 shall be computed as follows: If they are eligible to retirement in the sixth year after becoming members, their annuity shall be equal to 15 percent of the average weekly wage during the period they have been within the system, not counting that portion of the wage in excess of $150 per month. For those retiring in the next 5 years this annuity is to be increased by 1 percent of the average weekly wage for each additional 40 weeks of contributions, but the increase shall not exceed 1 percent of each year of membership in the system. Thereafter the initial annuity is to be increased by 2 percent for each 40 weekly contributions, but not more than 2 percent per year, until a maximum pension of 40 percent of the first $150 average monthy wages upon which contributions have been paid shall be reached.

The minimum annuity payable to persons in whose behalf contributions are first paid in 1942 or subsequent thereto shall, on retirement at age 65 or over, after 200 weekly contributions, be 10 percent of the first $150 average monthly wages upon which contributions have been paid. To this 10 percent shall be added 1 percent for each 40 weekly contributions subsequent to the first 200 payments made within the first 5 years of membership in the system, but not to exceed 1 percent for each year of membership after the qualifying period of 5 years. * * *

VOLUNTARY OLD-AGE ANNUITIES

The voluntary system of old-age annuities we suggest, as a supplement to the compulsory plan that contemplates the Government shall sell to individuals, on a cost basis, deferred life annuities similar to those issued by commercial insurance companies; that is, in consideration of premiums paid at specified ages the Government would guarantee the purchasers a definite amount of income, starting at 65, for example, and continuing throughout the lifetime of the annuitant. The primary purpose of the plan is to offer persons not included within the compulsory system a systematic and safe method of providing for their old age. It could also be used by insured persons as a means of supplementing the old-age income provided under the compulsory plan. * * *

The plan should be designed primarily for the same income groups as those covered by compulsory system, hence, provision should be made for the acceptance of relatively small premiums (as little as $1 per month) and the maximum annuity payable to any individual should be limited to the actuarial equivalent of $50 per month. * * *

There should be a study of the feasibility of Government contributions toward the annuities of people now middle-aged or older with income of $2,500 per year or less who come under this voluntary plan, comparable to the unearned part of the annuities which will be paid by the Government to people of middle age or older who are brought under the compulsory system. This is but a fair deal to farm owners and tenants, self-employed persons, and other people of small incomes whose economic situation may be not one whit better than that of many workers covered by the compulsory system. Further study will be necessary, however, before a practical method of accomplishing this purpose can be suggested, one which will avoid the danger of benefiting those persons who need assistance least.

SECURITY FOR CHILDREN

A large group of the children at present maintained by relief will not be aided by employment or unemployment compensation. There are the fatherless and other young families without a breadwinner. To meet the problems of the children in these families no less than 45 States have enacted children's aid laws, generally called "mothers' pension laws." However, due to the present financial difficulty in which many States find themselves, far more of such children are on the relief lists than are in receipt of children's aid benefits. We are strongly of the opinion that these families should be differentiated from the permanent dependents and unemployables, and we believe that the children's aid plan is the method which will best care for their needs. We recommend Federal grants-in-aid on the basis of one-half the State and local expenditures for this purpose (one-third the entire cost). * * *

Such Federal grants-in-aid are a new departure, but it is imperative to give them if the mother's care method of rearing fatherless families is to become nationally operative. The amount of money required is less than the amount now given to families of this character by the Federal Government by the less desirable route of emergency relief. An initial appropriation of approximately $25,000,000 per year is believed to be sufficient. If the principle is adopted of making grants to one-half of the State and local expenditures (one-third the total cost), with special assistance to States temporarily incapacitated, this sum might in time rise to a possible $50,000,000. Federal grants should be made conditional on passage and enforcement of mandatory State laws and on the submission of approved plans assuring minimum standards in investigation, amounts of grants and administration. After a specified date, State financial participation should be insisted upon. This might take the form either of equalization grants to local units or of per capita grants, as the several States may prefer. * * *

We recommend also that the Federal Government give assistance to States in providing local services for the protection and care of homeless, neglected, and delinquent children and for child and maternal health services, especially in rural areas. Special aid should be given toward meeting a part of the expenditures for transportation, hospitalization, and convalescent care of crippled and handicapped children in order that those very necessary services may be extended for a large group of children whose only handicaps are physical. * * *

RISKS ARISING OUT OF ILL HEALTH

As a first measure for meeting the very serious problem of sickness in families with low income we recommend a Nation-wide preventive public-health program. It should be largely financed by State and local governments and administered by State and local health departments, the Federal Government to contribute financial and technical aid. The program contemplates (1) grants-in-aid to be allocated through State departments of health to local areas unable to finance public-health programs from State and local resources; (2) direct aid to States in the development of State health services and the training of personnel for State and local health work; and (3) additional personnel in the United States Public Health Service to investigate health problems of interstate or national concern.

The second major step, we believe, to be the application of the principles of insurance to this problem. We are not prepared at this time to make recommendations for a system of health insurance. We have enlisted the cooperation of advisory groups representing the medical and dental professions and hospital management in the development of a plan for health insurance which will be beneficial alike to the public and the professions concerned. We have asked these groups to complete their work by March 1, 1935, and expect to make a further report on this subject at that time or shortly thereafter.

RESIDUAL RELIEF

The measures we suggest all seek to segregate clearly distinguishable large groups among those now on relief or on the verge of relief and to apply such differentiated treatment to each group as will give it the greatest practical degree of economic security. We believe that if these measures are adopted, the residual relief problem will have diminished to a point where it will be possible to return primary responsibility for the care of people who cannot work to the State and local governments.

To prevent such a step from resulting in less humane and less intelligent treatment of these unfortunate fellow citizens, we strongly recommend that the States substitute for their ancient, out-mided poor laws modernized public-assistance laws, and replace their traditional poor laws administrations by unified and efficient State and local public-welfare departments, such as exist in some States and for which there is a nucleus in all States in the Federal Emergency Relief Organization.

ADMINISTRATION

The creation of a social insurance board within the Department of Labor, to be appointed by the President and with terms to insure continuity of administration, is recommended to administer the Federal Unemployment Compensation Act, and the system of Federal contributory old-age annuities.

The Secretary of the Treasury is recommended to have full responsibility for the safeguarding and investment of all social insurance funds. The Federal Emergency Relief Administration is recommended as the most appropriate existing agency for the administration of noncontributing old-age pensions and grants-in-aid for dependent children. If this agency should be abolished the President should designate the distribution of its work.

It is recommended that all activities of the Federal Government dealing with the administration of laws based on those recommendations be coordinated and systematized.

The members of the President's Committee on Economic Security signing the report were the Secretary of Labor, chairman; the Secretary of the Treasury; the Attorney General; the Secretary of Agriculture; the Federal Emergency Relief Administrator.

Mr. WAGNER. At this time I introduce a bill to carry out the recommendations made by the President and also the President's Committee on Economic Security. The bill has been drafted under my supervision and it also includes my own views. Because of the general interest in this proposed legislation, and the demand there will be for copies of the bill, I ask that the bill may be printed in the RECORD.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection?

There being no objection, the bill (S. 1130) to alleviate the hazards of old age, unemployment, illness, and dependency, to establish a Social Insurance Board in the Department of Labor, to raise revenue, and for other purposes, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.,*

TITLE I

APPROPRIATION FOR OLD-AGE ASSISTANCE

SECTION 1. For the purposes of this title, there is hereby appropriated, from funds in the Treasury not otherwise appropriated, the sum of $50,000,000 for the fiscal year ending June 30, 1936, and there is hereby authorized to be appropriated for each fiscal year thereafter the sum of $125,000,000, of which sums 99½ percent shall be apportioned among the several States as hereinafter provided.

ALLOTMENTS TO STATES FOR OLD-AGE ASSISTANCE

SEC. 2. The Federal Emergency Relief Administrator (hereinafter called the "Administrator"), as soon as possible after the commencement of each fiscal year, shall make allotments, in amounts as provided in section 6 of this act, to each State which, through a State old-age authority, has submitted and had approved by the Administrator a State plan for old-age assistance, and which, through its legislature, has accepted the provisions of this title: *Provided*, That such acceptance may be made, when such legislature is not in session, by the Governor of such State, to be effective until the close of the next session of such legislature thereafter.

DEFINITION OF OLD-AGE ASSISTANCE

SEC. 3. As used in this title, "old-age assistance" shall mean financial assistance assuring a reasonable subsistence compatible with decency and health to persons not less than 65 years of age who, at the time of receiving such financial assistance, are not inmates of public or other charitable institutions.

APPROVAL OF STATE OLD-AGE PLANS

SEC. 4. A State plan for old-age assistance, offered by the State authority for approval, shall be approved by the Administrator only if such plan—

(a) Is State-wide, includes substantial financial participation by the State, and, if administered by subdivisions of the State, is mandatory upon such subdivisions; and

(b) Establishes or designates a single State authority to administer or supervise the administration of the plan and insures methods of administration which are approved by the Administrator; and

(c) Grants to any person whose claim for assistance is denied the right to appeal to such State authority; and

(d) Provides that such State authority shall make full and complete reports to the Federal Emergency Relief Administration in accordance with rules and regulations to be prescribed by the Administrator; and

(e) Furnishes assistance at least great enough to provide, when added to the income of the aged recipient, a reasonable subsistence compatible with decency and health; and, whether or not it denies assistance to any aged persons, at least does not deny assistance to any person who

(1) Is a United States citizen; and

(2) Has resided in the State for 5 years or more within the 10 years immediately preceding application for assistance; and

(3) Has an income which when joined with the income of such person's spouse, is inadequate to provide a reasonable subsistence compatible with decency and health; and

(4) Is 65 years of age or older: *Provided*, That until January 1, 1940, but not thereafter, assistance may be denied to otherwise eligible persons who are less than 70 years of age; and

(f) Provides that so much of the sum paid as assistance to any aged recipient as represents the share of the United States Government in such assistance shall be a lien on the estate of the aged recipient which, upon his death, shall be enforced by the State, and that the net amount realized by the enforcement of such lien shall be deemed to be part of the State's allotment from the United States Government for the year in which such lien was enforced: *Provided*, That no such lien shall be enforced against any real estate of the recipient while it is occupied by the recipient's surviving spouse, if the latter is not more than 15 years younger than the recipient, and does not marry again.

REPORTS BY STATES

SEC. 5. To obtain the benefits of this title, a State old-age authority shall submit to the Administrator at such time and upon such forms as he may prescribe—

(a) An annual statement of the amount of the appropriation made by the State for its current or ensuing fiscal year for the purpose of carrying out the State plan, stating how much of such appropriation is for the actual payments of old-age assistance and how much for the payment of the expenses of administration; and

(b) An annual estimate of the sum which must be contributed by the political subdivisions of the State during such year for the purpose of carrying out the State plan, estimating how much of the sum is for payment of such old-age assistance and how much for the payment of the expenses of administration; and as soon as possible thereafter, a statement of the exact sums thus contributed; and

(c) At least once in every 3 months, a statement of the amount, actually paid, as old-age assistance, to each person 65 years of age or over, and the amount actually expended for the purpose of administration; and

(d) An annual statement of the amount collected, if any, from the estate of any assisted aged person, for which the State is accountable to the United States under section 4 (f) of this act.

(e) An annual statement of the exact amount, if any, of an allotment made under this title to such State remaining unexpended at the close of the year for which such allotment was made.

AMOUNT OF ALLOTMENTS TO STATES

SEC. 6. (a) The Administrator shall compute annually the amount to be allotted to such State at the sum of (a) and (b) of section 5 of this act, after deducting therefrom the sum of (d) and (e) of such section. In computing the allotment for administration, only so much of the appropriations and/or contributions for that purpose by the State and its political subdivisions shall be taken as a basis of computation which does not exceed 5 percent of the appropriations for old-age assistance.

(b) The Administrator shall direct that the amount of an allotment shall be changed when, under section 5 (b), a definite statement shows that the sums actually required to be contributed differ from the estimated amount, and the change in the allotment shall be in relation to the variation between the estimate and the actual requirement.

(c) If the sum of all allotments be in excess of the appropriations for the purpose, then the allotment to each State shall be diminished to that percentage which the appropriations bear to the sum of all allotments.

(d) Any unexpended amount of any allotment to a State at the end of the year for which such allotment was made shall be available to the State for the ensuing year.

(e) The Administrator may withdraw his approval of a State plan, if after his approval thereof such plan fails to comply with the conditions specified in section 3 of this act. In case of such withdrawal of approval, the Administrator shall notify the State authority of his action and the reasons therefor, and shall notify the Secretary of the Treasury to withhold payments to such State.

PAYMENT OF INSTALLMENTS

SEC. 7. The Administrator shall annually notify the Secretary of the Treasury and the treasurers of the several States of the allotments made under this title, and shall periodically notify the Secretary of the Treasury of the amounts payable as quarterly installments to the treasurers of the several States. The Secretary of the Treasury, after receiving such notice, shall pay such quarterly installments to the treasurer of each such State from the sums allotted to it, unless the Administrator notifies him to withhold payment of any installment, or to change the amount of any allotment, in which case he shall act in accordance with such notification: *Provided*, That no such installment shall exceed one-half of the amounts expended in such State, in the quarter immediately preceding the payment of such installment for the payment of old-age assistance, nor shall it exceed $15 a month per person, and for the administration of the State plan, up to 5 percent of the total amount expended under such plan in such quarter.

ACTION OF COMPTROLLER GENERAL

SEC. 8. The Comptroller General is authorized and directed to allow credits in the accounts of the Treasury of the United States for payment of allotments in the amounts notified him by the Administrator.

ADMINISTRATION

SEC. 9. From the moneys becoming available under or in accordance with this title not more than one-half of 1 percent may be

expended by the Administrator for all necessary expenditures, including the employment of experts, assistants, clerks, and other persons in the District of Columbia and elsewhere, the purchase of supplies, material, equipment, office fixtures and apparatus, and the incurring of travel and other expenses, as the Administrator may deem necessary to carry out the purposes of this title. The Administrator shall include in his annual report to Congress a full account of the administration of this title and expenditure of the moneys herein appropriated or authorized. The President is authorized to transfer at any time to any officer or agency of the Government, the duties and powers conferred upon the Administrator under this title.

RULES AND REGULATIONS

SEC. 10. The Administrator is authorized to make all rules and regulations necessary to effectuate the purposes of this title.

INCLUSION OF TERRITORIES AND DISTRICT OF COLUMBIA

SEC. 11. As used in this title, the term "State" includes Hawaii, Alaska, Puerto Rico, and the District of Columbia.

TITLE II

APPROPRIATIONS FOR AID TO DEPENDENT CHILDREN

SECTION 201. For the purposes of this title, there is hereby appropriated, from funds in the Treasury not otherwise appropriated, the sum of $25,000,000 for the fiscal year ending June 30, 1936, and the sum of $25,000,000 is hereby authorized to be appropriated for each fiscal year thereafter, not more than 99½ percent of such sums to be apportioned among the several States as hereinafter provided.

ALLOTMENTS TO STATES FOR AID TO DEPENDENT CHILDREN

SEC. 202. The Administrator shall, as soon as possible after the commencement of each fiscal year, make allotments, in amounts as provided in section 206 of this act, to each State which, through a State authority, has submitted and had approved by him a State plan for aid to dependent children, and which, through its legislature, has accepted the provisions of this title: *Provided*, That such acceptance may be made, when such legislature is not in session, by the Governor of such State, to be effective until the close of the next session of such legislature thereafter.

DEFINITION OF DEPENDENT CHILDREN

SEC. 203. As used in this title, "dependent children" shall mean children under the age of 16 in their own homes, in which there is no adult person, other than one needed to care for the child or children, who is able to work and provide the family with a reasonable subsistence compatible with decency and health.

APPROVAL OF STATE PLANS FOR AID TO DEPENDENT CHILDREN

SEC. 204. A State plan for aid to dependent children, offered by a State authority for approval, shall be approved by the Administrator only if such plan—

(a) Provides that not later than June 30, 1936, and thereafter, aid to dependent children shall be available, to persons in need of the same, in every political subdivision of the State, and that the State shall make substantial contributions to the payment thereof; and

(b) Provides that such State authority shall make full and complete reports to the Federal Emergency Relief Administration in accordance with rules and regulations to be prescribed by the Administrator; and

(c) Furnishes assistance at least great enough to provide, when added to the income of the family, a reasonable subsistence compatible with decency and health; and

(d) Establishes or designates a single State agency to administer or supervise the administration of the plan and insures methods of administration and payment which are approved by the Administrator; and

(e) Does not impose a residence requirement, as a condition precedent to the granting of such aid, of longer than 1 year.

REPORTS BY STATES

SEC. 205. To obtain the benefits of this title a State authority shall submit to the Federal Emergency Relief Administration at such time and on such forms as the Administrator may prescribe—

(a) An annual statement of the amount of the appropriation made by the State for its current or ensuing fiscal year, and the amount made available for such year by the political subdivisions of such State, for the purpose of carrying out the State plan for aid to dependent children; and

(b) At least once in every 3 months, a statement of the amount actually expended for such purpose; and

(c) An annual statement of the exact amount, if any, of any allotment made under this title to such State remaining unexpended at the close of the year for which such allotment was made; and

(d) An annual statement of the number of dependent children whose mothers are receiving aid or are on the waiting list therefor under the State plan for aid to dependent children.

AMOUNT OF ALLOTMENTS TO STATES

SEC. 206. (a) The Administrator shall compute annually the amount to be allotted to such State at a sum equal to one-third of the amount reported under section 204 (a). If the sum of all allotments under this paragraph be in excess of the appropriations for the purpose, then the allotment to each State shall be diminished to that percentage which the appropriations bear to the sum of all such allotments.

(b) The Administrator shall allot, in each fiscal year, so much of the amounts made available under this title for the preceding fiscal year as were not required for the purposes of paragraph (a) of this section, to any or all States with approved plans for aid to dependent children, in amounts apportioned by him on a basis of need, taking into account, among other things, the numbers reported under section 205 (d) of this act.

(c) Any unexpected amount of any allotment to a State at the end of the year for which such allotment was made shall be available to the State for the ensuing year.

(d) The Administrator may withdraw his approval of a State plan for aid to dependent children, if after his approval thereof such plan fails to comply with the conditions specified in section 204 of this act. In case of such withdrawal of approval, he shall notify the State authority of his action and the reasons therefor, and shall notify the Secretary of the Treasury to withhold payments to such State.

PAYMENT OF INSTALLMENTS

SEC. 207. The Administrator shall annually notify the Secretary of the Treasury and the treasurers of the several States of the allotments made under this title, and shall periodically notify the Secretary of the Treasury of the amount payable, as a quarterly installment, to the treasurer of each State. The Secretary of the Treasury, after receiving such notice, shall pay such quarterly installment to the treasurer of each such State from the sums allotted to it, unless the Administrator notifies him to withhold payment of any installment, or to change the amount of any allotment, in which case he shall act in accordance with such notification: *Provided*, That no such installment shall exceed the amounts expended by such State in the quarter immediately preceding the payment of such installment for the purpose of carrying out the State plan for aid to dependent children.

ACTION OF COMPTROLLER GENERAL

SEC. 208. The Comptroller General is authorized and directed to allow credit in the accounts of the Treasury of the United States for payment of allotments in the amount notified him by the Administrator.

ADMINISTRATION

SEC. 209. From the moneys becoming available under and/or in accordance with this title, not more than one-half of 1 percent may be expended by the Administrator for all necessary expenditures, including the employment of experts, assistants, clerks, and other persons in the District of Columbia and elsewhere, the purchase of supplies, material, equipment, office fixtures and apparatus, and in the incurring of traveling and other expenses as the Administrator may deem necessary to carry out the purposes of this title. The Administrator shall include in his annual report to Congress a full account of the administration of this title and expenditures of the money herein authorized. The President is authorized to transfer at any time, to any officer or agency of the Government, the duties and powers conferred upon the Administrator under this title.

INCLUSION OF TERRITORIES

SEC. 210. As used in this title, the term "State" includes Alaska, Hawaii, Puerto Rico, and the District of Columbia.

RULES AND REGULATIONS

SEC. 211. The Administrator is authorized to make all rules and regulations necessary to effectuate the purposes of this title.

TITLE III

EARNINGS TAX

SECTION 301. Commencing on January 1, 1937, there shall be levied and assessed upon every employee as defined in this title an earnings tax, to be collected from and paid by every employer subject to this title:

(1) As of January 1, 1937, the tax shall be at the rate of one-half of 1 percent of the wages paid by such employer to such employee.

(2) As of January 1, 1942, the tax shall be at the rate of 1 percent of the wages paid by such employer to such employee.

(3) As of January 1, 1947, the tax shall be at the rate of 1½ percent of the wages paid by such employer to such employee.

(4) As of January 1, 1952, the tax shall be at the rate of 2 percent of the wages paid by such employer to such employee.

(5) As of January 1, 1957, the tax shall be at the rate of 2½ percent of the wages paid by such employer to such employee.

The amount of such tax (but not part of the tax levied under section 302) shall be deducted by the employer from the wages of the employee.

EMPLOYMENT OF EXCISE TAX

SEC. 302. Commencing on January 1, 1937, there shall be levied and assessed upon every employer as defined in this title an employment excise tax, to be collected from and paid by every such employer:

(1) As of January 1, 1937, the tax shall be at the rate of one-half of 1 percent of the pay roll of such employer.

(2) As of January 1, 1942, the tax shall be at the rate of 1 percent of the pay roll of such employer.

(3) As of January 1, 1947, the tax shall be at the rate of 1½ percent of the pay roll of such employer.

(4) As of January 1, 1952, the tax shall be at the rate of 2 percent of the pay roll of such employer.

(5) As of January 1, 1957, the tax shall be at the rate of 2½ percent of the pay roll of such employer.

COLLECTION OF TAXES

SEC. 303. (a) The taxes provided for in this title shall be collected by the Bureau of Internal Revenue under the direction of

the Secretary of the Treasury. Such taxes shall be paid into the Treasury of the United States.

(b) All provisions of law, including penalties, applicable with respect to any tax imposed by section 600 or section 800 of the Revenue Act of 1926, shall, insofar as applicable and not inconsistent with the provisions of this title, be applicable in regard to the taxes imposed by this title.

RULES AND REGULATIONS

SEC. 304. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe and publish all needful rules and regulations for the enforcement of this title, and in particular for—

(a) Collection and payment of the tax by stamps, coupons, tickets, books, or such other reasonable device or method as may be necessary or helpful in securing a complete and proper collection of the tax and for regulating the manner, times, and conditions in, at, and under which the tax shall be collected and paid, including the making and filing of returns and the affixing or other use of said stamps, tickets, books, or other device or devices; and

(b) Issue, sale, custody, production, cancelation, and disposition of such stamps, tickets, books, or other device or devices, including the substitution or replacement thereof in case of loss, destruction, or defacement.

SALE OF STAMPS BY POSTMASTERS

SEC. 305. The Commissioner of Internal Revenue shall furnish to the Postmaster General without prepayment a suitable quantity of adhesive stamps, issued or used for the collection of any tax imposed by this title, to be distributed to, and kept on sale by, the various postmasters in the United States. The Postmaster General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps so furnished, and each such postmaster shall deposit the receipts from the sale of such stamps to the credit of and render accounts to the Postmaster General at such times and in such form as he may by regulations prescribe. The Postmaster General shall at least once monthly transfer all collections from this source to the Treasury as internal-revenue collections.

PENALTIES

SEC. 306. (a) Except as provided in this title or in regulations made pursuant thereto, every person who buys, sells, offers for sale, transfers, takes, or gives in exchange, or pledges or gives in pledge any stamp, coupon, ticket, book, or other device prescribed by the Commissioner of Internal Revenue for the collection of any tax imposed by this title, shall be guilty of a misdemeanor and shall, upon conviction thereof, be fined not more than $1,000 or sentenced to not more than 6 months' imprisonment, or both.

(b) Any person who, with intent to defraud, alters, forges, makes, or counterfeits any stamp, coupon, ticket, book, or other device prescribed by the Commissioner of Internal Revenue for the collection of any tax imposed by this title, or who uses, sells, lends, or has in his possession any such altered, forged, or counterfeited stamp, coupon, ticket, book, or other device, or who makes, uses, sells, or has in his possession any material in imitation of the material used in the manufacture of such stamp, coupon, ticket, book, or other device, shall, upon conviction thereof, be punished by a fine not exceeding $5,000 or by imprisonment not exceeding 5 years, or both.

DEFINITIONS

SEC. 307. When used in this title—

(1) The term "person" means an individual, a trust or estate, a partnership, syndicate, group, pool, joint venture, or other unincorporated organization, or a corporation, association, joint-stock company, or insurance company.

(2) The term "domestic", when applied to a corporation or partnership, means created or organized in the United States or under the laws of the United States or of any State or Territory.

(3) The term "foreign", when applied to a corporation or partnership, means a corporation or partnership which is not domestic.

(4) The term "employer" shall include every person who employs an employee, as defined in this title, except that it shall not include the Federal Government, the States or any political subdivision thereof, a governmental instrumentality, or any employer subject to the Railway Retirement Act, including any amendments hereafter made to such act.

(5) The term "employee" shall include every individual who on January 1, 1937, has not attained the age of 60 years, and who receives wages under any contract of employment or hire, oral or written, express or implied, and the greater part of whose duties under such contract is performed within the continental United States or on board a vessel subject to the jurisdiction of the United States.

(6) The term "wages" shall mean the total of every form of remuneration received by an employee from an employer, whether paid directly or indirectly by an employer, including salaries, commissions, bonuses, and the reasonable money value of rent, housing, lodging, board (except in the case of board, the total money value shall not be included unless such total value is in excess of $10 for any calendar month), payments in kind, and similar advantages; but it shall not include any such remuneration received by a nonmanual worker who is employed at a monthly salary of more than $250 a month.

(7) The term "pay roll" means the total amount of all wages paid by an employer subject to this title.

(8) The term "continental United States" means the several States and the District of Columbia, and excludes territories and possessions of the United States.

TITLE IV

SOCIAL INSURANCE BOARD

SECTION 401 (a). There is hereby established in the Department of Labor a Social Insurance Board (hereinafter referred to as the "board") to be composed of three members to be appointed by the President. During his term of membership on the board no member shall engage in any other business, vocation, or employment. Each member shall receive a salary at the rate of $10,000 a year and shall hold office for a term of 6 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term; and (2) the terms of office of the members first taking office after the date of enactment of this title shall expire, as designated by the President at the time of appointment, 1 at the end of 2 years, 1 at the end of 4 years, and 1 at the end of 6 years after the date of enactment of this title. The President shall designate the chairman of the Board.

(b) The board is authorized, subject to the approval of the Secretary of Labor, to appoint and fix the compensation of such officers, attorneys, and experts as may be necessary for carrying out its functions under this act, without regard to the provisions of the civil-service laws and the Classification Act of 1923, as amended, and, subject to the civil-service laws, to appoint such other officers and employees as are necessary in the execution of its functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

DUTIES OF SOCIAL INSURANCE BOARD

SEC. 402. The Social Insurance Board shall have, among its duties, the duties of—

(a) Studying and making recommendations as to the most effective methods of providing economic security through social insurance, and as to legislation and matters of administrative policy concerning old-age insurance, unemployment compensation, accident compensation, health insurance, and related subjects.

(b) Examining and making recommendations to the Secretary of Labor as to the allowance of credit under title VI of this act;

(c) Supervising and directing, as hereinafter provided, the payment of old-age annuities under a national contributory old-age insurance system;

(d) Issuing old-age annuities, as provided in title V of this act;

(e) Assisting the States, in the manner hereinafter provided, in the administration of unemployment-compensation laws.

APPROPRIATION

SEC. 403. For the purposes of this title there is hereby appropriated from the funds in the Treasury not otherwise appropriated (a) for the fiscal year ending June 30, 1936, the sum of $5,000,000, and there is hereby authorized to be appropriated for each fiscal year thereafter the sum of $50,000,000, of which sums 98 percent shall be apportioned by the board among the States as hereinafter provided; and (b) the proceeds derived from all taxes imposed under title III of this act, to be allocated to the old-age fund established under this title.

SEC. 404. (a) There is hereby established in the Treasury a fund to be known as the "old-age fund", to be held and invested under the same terms and conditions as the unemployment trust fund established under title VI of this act; and the Secretary of the Treasury is hereby authorized and directed so to manage such fund.

(b) The Social Insurance Board shall, from time to time, requisition from such fund the amounts necessary for the making of all payments under section 405 of this act, and shall annually cause to be made, and transmitted to the Secretary of the Treasury in the form of a formal instrument, actuarial valuations of the future income and future expenditures of the old-age fund, which shall show the future obligations of the Government under this title.

PAYMENT OF OLD-AGE ANNUITIES

SEC. 405. (a) On and after January 1, 1942, the board shall requisition from the old-age fund and cause to be paid, to qualified aged persons, old-age annuities out of the sums appropriated under subsection (b) of section 403 of this act. No person shall receive such old-age annuity unless—

(1) At the time when it is paid to him he is not less than 65 years of age; and

(2) Taxes were paid on his behalf, under section 301 of this act, prior to the day when he attained the age of 60 years; and

(3) Taxes were paid on his behalf, under section 301 of this act, for at least 200 different weeks in not less than a 5-year period entirely prior to his attaining the age of 65 years; and

(4) He is not employed by another in a gainful occupation.

(b) Any person qualified to receive an old-age annuity shall, upon complying with all rules and regulations to be prescribed by the Secretary of Labor and reasonably designed to facilitate the just and prompt payment of such annuities, be entitled to receive once in each month, commencing not earlier than January 1, 1942, a monthly installment of such annuity in the amount and under the conditions hereinafter prescribed, as follows:

(1) A person on whose behalf taxes were paid under section 301 of this act prior to January 1, 1942, and prior to such person attaining the age of 65 years, shall receive as his monthly installment an amount equal to a percentage of his average monthly wage. If taxes were paid on his behalf

(A) In 200 different weeks (in not less than 5 years), such percentages shall be 15 percent of such wage;

(B) For each 40 different weeks (prior to his attaining the age of 65 years) over such 200 weeks, up to an additional 200 weeks, there shall be added to such percentage 1 percent, except that such addition shall not exceed 1 percent for the 12-month period commencing at the end of the original 200 weeks or the original 5-year period, whichever ends later, and for each 12-month period thereafter;

(C) For each 40 different weeks (prior to his attaining the age of 65 years) over such aggregate of 400 weeks, up to an additional 400 weeks, there shall be a further addition of 2 percent, except that such addition shall not exceed 2 percent for the 12-month period commencing at the end of the additional 200 weeks or the fifth of the 12-month period under (B), whichever ends later, and for each 12-month period thereafter. If in the 5 years under (A) such taxes were paid in more than 200 weeks, such excess weeks over 200 shall be counted toward the additional 200 weeks under (B); and if in the five 12-month periods under (B) such taxes were or are counted as having been paid in more than 200 weeks, such excess weeks over 200 shall be counted toward the additional 400 weeks under (C).

(2) A person on whose behalf such taxes were paid only after January 1, 1942, shall receive as his monthly installment an amount equal to 10 percent of his average monthly wage plus 1 percent of such wage for each 40 different weeks (prior to his attaining the age of 65 years) over the original 200 (in not less than a 5-year period) in which such taxes were paid, except that such addition shall not exceed 1 percent for the 12-month period commencing at the end of the original 200 weeks or the original 5-year period, whichever ends later, and for each 12-month period thereafter. If in the original 5-year period such taxes were paid in more than 200 weeks, taxes paid in such excess weeks over 200 shall be deemed to have been paid in a subsequent 12-month period.

(3) Any person entitled to the payment of any installment under either paragraph (1) or (2) of this subsection may, if such person has a dependent spouse, elect to receive a joint survivorship annuity of identical actuarial value in lieu of the annuity provided under either of such paragraphs, under such rules and regulations as the Social Insurance Board shall prescribe.

(4) In no event shall the actuarial value of an annuity paid to a person under this section be less than the amount paid in taxes on his behalf together with interest accretions as determined by the Social Insurance Board.

(5) As used in this section "average monthly wage" shall mean the total amount of wages upon which taxes were paid under section 301 of this act on behalf of the employee and prior to his attaining the age of 65 years, such amount to be divided by the number of months in which such taxes were paid, except that such average monthly wage shall not exceed $150. For the purpose of calculating the average monthly wage, the Social Insurance Board shall adjust the various lengths of the periods for which wages were paid to a monthly basis.

(c) If any person on whose behalf taxes have been paid under section 301 of this act dies before receiving any benefits, or before receiving in benefits an amount equal to the total amount of such taxes paid on his behalf, with interest accretions prior to the date of first receiving an annuity as determined by the Social Insurance Board, there shall be paid to his legal and/or actual dependents an amount equal to the difference between such amount of taxes together with such interest accretions and the benefits he has received.

(d) Any person upon whose behalf taxes were paid under section 301 of this act, who upon reaching the age of 65 is not entitled to benefits, may thereafter claim from the Social Insurance Board an amount equal to the amount of such tax payments, and the Social Insurance Board shall pay him such amount, together with interest accretions as determined by such board. No person who thus claims and receives any amount under this section shall thereafter be entitled to an old-age annuity or any installment thereof.

ALLOTMENTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION

SEC. 406. The board shall periodically make allotments, in a total amount of not more than $4,000,000 in the fiscal year ending June 30, 1936, and thereafter not more than $49,000,000 in each year, to those States which have unemployment-compensation laws requiring contributions for which credits against tax are allowed under title VI of this act. The total amount, or so much thereof as the board deems necessary, allocated under this section shall be apportioned among such States on the basis of need for such financial assistance in the proper administration of such laws.

CONDITIONS OF UNEMPLOYMENT COMPENSATION ADMINISTRATION ALLOTMENTS

SEC. 407. (a) No allotment shall be made or installment paid to a State, under section 406 of this act, unless and until the board has made a finding of fact and has certified the same to the Secretary of Labor and the Secretary of the Treasury, that—

(1) All positions in the administration of the unemployment-compensation law of such State are filled by persons appointed on a nonpartisan basis, and selected on the basis of merit under rules and regulations prescribed or approved by the board; and

(2) Administrative regulations and practices are reasonably calculated to insure full payment of unemployment compensation when due; and

(3) Unemployment compensation is paid as a matter of right and in accordance with the terms of the State unemployment-compensation law to all persons eligible thereto under such law, and that all persons whose claims for compensation are denied are given a fair hearing, before an impartial tribunal; and

(4) All such unemployment compensation is paid through public employment offices of the State; and

(5) All of the money raised by contributions of employers and employees under such State law is deposited upon collection to become a part of the unemployment trust fund established under title VI of this act, and, upon being requisitioned, is expended solely in the payment of unemployment compensation; and

(6) The State agency charged with the administration of the unemployment-compensation law makes, upon request, full and complete reports to the Social Insurance Board relating to the effect and administration of such law, on forms to be prescribed by the board, and makes available upon request to any agency of the United States charged with the administration of public works or other assistance through public employment, the names and addresses and ordinary occupation of each recipient of unemployment compensation and the date when such recipient received the last regular payment of compensation to which he was entitled under the State law.

(b) Payment of any installment to a State to which an allotment has been made shall be withheld if the board reverses the previous finding made by it under this section, and notifies the Secretary of the Treasury and the treasurer of the affected State of such reversal and the reason or reasons therefor. The amounts thus withheld in any fiscal year shall be added to the total amount from which allotments are made in the next fiscal year.

NOTIFICATION

SEC. 408. The board shall, as soon as possible after the commencement of the fiscal year, notify the Secretary of the Treasury, and the treasurers of the several States of the States to which allotments for that fiscal year have been made under this title, and of the sums allotted. The Secretary of the Treasury shall thereupon pay in monthly installments to the treasurer of each such State the sums allotted to it, unless the board notifies him to withhold payment of any installment or to change the amount of any allotment, in which case he shall act in accordance with such notification.

ACTION OF COMPTROLLER GENERAL

SEC. 409. The Comptroller General is authorized and directed to allow credit in the accounts of the Treasury of the United States for payment of allotments in the amount notified him by the Board.

TITLE V

ANNUITY CERTIFICATES

SECTION 501. The Social Insurance Board is authorized to borrow from time to time, on the credit of the United States, for the purpose of increasing the old-age fund established under this act, such sum or sums as in its judgment may be desirable, and to issue therefor, at such prices and upon such terms and conditions as it may determine, annuity certificates: *Provided*, That no such certificate shall be issued except to United States citizens: *And provided further*, That there shall not be issued to an individual a certificate or certificates for loans which would amount, with interest accretions, to more than an annuity of $100 a month after such individual attained the age of 65 years.

FORM AND CONDITIONS OF CERTIFICATES

SEC. 502. Each annuity certificate issued under this title shall be in such form and subject to such terms and conditions, and may bear such interest and have such provisions for payment, as the Social Insurance Board may prescribe: *Provided*, That payment of interest may be deferred and payment of principal and interest to persons to whom such certificates have been issued may be made in monthly installments.

ISSUANCE OF STAMPS

SEC. 503. The board may, under such regulations and upon such terms and conditions as it may prescribe, issue, or cause to be issued, stamps to evidence payments for, or on account of, such certificates.

DEPOSITS IN OLD-AGE FUND

SEC. 504. All moneys borrowed under this title shall be deposited by the board in the old-age fund established under section 404 of this act, to be held and used by the Secretary of the Treasury as part of such fund. The board shall requisition from such fund from time to time all amounts needed to meet promptly all obligations of the United States arising out of annuity certificates.

RULES AND REGULATIONS

SEC. 505. The Social Insurance Board shall make all rules and regulations necessary to carry out the purposes of this title.

TITLE VI

IMPOSITION OF TAX

SECTION 601. There shall be levied, assessed, and collected annually from every employer subject to this title for the taxable year commencing January 1, 1936, and for each taxable year thereafter an excise tax, measured by an amount equal to 3 percent of such employer's pay roll: *Provided*, That—

(a) If the Federal Reserve Board's adjusted index of total industrial production averages, for the year ending September 30, 1935, not more than 84 percent of its average for the years 1923–25, inclusive, the Governor of the Federal Reserve Board shall certify that fact to the Secretary of the Treasury and to Congress, and the tax imposed under this section shall, for the taxable year commencing January 1, 1936, be measured by an amount equal to 1 percent of such employer's pay roll;

(b) If such index averages, for such year, more than 84 percent but less than 95 percent of such earlier average, such fact shall be so certified, and the tax imposed under this section shall, for the taxable year commencing January 1, 1936, be measured by an amount equal to 2 percent of such employer's pay roll;

(c) If such index averages, for the year ending September 30, 1936, not more than 84 percent of such earlier average, such fact shall be so certified, and the tax imposed under this section shall, for the taxable year commencing January 1, 1937, be measured by an amount equal to 1 percent of such employer's pay roll, except that in no event shall the measure of tax for the taxable year commencing January 1, 1937, be less than the measure of tax for the taxable year commencing January 1, 1936;

(d) If such index averages, for the year ending September 30, 1936, more than 84 percent but less than 95 percent of such earlier average, such fact shall be so certified, and the tax imposed under this section shall for the taxable year commencing January 1, 1937, be measured by an amount equal to 2 percent of such employer's pay roll, except that in no event shall the measure of tax for the taxable year commencing January 1, 1937, be less than the measure of tax for the taxable year commencing January 1, 1936.

ALLOWABLE CREDIT

SEC. 602. Any employer may credit against the tax thus due, up to 90 percent of the tax, the amount of his contributions for the taxable quarter to any unemployment fund under any State law: *Provided*, That the Secretary of Labor has, in the month of December in the taxable year, made a finding of fact and certified to the Secretary of the Treasury that—

(a) The State by whose law such contributions were required has accepted the provisions of the act of June 6, 1933 (U. S. C., title 29, sec. 49 (c); 48 Stat. 113);

(b) Payment of all compensation is made and/or is to be made through the public employment offices in such State, and commences under such State law 2 years after contributions are first made under such law;

(c) The State agency of such State, to safeguard the money paid as contributions and to assist in maintaining the stability of industry and employment, deposits all such money, or causes it to be deposited, immediately upon its being paid as contributions, in the unemployment trust fund, or in a bank or banks designated as agents of such trust fund to be held as part of such trust fund, in accordance with section 604 of this act;

(d) None of the money requisitioned by such State agency, in accordance with section 604 of this act, has been used for any purpose except the payment of compensation;

(e) Compensation is not denied in such State to otherwise eligible employees for refusing to accept new work under any of the following conditions: (1) If the position offered is vacant due directly to a strike, lockout, or other labor disputes; (2) if the wages, hours, and other conditions of the work offered are substantially less favorable to the employee than those prevailing for similar work in the locality; (3) if acceptance of such employment would either require the employee to join a company union or would interfere with his joining or retaining membership in any bona fide labor organization;

(f) The State law includes provisions which permit modification thereof at the will of the legislature or which prevent the creation of vested rights against modification or repeal of such law at any time.

FINDINGS OF FACT

SEC. 603. In December 1935 the Secretary of Labor shall notify the Secretary of the Treasury and the treasurers of the several States of the names of those States having State laws which, if faithfully executed, may entitle employers to credit for contributions made under such laws in the taxable year commencing January 1, 1936. Annually thereafter the Secretary of Labor shall make findings of fact and certifications to the Secretary of the Treasury, as provided in section 602 of this act, as to compliance by the States with the conditions of subsections (a) to (f), inclusive, of section 602, and shall notify the treasurers of the several States of the names of those States which he finds to comply with such subsections.

UNEMPLOYMENT TRUST FUND

SEC. 604. (a) There is hereby established in the Treasury a trust fund to be known as the "unemployment trust fund." The Secretary of the Treasury is authorized and directed to receive and hold in this fund any and all moneys delivered in accordance with section 602 of this act by any State agency to him at the Treasury or at any bank designated by him for the purpose, and to receive and hold the income derived therefrom. The fund or any part thereof may be invested or reinvested in any primary obligations of the United States or in any obligations guaranteed as to both principal and interest by the United States; and such obligations may be acquired by purchase of outstanding obligations at the market price thereof or on original issue at par. Obligations acquired by the fund on original issue, which are issued exclusively to the fund, shall bear interest at the rate equal (after adjustment to the next lower multiple of one-eighth of 1 percent) to the average rate of interest payable at the time of such acquisition upon all primary obligations of the United States (other than obligations issued directly to the fund) then forming part of the public debt. Every other obligation acquired for the fund shall be acquired on such terms as to provide an effective investment yield which shall not be less, by more than one-eighth of 1 percent, than such average rate. It shall be the duty of the Secretary of the Treasury to invest as herein provided such portion of the fund as is not, in his judgment, required to meet current withdrawals. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance thereof to the fund for the sole purpose of providing it with suitable investments at such interest rates as may be required for the purposes of this section, notwithstanding the availability in the market of obligations of the United States bearing the same or different interest rates; and to an amount not in excess of the face amount, from time to time outstanding, of obligations originally issued to the fund, the Secretary of the Treasury is authorized in his discretion and on the basis of fair market values to invest and reinvest in, and to sell (or, in the case of primary obligations of the United States, to cancel) any obligations of a kind in which he is authorized to invest the fund, but without limitation as to interest rate. Obligations so acquired shall be held in a special account. All purchases, retirements, and sales under this section shall be deemed to be public-debt transactions.

(b) Each State agency shall have an undivided interest in the fund, but the Secretary of the Treasury shall maintain a separate book account for each such State agency, and shall credit quarterly on March 31, June 30, September 30, and December 31 to each such account a proportionate part of the earnings of the fund for the preceding quarter on the basis of the average daily balance of such account.

(c) The Secretary of the Treasury is authorized and directed to pay out of the fund to any State agency such part of the money held in trust for it as may be duly requisitioned in accordance with the terms of this act. Whenever, in order to make any such payment, it is necessary to dispose of any obligations held in the fund, the Secretary of the Treasury is authorized to sell such obligations on the market, or to acquire such obligations for the account of the United States at the market price thereof: *Provided*, That obligations originally issued to the fund shall be so acquired for the account of the United States at par plus accrued interest.

(d) The Secretary of the Treasury is hereby authorized to appoint any one or more of the Federal Reserve or national banks as his agents, on such terms and conditions as he may prescribe, to hold and have custody of the fund or any part thereof, and such banks are hereby authorized to act as such agents.

ADMINISTRATION, REFUNDS, AND PENALTIES

SEC. 605. (a) The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe and publish necessary rules and regulations for the enforcement of the provisions of this title.

(b) Every employer liable for tax under this title shall make a return under oath within 1 month after the close of the year with respect to which such tax is imposed to the collector of internal revenue for the district in which is located his principal place of business. Such return shall contain such information and made in such manner as the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury may by regulations prescribe. The tax shall, without assessment by the Commissioner or notice from the collector, be due and payable to the collector within 1 month after the close of the year with respect to which the tax is imposed. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 1 percent a month from the time when the tax became due until paid. All provision of law (including penalties) applicable in respect of the taxes imposed by section 600 of the Revenue Act of 1926, shall, insofar as not inconsistent with this act, be applicable in respect of the tax imposed by this act. The Commissioner may extend the time for filing the return of the tax imposed by this act, under such rules and regulations as he may prescribe with the approval of the Secretary of the Treasury, but no such extension shall be for more than 60 days.

(c) Returns required to be filed for the purpose of the tax imposed by this act shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law as returns made under title II of the Revenue Act of 1926.

(d) The taxpayer may elect to pay the tax in four equal installments, in which case the first installment shall be paid on the date prescribed for the filing of returns, the second installment shall be paid on or before the last day of the third month, the third installment on or before the last day of the sixth month, and the fourth installment on or before the last day of the ninth month, after such day. If any installment is not paid on or before the date fixed for its payment, the whole amount of the tax unpaid shall be paid upon notice and demand from the collector.

(e) At the request of the taxpayer the time for payment of any initial installment of the amount determined as the tax by the taxpayer may be extended under regulations prescribed by the Commissioner with the approval of the Secretary of the Treasury, for a period not to exceed 6 months from the date prescribed for the payment of such installment. In such case the amount in respect of which the extension is granted shall be paid (with interest at the rate of one-half of 1 percent per month) on or before the date of the expiration of the period of the extension.

DEFINITIONS

SEC. 606. When used in this title the term "employer" shall mean any person, partnership, association, corporation, whether domestic or foreign, or the legal representative, trustee in bankruptcy, receiver, or trustee thereof, or the legal representative of a deceased person, who or whose agent or predecessor in interest has, within each of 13 or more calendar weeks in the taxable year, employed at least four persons in employment subject to this title, except that the term "employer" shall not include the

Federal Government, the governments of the several States, municipal corporations, or other governmental instrumentalities. In determining whether an employer employs enough persons to be an "employer" subject hereto, and determining for what tax he is liable hereunder, he shall whenever he contracts with any subcontractor for any work which is part of his usual trade, occupation, profession, or business, be deemed to employ all persons employed by such subcontractor on such work, and he alone shall be liable for the tax measured by wages paid to such persons for such work; except as any such subcontractor, who would in the absence of the foregoing provision be liable to pay said tax, accepts exclusive liability for said tax under an agreement with such employer made pursuant to regulations promulgated by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury.

"Employment" shall mean any employment in which substantially all of the person's work is, or was, performed within the continental United States under any contract of hire, oral or written, express or implied, whether such person was hired and paid directly by the employer or through any other person employed by the employer, provided the employer had actual or constructive knowledge of such contract; except that for the purposes of this title it shall not include any employment included in any unemployment compensation system (other than for the District of Columbia) established by an act of Congress.

"Wages" shall mean every form of remuneration for employment received by a person from his employer, whether paid directly or indirectly by the employer, including salaries, commissions, bonuses, and the reasonable money value of board, rent, housing, lodging, payments in kind, and similar advantages.

"Pay roll" shall mean the total amount of all wages paid by the employer during the taxable year to persons employed by him in employment subject to this act.

"State" shall include the District of Columbia.

"State law" shall mean a statute enacted by any one of the several States which provides for systematic compensation and the creation of an unemployment fund under the direction of a State agency, requires contributions from employers, whether or not they are national banks, and whether or not they are engaged in interstate commerce, except insofar as they are included in any unemployment compensation system (other than one for the District of Columbia) established by act of Congress, and which may require that employees and/or the State also contribute.

"Contributions" shall mean the amount which the employer has duly paid, as required by a State law, in and for the taxable year, into an unemployment fund.

"Unemployment fund" shall mean a special fund, established under a State law, and administered by a State agency in trust for the payment of compensation, and shall include so much of such fund as is administered as a pooled fund (which shall never be less, except insofar as it may be diminished by payment of compensation, than the amount raised by contributions measured by 1 percent of pay roll) and so much, if any, for which the State agency maintains separate accounts for individual employers or groups of employers who are required to make contributions.

"State agency" shall mean any State officer, board, or other authority designated, under a State law, to direct the administration of an unemployment fund in such State.

"Pooled fund" shall mean an unemployment fund or any part thereof in which all contributions are mingled and undivided, and from which compensation is payable to all eligible employees, except that it is payable to persons employed by employers for whom individual or group reserve accounts are maintained by the State agency only when such accounts, and any other liability of employers for compensation, are exhausted.

"Reserve account" shall mean a separate account, maintained by a State agency, of contributions paid by an employer or group of employers, from which compensation is payable to the employees of such employer or group unless such account is exhausted.

"Guaranteed employment account" shall mean a separate account, maintained by a State agency, of contributions paid by an employer or group of employers who guarantee full wages, for not less than 40 weeks in each taxable year to all of their employees, or all of their employees in any plant or plants operated by such employer or group, and give adequate guaranties for the payment thereof as prescribed by the State law, from which account may be payable compensation to each such employee if his guaranty is not renewed and he is otherwise eligible for benefits under such law.

"Compensation" shall mean the cash benefits payable under a compulsory State law to employees for their unemployment.

"Employee" as used in this title shall mean any employed person who is covered by a State law and/or may become eligible for compensation thereunder.

"Tax" shall mean the gross tax imposed on the employer for the taxable year under section 601 of this act, except that when it is used in section 605 "tax" shall mean the said gross tax minus any amounts credited in accordance with sections 602 and 607 of this act.

"Taxable year" shall mean the year from January 1 to December 31, inclusive, or any portion of such year.

ALLOWANCE OF ADDITIONAL CREDITS

SEC. 607. Any employer qualifying under section 608 of this act who has made contributions and has reduced them under a State law which initially required uniform contributions from all employers making contributions, and which thereafter allows certain employers to reduce their contributions, may, for any taxable year thereafter, credit against the tax an amount in addition to the credit allowed under section 602 of this act, except that in no instance shall an employer's total credits under this act exceed 90 percent of his tax. The additional credit under this section shall be equal to the difference between (a) the amount of contributions (measured by his pay roll attributable to such State) actually required of and duly paid by such employer for such year under such law, and (b) the amount of such contributions which he would have been required to make under such law for such year at the highest rate then applicable to any employer or employers required to contribute under such law.

CONDITIONS OF ADDITIONAL CREDIT ALLOWANCE

SEC. 608. No additional credit shall be allowed under section 607 of this act except to an employer who—

(a) Has, since contributions were first required of him under such law, made contributions, and is required to continue to contribute to a pooled fund in the State whose law allows the reduction for which such credit is claimed, at a rate of at least 1 percent of his pay roll attributable to such State;

(b) If he is permitted to reduce or cease his contributions to a reserve account, (1) under a State law requiring the State agency to maintain reserve accounts for each employer or group of employers making contributions, is allowed to do so only when the benefits payable from such reserve account have not been scaled down during the taxable year because of the inadequacy of such reserve account and only when such reserve account amounts to not less than 15 percent of the total pay roll, attributable to such State, of such employer or group during the taxable year; or (2) under a State law permitting the State agency to maintain reserve accounts for some employers, or groups of employers, is allowed to do so only when such employers or groups have guaranteed the full payment of compensation to their employees regardless of the adequacy of their reserve accounts, and only when such reserve accounts amount to not less than 15 percent of the total pay roll, attributable to such State, of such employer or group during the taxable year;

(c) If he is permitted to contribute at a reduced rate as to contributions measured by the guaranteed wages paid in such State, is allowed to do so only if the State agency maintains a separate guaranteed employment account for him individually or as one of a group of employers, and only if he or such group has fulfilled his or its guaranty, and only when the amount credited in such guaranteed employment account amounts to not less than 7½ percent of so much of the total pay roll of such employer group for the taxable year as represents the wages guaranteed under such law by such employer or group;

(d) If he is permitted to contribute at a reduced rate, but not at a rate of less than 1 percent of pay roll attributable to such State, to a pooled fund, is allowed to do so if the State law permits contributions to a pooled fund, over and above 1 percent of such pay roll, to be made at varying rates: *Provided*, That such variations are not allowed within 5 years after contributions are first paid under such law, and then are allowed only on a basis of unemployment compensation experience.

TITLE VII

MATERNAL AND CHILD HEALTH

SECTION 701. (a) In order to enable the Federal Government to cooperate with the State agencies of health in extending and strengthening services for the health of mothers and children, especially in rural areas and in areas suffering from severe economic distress, there is hereby appropriated the sum of $4,000,000 from funds in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1936, and there is hereby authorized to be appropriated for each fiscal year thereafter, the sum of $4,000,000. From these amounts so much, not to exceed 5 percent, as the Children's Bureau shall find to be necessary for administering the provisions of this section and for investigations and reports related thereto, shall be deducted annually for this purpose, to be available until expended. The remainder shall be allocated for furthering and strengthening State and local health services to mothers and children, extending maternity nursing services in counties predominantly rural, and conducting special demonstration and research in maternal care and other aspects of maternal and child health service. For each fiscal year allocations of the appropriations herein authorized shall be as follows:

(1) For furthering and extending maternal and child health and maternity nursing services, the Secretary of Labor shall allot $20,000 to each State and apportion $1,000,000 among the States in the proportion which the number of live births in each State bears to the total number of live births in the United States as determined annually by the latest available statistics for the United States birth registration area: *Provided*, That no allotment made to a State under this paragraph shall exceed the sum of the amount made available by the State for the purposes of this paragraph and the amount allotted to it under paragraph (2) of this section;

(2) The Secretary of Labor shall apportion among States unable, because of severe economic distress, to match by themselves in full the amounts made available under paragraph (1), for their use in matching such sums, $800,000;

(3) The Secretary of Labor shall allocate the remainder for special demonstrations and research in maternal care in rural areas, and in other aspects of maternal and child health.

(b) The sums provided under paragraphs (2) and (3) of subsection (a) of this section shall be available until the close of the succeeding fiscal year. So much of the amount apportioned

under paragraph (1) to any State for any fiscal year as remains unpaid to such State at the close thereof shall be availble until the close of the succeeding fiscal year for expenditures in that State, under the conditions specified in paragraph (1), or if not requested by the State agency of health, for apportionment among States as provided in paragraph (2).

(c) In order to receive the benefits of paragraphs (1) and (2) of subsection (a) of this section, a State shall, through its State agency of health, submit to the Children's Bureau detailed plans for effectuating the purposes of this section within such State and information concerning the amounts made available by the State for such purposes, which, unless exceptional circumstances can be shown, must at least equal the amounts available for similar purposes at the time of the passage of this act; and if an allocation under subsection (a), paragraph (2), is requested, the conditions leading to such a request. A State plan must include reasonable provision for State administrative and supervisory services, for furthering local maternal and child health services administered by local public-health units for State financial participation, and for cooperation with medical, nursing, and welfare groups and organizations; and must give due consideration to the development of demonstration services or services of a more permanent character in rural and other needy areas or among groups of the population in special need. When the Chief of the Children's Bureau deems a State plan and the administration thereof to be in reasonable conformity with the provisions of this section and in accordance with accepted standards of public-health practice developed by Federal bureaus and other agencies, he shall approve the same and send due notice of such approval to the Secretary of Labor and the State agency concerned.

CARE OF CRIPPLED CHILDREN

SEC. 702. (a) In order to enable the Federal Government to cooperate with the State agencies concerned with the provision of medical care and other services for crippled children, especially in rural areas, there is hereby appropriated for the fiscal year ending June 30, 1936, from funds in the Treasury not otherwise appropriated, the sum of $3,000,000, and for each fiscal year thereafter there is authorized to be appropriated $3,000,000. From this amount, so much, not to exceed 5 percent, as the Children's Bureau shall find to be necessary for administering the provisions of this section and for investigations and reports related thereto, shall be deducted annually for this purpose to be available until expended. The remainder shall be allotted to States for purposes of locating crippled children, and of providing facilities for diagnosis and care, hospitalization, and after care, especially for children living in rural areas. For each fiscal year the Secretary of Labor shall allot $20,000 to each State and apportion the remainder among the States on the basis of need as set forth in plans developed by the State agencies concerned and approved by the Children's Bureau: *Provided*, That except in the case of severe economic distress or other exceptional circumstances, no allotment under this subsection shall exceed the sum made available by the State for the purposes of this section.

(b) In order to receive the benefits of this section a State must, through an authorized State agency concerned with the provision of medical care and other services for crippled children, submit to the Children's Bureau a detailed plan for effectuating the purposes of this section within such State, and information concerning the amounts made available by the State for the purposes of this section, which should at least equal the amounts made available for similar purposes during the fiscal year next preceding the passage of this act, unless exceptional circumstances can be shown; and if an allocation in addition to the original allotment of $20,000 is requested, the conditions leading to such a request. A State plan must include reasonable provision for State administration, adequate medical care, hospitalization and after care, and cooperation with medical, health, and welfare groups and organizations. When the Chief of the Children's Bureau deems a State plan and the administration thereof to be in reasonable conformity with the provisions of this section, he shall approve the same and send due notice of such approval to the Secretary of Labor and the State agency concerned.

AID TO CHILD-WELFARE SERVICES

SEC. 703. (a) In order to enable the Federal Government to cooperate with the State agencies of public welfare in extending and strengthening, especially in rural areas and areas suffering from severe economic distress, welfare services for the protection and care of homeless, dependent, and neglected children, and children in danger of becoming delinquent, there is hereby appropriated for the fiscal year ending June 30, 1936, from funds in the Treasury not otherwise appropriated, the sum of $1,500,000, and there is hereby authorized to be appropriated $1,500,000 for each fiscal year thereafter. From these amounts so much, not to exceed 5 percent, as the Children's Bureau shall find to be necessary for administering the provisions of this section and for investigations and reports related thereto, shall be deducted annually for this purpose, to be available until expended. The remainder shall be allotted to States for the purposes of assistance to local units, especially in rural areas, in the development of public child-welfare services and for improvement of standards and methods of child-caring service throughout the State. For each fiscal year, from the appropriations herein authorized,

(1) The Secretary of Labor shall apportion $1,000,000 among the States, allotting $10,000 to each State and the balance to States in the proportion which their population bears to the total population of the United States: *Provided*, That no allotment made to a State under this paragraph shall exceed the sum of the amount made available by the State for the purposes of this section and the amount apportioned to it under paragraph (2) of this subsection.

(2) The Secretary of Labor shall apportion the remainder among States unable, because of severe economic distress, to match in full the amounts allotted under paragraph (1), for their use in matching such sums, or for special demonstrations of methods of community child-welfare service.

(b) The sums provided under paragraph (2) of subsection (a) shall be available for expenditure until the close of the succeeding fiscal year. So much of the amount apportioned under paragraph (1) of subsection (a) to any State for any fiscal year as remains unpaid to such State at the close thereof, shall be available until the close of the succeeding fiscal year for expenditures in that State under the conditions prescribed in such paragraph (1), or, if not requested by the State agency of welfare, for allocation to States as provided in such paragraph (2).

(c) In order to receive the benefits of this section a State must, through its State department of public welfare, or, if there be none or more than one such agency, through a State agency designated by the legislature or provisionally designated by the Governor if the legislature be not in session, to cooperate with the Children's Bureau under the provisions of this section, submit to the Children's Bureau a detailed plan for effectuating the purposes of this section within such State, and information concerning the amounts made available by the State for such purposes, which should at least equal the amounts made available for similar purposes during the fiscal year next preceding the passage of this act, unless exceptional circumstances can be shown; and, if an allocation under paragraph (2) of subsection (a) of this section is requested, the conditions leading to such a request. A plan must include reasonable provision for State administration, State financial participation, furthering local public child-welfare services, and cooperation with health and welfare groups and organizations, and give due consideration to demonstration services or services of a more permanent character in rural or other needy areas or among groups of the population in special need. When the Chief of the Children's Bureau deems a State plan and the administration thereof to be in reasonable conformity with the provisions of this section, he shall approve the same and send due notice of such approval to the State agency concerned.

PARTICIPATION BY CHILDREN'S BUREAU

SEC. 704. (a) Out of the amounts authorized in this title the Children's Bureau is authorized to employ such experts, assistants, clerks, and other persons in the District of Columbia and elsewhere, to be taken from the eligible lists of the Civil Service Commission, and to purchase such supplies, material, equipment, office fixtures, and apparatus, and to incur such travel and other expenses as it may deem necessary for carrying out the purposes of this title. It shall be the duty of the Children's Bureau to make or cause to be made such studies, investigations, and reports as will promote the efficient administration of this title.

(b) Within 30 days after an appropriation has been made under the authority of this title, the Secretary of Labor shall make the apportionments on the basis of live births and of population as provided herein, shall certify to the Secretary of the Treasury and to the treasurers of the several States the amounts apportioned for the purposes specified, and shall certify to the Secretary of the Treasury the amounts estimated by the Children's Bureau to be necessary for administering the provisions of this title.

(c) Within 60 days after any appropriation authorized by this title has been made, and as often thereafter while such appropriation remains unexpended as changed conditions may warrant, the Secretary of Labor shall ascertain and certify to the Secretary of the Treasury and the Treasurer of the United States the amounts to which each State is entitled under the provisions of this title, in accordance with plans submitted by the States and approved by the Children's Bureau. Such certificate shall show that the State has complied with all requirements of the pertinent sections of the title. When in conformity with the provisions of the title such certificate, until revoked as provided in subsection (d) hereof, shall be sufficient authority to the Treasurer to make payment to the State in accordance therewith.

(d) Each State agency cooperating with the Children's Bureau under the provisions of this title shall make such reports concerning its operations and expenditures as shall be prescribed or requested by the Bureau. The Bureau, after due notice in writing, setting forth the reasons therefor, may revoke any existing certificate provided for in subsection (c) whenever it shall determine that any State agency has not properly expended or supervised the expenditure of moneys paid to it for the purposes and in accordance with the provisions of this title. When so withheld the State agency may appeal to the Secretary of Labor who may either affirm or reverse the action of the Bureau with such directions as he shall consider proper.

(e) The Children's Bureau shall perform the duties assigned to it by this title under the supervision of the Secretary of Labor, and he shall include in his annual report to Congress a full account of the administration of this title and expenditures of the moneys herein authorized.

(f) As used in this title, the term "State" shall include Alaska, Hawaii, Puerto Rico, and the District of Columbia.

TITLE VIII

APPROPRIATIONS FOR PUBLIC HEALTH

SECTION 801. There is hereby appropriated, from funds in the Treasury not otherwise appropriated, the sum of $10,000,000 for the fiscal year ending June 30, 1936, and there is hereby authorized

to be appropriated for each fiscal year thereafter the sum of $10,000,000 to be allocated to the Bureau of the Public Health Service to be expended as hereinafter provided.

LOCAL PUBLIC HEALTH SERVICES

SEC. 802. From the amounts appropriated under this title the Bureau of the Public Health Service shall annually allot $8,000,000 to the several States, in amounts determined on the basis of the need of each State for such assistance, for the purpose of developing State health services including the training of personnel for State and local health work and for the purpose of assisting counties and/or other political subdivisions of the States in maintaining adequate public-health programs. Payment of any allotment, or installment thereof, shall be made only after the Secretary of the Treasury has made a finding of fact that there is need to make such money available in such State, and has notified the Treasurer of the United States to pay such allotment or installment, and the amount thereof. Any money appropriated for the purposes of this section but not expended during the fiscal year shall be available for payment of allotments to the States in the next fiscal year.

BUREAU OF THE PUBLIC HEALTH SERVICE

SEC. 803 (a) From the amounts appropriated under this title, $2,000,000 shall annually be available to the Bureau of the Public Health Service, for the further investigation of disease and problems of sanitation, and related matters. Out of the amounts made available in this section the Bureau of the Public Health Service is authorized to employ such experts, assistants, clerks, and other persons in the District of Columbia and elsewhere, to be taken from the eligible lists of the Civil Service Commission, and to purchase such supplies, material, equipment, office fixtures, and apparatus, and to incur such travel and other expenses as it may deem necessary for carrying out the purposes of this title.

(b) The Secretary of the Treasury shall make all rules and regulations necessary to carry out the purposes of this title.

ACTION OF THE COMPTROLLER GENERAL

SEC. 804. The Comptroller General is authorized and directed to allow credit in the accounts of the Treasurer of the United States for payment of allotments in the amounts notified him by the Secretary of the Treasury.

TITLE IX

SEPARABILITY

SECTION 901. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances shall not be affected thereby.

RESERVATION OF POWER

SEC. 902. The right to alter, amend, or repeal any or all provisions of this act is hereby reserved to the Congress.

SHORT TITLE

SEC. 903. This act may be known as "The Economic Security Act."

INDEPENDENT OFFICES APPROPRIATIONS

Mr. GLASS. Mr. President——

Mr. LONG. I yield to the Senator from Virginia so that he may secure action on the bill of which he is in charge.

Mr. GLASS. Mr. President, I hope that we may dispose of the bill very speedily, and I should like now to proceed with its consideration.

The PRESIDING OFFICER (Mr. CLARK in the chair). Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the first amendment of the committee, on page 4, line 4.

The amendment was agreed to.

The next amendment of the Committee on Appropriations was under the heading "Securities and Exchange Commission", on page 24, line 4, after the words "rent of" to strike out "building and equipment at the seat of government and elsewhere" and insert "quarters outside the District of Columbia; rental of equipment"; and in line 6, after the word "expenses", to strike out "$2,000,000" and insert "$2,234,494", so as to read:

For five commissioners, and for all other authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law and for other personal services, including employment of experts when necessary; contract stenographic reporting services; supplies and equipment; purchase and exchange of law books, books of reference, directories, periodicals, newspaper and press clippings; travel expenses, including the expense of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Securities and Exchange Commission; garage rental; foreign postage; mileage and witness fees; rent of quarters outside the District of Columbia; rental of equipment; and other necessary expenses; $2,234,494:

The amendment was agreed to.

The next amendment was, on page 24, line 14, to increase the total appropriation for the Securities and Exchange Commission from $2,030,000 to $2,264,494.

The amendment was agreed to.

The next amendment was, under the heading "Veterans' Administration", on page 29, line 2, after the word "veterans", to insert the following additional proviso:

*Provided further*, That when found to be in the best interest of the United States, not to exceed $500,000 of this amount may be used for payments to State institutions caring for and maintaining veterans, suffering from neuropsychiatric ailments, who are in such institutions on the date of the enactment of this act.

So as to read:

Administration, medical, hospital, and domiciliary services: For all salaries and expenses of the Veterans' Administration, including the expenses of maintenance and operation of medical, hospital, and domiciliary services of the Veterans' Administration, in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the act entitled "An act to authorize the President to consolidate and coordinate governmental activities affecting war veterans", approved July 3, 1930 (U. S. C., Supp. VII, title 38, secs. 11–11f), and any and all laws for which the Veterans' Administration is now or may hereafter be charged with administering, $86,700,000: *Provided*, That not to exceed $3,500 of this amount shall be available for expenses, except membership fees, of employees detailed by the Administrator of Veterans' Affairs to attend meetings of associations for the promotion of medical science and annual national conventions of organized war veterans: *Provided further*, That when found to be in the best interest of the United States, not to exceed $500,000 of this amount may be used for payments to State institutions caring for and maintaining veterans, suffering from neuropsychiatric ailments, who are in such institutions on the date of the enactment of this act.

The amendment was agreed to.

The next amendment was, on page 33, line 4, after "February", to strike out "29" and insert "20", so as to read:

Hospital and domiciliary facilities: There is hereby appropriated under the authorization acts specified, the remaining balances not heretofore appropriated, as follows: $850,000 (act of April 23, 1928, 45 Stat., p. 447); $25,000 (act of February 20, 1929, 45 Stat., p. 1248).

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments. The bill is now open to amendment. If there be no amendment offered, the question is on the engrossment of the amendments, and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the passage of the bill.

Mr. McNARY. Mr. President, I have no objection to the bill or to the amendments. However, it is a large bill—an annual appropriation bill—and I think notice should be given to those who are absent. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Costigan | Lewis | Robinson |
| Austin | Couzens | Logan | Russell |
| Bachman | Cutting | Lonergan | Schall |
| Bailey | Davis | Long | Schwellenbach |
| Bankhead | Dieterich | Maloney | Sheppard |
| Barbour | Donahey | McCarran | Smith |
| Bilbo | Duffy | McGill | Steiwer |
| Black | Fletcher | McNary | Thomas, Okla. |
| Bone | Frazier | Metcalf | Thomas, Utah |
| Borah | Gerry | Minton | Townsend |
| Bulkley | Glass | Moore | Trammell |
| Bulow | Gore | Murphy | Truman |
| Burke | Guffey | Murray | Vandenberg |
| Byrd | Hale | Neely | Van Nuys |
| Byrnes | Harrison | Norris | Wagner |
| Capper | Hastings | Nye | Walsh |
| Caraway | Hatch | O'Mahoney | Wheeler |
| Clark | Hayden | Pittman | White |
| Connally | Johnson | Pope | |
| Coolidge | Keyes | Radcliffe | |
| Copeland | King | Reynolds | |

Mr. LEWIS. I have previously announced the absence of certain Senators and have given the reasons for their absence. Having done that this morning, I reannounce those absences and the reasons therefor, and ask that the announcement stand for the day.

The PRESIDING OFFICER. Eighty-one Senators have answered to their names. A quorum is present. The bill having been read the third time, the question is, Shall it pass?

The bill was passed.

CONNECTICUT BAR ASSOCIATION'S REPORT ON WORLD COURT

Mr. LONERGAN. Mr. President, I ask unanimous consent to have printed in the RECORD the report of the special committee of the State Bar Association of Connecticut on the World Court.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[The committee submitted a brief historical statement to show the present situation with respect to the proposed adherence of the United States to the statute creating the Permanent Court of International Justice, commonly termed the "World Court", and then in conclusion reported as follows:]

Your committee has endeavored to consider the question in all of its aspects and has concluded that—

1. The World Court, in the establishment and administration of which this country has through its representatives had a part, is well constituted to function effectively in the settlement of international differences. As an institution for the preservation of the peace of the world, it has the confidence of other nations, both great and small, and merits the confidence and respect of our own people.

2. Whether the United States does or does not become a party, the Court is certain to contribute by its decisions to a broader understanding of and respect for international law, and to a more exact definition of its principles. For our own interest and protection we should participate in this definition and application of international law.

3. Adherence to the protocol and the statute of the Court will not bring the United States into any new relation with the League of Nations.

We recommend the passage of the resolution which is herewith submitted.

LEONARD M. DAGGETT,
CHARLES WELLES GROSS,
HARRISON HEWITT,
CARROLL C. HINCKS,
SANFORD STODDARD,
*Committee.*

[Resolution]

Believing that the continued prosperity and security of the United States depends upon the continuation of peace at least among the greater nations of the world, and

Believing that the peace of the world can permanently be maintained only by the existence of a well-recognized body of law defining and confirming the rights of nations with respect to each other; and

Believing likewise that the future economic and commercial growth of the United States would be stimulated and stabilized by the development of a comprehensive system of international law, and

Believing that the United States, by its negotiation and ratification of the Kellogg pact, so-called, having renounced war as an instrument of national policy, should now cooperate in the development of a system of international law and the judicial administration thereof, which shall be conducive to the prevention of misunderstandings and available for the settlement of controversies between the nations; and

Believing that the framework of international law can be developed systematically and administered effectively only by a permanent tribunal of permanent judges of unquestionable integrity, ability, and impartiality; and

Believing that the Permanent Court of International Justice is well constituted fully to meet these high qualifications and is the only international tribunal now or heretofore existing which does satisfy these requirements; and

Believing further that the accession of the United States to the membership of the Court will increase its prestige and stability and thus further the ultimate cause of world peace without jeopardy to the sovereignty or interests of the United States:

Now, therefore, we, members of the State Bar Association of the State of Connecticut, in our annual meeting assembled, do hereby resolve:

*Resolved*, That ratification by the United States of America of the protocol of the Permanent Court of International Justice, as signed by direction of the President of the United States on December 9, 1929, is required both by the self-interest of the United States and by its natural obligation as a member of the community of nations, and do further resolve that a copy of this resolution be sent to the President of the United States and to the Senators from Connecticut.

INTERPARLIAMENTARY UNION

Mr. ROBINSON. Mr. President, I submit for printing in the RECORD certain data relating to the Interparliamentary Union.

The thirty-second annual meeting of our United States of America group of the Interparliamentary Union has been called by its president, Representative ANDREW J. MONTAGUE, to meet next Monday, January 21, in the committee room of the House Committee on Foreign Affairs at 10:30 a. m.

I offer therefore and ask that there be printed in the RECORD—

First. The minutes of the Thirty-first Annual Meeting of the United States of America Group of the Interparliamentary Union.

Second. The remarks by President ANDREW J. MONTAGUE at the last annual meeting of the group, January 19, 1934.

Third. An account of the Thirtieth Conference of the Interparliamentary Union, held at Istanbul, Turkey, September 24–29, 1934, by Dr. Arthur Deerin Call, permanent executive secretary of our Interparliamentary Union.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

INTERPARLIAMENTARY UNION THIRTIETH CONFERENCE, ISTANBUL, TURKEY, SEPTEMBER 24–29, 1934

(By Arthur Deerin Call, permanent executive secretary of the American group)

(Dr. Call has attended 14 of the Conferences of the Interparliamentary Union, as follows: The Hague, 1913 (as observer); Stockholm, 1921; Vienna, 1922; Copenhagen, 1923; Berne and Geneva, 1924; Washington, 1925 (as director of the Conference); Paris, 1927; Berlin, 1928; Geneva, 1929 (meetings only of the council and permanent committees); London and Dublin, 1930; Bucharest, 1931; Geneva, 1932; Madrid, 1933; Istanbul, 1934.)

For a long time the United States Government has annually contributed money to the support of the Interparliamentary Union, with its headquarters at Geneva, Switzerland. Delegates from the Congress have attended all but 6 of its 30 Conferences. Twice—1904, 1925—the Conference has been held in the United States.

Senators Joseph T. Robinson, of Arkansas, and Tom Connally, of Texas, and Representatives Thomas C. Cochran, of Pennsylvania, and William B. Oliver, of Alabama, were the delegates of the United States group to the recent Conference at Istanbul, September 24–29, 1934. Senator ROBINSON was accompanied by Mrs. Robinson. Representative ANDREW J. MONTAGUE, president of the group and member of the executive committee of the Union, found it impossible at the last moment, because of ill health, to attend. Senator CONNALLY substituted for Governor MONTAGUE on the executive committee; Senator ROBINSON and Mr. OLIVER served as members of the council; Mr. Cochran was chosen as one of the vice presidents of the Conference.

At the opening of the Conference, Monday, September 24, all members of the United States delegation were present. Mr. Cochran and I had joined with Mr. Oliver at Rome, and the three of us taking the boat at Brindisi for Istanbul on the 21st were gratified the next day at Piraeus, seaport of Athens, to greet Senator and Mrs. Robinson coming aboard. The five of us sailed away that evening from Athens, by the southernmost point of Attica, with its classic ruin of a temple to Poseidon, on beyond the lower edges of storied Euboea, out of a sunset of sunsets. After a marvel of a moonlit night through a sparkling Aegean Sea, a fair morning through the Dardenelles and a perfect day across the Sea of Marmora to the Bosphorus, the boat docked at Istanbul Sunday afternoon, the 23d, where friends and officials extended the kindliest of welcomes. After the shortest possible trip from home, Senator CONNALLY arrived early the next morning by train direct from Paris. All of us stopped at the Pera Palas Hotel, where, thanks to the foresight of the Turkish hosts in general and to the gracious attentions of our Government's representatives in particular, every possible arrangement had been made for our comfort, including an automobile and driver for the duration of the Conference. Our first impressions of Istanbul and its Golden Horn were of a rolling skyline, domed and minaretted, beautiful in line, color, charm, and romance.

THE NEW TURKEY

It is one thing to read about people; quite another to meet them at first hand. This is especially true of the modern Turks. Every delegate had heard of very great changes that had taken place throughout Turkey during its 11 years as a republic. Probably few of the visitors, however, were quite prepared for so many signs of occidental energy and direction visible throughout Istanbul and especially in the new capital city of Ankara, a night's train ride away. No such variety of change and achievement within a similar time and area appears to have taken place elsewhere in the world. The facts arouse the interest and attention of every thoughtful observer, especially of statesmen.

The changes that have taken place among those 17,000,000 people since the Treaty of Lausanne in 1923 must be said to be astonishing. The treaty and customary privileges granted to foreigners, under the terms of what for many years had been

known as the "capitulations", have been abolished. All foreign troops have evacuated the land. The boundaries have been fixed and within them a unity of racial culture established. Freedom of transit through the Dardanelles, the Sea of Marmora and the Bosphorus, has been granted to all nations. The capital was established at Angoro—called by the Turks "Ankara"—October 13, 1923, and on the 29th Turkey was declared a republic, with Mustafa Kemal as its first President. Since March 3, 1924, Turkey has ceased to be a theocracy. The Caliphate, ruling officially the Moslem world, so far as Turkey is concerned, has been abolished and a civil code substituted for the Koran as the law of the State. Fezzes for the men, veils and segregation for the women, polygamy and harems are no more. The Latin alphabet has been substituted for the Arabic, with the result that children can learn to read in 1 year instead of from 2 to 3.

The metric system has been substituted for the older forms of measurements, and our international Gregorian calendar has been adopted. Church schools have been closed since 1924, and the teaching of any religion in school or hospital is forbidden. Primary education is now compulsory for all Turkish-born children in primary schools patterned after the English system. Feudalism has been ended and the property laws revised. The handshake takes the place of the old triple obeisance, and the salaam is forbidden. The hours of the day begin now from midnight instead as heretofore from the changing hour of dawn. It is unlawful to laugh at mad, eccentric, or crippled persons. Men and women must obtain health certificates before they are permitted to marry. The methods of research and survey are being increasingly employed. The system of proper names is being changed, with the view of ending the confusion due to the absence of what we call family names. It is proposed now in Parliament that the Ghazi be granted the family name "Ataturk", meaning, appropriately, Chief Turk. The budget, amounting now approximately to 170,000,000 Turkish pounds, is balanced; has been balanced from the beginning. Through a system of trade equilibrium, there is a de facto stabilization of exchange. Authority prevails; life and property are secure. What appeared to be a characteristic inertia of the people has been largely overcome by a new and active interest in the arts, statistics, manufactures, highways, and railroads, labor laws, education, medicine, and public health. The oriental order of the old Turkey has given way to an occidental social organization and that by the means of a revolution that has been as unique as apparently it has been successful. With much yet to be done, it appears to be becoming broader and deeper, that revolution, heading clearly toward a truly liberal and democratic state.

All these achievements within little over a decade have been due primarily to the ability and audacity of the Ghazi, Mustafa Kêmal, whose virile activities remind one of Russia's Peter the Great, who, at the end of the sixteenth century, also struggled against inertia, ignorance, poverty, superstition, and fanaticism.

The Ghazi, however, heads not an empire but a republic; a republic where only an autocracy had reigned for half a thousand years; a republic free of jingoism and at peace with the world. Every delegate naturally felt it to be a privilege to see something of such a Turkey at first hand.

AMERICAN INTERESTS IN TURKEY

America is interested in all this remarkable development, furthermore, because many Americans have personal relations with various phases of contemporary Turklish life. Robert College, under the presidency of Paul Monroe, and the Women's College, under the deanship of Miss Eleanor I. Burns, within a mile of each other on the hills to the west of the Bosphorus, have just been combined into the International American College, a broadcasting station of international good will. The American hospital at Istanbul, under the direction of Dr. Lorrin A. Shepard, is a very worthy messenger to the Turks of American skill and spirit at their best. Dr. Thomas Whittemore, of America, has been chosen by the Turkish Government to remove the paint and plaster from the magnificent mosaics on the ancient walls of the Mosque of St. Sophia. There are American business men engaged in various phases of Turkey's industrial system. Far from least, American Government officials in Turkey, diplomatic and consular, from Ambassador Skinner and Councilor Shaw throughout, are men of marked ability and understanding. Through all these persons and agencies, America realizes that her ties with Turkey are both real and intimate.

THE CONFERENCE

The Conference was attended by more than 170 delegates from the following countries: Belgium, Czechoslovakia, Denmark, Egypt, France, Great Britain, Hungary, Ireland, Italy, Japan, Persia, Poland, Rumania, Spain, Sweden, Turkey, United States, Yugoslavia, and Bulgaria was represented by an observer.

The sessions of the conference were held in the Yildiz Palace, formerly the home of Sultan Abdul Hamid II, and from which during the uprising of the "Young Turks" in 1909 he was dethroned. The beautiful buildings on their high hill, surrounded by their double rows of huge walls and fair gardens of trees and flowers, were occupied by Mohammed VI, last of the Sultans, from 1917 to 1922, when, under the protection of the British, he and the system of Sultans was finally exiled from Turkey forever. The palace was reopened in October 1931 for the meetings of the Second Balkan Conference. It is planned to devote it to the regular use of international gatherings, and it has been refitted and completely organized accordingly.

Compared with previous Conferences the discussions at the general sessions in Istanbul suffered not at all. The meetings were opened by an address by Krasim Pasha, president of the grand national assembly, after which the conference elected as its president Hasan Bey, vice president of the Turkish Parliament, who presided with considerate skill throughout the Conference.

As is the custom, the delegates discussed through Monday and Tuesday morning the report of the secretary general, which, distributed to all the delegates before the conference, contained a thoughtful summary of the international situation. During this discussion, at the urgent invitation of the Conference, Senator ROBINSON, of the United States, gave a résumé of the new deal in this country.

Tuesday afternoon and Wednesday the general assembly devoted its time to a discussion of a report of the special committee on the general phases of security and disarmament. In spite of the languishing labors of the Disarmament Conference, and of the fact that several of the delegates were of the opinion that for the Union to spend time upon such a discussion would be useless, the debates here reached the highest point of intensity. The two motions argued at length related first to the reduction of armaments, and, second, to the establishment of security.

Under disarmament it was finally voted to recommend as most urgent and most easily realized: First, the creation of a permanent disarmament committee; second, the juridical and automatic international control of armament; third, publicity and control of expenditures on national defense; fourth, the regulation or abolition of the private manufacture of arms; fifth, the regulation of the international traffic in arms.

The Conference also expressed the wish that the following measures might be adopted as soon as possible: (1) The complete prohibition of chemical, incendiary, and bacterial warfare, both in the air and by any other means; (2) the immediate and unreserved prohibition of bombing from the air; (3) the abolition by successive steps of military and naval air forces; (4) the international supervision and complete publicity of civil aviation with the view of preventing its application for military purposes; (5) the internationalization of civil aviation.

It was the debate over the problems of security, however, that aroused the greatest divergence of views. The American delegation found itself unable to agree to all of the resolutions proposed under this part of the program, because of certain items patently contrary to established American policies. In spite of American opposition, however, the following recommendations were adopted by a majority of the delegates: (1) The prohibition of any resort to force or violence; (2) the creation of a consultative body to meet immediately at the request of any party in case of a violation of the prohibition against violence; (3) that all states should accede to the London Convention of July 4, 1933, which aimed to define an aggressor; (4) the application to the aggressor of one or several sanctions of a diplomatic, financial, economic, or military character, entailing possibly the creation of an international armed force, particularly of an air police force; (5) the adoption by the contracting parties of all preliminary measures of a legislature or administrative nature likely to facilitate the immediate application of sanctions; (6) the nonrecognition of any agreement or new state of affairs brought about by the use of force or violence.

Thursday the Conference devoted itself to the consideration of two social questions. One of these had to do with the regulation of hours of work. The Conference concluded it to be indispensable that the possibilities of employment to the greatest number should be regulated by an international convention. The purposes of such a convention would be: (1) To prevent intellectual and manual workers from becoming the victims of a system faced with overproduction in certain quarters of the globe; (2) to combat the moral crisis following prolonged unemployment; (3) to develop the means of intellectual and moral advancement.

It was believed that such a convention might not only preserve purchasing power of wage earners but make it possible for them to share more fully in the benefits of technical progress. The Conference expressed its belief in shorter working hours as a means of increasing employment, without violence to the purchasing power of the workers. The recommendations under this heading were addressed primarily to the International Labor Conference.

As a result of its discussions of unemployment among young people, the resolutions of the Conference took more the form of suggestions as possible bases for international regulations. These suggestions favored the extension of compulsory school attendance and the multiplication of efforts to the end that the young may develop their professional capacities. Attention was called to the possibilities of enabling young people to profit from rambles combined with talks, excursions, visits to factories, workshops, museums, and the like. It was believed that official employment agencies should have special departments for young people which should keep in constant touch with the educational authorities, and that this department should follow up young persons for whom work has been found, strengthen its bonds with young people, and do its share to inculcate feelings of national brotherhood and international solidarity.

Friday being the Turkish Sabbath, the day was devoted to a boat trip to the Princes' Islands in the Sea of Marmora, with lunch at the Yacht Club in Buyukada, followed by a sail through the Bosphorus, then back to the Palace of Beylerbey on the Asiatic shore, where refreshments were provided while the sun was setting over the mosques and minarets of Istanbul across the water.

On Saturday the delegates discussed the evolution of the representative system and adopted 18 resolutions, the first 4 of which dealt with the passing of the budget; the next 6 with remedies for the imperfections of parliamentary procedure; the next 5 with governmental stability; the fourteenth and fifteenth with the sep-

aration of political and judicial powers; and the sixteenth, seventeenth, and eighteenth with the independence of parliaments.

The discussion on these technical phases of the parliamentary system, while of a scientific nature, were probably of more value to most of the delegates than those of any other session. The Conference agreed that parliaments should have specified periods within which to pass their budgets and that when a member proposes any expenditures they should at the same time indicate the means of obtaining the necessary funds. It held that parliaments should maintain control over the powers of their executives in cases of provisional and emergency measures. It pointed out the importance of national and international legislative information services, and of consultative bodies to cooperate in the drafting of laws, particularly in the economic field.

A CONCLUDING STATEMENT

It is impossible to conclude even this brief statement about the Conference at Istanbul without reference again to the Turkish hosts. Simply to enumerate the events gives no adequate picture of the reception accorded by the Turkish parliamentarians. On the first day of the Conference the Turkish group entertained the members of the council with a luncheon at the Pera Palas Hotel. On the evening of that day the president of the Grand National Assembly received the members of the Conference in the Ghazi's Palace on the shores of the Bosphorus. On the afternoon of the second day the members of the Conference and their families were escorted through the shrines and museums of Istanbul, all followed in the evening by a banquet at the Hotel Tokatlyan, given by the mayor of the city. On the evening of the third day the Turkish group entertained the members of the Conference at the Dolmabahçe Palace, a splendid relic of the Ottoman Empire, stretching for a third of a mile along the Bosphorus.

Reference has already been made to the excursion on Friday, the fourth day. After the close of the Conference on Saturday, the 29th, Chukru Kaya Bey, Minister for Home Affairs, and Minister for Foreign Affairs during the absence in Switzerland of Terfik Rüshtü Bey, gave a farewell banquet at the Pera Palas Hotel. It is on occasions such as these, and that in spite of the divergencies of races and languages, that delegates form acquaintances and often friendships of the utmost value. In the case of this Conference at Istanbul they left the very distinct impression of a people competent in organization, intelligent in action, and gracious as comrades and hosts.

Finally, when recently I asked Senator ROBINSON to express his view of the Conference, he replied with words I should be glad to make my own. He said:

"The Conference of the Interparliamentary Union, which met at Istanbul, September 24–29, 1934, considered many important subjects pertaining to international amity and world peace. One who participated in the meetings could not fail to be impressed with the earnestness of the delegates. The discussions took a broad range and demonstrated profound thought and liberal intelligence on the part of many of the speakers.

"The issues before the Conference revolved around resolutions pertaining to security, disarmament, representative government, and kindred topics of vital interest and importance to lawmaking bodies. The Conference was especially helpful to those in positions of legislative responsibility, because it afforded reliable information touching the state of the public mind in the countries represented in relation to subject matter of the very greatest concern to everyone. There was evidenced a real desire to encourage and maintain amicable relations among the sovereignties in the period of anxiety and distress through which mankind is struggling."

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THE INTERPARLIAMENTARY UNION, UNITED STATES OF AMERICA GROUP

Remarks by President ANDREW J. MONTAGUE, January 19, 1934

Friends of the Interparliamentary Union: This is the thirty-first annual meeting of our group. A year ago it was my privilege to remind you of certain phases of the Interparliamentary Union, calculated to promote the enduring interests of our people. On December 23, 1932, I appeared before the subcommittee of the House Committee on Appropriations. I then took occasion to remind the committee that the Interparliamentary Union was founded in Paris in 1888, upon the initiative of Sir William Randal Cremer, of the British House of Commons. Because of his achievements in behalf of the Interparliamentary Union, Sir William was crowned with the Legion of Honor by the President of France, knighted by King Edward VII of England, and, in 1903, awarded the Nobel peace prize. The Twenty-ninth Conference of the Interparliamentary Union was held October 4–10, 1933, in Madrid, Spain. The Conferences have been as follows:

1. Paris, 1889
2. London, 1890
3. Rome, 1891
4. Berne, 1892
5. The Hague, 1894
6. Brussels, 1895
7. Budapest, 1896
8. Brussels, 1897
9. Christiana, 1899
10. Paris, 1900
11. Vienna, 1903
12. St. Louis, 1904
13. Brussels, 1905
14. London, 1906
15. Berlin, 1908
16. Brussels, 1910
17. Geneva, 1912
18. The Hague, 1913
19. Stockholm, 1921
20. Vienna, 1922
21. Copenhagen, 1923
22. Berne and Geneva, 1924
23. Washington and Ottawa, 1925
24. Paris, 1927
25. Berlin, 1928
26. London, 1930
27. Bucharest, 1931
28. Geneva, 1932
29. Madrid, 1933

With the exception of the second, third, fourth, fifth, sixth, and seventh our Congress has been represented at every one of these Conferences. The next Conference will be held next September in Istanbul (Constantinople).

The American group of the Interparliamentary Union was organized in 1903, upon the initiative of Representative Richard Bartholdt, of Missouri, who had just returned from the Conference in Vienna, assisted by Representative Theodore E. Burton, of Ohio, by Representative Samuel J. Barrows, of New York, and others.

That year the United States invited the Interparliamentary Union to hold its Twelfth Conference in connection with the World's Fair at St. Louis in 1904. The invitation was accepted, and for the expenses of the Conference the United States appropriated $50,000. Because of the work of that Conference, President Roosevelt was led to initiate the Second Hague Peace Conference.

Again in 1925 the United States was host to the Interparliamentary Union, this time in the city of Washington, for which the Congress again appropriated $50,000. Upon the request of the Congress, President Coolidge extended the invitation to this Conference. Forty-one parliaments, the largest number in the history of the Union, sent delegates. The last sessions of the Conference were held in Ottawa, Canada.

During the early years delegates to the various Conferences paid their own expenses, the United States making no appropriations for the support of the American group. Later, funds were collected from outside the Congress with which to pay in part the expenses of the group and the traveling expenses of the delegates. Following the war our Government appropriated $1,500 and then $2,000 for the support of the Bureau of the Interparliamentary Union, with headquarters at Geneva. At the nineteenth annual meeting of the American group, February 24, 1922, Mr. Theodore E. Burton, of Ohio, pointed out that for a good many years Congress had appropriated $2,000 annually toward maintaining the bureau of the union at Geneva, and recommended that the amount be increased to $4,000, which was agreed to by the Congress of that year. In 1925 the Congress raised the amount of this contribution to the central office at Geneva to $6,000.

At the twenty-fifth annual meeting of the American group, February 24, 1928, attention was called to the unhappy financial condition of the group—that there was no provision for dues for assessments, no aid from Congress; and that the group was the recipient of charity. Senator McKinley, then president of the group, found it necessary to pay many of the bills out of his own pocket. The treasurer, Mr. ADOLPH J. SABATH, was known to ease the situation from time to time from his own funds. The Carnegie endowment for international peace contributed toward the support of the group for several years.

The American Peace Society furnished office space for the library of the group, considerable printing, and the services of its executive secretary. Generous as all these acts were, it was thought that they ought not to be necessary. In 1928 the appropriation for the Bureau of the Interparliamentary Union at Geneva was raised from $6,000 to $10,000. In 1929, 1930, and 1931 this amount continued, and for each of these years $10,000 was appropriated for the expenses of the United States of America group. In 1932 Congress failed to appropriate anything for the expenses of the group and, without notice to the Bureau at Geneva, it reduced its appropriation from $10,000 to a little less than $7,500. I have learned that our contribution to the Bureau of the Interparliamentary Union last year of $7,500 was normally 38,500 Swiss francs; but because of the drop of the dollar the Bureau was able to realize only 24,750 Swiss francs, a reduction of about 37 percent. For the coming year the further drop in the dollar will mean that our appropriation to the Bureau will drop from 38,500 to 23,000 francs, a loss to the Bureau of 15,000 Swiss francs.

No one can doubt that the Interparliamentary Union is an international organization of value, especially to all members of parliaments. Practically every government of the Interparliamentary Union provides a grant for the expenses of the Union. Many of the groups are supported by national appropriations. A number of the governments furnish special headquarters in their parliament buildings for their interparliamentary groups. Fourteen South American governments appointed and sent delegates to the Twenty-third Conference held in Washington, 1925, and paid all of their expenses. Some of the groups are officially constituted by their parliaments, and the expenses of their delegates automatically paid.

Leading men of our Congress have associated themselves with the work of the American group from its beginning. Names that come quickly to mind are Champ Clark, John Sharp Williams, John W. Davis, Henry A. Cooper, John F. Shaforth, W. F. Harris, William A. Oldfield, Stephen Porter, John W. Weeks, Lawrence D. Tyson, Elihu Root (still an honorary member of the group), and many others.

Presidents of the American group have been as follows: Richard Bartholdt, of Missouri, 1903–15; James L. Sladen, of Texas, elected February 24, 1915; William McKinley, of Illinois, elected February 24, 1919; Theodore E. Burton, of Ohio, elected February 24, 1928; Andrew J. Montague, of Virginia, elected February 24, 1930. Delegates from the American group to the various conferences have invariably included outstanding men of Congress.

A report of the Twenty-ninth Conference, held last October in Madrid, was printed by our permanent executive secretary, who attended the Conference, in the December 1933 number of World Affairs, of which he is editor. I suggest that this brief report, together with the resolutions of the conference, might well be printed in the CONGRESSIONAL RECORD for the information of the Congress. During the year our permanent executive secretary prepared a pamphlet of some 12 pages entitled "Parliament of Man,

a Sketch of the Interparliamentary Union", which was sent to each Member of the Congress.

There are two items to which I would call special attention: First, upon the initiative of Senator BARKLEY last May a resolution unanimously passed the Senate twice, but failed in the House. This resolution, H. R. 5390, read as follows:

"American group of the Interparliamentary Union: Toward the expenses of the American group of the Interparliamentary Union, including traveling expenses, subsistence or per diem in lieu of subsistence (notwithstanding the provisions of any other act), compensation for stenographic and other clerical services, printing and binding, and other necessary expenses, fiscal year 1934, $10,000, to be disbursed on vouchers approved by the president and the executive secretary of the American group."

A similar resolution, I hope you will agree, should be passed by the Seventy-third Congress.

Second, I further recommend for your consideration the adoption by the Congress of an authorization act substantially as follows:

"To authorize participation by the United States in the Interparliamentary Union.

"*Resolved, etc.*, That an appropriation not to exceed $20,000 per annum is hereby authorized, $10,000 of which shall be for the contribution of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of the International Arbitration; and $10,000, or so much thereof as may be necessary, to assist in meeting the expenses of the American group of the Interparliamentary Union for the fiscal year for which the appropriation is made, such appropriation to be disbursed on vouchers to be approved by the president and the executive secretary of the American group.

"SEC. 2. That the American group of the Interparliamentary Union shall submit to the Congress a report including its expenditures under this appropriation."

Gentlemen, your cooperation with this work is worth while. We are mindful of the onslaughts against parliaments, and yet we of America must believe that ordered liberty is dependent upon representative government. The Interparliamentary Union deserves our support, for it is the world's one organized defense of the parliamentary system and of the modes of democracy which that system continues, fortunately, to represent.

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THIRTY-FIRST ANNUAL MEETING OF THE UNITED STATES OF AMERICA GROUP OF THE INTERPARLIAMENTARY UNION

The Thirty-first Annual Meeting of the United States of America Group of the Interparliamentary Union was held in the House Committee Room on Foreign Affairs, Capitol Building, Friday, January 19, 1934, at 11 a. m.

The meeting was called to order by the president, Representative ANDREW J. MONTAGUE, of Virginia.

President MONTAGUE opened the meeting with remarks appearing at the end of this report.

Upon the motion of Mr. BLOOM, seconded by Mr. MCREYNOLDS, it was voted that the president's remarks be printed in the CONGRESSIONAL RECORD.

The minutes of the thirtieth annual meeting were read and approved.

The treasurer read his report, as follows:

| | |
|---|---|
| Balance on hand last statement | $1,137.43 |
| Received from the Carnegie Endowment for International Peace | 1,000.00 |
| Total | 2,137.43 |
| Paid for secretarial services from Dec. 24, 1932, to Dec. 24, 1933 (12 months) | 600.00 |
| Feb. 12, 1933, Judd & Detweiler, printing | 42.25 |
| July 26, 1933, Judd & Detweiler, printing | 64.50 |
| Aug. 25, 1933, to Arthur D. Call to cover expenses to the Twenty-ninth Conference of the Interparliamentary Union at Madrid | 1,000.00 |
| Dec. 4, 1933, Western Union | 2.50 |
| Jan. 12, 1934: | |
| Judd & Detweiler, printing | 12.50 |
| American Peace Society, telephone, etc | 7.70 |
| Total expenditures | 1,729.20 |
| Balance | 408.23 |

It was voted that the treasurer's report be accepted and filed.

The following officers were elected for the ensuing year:

President: Representative Andrew J. Montague, Virginia.

Vice presidents: Senator Simeon D. Fess, Ohio; Senator Alben W. Barkley, Kentucky; Representative Sam D. McReynolds, Tennessee.

Treasurer: Representative Sol Bloom, New York.

Secretary: Representative Charles A. Eaton, New Jersey.

Permanent executive secretary: Arthur Deerin Call.

Executive committee: Representative Andrew J. Montague, ex-officio chairman; Representative Fred A. Britten, Illinois; Representative Albert A. Carter, California; Representative William Bacon Oliver, Alabama; Senator Tom Connally, Texas; Senator Joseph T. Robinson, Arkansas; Senator Millard Tydings, Maryland; Senator Arthur Vandenberg, Michigan; Representative A. Piatt Andrew, Massachusetts; Representative Thomas C. Cochran, Pennsylvania.

It was voted that the proposal to introduce an authorization act for the support of the Interparliamentary Union be laid on the table.

It was voted that the following two proposals be referred to a committee composed of President MONTAGUE and Senator GORE, with the recommendation that every proper effort be made to get these two appropriations adopted by the Congress:

1. That an appropriation of $10,000 be carried for the support of the Interparliamentary Union bureau at Geneva;

2. That an appropriation of $10,000 be carried for the support of the United States of America group of the Interparliamentary Union.

It was announced that the Thirtieth Conference of the Interparliamentary Union is to be held in Istanbul (Constantinople), September 1934.

President MONTAGUE's opening remarks follow this report.

"THE GREEN MOUNTAIN SPIRIT"

Mr. BARBOUR. Mr. President, I ask unanimous consent to print in the RECORD an editorial from the New York Herald Tribune of November of November 9, 1934, entitled "The Green Mountain Spirit", which I am sending to the desk.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE GREEN MOUNTAIN SPIRIT

Everyone has been so busy since Tuesday night totting up the number of once sturdy Republican establishments that were swept away by the Roosevelt-Farley avalanche that wholly inadequate notice has been given to the fact that one small but exceedingly valuable edifice still stands unscathed. Of the 6 widely scattered States that returned 2 Republican Senators, there were only 3 that elected no Democratic Representative; and of these Vermont alone chose a Republican governor—though it must be parenthetically remarked that Delaware held no gubernatorial election, and that the victory for North Dakota's Democratic candidate was at least partly due to a revulsion of feeling against the Langer clan.

Republicanism in Vermont is, of course, a habit; but in this particular election that State's repudiation of the new deal, its philosophy and works, was also a matter of choice. Neither the strategists of the Farley machine, who had publicly marked the Green Mountains as a target for their heavy artillery, nor the Republican candidates, left any doubt in any voter's mind that there was a choice to be made. Senator WARREN R. AUSTIN is one of the bitterest critics of the administration's policies in the upper House. His comments on Mr. James Farley's cancelation of the air-mail contracts were telling enough to elicit for Vermont every attention that the Democratic machine, with the Treasury as its war chest, can give a critic's constituency.

From the shipments of free corned beef into communities that had no poor relief rolls up to the strenuous effort that was made to foist a $100,000,000 Public Works project on the State, no device for introducing the mountaineers to bread and circuses was left untried. No disgruntled minority lobby in Montpelier escaped the attentions of Farley's agents, and the State holds no personal enemy of any Republican candidate who was not sought out and comforted.

In the face of this onslaught the strategy of the Republican candidates consisted almost wholly in saying to the voters of Vermont what Senator AUSTIN says of the Roosevelt administration in Washington, the substance of this being that the directorate of the new deal aspires to dictatorship and that growth of its power is a menace to traditional American liberties. Vermont is one corner of this land in which the birthright of personal liberty is not a foggy abstraction which a poor man is glad to trade for a can of corned beef. Because the majority of the Vermonters are the descendants of men and women who went into the savage hills from Connecticut and Massachusetts to escape the Puritan's regimentation of mind, body, and soul, they come honestly by an intelligent as well as rugged individualism with which the kind of State pauperism that Mr. Roosevelt is fostering is wholly incompatible. When the rest of pioneer America's heirs recover as clear a vision, as stiff a backbone, and as much self-respect as the Vermonters have just exhibited, this country will again awake to the proverbial gray dawn that brings the traveler on his way.

ADDRESS BY COMPTROLLER OF THE CURRENCY O'CONNOR

Mr. LEWIS. Mr. President, I tender the address of the Honorable J. F. T. O'CONNOR, Comptroller of the Currency, delivered over the radio on January 12, 1935, and ask that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Permit me to thank you, Judge Collins, and through you the National Democratic Club, for this opportunity to address the citizens of our country. Never in our history have our people been as interested in their Government as they are today. If the people are to draw accurate conclusions concerning their Government, they must be presented with facts on which their conclusions may be based. The citizen counts for little who merely opposes policies or programs which are presented. The valuable citizen is the one who analyzes the weakness in the procedure which he criticizes and

suggests a better plan. This Government can only be as strong and responsible as it is made by the citizenship of the Nation.

A comparatively small number of people have an accurate conception of the duties of the Comptroller of the Currency. The Comptroller is appointed by the President, on the recommendation of the Secretary of the Treasury, and his appointment is subject to confirmation by the Senate. The Bureau of the Comptroller of the Currency was established under Abraham Lincoln as a war-time measure, for the purpose of strengthening the financial structure by permitting currency to be issued against the obligations of the Government. At the present time, in addition to his duties in connection with the regulation of currency, the Comptroller issues charters for national banks, examines all national banks, has supervisory and regulatory powers over them, and administers the receiverships when national banks are placed in liquidation. He is the only official designated by Congress to recommend banking legislation. He is also, by virtue of his office, a member of the board of the Federal Deposit Insurance Corporation and an ex-officio member of the Federal Reserve Board.

President Franklin D. Roosevelt has been intensely interested in our banking problems; and it is his magnificent leadership, his enthusiasm, his driving force, coupled with the cooperation of the Congress of the United States, which have made possible the rehabilitation of the collapsed banking structure. That the President felt clearly the Government's responsibility for the restoration of banking activities is made plain in the following statement which he made before the American Bankers' Association on October 24, 1934:

"In its relation with bankers, the purpose of the Government should be threefold. First, to promote the confidence of the people in banks and banking in view of the important service that banks and banking may perform for the people as a whole. Second, to make this confidence a real and living thing by assisting banks to render themselves useful and worthy of this confidence through wise supervision. A third purpose now offers itself, and I wish with all earnestness to press this point tonight. Government should assert its leadership in encouraging not only the confidence of the people in banks but the confidence of the banks in the people. In March 1933 I asked the people of this country to renew their confidence in banks. They took me at my word. Tonight I ask the bankers of this country to renew their confidence in the people of this country. I hope you will take me at my word."

The banks comprise the nervous system of our economic and industrial life. Statistics in the Comptroller's Office prove conclusively that this sensitive structure is on a firmer basis than at any time in our history. Striking progress has been made since the appalling banking holiday of March 1933, when the entire banking system of the Nation was at a standstill. At the conclusion of the holiday, nearly 2 billions of dollars were inaccessible to depositors in 1,417 banks under the Comptroller's jurisdiction, which were not licensed to reopen.

Of these 1,417 banks, 1,089, with deposits of $1,802,285,000, have been reorganized under old or new charters or absorbed by other national banks; 31 have gone into voluntary liquidation and repaid to depositors $11,513,000; and 292, with deposits of $151,540,000, are in receivership. Four of these receivership banks have plans approved for reorganization. There remain undisposed of only 5 of the 1,417 unlicensed banks, with deposits of $6,438,000, or three-tenths of 1 percent of the total deposits in the 1,417 banks, and all 5 have plans approved for reorganization.

During the 12 years from 1921 through 1932, 10,816 banks, with aggregate deposits of $4,885,126,000 failed in the United States. In other words, an average of 901 banks, with average deposits of $407,093,833, failed each year, as compared with 58 failures during 1934. It is a pleasure to report that only 1 of these 58 banks was a national bank whose deposits, amounting to approximately $40,000, were all insured by the Federal Deposit Insurance Corporation, and not a single dollar was lost to a depositor. A second national bank closed on Thursday of this week, due to the activities of a faithless official. There have been 11 insured-bank failures, 6 of which have been caused by dishonest employees.

One of the most important problems now before the Comptroller's Office is to hasten the distribution of additional dividends to depositors in closed banks wherever possible.

On December 31, 1934, there were in receivership 1,551 banks under the Comptroller's jurisdiction, including those which were placed in receivership prior to the banking holiday, with deposits at closing of $1,881,739,524, and provision already had been made for the return to depositors of $1,008,042,159, or more than 53 percent of these funds.

Sixteen hundred applications for loans to receivership banks by the Reconstruction Finance Corporation have been approved and loans in the amount of $369,728,100 have been granted.

In addition, a plan has been worked out between Hon. Jesse H. Jones, Chairman of the Reconstruction Finance Corporation, and this Bureau for completing the liquidation of receivership banks which have assets valued at $30,000 or less. The Reconstruction Finance Corporation will loan the full amount of the appraised value of the assets to the receiver, less estimated interest and collection charges, take the receiver's note, and hold the assets as collateral. The receiver is then authorized to sell the assets of his trust, subject to the loan from the Reconstruction Finance Corporation, to a depositor's committee, for a nominal consideration, whereupon the receiver is instructed to terminate his trust immediately. The Reconstruction Finance Corporation will liquidate the assets until the loan has been fully repaid, and any remaining assets will be returned to the depositors' committee, which will complete liquidation in the interest of the depositors. The plan has met with hearty approval in all parts of the country. There are approximately 400 trusts which it is hoped can be disposed of in this manner, and then the plan may be extended.

National-bank receiverships are conducted by the Comptroller's Office with a maximum of efficiency and a minimum of expense. From the date of the first failure of a national bank in 1865 to October 31, 1934, national banks placed in receivership numbered 2,908. Of these, 1,219 had been completely liquidated and their affairs closed. Expenses incident to the administration of these 1,219 closed trusts, such as receiver's salaries, legal, and other expenses amounted to 3.86 percent of the book value of the assets and stock assessments administered, or 7.39 percent of collections from assets and stock assessments. In other words, about 93 cents out of every dollar collected by receivers went to creditors.

The success of efforts at rehabilitation are shown in the following figures: Since the conclusion of the banking holiday on March 16, 1933, the number of active banks under the Comptroller's jurisdiction has increased from 4,522 to 5,483, and deposits in these banks have increased from $16,315,586,000 to $20,907,250,000, representing a gain of 961 active banks and of $4,591,664,000 in deposits. The total deposits in all national banks is closely approaching the total of $23,268,884,000, which was reported for June 30, 1930, and which was the highest total reported for June 30 in the history of the system.

It is with regret that a decrease in the ratio of loans and discounts to deposits is noted. At the time of the call report of October 17, 1934, this ratio was 36.7 percent, as compared with 38.6 percent on June 30, 1934. The ratio increased from 65 percent in 1926 to 68.5 percent in 1929, and there has been a steady decline since 1929. The chief significance of this low ratio is the accumulated store of credit now available to industry. In order for a bank to survive, the money on deposit must be put to work. In order for the merchant to survive, he must sell the goods upon his shelves to make a profit and pay his expenses.

The Comptroller's Office and the national-bank examiners have in some cases been criticized for the failure of the banks to utilize this available credit. Such is not the case. A public office and its incumbent are, by right divine, targets at which the public fires when displeased. When Shakespeare said, "How full of briers is this working-day world", he must have had in mind a man in public office in times of stress. There is a story that when the Czar returned from a trip during which an attempt had been made upon his life, one of his aides remarked upon his calm and undisturbed bearing at the time of the incident. The Czar adjusted his sword, smiled, and said, "Part of my business is to be shot at."

In October 1933 national-bank examiners were instructed to appraise assets on a recovery basis, and these instructions were reinforced by further instructions in March 1934. The reports of examiners on 5,275 banks were carefully analyzed to determine whether instructions had been followed, and some interesting figures were revealed: The total amount of loans was $7,740,596,000; 2.88 percent of these loans were placed in the loss column, 4.19 percent in the doubtful column, and 27.05 percent in the slow column. Please consider the importance of these figures. After one of the greatest, if not the greatest, depressions in the history of our country, the national-bank examiners have placed in the loss column less than 3 percent of all commercial loans made by national banks. That should answer once and for all the criticism that examiners are so drastic that recovery is retarded.

The question of slow paper has probably been discussed more than any of the other classifications. The bankers have been advised of the definition of slow paper and the attitude of this Office toward loans in the slow column as follows: "The items placed in the slow column are merely 'flagged.' In other words, the attention of the bank officials is called to these items with the suggestion that they be watched. No suggestion is conveyed or implied that the borrower should be requested to pay the same. They are therefore considered slow loans. This is our interpretation unless the examiner in his report makes specific criticism of particular items in the slow column."

It is reasonable to expect that in isolated cases an error of judgment will be made in the appraisal of an asset. The remarkable thing is that a banker and an examiner will agree about a million dollars' worth of loans and then the banker will become greatly distressed about some small item.

The following comment appeared editorially in one of the banking magazines:

"Many bank examiners have been classifying as 'poor', paper which later turned out to be good. This was going on at the same time that the Reconstruction Finance Corporation and other governmental agencies were begging bankers to be more liberal in their loaning policies.

"I was talking last month to the vice president of a good-sized national bank located in the northwestern banker territory and he told me specifically of a case where his bank had a loan of $65,000 on a factory in his city, which loan had been in the bank for 2 years. The manufacturing company employed 200 people, and while it was not building up a very large surplus, it was running in the black and not in the red.

"The national-bank examiner said that the loan should be charged off entirely and put it on the doubtful list, and this, in spite of the fact that in addition to the security of the plant as collateral, that the bank had back of this loan a $2,000,000 trust fund as additional security.

"When the bank examiner was told about the trust-fund collateral, he asked to see a statement of the trust fund and when the banker showed this to him, he said that in view of the fact that none of the stocks or bonds were listed on any of the exchanges he could not ascertain their value and still insisted that the loan be charged off.

"After the bank examiner made his report, the vice president of the bank secured firm bids on three different groups of stocks owned by the corporation and found that these stocks could be sold on the market at this time for $250,000, which certainly was several times more than was necessary to pay off the loan of $65,000. He took this information with him and went to see the 'higher ups', and presented them with the data he had gathered. The chief examiner immediately replaced the loan as 'good'—all of which indicates that bank examiners who have no more comprehension and understanding than this one did in analyzing a loan and the collateral back of it, has no business being a national-bank examiner."

A letter was sent to the editor asking for the name of the examiner and particulars with reference to the loan in question. He replied, "I have written to the bank referred to in my editorial * * * and asked them if they would like to give me the name of the bank examiner who made the examination of their bank * * * but the vice president, with whom I corresponded, felt that he would prefer to leave the matter as it was and not give me the name as everything had been straightened out now with satisfaction to all concerned."

It seems unfair for a bank to make the statement quoted to a newspaper for the purpose of publication, and then, when the official having the responsibility for these examinations attempts to investigate the matter, to have the bank decline to furnish any information. It would lead one strongly to believe that the criticism was not justified in the first instance.

Much has also been said concerning the duplication of examinations of banks and considerable misunderstanding has arisen in this connection. Only two organizations in Washington examine banks at the present time. The Bureau of the Comptroller of the Currency examines all national banks, and no other examiner examines a national bank except upon written agreement between the national bank and the Reconstruction Finance Corporation. No one will deny the right of a bank to permit an examination by another agency of the Government. A national bank is examined twice a year. The Federal Reserve Board examines State banks and trust companies which are members of the Federal Reserve System, and may direct a special examination of any member bank.

The law provides that all State banks which make application for insurance shall be solvent. Therefore the only question to be determined by a Federal Deposit Insurance Corporation representative is whether the assets are sufficient to pay the bank's liabilities. To be eligible for insurance the bank need have no capital structure under the existing law, and the Corporation has no visitorial powers.

It is clear, therefore, that the representatives of both the Reconstruction Finance Corporation and the Federal Deposit Insurance Corporation are not examiners in the true sense of the word. An examination of a bank implies criticism and suggestions as to its loans, an examination of all of its books and records, including the minutes of the corporation, to determine if all of the provisions of the National Banking Act have been complied with, as well as a determination of the question of solvency. None of these questions is within the jurisdiction of the representatives of either the Reconstruction Finance Corporation or the Federal Deposit Insurance Corporation.

It has long been an established legal principle that banking is a business so affected with a public interest that the most stringent public regulation and control are justifiable. Indeed, Justice Oliver Wendell Holmes, speaking for the United States Supreme Court in the case of *Noble State Bank* v. *Haskell*, said: "We cannot say that the public interests to which we have adverted are not sufficient to warrant the State in taking the whole business of banking under its control. On the contrary, we are of the opinion that it may go on from regulation to prohibition except upon such conditions as it may prescribe." The Court then cited a number of cases from various States in which various types of regulations and prohibitions had been supported. This is a judicial recognition of the economic truth that the soundness of the banking structure of the Nation is intimately interwoven with the welfare of the people, and therefore should and must be made the subject of strict public regulation and control. Regarding the principle itself, there is no dispute; it is only when methods of putting into effect this regulatory power are considered that debate and discussion begin.

A bank has a definite function to perform in the community. If it is not necessary, it cannot thrive, for a bank must earn in order to exist. If from the ordinary and normal operations of a bank in the community it cannot derive a living income, it will be driven to resort to illegal activities or to dip into its reserve, its surplus, and its capital, until it becomes the painful duty of the Comptroller of the Currency to close it. If business men will curb the perfectly normal speculative instinct, if they will not lend their assistance, through local pride or for any other reason, to the organization of banks locally, whether they be State or National banks, without a careful survey of the banking needs of the community, we shall have less failures than we have had in the past.

In order to continue a sound banking structure in the Nation we must have the cooperation of all classes of citizens, the Congress, and the banking authorities of the several States. Applications for any charter should receive the most careful consideration, and a charter should be granted only where the bank shows an adequate, sound capital, and where there is a real necessity for further banking facilities and a favorable prospect for the bank's successful operation.

Banks should not be chartered because of irrational optimism or personal pride or jealousies. These are dangerous methods of expressing one's individualism. A picture of the banking graveyard of the yesterdays, if kept vividly before us, will deter improper or unwise action in the future.

Judging from the correspondence which comes to my desk, it seems that a large part of the people have suggestions for banking reforms, currency reforms, credit expansion and curtailment. Some believe no money should be issued, while others believe that every citizen should be furnished with sufficient money to provide for all reasonable needs. You will recall the attempt of the famous Jack Cade to launch and lead a proletarian revolution in England, and you may remember the words which Shakespeare put in his mouth more than 300 years ago: "There shall be no money; all shall eat and drink on my score; and I will apparel them all in one livery, that they may agree like brothers and worship me, their lord." The dream that there shall be no money has not been realized either in the land of Shakespearean characters or of Uncle Sam, or in any other civilized country on the globe. The accomplishment of the purpose stated by the dreamer was to be brought about not only by the abolition of money and money lenders, but also through the proposal: "First thing we do, let's kill all the lawyers." That was Jack Cade's idea of bringing about a revolution and establishing a financial and industrial despotism under the control of the proletariat, with himself at the top, 3 centuries ago.

In 1917 Nikalai Lenin announced as an objective of the revolution in Russia "the union of all banks into one single national bank * * * control of the council of workers-delegates over the banks * * * and then toward their nationalization * * * their passing over into the possession of the whole people." Again he stated that they must "move steadily toward a transformation of the banks into centers of social bookkeeping under socialism * * *." That is to say, the one national bank would not be a bank at all, but a place where social accounts were kept. Money, as we understand its function, would be gone, under his system, as well as under the plan of Jack Cade.

Let us not lose the ground already gained. When we are asked to travel unknown seas, let us determine if others have met with disaster on their journey. No teacher can be substituted for experience. While we must avoid the disasters of the past, we should not oppose every effort to solve new problems in new ways. There has been no guide for many of the problems which have confronted our people during the past few years. Bold, aggressive, and decisive leadership has pointed to new solutions. The battle is being won. We are within sight of the last stronghold of the depression. With continued faith in our fearless leader, 120 millions of people are marching forward in unbroken lines, confident of the result, and with exaltation in their hearts.

## EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## EXECUTIVE MESSAGES REFERRED AND NOMINATIONS WITHDRAWN

The PRESIDING OFFICER laid before the Senate messages from the President of the United States, submitting four treaties, a convention, and several nominations, and withdrawing nominations, which were referred to the appropriate committees or ordered to lie on the table.

(For nominations this day received and withdrawn, see the end of Senate proceedings.)

## RESERVATION TO WORLD COURT RESOLUTION OF ADHERENCE

Mr. NORRIS submitted a reservation intended to be proposed by him to the resolution of adherence on the part of the United States to the World Court protocols, which was ordered to lie on the table and to be printed.

## EXECUTIVE REPORTS OF A COMMITTEE

Mr. COPELAND, from the Committee on Commerce, reported favorably the nomination of George Fried, of New York, now holding recess appointment, to the position of supervising inspector, Bureau of Navigation and Steamboat Inspection.

He also, from the same committee, reported favorably the nominations of sundry officers in the Coast Guard.

The PRESIDING OFFICER. The nominations will be placed on the Executive Calendar.

## THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. VANDENBERG

to the resolution of adherence, as reported by the Committee on Foreign Relations.

(Mr. LONG resumed and concluded his speech, which entire is as follows:)

AMERICA FOR SALE

Mr. LONG. Mr. President, there is a most amazing news report coming out of Geneva this morning in connection with the stand that has been taken there by the League of Nations. It comes at a very striking period in the deliberations of this body, when we are considering the World Court. When the document which appears on the front page of the particular paper which I now have before me, the New York Times, is read in connection with a document that is published today in the Washington Herald, and when it is read in the light of the effort to secure ratification of the agreement for entry into the World Court, it suggests to me that it ought to have the caption "America for Sale."

We have had the Monroe Doctrine in effect in this country for more than a hundred years, by which America said to all foreign countries, "Stay out of Central and South America, and North America, too." Under the Monroe Doctrine America took it upon itself to act more or less as an unofficial umpire to preserve peace in South America. Under the Monroe Doctrine, and by and with the consent of the people of South America, along in the seventies, about 1878, the United States undertook to adjust disputes then prevailing in South America between Paraguay and Argentina and other countries over a territory known as the "Chaco."

In the year 1878 President Hayes was agreed upon by the Republics of Argentina and Paraguay to act as mediator and as conciliator to settle the dispute existing at that time because of the situation in Paraguay and Argentina, in which some other countries were involved. Mr. Hayes appointed a commission, which made a most intensive study of the affairs and conditions in the Chaco district, and the award designated and fixed the borders of Paraguay, the borders of Argentina, and the borders of the Chaco territory, which belonged to Paraguay and which belonged to Argentina.

Immediately thereafter a delegation from Bolivia was sent to the Republic of Paraguay to congratulate them upon the peaceful solution of the war which had prevailed theretofore between Argentina and Paraguay and to assure them of their assistance in maintaining the boundaries which had been fixed by President Hayes in the award of 1878.

Notwithstanding the fact that America, acting through its President as mediator, settled these boundaries, fixed the status of the parties, called off the war, and under the Monroe Doctrine held the European nations from interfering or meddling with that war one way or the other; notwithstanding the fact that the award of 1878 was officially published and recognized, as shown by a map published by the Republic of Bolivia itself, which I have here before me; notwithstanding the settlement made by America, notwithstanding the recognition of the award by Argentina, by Bolivia, by Paraguay, and by every other country; notwithstanding the settlement and award made in 1878 stood for a period of nearly 60 years, yet the time came that oil was discovered in the region of Chaco and the Standard Oil Co. of the United States wanted to provoke a war to claim a territory for the Standard Oil Co. through the Bolivian Government, contrary to the lines fixed in the award made by the President of the United States. We now find them trying to do it through the League of Nations.

Here is a remarkable situation. What did America do with the Monroe Doctrine under Mr. Hoover and under Mr. Roosevelt? Both of them, like Tweedledum and Tweedledee, let the Standard Oil Co. finance a revolution against Paraguay carried on by the Bolivian Government. Bolivia, without there being the slightest effort from any other source to prevent it, laid claim to what? To the territory included in the Hayes award, included within the boundary limits established by the President of the United States, the recognition of which had been compelled from every country down there and which had stood for a period of 60 years until oil was discovered in the Chaco or on the borders of the Chaco.

Then broke out the Bolivian-Paraguayan War, and the United States stayed out. How long did the United States stay out? We stayed out long enough they thought for Bolivia to have time to whip Paraguay, but actually they did not do it. We apparently took the position there was not going to be much to the war. The Bolivians were going to wipe the Paraguayans off the face of the earth, we were all led to understand. To assist in carrying on the war, the Standard Oil Co. had dealt forth millions and millions of dollars—and not only had they dealt forth millions and millions of dollars to finance the war, but the State Department of the United States under Mr. Hoover considered and approved, in violation of the law, of a bond issue being floated in this country for some twenty-odd million dollars, $5,000,000 of which was to go to Vickers & Co. to pay for munitions that were being made for Bolivia at the time. I have here the hearings and the testimony to prove this statement in case any Senator might desire to see them. Thereupon the war began to progress between Bolivia and Paraguay. But Bolivia, with all the help that was rendered, was unable to defeat the Paraguayan Army.

While I was speaking here one afternoon last year my friend from Nevada [Mr. PITTMAN], in carrying on the good work he has done for this country, asked that I yield in order that the Senate might immediately consider and pass a bill to prohibit arms being exported from the United States either to Paraguay or Bolivia in order that war might be stopped. What was the result? A few days later, the bill having been passed without objection that afternoon, the Bolivian Army began to ship arms as though no law had ever been enacted by the Congress prohibiting it. Upon inquiry, we were given to understand that the Bolivian Government, or those selling munitions to the Bolivian Government, had asked whether the new law enacted by Congress would prohibit the shipment of arms to Bolivia which had already been purchased in the United States before the law was enacted.

The Department of Justice gave out one of these Mother Hubbard opinions, in which it said that was a case for the courts to decide and not for the Department of Justice to decide. Thereupon the Bolivian Government and friends of Bolivia were informed that before the law was passed, and not expecting that kind of legislation, they had made contracts for the purchase of war supplies from various and sundry concerns scattered from the Atlantic to the Pacific, and under the retiring position taken by the Department of Justice the shipments proceeded to Bolivia ad libitum.

Now, however, even with all that being done, the Paraguayan armies have been victorious, so what do we see? The United States remained silent, the United States refused to enforce the mandate of the award made by the United States in 1878. Here was the United States Government unfurling the Stars and Stripes, claiming to be the land of the free and the home of the brave, claiming to be the protector of Central America and South America, the mediator and conciliator which established the bounds and settled the disputes between Paraguay and Bolivia—here was the United States with the award of settlement of the territorial dispute which had been recognized by all the countries for a period of 60 years, but none the less it let Paraguay and Bolivia fight down there month after month and year after year, with Bolivia receiving the financial help of the Standard Oil Co., the United States paying no attention whatever that the war was being carried on against Paraguay, according to a statement made by the Bolivian Government, because Bolivia had decided that it would not recognize any further the territorial boundaries fixed by the award made by the President of the United States.

That is what Bolivia said. Bolivia said that after a period of 60 years they had come to the conclusion that they would no longer recognize the award that had been made by the President of the United States. The then President of the United States remained supinely silent, and his successor remains in the same position up to the present day and date.

So now the United States could not act, Mr. President. The only thing the United States could have done, if the United States had acted, would have been to say, "Why, we have made an award. We cannot mediate a dispute that was settled 60 years ago." That is all the United States could have said. The United States could not have said, "We shall have to have another mediation over whether or not the mediation we made 60 years ago is true and correct." So the United States was in a suspended condition, where it could not do anything. So what do we do? What becomes of the Monroe Doctrine?

Well, here steps up the League of Nations:

League supports first punitive step to curb Paraguay.

Is not that remarkable? The League of Nations has announced from The Hague that inasmuch as the award of Rutherford B. Hayes, made in 1878, still stands; inasmuch as Bolivia has recognized it for 60 years and Argentina for 60 years; and inasmuch as the Bolivian Army, financed by the Standard Oil Co., has been unable to dislodge the Paraguayans from the territory given to them by the United States through the award of the President, the "League supports first punitive step to curb Paraguay."

Second headline:

Assembly's Chaco group votes unanimously—

Note that—

votes unanimously for end of arms embargo on Bolivia.

They voted just as unanimously on that proposition which had the signature of the United States as they did on the payment of the war debts. They unanimously voted not to pay the United States the $11,000,000,000 of war debts, and now they have unanimously voted not to pay any attention to the award made by the President of the United States in 1878.

So, Mr. President, we are getting somewhere now. We have managed to take the Monroe Doctrine and throw that in the brush heap; we have managed to take $11,000,000,000 of the people's money and throw that into the brush heap; and, if things keep going along pretty well, the Senator from South Carolina [Mr. SMITH in the chair] will get a message from The Hague telling him whether or not he can run for the United States Senate 4 years from now. [Laughter.]

A little bit more:

Hints of stronger move—

Here are the European nations hinting of a stronger move against Paraguay if they do not abandon the territory awarded to them by the United States. Not only have they lifted the embargo, but here is the League of Nations hinting a move, I should take it at least of assistance, at least as a party belligerent in some capacity. However that may be, I am not in a position to say, nor is anyone else, probably at this time; but, inasmuch as the Paraguayans have not been dislodged from the territory that was awarded to them through the conciliator—the President of the United States—in 1878, here is a hint from the League of Nations that now, since Paraguay refuses to yield on this award the League of Nations is going to lift the embargo against Bolivia and that they will take more drastic steps as the circumstances may require with The Hague as the base of their operations—

Committee awaits Asuncion's compliance by February 24 with peace proposals.

That is a remarkable doctrine. I am not going to take the time of the Senate to read it, but at the conclusion of my remarks I shall ask leave to have this entire article printed in the RECORD.

The PRESIDING OFFICER (Mr. SMITH in the chair). Without objection, it is so ordered.

(See exhibit A.)

Mr. RUSSELL. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Georgia?

Mr. LONG. Yes, sir.

Mr. RUSSELL. The Senator is reading from the New York Times, I believe. I did not hear the early part of his remarks. A correspondent of mine writes to me as follows:

The New York Times of February 24, 1932, frankly tells us Britain will oppose boycott by League. France also is expected to bar Geneva efforts to punish Japan * * *. That is the definite policy of the British Government * * * regardless of assurance that this country, as a member of the League, will abide by its decision.

I have not the entire article, but what I have read shows that the millennium has not yet come so far as the larger and stronger nations are concerned when the League undertakes to settle these questions. Its efforts are nearly always confined to the weaker nations.

Mr. LONG. I thank the Senator for this document. That is not amazing, however. Before I send the document to the desk I want to look at it. There was a time when this document would have been amazing, but it is no longer amazing. It calls back to my mind the exact fact as the Senator from Georgia has just so well stated it.

When Japan defied the League and told them to go to hell, that Japan would do nothing of the kind proposed by the League, they withdrew, and the Japanese Ambassador who had been sent to the League of Nations paid us a visit on his way home in order to give us to understand where we could go, so that nobody would have any doubt about it.

We were not members of the League of Nations. So, after telling the League of Nations that Japan would pay it no mind at all, the gentleman who was representing Japan in the League of Nations at The Hague took a boat and came to the United States and told us where we could go, then crossed the United States and went on his way home, and we never heard a word about it. On the contrary, as this report will show, the United States undertook to get some action through the League.

Mr. Stimson called upon France and upon Great Britain to stand up for the honor of the League's agreements and the League's demands and the League's contracts on the matter. What happened? They said, "No, no; the League will in no event ever raise its hand in a punitive way to call Japan to account because they have broken the contract in their Manchurian aggression." They went and took one hunk of China, then took another hunk of China, took the entire Manchurian territory, set up a government of their own thereon, and whipped the Chinese armies, contrary to their League, contrary to their peace treaty, contrary to the Kellogg Pact. They did not even undertake to justify it; and then said the League, "Oh, no; we will make no aggression against Japan. Let them go ahead. The League is not set up for punitive purposes."

But, the League is today set up for punitive purposes; and the only time it has raised its hand is against the little country of Paraguay because Paraguay refuses to surrender the territory awarded to it by the United States. The United States sits here with the Monroe Doctrine scrapped, and a message comes to hurry and get into the next thing, the World Court, because we are going to have a war over in Europe, and if we do not hurry up and get in the World Court, we will not be a party to it.

Why the difference? Well, one little illuminating paragraph from this article explains the difference. Over on page 14 of this issue of the New York Times of January 17 there is just one little paragraph that they let in. The League will probably cut that out of the next report. It says here:

It remains to be seen whether the embargo will be really tightened. Some fear the move comes too late and that by February 24 Paraguay will already have the oil fields.

Now remember that. There is apprehension expressed over in the League that maybe they have made the move against Paraguay too late to keep the oil fields in the hands of the Standard Oil Co. of the United States. There is great fear that the deliverance of this country from the hands of the United States proper has probably made its appearance too late to save the particular territory that the Standard Oil Co. has from being taken before February 24.

That brings us to inquire, Who is the moving spirit behind the World Court in America today? The President may think he is, but we have had Presidents before him who thought they were, all of them. We had them from Roosevelt back through Mr. Hoover, back through Mr. Coolidge, back through Mr. Harding, and back even to Woodrow Wilson. Who is the one that has kept the light afire for the League of Nations? I do not know how much they have spent, but I am told that the Rockefeller fortune has been the one great bulwark that has kept the fires lighted for the League of Nations in America. I am told that there are news reports—I have this only second-hand; probably before the day is over I shall have some of them that will be supplied to me by some of my friends in this body—I am told that the news reports of the past year say that the Rockefellers have kept circulating, through millions and millions of dollars in contributions, these elegantly printed, leather-covered volumes that go out to the ministers of the gospel and the principals of the schools, that go hither and thither day by day and year after year in this great move for peace. I am told that the millions of dollars that have found their way for the payment of this propaganda came through the hands of the Rockefellers.

Why would not that be the case? The Rockefellers were never known to give a dime for which they did not get back a $10 bill. Why would it not be true? Every time the League of Nations has been called upon to render service to the Rockefellers the League of Nations has always responded. Here it is—a grant that has been awarded and recognized by the President of the United States and by all the Presidents of the United States since 1878. Here is an award and a grant that has been made by the United States and been recognized and enforced by the Congress of the United States since 1878. Here is an agreement that has been recognized by the official map published by Bolivia, by the delegations of Bolivia, and by all the countries of South and Central America since 1878. Here are boundaries and properties protected under the Monroe Doctrine of the United States of America that belong as much to Paraguay as any farmer ever owned the ground that he tilled. The only way by which this aggression could be justified under any kind of sanction of authority was through the League of Nations. So the Monroe Doctrine was scrapped, and lo and behold, the shadow of Rockefeller appears on the scene from the League of Nations, appears from The Hague. Out comes the demand—it ought to have been signed by the Rockefellers instead of by the League of Nations—to the Paraguayan Government, "Touch not the soil upon which we have located these oil mines. Transgress no further to the point where you may seize the property given to you by the award of the United States Government and through the signatories of the combined powers of South America. Touch not that given to you by law. We finance the League of Nations propaganda in the United States; and the League demands the Monroe Doctrine and treaties and awards of the United States to the contrary notwithstanding that, the anointed must not be molested in the aggressions and claims that it has made through Bolivia, one of the powers that recognized the Hayes award of 1878." And the United States stands here retiring, ignominious, disgraced in its light and by its own performances, the faith of the fathers thrown to the demnition bowwows of eternity, in order that aggressions of this kind may be pursued under the protocols of the League of Nations.

There is another reason why this was done. There was a time when this World Court and League of Nations propaganda was not so well understood as it is now getting to be. There was a time when aggressions of this kind were carried on out of the United States. New Orleans, La., was the base—my home city. They had what they called these great expeditions of soldiers of fortune sent out by the Standard Oil Co. and by the United Fruit Co. and the Cuyamel Lines, run by Mr. Murray, who later merged his properties with the United Fruit Co., and became the directing manager of that particular amalgamated enterprise. During that time they carried out these aggressions against South America and Central America out of New Orleans. Some of those soldiers' names became more or less heralded from pillar to post, as though they were a halo of romance and excitement about them. What did they do? The companies fitted out boat after boat and ship after ship that were to go to Central America and to South America to get the fruit lands of that territory before they learned it was very good for oil, and they sent forth these brave and masterful men, armed to the teeth with the guns, ammunition, and various and sundry mechanisms and appliances for war, paid for by the United Fruit Co. and by the Cuyamel Co. and by the Standard Oil Co., and those men performed the very brave and dangerous task of going up to a little farm where there would be four or five South American laborers and their wives and children, and with their shotguns and their grenades they would kill them and take their 200 acres. Then they would go a while without molesting anyone, and then they would go to another farm, where 40 or 50 of those poor natives would be grubbing out a living from the ground by their steady work from early morn till night, and they would shoot those 40 or 50 laborers and take the land. Then they would go in and buy up some little provincial man who might control a little section. That went on and on until they would get an army and create revolutions, and they would buy out those that they could buy out, and those they could not buy out they would run out, like they did old Zelaya. And then they went down to the other countries and took them over.

But in the year 1930, or 1929, the State of Louisiana spoke up on that matter. They had to run these revolutionists out of New Orleans. And so the State of Louisiana spoke up on the matter, and the State of Louisiana posted watchers and guards to see that New Orleans and the Barataria country would not be the basis for the pillage that they were conducting upon those defenseless people in Central America and South America.

Did they stop with that? Even after that they undertook to carry on some of their aggressions, but it was entirely too difficult for them to do, because in the United States Congress the welkin had begun to ring against this kind of outrage being conducted against Central America and South America. Therefore they had to go to another shore. They had to cross the Atlantic Ocean for a space of 3,000 miles. They had to go to The Hague. They had to set up there in foreign soil the one tribunal under which there would be the guise of propriety and legality to conduct these aggressions against Central and South American countries even in the face of the awards made by the United States.

Now, Mr. President, I had not intended to confine what I had to say to the World Court or to the League of Nations or to Paraguay and Bolivia, and do not intend to now. I am speaking under the broader heading, "America for Sale."

Well, a little more evidence comes to light. Mr. Norman Davis seems to be getting along a little bit better than we thought he was. Norman is a smart boy. He is what we call our roving ambassador over in Europe. He has general authority to represent the American Government. There was a time when the United States Senate had something to do with foreign affairs, but that has long been past, and we can just write a letter to this World Court to tell them that we have nothing to do with it. It does not seem that it is necessary to pass the World Court through the Senate, for it was said long ago that the Senate would have nothing to do with foreign affairs. Some Senators have not found it out and some do not know any better than to think they have something to do with it, but that has been done away with long ago. But this World Court proposal is just an announcement to the world that the Senate does not have anything to do with it. However, I refer to it for fear that some back in the grammar schools have not found out what we found out several months ago.

So, Mr. President, we have Mr. Norman Davis as a sort of a United States Senate-plus over there, and he writes out a treaty at midnight, or in the morning as the case may be, so as to simplify these contacts and make them more certain. So Norman Davis is over there. Just about the time

they got him over there they found his name on the preferred list of Morgan & Co., or Kuhn, Loeb & Co., I think it was, where he was one of those buying stock at $40 a share and selling it to the public at $65 or perhaps $80 a share. That did not make any difference to Norman. He is the kind of man they wanted. All the undertakings to slander Mr. Davis fell to the ground because it was developed that he was really one of the men on the inside, and did he not get stock at 40 and slip out and sell it back to American suckers at 80? That is the kind of man we wanted. We did not want the kind of man whose corns they could shave off his feet without unlacing his shoes. We wanted a real slick one over there who knew his business, and so we sent Norman over there. And Norman has been over there ever since.

Now, they are trying to disgrace Norman Davis' activities. They are saying that he is over there making an agreement by which he is going to prevent matches from being manufactured in the United States for a consideration of a little mere pittance of $75,000 a year, which he is drawing as a salary. Well, what is a man going to do for $75,000? Is it expected that he will do nothing? I resent the idea that he is not getting more than $75,000; they may have found out that he is getting that much, but if he is not getting more than that it is a slander on him.

So, Mr. President, a report comes out about Mr. Davis—the United States Senate-plus, that we have put over in Europe to regulate matters for the United States Government. Here is the charge——

(At this point Mr. LONG yielded to permit the Chair to lay before the Senate a message from the President of the United States and for the transaction of other business, which appear under the appropriate headings.)

Mr. LONG. Mr. President, just preceding the time when Mr. Davis was making his sojourn in Europe, as has been previously mentioned by the Senator from Georgia [Mr. RUSSELL], trouble arose over the Manchurian dispute. Now we are being told that the World Court is one of these great "hands-across-the-sea movements", spreading good will among men. Did the Kellogg-Briand Pact make for good will among men? Did the League of Nations make for good will among men? Did the four-power pact make for good will among men? Did we not have that clatter about "hands across the sea", extended for friendship, to end war under the four-power treaty and the League of Nations and the Kellogg-Briand Pact? What happened when nations violated any one of them? When Japan ran out and withdrew from the League of Nations and took Manchuria away from China, America made its protest through the Republican Secretary of State, Mr. Stimson, backed up by Mr. Hoover, backed up by this side of the aisle. What happened? Lo and behold, England backed off and refused to defend the treaty; England refused even to give it moral support; and, lo and behold, when Japan had taken Manchuria, up bobbed an agreement, a peace treaty, if you want to call it that, but a trade treaty, in realty, by which England had contracted with Japan's Manchurian government for a certain percentage of the trade which Manchuria afforded. They had sold out before they started.

Somebody spoke about America "sponging" on the World Court. Here they have a World Court sitting over in Geneva, and it is said the other countries are paying all the expenses and America is not contributing any money to it. But, lo and behold, we have loaned them $11,000,000,000, and they will not even pay the interest on the $11,000,000,000. We say, "That is nothing to us." They have gone in and made a trade agreement in violation of the peace pact, in violation of all the pacts to end war, and we say, "There is nothing to that." They come along here and undertake to take over the Monroe Doctrine, and the United States Senate is called here to give them jurisdiction over the Monroe Doctrine, and we say, "There is nothing to that."

Talk about being a sponger! There never was on the face of the living earth anything to compare with the silence this country has assumed, and the power to accept and receive punishment in allowing them to ignore all debts, ignore all treaties, enter into trade agreements with people who have undertaken to upset them and actually have upset them.

All the while we have two forms of government in the United States—yes, we have three forms of government. We have the Federal Government, the State government, and the municipal government. Those are our three forms of government. The Federal Government comes first, the State government comes next, and the municipal government comes third. But, Mr. President, in reality we have four forms of government. We have the municipal government on the bottom, the State government on the next rung up the ladder, the Federal Government the next rung up the ladder, and above all that we have the Standard Oil Co. and the Rockefellers with their internationalism which they have been able to hang over here when they were not controlling the Government direct.

Regulate them? They never have been regulated by this Government. Law after law has been enacted by the States and by the United States; the Standard Oil has never paid any attention to them. Let us see if I am stating what is correct about this. I said the Standard Oil government was above the Government of the United States and actually controls the United States Government in the matter of foreign treaties and domestic matters. Now, I shall prove it, if anybody wants to hear the proof.

When that war was started between Paraguay and Bolivia a message was submitted to the congress of Bolivia. I have here the message of President Sajamanca to the Congress of Bolivia in the year 1932. Here is a message from the Bolivian President to his own congress:

> It is only sufficient to mention one case at this moment. Bolivia has on the eastern side of her mountains great petroliferous riches of various wells already drilled and exploitation may be entered into immediately. There is urgent need of these resources and we are now obliged to look upon them as valueless. Bolivia cannot move this petroleum to the Argentine because that country, in view of its interests, has closed the outlet with high protective tariffs.

He said in effect, "We cannot go through the Argentine with this oil that we have to take to deep water; we cannot go through Argentina because Argentina is too big a country for us to invade and it has a high protective tariff against us." Then he continued with his message:

> The natural and logical remedy would be to construct a pipe line to the Paraguay River.

Who will construct this pipe line? The Standard Oil Co. of the United States is going to construct it. It is the Standard Oil Co. that drilled the wells. It is the Standard Oil Co. that owns the wells. It is the Standard Oil Co. that defied the other treaties, and it is the Standard Oil Co. that is going to construct the pipe line.

Continuing the President of Bolivia said:

> But there lies the Republic of Paraguay disputing the territories of Bolivia, and also closing the pass.

No one had ever heard of Bolivia's claiming that territory until this famous message was delivered by the President of the Republic of Bolivia to the Congress of Bolivia in which he said:

> We cannot get the oil to the sea even though we have invaded a part of the Chaco territory ourselves. The only way we can get the oil to the sea is through Paraguay.

His message concluded in these words:

> Bolivia cannot resign to live miserably as a country isolated from the world and she must look for the conditions that are necessary to secure the fullness of life.

What was this route that was going to give her a pipe line to the Paraguay River? I have a map here printed on page 10809 of the CONGRESSIONAL RECORD of June 8, 1934, Seventy-third Congress, which I placed in the RECORD myself. It is not a map drawn by some designer in Paraguay. It is not a map designed by some agent of Paraguay. It is a map which was officially promulgated by the Republic of Bolivia itself in the year 1848. That map shows that long before the war ever came up with Argentina, Bolivia conceded this territory to Paraguay. The map shows that in order for Bolivia to get to the River Paraguay they have to

go through the territory awarded by the President of the United States to the Republic of Paraguay. Apparently they have no misgivings about it because the President of Bolivia in his message said, "We cannot whip Argentina because she is too big to attack; therefore, we will wipe little Paraguay off the map and send this pipe line down to the river, which is the first deep water available."

Is it necessary for me to say more about what the League of Nations is being used for? If so, I will give the Senate some news dispatches which were published about the time of the award. Almost coinciding with the Chaco concession, Bolivia sent to Paraguay a plenipotentiary, a gentleman named "Quijerro." He was sent there on September 25, 1879, with these categorical instructions: "Recognize the validity of the President Hayes award." Quijerro presented his credentials to Paraguay, swearing he was bringing the loyal word of Bolivia. He carried out his mandate, recognizing in the treaty he signed "the rights of Paraguay to the south of the Apa parallel", and undoubtedly more than was contained in the award of President Hayes, and "accepting that Paraguay renounce in favor of Bolivia the higher zone." No higher evidence could possibly have been had than the confession of Bolivia herself.

But along comes the League of Nations, growing increasingly bold. Word has reached England that we have declined to become excited when they would not stand by the four-power pact and the Kellogg Treaty and the League of Nations in the Manchurian controversy when Japan took that territory. Now that it has been recognized throughout these European countries not only that they decline to recognize those pacts and stand by America, but that they have actually entered into trade agreements so they may have part of the spoils taken by Japan as the result of breaking those treaties; now that they have refused to pay the debts due to the United States or the interest on the debts that they owe to the United States; now that Great Britain, France, and the balance of them have reduced their own taxes and balanced their own budgets while at the same time seeing the United States increase its taxes and increase its deficit, piling up its debts, and unable to balance its Budget; now that England and those countries sit over there, the debtor nations, sharing in the profits of their own infidelity to the treaties to which they were parties; now that they sit over there enjoying the interest and the principal of the money that they owe us; now that they sit over there after having thus defied every covenant and obligation due and owed to the people of the United States, they have grown increasingly bold. They have said, "With all we have done, with all we have renounced, with all we refused to support, with our signed and plighted word of honor"—if they ever had one—"with all that has been done, still word comes that America is about ready to come into the World Court." Therefore they grow increasingly bold. They cannot wait. They undertook, no doubt, to wait before making this fight to save the oil fields that belong to Paraguay for the ownership of the Standard Oil Co., but there was no time to waste.

They had to hurry, hurry, hurry. "There is no danger," they said. "We have the United States Senate hog-tied. We are going to jam down their throats the World Court. Within another 2 months we will have a tribunal over here rendering decisions on what we are going to allow them to do even among their own States, let alone what they are going to do as between other countries." So they grew courageous as a result of it and sent word down to little Paraguay that they should step back and relinquish what had been granted to them by the United States and held by them ever since with the consent of their neighbors and all foreign countries, or else the League is going to take steps by which to punish this South American country, the Monroe Doctrine and the protocols of the United States to the contrary notwithstanding.

I say it is a betrayal of America, it is a betrayal of honor, it is a betrayal of everything we have ever had to stand here and without protest witness what has occurred under these circumstances.

Someone has said that I should offer again for the RECORD the proof that the Standard Oil Co. was backing up the war down there for Bolivia. That is in the RECORD already, Mr. President. I now refer to the data which I placed in the CONGRESSIONAL RECORD when I was here in the Seventy-third Congress. It will be found in the CONGRESSIONAL RECORD of June 8, 1934, beginning at page 10808, including a map of Bolivia published in the year 1848, set forth as exhibit Z, on page 10809.

Also, I have previously submitted this matter to the Senate in another speech that was made here on the subject. I do not know whether I have that citation or not; but, at any rate, the data I have referred to here are all contained in the documents I offered here in the speech made on June 7 and June 8. The entire data, I think, will be found in this article.

Now, something else has occurred. There is a contract between the Standard Oil Co. and Bolivia as to the price which Bolivia is supposed to pay for gasoline. They specify that during the time Bolivia is conducting war, Bolivia will pay 11 cents for gasoline, and that when Bolivia is not in war, Bolivia will pay 14 cents for gasoline. In other words, it is understood that the Standard Oil Co. is sharing in the war directly, so that it makes a differential of 3 cents during the time that the war is going on.

That has also come to light lately. I can, in a very short time, secure the data to prove that.

Now we come back to the League of Nations. No longer is America to have its relations under the Monroe Doctrine with the South and Central American countries; and I do not care what is contained in any of these reservations. I do not care what the agreement of the World Court or League of Nations says. I know that when we go into the Court, and go into the League, we are going to sit there with a right to withdraw, and that the day we withdraw we will stamp upon ourselves practically the picture that we have violated what we knew to be the principles of right, or we would not have left there. In other words, the day that we say we are unwilling to have our controversies passed on by these other nations that we were originally willing to have sit in and adjudicate these claims and rights of ours—the day that we withdraw—we the same as say that we knew they were going to decide against us, or we would not have withdrawn from the Court.

But even forgetting that particular claim, there is still a greater point, and that is that the League has a right to enforce its mandates, and already we have a particular case presented where the League is assuming jurisdiction over a dispute that has already been adjudicated and settled by the United States Government. The League is assuming jurisdiction over the boundaries and over the territory of the Chaco, between Paraguay, Bolivia, and Argentina, notwithstanding the fact that the United States Government was the mediator in 1878 and settled that dispute, and Argentina agreed to it, Bolivia agreed to it, Paraguay agreed to it, and the United States promulgated it. It has been accepted without a dispute for a period of 60 years. Notwithstanding that fact, when Bolivia, acting for the Standard Oil Co., of the United States, decides that she wishes to take territory that has already been awarded to Paraguay in this pronouncement that has been issued over the seal and signature of the President of the United States, what does she do?

She does not come to the American Congress. The Standard Oil Co. does not come to the American Congress. The Standard Oil Co. itself went to the League of Nations in the name of the Standard Oil Co.; not only in the guise of Bolivia, but Mr. Walter C. Teagle, the president of the Standard Oil Co. of New Jersey, filed a complaint or filed some kind of a defense with the League of Nations himself, getting away from the United States. Oh, no; he was not addressing the President of the United States, because, under our theory of the law that "the king never dies", the President of the United States 60 years before that time had adjudicated this matter. Mr. Teagle did not file this document with the State Department, because the State Department of the United

States 60 years before that time had awarded this territory to Paraguay. He did not undertake to do that, nor did Bolivia undertake to do that. Bolivia never asked for a reopening of the case after its recognition of the award for a period of 60 years—oh, no! They went across the water 3,000 miles to an institution more under the control of the Rockefellers than anything in the United States—and that is saying a whole lot.

I want to tell you that when they recognized that they had a bigger pull with the League of Nations than they had with the United States, that was making a pretty strong assertion right there; but at least they could not give the color to it. They could never give the color to it, because the United States could not stamp its own award with death. It has been there for 60 years, and Paraguay and Bolivia and Argentina had accepted it, and had agreed to it. So they went a distance of 3,000 miles across the deep, blue Atlantic Ocean, and there they invoked the League of Nations that is now putting us in its little side office, the World Court.

The only difference between the League of Nations and the World Court is about the difference that I used to have in my home when the preacher came there for dinner. At dinner time, when they brought the preacher and some of the deacons and some singer or somebody who had come from out of town, they would put us youngsters back in the kitchen to eat somewhere around the cookstove instead of eating in the main dining room. This World Court that we are going to sit in is simply a little back anteroom they are letting us eat in instead of the main dining hall; that is all.

So now that they are going to put the United States in the World Court, in this little anteroom of the League of Nations over there, until the preacher gets through and leaves, they are going to start out in advance, even before we have gone in there in an official way, and they are going to adjudicate with a pronouncement and a decision of this particular League on whether or not the award made by the President of the United States in 1878 under the Monroe Doctrine is going to stand!

I do not hear anybody on this side of the aisle saying that we ought to stand up for the Monroe Doctrine any more. They are all ready to abdicate—anything to get out of the way. Mr. Norman Davis has already taken over the functions of the United States Senate in foreign lands. He writes them out a receipt over there just like a drummer would accept payment of a bill. Instead of coming here to get ratification for a treaty, they have got old Norman Davis over there giving them a prescription and filling the prescription himself, just like a country pill-bag doctor used to go along and give his patients the remedy he thought they ought to have; but Norman has to be paid, you know. Norman does not work for nothing. [Laughter.]

To come back now to the case of Mr. Norman Davis; he is a nice fellow. He does not make the United States pay it all, if this man is telling the truth in this article—and I think he is telling the truth. I do not think he knows half what the facts are; that is, I think he just got on to a little of it, that he has had to raise a cry of alarm because he is about to be put out of business. The Washington Herald story of January 17 says this—this is the statement of President J. H. Weaver, of the Columbia Match Co., of Cleveland, who is now in Washington to defend the American match industry.

You know, it is almost a crime for a man to come here to defend any American industry. It stamps him with the tarnish of something that is indelibly sinful, and, of course, he must stand that tarnish. Any time a man is caught coming here to this Capital City representing the rights of any American interest as opposed to the interest of some foreign power, he should be indelibly stamped prima facie as a man to be watched. So naturally we shall have to put a deathwatch over this man and take whatever he says with a grain of salt, by reason of the fact that he has no better sense than to think that the people of the United States ought to be allowed to manufacture and sell some of these matches that are used in the United States. A man here at the present day and time advocating that kind of riotous public policy, the right of the manufacturers of the United States to sell the things used in the United States, comes here with suspicion; and I only read this article in that light.

Here is what this man says:

I charged to the White House.

I wonder if Brother Farley was up there to get this message. [Laughter.] At that, he is not half as bad as some of the balance of them that they have up there. I will make that much defense for him. This morning one of my colleagues in this body raced by here and he said, "You know, Farley did get himself in the hands of a terrible set down there in Louisiana—an awful rotten set." I said, "Yes; it was an awful rotten set, but they were a whole lot better then than they have been since they got into Farley's hands." [Laughter.] What we resent is that they have not learned half the hooks and crooks and stamp of political crookedness and ramified disgorgings that Farley taught them; and, at that, Farley is still better than some of the balance of them that they have up there between here and the White House, if we were to take a look at some of them.

Here is what this man says:

I charged to the White House that Mr. Davis, to the best of my belief, is receiving $75,000 for representing these interests, and that he has been serving to the detriment of a respectable and important American industry at the same time he was representing President Roosevelt and the American people abroad.

Mr. Davis and his associates set up the specious theory that the American-robbed investors in Kreuger & Toll can regain some of their losses if the Swedish Match Trust is allowed to sell more of its product in the American market.

You see, we had this Kreuger & Toll business that robbed everybody throughout the world, and particularly the Americans, so, of course, there is one route that Mr. Davis knows to follow; that is, that the man who has been fleeced once can be fleeced twice; so it is only natural that Norman should have gone over there to look up the fellows who were so gullible as to be fleeced in the Kreuger & Toll transaction. So he went out there and held out his lantern in front of them—this man whom we found on the preferred list where they were selling stock to the public at $60 and he was getting it for about $40 and then selling it back to the public at about $60, Mr. Norman Davis.

I will go ahead with this article:

The people who lost in that fiasco should seek relief in the American courts of law against the international bankers who prevailed upon them to risk their money in foreign investment.

There can be no justification for any attempt to promote Swedish, Finnish, and Japanese match manufacture, and slave wages, at the expense of a fine American industry in which $75,000,000 is invested and which employs 25,000 American men and women directly and at least 75,000 more indirectly.

The Japanese wage is one-fourth cent per hour. We pay our women employees 35 cents an hour, our men 50 cents per hour. We are compelled to meet other costs imposed upon us by N. R. A., high taxes, and excise taxes.

Under these conditions it is not to be wondered that foreign competitors can undersell us in the American market by 35 cents per gross. But the fact is that the American consumer gets no benefit from slave-wage matches. He pays a penny a box, just the same.

If Mr. Davis wants to be an American Ambassador, let him be that. If he wants to be a paid fiscal agent for international bankers, let him be that. He should not be both at the same time, at the expense of American industry and American people.

That concludes the statement that this man has made, that Mr. Davis is over there in a double capacity. Of course, it is almost needless to argue here that it is impossible to compete with Japanese labor at a quarter of a cent an hour and pay American labor 50 cents an hour. Those arguments are out of date. We have been condemned to the slums and pitfalls of eternal damnation and the bowwows of hell, if such can be brought on this earth, by some of these pretended policies that have been prescribed. They have not been prescribed as policies for the American people. They have been prescribed according to the statement I read as policies for spoils and rascality carried on by such foreign, roving ambassadors as Norman H. Davis, whose name was found on that preferred list; and no honest government

should have ever allowed him to represent them one-half hour after that first exposé was made of him.

What relief do we get from it? Go in the World Court, and let them pass on it, and decide about these things! That is what is to be done whenever it gets so terrible, whenever it is such a bold affront to every reason and right and light of truth that these rascals do not dare come out in the open with it themselves. It has to be terribly rotten, it has to be terribly corrupt when some of the rascals that we have here are not bold enough to champion them; when they have to hide behind the World Court to put things of this kind over, because of the fact that the American Government in 1878 made an award to the contrary.

That is the fix the American people are in today.

Mr. LEWIS. Mr. President——

Mr. LONG. I yield to the Senator from Illinois.

Mr. LEWIS. May I take the liberty to suggest to the able Senator from Louisiana that when he makes the observation of these "rascals we have here", he does not really mean physically here in the United States Senate.

Mr. LONG. Oh, the Senator knows that I by all means exclude the Senate, and exclude myself.

Now we have given the American people a baby rattle and another baby rattle. When one baby rattle wears out we give them another. We give them what we call the old "sugar-teat" treatment. My friend from Illinois [Mr. LEWIS] may not know what that is. My friend from Washington [Mr. BONE] displays a knowing look on that matter. So I will tell the Senate what it is.

Back in the country where I come from, Mr. President, which the world has now learned to be about the best part of our country, we have what we call in the country there "camp meetings", revival meetings, where when the spiritual life gets low in the community, we would get some good high-sounding revivalist to come in there and preach hellfire and damnation until he scared the country up again, and then he would move on with the hope that the people would be better. Well, everybody went to these protracted meetings up there around the parish of Jackson. We did not know how to take care of the young ones. Our mothers and all the women folk went to those camp meetings the same as the men folk. They did not have many servants, so they took their babies along in their arms—sometimes two babies—and they spread them out there on the ground among the crowd, listening to the Gospel preached, and now and then having to feed a young one. Well most of these meetings were held in the summertime and one of the young ones would get tired and hot and fretted and would begin to cry and disturb the preacher. We had a little composition that we made up. We took a little biscuit, a little butter, a little sugar, mixed them up together, the crumbs of the biscuit with the butter and the sugar, tied it up in a little rag and tied a string around it. We called that a "sugar-teat."

We put it in the baby's mouth and kept him quiet a while. And after a little while the baby would get contented and pacified and fall off to sleep with the sugar-teat in its mouth. We knew nothing about the germ theory. We never heard that there was such a thing as contagion or contracting these dreaded diseases the one from the other; and so, while one child would lie there asleep pacified by a sugar-teat, another young one would break out, and we would take that sugar-teat out of the mouth of the child that was asleep and put it in the other one's mouth and quiet him with it and then go on with the preaching. And that would happen on and on from child to child until perhaps we would quiet five or six of them with one sugar-teat. And, as the Senator from Oklahoma [Mr. GORE] says, "fighting the flies in the meantime."

Yes, Mr. President, that was what we did at the camp meetings. Now, they have seldom changed that system. Right here in this Congress they are still using that old sugar-teat system today. We get up here and we cry that the people of America are starving. We cry that the people of America are naked. We cry that the people of America are homeless. And we get a beautiful message from the President of the United States about like this thing we got in here this morning. And we take that thing and go to sleep. Somebody takes it out of our mouths, and we get up in a week or two and begin to bawl again that nothing has been done, and they bring the same thing back in another form. They bring us the World Court. They bring us the statement that they are going to buy silver. They bring us the securities bill. They bring us the bankers' bill. They bring one thing after another to quiet us day after day and week after week, lulling people into a sense that sooner or later one of these nostrums is going to come containing the promises of the Democratic Party—but they never got by with them yet. We never got one. We have swallowed them; we have accepted them time after time; but the relief is never yet in sight, so far as I can see.

Now, the last thing to come here is this message for the World Court.

I understood when Mr. Hoover had this World Court up here that it was some kind of a gesture; it was not causing any particular row at the time, and none of us said much about it. They slipped it into the Democratic platform with a pending reservation. I understood that that meant all reservations that had been offered; that they had so many offered that they never could take them. So they did not say much about it over at Chicago. No one paid any attention to it. No one ever figured that it counted. It received very little mention there. Men like the Senator from California [Mr. JOHNSON], who supported President Roosevelt, and others never thought of anything of the kind—that it meant committing themselves to this World Court in such a form as it may be contended now. But there was one thing in that platform they overlooked. Coupled with the declaration for the World Court with the pending reservations was that these foreign countries were going to pay us the debts they owed us, and anyone who is being told here today that he ought to vote for this World Court should also be told that, coupled with that World Court, was an adherence to the contracts and treaties then existing between America and foreign countries that are parties to this World Court and the payment to us of our debts under those treaties that existed.

Do not come here and say that we are going to slice out of this platform that part which favors England and France, but we are not going to adhere to that part of this platform that favors the United States. They come here to newly elected Senators—I was once newly elected myself, and I know something about the business—and tell them how sacred these platform pledges are, although you vote away American rights—they come here to the new and the old, and they say, "Oh, look what the Democratic platform is." But, if you will put your eyes down and look at the laws that we have been passing here ever since the Democratic Party won, you would not think that the Democratic platform had anything to do with what we are doing here.

Where is that Democratic Party pledge that promised a redistribution of wealth? Where did that go? Will someone please tell me? Where did that go among other things? But if it is insisted that we shall carry out the foreign policies enunciated in the Democratic platform, then let us say, "All right, let us take the whole coat or none." Do not come here and say, "Here are our foreign policies."

Let me see if I have that Democratic platform. Will someone give me the little brown book which contains all the platforms? This is the platform of the two great parties. These are wonderful things, you know—these platforms. The only time we ever see them or hear of them in matters of legislation is just before the election. I have stood here on this floor and read this platform until I have grown hoarse, but I have never been able to get anyone to recognize it to amount to anything since I have been here. Well, here is this platform. I wonder if my friend from Georgia [Mr. RUSSELL], while I am talking, will locate the foreign policies there about paying the debts, in the Democratic platform?

In this Democratic platform we went on record sounding out to the people something the people would stand for. In other words, we did not give the American people the dose

of castor oil just by itself. We said, "If this particular medicine has a little soothing sauce on one side of it and a little sugar on the other that you can swallow it without being hurt particularly at the time." So we put this World Court in with the stipulation that it had to contain all the pending reservations at the time—every reservation that had been set up at the time was to be included in this World Court—and they are not included in this particular thing before us today at all. They have not even come here with the World Court that was supposed to have been considered when that platform was written. That is number one.

But there were with that World Court two other stipulations in the Democratic platform. One was that we should collect from the European countries every dollar, every quarter, every dime, every nickel, every copper cent with interest that they had agreed to pay us.

We advocate a firm foreign policy—

Yes. Very firm, very firm. "How firm a foundation"—

We advocate a firm foreign policy, including peace with all the world—

Yes. Peace between Paraguay and Bolivia because Bolivia wants to claim for the Standard Oil Co. what the United States awarded to Paraguay.

We advocate a firm foreign policy, including peace with all the world and the settlement of international dispute by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court—

Now, it is all in the same sentence, gentlemen of the Senate. This thing is not just one little isolated platform. This platform that we advocate is all in the same paragraph, is all in the same sentence, and it is only separated by commas here and there.

We advocate firm foreign policies, that these treaties must be respected, and these debts must be paid—and the World Court after that. And then we come along here with this firm foreign policy. They disregard and throw into the ash can the four-power pact, the Kellogg Pact, the League Pact; they throw into the ash can all the treaties made with South America; they throw into the ash can the Monroe Doctrine; they take the $11,000,000,000 in debt that they owe us and tell us that they will not even pay the interest on it, and then they come and say, "Oh, no; but you still agreed to go into the World Court."

Let them do their part. Let them pay those $11,000,000,000 they owe this country. They say they cannot pay it. I am one of the men who said that as soon as they submit proof to show that they could not pay anything to the United States I would be reasonable about it; but the facts have come to light that a few days before France defaulted on her debt she ordered the construction of a battleship that cost more than the amount due on the debt that France declined to pay at that time to the United States. The amount of the debt upon which France defaulted at the time she did was less than the cost of a battleship that she ordered constructed at the same time.

Then we come along with England. Can England pay her debts? Why, bless your soul, England has balanced her budget! England has reduced her taxes. And here on the front page of the United States newspapers we see blazoned in our faces—

Why does not the United States Congress treat its people good, like the Parliament of Great Britain treats its people?

I read that blazoned headline. Look at the American Congress! It is raising taxes; it is raising costs; it is levying burdens on the people; but the British Parliament is reducing its internal debt and balancing its budget at the same time. Here is the British Parliament taking the burden off the British people, and here is the American Congress putting burdens on the American people. Here is Great Britain balancing its budget; here is America going deeper and deeper into the abyss of financial insolvency.

What was the answer? The United States was paying its debts, but Great Britain was telling us that she did not want to pay us and was not going to pay us, and she did not pay us the debts due us. Oh, no; she wiped them out. She would not recognize the four-power pact, the Kellogg Treaty, and the League Treaty. She threw them out. She entered into a contract under which she got a part of the trade of Manchuria that was taken from China in violation of all treaties. Then we are asked to come here now and take the hind leg—not the quarter, because that belongs to Great Britain and we ought to give her that. In other words, the thief stole into our house in the night and we caught him. There he was with the boodle that he stole from us and from our house, with many other things that he took out of our house. What did we do with the thief? We turned him loose with all that he had. We argued with him for a few minutes and then gave him the boodle that he took to boot. We are giving them an absolute acquittance for the treaties they broke; we are giving them an absolute guaranty against any act of ours to quarrel over the fact that they did not pay their debts; and, after that, here we are voting to submit ourselves to their particular form of rule in the World Court.

Now let me read the whole platform pledge of the Democratic Party. I am going to put in the RECORD at one time the whole thing, including the one little stipulation that people have been led to believe bound us to vote for the pending iniquitous proposal. My friend the Senator from Washington [Mr. BONE] in a whisper asks me if I was on the platform committee that wrote this document. No; I was not on the platform committee, and I will tell why I was not on that committee. Senators know why, but I will tell them again. I was the leader of the Louisiana delegation there at that time, and they wanted me to go on the rules committee so that we could lead the fight there to break the two-thirds rule, and they would write the platform. We realized that breaking the two-thirds rule would be much more significant in nominating and electing our candidates than the platform was going to be. As the Senator from Idaho [Mr. BORAH] said to me one day in reply to a question, he refused even to pay any attention to platforms, because political parties use them to ride in on and pay little attention to them after they have got in. I was not on the platform committee, but I was watching for this thing when the platform came out, and I saw that it was bound up and bogged up deep enough so that it could not amount to anything. That is the only thing I was watching for particularly, besides being interested in keeping the St. Lawrence Waterway Treaty from being put in the platform.

I read the platform plank, as follows:

We advocate a firm foreign policy, including peace with all the world and the settlement of international disputes by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with appending reservations; the Pact of Paris, abolishing war as an instrument of national policy, to be made effective by provisions for consultation and conference in case of threatened violations of treaties.

We oppose cancelation of the debts owing to the United States by foreign nations.

That is all in the plank, including the reference to financial obligations, the keeping of treaties—all in one little sentence—and for adherence to the World Court with all the appending reservations to go with it. I have been a Democrat all my life; never anything but a Democrat, representing a real Democratic State [laughter]; one where the Democratic Party has never had any trouble [laughter] in staying Democratic. I represent a State that sends money to other States; I represent a State from which is sent money by the barrels into some of the other States. I mean barrels of silver, not barrels of gold. We sent, I think, seventy or eighty thousand dollars into other States. We do not need any help to stay Democratic in Louisiana, nor generally in the States around our section of the country there. They, too, take care of the Democratic Party pretty well. But I can speak for my own State. We have always been a Democratic State, and I think that is a pretty good guide for Democratic sentiment. The day I, representing that section of Louisiana in which I now live and in which I formerly lived made up of people with whom I have mingled from day to day, would

go back to them and say, "Oh, well, we entered the World Court; after letting the four-power treaty be broken, after letting the trade agreements be remade between Manchuria and Great Britain, we entered the World Court, after they threw down the gauntlet and declined to pay their debt", I know that I might as well sign my political death warrant. I might as well do that as to go back to those people and face them after having voted to submit to that Court America and all the principles and all the policies of America, in the face of this kind of a declaration regarding Paraguay's rights which she holds under an American award.

With the intelligence that my constituents have always shown, I am confident that never again would they send me to this body to pass upon their rights; and never again would I ever have the courage to face them under this kind of conditions.

Foreign policy.

We advocate a firm foreign policy.

Why not keep that part of the platform, "a firm foreign policy"? That is what the plank said at the beginning of the sentence, and it includes the adherence to and sanctity of treaties, the payment of debts, and then the World Court with the appending reservations.

Now, we will make you a compromise. If you are going to take us into the World Court, then carry out the whole declaration that is embodied in the one sentence. Go on and get the debts paid; preserve the sanctity of treaties, and then adopt the World Court proposal with all the "appending reservations." It may be that then it might be urged that a Democratic principle was being carried out by Congress, but until that is done there is no such thing.

I say, without the slightest fear of contradiction, without the slightest fear of quibble, that no man is going to stand on this floor and say that he is carrying out the Democratic platform as it is intended and written in by the Democratic convention, who votes to go into this Court, members of which have repudiated their debts to America and the treaties they have signed, the sanctity of which we pledge ourselves to maintain. No man is maintaining either the spirit or the letter or the purpose of the Democratic platform who puts us into the World Court with our rights and our claims to be adjudicated and passed upon by countries that have repudiated the debts which they owe and the treaties which they have heretofore made.

Not only that, but they gave us warning in advance; like the rattlesnake, they gave us a little warning before we got there. They were lulling us into a sense of security; they were rocking us to sleep; they were being as careful and as cautious as the circumstances would permit them to be. They feared that there might be some kind of rustle in the leaves that might wake up the sleeping people who might notice what this thing contained. They did not want to raise a row and point out what they were going to do in South America. They did not want to point out what they intended; but, lo and behold, there is only one field of exploitation left and that is Central America and South America. They have already told Japan, "Go right ahead; take as large a slice off and as big a hunk as you want out of China"; but I prophesy that the day after she takes a notion to annex the Philippines we will not hear any more from England or France about taking them than you heard when Japan took Manchuria away from China, all of which is covered by the same treaties.

All that is left is a great expanse of territory in Central America and South America, rich in oils and mines and fruits and minerals of all kinds and sorts. So the powers comprising at this time the League of Nations start out in advance by flaunting before the eyes of the people of the world, in this year of our Lord 1935, in this present day, a demand, an ultimatum that the American award which now stands, and which has stood for 60 years under the Monroe Doctrine, as between Paraguay, Bolivia, and Argentina, is no longer controlling and respected, and that the countries comprised in the League of Nations representation propose to use force, the power of punitive action of all in order to annul that award and other solemn pacts.

Perhaps Senators do not know there has been an award down there. I am going to read from the book. I will read what Rutherford B. Hayes did in making this award. Here [exhibiting] is the map from which there is not anything left out to be quibbled about in the future and nothing left for the imagination. I now read the award of Rutherford B. Hayes.

NOVEMBER 13, 1878.

Rutherford B. Hayes, President of the United States of America

*To all to whom these presents may come, greeting:*

Whereas, pursuant to the fourth article of the treaty of limits between the Argentine Republic and the Republic of Paraguay, of the 3d day of February eighteen hundred and seventy-sixth, it was stipulated that ownership in or right to the territory between the River Verde and the principal arm of the Pilcomayo River, including the city of Villa Occidental, should be submitted to the definite decision of an arbitration; and

Whereas by the fifth article of the same instrument, the two high contracting parties agree to select the President of the United States of America as umpire to decide as to the right to possess the said above-described territory; and

Whereas the high contracting parties have, within the stipulated time, presented their invitation to the proposed umpire which was accepted by him, and have, also duly presented their respective memoirs, and the documents, titles, maps, quotations, references, and all the antecedents which they judge favorable to their rights, as provided in the sixth and eighth articles of said treaty.

Now, therefore, be it known that I, Rutherford B. Hayes, President of the United States of America, having duly considered the said statements and the said exhibits, do hereby determine that the said Republic of Paraguay is legally and justly entitled to the said territory between the Pilcomayo and the Verde Rivers, and to the Villa Occidental, situated therein, and I, therefore, do hereby award to the said Republic of Paraguay the territory on the western bank of the river of that name between the Rio Verde and the main branch of the Pilcomayo, including Villa Occidental.

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done, in triplicate, in the city of Washington, the twelfth day of November, in the year of our Lord, eighteen hundred and seventy-eight, and of the independence of the United States of America the one hundred and third.

R. B. HAYES.

By the President:

[SEAL]

WM. M. EVARTS,
*Secretary of State.*

In testimony whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in triplicate in the city of Washington—

Right here in the city of Washington! They were not in The Hague. They were not running around in Europe doing this. But it was done and signed—

in the city of Washington, the 12th day of November, A. D. 1878, and of the year of independence of the United States the one hundred and third.

R. B. HAYES.

By the President:

WM. M. EVARTS,
*Secretary of State.*

There is a document signed, sealed, and delivered under the sanctity of the action of the President of the United States in 1878. There that document has stood for a period of 60 years. There is the approval given to it, not only by Rutherford B. Hayes, but by Bolivia 30 years before Hayes made the award. There is the approval to it given the year the award was made. We maintained the Monroe Doctrine in those days. We said to Europe, to Asia, to all the world, "Keep your hands off the soil of the United States and the countries south thereof. Keep your hands off the American continent. We will regard it as an unfriendly act on the part of anyone who undertakes to interfere with the ownership or policies of these countries in North or South America. Stay out of the Western Hemisphere", we said.

Then what? Sixty years passed. The European nations ignored the debt treaty. They ignored the Kellogg Treaty. They ignored the four-power pact. They rode right and left, backward and forward, and now they come along and there is slapped in our face as we stand supinely and accept the decree that notwithstanding the award thus made, that notwithstanding the territory has been awarded to Paraguay, notwithstanding the metes and bounds fixed, the maps and descriptions ordered, notwithstanding everything that has stood here under every recognition of sanctity that could be had, they send word to us from Geneva and we sit here and accept the word from Geneva:

League supports first punitive step to curb Paraguay. Assembly's Chaco group votes unanimously for end of arms embargo on Bolivia. Hints of stronger move. Committee awaits Asuncion's compliance by February 24 with peace proposals.

That is what we get. That is what we are called upon to stand for. That is what we are called upon to sacrifice. That is what we are called upon to put through the United States Senate today. That is what we are called upon to ratify. Senators are going to be sent home, if it is possible that they can be sent home that way, to tell their people that they stood here on the day and date when they were notified by Asiatic and European countries that the European nations are not going to pay another single "dadgummed" cent of money on account of the debt they owe; that they are not going to pay any interest on the money they owe; that they are not going to keep the treaties they have made, but that they propose to enter into trade agreements so they might recover some of the spoils that will occur by reason of the violation of those treaties—Senators will be sent home to tell their people that notwithstanding all that, notwithstanding the plighted word that we would have no foreign violation of those treaties, nothwithstanding the promises made by the Democratic Party that we would do nothing of that kind, none the less Senators are letting the European nations get away with rights and prerogatives that do not belong to them and are letting the Monroe Doctrine be scrapped as a mere piece of paper. We are about to vote to subject the people of America to the World Court which is composed of the kind of representatives who propose to do these things in the teeth of their promises to the American people.

That is what Senators will be sent home to tell their people. I am not going to be sent home to do that. I am not going back with that kind of a message to the people of the sovereign State of Louisana. Somebody else may take that kind of a message home. I may not go home with a sack of pork on my shoulder, but I would rather go home without any extra baggage and be able to face my people and tell them I did not vote for that kind of a proposal here in the United States Senate.

Mr. President, the great power of the Standard Oil Co. is not a mere shadow. I cannot call it a shadow. It pervades each and every endeavor of the American Government in every way. It is more pervading than the sun of noonday. It is more powerful than all the armies of the country. Whenever they come along with their various and sundry sinews, whenever they contribute their might and their moneys, which run into millions of dollars, they do it that they might set up a court on a foreign shore to adjudicate not only our international but even our domestic affairs. When I see them going into a territory prohibited by the award of their own country; when I see the Standard Oil Co. sapping the very life and existence and prosperity under the Stars and Stripes, under whose award and by reason of whose sovereignty there has been given to that little Republic of Paraguay the territory lying between the two rivers I have named; when I see them go down there as citizens of the United States, not supposed to be the supreme master over the United States, but as citizens of the United States, subject to the sovereignty of this country, going to South America for the distinct purpose of flaunting, annulling, and trampling under the soil the very award that has been made by the United States, by the grace of whose existence that company itself gets its right to live; and then when I see them go 3,000 miles away to get an award of interference and intervention by the League of Nations, composed of representatives from countries who have repudiated their debts, who have repudiated the treaties they have made with us, and then have flaunted across the ethereal waves 3,000 miles that they are not only not going to respect those debts and contracts and treaties but they are going to make an award disregarding the Monroe Doctrine, in the face and in contravention of treaties and awards made by the United States, and then when I see prominent Members of the United States Senate stand here and advocate subjecting the United States to the awards of a court composed of that kind of representatives, I fear for the safety and the preservation of the attainments of this great country established so many years ago. They do whatever they please over there. That is the reason why we are being taken into the League.

Go into the World Court? We are going into this Court—why? A short time ago the distinguished leader on this side of the Chamber—I am sorry he is not here now—the senior Senator from Arkansas [Mr. ROBINSON] returned from Europe. I was going over there myself, but I did not have a chance to go. I have been wanting to go to Europe for a long time. Probably I have talked so much about them now that I will not dare to go; but if ever I get money enough to go, I intend to go anyway. I was figuring on going to Europe myself. I did not get to go, but others went. The Senator from Arkansas [Mr. ROBINSON] took a trip to Europe. Then my friend the junior Senator from Texas [Mr. CONNALLY] took a trip to Europe.

When they got back I saw some of their friends and said to them, "Have you heard from my friend the Senator from Arkansas and my friend the junior Senator from Texas as to how they found things over in Europe and how everybody is getting along over there?" One of them said, "Yes; I read in the paper that the Senator from Arkansas and the Senator from Texas gave out a little statement when they got back about how things are in Europe." I said, "I did not see that statement. For some reason or other I overlooked it. I wonder what the Senator from Arkansas and the Senator from Texas found out over there?"

I was told, "The statements they made were that the war clouds are hovering all over Europe and that bombs are scattered everywhere, and it is a matter, apparently, of a very short time before the war flames will enshroud Europe from one end to another."

I said, "I am glad my friends from Texas and Arkansas took that trip to Europe. They probably know as much about it now as if I would if I had gone over there myself. I am glad they have gone. I am glad they had a chance to see eye to eye and talk lip to lip with the people over there. I knew it without going over there." I said, "Inasmuch as they have really seen what is going on under the League of Nations, inasmuch as they have found out that war is bound to come in Europe, inasmuch as the European nations have not paid to us anything on their debts which they owe to us, inasmuch as they have not kept their treaties, I know these Senators will come back to us and say, 'Stay out of Europe! Stay out of Europe!'"

Mr. SCHALL. Mr. President——

The PRESIDING OFFICER (Mr. REYNOLDS in the chair). Does the Senator from Louisiana yield to the Senator from Minnesota?

Mr. LONG. I yield.

Mr. SCHALL. I was much interested a few moments ago when the Senator informed the Senate that our roving Ambassador Davis was employed by the foreign match companies to reduce the tariff on matches. I am deeply interested in that subject, because in my State there is a match concern employing about 800 people. It not only employs that number of people, but it supplies the farmers of the community with the business of furnishing wood for the manufacture of those matches. This industry is located at Cloquet, Minn. The City Council of Cloquet wrote me saying that they understood the duty on matches would be cut in half. If this duty were cut in half, it would put our industry in Minnesota entirely out of business.

I understand that the foreign match companies are now shipping matches into the United States and selling them for 53 cents per gross. Under the N. R. A.—the National Racketeers' Association—I am told that it costs 64 cents to produce a gross of matches in this country.

At that time I wrote a letter to the President, and I wonder if the Senator from Louisiana would do me the courtesy to read the letter in connection with the statement he made in reference to our roving Ambassador Davis.

Mr. LONG. I should be glad to have the letter read. Let the clerk at the desk read it. The Senator might say some things a little bit stronger than I would say, so I ask the Senator to have the clerk read it.

Mr. SCHALL. Very well. I ask that the clerk may read the letter.

The PRESIDING OFFICER. Without objection, the clerk will read the letter, as requested.

The legislative clerk read as follows:

OPEN LETTER TO PRESIDENT ROOSEVELT

DECEMBER 18.

The Honorable FRANKLIN D. ROOSEVELT,
*President of the United States,*
*White House, Washington, D. C.*

MY DEAR MR. PRESIDENT: The City Council of Cloquet, Minn., by resolution, advises me that arrangements are now being made under your reciprocal tariff powers to reduce the duty on matches 50 percent. The principal industry of Cloquet is match making, and that city will be bankrupted if you carry out this policy.

I am told that your roving ambassador, Mr. Norman Davis, is handling these matters. The concern to be benefited by destroying the town of Cloquet and other match-producing cities of the United States is known as "Kreuger & Toll." This company issued millions of dollars worth of faked bonds before the death of its president. These bonds are held principally by London and Paris international bankers. If the Kreuger & Toll Co. is given the monopoly they desire on the match business of the United States, these faked bonds held by the international bankers can be paid off at their face value. It seems to me that the interests of citizens of the United States should come before the interests of foreign international bankers.

May I also call to your attention that Minnesota and other iron-producing States of the United States are being impoverished by your Tariff Commission permitting the importation of cast iron from India. I am advised that iron miners in India are being paid 10 cents a day in our money and coal miners 8 cents a day. You can very readily see that with the standard of living we are trying to maintain in this country our coal and iron miners cannot compete with this foreign production. Our present tariff on cast iron is about one-sixth of the tariff which England maintains against her own Indian production.

I also again call your attention to the corn-producing States, which are being put out of production by the importation of blackstrap molasses used in the production of commercial alcohol. All of our surplus lands could be planted in sugar beets to furnish all the sugar required in the United States and solve our farm problem. Our farmers should be put in a position to make profits from their labor instead of being chagrined with doles from the United States Treasury.

Cordially yours,

THOS. D. SCHALL.

Mr. LONG. Mr. President, I was just mentioning—and I want Senators who may have lost the connection to recall the fact—what I understood to have been the statements given out by my friends from Arkansas and Texas [Mr. ROBINSON and Mr. CONNALLY] when they returned from Europe that there were war clouds and dangers of imminent war apparent from what they observed in Europe. It might be hardly fair to leave the statements of these two illustrious statesmen without giving them a chance to be here; but the point I was making was that it would seem to me that these statesmen would have returned with this warning, followed up by telling us to stay out of there, instead of going in there any deeper. I cannot get the logic of how it could be that our Democratic leaders came back warning us that the war clouds are about to burst forth in Europe at any hour and, at the same time, telling us to hurry and get in there before the war starts. Just what it is that they have in their minds that is the reason for getting us in there in time for war I never have yet fathomed.

It may be that I have been misled about what these Senators reported. Maybe they found that the situation was peaceful.

Mr. CONNALLY entered the Chamber.

Mr. LONG. Since my friend from Texas has entered the Chamber, Mr. President, I was just quoting what I had understood the junior Senator from Texas [Mr. CONNALLY] and the senior Senator from Arkansas [Mr. ROBINSON] to have said on their return from Europe. I may ask the Senator from Texas if I incorrectly quote him; and if the Senator from Arkansas shall return, I shall make the same request of him.

When I heard of the Senator from Arkansas and the Senator from Texas having taken a trip over to Europe I was anxious to see them on their return; and, not having seen them, I asked some of my colleagues and other acquaintances if they had heard what had been reported by the Senators from Arkansas and Texas on their return to their native land. I was told that both the Senator from Texas and the Senator from Arkansas had said that they found war clouds appearing all over Europe and war bombs scattered everywhere, liable to burst into flames at almost any time. That was what I was told had been reported by the Senator from Texas and by the Senator from Arkansas. So I said to myself, as a result of what I understood had been given out to the country on their return by the Senator from Arkansas and the Senator from Texas, "This is going to solve a very grave problem. It will mean the end of any more agitation to put us over into Europe to meddle with their business, or to have their courts adjudicate our business." I said to myself, and I reasoned in my own mind as I thought of the matter, "These men who have come back and told us that Europe is about to burst into war will not be telling us to get into it before the war starts."

Mr. CONNALLY. Mr. President——

Mr. LONG. I yield to the Senator from Texas.

Mr. CONNALLY. The Senator from Louisiana undertook to quote the Senator from Texas about third-hand. I do not know the source of his information.

Mr. LONG. May I ask the Senator from Texas if he will tell us directly whether he found in Europe that there was imminent danger of war, or grave danger that Europe might burst into war again?

Mr. CONNALLY. What the Senator from Texas said he said to the press. The Senator from Louisiana did not state that he saw the statement in the press. He said he asked somebody.

Mr. LONG. My recollection is that I asked someone who had read the printed statement. My recollection is that the Senator from Texas was quoted as saying that bombs were scattered everywhere, that war was liable to break out in Europe at any time, and I had understood that the Senator from Arkansas had been quoted to that effect. I wanted to be careful not to misquote either of my colleagues on that matter.

Mr. CONNALLY. I thank the Senator for his meticulous observance of accuracy, and his desire not to misquote anybody.

Mr. LONG. That is always the case.

Mr. CONNALLY. Speaking for myself—and I want to say that my statements appeared as my own and no one else's; I did not seek to speak for anybody else—at the time I returned, conditions in Europe were rather threatening. The King of Yugoslavia had been assassinated over at Marseille. There was a considerable disturbance between Hungary and Yugoslavia and quite a state of tenseness in the international affairs of Europe; and the Senator from Texas did say that conditions in Europe at that time were such that war might be imminent, if that answers the Senator.

Mr. ROBINSON entered the Chamber.

Mr. LONG. Mr. President, since the Senator from Arkansas and the Senator from Texas are both here, I had stated that I had understood that upon the return to America of the Senators from Arkansas and Texas, they reached the conclusion that war was imminent in Europe; and, that being the case, I was unable to fathom in my mind how it was that we should be told now that we had better hurry up and get in the Court over there before the war broke out.

Mr. ROBINSON. Mr. President——

Mr. LONG. I yield to the Senator from Arkansas.

Mr. ROBINSON. No doubt there are many things that the Senator from Louisiana is unable to fathom; but the mere fact that there are sore spots in Europe—which I think must be known to every well-informed Senator, including the Senator from Louisiana—is, in my opinion, no justification for an attitude on the part of the United States, or the citizens of the United States, to refrain from doing what reasonably can be done to encourage the peaceful composition of those disputes which are likely to result in war. I do not

concede that the entry of the United States into the World Court would stimulate those controversies, or would involve the United States in those controversies; but, on the contrary, it would be calculated to promote better relations among the nations, better conditions in all countries, and tend to retard those forces that are moving toward violence.

I thank the Senator for yielding.

Mr. LONG. Mr. President, the Senator from Arkansas and I reach a different conclusion.

Mr. ROBINSON. We often do that.

Mr. LONG. I know that we did not get into the European war in 1917 until we got to trying to bring about peace over there.

Mr. ROBINSON. We were not in the World Court then.

Mr. LONG. No; but we were undertaking to settle the war between England and Germany when we got into it.

Mr. ROBINSON. I hope the Senator does not mean to discredit any reasonable effort that any peaceful power might make to promote the composition of differences between other nations.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Texas?

Mr. LONG. Yes, sir; I yield to the Senator.

Mr. CONNALLY. Lest some improper inferences might be drawn from what the Senator from Louisiana quoted me as saying, and what I said I had said, I desire to remind him that in 1914 there was a very similar situation, in which a crown prince of Austria was assassinated in the little country of Herzegovina, I believe, and the great European War resulted. Recently, on a similar occasion, when the King of Yugoslavia was assassinated on French soil, because of the instrumentalities which have been set up in Europe for the composition of international differences those matters have been adjusted, and the danger of war has been averted.

Mr. LONG. That is just the point, Mr. President. As the Senator from Texas says, any time one of those monarchs over there gets killed, it is liable to cause war in Europe; and any time we are over there in the World Court, undertaking to be a party to the settlement and adjudication of these difficulties, the more certain it is that we shall be a party to any war that Europe has.

Europe is never going to stay out of flames very long. Not since time began has Europe stayed out of war longer than 20 or 25 years, if that long—I mean, a major war. There was the War of 1870, and they had five or six little wars in between, some of pretty considerable consequence, and war burst out again in 1914; and there is hardly a man in the Senate who thinks there will not be, within less than 5 or 6 years' time, a war that will involve probably both Europe and Asia. We could not possibly, in the League, prevent war between Japan and Russia, or between Japan and China. The only thing we can do is to make ourselves a party to it.

Did the League of Nations, with the United States cooperating, prevent the war between Japan and China? Did not China and Japan both, who had made themselves parties to the League, submit their controversy to the League of Nations, and did not the League of Nations find in favor of China, and did not Japan go in and take Manchuria anyway?

Mr. ROBINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. LONG. I yield to the Senator.

Mr. ROBINSON. It is entirely true that efforts to prevent military conflicts between governments have not always been successful, just as they have not been successful in every instance in preventing clashes between individuals; but, in my judgment, that fact does not constitute any reason why peacefully minded persons or nations should not use their good offices for the prevention of war or for the prevention of fighting.

Mr. LONG. Should the United States go into a situation fraught with war, and sit down now and have its rights adjudicated by a Court composed almost entirely of representatives of nations that are involved in default on debts and obligations to the United States? Is not that in itself almost a complete threat of involving the United States in a war? What is to be our policy?

Mr. ROBINSON. Mr. President, will the Senator yield further?

Mr. LONG. I yield.

Mr. ROBINSON. We are in the world. The United States is a part of the world, and I trust will continue to be for all time. It is desirable, while it may not always be possible, to compose international difficulties by peaceful methods. The whole tendency of modern civilization is in that direction. Must we, because there is dread or danger of conflict, remain indifferent to conditions that may result in the destruction of millions of lives and the waste of billions of dollars' worth of property? Is there no action that the Senator from Louisiana would recommend save that of remaining completely isolated from all the problems that arise between nations?

As has been pointed out many times during this debate, and no doubt will be mentioned again, there are only two methods by which conflicts or disputes may be determined. One of them is by force. The other is by arbitration or judicial decision. My judgment is that it is both proper and right that we should, in every instance that we can, contribute to the settlement of those disputes by peaceful methods, rather than leave them solely to the arbitrament of war.

I hope I have made my position plain to the Senator from Louisiana.

Mr. LONG. The Senator's position is very clear; but, still, of course, to a mind constructed as mine is, it is not understandable.

Mr. ROBINSON. Of course I am not responsible for that. [Laughter.]

Mr. LONG. No; and I am not going to blame the Senator for that.

Here is the Democratic platform that we are being asked, however, to assail in this ratification. The Democratic platform practically prohibits the ratification of the World Court in this form. Here is the platform:

> We advocate a firm foreign policy, including peace with all the world and the settlement of international disputes by arbitration; no interference in the internal affairs of other nations; the sanctity of treaties and the maintenance of good faith and of good will in financial obligations; adherence to the World Court with appending reservations.

In other words, the same sentence requires, first, the maintenance of peace; second, arbitration of differences; third, noninterference with the internal affairs of other nations; fourth, the keeping of treaties; fifth, payment of the debts that are due us; and then, sixth, the World Court with the pending reservations is a part of that. It is all the same sentence.

Here we are being told to go into court with the war clouds hovering over Europe—they cannot even get along among themselves—to say nothing of the fact that the only way we have kept peace with them is to say nothing when they told us that they would not pay the $11,000,000,000 they owed us. The only way that we kept out of war with Europe was when Europe served notice on America that they would not pay a tinker's cent of the money that they owed us, that we said, "We are sorry; we wish you would; but if you will not, we are not going to do anything about it." We would be in war today if it were not for the fact that when they gave us the ultimatums that they were not going to pay a dime on the French debt or a dime on the English debt that we took it and sat down and did nothing.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Arkansas.

Mr. ROBINSON. Does the Senator imply by that statement that the United States should have gone to war with the debtor nations in an effort to enforce the collection of the debts?

Mr. LONG. I imply by that statement that when the Democratic Party said that we should stick to a firm policy,

that treaties should be respected and obligations should be paid; that that should stand before we undertook to go in with those people and put them in as the representatives of a court to decide about our affairs between other countries.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. With all due respect, I do not think the Senator has answered my question. He made a statement a moment ago the plain implication of which was that when the debtor nations refused to meet their obligations to the United States, or failed to do so, we did nothing.

Mr. LONG. That is right.

Mr. ROBINSON. Now I ask the Senator from Louisiana whether he implies by that statement that we should have gone to war with them in order to enforce or attempt to enforce the collection of the debts.

Mr. LONG. No, sir. I will answer the Senator by saying, "No, sir." I would have done just what we did. I would have said, "You promised us you would pay. It is not the first time you have done it." No; I would not have gone to war, but I would have said that. I have learned something again. I would profit from the experience by knowing we made a mistake in getting into Europe's tangle in 1917 and not get into it again. I would not have been like the man who loaned $10 to his friend, who did not pay it back, and whom he threatened to kill, only to have his friend come back the next day and borrow $10 more. I would have said, "Oh, no; you owe us $11,000,000,000. Now you are reducing your taxes, you are balancing your budget, you are being advertised to the world as having a Parliament that loves its people so much that you are reducing the burdens of government off the backs of your people. Now, we are a country; we have not balanced our Budget; day after day we go farther into the pit of financial insolvency; day after day our people are worse off. You owe us more. Now we say to you, 'You stop over there balancing your budget, reducing your debt and putting yourselves in this pink of full bloom until you pay us these debts that we said you have to pay; otherwise we will never think of going into a court here to have you take away more rights of the American people as you did this last time.'"

Mr. ROBINSON. Mr. President, will the Senator further yield?

Mr. LONG. I yield.

Mr. ROBINSON. I was just about to ask the Senator, if he had made that statement, which is substantially what we did say to them, that we desired them to pay the debt, and insisted on their payment of the debt, but if they had refused, then what would have been his action?

Mr. LONG. Stay out of the World Court. Stay out of the World Court.

Mr. ROBINSON. Why? The World Court has no jurisdiction of any question of that nature.

Mr. LONG. What is the purpose of the World Court, then?

Mr. ROBINSON. The World Court is to decide such disputes as are referred to it by the parties to controversies.

Mr. LONG. Yes. In other words, the World Court is composed of A, B, C, and D, who owe us $11,000,000,000. Now we have a row with C, and we let A, B, and D settle that row. Then we have a row with B, and we let A, C, and D settle that row. In other words, we have a Court here composed of 10 nations, all 10 of whom owe us money, and we let 9 of them decide any row we get into with the tenth.

Mr. ROBINSON. Mr. President, there may be many disputes or controversies to which the United States may become a party which it would desire to refer to the Court. There would be others which it would not refer to the Court. The Senator will pardon me, but I do not see the force of his contention in that particular.

Mr. LONG. In this connection is another thing that might be considered. Today the League of Nations tells us that the Monroe Doctrine does not amount to anything. The Senator from Arkansas does not know they have done that, but they have. I will show the Senator that they did. Here is an award that we made. In 1878 the United States made an award to Paraguay of the territory lying between the Pilcomayo and the Verde Rivers, and that was accepted by all countries under the Monroe Doctrine, concerning which we did not allow them to interfere.

Mr. ROBINSON. I understand. I heard the Senator's very forceful statement on that subject this morning; but what I cannot understand is what the World Court has to do with the Monroe Doctrine.

Mr. LONG. They are going to have plenty to do with it. The League of Nations has already taken control of it, and the World Court is a branch office of the League of Nations.

Mr. ROBINSON. I do not think that statement is correct.

Mr. LONG. I do not see why the Senator does not. Who is it under whom this World Court is maintained? Was it not created by the League of Nations?

Mr. ROBINSON. It was certainly suggested by the League of Nations, and I think in doing it the League of Nations performed a service of great importance and value to the entire world.

Mr. LONG. All right. Now, here is what the grandpa of the World Court stated:

League supports first step to curb Paraguay. Assembly's group votes unanimously for end of arms embargo on Bolivia.

And this article goes on to state that they have told the Paraguayan people, who are nothing but proprietors of an American award, that they must surrender to them the arbitration of a territory awarded to them by America 60 years ago. Under the Monroe Doctrine they would no more have dared to have done a thing like that than they would have attempted to communicate with Mars.

Mr. ROBINSON. Mr. President, will the Senator further yield?

Mr. LONG. I yield.

Mr. ROBINSON. I do not think that is a correct statement. I perhaps should not interrupt the Senator. It is my understanding, however, that the efforts and purposes of the League of Nations in that connection are to secure a peaceful composition of the dispute between Bolivia and Paraguay; because under the Kellogg-Briand Pact most of the nations of the world have obligated themselves not to resort to force but to resort to peaceful or pacific means for the settlement of their disputes, and the action of the League of Nations, as I understand, is taken not to determine the controversy but to induce its settlement by peaceful methods.

Mr. LONG. No; that is not the purpose. The League of Nations did not open its mouth for 2 years while this struggle was going on.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. JOHNSON. What I should like to know is just exactly what it is that the League of Nations has decreed in this regard. I was just asked by one of the newspapermen concerning the League of Nations' action. I know nothing about it, and I am curious to know whether the League of Nations has applied sanctions to one of the antagonists in the Chaco War.

Mr. LONG. Yes, sir. They have done more than that.

Mr. ROBINSON. That is the statement made by the Senator from Louisiana; but the purpose of the sanctions is to secure a peaceful method of settling the dispute and to end the war.

Mr. JOHNSON. That may be one interpretation, and it may be the interpretation of the Senator from Arkansas; but the application of sanctions means the starving of women and children and noncombatants and the weak and the sick and the infirm and the aged. That is the peaceful means that sanctions accomplish—that and that alone! If that is not worse than warfare, I do not know what is worse than warfare.

Mr. ROBINSON. In this case, taking the press report read by the Senator from Louisiana, the purpose of the sanctions is to prevent the shipment of munitions to the party to the controversy which refused to enter into any arrangement for peaceful settlement.

Mr. JOHNSON. That is why I asked the questions: What are the sanctions? If they are sanctions that are provided

by the League of Nations, they are the sort that I have indicated. It may be some other kind.

Mr. ROBINSON. The Senator from Louisiana has indicated clearly, I think, that the arrangement which the League is proposing is to place an embargo on the exports of munitions to Paraguay from the respective countries in the League.

Mr. LONG. No; that is not it.

Mr. JOHNSON. I wish to beg the Senator's pardon for interrupting, and defer any argument of mine upon this subject until I know definitely just what the sanctions are.

Mr. LONG. In order that the Senators from Arkansas and California may understand what I understand to be the fact, I will state that what happened was this: America awarded this territory through an award in 1878 to Paraguay. It is an American award. You have the stamp of the United States on this territory today that it belongs to Paraguay.

Here is the map printed by Bolivia, and here is the award of the President of the United States, describing this land between the Pilcomayo River and the Verde River, including the Villa Occidental, as being the property of Paraguay. Now you have the stamp of the United States on that territory lying between those black lines here. After purchasing from the Vickers Co. in London certain munitions Bolivia started a war. How? Here is what Bolivia did. After that territory had been awarded by the United States to Paraguay, Bolivia said this in 1932. This is the President's message to the Bolivian Congress:

> It is only sufficient to maintain one case at the moment. Bolivia has on the eastern side of her mountains great petroliferous riches, with various wells already drilled, and exploitations may be entered into immediately. There is urgent need of these resources, and we are now obliged to look upon them as valueless. Bolivia cannot move this petroleum to the Argentine because that country, in view of its interests, has closed the outlet with high protective tariffs. The natural and logical remedy would be to construct a pipe line to the Paraguay River.

That meant going right through the territory awarded by the United States to Paraguay.

But there lies the Republic of Paraguay disputing the territory. And what did they do? They entered into a contract with the Standard Oil Co. for the furnishing of supplies in order that they could take a pipe line to go through the territory between the Verde and the Pilcomayo Rivers that had been awarded by the United States to Paraguay in 1878 and held peacefully ever since with the recognition of all contiguous countries.

Now they could not come to the United States with this case, because the United States had made its award. But the Standard Oil Co. took it to Geneva, or The Hague—wherever the League sits—they took this case over to the League of Nations.

The Standard Oil Co. filed its own brief with the League of Nations. Bolivia filed its brief with the League of Nations. And what happened? Why, Paraguay said to them, "You do not mean to say that you are going to try to bother us in this territory that has been awarded to us by the United States?" And what was said in reply? Bolivia said, "We decline to recognize the award made by the United States in 1878; we decline to recognize what was done by the United States, and we demand the League of Nations to pass upon what ought to be done with this territory awarded by the United States to Paraguay"; and, by golly, they have undertaken to do it. They have undertaken to set it aside. The League has said, "Stop this war, and we are going to negotiate." For the 2 years they did not say a word because it looked like Bolivia would win the war, but lo and behold, Paraguay has been getting the better of the war. At the end of 2 years Paraguay has whipped Bolivia, and then the League of Nations comes out and says what? "We demand that you stop; we will have a meeting in Buenos Aires for a period of 60 days to settle this thing, and if we are unable to bring a mutual peace between the parties within 60 days, then the matter shall be taken to The Hague for a decision." In other words, they know they cannot settle it in 60 days; they know that all Bolivia has got to do is to hold out and refuse to accept the award made by the United States in 1878. So they say, "All right; then we are going to transfer this controversy; not only the Hayes award but everything else, to The Hague, there to be decided when time runs out, and we are ready to render a decision."

In other words, they are a supreme court that has set itself up to annul, modify, affirm, or reverse awards made under the Monroe Doctrine by the United States of America; they are going down there to do it; and they have said, "Oh, no, Paraguay; we are not going to recognize your right to retain this territory that has been given to you by the United States; you have got to stop firing a gun on the soil where you are now placing your batteries, soil that was given to you by the United States; you cannot stand there and fire another gun because the Standard Oil Co. has got oil wells there and you are about to get right up to where the Standard Oil Co. is going to drill oil wells under a lease given to them by Bolivia in the teeth of an award to the contrary made by the United States." And now they say, "We are going to take punitive measures against you; we are not only going to cut off the arms you shall get but we are going to give arms in abundance to Bolivia, and we are going further than that, we are going to use all further punitive means that may be necessary to give to the League of Nations the right to decide this matter in another way than it was decided by the United States 60 years ago." That is what they have done. Talk about the Monroe Doctrine, talk about human rights, talk about American sovereignty; there never has been a case in the public records to compare with this since the Stars and Stripes hung over the United States Senate, and there has never been a more open flaunting of everything that is supposed to be sacred to American institutions, the Monroe Doctrine, the sanctity of an award, than that which has been agreed on by countries that are members of the World Court.

Now they say, "Oh, no. Bolivia has decided that it will not recognize the award made by the United States." Will they submit this controversy for another decision by the United States? Oh, no; here is Bolivia's own map. When the United States made that award Bolivia recognized it and promulgated a map which she had drawn 30 years before the United States made the award, giving all this territory to Paraguay; and when the United States made the award Bolivia sent a delegation to Asuncion, the capital of Paraguay, to congratulate the Paraguayans on the justice of that award made by the President of the United States, and to assure the Paraguayan Government that she would stand back of it to the limit of her ability in maintaining possession of that territory. And yet, despite the action of the United States under its own seal and despite the Monroe Doctrine that prevailed, today they say, "Paraguay, stop fighting, or we will help fight against you." Stop fighting—for what? Stop fighting because we demand the right of the League of Nations to overrule, reverse, or to modify what the United States has settled and what has been settled for 60 years. Why? Because all this publicity which we have seen in the United States in regard to the League of Nations has largely been supported by the same fortunes that support this aggression, the taking away of this territory that was given by the United States to Paraguay. That is the story; that is what we are being told to get into; that is why we are being asked to sit silently by and to agree that a set of countries that are indebted to this country, Great Britain, France, Russia, and others, that, put together, owe the United States $11,000,000,000, shall sit as a supreme court to pass upon whether or not they will not take away territory that has already been awarded in South America, which award has been agreed to by the parties for a period of 60 years.

Are we getting into war? What would you do if you were in the League of Nations or the World Court and they took that land that the United States awarded to Paraguay and gave it to Bolivia? Would the United States stand for a situation of that kind, or what would the United States do? Talk about a war! How does the United States today maintain its national respect when a country to which it

has awarded land has been ordered to suspend fighting for it and give up its occupation of that land until the question can be taken over to The Hague and it can be decided whether or not the American award will be recognized? Are we going to transfer all these kinds of settlements that have been made under the Monroe Doctrine for a period of nearly a hundred years over to The Hague? Apparently that is the only thing to be done under this procedure.

I say, Mr. President, the whole thing is just as unconstitutional, it is just as contrary to American traditions and policies, and just as contrary to the Democratic platform as it is possible to be. The Democratic platform would compel the repudiation of the World Court proposal now before the Senate.

We do not read a contract under which it is provided that I agree to deliver 1,000 bushels of corn in consideration of a thousand dollars in cash, in a light by which I pay my money but do not get the corn. We do not read an established agreement between nations providing "if you pay me my debts and keep your agreements, then I am willing to sit around the table and arbitrate other disputes with you", in a light by which it may be construed to say, "Oh, yes; do not pay me my debt; do not keep your agreements, and still I will let you pass on my rights." That is not done among men; that is not done among States; that is not done among nations that have the sense of men.

Would we, as a nation, sit with 10 other nations that, altogether, owed us $11,000,000,000, and allow the other 9 to adjudicate a particular controversy that we have with a debtor? How would it be if we had an argument with France, and England and Russia and Spain should settle that; and if we had an argument with Spain, that England and Russia should settle that; and so forth, until whatever rights and claims we might have were settled by those who today are partners in mulcting the American people? I use that term charitably; but I tell you that today they are partners in mulcting the American people on the basis of debts that the Democratic Party has said they have got to pay.

Further than that, they have gone beyond even mulcting the American people of the debts, as evidenced by their action when the American Nation, through the then Secretary of State, Mr. Stimson, protested certain acts, Mr. Stimson was supported, as my recollection goes, by every member of the Foreign Relations Committee in the United States Senate at the time. I may be in error about that, but my understanding is that when Mr. Stimson, in the case of the Manchurian dispute, called upon England and France and Japan to respect the pact prevailing at that time regarding the territorial integrity of China and the right of China to possess Manchuria—when Mr. Stimson called upon them to maintain and hold inviolate the covenants and provisions of that treaty, there was not one Member of the Senate vested with jurisdiction over foreign affairs who did not in some manner support the position and hold up the hands of Mr. Stimson, the Secretary of State, in that controversy.

What did Mr. Stimson do? He acted along the lines of the Democratic platform even before we wrote it. Mr. Stimson said, "We demand that Japan immediately cease its warfare in the Manchurian area; that she retire from that territory; and that no country recognize Japan as lawfully or legally entitled to the possession of one foot of Manchurian territory, or to establish any republic or any other form of government over territory heretofore belonging to China." What did other nations do? England declined to back up Stimson and the United States; France declined to back up Stimson and the United States; all of them refused to back up China and the United States, including, I suppose, Germany and the others of them.

What happened? We let Japan go right into China, take the Manchurian territory, and set up whatever kind of rule she wanted to set up over it. That, however, was not all. There were fruits of that aggression; there were spoils to be had; there were spoils to be had by reason of those treaties having been broken. What were those spoils? England came up with one of them; a contract for a certain part of the barter and trade to be gotten in Manchuria went to England. At the very time that she owed us our money and would not pay us our money, at the very time that she was signed up to keep China from being attacked by Japan, at the very time, Mr. President, that she was a debtor of ours and beholding to us, she declined to maintain those sacred covenants, and the next thing we know she came out with a part of the spoils derivable from that territory illegally taken from China. Then we are asked to put the United States into a World Court and let that kind of outfit pass upon our international rights in the future, if not our domestic rights.

That is the kind of outfit that you are picking out to pass on the Monroe Doctrine; that is the kind of a supreme court which has established itself to rule over these matters and which you are picking out for the United States to adhere to; that is the kind of a market where you are driving your geese to today.

Respect a contract! What is to become of the Democratic platform if we are to say, "Well, you have refused to pay attention to anything we have deemed sacred; whatever accretion there is that inures to you, whatever there is that is burdensome or which may be burdensome on you to perform, you will forget." That is the status of things.

Why, Mr. President, it has been the policy of rulers of all countries even before, I presume, we got in the class of being a man under the Darwinian theory—and, by the way, I can almost explain that Darwinian theory [laughter] when I see some of the treaties that go through.

We have been trying to find the missing link so as to connect the animal to mankind and prove that man sprang from animals; we have been picking the lowest kind of man to compare with the highest kind of animal in intellect, thinking that when we reach the most intellectual animal it will be somewhere close to the lowest in intellect of man. We have never been yet able to find that missing link which connects the low order of man with the high order of animal life, and we never will. But the day that we pick out the higher order of man and compare him with the lower order of animals we are likely to find the missing link. [Laughter.]

This is one of the things to prove it: What form of animal life was ever heard to set itself up to be ravished by an element that had practically destroyed it in the past; what kind of a hyena that has found another animal its intellectual and physical master, bent upon despoiling it, would ever walk into the den of that kind of an animal and submit itself to the jurisdiction of other forces to come thereafter. We are being called upon to circumscribe the conduct of the American people in their international relations, and when we circumscribe our conduct in our international relations we circumscribe our conduct in our domestic relations. There never was an interstate contract or law that did not affect intrastate business. There never was a State law that did not affect municipalities. Just so surely as we circumscribe the international activities and conduct of the American people and make them subject to the pronouncements of the World Court, just so surely will we, from day to day and from year to year, find a court that is always reaching out for jurisdiction.

The United States Supreme Court has been reaching out for jurisdiction ever since it was created. There is not a State court ever known that has not been reaching out for more jurisdiction. No one ever thought the United States Supreme Court had the jurisdiction it has taken unto itself, but day after day and year after year the only thing the United States Supreme Court has to limit it in its jurisdiction is what the Supreme Court itself declines to say it has jurisdiction over.

When we created the United States Supreme Court no one thought it had any such jurisdiction over the States as it later undertook to assert and did assert. There was a time after the United States Supreme Court was created that, if it had rendered a decree directed to a State court ordering

it not to hang somebody it had found guilty of murder, but to send the case to the Supreme Court and let it pass on the proceedings, the State would have refused to pursue that course. In several such cases the States refused to respect the decision of the United States Supreme Court and went ahead and hung the man nevertheless. If I am not mistaken one of those cases arose in Florida where there was a decision actually rendered by the United States Supreme Court directing the State court to submit the case to it, but nevertheless the State went ahead and hung the man who had been convicted of murder.

Today the World Court is being established just like we established the United States Supreme Court. What is the jurisdiction of the World Court? The only body that will be left to say what are the limits of the jurisdiction of the World Court will be the World Court itself. That will be the only Court before whom we will ever be permitted to go to file an exception to the jurisdiction of the Court. That will be the only Court before whom we will have to make the argument, day after day and year after year, as to whether the Court has jurisdiction over a particular controversy or not. Just so sure as the sun rises in the morning, in every case that goes up to that Court, it will go on increasing its jurisdiction, and the Court will go further and further and further into the deciding of particulars and matters involving the various countries of the world.

Of course, it is said we can withdraw. We thought the States could withdraw when we started the American Union. Massachusetts thought it had the right to withdraw from the United States. They held the Hartford Convention and said they could. Time after time there were other States which held meetings and there never was a question about the fact that they were supposed to have the right to withdraw from the United States. What was it that kept them in the United States? It was the fact that the United States had a bigger army than the State or States which wanted to withdraw.

The time finally came when the Southern States claimed their sovereign authority to withdraw from the United States of America. What did the United States of America say? They said, "Oh, no; you have gone too far with this thing. You are involved in too many of our matters. A house divided against itself cannot stand, and therefore you cannot withdraw from the Union."

So it will be with the World Court if we go into it. If we go into the World Court and try to withdraw, there will be only one way we can withdraw and not respect the findings of that Court, and that will be by having a bigger army than the combined powers the Court can put against us. The only way we will ever be able to defy whatsoever the Court may adjudicate or decree will be by having an army big enough to defy the Court and all its members. If we have a less army then we will no more be able to defy their aggression than we of the South were able to defy the aggression of the United States of America in 1861, glad though we are today that we were not.

Do not fool yourselves and do not be fooled about the thing. Today you are going to adopt the World Court and authorize it to sit over the destinies of all the nations of the world. You are doing a good thing, you say. You say they are going to be friendly; that we are all going to be friendly. Yes; we are going to be friends just as long as we will not undertake to compel them to do anything they promise to do that is in our favor. Just so long will we be friendly. Just so long as we do not object to doing anything that is in their favor we will be friendly.

Are there any such things as lights before our feet to guide us by reason of what has been done in the past? I have nothing upon which to base my opinion as to what is going to happen in the future other than what has happened in the past. What has happened in the past?

We traveled 3,000 miles away in order that we might make Europe safe for democracy. We went 3,000 miles across the sea and blew our bugles over there. We went 3,000 miles to make Europe safe for democracy, and how did we wind up? We wound up with all Europe under dictatorship, and we are trying to set up one in the United States at the same time. The only thing we need in America to be completely Europeanized is to set up a dictatorship in this country. We have placed in the boards and bureaucracies of this Government today dictatorial powers to do really more than the Hitlers and the Mussolinis of Europe are doing.

America has to decide now, or within a few days, how it will regard its rights. Will we say: "We remain here willing to be friendly, but without you to pass upon the question of whether or not we are maintaining the proper friendly attitude"?

How did we come out of the last war? After giving them all our money, billions of dollars of it, after burying our men in unmarked graves, how did we come out? We came out with our soldiers buried, our money spent, our country bankrupt, labeled by Europe as "Uncle Shylock." We went over to England and spilled our blood, we buried our soldiers, we brought our wounded home for treatment, and how did England regard us? "Uncle Shylock!" We went to France to pay a debt. We went over there, gave our money, and loaned them more money. How did France regard us? "Uncle Shylock!" After giving them billions of dollars and then lending them $11,000,000 more we wound up without one single friend in the entire European Continent. Not one in Asia or Europe could be found friendly to the United States, so I have been informed. And yet today, with their repudiating their debts to us, with their repudiating our sacred treaties and pacts, with their defying the award by the United States even in a country on the American Continent, we call upon ourselves to say whether or not we are going to submit 125,000,000 men, women, and childen, to say nothing about unborn generations to come, to the mercies of the representatives of those countries who have heretofore regarded us, and apparently still regard us, in that light.

EXHIBIT A

[From the New York Times of Jan. 17, 1935]

LEAGUE SUPPORTS FIRST PUNITIVE STEP TO CURB PARAGUAY—ASSEMBLY'S CHACO GROUP VOTES UNANIMOUSLY FOR END OF ARMS EMBARGO ON BOLIVIA—HINTS OF STRONGER MOVE—COMMITTEE AWAITS ASUNCION'S COMPLIANCE BY FEBRUARY 24 WITH PEACE PROPOSALS

By Clarence K. Streit

GENEVA, January 16.—Creating a major precedent, the League of Nations Assembly's Chaco committee unanimously recommended tonight that all League members end their arms embargo insofar as it applies to Bolivia and strengthen it insofar as it applies to Paraguay.

This is the first time the League of Nations has ever resorted to force to bring around a recalcitrant member. The resolution adopted does not mention sanctions or article XVI, but the action taken, all admit, amounts to the first application of sanctions and to condemning Paraguay henceforth as the aggressor in the Chaco War.

Stronger punitive measures were threatened if Paraguay fails to change her attitude by February 24, when will expire the time limit in article XII, which obligates all League members "in no case to resort to war until 3 months after * * * the report by the council."

NEW INTERPRETATION GIVEN

Today's resolution adopts a far-reaching new interpretation of this obligation in connection with the undertaking of all League members in article XV, paragraph 6, not to "go to war with any party to the dispute which complies with the recommendations of the report." This interpretation, as reported recently, is that since Bolivia has complied with the report Paraguay as a League member "must" not resort against her after February 24 despite an apparent loophole in article XII.

The implication seems to be that Bolivia, which by today's embargo action is practically authorized to make war against Paraguay, becomes legally free through article XII on February 24 to declare war and enjoy all the belligerent rights denied to Paraguay.

Soviet Russia and Sweden both asked at today's meeting why the Covenant was not applied still more strongly. They were told the situation would be ripe for further action on February 24, if Paraguay did not give in.

None of the 23 delegates objected to today's action. The fact that Capt. Anthony Eden, British Lord Privy Seal, explicitly supported it caused a deep impression, for Great Britain, even after agreeing to send troops to the Saar Basin territory for police duty, was reluctant to establish any sanctions precedent. It is understood the British are now ready to break diplomatic relations with Paraguay as an added sanction, but this did not come up today.

Many European diplomats feared that Britain, in view of the diplomatic conversations now going on about armaments, security, and Germany's return to the League, would seek to stave off sanc-

tions as especially embarrassing to her at this particular moment. These diplomats, therefore, deem today's precedent as "very important" and feel it is promoting peace in Europe if not in South America.

OUR COOPERATION SOUGHT

Captain Eden added his support to a request that the committee's cooperation with nonmembers of the League, meaning especially the United States, be improved now; but Francisco Castillo Najera, of Mexico, president of the committee, told them that because of the special relations with those states, he thought it would be sufficient merely to transmit today's report to the United States and Brazil.

This was done, as it was considered to amount to a tactful recommendation that nonmembers of the League take the same action as members. Washington's reply is awaited with great interest, as the United States hitherto has stood even more strongly than Britain for an embargo against both parties.

The meeting was private, and text of the report and the resolutions were withheld until tomorrow. The committee declares Bolivia accepted the Assembly's report and Paraguay rejected it, and then makes the interpretation of article XII, as mentioned.

It concludes by recommending definitely, although not in these words, that League members now permit their armament companies to sell freely to Bolivia while taking all possible measures to render the embargo more efficacious "insofar as they intend to maintain it"—which is to say, against Paraguay. It specifies that the Paraguayan embargo should be strengthened notably, first, as regards transit, export, and reexport; and, second, that League members should grant licenses to ship arms only to governments and governmental agents.

URGE STRONGER EMBARGO

Except for this last recommendation, the action taken was that recommended to the committee by its subcommittee of six. One member found the recommendation "a great step in advance" but still too loose, and he proposed stiffening the embargo against Paraguay in the ways mentioned. Captain Eden agreed the embargo was not effective and needed strengthening, as did René Massigli, of France.

Señor Najera then asked what they meant by strengthening, and Captain Eden immediately replied that he meant tightening export and reexport regulations, while M. Massigli stressed the reexport side. This demonstration was meant mainly as pressure on Argentina and Uruguay.

Argentina explained that her neutrality proclamation forbade export and reexport but that she could do nothing to prevent arms transit by water as the rivers leading to Paraguay are international. The Uruguayan delegate said he would inform his Government, which, he assumed, would get in touch with its neighbors.

It remains to be seen whether the embargo will be really tightened. Some fear the move comes too late and that by February 24 Paraguay will already have the oil fields.

The League's Leticia advisory committee contented itself with bringing mild moral pressure on the Colombian Congress to ratify that accord. Ferdinand Mayer, councilor of the Berne Legation, represented the United States on that committee. Prentiss Gilbert, United States consul, followed the Chaco meeting from the corridor.

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MAY REQUIRE ACT OF CONGRESS

WASHINGTON, January 16.—Any United States sanction toward cooperating in lifting the ban on munitions shipments to Bolivia while maintaining it on Paraguay, because of the latter's rejection of the League of Nations' peace overtures, would apparently require authorizing legislation by Congress.

President Roosevelt proclaimed on May 28, 1934, a ban on munitions sales in this country to Bolivia and Paraguay, under authority of a resolution by Congress. Previously the Senate Foreign Relations Committee had refused to permit such action against one country and not the other.

The State Department had not received today the official notice from the League of Nations of its recommendations, but when it does Secretary Hull is expected to take up the question with President Roosevelt.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. VANDENBERG. I prefer to proceed tomorrow, and I understand the majority leader is willing to have me retain the floor at that time.

Mr. ROBINSON. That is satisfactory to me.

Mr. VANDENBERG. With that understanding, I yield the floor for the day.

LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate resume legislative session.

The Senate resumed legislative session.

ADMINISTRATIVE AGENCIES IN GOVERNMENT (S. DOC. NO. 12)

Mr. FLETCHER. Mr. President, there has come to my attention a very instructive discussion on administrative agencies in government, written by Nathan Boone Williams, a well-known lawyer of this city, whom I have known for many years. I am of the opinion that this document will be very helpful and informative in our consideration of numerous legislative matters coming before us. I ask that it be printed as a Senate document.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE HEARINGS

Mr. BACHMAN. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably certain resolutions, without amendment, and ask unanimous consent for their immediate consideration.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee?

There being no objection, the following resolutions, reported this day by Mr. BACHMAN from the Committee to Audit and Control the Contingent Expenses of the Senate, without amendment, were severally considered and agreed to:

Senate Resolution 53, submitted by Mr. BAILEY on the 15th instant:

*Resolved*, That the Committee on Claims or any subcommittee thereof be, and hereby is, authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during sessions or recesses of the Senate.

Senate Resolution 52, submitted by Mr. SHEPPARD on the 15th instant:

*Resolved*, That the Committee on Military Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 48, submitted by Mr. COOLIDGE on the 15th instant:

*Resolved*, That the Committee on Immigration, or any subcommittee thereof, hereby is authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Senate Resolution 51, submitted by Mr. SMITH on the 15th instant:

*Resolved*, That the Committee on Agriculture and Forestry, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid from the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any sessions or recesses of the Senate.

Senate Rosolution 47, submitted by Mr. ROBINSON (for Mr. TYDINGS) on the 15th instant:

*Resolved*, That the Committee on Territories and Insular Affairs, or any subcommittee thereof, is authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths and to employ a stenographer at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

Senate Resolution 45, submitted by Mr. WALSH on the 14th instant:

*Resolved*, That the Committee on Education and Labor, or any subcommittee thereof, is hereby authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be

paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

THE CALENDAR

Mr. ROBINSON. I ask that the Senate proceed to the consideration of nominations on the Executive Calendar.

The PRESIDING OFFICER. The clerk will state the first order of business under the head of nominations on the Executive Calendar.

FEDERAL HOUSING ADMINISTRATION

The legislative clerk read the nomination of James A. Moffett, of New York, to be Administrator of the Federal Housing Administration.

Mr. McCARRAN. I ask that the nomination go over for 1 day.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

The legislative clerk read the nomination of William H. Hornibrook, of Utah, to be Envoy Extraordinary and Minister Plenipotentiary to Afghanistan.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William Dawson, of Minnesota, to be Envoy Extraordinary and Minister Plenipotentiary to Colombia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Antonio C. Gonzalez, of New York, to be Envoy Extraordinary and Minister Plenipotentiary to Ecuador.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George T. Summerlin, of Louisiana, to be Envoy Extraordinary and Minister Plenipotentiary to Panama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Julius G. Lay, of the District of Columbia, to be Envoy Extraordinary and Minister Plenipotentiary to Uruguay.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Meredith Nicholson, of Indiana, to be Envoy Extraordinary and Minister Plenipotentiary to Venezuela.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Williamson S. Howell, Jr., of Texas, to be consul general of the United States of America.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. ROBINSON. I ask unanimous consent that the remaining nominations on the calendar in the Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations on the calendar in the Diplomatic and Foreign Service will be confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I make the same request with respect to the nominations of postmasters.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar will be confirmed en bloc.

That completes the calendar.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 30 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Friday, January 18, 1935, at 12 o'clock meridian.

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## NOMINATIONS

*Executive nominations received by the Senate January 17, 1935*

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Hampton Robb, of Connecticut, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Paraguay.

UNITED STATES MARSHAL

Alex Smith, of Alabama, to be United States marshal, northern district of Alabama, to succeed Thomas J. Kennamer, term expired.

POSTMASTERS

ALABAMA

Nora M. Wallace to be postmaster at Clayton, Ala., in place of K. B. Barret. Incumbent's commission expired April 15, 1934.

Mary L. Malone to be postmaster at Dothan, Ala., in place of S. M. Dawsey. Incumbent's commission expired June 17, 1934.

Julia J. Harkness to be postmaster at Eutaw, Ala., in place of A. H. Byrd, removed.

Daisy Buice to be postmaster at Good Water, Ala., in place of C. S. Robbins. Incumbent's commission expired May 2, 1934.

ARIZONA

Hubert P. Williams to be postmaster at Miami, Ariz., in place of J. P. Downey. Incumbent's commission expired January 28, 1934.

William D. Boardman to be postmaster at Payson, Ariz. Office became Presidential July 1, 1934.

CALIFORNIA

Helen S. Osborne to be postmaster at Earlimart, Calif., in place of May Brown. Incumbent's commission expired December 18, 1933.

Don C. Saunders to be postmaster at Lompoc, Calif., in place of D. C. Saunders. Incumbent's commission expired December 18, 1934.

COLORADO

Elmer B. McCrone to be postmaster at Creede, Colo., in place of A. I. Weaver, resigned.

CONNECTICUT

Ethyl O. Engisch to be postmaster at Cornwall Bridge, Conn. Office became Presidential July 1, 1934.

Harry L. Lyman to be postmaster at New Preston, Conn., in place of D. E. Granniss, removed.

John F. Connerty to be postmaster at Washington Depot, Conn., in place of W. C. Carlson, retired.

FLORIDA

Riley G. Granger to be postmaster at Branford, Fla., in place of C. S. Weathersbee, Jr., deceased.

Albert V. Prevatt to be postmaster at Green Cove Springs, Fla., in place of Mary Conway. Incumbent's commission expired March 1, 1932.

GEORGIA

Jonas R. Myers to be postmaster at Athens, Ga., in place of P. L. Smith, resigned.

ILLINOIS

Frank J. Zipprich to be postmaster at Kampsville, Ill., in place of H. W. Behrens. Incumbent's commission expired June 24, 1934.

Maxine Loy to be postmaster at Maquon, Ill., in place of Henry Snow, removed.

John T. Donahoe to be postmaster at Morris, Ill., in place of C. E. Godfrey, retired.

Edward M. Dieter to be postmaster at Naperville, Ill., in place of S. S. Good. Incumbent's commission expired January 22, 1931.

IOWA

Josiah H. Clayton to be postmaster at Paullina, Iowa, in place of L. H. Bell, resigned.

Elizabeth M. Hyland to be postmaster at Traer, Iowa, in place of G. F. Shortess, removed.

Porter V. Hall to be postmaster at Union, Iowa, in place of R. G. Hauser, removed.

Richard Claassen to be postmaster at Wellsburg, Iowa, in place of E. H. Ashby. Incumbent's commission expired April 28, 1934.

KENTUCKY

Coy B. Reynolds to be postmaster at Waynesburg, Ky., in place of Henry Hall. Incumbent's commission expired February 17, 1931.

MASSACHUSETTS

George W. Seymour to be postmaster at Ashby, Mass., in place of A. E. Sears, deceased.

Michael T. Cavanaugh to be postmaster at Ashland, Mass., in place of J. D. Quigley, resigned.

William E. Hallahan to be postmaster at Charlemont, Mass., in place of F. W. Niles, resigned.

Charles J. Dacey to be postmaster at Conway, Mass., in place of C. J. Dacey. Incumbent's commission expired December 18, 1934.

George J. Newitt to be postmaster at Duxbury, Mass., in place of J. K. Parker, deceased.

Harold J. McCormick to be postmaster at Gardner, Mass., in place of G. L. Minott, deceased.

Joseph G. Woodbury to be postmaster at Oxford, Mass., in place of R. C. Taft. Incumbent's commission expired May 29, 1934.

MINNESOTA

James F. Doherty to be postmaster at Buhl, Minn., in place of C. D. V. Taraborelli. Incumbent's commission expired January 31, 1934.

Ingval Lynner to be postmaster at Clarkfield, Minn., in place of E. A. Quale. Incumbent's commission expired February 25, 1933.

Henry J. Widenhoefer to be postmaster at Fisher, Minn., in place of H. J. Widenhoefer. Incumbent's commission expired June 20, 1934.

Herbert C. Whaley to be postmaster at Fosston, Minn., in place of John Lohn. Incumbent's commission expired December 18, 1933.

Bertha T. Bot to be postmaster at Ghent, Minn., in place of Matilda Blodgett, deceased.

Carleton H. Leighty to be postmaster at Glenville, Minn., in place of C. H. Leighty. Incumbent's commission expired June 20, 1934.

Michael E. Tompkins to be postmaster at Hector, Minn., in place of H. W. Koehler. Incumbent's commission expired February 14, 1934.

Edith A. Marsden to be postmaster at Hendrum, Minn., in place of E. A. Marsden. Incumbent's commission expired May 7, 1934.

Fritz Von Ohlen to be postmaster at Henning, Minn., in place of Fritz Von Ohlen. Incumbent's commission expired June 20, 1934.

Hattie G. Haas to be postmaster at Lamberton, Minn., in place of B. E. Rollins, deceased.

Peter J. Vasaly to be postmaster at Little Falls, Minn., in place of E. M. La Fond. Incumbent's commission expired April 2, 1934.

Ole C. Olson to be postmaster at Littlefork, Minn., in place of C. S. Jameson. Incumbent's commission expired December 18, 1933.

Jacob Ohlsen to be postmaster at Luverne, Minn., in place of G. W. Fried. Incumbent's commission expired February 25, 1934.

James V. Sweeney to be postmaster at Mahnomen, Minn., in place of E. M. Blasky. Incumbent's commission expired January 16, 1934.

Fred E. Joslyn to be postmaster at Mantorville, Minn., in place of F. E. Joslyn. Incumbent's commission expired April 30, 1934.

Maude E. Williams to be postmaster at Mora, Minn., in place of C. C. Jarvis. Incumbent's commission expired February 24, 1927.

Raymond A. Linnihan to be postmaster at Red Lake Falls, Minn., in place of M. O. Sortedahl, resigned.

William H. Wilson to be postmaster at Rushmore, Minn., in place of W. H. Wilson. Incumbent's commission expired April 2, 1934.

William F. Krueger to be postmaster at Wykoff, Minn., in place of Elizabeth Paul. Incumbent's commission expired May 26, 1932.

MISSISSIPPI

Effie J. Robins to be postmaster at Rienzi, Miss., in place of J. N. Kellogg. Incumbent's commission expired December 16, 1933.

MISSOURI

Ledrew E. Ryals to be postmaster at Greenfield, Mo., in place of T. A. Scott, removed.

Leah B. Diggs to be postmaster at Laddonia, Mo., in place of M. V. Smith. Incumbent's commission expired December 17, 1932.

Bryan B. Austin to be postmaster at Licking, Mo., in place of Berry Crow. Incumbent's commission expired June 20, 1934.

Maurice D. Cole to be postmaster at Montrose, Mo., in place of G. S. Elliston. Incumbent's commission expired April 8, 1934.

NEBRASKA

Herman G. Mattson to be postmaster at Kearney, Nebr., in place of C. R. Wareham, removed.

NEW YORK

Lewis H. Sears to be postmaster at Ballston Lake, N. Y., in place of H. F. Kimball. Incumbent's commission expired April 22, 1934.

Joseph H. Wilson to be postmaster at Highland Falls, N. Y., in place of G. C. Myer. Incumbent's commission expired April 24, 1933.

Edson S. Miller to be postmaster at Highland Mills, N. Y., in place of H. H. Pugsley. Incumbent's commission expired December 16, 1933.

Howard W. Smith to be postmaster at Unadilla, N. Y., in place of F. D. Seaman, transferred.

James T. Crotty to be postmaster at Monroe, N. Y., in place of F. B. Brooks. Incumbent's commission expired February 6, 1934.

John W. Murray to be postmaster at Theresa, N. Y., in place of W. W. Tilley, removed.

Wilfred R. Carr to be postmaster at Warwick, N. Y., in place of W. H. Middleton. Incumbent's commission expired June 20, 1934.

NORTH DAKOTA

Mary A. Leavy to be postmaster at Granville, N. Dak., in place of R. M. Morrison. Incumbent's commission expired December 16, 1933.

Carl Solberg to be postmaster at Hatton, N. Dak., in place of T. J. Flesche. Incumbent's commission expired June 20, 1934.

Elvind L. Semling to be postmaster at Hazelton, N. Dak., in place of R. A. Yeater. Incumbent's commission expired June 19, 1933.

Frank S. Hudson to be postmaster at Mandan, N. Dak., in place of A. B. Welch, removed.

OHIO

Clarence T. Zwickel to be postmaster at Bremen, Ohio, in place of E. A. Krizer, removed.

OKLAHOMA

Ernest D. Peck to be postmaster at Carmen, Okla., in place of C. M. Henry, removed.

James W. Gilbert to be postmaster at Sallisaw, Okla., in place of Bert Redmon, deceased.

PENNSYLVANIA

Thomas V. Brennan to be postmaster at Plymouth, Pa., in place of H. H. Carey, transferred.

PUERTO RICO

Alberto Bravo to be postmaster at Mayaguez, P. R., in place of W. F. Tolosa. Incumbent's commission expired June 19, 1933.

Simon Semidei to be postmaster at Yauco, P. R., in place of Simon Semidei. Incumbent's commission expired December 18, 1934.

RHODE ISLAND

James V. O'Connell to be postmaster at Washington, R. I., in place of Henry Schwab. Incumbent's commission expired December 11, 1932.

SOUTH CAROLINA

Lucia C. Lindsey to be postmaster at Piedmont, S. C., in place of P. M. Huff, retired.

Lawrence E. King to be postmaster at Simpsonville, S. C., in place of H. A. White. Incumbent's commission expired April 22, 1934.

Joseph H. Coleman to be postmaster at Travellers Rest, S. C., in place of J. R. Anderson. Incumbent's commission expired January 28, 1934.

SOUTH DAKOTA

Edward E. Colgan to be postmaster at Edgemont, S. Dak., in place of C. J. Bowell, removed.

Mattie W. Funk to be postmaster at McIntosh, S. Dak., in place of L. E. Reckamp. Incumbent's commission expired December 16, 1933.

Inez M. Bruner to be postmaster at Sanator, S. Dak., in place of L. H. Johnson, resigned.

TENNESSEE

Finley P. Curtis to be postmaster at Butler, Tenn., in place of S. A. Greenwell. Incumbent's commission expired December 12, 1932.

Warren B. Miller to be postmaster at Clifton, Tenn., in place of R. E. Stribling, transferred.

Ethelbert C. Cross to be postmaster at Clinton, Tenn., in place of C. S. Hicks, retired.

Allen T. Fine to be postmaster at Jellico, Tenn., in place of R. H. Miller, removed.

Irene Miller to be postmaster at La Follette, Tenn., in place of A. F. Agee, removed.

Wilia J. McCrary to be postmaster at Philadelphia, Tenn. Office became Presidential July 1, 1934.

TEXAS

Richard P. Park to be postmaster at Aransas Pass, Tex., in place of R. K. Duphorne. Incumbent's commission expired April 15, 1934.

Richard E. Trenckmann to be postmaster at Bellville, Tex., in place of B. B. Volkening. Incumbent's commission expired April 15, 1934.

C. Collins Moorhouse to be postmaster at Benjamin, Tex., in place of J. H. Atterbury. Incumbent's commission expired March 18, 1934.

Joseph H. Wright to be postmaster at Byers, Tex., in place of J. H. Wright. Incumbent's commission expired January 13, 1935.

Faye D. Fite to be postmaster at Carthage, Tex., in place of Malcolm Shaw. Incumbent's commission expired June 19, 1933.

Ambrose J. Denman to be postmaster at Channing, Tex., in place of T. W. Powell, removed.

Estelle Gibson to be postmaster at Chico, Tex., in place of W. H. Tallant. Incumbent's commission expired April 15, 1934.

Melmoth Y. Stokes, Jr., to be postmaster at Goldthwaite, Tex., in place of R. F. McDermott, removed.

Hugh E. Minshew to be postmaster at Hawkins, Tex., in place of W. L. Allen. Incumbent's commission expired April 15, 1934.

Alice W. Dotson to be postmaster at Jewett, Tex., in place of A. W. Dotson. Incumbent's commission expired September 18, 1933.

Marcellus P. Adams to be postmaster at Lampasas, Tex., in place of W. R. Wagle, resigned.

Lula J. Moreland to be postmaster at Lindale, Tex., in place of Arthur Treadaway. Incumbent's commission expired January 16, 1934.

William H. Bruns to be postmaster at Louise, Tex., in place of W. H. Bruns. Incumbent's commission expired June 20, 1934.

J. William Dyer to be postmaster at Mabank, Tex., in place of James Flanagan, resigned.

Henry D. Wintz to be postmaster at Meridian, Tex., in place of T. L. Darden, resigned.

Dallas S. Lankford to be postmaster at Mineola, Tex., in place of Lucy Breen. Incumbent's commission expired January 28, 1934.

Loyal N. Tyer to be postmaster at Mont Belvieu, Tex., in place of L. N. Tyer. Incumbent's commission expired December 20, 1934.

Louis O. Muenzler to be postmaster at New Ulm, Tex., in place of L. O. Muenzler. Incumbent's commission expired October 10, 1933.

William T. Henderson to be postmaster at Odessa, Tex., in place of W. T. Henderson. Incumbent's commission expired January 13, 1935.

William G. Carlisle to be postmaster at Plano, Tex., in place of R. D. Dunn, removed.

Billie W. Sorey to be postmaster at Refugio, Tex., in place of B. W. Sorey. Incumbent's commission expired May 9, 1934.

Lino Perez to be postmaster at Riogrande, Tex., in place of C. P. Alvarez. Incumbent's commission expired December 18, 1932.

Elizabeth McCauley to be postmaster at Sabinal, Tex., in place of A. J. Durham, Jr. Incumbent's commission expired January 22, 1934.

Russell M. Chaney to be postmaster at Sulphur Springs, Tex., in place of W. P. Harris. Incumbent's commission expired January 16, 1934.

Fred W. Hines to be postmaster at Wiergate, Tex., in place of F. W. Hines. Incumbent's commission expired May 29, 1934.

UTAH

Joseph Park to be postmaster at Riverton, Utah, in place of J. C. Frost, removed.

G. Leonard Larson to be postmaster at Sandy, Utah, in place of A. M. Lundberg, removed.

VERMONT

Oscar N. Campbell to be postmaster at Hyde Park, Vt., in place of C. E. Badger. Incumbent's commission expired June 24, 1934.

Daniel B. Hufnail to be postmaster at Reading, Vt., in place of G. D. Burnham. Incumbent's commission expired June 20, 1934.

VIRGINIA

Gertrude C. Ligon to be postmaster at Amelia C. H., Va., in place of J. Q. Blackburn, removed.

Edwin B. Sanders to be postmaster at Chilhowie, Va., in place of C. W. Beattie. Incumbent's commission expired April 28, 1934.

WASHINGTON

James H. Callison to be postmaster at Palouse, Wash., in place of E. C. Day. Incumbent's commission expired May 7, 1934.

WEST VIRGINIA

Arthur G. Martin to be postmaster at Fairmont, W. Va., in place of H. E. Engle. Incumbent's commission expired March 18, 1934.

Herbert Crumrine to be postmaster at Middlebourne, W. Va., in place of G. W. Smith. Incumbent's commission expired February 6, 1934.

William S. Wray to be postmaster at Northfork, W. Va., in place of M. W. Combs. Incumbent's commission expired December 10, 1932.

Joseph C. Archer to be postmaster at Sistersville, W. Va., in place of D. D. Buck. Incumbent's commission expired May 29, 1934.

Roy L. Pugh to be postmaster at Winona, W. Va., in place of Wendell Evans. Incumbent's commission expired April 28, 1934.

WISCONSIN

Gustav Adolph Fey to be postmaster at Ableman, Wis., in place of P. W. Schuetts, deceased.

Joseph A. Kumhera to be postmaster at Almena, Wis., in place of Joseph Kuchenmeister. Incumbent's commission expired June 2, 1934.

Frank W. Flanagan to be postmaster at Bear Creek, Wis., in place of C. G. Ballhorn. Incumbent's commission expired January 28, 1934.

W. Anton Grota to be postmaster at Berlin, Wis., in place of E. K. Cunningham. Incumbent's commission expired April 2, 1934.

Nels O. Neprud to be postmaster at Coon Valley, Wis., in place of N. O. Neprud. Incumbent's commission expired June 26, 1934.

Sherman V. Wolf to be postmaster at Crivits, Wis., in place of F. J. Duquaine, resigned.

Carl E. Anderson to be postmaster at Galesville, Wis., in place of V. A. Kellman. Incumbent's commission expired February 28, 1933.

Johan Gustav Adolf Mollenhoff to be postmaster at Iron River, Wis., in place of E. M. E. Mollenhoff. Incumbent's commission expired January 29, 1933.

Henry L. Blonien to be postmaster at La Valle, Wis., in place of Charles Pearson. Incumbent's commission expired May 2, 1934.

Joseph S. Rosera to be postmaster at Lena, Wis., in place of W. L. Chesley, removed.

Erwin A. Kamholz to be postmaster at Luck, Wis., in place of G. A. Slaikeu. Incumbent's commission expired January 8, 1934.

William C. McLaughlin to be postmaster at Merrill, Wis., in place of H. A. Krueger, retired.

Edwin F. Hadden to be postmaster at Poynette, Wis., in place of E. E. Haight, deceased.

William A. Weier, to be postmaster at Wabeno, Wis., in place of J. E. Himley. Incumbent's commission expired April 22, 1934.

Rosella M. Anderson to be postmaster at Wheeler, Wis., in place of R. R. Porter. Incumbent's commission expired February 25, 1933.

Michael T. Lenney to be postmaster at Williams Bay, Wis., in place of O. M. Waterbury. Incumbent's commission expired May 7, 1934.

WYOMING

James E. Smith to be postmaster at Riverton, Wyo., in place of T. B. Wright, resigned.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 17, 1935*

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

William H. Hornibrook to be Envoy Extraordinary and Minister Plenipotentiary to Afghanistan.

William Dawson to be Envoy Extraordinary and Minister Plenipotentiary to Colombia.

Antonio C. Gonzales to be Envoy Extraordinary and Minister Plenipotentiary to Ecuador.

George T. Summerlin to be Envoy Extraordinary and Minister Plenipotentiary to Panama.

Julius G. Lay to be Envoy Extraordinary and Minister Plenipotentiary to Uruguay.

Meredith Nicholson to be Envoy Extraordinary and Minister Plenipotentiary to Venezuela.

DIPLOMATIC AND FOREIGN SERVICE

SECRETARIES IN THE DIPLOMATIC SERVICE

| | |
|---|---|
| Arthur F. Tower | Fletcher Warren |
| Charles E. Allen | Oliver Edmund Clubb |
| Nathaniel P. Davis | Frank C. Lee |
| Paul J. Gray | William W. Corcoran |
| George Atcheson, Jr. | John Carter Vincent |
| Joseph E. Jacobs | Leo J. Keena |

CONSULS GENERAL

| | |
|---|---|
| Williamson S. Howell, Jr. | Nathaniel P. Davis |
| George A. Bucklin | Joseph E. Jacobs |
| Paul R. Josselyn | Dayle C. McDonough |
| Clarence J. Spiker | Orme Wilson |

CONSULS

| | |
|---|---|
| Frederick P. Hibbard | Morris N. Hughes |
| Jefferson Patterson | Cloyce K. Huston |
| Stuart E. Grummon | Perry N. Jester |
| Glenn A. Abbey | Gerald Keith |
| George M. Abbott | Kenneth C. Krentz |
| George D. Andrews | Bertel E. Kuniholm |
| La Verne Baldwin | George D. La Mont |
| Henry A. W. Beck | John S. Littell |
| Sidney A. Belovsky | Odin G. Loren |
| H. Merrell Benninghoff | Andrew G. Lynch |
| Daniel M. Braddock | Edward S. Maney |
| Joseph L. Brent | James S. Moose, Jr. |
| James E. Brown, Jr. | James L. Park |
| Robert Y. Brown | Kennett F. Potter |
| Sidney H. Browne | Hugh F. Ramsay |
| William W. Butterworth, Jr. | Edward B. Rand |
| Cavendish W. Cannon | Charles S. Reed, 2d |
| Warren M. Chase | Alan S. Rogers |
| Norris B. Chipman | Albert W. Scott |
| Oliver Edmund Clubb | Horace H. Smith |
| Paul C. Daniels | W. Quincy Stanton |
| Gerald A. Drew | Joseph I. Touchette |
| John B. Faust | Henry S. Villard |
| Cecil Wayne Gray | Robert S. Ward |
| Carlos C. Hall | Carlos J. Warner |
| Raymond A. Hare | Thomas C. Wasson |
| Landreth M. Harrison | (Miss) Frances E. Willis |
| Lawrence Higgins | George H. Winters |
| Phil H. Hubbard | Archer Woodford |

FOREIGN SERVICE OFFICERS, CLASS 5

| | |
|---|---|
| Harris N. Cookingham | Robertson Honey |
| Louis H. Gourley | Winthrop R. Scott |
| Donald R. Heath | |

FOREIGN SERVICE OFFICERS, CLASS 6

| | |
|---|---|
| Ellis O. Briggs | Walter H. McKinney |
| Harold M. Collins | Horatio Mooers |
| Allan Dawson | John J. Muccio |
| William E. De Courcy | Christian M. Ravndal |
| Charles L. DeVault | Thomas H. Robinson |
| Howard Donovan | E. Talbot Smith |
| Albert M. Doyle | Christian T. Steger |
| Richard B. Haven | Francis H. Styles |
| Thomas S. Horn | George P. Waller |
| Clarence E. Macy | |

FOREIGN SERVICE OFFICERS, CLASS 7

| | |
|---|---|
| William H. Beach | C. Warwick Perkins, Jr. |
| William E. Beitz | Samuel Reber |
| Roy E. B. Bower | Joseph C. Satterthwaite |
| George H. Butler | Edward J. Sparks |
| Leo J. Callanan | Robert B. Streeper |
| Selden Chapin | George Tait |
| Prescott Childs | Cyril L. F. Thiel |
| Lewis Clark | William Clarke Vyse |
| Winthrop S. Greene | Angus I. Ward |
| William M. Gwynn | S. Walter Washington |
| Julian F. Harrington | McCeney Werlich |
| George F. Kennan | Clifton R. Wharton |
| Edward P. Lawton | Lloyd D. Yates |
| Dale W. Maher | Whitney Young |
| Gordon P. Merriam | |

FOREIGN SERVICE OFFICERS, CLASS 8

| | |
|---|---|
| Glenn A. Abbey | La Verne Baldwin |
| George M. Abbott | Henry A. W. Beck |
| George D. Andrews, Jr. | Sidney A. Belovsky |

H. Merrill Benninghoff
Daniel M. Braddock
Joseph L. Brent
James E. Brown
Robert Y. Brown
Sidney H. Browne
William W. Butterworth, Jr.
Cavendish W. Cannon
Warren M. Chase
Norris B. Chipman
Oliver Edmund Clubb
Paul C. Daniels
Horace J. Dickinson
Gerald A. Drew
John B. Faust
Cecil Wayne Gray
Carlos C. Hall
Raymond A. Hare
Landreth M. Harrison
Lawrence Higgins
Phil H. Hubbard
Morris N. Hughes
Cloyce K. Huston
Perry N. Jester
Gerald Keith
Kenneth C. Krentz
Bertel E. Kuniholm
George D. LaMont
John S. Littell
Odin G. Loren
Andrew G. Lynch
Edward S. Maney
James S. Moose, Jr.
James L. Park
Kennett F. Potter
Hugh F. Ramsay
Edward B. Rand
Charles S. Reed, 2d
Alan S. Rogers
Albert W. Scott
Horace H. Smith
W. Quincy Stanton
Joseph I. Touchette
Henry S. Villard
Robert S. Ward
Carlos J. Warner
Thomas C. Wasson
(Miss) Frances E. Willis
George H. Winters
Archer Woodford

POSTMASTERS

ALASKA

Robert E. Sheldon, Fairbanks.
Albert Wile, Juneau.
Guy E. Mish, Nome.
Richard F. Brennan, Petersburg.
William H. Murray, Skagway.

CONNECTICUT

George T. Manion, Avon.
Charles H. Yeager, Rockyhill.
Patrick T. Malley, Thompsonville.

FLORIDA

Hal Hoffman, Apalachicola.
Francis C. Wilson, Blountstown.
Adelaide de Lauzanne, Brooksville.
William T. Eddins, Bushnell.
Reuben G. Bradford, Carrabelle.
Nadia V. Hall, Center Hill.
Mayo Ferdon, Crestview.
Fay G. Brown, Foley.
Walter B. Walters, Fort Myers.
Charles W. Peters, Fort Pierce.
Guy P. Ruhl, Frostproof.
George W. Shelton, Lake Alfred.
Roy H. Chapman, Lake City.
George W. Oliver, Lake Wales.
Vivian L. Roberts, Lynn Haven.
Ebenezer J. Harris, Madison.
Edward T. Owen, Maitland.
Joseph L. Porcher, Melbourne.
Clifford C. Dooley, Mount Dora.
Robert E. Sweat, Mulberry.
Robert H. Roesch, Jr., Oneco.
Helen A. Thompson, Orange City.
Wayne E. Lee, Panama City.
Fenton M. Prewitt, Plant City.
Thomas J. Nobles, Pompano.
George O. Dewey, Punta Gorda.
James H. Cox, Quincy.
James A. Brown, Safety Harbor.
Henry L. Godwin, St. Cloud.
Robert J. Holly, Sanford.
Preston H. Smith, Wildwood.
Wililam H. Harris, Williston.
Wrather H. Reams, Winter Garden.

MAINE

Harold C. Collins, Bingham.
Ervin O. Hamilton, Chebeague Island.
David F. Kelley, Gardiner.
Charles H. Pitts, Harrison.
Alfred Boivin, Mexico.
Mary W. Greenlief, Monmouth.
Bernard A. Davis, Norridgewock.
Annie Gilman, Scarboro.
Ernest A. Atwood, Seal Harbor.
Eugene I. Cummings, Westbrook.
Henry S. Stone, West Paris.

MARYLAND

Edward J. Donohue, Frostburg.
A. Emmons Warnick, Grantsville.
Maude L. Shives, Hancock.
Clarence J. Thomson, Jr., Lutherville.
Charles R. Holter, Middletown.
Sarah G. Phillips, Randallstown.
William H. L. Slade, Reisterstown.
John W. Davis, Ridgely.

MONTANA

Arthur C. Coulston, Bainville.
Marion Pryde, Bearcreek.
Shebel Rehal, Chester.
Philester F. Morrison, Columbus.
Eli A. Lee, Conrad.
Blanche B. Rinehart, Grassrange.
Martin P. Browne, Lambert.
Ruth A. Nutting, Laurel.
Frederick D. Morck, Plentywood.
Clarence N. Simons, Turner.

OHIO

Benjamin R. Mulholland, Alger.
Fred B. Weaver, Amelia.
Fred C. Stultz, Bainbridge.
Harry Hamilton, Beallsville.
Mary E. Perry, Castalia.
Charles Creeden, Celina.
Samuel B. Maury, Clarington.
Alexander J. Shenk, Delphos.
Paul C. Schmidt, East Palestine.
Dean W. Wright, Elida.
John P. Watt, Greenfield.
J. Lendall Williams, Greenville.
John W. Ritz, Hamler.
Mattie Mae Smith, Lawndale.
Leon E. Gorham, Leroy.
James A. Gilmore, Lisbon.
Henry G. M. Rolston, McGuffey.
Harold E. Ralston, Marengo.
Edmund L. Churchill, Metamora.
Raymond R. Riehle, Milford.
Herman J. Laut, New Bremen.
Glenn M. Roller, Ohio City.
Joe Myers, Russellville.
Albert J. Beckman, St. Henry.
William H. Uetrecht, St. Marys.
William A. Barnhart, Sterling.
Harley C. Brubaker, Waynesburg.
Raynor R. Newcomb, West Unity.
Hartman W. Staker, Wheelersburg.

PUERTO RICO

Juan Aparicio Rivera, Adjuntas.
Ricardo Mendez, Jr., Lares.
Francisco Valldejuli, Yabucoa.

UTAH

Eugene Yeates, Logan.

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## WITHDRAWALS

*Executive nominations withdrawn from the Senate January 17, 1935*

POSTMASTERS

COLORADO

F. Reef Egger to be postmaster at Pagosa Springs, in the State of Colorado.

NORTH CAROLINA

Savannah B. Smoak to be postmaster at Wilkesboro, in the State of North Carolina.

# HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 17, 1935

The House met at 12 o'clock noon.

Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessing and honor, glory and power be unto Him who sitteth upon the throne forever and ever. Before Him we would bow down and bare our souls that we might receive the gifts of mercy and comfort. Almighty God, rouse us to the contemplation of things eternal and let their currents keep our souls in motion. To every fear Thou dost give a promise, and to every prodigal doubt Thou dost offer assurance. To any who may be in the gloom, with fitful and uncertain glimpses through the clouds and without a smiling future, do Thou steady and stay their faith in divine sovereignty which will never terminate until the throne of God itself crumbles. Bless our homes, merciful Father, and may they ever be the very gates to Heaven. In the name of our Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

## CENTRAL VALLEY PROJECT, CALIFORNIA

Mr. STUBBS. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a copy of a bill I have introduced for the construction of the Central Valley project in California.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STUBBS. Mr. Speaker, late in the last Congress I appeared before the House and served notice that, at the opening of the current session, I would bring to the attention of the Congress the great need for early construction activities on the Central Valley project in California, a project designed to protect and preserve the social and economic status of a great inland nation. Today, in keeping with that earlier statement and a later promise to my people, I am introducing a bill which calls for a congressional appropriation of $170,000,000 for construction of the Central Valley project. The bill is designed to provide Federal financial assistance for the project with supervision under a water project authority created by the California State Legislature and later approved by the people of California in a special election.

As a matter of record, I desire herewith to present the bill which I have introduced, and to offer you a preliminary statement showing the practicability of the project, its need as a social agency, and its feasibility from an engineering standpoint. Before going further, let me add that the project is a self-liquidating one, and the cost will be borne by those who benefit from it.

### A BILL

*Be it enacted, etc.*, That for the purpose of improvement of navigation on the Sacramento and San Joaquin Rivers in the State of California; to control destructive flood waters in said Sacramento and San Joaquin River Basins; to aid and improve agriculture and industry within said basins; to provide for the generation of electrical energy as a means of making the project hereinafter referred to a self-supporting and financially solvent undertaking; to provide for the economic and social well-being of the people of the State of California, and for other beneficial purposes, there is hereby authorized to be appropriated from time to time out of any money in the United States Treasury not otherwise appropriated, such sums of money as may be necessary to carry out the purposes of this act, not exceeding in the aggregate the sum of $170,000,000.

SEC. 2. All moneys authorized to be appropriated by this act shall be made available as herein provided for expenditure by the Water Project Authority, a body politic and corporate, created in and by an act of the Legislature of the State of California passed and adopted at the legislative session of 1933, and designated the Central Valley project act of 1933 (ch. 1042, Stat. of 1933), and thereafter approved by the people of the State of California at a special election held in said State on December 19, 1933; said moneys to be expended, subject to the provisions of this act, for the purpose of the acquisition of the necessary rights and properties and the construction by said Water Project Authority of the Central Valley project, as said project and the construction thereof is authorized, set forth, and provided for in said Central Valley project act of 1933, and hereinafter referred to as "project."

SEC. 3. The Secretary of the Interior and the Secretary of War shall have and exercise joint power and authority in administering this act.

SEC. 4. The said Secretary of the Interior and the said Secretary of War shall authorize and approve all expenditures to be made under this act; shall approve any and all plans and specifications for the construction of said Central Valley project; shall exercise general supervision and control over the construction of said project to the extent necessary to insure substantial compliance with the approved plans and specifications; shall approve all contracts entered into by said water project authority for the sale, use, or disposal of water and electric energy or other facilities to be made available by the operation of said project as to their sufficiency in matters of both form and substance, and shall have and exercise such incidental powers as may be necessary or appropriate to insure the proper application of the funds made available hereunder and to protect properly the interests of the United States in the premises. Upon the completion of construction of said project and the repayment to the fund hereinafter created of all moneys loaned to said water project authority, for the repayment of which provision is made in this act, together with interest thereon as herein provided, and the transfer of said moneys so loaned, together with interest, into the United States Treasury, all powers, duties, and functions created and established by this act shall cease and terminate.

SEC. 5. (a) There is hereby established a special fund, to be known as "Central Valley project fund" (hereinafter referred to as the "fund"), and to be available, as hereinafter provided only for carrying out the provisions of this act. All payments or advances to said water project authority, and all moneys received therefrom, in carrying out the provisions of this act, shall be made from, or received into said fund, under the direction of the Secretary of Interior and the Secretary of War.

(b) The Secretary of the Treasury is authorized to advance to the fund for the use of and expenditure of said water project authority, from time to time and within the appropriations therefor, such amounts as the Secretary of the Interior and the Secretary of War shall certify to be necessary to meet the requirements for funds of the construction program of the said water project authority, except that the aggregate amount of such advances shall not exceed the said sum of $170,000,000, the appropriation whereof is herein authorized.

Of the total amount herein authorized to be appropriated, $38,000,000 thereof is hereby allocated as a direct grant to said water project authority and shall be used and applied toward defraying the cost of the necessary labor and materials entering into the cost of the construction of said projects; $12,000,000 thereof is hereby allocated as a special and direct contribution to and participation in the cost of construction of the Kennett Dam of said project on account of the general and Federal benefits from the construction of said dam to navigation, flood control, and salinity control, in accordance with the report of the Chief of Engineers of the War Department dated April 6, 1934, and contained in House of Representatives Document No. 35, Seventy-third Congress, second session, and shall be used and applied toward defraying the cost of construction of said Kennett Dam; both of which sums, constituting in the aggregate $50,000,000, shall be made available to said water project authority for the uses and purposes of this act, and in the manner herein provided and subject to the provisions of this act, without necessity of or provision for repayment or reimbursement to said fund or to the Treasury of the United States; the remaining sum of not to exceed $120,000,000 shall be allocated and made available to said water project authority as a loan, to be repaid to said fund over a period of 40 years commencing with the tenth year after beginning of construction of said project, and to bear interest at the rate of 4 percent per annum. As security for such repayment, the Secretary of the Interior and the Secretary of War are authorized and empowered to accept and receive the revenue bonds of said water project authority, or may purchase such revenue bonds, and may execute such contract or contracts with said water project authority as may be necessary, expedient, or advisable in order to protect the interests of the United States, and may supervise and approve the operation and maintenance of said Central Valley project so long as said loan or any part thereof shall remain unpaid. The Secretary of the Interior and the Secretary of War may dispose of any such bonds so received to public or private agencies or entities on such terms as they may deem and find advantageous.

(c) Moneys in the fund advanced under subdivision (b) shall be available only for expenditures for construction, and for the payment of interest during construction and for 1 year thereafter, on any amounts loaned as herein provided; *Provided*, That any amount loaned as herein authorized may be expended by said Water Project Authority for any purpose authorized by said Central Valley Project Act.

(d) The Secretary of the Treasury shall charge the fund as of June 30, in each year, with such amount as may be necessary for the payment of interest on any loan, or portion thereof, made under subdivision (b) at the rate of 4 percent per annum accrued during the year upon the amounts so advanced and remaining unpaid, except that if the fund is insufficient to meet such payment of interest the Secretary of the Treasury may, in his discretion, defer any part of such payment, and the amount so deferred shall bear interest at the rate of 4 percent per annum until paid.

(e) The Secretary of the Interior and the Secretary of War shall certify to the Secretary of the Treasury, at the close of each fiscal year, the amount of money in the fund in excess of the amount necessary to meet the requirements for funds of the construction program for said project. Upon receipt of each such certificate the Secretary of the Treasury is authorized and directed to charge the fund with the amount so certified as repayment of or credit on any of the advances made under subdivision (b), which amount shall be covered into the Treasury to the credit of miscellaneous receipts.

SEC. 6. Before any money is appropriated for the purposes of this act, the Secretary of the Interior and the Secretary of War shall require the submission by the Water Project Authority of contracts for the furnishing, disposal, or use of water and electric energy or other facilities to be made available by the operation of said project, establishing revenues in such amounts as they shall deem sufficient to demonstrate the ability of said Water Project Authority to pay any and all expense of operation and maintenance of said project and to repay to said fund any and all amounts loaned, together with interest thereon, as herein provided, having and giving due consideration to any showing which may be made or presented by said Water Project Authority indicating future growth of population in said Sacramento and San Joaquin River Basins, industrial expansion therein, and consequent future increased demand for such facilities to be made available by the operation of said project, which may be reasonably anticipated.

HISTORY OF PLAN

Without any effort to go too deeply into the subject at this time, but in order that you might have some information on the background of this project, let me recount a bit of history and a few comparisons associated with the Central Valley project and advise you of its value from a social and economic standpoint.

The two greatest valleys in California, named the San Joaquin Valley and the Sacramento Valley, together form what is known as the "Central Valley of California." The Central Valley of California is as big in land area as any one of 20 certain States of the Union, and to emphasize my statement let me point out that you could place the States of New Jersey, Delaware, Maryland, New Hampshire, Vermont, and Massachusetts combined within its borders and still have enough room left over to tuck several areas the size of the District of Columbia into unoccupied corners.

Thirty years or so ago the Central Valley of California was a veritable Garden of Eden. Today it is one of the greatest agricultural areas in all the world. It is one of the greatest irrigation districts in the world. Quarter of a century ago centrifugal pumps drew plenty of water from a depth of less than 30 feet to supply the thirsty agricultural fields, and it appeared that the watersheds of the surrounding mountain areas would furnish enough of this irrigation water to satisfy any additional development of farm lands.

Farsighted ones, however, realized that lowering water levels, fire-denuded watersheds, and the growing agricultural activities and population would bring about a crisis within a few decades—and today, 30 years later, that crisis is arrived. The Central Valley of California, under present conditions, definitely has reached its agricultural peak, and unless our lands are flooded with excess water from the north and the sea is barred from encroaching upon the Sacramento Valley, retrogression is due before long. In the San Joaquin Valley there is not enough water to supply the agricultural areas, and in most places the water being used is so many hundreds of feet underground, the cost of boosting above the earth is prohibitive.

If you could come with me into the San Joaquin Valley, the bread basket of California, I could show you how it is reverting to the desert, slowly, to be sure, but most certainly. Orchards and vinelands on the outer edge of the valley have been abandoned and are turning into waste land. In the valley's interior the fertile but arid soil is dying of thirst. Unless we can obtain additional water and power, at reasonable rates, the San Joaquin Valley will become only a long arm of the Mojave Desert. Picture the plight of this particular valley—a world granary for cotton, grapes, fruits, and nuts, and almost every other type of product agriculturally grown in this country, with a total acreage which exceeds the combined acreage of Massachusetts, Vermont, New Hampshire, and Delaware, being surrendered to an encroaching desert. We cannot afford to allow a natural food bin of this magnitude to revert to a sandy waste. Such procedure would not prove sound economics and would be contrary to our current social agendum.

While the problem faced by the Sacramento Valley is not precisely the same as that which the San Joaquin Valley must countenance, yet the Sacramento Valley is in a dangerous position from invasion by the sea. During the freshwater period the fresh excess water escapes to the sea, and at various times the salt sea water invades the Sacramento Valley agricultural areas. A salt water barrier at the mouth of the Sacramento River would provide a solution for that particular problem.

Both valleys, however, have two great interests in common in this project. It would provide cheap power for both and increase the navigability of two great rivers, the San Joaquin River in the San Joaquin Valley and the Sacramento River in the Sacramento Valley.

Powerful interests have opposed this project since its inception in the minds of men 30 years ago, but its worth from a social and economic standpoint is self-evident. Thousands of men could be put to work immediately in digging the canals, building the pump stations, and constructing the dams which are units in the project.

SPECIFIC PURPOSES OF PROJECT

As reported, the general purpose of the Central Valley project is to develop more stable and secure economic and social conditions in the Central Valley of California, while the more specific purposes as originally defined and deduced from documents dealing with the subject are:

First. (a) To provide adequate water for irrigation of the Sacramento and San Joaquin Valleys to land already under development.

(b) To provide a flow of sufficient fresh water to the delta lands of the San Joaquin and Sacramento Rivers, to check salinity from the increasing invasion of salt water from San Francisco Bay, which is ruining profitably used truck-farming lands.

Second. To provide power for pumping water for these purposes and to provide power for general use throughout a good portion of California.

Third. To improve navigation of the San Joaquin and Sacramento Rivers.

Fourth. To control floods in the Sacramento River.

Fifth. To provide an adequate supply of water to the industrial and municipal areas of Contra Costa County.

Sixth. To provide irrigation water for the future development of agricultural lands in the Sacramento and San Joaquin Valleys.

The proposed project, estimated to cost $170,000,000, includes the construction of a series of dams, reservoirs, power plants, canals, pumping stations, transmission lines, and irrigation systems in the Sacramento and San Joaquin Valleys.

The project is divided into six units.

Unit 1: The Kennett Dam unit comprises the Kennett Dam, reservoir, and power plant, and the Kennett transmission line, which includes a substation at Antioch, the approximate center of power load for the area served.

The Kennett Dam would be located in section 15, township 35 north, range 5 west, in Shasta County, about 13 miles above Redding. This will be a gravity concrete dam 460 feet high above low water, 315 feet thick at the base, and 2,430 feet long on the crest. It will be equipped with gate-controlled overflow spillways and gate-controlled flood-control outlets. The reservoir created will flood 23,000,000 acres of land and store 3,980,000 acre-feet of water. The Kennett power plant, located at the dam, will have an installed capacity of 275,000 kilovolt-amperes.

The Keswick Afterbay Dam will be constructed about 8.7 miles downstream from the Kennett Dam and will serve to regulate to uniform flow the irregular discharge from the Kennett power plant. The Keswick Dam will be a gravity concrete dam 95 feet high and will have an installed capacity of 50,000 kilovolt-amperes.

The Kennett transmission line will run from Kennett and Keswick power plants to a substation at Antioch, in Contra Costa County. The line will be some 200 miles long and comprise 3 circuits with a transmission voltage of 220,000 volts and have a capacity of 260,000 kilowatts.

As a part of this unit it is proposed to construct the Sacramento-San Joaquin Delta cross channel, which will consist of a dam across the Sacramento near Hood, equipped with navigation locks, a controlling headgate on the left bank of the river above the dam, and a dredged channel connecting Sacramento River with Mokelumme River and its branches to Central Landing on the San Joaquin River. These works will provide for the introduction of Kennett Reservoir water into the San Joaquin Delta and used for salinity control and for diversion by units nos. 2 and 3.

Unit 2: The fresh water maintained by release from Kennett Reservoir into the channels of the San Joaquin Delta will be pumped into the Contra Costa conduit, the capacity of which will vary from 120 second-feet at the intake, near Knightsen, to 20 second-feet at the end. This water will be lifted in successive steps by six pumping plants, and will be conveyed in most part in an open concrete canal, and a branch pipe line of 5 second-feet capacity will extend from Bay Point to Martinez. The Contra Costa conduit will supply water to the manufacturing and agricultural areas along the south shore of Suisun Bay.

Unit 3: The San Joaquin pumping system will be built in two sections. The first will consist of a series of five dams and pumping plants on the low San Joaquin River, and will, by successive lifts from a lower dam to an upper, deliver water from tide level to an elevation of 62 feet at Hills Ferry, 86 miles above Stockton.

The second section will consist of five pumping plants and a concrete-lined canal to move the water 96 miles to Mendota to an elevation of 180 feet near Los Banos and will furnish water to lands now irrigated by the San Joaquin River.

The project proposes to divert San Joaquin water into Friant, Kern, and Madera Canals at Friant Dam, 61 miles upstream from Mendota and 308 feet higher in elevation.

Unit 4: Friant Dam and Reservoir will be located on the San Joaquin River in section 5, township 11 south, range 21 east, in Madera and Fresno Counties. It will be 252 feet high, 190 feet thick at the base, and 3,800 feet long at the crest. It will be equipped with gate-controlled spillways and gate-controlled outlets. The reservoir will flood 4,200 acres of land and will have a capacity of 270,000 acre-feet.

Unit 5: The Madera Canal will be a concrete-lined canal, extending 35 miles from Friant Dam to Chowchilla River and will have a capacity of 1,500 second-feet. Water will be delivered by gravity to irrigated and producing lands in Madera County.

Unit 6: Friant-Kern Canal will be, for the greater part, a concrete-lined canal extending 157 miles from Friant Dam to Kern River. It will have a capacity of 3,000 second-feet and will divert water from Friant Dam to irrigated and producing lands in Fresno, Tulare, Kings, and Kern Counties, now suffering from lack of adequate water supplies. A small additional pumping plant will serve the East Side Canal in Kern County.

GREAT AREAS AT STAKE

The fate of 20 great counties is at stake. Some of these counties are as big as a State of the Union—for instance, Kern County, which is larger than the State of Massachusetts, while 8 of the 20 counties each are larger than the State of Delaware. Approximately 1,000,000 persons reside in the Central Valley. There is a farm population which almost reaches 300,000 persons, and the present farm-land area, which includes land both irrigated and nonirrigated, totals approximately 14,000,000 acres, an area about the size of West Virginia. The value of the farm acreage, based on the last census report, exceeds $1,000,000,000.

I should like to present a chart, which shows the counties involved in this project, the land areas, total population, and farm population for each:

*Counties involved in the Central Valley project*

| | Land area (acres) | Total population | Farm population |
|---|---|---|---|
| Sacramento Valley: | | | |
| Butte | 1,086,720 | 34,093 | 9,144 |
| Colusa | 729,600 | 10,258 | 4,394 |
| Glenn | 855,680 | 10,359 | 6,110 |
| Placer | 903,040 | 24,468 | 7,330 |
| Sacramento | 629,120 | 142,000 | 20,756 |
| Shasta | 2,469,120 | 13,927 | 4,447 |
| Solano | 526,080 | 40,834 | 7,343 |
| Sutter | 389,120 | 14,618 | 8,158 |
| Tehama | 1,872,000 | 13,866 | 6,764 |
| Yolo | 648,960 | 23,644 | 8,810 |
| Yuba | 404,480 | 11,331 | 2,591 |
| Total | 10,513,920 | 339,398 | 85,847 |
| San Joaquin Valley: | | | |
| Contra Costa | 456,960 | 78,608 | 9,352 |
| San Joaquin | 926,720 | 102,940 | 26,800 |
| Stanislaus | 928,000 | 56,641 | 25,000 |
| Fresno | 3,808,000 | 144,379 | 48,600 |
| Kern | 5,121,920 | 82,570 | 15,470 |
| Kings | 741,760 | 25,335 | 10,930 |
| Madera | 1,351,680 | 17,164 | 7,770 |
| Merced | 1,276,800 | 36,748 | 19,780 |
| Tulare | 3,107,840 | 77,442 | 35,400 |
| Total | 17,719,680 | 621,877 | 199,102 |
| Total: | | | |
| Sacramento Valley | 10,513,920 | 339,398 | 85,847 |
| San Joaquin Valley | 17,719,680 | 621,877 | 199,102 |
| Grand total | 28,233,600 | 961,275 | 284,949 |

For your information, the land area in the Central Valley is 28.3 percent of the State's total area (which otherwise largely is mountainous while the Central Valley is a vast plain), the total population of the Central Valley is 16.9 percent of the State's total population, while the farm population in the Central Valley represents 46.2 percent, or almost half of the State's total farm population.

The present farm acreages, including irrigable and nonirrigable areas, and the farm acreage values by counties are:

*Farm-land values involved in the Central Valley project*

| | Farm acreage | Farm-acreage values |
|---|---|---|
| Sacramento Valley: | | |
| Butte | 619,584 | $40,887,593 |
| Colusa | 481,604 | 29,820,373 |
| Glenn | 586,411 | 32,893,157 |
| Placer | 350,718 | 20,806,237 |
| Sacramento | 573,025 | 63,002,943 |
| Shasta | 607,833 | 12,020,146 |
| Solano | 431,401 | 38,492,474 |
| Sutter | 343,654 | 50,602,742 |
| Tehama | 1,195,796 | 25,577,583 |
| Yolo | 488,252 | 59,477,542 |
| Yuba | 260,186 | 14,658,452 |
| Total | 5,938,464 | 388,329,247 |
| San Joaquin Valley: | | |
| Contra Costa | 379,338 | 42,105,195 |
| Fresno | 1,493,477 | 120,861,086 |
| Kern | 1,706,625 | 68,078,370 |
| Kings | 575,426 | 34,588,488 |
| Madera | 626,537 | 24,883,706 |
| Merced | 829,377 | 58,104,876 |
| San Joaquin | 697,740 | 120,481,016 |
| Stanislaus | 772,625 | 80,929,482 |
| Tulare | 1,192,432 | 133,259,067 |
| Total | 8,273,577 | 683,291,286 |
| Total: | | |
| Sacramento Valley | 5,938,464 | 388,329,247 |
| San Joaquin Valley | 8,273,577 | 683,291,286 |
| Grand total | 14,212,041 | 1,071,620,533 |

The entire cost of the Central Valley project is far less than the annual crop production of the area for 1 year. The entire cost of the project is about half the combined annual value of the crop production, the annual value of livestock products, and the current value of livestock on farms—all agricultural activities which depend upon a sufficient supply of water for existence.

PROJECT IS WARRANTED

It is evident that the cost of the project is warranted if from no other standpoint than from agricultural production

values. In addition to the agricultural values involved, we must remember that there are almost 400,000 city residents in the Central Valley, who depend upon agricultural pursuits directly or indirectly, and to permit the agricultural areas to deteriorate would mean the evacuation of many great cities and scores of smaller communities. It is needless for me to point out, too, that hundreds of millions in investments in farm, city, and industrial buildings are predicated upon continued agricultural security of the area.

I have a chart, showing the value of all crops for the last census year (1929), the value of the livestock on the farms for 1930, and the value of the livestock products for 1 year, county by county, with grand totals:

*Value of all crops for the last census year (1929)*

| County | Value of all crops, livestock, and livestock products | Value of all crops, 1929 | Value of livestock on farms, 1930 | Value of livestock products, 1929 |
|---|---|---|---|---|
| Butte | $11,766,928 | $7,349,286 | $2,917,115 | $1,500,527 |
| Colusa | 7,630,303 | 3,860,565 | 2,757,927 | 1,011,811 |
| Glenn | 10,807,242 | 4,383,101 | 4,452,810 | 1,971,331 |
| Placer | 6,314,869 | 4,194,218 | 1,197,269 | 923,382 |
| San Benito | 7,790,660 | 4,236,998 | 2,599,582 | 954,080 |
| Shasta | 4,691,782 | 1,244,191 | 2,736,378 | 711,213 |
| Solano | 12,095,226 | 6,947,468 | 3,506,144 | 1,641,614 |
| Sutter | 10,886,573 | 7,760,051 | 1,887,649 | 1,238,873 |
| Tehama | 8,674,748 | 1,757,861 | 5,188,832 | 1,728,055 |
| Yolo | 13,800,297 | 8,419,948 | 3,454,886 | 1,925,463 |
| Yuba | 4,026,320 | 1,837,335 | 1,615,462 | 573,523 |
| Contra Costa | 10,579,731 | 5,570,297 | 3,041,764 | 1,967,670 |
| Fresno | 47,278,501 | 32,565,139 | 8,974,446 | 5,738,916 |
| Kern | 21,385,322 | 12,160,296 | 7,006,724 | 2,218,302 |
| Kings | 16,632,298 | 8,733,171 | 4,251,390 | 3,647,737 |
| Merced | 29,039,927 | 12,333,119 | 7,967,367 | 8,739,441 |
| San Joaquin | 38,999,924 | 25,530,401 | 6,346,064 | 7,123,459 |
| Stanislaus | 34,877,393 | 16,260,270 | 8,612,750 | 10,004,373 |
| Tulare | 60,816,833 | 43,123,382 | 9,727,253 | 7,966,198 |
| Madera | 11,186,132 | 5,870,048 | 3,569,243 | 1,746,841 |
| Total, 20 counties | 369,281,009 | 214,137,145 | 91,811,055 | 63,332,809 |

There are some who may believe that this project is intended to increase agricultural production areas. Let me hasten to correct any such belief. We do not propose to add a single acre to the present production area and will not do so unless the Nation requires such development.

PROJECT COMPLIES WITH ADMINISTRATION PROGRAM

I do not believe the Congress, the administration, or any other Federal agency cares to stand idly by while an area of this magnitude faces the same fate which is now bringing ruin to northern and midwestern areas. Every high wind that blows from the east to the Pacific Ocean carries with it millions of tons of our dry and thirsty soil, and unless we get this water, time will find our top soil being deposited by the winds against the sides of surrounding mountains or carried to the sea to mingle with the muck and mire of the ocean bed.

I have discussed this subject in a preliminary fashion principally from a social and economic standpoint. The project, of course, is one of the most ambitious engineering programs of all time. There are many opposing interests who would obstacle our path to completion of the project with the claim that it is not feasible from an engineering standpoint. The finest engineers in California, and the Nation, however, have joined almost unanimously in declaring that it is practical. For several years the Board of Army Engineers has been interested in the Kennett Dam unit from a flood control and navigation development standpoint. Maj. Gen. E. M. Markham, Chief of the Army Board of Engineers, and fellow officials placed the stamp of approval on the project last year, in a report to the House Committee on Rivers and Harbors (Doc. No. 35, House Committee on Rivers and Harbors, 73d Cong., 2d sess.). Major General Markham believes that the Federal Government should be interested in this one unit alone to the extent of providing $12,000,000 to assist in the construction of Kennett Dam in order to increase the navigability of the San Joaquin and Sacramento Rivers and to provide flood control.

This immense project has been under review by the Public Works Administration for the past 18 months, and now is being reviewed by the National Resources Board under direct command of President Roosevelt, but this is the first time it has reached the floor of Congress. I confess that $170,000,000 is a great sum of money to seek even in these days of largess on the part of a benevolent Federal administration, and I am cognizant of the fact that a great task lies before those of us who are working toward the common goal, and I know that similar great undertakings such as Boulder Dam required years before Federal financial assistance was forthcoming.

However, the time is ripe. We need the project and our Government needs practical projects through which it might develop its social and economic long-range planning program. The project will support itself financially. It would provide work for several thousand skilled workers, laborers, and professional folk. It will save a great agricultural and industrial area from economic oblivion. The multitude of major and minor problems which arise in the creation of any such project have been eliminated or corrected during the 30 years it has been under development. I can find no legitimate reason for delay in the consideration of this bill.

FUNERAL EXPENSES OF THE LATE HENRY T. RAINEY

Mr. WARREN. Mr. Speaker, I offer the following privileged resolution.

The Clerk read as follows:

House Resolution 57

*Resolved*, That the Clerk of the House is hereby authorized and directed to pay all the expenses in connection with the funeral of the late Speaker Henry T. Rainey, and such sum as may be found necessary to carry out the purpose of this resolution shall be paid out of the contingent fund of the House.

The resolution was agreed to.

THE LATE WILLIAM BRADY

Mr. WARREN. Mr. Speaker, I present the following privileged resolution.

The Clerk read as follows:

House Resolution 48 (Rept. No. 9)

*Resolved*, That there shall be paid out of the contingent fund of the House to Thomas Brady, father of William Brady, late an employee of the House, an amount equal to 6 months' compensation, and an additional amount, not exceeding $250, to defray funeral expenses of the said William Brady.

The resolution was agreed to.

CLOAKROOM EMPLOYEE

Mr. WARREN. Mr. Speaker, I present the following privileged resolution.

The Clerk read as follows:

House Resolution 36 (Rept. No. 10)

*Resolved*, That the Doorkeeper of the House is authorized to appoint a successor to the laborer authorized and named in the resolution of the House of Representatives adopted December 19, 1901, at a rate of compensation of $1,380 per annum.

Mr. SNELL. Will the gentleman tell us what this resolution is and what the necessity is for it?

Mr. WARREN. The gentleman will recollect that there has been in the Democratic cloakroom a colored man named Albert, who was taken care of by special resolution passed in 1901. He was named in that resolution. He is now dead, and, of course, his successor cannot be appointed except by resolution authorizing it. It creates no new position, merely permits the filling of that position.

Mr. SNELL. I have understood that where a resolution named a man for a special position that when that man died the position died with him.

Mr. WARREN. The gentleman understands that in the cloakroom on the Republican side there is a man to take care of the hats and coats. This man filled that position in the cloakroom on the Democratic side. Since control passed to this side of the House in the Seventy-second Congress we have not created a new position up to this time; we have never increased the salary of any employee and have actually abolished some positions.

Mr. SNELL. I have no objection to the work of the Committee on Accounts, but I am wondering about positions of this kind, where resolutions are passed for the special pur-

pose of taking care of some individual, whether they are always continued, in the event of the death of that particular individual.

Mr. WARREN. These are two necessary places, one to the minority and one to the majority. He is the man who takes care of the hats and coats as we come in. The man on our side is dead. There is no provision to fill his place, because of the fact that he was named in this resolution to which I have referred. The resolution I now present merely provides that the Doorkeeper of the House shall appoint his successor.

Mr. SNELL. Then this was not a new position when this man took it?

Mr. WARREN. It always has been on each side.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. WARREN. Yes.

Mr. BLANTON. This position has existed since 1901?

Mr. WARREN. Yes; with this same man holding it.

Mr. BLANTON. And a similar position exists in the minority cloakroom, and if that colored man over there now filling it were to die my friend from New York [Mr. SNELL] would want the Chairman of the Committee on Accounts to bring in exactly the same kind of a resolution to appoint a successor in his place to wait on our Republican friends over there, look after their hats and coats and canes and overshoes? Is not that the case?

Mr. SNELL. I wanted to find out what it was.

Mr. WARREN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to; and a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

THE LATE ANTHONY J. GRIFFIN

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 1 minute to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, the funeral of our beloved colleague, Hon. ANTHONY J. GRIFFIN, of New York, is being held in New York City this morning. The body is being brought to Washington this afternoon on the 1 o'clock train. This evening the body will lie in the Lee funeral chapel at Massachusetts Avenue and Fourth Street NE., just a short distance from the House Office Buildings. Tomorrow morning at 10: 30 o'clock services will be held at the Lee funeral chapel, after which the body of our friend will be taken to Arlington Cemetery for burial, he having had a distinguished career as a soldier.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1936

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3973) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes. Pending that I suggest that general debate upon the bill be limited to 4 hours, half to be controlled by the gentleman from Pennsylvania [Mr. DITTER] and half by myself, if that is agreeable to him.

Mr. DITTER. That is perfectly agreeable to me.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that general debate upon the bill be limited to 4 hours, half to be controlled by the gentleman from Pennsylvania [Mr. DITTER] and half by myself.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. GREENWOOD in the chair.

The Clerk read the title of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I rise today briefly to point out some of the confusion and chaos which exists relative to what is known as "administrative rules and regulations." These rules and regulations, vast and mighty in number and influence, are in a certain sense administrative law. Administrative law, roughly, is that vast body of rules and regulations, proclamations, circulars, bulletins, memoranda, notices, decrees, and orders issued by the executive departments. It is almost impossible because of the failure of proper promulgation of those orders and their publication oftentimes to find out what they really are. These rules and regulations have the force and effect of law as though they were solemnly enacted in this Chamber, and oftentimes carry with their violations very severe pains and penalties and imprisonment. One can realize how necessary it is to have these rules and regulations codified and classified so that you or I may go to some place like the Library of Congress, the Attorney General's Office, or the library of the Supreme Court and find out what they really are. However, there is a woeful lack of such facility today. The whole business of the making, issue, promulgation, publication, filing, and permanence of these rules, orders, and decrees is a veritable hocus-pocus.

I read from an article, Government in Ignorance of the Law—A Plea for Better Publication of Executive Legislation, in the Harvard Law Review of December, by Prof. Erwin N. Griswold, wherein he points out that—

> Administrative regulations "equivalent to law" have become important elements in the ordering of our lives today. Many cases have reiterated the rule that Executive regulations properly made "have the force and effect of law." The volume of these rulings has so increased that full, accurate, and prompt information of administrative activity is now quite as important to the citizen and to his legal adviser as is knowledge of the product of the congressional mill. There should consequently be no need to demonstrate the importance and necessity of providing a reasonable means of distributing and preserving the texts of this Executive-made law.
>
> The President of the United States alone issued 674 Executive orders, aggregating approximately 1,400 pages of solid type in the first 15 months after March 4, 1933.

Where are those Executive orders? Strange to relate, if one goes to the White House, where they might repose, or to the State Department, where they should repose, one cannot find many of them. Yet those Executive orders are of vast importance. Professor Griswold goes on to say that these 1,400 pages of Executive orders constitute a greater volume than that of the preceding 4 years and nearly six times as great as that for the 39 years from 1862 through to 1900.

This is what the American Bar Association has to say on the subject:

> The practice of filing Executive orders with the Department of State is not uniformly or regularly followed, and the totals are really greater than those [which I have just] indicated. Some orders are retained or buried in the files of Government departments. * * *

One realizes the importance of what I say when a man in a particular case in one of our States was convicted of violation of an Executive order. An indictment was brought against him. He was convicted. The case went to the United States Circuit Court of Appeals and was affirmed. It went to the United States Supreme Court, and, lo and behold, somebody discovered that the Executive order had been repealed. The Government then, of course, asked dismissal of the indictment improperly brought. See *U. S.* v. *Smith, No. 3,* October term, 1934, United States Supreme Court. This defendant had suffered many difficulties, had gone to the expense of hiring a lawyer to plead his case, and had this conviction hanging over his head for months before it was discovered that no such Executive order was in existence. In other words, officers of the Government frequently do not know the existence or nonexistence of applicable regulations. Some orders are retained and buried in the voluminous files of the Government departments, some are confidential and are not published; yet if you violate them, you may go to jail. The practice as to printing and publication of orders are not uniform. Often they are

published in separate paper pamphlets. Sometimes they are merely mimeographed. Often, like Executive orders of the President, they are printed on a single sheet of paper, which, as likely as not, is fragile and easily lost. To compile all of them would be quite impossible save by some governmental agency.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. CHRISTIANSON. Will the majority join with the minority in abolishing government by Executive order?

Mr. CELLER. Well, we cannot do that, and I do not think the gentleman would want that himself; but I will come to a remedy a little later in my remarks.

To continue the statement of the American Bar Association:

Some orders are made known and available rather promptly after their approval; the publication of others may be delayed a month or more, with consequent confusion in numbering. The comparatively large number of recent orders which incorporate provisions purporting to impose criminal penalties by way of fines and imprisonment for violation is without numerical precedent in the history of the Government.

That is what the American Bar Association says.

"In the first year of the National Recovery Administration 2,998 administrative orders were issued", says Professor Griswold.

Where are they? Go to the N. R. A. and try to find out something about those Executive orders, those rules and regulations. There is hopeless confusion.

In addition to these the Recovery Administration has adopted numerous regulations and sets of regulations which are to be found scattered among 5,991 press releases.

You must go to the public prints in most cases to get the wording of many of these rules and regulations and Executive orders of the National Recovery Administration.

It has been estimated that the total amount of "law" evolved during the first year of the N. R. A.'s activities exceeds 10,000 pages, probably a greater volume than the total amount of statute law contained in the United States Code.

Now, what of the A. A. A.? Regulation upon regulation has been issued by that body. Try to find some of them. You will have your hands full. Yet some man in your State, some man in Kansas, some man in Alabama, some man in California—unwittingly, without knowledge on the part of himself or his community or his lawyer or you—will violate these rules or regulations and suddenly find himself clapped in jail.

Mr. MAY. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. MAY. Since there is so much being done in regulating the life and habits of the people by Executive orders and departmental regulations, does the gentleman not think that a department, when it issues regulations, and the President, when he issues Executive orders, ought to be required to have it published and furnished through the document room?

Mr. CELLER. I am coming to that. I introduced a bill which was written by Erwin N. Griswold, of the faculty of the Harvard Law School, which covers the point. It is H. R. 2884, called the "Statutory Rules and Regulations Publication Act, 1935." It is as follows:

*Be it enacted, etc.*, This act may be cited as the "Statutory Rules and Regulations Publication Act, 1935."

SEC. 2. As used in this act—

The term "statutory rules and regulations" means—

(a) Proclamations by the President; (b) all Executive orders by the President, including all instances of the exercise by the President of any power conferred on him by statute; (c) all rules and regulations, by whatever name called, promulgated by any executive department, administration, independent establishment, board, commission, official, group of officials, or other rule-making authority; and (d) all other rules, regulations or orders, by whatever name called, made directly or indirectly under the expressed or implied authority of any act of Congress.

The term "rule-making authority" includes every authority authorized to make any statutory rules and regulations.

SEC. 3. (a) All statutory rules and regulations made after the effective date of this act shall forthwith after they are made be sent to the Public Printer, and shall, in accordance with regulations made by the Secretary of State and the Attorney General, with the approval of the President, be numbered in consecutive whole numbers (the numbers to start anew annually), and, except as provided by the regulations, printed and sold by him.

(b) Regulations made under the authority of this section may provide for the different treatment of statutory rules and regulations which are of the nature of public acts and of those which are of the nature of personal or private acts; and may determine the classes of cases in which the exercise of a statutory power by any rule-making authority relates solely to the internal administration of an agency of the Government; and may provide for the exemption from this section of any such classes; except that no regulation shall be made dispensing with the requirement that any statutory rule or regulation subject to the provisions of section 8 of this act shall be printed. Regulations made under this section may provide that statutory rules and regulations relating exclusively to territories, insular possessions, or the District of Columbia, shall not be published, or may be published in a separate series. Regulations made under this section may also provide for the separate publication of all statutory rules and regulations relating exclusively to the Patent Office.

SEC. 4. Any statutory rules and regulations may, without prejudice to any other mode of citation, be cited by the number assigned to them as provided in section 3 (a), together with the calendar year. Printed copies of statutory rules and regulations, bearing the imprint of the Government Printing Office, shall be the subject of judicial notice in all the courts of the United States, and of the several States, territories, and possessions.

SEC. 5. (a) The provisions of this act shall also be applicable to all rules and general orders of courts of the United States, whether issued pursuant to an authority granted by an act of Congress or not. The clerk of any court promulgating any such rules or orders shall send them forthwith to the Public Printer, who shall assign to them their appropriate number in the annual series of statutory rules and regulations and shall print and sell them. All such rules and general orders of courts shall be included in the compilations and indexes to be prepared under sections 6 and 7 of this act.

(b) The regulations made under section 3 of this act may provide that the requirement of printing contained in this section shall not be applicable to the rules of district courts.

SEC. 6. At the close of each calendar year, the Public Printer, under regulations made as provided in section 3 (b) of this act, shall have compiled and printed a compilation of the statutory rules and regulations, and rules and general orders of courts, for that year, together with a complete index and appropriate tables. There shall be included in this annual volume a list by number and title of all statutory rules and regulations which, pursuant to the regulations aforesaid, are not printed in full. The annual volume provided for by this section shall be made available to the public by the 1st of March of the following year.

SEC. 7. The Attorney General, with the aid of the Librarian of Congress, is authorized and directed to have compiled and published at the Government Printing Office a complete collection of all statutory rules and regulations and rules and general orders of courts which are in force at the date this act takes effect. This compilation shall be printed in a style which is uniform with annual volumes of statutory rules and regulations to be published as provided in section 6 of this act. In making and publishing this compilation, the Attorney General, with the aid of the Librarian of Congress, may, in his discretion, omit any statutory rules and regulations and any rules and general orders of courts which are of the classes which need not be printed under the regulations established under sections 3 (b) and 5 (b) of this act.

SEC. 8. No statutory rule or regulation establishing an offense or defining an act which pursuant to an act of Congress is punishable as a crime (whether a petty offense, misdemeanor, or felony), or subject to a penalty, shall be valid and effective until published as provided in section 3 of this act.

SEC. 9. The 25th paragraph of section 73 of the act of January 12, 1895 (ch. 23, 28 Stat., pp. 601, 615; U. S. C., title 1, sec. 30), is amended by striking out the word "proclamations." So much of the act of July 31, 1876 (ch. 246, 19 Stat., pp. 102, 105; U. S. C., title 44, sec. 321), as requires the publication of proclamations in a newspaper is repealed.

SEC. 10. Nothing in this act shall affect the validity or effect of any statutory rules or regulations which are in effect or have been in effect prior to the effective date of this act.

SEC. 11. This act shall take effect 2 months following its enactment. The regulations provided for in section 3 of this act shall be established prior to such effective date.

Mr. MAY. Will the gentleman yield further?

Mr. CELLER. Certainly.

Mr. MAY. Has the gentleman read a bill that has been introduced in the Senate to establish a court for the purpose of construing and administering regulations and Executive orders of the Government?

Mr. CELLER. I am sorry I have not read that, but I do believe we are coming to a situation in this country which France has come to, where there are two sets of courts, as it were, one for legislative law and one for administrative law; the administrative law embodying all these rules, regulations, and decrees of the various executive departments; and in France they have a separate court to interpret and evaluate and determine what shall be done concerning these rules and regulations concerning administrative law.

Mr. DONDERO. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. DONDERO. Would the gentleman not be willing to go further and say that these rules and regulations ought to be codified the same as the laws of Congress?

Mr. CELLER. I meant to say that in answer to the distinguished gentleman from Kentucky [Mr. MAY]. They shall be codified. My bill provides for it. I believe that the rules and regulations heretofore issued, which now have the force and effect of law, probably occupy tens of thousands of pages. They cover every conceivable branch of our Government, and nobody knows where or what they are. Nobody knows what they are until some enterprising clerk in a department wants to get after somebody and he resurrects some old regulation and then there is difficulty.

Mr. DONDERO. Does the gentleman believe that is the way we should legislate?

Mr. CELLER. No; I do not believe we should, and that is why I offered this resolution in order to bring order out of chaos and destroy this confusion which now exists. I have been besieged time and again by constituents of mine who want to know something about these rules and regulations of the various departments, and I can furnish very little information.

Mr. CHRISTIANSON. I, too, am in sympathy with the purpose the gentleman is trying to accomplish, but I want to ask how much relief it would be to the average citizen to give him the opportunity to dig through a hundred thousand pages—is that what the gentleman stated?

Mr. CELLER. There might be that number.

Mr. CHRISTIANSON. Even if they were of record in the office of the Secretary of State. Would not many of them inadvertently violate some of those provisions and make themselves subject to some criminal prosecution?

Mr. CELLER. The gentleman is correct. But at least there would be knowledge of the regulations and their provisions.

Mr. CHRISTIANSON. I do not believe we should have laws making the violation of an Executive order a crime for which a man might be punishable.

Mr. CELLER. That is something that ought to be reasoned out carefully and considered.

Mr. CHRISTIANSON. It seems to me we are in a somewhat anomalous position as a free nation when we require every one of our 125,000,000 citizens to dig through 100,000 pages or more of Executive orders filed in the office of the Secretary of State in Washington in order to keep out of jail.

Mr. CELLER. I am not entirely in accord with the gentleman's statement, but I do feel that careful consideration should be given the matter.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. ROBSION of Kentucky. I noticed a statement in the press that more than 10,000 Executive orders have been issued during the present administration. Is this information correct?

Mr. CELLER. I obtained my information from the Harvard Law Review. I believe the figures I gave you are accurate.

Mr. ROBSION of Kentucky. How many of these were actually issued by the President?

Mr. CELLER. The statement says 1,400 pages involving 674 Executive orders had been issued up to the 4th of March 1933, and that during the first 15 months after that date he has issued even more than that. From March 4, 1933, to October 15, 1934, the President issued 949 Executive orders. The report indicates something like 10,000 pages from the N. R. A. alone, let alone the orders from the many other departments.

Judging from the interest of the Members, I take it there is sympathy for the classification and codification of these regulations, and I shall not take more of the time of the House except to indicate what I am striving for now and which I am sure you will be striving for, namely, the carrying out of a plan which has been accomplished in every Anglo-Saxon country of the world, England, Canada, New Zealand, British India, Australia, South Africa; France has a complete codification of all the rules and regulations that have ever been issued in that country. Official gazettes containing these rules are frequently published in Latin countries.

Mr. ROBSION of Kentucky. Mr. Chairman, if the gentleman will yield, confirming what the gentleman said, I observed, and doubtless he has, too, that one Federal judge held up action in a case in a western State because the party depending upon an Executive order could not produce it.

Mr. CELLER. That is exactly the point I am trying to make. You will find the same situation existing in other jurisdictions. I, personally, have already been interested in the trial of a case where the defendant was alleged to have been a violator of rules and regulations. We could not find the regulation for a long period.

The vice of the whole situation of haphazard making and publishing Executive orders is all the more brought out in sharp relief when you consider the many departments and agencies issuing them. There is the Agricultural Adjustment Administration. The regulations from this Agricultural Adjustment Administration, which cover hundreds, if not thousands, of pages, are all the more complicated by amendments, substitutions, and supplements. In the Treasury Department there are the customs regulations and the internal-revenue regulations, all in a constant state of flux. The Labor Department has its immigration rules and regulations. In the Post Office Department you will find a huge, bulky volume of rules. They are constantly being amended. The Veterans' Administration already has two large volumes of regulations, many of which already are out of date. There are the elaborate and voluminous pure food and drug regulations. Then there are the Federal Farm Board, Securities and Exchange Commission, Federal Communications Commission, Federal Housing Administration, Home Owners' Loan Corporation, Federal Farm Loan Board, Civil Service Commission, Farm Credit Administration, all issuing their own regulations having the full force and effect of law. It all becomes a mystic maze. Often a statute is passed by us which makes direct reference to a set of previous rules and regulations. Therefore, unless you can readily find and have knowledge of the rules referred to, the effect of the statute is meaningless. Proper codification of these rules will bring them within range and make the statute based upon them understandable.

We have often authorized executive officers to decide when a statute shall become effective or when its operation shall be suspended. Executive orders in such instances are of primary importance and should be easily ascertainable.

We have often passed statutes giving the right through Executive orders to amend or repeal our acts. In such cases, it is of paramount importance to know where to locate the Executive orders thus amending or repealing our acts.

It is perfectly legal for us to declare that violations of the Executive orders shall be criminal offenses. This power has been upheld in many cases. (See *U. S.* v. *Gremand,* 220 U. S. 506 (1911); *McKinley* v. *U. S.,* 249 U. S. 397 (1919); *Avent* v. *U. S.,* 266 U. S. 127 (1924).)

The very first act that we passed in the Seventy-third Congress, on the first day of the special session, was an act granting to the President the power to prescribe regulations concerning gold. We made the violation of these Presidential regulations a criminal offense, subjecting the violator to a fine of $10,000 or to imprisonment for not more than 10 years. In fact, numerous prosecutions have been brought under this statute. (See *U. S.* v. *Campbell,* 5 F. Supp. 156; S. D. N. Y. 1933.)

We can quickly lay our hands upon any legislative enactment. They are found in bound volumes called "Statutes at Large." Aside from the official compilations, there are many private and independent compilations. Not so with the mystic maze of rules, orders, circulars, memoranda, and bulletins of the executive departments. They are everywhere and therefore nowhere. They should be compiled and

properly published. There must be an official publication of these rules and regulations analogous to our bound volumes entitled "Statutes at Large", where all the regulations can be systematically published, easily ascertainable, easily accessible, easily found. My bill, H. R. 2884, provides the remedy.

To go to an appropriate department for an order, rule, or regulation and not find it is nothing short of barbarous and shocking.

I hope the Committee on the Judiciary, of which I am a member, will deal with this subject in my bill before long. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. BUCK].

Mr. BUCK. Mr. Chairman, I have today introduced a bill to authorize appropriations for the improvement of navigation and the control of destructive flood waters of the Sacramento and San Joaquin Rivers in the State of California.

The expenditures of these moneys will be intrusted to the Central Valley water authority under the terms of this bill, a State authority created by the people of California through their legislature and approved by the people at a referendum election.

An identical bill has been introduced by the gentleman from California [Mr. STUBBS]. The gentleman from California referred to this bill a few moments ago in his request for permission to extend his remarks.

The text of the bills will be printed in connection with the remarks of the gentleman from California [Mr. STUBBS].

These bills follow the lines suggested by the Engineering Department of the State of California. It is my intention, as soon as certain details are perfected, to introduce for myself a second bill which will authorize the creation of a strictly Federal authority along the lines of the Tennessee Valley Authority, which will be directed to perform the same work of the protection of irrigation development, of flood control and navigation on these rivers, and the production of power as contemplated by the bills introduced today. I sincerely hope the Members of Congress will take these bills to heart and study them seriously, compare them in their two different methods, so that if it becomes necessary to legislate seriously on these questions the Members may be fully informed of what is in the minds of our people, and consider what will be best for the welfare of that great territory, the Central Valley region of California. [Applause.]

Mr. Chairman, I yield back the remainder of my time.

Mr. DITTER. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and to include certain official statements made by different people in relation to the reciprocal tariff.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPEAL OF THE PRESIDENT'S AUTHORITY TO NEGOTIATE RECIPROCAL TRADE AGREEMENTS

Mr. TREADWAY. Mr. Chairman, under the Reciprocal Tariff Act the Congress has surrendered its power over the tariff to the Executive, and we now find the latter, through his representative, the Secretary of State, sitting down with representatives of foreign countries to formulate this country's tariff policy. In other words, we have the amazing situation of foreign nations having more to say about this country's affairs than the elected representatives of the people.

AGREEMENT WITH CUBA

For example, under the trade agreement which the President recently concluded with Cuba, of which Congress had no knowledge until it was put into effect, the tariff rates on a large number of articles have been reduced in return for reciprocal concessions by Cuba. It so happens that many of the reductions have a very detrimental effect upon certain agricultural and industrial sections of the country.

CONCESSIONS

Among the concessions made, in addition to the existing 20-percent differential in favor of Cuban products generally, are reductions of 40 percent in the duty on sugar; 37½ percent on filler tobacco; 17.6 percent on wrapper tobacco; 37½ percent on cigars and cigarettes; 50 percent on honey, corn, lima beans, Irish potatoes, cucumbers, eggplant, okra, limes, grapefruit, and pineapples; 25 percent on tomatoes and peppers; 40 to 50 percent on certain kinds of sponges; 37½ percent on rum; and 50 percent on cement floor and wall tiles.

SUGAR

I want for a moment to refer to a few of these items. Take the case of sugar. Under the Tariff Act of 1930 the duty on 96° sugar was fixed at 2.5 cents per pound, and by virtue of the Cuban preference the duty on 96° Cuban sugar was 2 cents per pound. On May 9, 1934, President Roosevelt reduced the general rate to 1.875 cents per pound under the flexible-tariff provisions. The Cuban rate thereby became 1.5 cents. Under the reciprocal agreement recently concluded with Cuba, the President has further reduced the rate on Cuban sugar to nine-tenths of 1 cent per pound. This is 1.1 cents per pound less than the rate originally provided by Congress in the Tariff Act of 1930 and is equivalent to a reduction of 55 percent below that rate.

Mr. KNUTSON. Will the gentleman yield?

Mr. TREADWAY. My time is going to be very short if I yield.

Mr. KNUTSON. This might be a very pertinent inquiry.

Mr. TREADWAY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. It might be pertinent to note that Vincent Astor is one of the most heavily interested Americans in Cuban sugar.

Mr. TREADWAY. I have no knowledge of that fact, but undoubtedly the gentleman is correct in his statement.

Mr. HARLAN. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Ohio, but I must decline to yield further.

Mr. HARLAN. Just as a matter of information, I wonder if the gentleman would include in his remarks in listing the concessions that we have made to Cuba the concessions that Cuba has made to us?

Mr. TREADWAY. I should like to know the concessions that have been made by Cuba to our industries.

Mr. HARLAN. I would be interested in the concessions that Cuba has made to us.

Mr. TREADWAY. I am interested in our people, not the Cuban folks.

This reduction in the duty on sugar is made at the expense of the cane producers of Louisiana and Texas, and the sugar-beet farmers of Colorado, Michigan, Utah, Nebraska, California, Idaho, Ohio, and other States. It has not redounded to the benefit of the consumers of this country, but has gone to increase the profits of the American capitalists who control the production of sugar in Cuba.

POTATOES

Take the item of potatoes. The rate on Cuban potatoes has been reduced to 30 cents per hundredweight during the 3 months of each year beginning December 1. The statutory rate on potatoes, as fixed by Congress in the Tariff Act of 1930, is 75 cents. Thus the reduction amounts to 60 percent of the established rate. Of course, the President is limited to a reduction of 50 percent, but in the case of Cuba this limitation applies to the existing preference rate, which was 60 cents per hundredweight.

Now, what sections are going to be harmed by this concession. Maine, of course, is by far the largest domestic producer of Irish potatoes. Other important producing States are Idaho, Minnesota, New York, North Dakota, Wisconsin, Wyoming, Vermont, Nebraska, Michigan, and Washington. The potato farmers in these States are being forced to give up a certain portion of the domestic market to Cuban potato producers in order that some other domestic industries may have freer access to the Cuban market. While the reduction

in duty applies during only 3 months of the year, this is sufficient to destroy the domestic price structure and thereby reduce the income of our own producers.

TRADE WITH CUBA

Let us look at the statistics concerning our trade with Cuba. In 1929, this country spent $209,000,000 in Cuba, principally for sugar, while that country took about $127,000,000 of our products. In 1933, the ratio was $58,000,000 to $25,000,000, or more than 2 to 1 against this country. Under the trade agreement recently consummated, the State Department hopes to increase our exports to Cuba. But at what price? By increasing our purchases of Cuban sugar, to the detriment of our own producers in all sections of the country. The State Department does not hope to get a balance of trade in our favor, because that would be virtually impossible. We simply increase our purchases in Cuba and piously hope that Cuba will buy more from us. In the end, instead of spending $2 in Cuba for every $1 of trade we receive in return, we probably will be spending $3 or $4.

Our farmers will no doubt be interested to note that practically all of the concessions granted to Cuban products relate to agriculture. In addition to the cane growers, the sugar-beet producers, and the potato farmers, many other agricultural producers will be adversely affected. The producers of winter vegetables, such as tomatoes, cucumbers, eggplant, okra, peppers, and squash, in the whole tier of Southern States will have a diminished domestic market and lower prices. The tobacco producers in a large number of States, including my own, will find their domestic market curtailed by increased importations of Cuban tobacco and tobacco products at greatly reduced rates. The grapefruit producers of Florida and Texas will have to meet increased competition with a duty of only six-tenths of 1 cent per pound against Cuban grapefruit.

Only a few industrial products are covered in the agreement, owing, of course, to the lack of industrial development in Cuba. However, when the negotiations are completed with some of the European and oriental countries, we may expect to see reductions made in the duties on large numbers of manufactures.

OTHER COUNTRIES

At the present time only one agreement has been concluded—that with Cuba; but negotiations have already been begun with some 15 other nations, including Colombia, Haiti, Brazil, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Belgium, Sweden, Spain, Switzerland, Finland, the Netherlands, and Italy. Preliminary negotiations are doubtless under way with other countries, of which no public notice has as yet been given. Thus we will soon be throwing open our domestic market to the whole world.

STAR-CHAMBER METHODS

In this connection I should like for a few moments to refer to the manner in which these star-chamber negotiations are carried on. The Reciprocal Trade Agreements Act delegates the authority to negotiate the agreements to the President, but, as was expected, he has turned the actual details over to the State Department.

The preliminary negotiations are carried on in secret, behind closed doors. The public has no knowledge of what duties foreign nations seek to have reduced nor of what concessions our representatives seek in return. The first notice given consists in an announcement by the State Department that negotiations are under way with a certain country.

For example, in the case of the recent agreement with Cuba, the following announcement was given out by the Secretary of State on July 3, 1934:

> Pursuant to section 4 of an act of Congress approved June 12, 1934, entitled "An act to amend the Tariff Act of 1930", and Executive Order No. 6750, of June 27, 1934, I hereby give notice of intention to negotiate a foreign-trade agreement with the Government of the Republic of Cuba.

That was all the announcement stated—that this Government had an "intention" of negotiating an agreement with Cuba.

It will be recalled that when the Reciprocal Trade Agreements Act was under consideration in the House, no provision was made for any notice to interested parties even of an "intention" to negotiate an agreement. I offered an amendment to the bill which would have required the President to give interested parties a full hearing on any proposed agreement, but this amendment was voted down by the Democratic majority. However, when the bill reached the other body, the administration forces, realizing the unfairness of the bill in its original form, condescended to require the President to give notice of his intention to negotiate an agreement, without specifying its contents, and to allow industries to present their views to the President or to such agency as he might designate.

After the passage of the act, the President set up the Committee for Reciprocity Information to hear the views of interested parties. This committee is composed of representatives of the several departments, but they have no power other than to receive evidence and transmit it to those carrying on the actual negotiations.

Now, how does this arrangement work out? I have stated that on July 3, 1934, the Secretary of State gave notice of his intention to negotiate an agreement with Cuba. Accompanying that notice was a statement to this effect:

> The Committee for Reciprocity Information has prescribed that all information and views in writing and all applications for supplemental oral presentation of views shall be submitted to the chairman of said committee, care of the United States Tariff Commission, not later than 12 o'clock noon, July 21, 1934. Oral presentation of views by persons whose applications therefor have been approved will be heard July 23, 1934.
>
> Regulations of the committee governing the form and manner of presenting views in connection with proposed foreign-trade agreements were made public today and also will be published in Press Releases of the Department of State, the weekly Treasury Decisions, and Commerce Reports.

The regulations referred to in the foregoing notice simply provide that information shall be presented to the Committee for Reciprocity Information in the form of written statements, duly sworn to. Supplementary views may be presented to the Committee only upon application to the chairman and after written statements have been submitted in proper form.

Thus we have this situation. On July 3, 1934, notice was given of an intention to negotiate an agreement with Cuba. No intimation was given as to the articles to be dealt with in these negotiations. Yet every domestic industry producing articles and commodities which might be affected by the secret negotiations with Cuba was supposed to present its views to the Committee within 18 days, and to argue its case orally 2 days later—July 23.

No person had any knowledge whatsoever of what was being considered by the committee. Further than that, and I refer to this in some detail, it was almost impossible to gain admission to that hearing on Cuban reciprocity. They did not want the public to know, or the Members of Congress or the country to know, but eventually an agreement was signed between the Secretary of State of the United States and the Secretary of State of Cuba, establishing a law for the government of the people of the United States and taking out from under many of these industries to which I have referred the prop of a tariff protection to which they were entitled.

What happened on the day set for the oral hearings? I was in Massachusetts at the time and consequently was unable to be present, but I had a personal representative attend in my stead. In order for him to gain admission to the hearing, he had to fill out a questionnaire and wait outside while the committee determined whether he should be admitted. Thus even the hearing was not public.

At this hearing were representatives of the fruit and vegetable, tobacco, and sugar industries. They naturally assumed that their products would be dealt with in any negotiations with Cuba, and attempted to show the committee that any reduced tariffs would be detrimental to their respective industries. They did not know for certainty that their products would be affected, or, if so, to what extent

reductions would be made. In presenting their cases, they had to "shoot in the dark", so to speak.

A representative of the New England tobacco producers made the statement before the committee that it was only by chance that he had learned of the proposed negotiations with Cuba and expressed the opinion that a considerable part of the tobacco industry did not know of the threatened reduction in duties on their product.

FALLACY OF HEARINGS

During the hearing the chairman of the committee, Hon. Thomas Walker Page, interrupted a witness to state that the function of the committee was simply to receive information and transmit it to the President or to persons he might designate. He emphasized that the committee had no information to give out concerning the possible contents of the proposed agreement. After stating that the purpose of the hearing was not to argue the pros and cons of the tariff but to receive concrete information, he indicated that the committee would make no recommendations based upon the evidence gathered.

The hearings, to my mind, are a farce. They are of no benefit to our domestic producers. In the first place, industries do not know whether they will be affected. If they think they will be affected, they do not know to what extent. Moreover, they have little time to prepare their views after the intention to negotiate an agreement is announced. Worse still, they present their views to one agency, while the actual negotiations are carried on by others, and the agency to which they present their views has no power to act or even to make recommendations. Each time a new agreement is announced the whole process has to be repeated.

Let me ask what good the hearings did the domestic sugar producers, or the domestic tobacco growers, or the domestic fruit and vegetable producers? In spite of the convincing arguments advanced by them in opposition to any reduction in duties, did not the President reduce the rates on their commodities by from 17 to 50 percent?

In effect, the hearings amounted to no more than an invitation to domestic producers to be present at their own funeral. Like the Christians in ancient Rome who were thrown to the lions, they can only say, "We who are about to die salute thee."

I have pointed out that the intention to negotiate the trade agreement with Cuba was announced July 3 and that the oral hearings were held on July 23. I wish only to add that on August 24, less than a month after the hearings closed, the trade agreement had been signed.

Mr. Chairman, that is a new type of legislation, never to my knowledge known before, when a law is passed binding the people of this country, to that of which they have no previous knowledge and to which they have given no consideration whatsoever. This is an agreement between an official of our Government and an official of a foreign government.

I hope that our interests, and particularly the agricultural people of our country, will eventually bring to the Supreme Court of the United States the question for decision as to the constitutionality of that method of enacting legislation to govern the people of our country. It will be a terrible oversight if some of these great industries that have been affected by this agreement do not get the question squarely before the Supreme Court. If they do, I think most of us can prophesy correctly as to the result.

Now, what has happened? I am going to insert some figures in relation to the sugar quota, the tobacco quota, and other quotas set up, but I want particularly to refer to the sugar situation in this detail.

A larger percentage of sugar is now brought to this country from Cuba than has previously been brought here, and under the quota a lesser quantity is allowed to be produced by our own people. I visited a sugar plantation in Florida last year, and I am reliably informed that the people owning that property, developing an isolated, unoccupied section of the district represented by my good friend listening to me now, put money into circulation there by purchasing cane in their anxiety to develop it and hoped to increase their investment to a $25,000,000 plant. They were not allowed to do so under the quota. They could not make another pound of sugar on account of the large quantity of additional sugar coming in from Cuba.

Which is better—to aid the Cuban producers of sugar under the conditions in which the people live down there, or set up a plant in this country whereby we produce the cane or produce the beets and sell the sugar produced and manufactured here in our own country? There are gentlemen in this House much more familiar with that particular detail than I am, and I hope in due time we shall hear the complete story of the unfair treatment that is being accorded sugar producers and other agriculturists under the reciprocal-trade law.

Mr. CULKIN. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from New York.

Mr. CULKIN. Does the gentleman know that the Federal Government is now spending $27,000,000 on the Casper-Alcova project in Wyoming, which is only suited to the growing of sugar beets?

Mr. TREADWAY. Will they allow them to grow the beets?

Mr. CULKIN. And at the same time cutting down the quota will not permit them to raise the sugar beets.

Mr. TREADWAY. May I ask the gentleman from Michigan, who is familiar with this matter, the amount of reduction of beet sugar under this reciprocal tariff? I am sure the information is available, and I yield to the gentleman from Michigan [Mr. CRAWFORD] to answer the question.

Mr. CRAWFORD. In 1933 the production of beet sugar in this country was 1,756,000 tons. Under the reciprocal-trade agreement and the Jones-Costigan Act we are limited to 1,510,000 tons, which is 206,000 tons less than we produced in 1933. This year, 1935, we expect to import into this country from Cuba sugar which represents 283,000,000 hours of labor. In other words, 100 pounds of sugar represents 8 hours of labor. Each bag of sugar imported into this country from other countries represents 8 hours of American labor.

Mr. TREADWAY. Is it not a fact that under the reciprocal-trade agreement there will be imported into this country 300,000 tons of Cuban sugar that can be raised by the beet-sugar industry of the West or the cane-sugar industry of the South?

Mr. CRAWFORD. That is correct.

Mr. TREADWAY. May I compare that method of treating our people by the Government with what I happen to know to be the case in Canada?

To my certain knowledge the Canadian Government is at this very moment considering guaranteeing principal and interest on bonds necessary to erect additional beet-sugar mills in order to increase the domestic production of beet sugar nearly 200 percent. Compare this attitude of the Canadian Government toward its industry and agriculture with what this country is doing to its producers under the reciprocal-trade agreement system.

Mr. WOODRUFF. Mr. Chairman, will my friend yield?

Mr. TREADWAY. I yield.

Mr. WOODRUFF. Does not the gentleman know that the policy of Canada, as just outlined by the gentleman from Massachusetts, is also the policy of every country in the world, except the United States, that can in any way produce sugar? The policy laid down by Canada is precisely that of every enlightened country in the world except the United States.

Mr. TREADWAY. Will the gentleman tell me why this is not the policy of the United States under the present administration?

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman from Massachusetts 10 additional minutes.

Mr. WOODRUFF. Mr. Chairman, will the gentleman yield further?

Mr. TREADWAY. I yield to the gentleman from Michigan.

Mr. WOODRUFF. The gentleman from Massachusetts has asked me if I could explain why the administration and the Congress, at the request of the administration, had re-

duced the amount of sugar that the American farmer could raise. I wish to say in response to that question that this particular action, and the action now being taken by the administration under the provisions of the Reciprocal Trade Agreement Act and treaties, is based upon the mistaken theory that by denying the American farmer the right to raise the food the American people eat and by denying the American workingman the right to produce the things in this country the American people need rehabilitation of industry and agriculture can be brought about and prosperity returned to the country, with the reemployment of something like eleven and a half million men now walking the streets looking for jobs, with none to be had.

Mr. TREADWAY. In other words, I infer that the gentleman from Michigan greatly prefers that the sugar used by citizens of the United States be produced from the beets and cane of this country rather than have a reciprocal-trade agreement entered into taking away 300,000 tons of that product now in favor of Cuba?

Mr. WOODRUFF. The gentleman is entirely correct.

Mr. TREADWAY. I thought that was the gentleman's position.

Mr. HOOK. Will the gentleman yield?

Mr. TREADWAY. Very briefly.

Mr. HOOK. Has there not been the same practice followed for many years from the Republican administration down through the various administrations to give the same treatment to the copper industry and the iron industry that is now given to the beet industry?

Mr. TREADWAY. There has never been a trade agreement entered into that did not come back to Congress in some form or other for confirmation by the representatives of the people of the United States. That will answer the gentleman, and I now prefer not to be interrupted again along that line, because I know the gentleman's line of argument. He is trying to represent that the Republican Party did what you are trying to do now, and we never did. You can never find a time when the question of the constitutionality of any act of a Republican administration with respect to the tariff has been successfully challenged in the courts, where your actions are being taken today.

Mr. HOOK. What I am asking is this: If the sugar interests are given this protection, which I think they are entitled to, then I am asking that same protection for the copper and the iron industries.

Mr. TREADWAY. That is a different subject from the one we are discussing. So far as I know, copper and iron have not entered into the question.

Mr. HOOK. It is the same principle.

Mr. WOODRUFF. The gentleman's administration can give it to them if it wants to do so.

Mr. TREADWAY. Yes; that is a matter for the gentleman's administration.

The question has been brought up as to the quantity of sugar that was being raised, both in this country and in Cuba, and I have some interesting figures here of the tonnage, and I shall elaborate on them in my extension without going into it now.

We imported from Cuba, in 1933, 1,601,000 tons, and we consumed in this country 93 pounds per capita during that same period.

So the use of sugar dropped from 108 pounds to 90 pounds, and at the same time we have consistently increased the quantity of sugar being brought to this country in spite of the lower per capita consumption. I cannot for the life of me see where any sensible man representing the people of this country can approve of that sort of conduct.

Now it is not limited to sugar. The gentleman from New York yesterday explained the situation as regards matches. It seems that there is a great group of capitalists here arranging for a change of the duty on Swedish matches. You do not suppose that they want to raise that duty for the benefit of the American producer. On the contrary, their only object is to make some kind of a deal or trade whereby our industry in producing matches shall be wiped out.

Mr. KNUTSON. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. KNUTSON. Is it not true that a treaty is being worked out with Denmark whereby we shall take a great quantity of butter from that country?

Mr. TREADWAY. I have some interesting documents here from which I will quote later in the extension of my remarks. I do not see any great enthusiasm on the part of the dairy people of this country for a treaty whereby Denmark shall be brought into competition with the American farmer.

Now, there is another interesting question. These star-chamber methods are considering a treaty with Belgium.

The one great export from Belgium is cement. We are being asked today to make very extended and large appropriations from our Federal Treasury for public works. Of course, cement will be largely used. The biggest article of construction will be cement. Sections of our country manufacture cement. Pennsylvania is greatly interested in the manufacture of cement. But it is proposed to make reciprocal reductions on the duty on cement in order that they may lay down here, in the ports along the American seaboard, Belgian cement to go into the construction of public buildings and public works paid for from our Treasury. Justify that if you can.

I am told that every thousand barrels of cement brought here from a foreign country means the loss of 150 hours of American labor in Pennsylvania.

Mr. DITTER. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. DITTER. Is it not a fact that the decrease of cement production in this country becomes all the greater as the Belgian cement is used in public works paid for out of the Treasury?

Mr. TREADWAY. That is what I am attempting to bring out—that the representatives of Belgium want to furnish the cement that goes into our public buildings paid for out of the Federal Treasury.

Mr. FISH. Will the gentleman yield?

Mr. TREADWAY. I will.

Mr. FISH. Is it not a fact that the use of Belgian glass will cut down the production of our factories here?

Mr. TREADWAY. Yes; glass will be used also. If Belgium can get their glass and cement here under some favorable tariff condition, the producers here will have to cut their prices to correspond to the imported article.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. HARLAN. Just what commodity is it that we are going to export to Belgium that will give employment in this country to take the place of the cement that we are going to import?

Mr. TREADWAY. Let me illustrate that by automobiles. I do not know whether it is automobiles that are going to Belgium or not, but it is a fact that it is stated that more automobiles will be shipped from Michigan to Cuba as a result of this reciprocal trade, through bringing in Cuban sugar, but I state very definitely and positively that one county in Michigan will buy more Michigan-produced automobiles than would be sent to Cuba in exchange for 300,000 tons of Cuban sugar.

Mr. HARLAN. But there has to be equality of value.

Mr. TREADWAY. No; there does not have to be equality of value. It may be all one-sided. We reduce our tariff rates in favor of Cuban products, but Cuba does not have to take a single dollar's worth of goods in return. All she agrees to do is reduce certain of her tariff rates, and whether we ship any goods to Cuba depends on whether we can undersell the rest of the world, even with the reduced tariff.

The Secretary of State is a free-trader of the worst kind, and he is the one who is putting this game across.

Mr. HARLAN. Does the gentleman say that we are going to continue to buy sugar and cement——

Mr. TREADWAY. It looks to me as if the administration wants to favor foreign production over American production. That is the picture. There is no question about that. Some

day the American people will wake up to that fact and demand that American production take precedence over foreign importations.

From time to time trade agreements will be concluded with other countries. I have already named those with which negotiations are now being carried on. We may expect to hear soon that our domestic watch producers have been put out of business and their employees thrown out of work by reductions in the duty on Swiss watches. We may reasonably expect to wake up some morning and find that certain branches of the agricultural industry have been crippled by reductions in the duty on butter and cheese from the Netherlands, on wheat from Canada, on meats and hides from Argentina, and so on. We may expect to find our brick and cement industries destroyed by a reduction in the duty on importations of these products from Belgium. There is no end to the possibilities, and the possibilities in most cases will, I am sure, turn out to be probabilities.

I want to say here and now with all the emphasis at my command that I am unalterably opposed to this star-chamber method of procedure in regulating our tariff rates and in dealing with our domestic industries. What right under the sun do representatives of foreign countries have to dictate our tariff rates, or to have a part in fixing them? The Constitution gives to Congress alone the power to fix tariff duties and to regulate commerce with foreign countries. Nothing is said therein about allowing foreign nations to have a hand in the matter.

CONSTITUTIONALITY OF LAW

This leads me to another point. There also is nothing said in the Constitution about the President's having the power to fix tariff rates and negotiate treaties without the advice and consent of the Senate. When the reciprocal-tariff measure was under consideration in the House, I endeavored to point out that Congress, in giving such broad authority to the President, was doing an unconstitutional act. Only a few days ago the Supreme Court of the United States confirmed my stand when it said that Congress could not delegate legislative authority to the President.

There are two ways in which this country could conduct trade negotiations with foreign countries—namely, through treaties and through valid Executive agreements. Under the Constitution, the President has the power to negotiate treaties, but they must be confirmed by the Senate, and when they affect the revenue the House has always insisted on a concurrent right of ratification.

Executive agreements, on the other hand, are negotiated and concluded exclusively by the President, but only under specific authority of Congress and pursuant to a definite legislative policy laid down in advance in the act authorizing such agreements. The reciprocal agreements conducted under the McKinley tariff of 1890 are an example of this form of negotiation. There Congress put certain named articles on the free list, with a proviso that if any country which exported those articles to the United States imposed unreasonable duties on our products, the President should suspend the free entry of such articles from that country and put into effect certain rates of duty prescribed by Congress in the act. Thus, under this type of arrangement, the President merely carries out the policy previously laid down by Congress. He has no discretion in the matter, either as to putting the rates into effect or as to what they should be. In other words, under a true Executive agreement, the President exercises no legislative authority.

If the trade agreements negotiated by the President under the reciprocal-tariff act are alleged to be Executive agreements—and that is what the act says they are—then they are clearly unconstitutional, and will be so held by the Supreme Court just as soon as a case can be brought before it. Anyone reading the act will see that the President has full discretion as to whether he will negotiate an agreement with any country; that he has full discretion as to the articles to be dealt with in the negotiations; and that he has full discretion in determining the amount of the reduction in rates, subject to the general limitation of 50 percent. This discretion is the test of the legislative power which the President has under the act, and it is this discretion which vitiates the entire set-up.

If the agreements arrived at by the President under the act are not valid as Executive agreements, neither are they valid as treaties, since they are not subject to ratification by the Senate nor to approval by the House of Representatives.

I have introduced a bill—H. R. 3422—to terminate the President's authority to negotiate any further trade agreements. I hope that it will be enacted; but even if passed by a majority of the two branches, it would be necessary to have a two-thirds vote to override a Presidential veto, which probably would be forthcoming.

I am firmly convinced that if this act could be brought before the Supreme Court for review it would be declared invalid, and in that event my bill would be unnecessary. The difficulty with this course, however, is that it would take a long time to bring a case before the Court, and in the meantime much damage could be done to domestic industries. I firmly believe that as additional trade agreements are concluded, and the reductions in duty thereunder put into effect, there will be a loud and increasing demand upon the part of the people of this country that the Trade Agreements Act be repealed. It cannot possibly be of benefit to the country as a whole; and while it might conceivably benefit certain groups, it would hurt many more. Thus it is clearly class legislation.

EXPERIENCE WITH RECIPROCITY

Our past experience with reciprocity is not encouraging, and world conditions today are less favorable for it than they were years ago, since each nation is trying to become self-contained and self-sustained. Our people will soon awaken to the fact that the domestic market is more important than the foreign market, since we consume in this country 90 percent of what we produce. Our farmers realize that if domestic industries must be destroyed to secure a larger market for their wheat and pork, they will be the eventual losers, since the best customer they have is the American workman, who is the highest paid in the world.

If we are going to seek larger foreign markets, we must be prepared to meet world competition, and this means low production costs. Our standard of living would have to be lowered to that of Europe and the Orient, fewer men could be employed, sweatshop working conditions would prevail, and wages would have to be reduced to a fraction of what they now are. Is it worth the price?

Under permission to extend, I desire to submit the following memorandum regarding sugar importations into this country from Cuba:

Sugar imported into this country from Cuba, measured in short tons, raw value—2,000 pounds 96° sugar—amounted in—

| | *Tons* |
|---|---|
| 1931 | 1,857,022 |
| 1932 | 1,762,000 |
| 1933 | 1,601,000 |
| 1934 | 1,901,752 |

The total consumption of all sugars in the United States for—

| | *Pounds Per capita* |
|---|---|
| 1929 | 108.13 |
| 1930 | 99.37 |
| 1931 | 98.47 |
| 1932 | 93.29 |
| 1933 | 93.60 |
| 1934 | 90.71 |

Thus it will be seen that during the 6-year period 1929 to 1934, inclusive, our consumption dropped from 108.13 pounds per capita to 90.71 pounds per capita, or a decrease of 16+ percent.

In 1933 the beet-sugar industry of the United States produced in short tons, refined value, approximately 1,725,000 tons of sugar, and, in addition, the production of our island possessions, Puerto Rico and Hawaii (not to mention the Philippines), stepped up their production, all of which was benefiting our own people, citizens under the American flag

and for whom we are responsible economically and socially. Cuba still participated in our market to the extent of 1,601,000 tons as set forth above.

The Jones-Costigan Sugar Act, which was approved early in 1934, empowered the Secretary of Agriculture to restrict, through quotas, production of sugar, both beet and cane, on our mainland as well as in Puerto Rico and Hawaii (to say nothing about the Philippines), and under this quota the Secretary allocated to Cuba a participation in our market of 1,901,752 tons, or an increase of 300,752 tons for 1934 over and above Cuba's participation in our market for 1933, and this 300,752 tons of a nonsurplus crop was taken from the sugar spouts of the factories operated by citizens of the United States located in continental United States, Puerto Rico, and Hawaii.

Had our consumption of refined sugar per capita in 1934 been as great as under normal conditions in 1929, we would have consumed about 6,129,000 tons refined value of sugar instead of 5,134,746 tons. This would have called for an increase of 994,254 tons. Under the Jones-Costigan Act, our domestic (continental) producers may have 30 percent of the increase. With a return to normal industrial conditions in this country with the consequent increased consumption of sugar in the form of ice cream, candy, candied fruits, and sweetened preserves, cakes, and pies by our industrial workers engaged in mass production and with our continental producers receiving only 30 percent of the increased consumption, one can fully appreciate what a great service we have rendered to Cuba in the passage of the Jones-Costigan Act and the consummation of the new trade treaty which guarantees to Cuba such a very large percentage of our consumption and, further, which gives Cuba, by reason of the preferential, a monopoly on that portion of our consumption which is not permitted to be produced through the quotas assigned to our people and their factories operating in continental United States, Puerto Rico, Hawaii, Philippines, and Virgin Islands. Cuba enjoys such a high preferential that she can completely dominate the market by reason of her power to pass such export laws as she may deem advisable to the best interests of sugar operators engaged in Cuba.

The following table shows the tariff concessions to Cuba under the provisions of the reciprocal-trade agreement entered into with that country:

*Tariff concessions to Cuba under the recent reciprocal-trade agreement*

| Commodity | Statutory rate (act of 1930) | Cuban preference under 1903 treaty | New Cuban rate (trade agreement) | Percent reduction |
|---|---|---|---|---|
| Glycerin, crude | 1 cent per pound | 0.8 cent per pound | 0.4 cent per pound | 50 |
| Grapefruit oil, distilled or essential | 25 percent | 20 percent | 10 percent | 50 |
| Cement floor and wall tiles: | | | | |
| Valued at not more than 40 cents per square foot. | 10 cents per square foot but not less than 50 percent nor more than 70 percent. | 8 cents per square foot but not less than 40 percent nor more than 56 percent. | 4 cents per square foot but not less than 20 percent nor more than 28 percent. | 50 |
| Valued at more than 40 cents per square foot | 60 percent | 48 percent | 24 percent | 50 |
| Mahogany, not further advanced than sawed | 15 percent plus $3 per thousand board feet. | 12 percent plus $2.40 per thousand board feet. | 6 percent plus $1.20 per thousand board feet. | 50 |
| Sugar (96°) | 1.875 cents per pound [1] | 1.5 cents per pound [1] | 0.9 cent per pound | 40 |
| Wrapper tobacco, and filler tobacco when mixed or packed with more than 35 percent of wrapper tobacco, if unstemmed. | $2.27½ per pound | $1.82 per pound | $1.50 per pound | 17.6 |
| Filler tobacco, n. s. p. f.: | | | | |
| Unstemmed | 35 cents per pound | 28 cents per pound | 17.5 cents per pound | 37.5 |
| Stemmed | 50 cents per pound | 40 cents per pound | 25 cents per pound | 37.5 |
| Scrap tobacco | 35 cents per pound | 28 cents per pound | 17.5 cents per pound | 37.5 |
| Cigars, cigarettes, cheroots, paper cigars, and cigarettes, wrappers. | $4.50 per pound plus 25 percent | $3.60 per pound plus 20 percent | $2.25 per pound plus 12½ percent | 37.5 |
| Honey | 3 cents per pound | 2.4 cents per pound | 1.2 cents per pound | 50 |
| Fish, n. s. p. f., fresh or frozen (whether or not packed in ice), whole, or beheaded or eviscerated or both, but not further advanced (except that fins may be removed). | 1 cent per pound | 0.8 cent per pound | 0.4 cent per pound | 50 |
| Fish, fresh or frozen (whether or not packed in ice), filleted, skinned, boned, sliced, or divided into portions, n. s. p. f. | 2.5 cents per pound | 2 cents per pound | 1 cent per pound | 50 |
| Corn or maize, including cracked corn | 25 cents per bushel | 20 cents per bushel | 10 cents per bushel | 50 |
| Limes in their natural state | 2 cents per pound | 1.6 cents per pound | 0.8 cent per pound | 50 |
| Grapefruit (from Aug. 1 to Sept. 30) | 1.5 cents per pound | 1.2 cents per pound | 0.6 cent per pound | 50 |
| Pineapples: | | | | |
| In crates | 50 cents per crate | 40 cents per crate | 20 cents per crate | 50 |
| In bulk | 1⅛ cents each | 0.933 cent each | 0.5 cent each | 46.4 |
| Candied, crystallized, or glace | 35 percent | 28 percent | 14 percent | 50 |
| Otherwise prepared or preserved, n. s. p. f. | 2 cents per pound | 1.6 cents per pound | 0.8 cent per pound | 50 |
| Prepared or preserved in any manner, containing ½ of 1 percent or more of alcohol. | $5 per proof gallon on alcohol contained therein in addition to any other duty. | $4 per proof gallon on alcohol contained therein in addition to any other duty. | $2.50 per proof gallon on alcohol contained therein in addition to any other duty. | 37.5 |
| Jellies, jams, marmalades (except orange marmalade), and fruit bitters. | 35 percent | 28 percent | 14 percent | 50 |
| Mango pastes and pulps, and guava pastes and pulps. | do | do | do | 50 |
| Lima beans, green or unripe, in their natural state (from Dec. 1 to May 31). | 3.5 cents per pound | 2.8 cents per pound | 1.4 cents per pound | 50 |
| White or Irish potatoes (from Dec. 1 to Feb. 28 or 29). | 75 cents per hundredweight | 60 cents per hundredweight | 30 cents per hundredweight | 50 |
| Tomatoes in their natural state (from Dec. 1 to Feb. 28 or 29). | 3 cents per pound | 2.4 cents per pound | 1.8 cents per pound | 25 |
| Cucumbers in their natural state (from Dec. 1 to Feb. 28 or 29). | do | do | 1.2 cents per pound | 50 |
| Eggplant in its natural state (from Dec. 1 to Mar. 31) | 1.5 cents per pound [2] | 1.2 cents per pound [2] | 0.6 cent per pound | 50 |
| Okra in its natural state (from Dec. 1 to May 31) | 50 percent | 40 percent | 20 percent | 50 |
| Peppers in their natural state (Jan. 1 to Apr. 30) | 2.5 cents per pound [2] | 2 cents per pound [2] | 1.5 cents per pound | 25 |
| Squash in its natural state (from Dec. 1 to May 31) | 2 cents per pound | 1.6 cents per pound | 1.2 cents per pound | 25 |
| Rum, in bottles of 1 gallon or less | $5 per proof gallon | $4 per proof gallon | $2.50 per proof gallon | 37.5 |
| Sponges commercially known as velvet | 25 percent | 20 percent | 12 percent | 40 |
| Sponges, n. s. p. f. | 15 percent | 12 percent | 6 percent | 50 |

[1] General rate on sugar under Tariff Act of 1930 was 2.5 cents per pound (96°); on Cuban sugar, 2 cents. The rate was reduced by the President under the flexible-tariff provisions on May 9, 1934, effective June 8, 1934.

[2] General rate on eggplant and peppers under act of 1930 was 3 cents per pound; rates reduced by Presidential proclamation under flexible-tariff provisionson Dec. 2, 1931, effective Jan. 1, 1932.

The following is a statement prepared by the National Dairy Union showing the dangerous effect on agriculture of the trade agreement with Cuba. I understand that the views expressed therein also are concurred in by the National Grange.

CUBAN RECIPROCITY TREATY DANGEROUS TO AGRICULTURE

If the Cuban Trade Agreement Treaty just signed is to be the pattern for other trade agreements, then diversified agriculture in the United States is in grave danger. There is a possible benefit in the Cuban treaty for growers of staple crops—cotton, rice, wheat, corn, and potatoes. It penalizes all other crops which farmers

have been asked to raise as a relief from the overproduction of the staples. Particularly it penalizes tobacco, sugar, fruits, and vegetables. Dairy products as to which a Cuban market might have been found are entirely ignored in the trade agreement.

All of the Cuban products admitted to the United States under lower tariffs directly compete with domestic products. None of the products admitted to Cuba under lowered tariffs compete with any Cuban product with the single exception of cigarettes.

Cuban interests are benefited and domestic producers penalized by a tariff reduction on sugar to 0.6 of a cent a pound under a quota agreement permitting Cuban shipments of approximately 2,000,000 long tons. What can Cuba buy that will grow on the cane fields and sugar-beet fields which will be left idle by this arrangement? Eighteen percent more tobacco is to be imported from Cuba under this treaty and all tobacco at sharply reduced duties.

The most startling change in tariffs found in this agreement is the "seasonal reduction" of rates on fruits and vegetables produced in Cuba. These Cuban products compete directly with the products of the Gulf Coast States. In general it can be said that the tariff on these competing farm products is reduced during the season from December 1 and spring when the domestic producer needs it most and can profit most by the present tariff. The changes provided for in the new trade agreement are as follows:

| Item | Present rate | New rate | For what period |
|---|---|---|---|
| Lima beans.....per pound.. | $0.028 | $0.014 | Dec. 1 to May 31. |
| White potatoes.....do.... | .60 | .30 | Dec. 1 to end of February. |
| Tomatoes.....do.... | .024 | .018 | Do. |
| Cucumbers.....do.... | .024 | .012 | Do. |
| Egg plant.....do.... | .012 | .006 | Dec. 1 to Mar. 31. |
| Okra.....percent.. | 40 | 20 | Dec. 1 to May 31. |
| Peppers.....per pound.. | .02 | .015 | Jan. 1 to Apr. 30. |
| Squash.....do.... | .016 | .012 | Dec. 1 to May 31. |
| Grapefruit.....do.... | .012 | .006 | Aug. 1 to Sept. 30. |
| Pineapples.....per crate.. | .40 | .20 | At all times. |

These reductions are from 25 percent to 50 percent below previously existing duties. The new rates are likely to permit so large a volume of Cuban winter products in American markets that they will establish a new low price level ruinous to all Gulf States producers.

On the part of Cuba, duties are reduced, as stated, on things Cuba does not produce at all—automobiles, cotton fabrics, wheat flour, pork products, vegetable oils, dried and evaporated fruits, iron, steel, copper, lumber, and paper products. There is also a reduction in the tariff on cigarettes, of which Cuba is a small producer.

Such domestic agricultural benefit as may come will be found in the possible increase in markets for cotton fabrics, wheat and pork products, evaporated fruits, and vegetable oils—the staples as compared with the specialty crops which have been penalized. In other words, this treaty sets one group of American farmers directly opposed in interest to another group of American farmers, a situation which all farmers and their organizations have sought in the past with much success to avoid and overcome.

Cuba has been a great beneficiary from trade with the United States. In 1924, the year of highest trade exchange, Cuba sold the United States $362,265,000 worth of her products, and we sold to Cuba $191,571,000. Cuba was thereby enriched by over $170,000,000 of American money. In that year Cuba's purchases from the United States included $12,000,000 worth of lard and $8,000,000 worth of flour, just a trifle over 10 percent of our total sales to the island. Cotton, wheat, and corn farmers should scrutinize these figures carefully before they accept the statement that this reciprocity business is for the purposes of relieving agricultural surpluses. One hundred and seventy million dollars is too large a bonus to pay to Cuba if only partially at the expense of other farmers to provide a little relief for the wheat and hog producers.

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Just as the producers of winter fruits and vegetables have been seriously damaged by this treaty, so the producers of meats, hides, dairy products, flaxseed, wool, mohair, feed grains, cottonseed, peanut and soybean oils, citrus fruits, and other fruits and vegetables now stand in imminent danger of the same treatment by this star-chamber proceeding. Agriculture must not be permitted to be divided against itself. They must not permit the interest of one or more commodities to be played up against the interest of other commodities. They must keep informed as to the meaning of this new development which, if carried out along the line of the Cuban Reciprocity Treaty, will ultimately let the products of some other country into the United States to the damage and possible ruin of every agricultural producer. Individuals and small units are powerless to protect their interests against this new secret tariff machine which has been set up.

The situation calls in the first place for forceful action through strong national organizations dealing directly with the present tariff authorities and the administration.

Even more important than this, the situation calls for every citizen who is concerned demanding political representation in Washington that will either repeal the law which permits a foreign agreement of this character or at least amend it so that each step which the administration takes under the law shall be done openly, before the public and under full light of publicity.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 3973, the District of Columbia appropriation bill, had come to no resolution thereon.

## MESSAGE FROM THE PRESIDENT (H. DOC. NO. 81)

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

The SPEAKER laid before the House a message from the President of the United States, which was read, as follows:

*To the Congress of the United States:*

In addressing you on June 8, 1934, I summarized the main objectives of our American program. Among these was, and is, the security of the men, women, and children of the Nation against certain hazards and vicissitudes of life. This purpose is an essential part of our task. In my annual message to you I promised to submit a definite program of action. This I do in the form of a report to me by a Committee on Economic Securities, appointed by me for the purpose of surveying the field and of recommending the basis of legislation.

I am gratified with the work of this committee and of those who have helped it: The Technical Board on Economic Security, drawn from various departments of the Government; the Advisory Council on Economic Security, consisting of informed and public-spirited private citizens and a number of other advisory groups, including a Committee on Actuarial Consultants, a Medical Advisory Board, a Dental Advisory Committee, a Hospital Advisory Committee, a Public Health Advisory Committee, a Child Welfare Committee, and an Advisory Committee on Employment Relief. All of those who participated in this notable task of planning this major legislative proposal are ready and willing, at any time, to consult with and assist in any way the appropriate congressional committees and Members with respect to detailed aspects.

It is my best judgment that this legislation should be brought forward with a minimum of delay. Federal action is necessary to and conditioned upon the actions of States. Forty-four legislatures are meeting or will meet soon. In order that the necessary State action may be taken promptly, it is important that the Federal Government proceed speedily.

The detailed report of the committee sets forth a series of proposals that will appeal to the sound sense of the American people. It has not attempted the impossible, nor has it failed to exercise sound caution and consideration of all of the factors concerned; the national credit, the rights and responsibilities of States, the capacity of industry to assume financial responsibilities, and the fundamental necessity of proceeding in a manner that will merit the enthusiastic support of citizens of all sorts.

It is overwhelmingly important to avoid any danger of permanently discrediting the sound and necessary policy of Federal legislation for economic security by attempting to apply it on too ambitious a scale before actual experience has provided guidance for the permanently safe direction of such efforts. The place of such a fundamental in our future civilization is too precious to be jeopardized now by extravagant action. It is a sound idea—a sound ideal. Most of the other advanced countries of the world have already adopted it, and their experience affords the knowledge that social insurance can be made a sound and workable project.

Three principles should be observed in legislation on this subject. In the first place, the system adopted, except for the money necessary to initiate it, should be self-sustaining in the sense that funds for the payment of insurance benefits should not come from the proceeds of general taxation. Second, excepting in old-age insurance, actual management

should be left to the States, subject to standards established by the Federal Government. Third, sound financial management of the funds and the reserves, and protection of the credit structure of the Nation should be assured by retaining Federal control over all funds through trustees in the Treasury of the United States.

At this time, I recommend the following types of legislation looking to economic security:

First. Unemployment compensation.

Second. Old-age benefits, including compulsory and voluntary annuities.

Third. Federal aid to dependent children through grants to States for the support of existing mother's pension systems and for services for the protection and care of homeless, neglected, dependent, and crippled children.

Fourth. Additional Federal aid to State and local public health agencies and the strengthening of the Federal Public Health Service. I am not at this time recommending the adoption of so-called "health insurance", although groups representing the medical profession are cooperating with the Federal Government in the further study of the subject and definite progress is being made.

With respect to unemployment compensation, I have concluded that the most practical proposal is the levy of a uniform Federal pay-roll tax, 90 percent of which should be allowed as an offset to employers contributing under a compulsory State unemployment-compensation act. The purpose of this is to afford a requirement of a reasonably uniform character for all States cooperating with the Federal Government and to promote and encourage the passage of unemployment-compensation laws in the States. The 10 percent not thus offset should be used to cover the costs of Federal and State administration of this broad system. Thus States will largely administer unemployment compensation, assisted and guided by the Federal Government. An unemployment-comparison system should be constructed in such a way as to afford every practicable aid and incentive toward the larger purpose of employment stabilization. This can be helped by the intelligent planning of both public and private employment. It also can be helped by correlating the system with public employment so that a person who has exhausted his benefits may be eligible for some form of public work, as is recommended in this report. Moreover, in order to encourage the stabilization of private employment Federal legislation should not foreclose the States from establishing means for inducing industries to afford an even greater stabilization of employment.

In the important field of security for our old people it seems necessary to adopt three principles: First, noncontributory old-age pensions for those who are now too old to build up their own insurance; it is, of course, clear that for perhaps 30 years to come funds will have to be provided by the States and the Federal Government to meet these pensions. Second, compulsory contributory annuities, which in time will establish a self-supporting system for those now young and for future generations. Third, voluntary contributory annuities, by which individual initiative can increase the annual amounts received in old age. It is proposed that the Federal Government assume one-half of the cost of the old-age pension plan, which ought ultimately to be supplanted by self-supporting annuity plans.

The amount necessary at this time for the initiation of unemployment compensation, old-age security, children's aid, and the promotion of public health, as outlined in the report of the Committee on Economic Security, is approximately $100,000,000.

The establishment of sound means toward a greater future economic security of the American people is dictated by a prudent consideration of the hazards involved in our national life. No one can guarantee this country against the dangers of future depressions, but we can reduce these dangers. We can eliminate many of the factors that cause economic depressions, and we can provide the means of mitigating their results. This plan for economic security is at once a measure of prevention and a method of alleviation.

We pay now for the dreadful consequence of economic insecurity, and dearly. This plan presents a more equitable and infinitely less expensive means of meeting these costs. We cannot afford to neglect the plain duty before us. I strongly recommend action to attain the objectives sought in this report.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 17, 1935.*

Mr. DOUGHTON. Mr. Speaker, I move that the message and the accompanying papers be referred to the Committee on Ways and Means and ordered printed, and, on that, I move the previous question.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

### DISTRICT OF COLUMBIA APPROPRIATION BILL, 1936

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3973, the District of Columbia appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. GREENWOOD in the chair.

Mr. DITTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, in view of the large amount of misinformation which has been contained in letters and statements in the newspapers with reference to the so-called "Townsend plan" of old-age pensions, I feel that I should make a public statement of my position with reference to this matter.

In the first place, let it be considered that this is far more than is required to maintain our old people in reasonable comfort. In the second place, the requirements of our people to be maintained in reasonable comfort are so far different in the South than in the North that where many of our old people who require such a thing as an old-age pension in the South where the climate is mild and warm, food and clothing requirements are less, and housing requirements much less, an aged man and his family will get along in luxury on $15 a month, where an old man and his family in the northern part of the country in the city with city rents to pay would starve to death. Therefore, to my mind the only proper way to handle the old-age pension situation is through a State law where the State legislatures will know the requirements of their people. If there has to be temporary Federal aid to meet this on account of the present economic stress and inability of the States to borrow to meet their requirements, this should be done. We should avoid, however, as far as possible, discouraging thrift and discouraging the desirability of our people saving enough in their active years to take care of their old age.

With reference to the Townsend plan in particular, it calls for the payment of approximately $2,000,000,000 a month or $24,000,000,000 a year. This means a 60 to 65 percent sales tax on all ultimate sales to consumers in the United States. Perhaps it runs as high as 70 percent. If the tax should be imposed upon each transaction from the original producer to the ultimate consumer, it would pyramid your sales tax so it would run from 75 to 80 percent. Such a sales tax would absolutely destroy all trade and commerce and cause such great distress amongst the young and old as to practically ruin them. In addition to that, it would cause uncontrolled inflation, and the result would be even more disastrous than the spending program of the present administration because it would be three or four times as large.

I am in the minority in Congress, but I feel that it is my duty as a Member of that minority to vote for those things that I believe right and against those things that I know to be wrong, regardless of whether they are sponsored by the administration or by those opposed to it.

Believing that the Townsend plan in execution would result in a total collapse of the financial structure of the Government very rapidly, I can do nothing but oppose it.

The people have had the situation with reference to it misrepresented to them, and I feel it my duty to tell them the truth about it regardless of its political effect. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I now yield to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, on June 5, 1933, Congress passed the act "to assure uniform value to the coins and currencies of the United States." By this act we outlawed and declared void the provision in all contracts requiring payment in gold.

The constitutionality of that act has been assailed, and it is now under consideration by the Supreme Court. I rise to discuss what might be the consequences if the Court should decide that the act was beyond the power of Congress and, therefore, void. I make no comment and express no opinion as to what the decision should be nor what it may be. That is a matter which the Court under its responsibility will pass upon, according to the lights before it.

Also, I preface what I shall say by saying that it has no political aspect whatever; in the remotest degree it has no bearing upon partisanship. Particularly it must not be construed as a criticism of the administration or of anything that the administration has done, nor is it intended as a defense of the administration or of anything that the administration has done. It is designed merely as my slight contribution to an analysis of the situation and toward stability, reassurance, and confidence in the business and industrial world.

In the course of the argument on the constitutionality of this act before the Supreme Court an eminent gentleman, high in the councils of the Government, took occasion to predict that if the Court should hold the act to be unconstitutional the result would be "chaos." That cue has been taken in numerous circles. The press has spread it throughout the country. I have read articles which stated as a matter of fact that those who owed gold obligations would find themselves obliged to pay $1.69, I believe it was, for every dollar in the face of the obligation.

In my judgment the general impression grossly overestimates the effect of such a decision by the Supreme Court. It seems to me that its probable effect is exaggerated by the unthinking, so that it behooves all of us to analyze the situation, to decide what is involved, and to endeavor not to frighten the people of this country beyond what may be justified.

Let us bear in mind that on June 5, when this act was passed, all gold had been withdrawn from circulation and the possession of gold, either for payment of an obligation or in receipt of such payment, had become a crime. It was impossible, therefore, at that time not only for anyone to pay in gold, but unlawful for anyone to receive gold. If this act is stricken down as void, it will leave that identical legal situation. There will remain nobody who has any gold, nobody who can accept any gold, nobody who, if his demand for gold is complied with, can receive it without laying himself open to liability to be sent to the penitentiary.

It should also be borne in mind that an adverse decision cannot have the slightest effect upon obligations not payable in gold, and also that it cannot have the slightest direct effect upon price indexes. The act striking down the gold clause in obligations neither raised nor did it lower prices. It did not in any direct way affect price indexes. If it had any effect whatsoever on prices, it was a purely psychological and indirect effect. I do not believe that any economist, either by the facts of the situation or upon the basis of theory, can prove that it did have the slightest effect upon prices. Therefore, I think we are safe in saying that if the Supreme Court declares that act unconstitutional, that decision will not have the slightest direct effect either to raise or lower prices. That it will have a psychological effect, particularly in speculative fields, I do not doubt.

Nobody knows with any degree of accuracy how many obligations payable in gold there are outstanding. I have heard an estimate of $100,000,000,000. It may be more; it may be less. There are something like $30,000,000,000 of those obligations that are public obligations. The remainder of the total of something like $250,000,000,000 of outstanding debts in the United States is payable in any legal tender, and the decision will not affect them.

Let me say this: That as the passage of the act had an effect on two fronts, so will the striking down of the act have an effect on two fronts. Those fronts are the psychological front, on men's minds; and the actual or direct front, the effect which the decision may have upon prices, upon debts, and upon other real things, an effect that is not due to a state of mind or to man's emotions but of actualities and economic laws.

When we passed the act making void the gold clause in obligations, there was an enormous psychological reaction. That effect was not confined to this country. It extended to the remotest corners of the world. We did not pass the act because the Government of the United States was unable to meet its obligations in gold. We did not pass it because of governmental poverty or need. We passed this act for the purpose of relieving debtors who had given obligations payable in gold. Its sole purpose was to transfer a benefit from what the agitators call the "creditor class" to what those same gentlemen with equal inaccuracy and with equal lack of knowledge of what they are saying or what they mean call the "debtor class"—for, of course, there is neither of such classes. We are all debtors and we are all creditors, and those who have the biggest assets are, generally speaking, the biggest debtors.

We passed this act. We struck down the promise of the United States Government and of the governments of all our States and cities and of many corporations and people to pay their obligations in a certain fashion and in certain terms. I have no desire to discuss the propriety of that action. I do say that its consequences were to strike a blow at the confidence of mankind such as this world has rarely felt before. We had prided ourselves upon our record of keeping our solemnly pledged word. We had said that the pledged word of the United States was its obligation and will be kept and honored at all times and everywhere. We had said that when we engaged with our sister nations, we would comply with our treaty obligations to the remotest detail.

When we passed that act, we said, "We repudiate the obligation that we gave. We will not do what we said we would do." The gold clause in our national bonds took its place with a "scrap of paper" and all the broken treaties and violated promises of the past. Our action not only shook the confidence of the world and contributed to the mistrust and distrust among nations and to the lack of international good will—it not only made that contribution—but it had an effect upon our own people, a very immediate and overwhelming effect upon the psychology of our own people. Obligations were no longer regarded as obligations had previously been. It shook the morale of our people. Men recognized that the repudiation of a part of an obligation differs only in degree and not in kind from the repudiation of the whole obligation. Men recognized that those who had repudiated one clause in their contracts had committed an offense against ethics, good morals, and good faith, differing only in degree from those who might say, "I owe you an honest debt, but I won't pay you a red penny."

That consequence extended throughout our whole country. It touched and affected—alas, I fear, permanently—the lives of all our people. That is done. I cannot recall it. I have no desire to recall it. Still less do I desire to criticize it. I merely state the facts, not my opinions.

Of all outstanding obligations, probably the most important are those carried in the insurance policies as they are held by nearly all of our people throughout the entire country. Those insurance policies aggregate something like $112,000,000,000. Their withdrawal value is about $16,000,-

000,000. That much is owing by the insurance companies to the women and children, a vast majority of whom have but little means and but little hope. That is the rock upon which they have built for sustenance when the breadwinner of the family had passed into the Great Beyond. The assets of the insurance companies are composed in the main of obligations carrying the gold clause. The striking down of the act of June 5 will very materially strengthen their position. It will make an insurance policy worth more than it was before. It will add to the assurance and confidence of every man in this whole country who has taken insurance for the protection of his wife and his children when he is gone.

The public obligations payable in gold amount to something like twenty-five to thirty-five billion dollars. It is very hard for me to guess at that because of the great change that has gone on through the refinancing of the Federal debt and various other things that have been done within the last year or so. Those who hold those obligations will be benefited. Their position will be made more secure, and at the same time the situation of the States, counties, and municipalities, which owe something like $20,000,000,000 of these obligations, will be no worse than it was before. They owe those debts. Their means of income is through the collection of taxes. Their revenues are not payable in gold, but their obligations are so payable in gold. Taxes will be paid just as before. There is a chance that the cost of government will be less. It is certain that the credit of these public units will be enhanced by a decision holding as valid the gold clause in their obligations. They will perhaps be able to borrow money at a lower rate of interest than before. So that if this act is unconstitutional, the probabilities are that the situation of our States, counties, and cities will be no worse than it is at present. It may even be improved.

So far as railroad and industrial securities are concerned, undoubtedly striking down the act will have a harmful effect upon equities of all kinds. It will depreciate the value of common and preferred stocks. It will enhance the value of their obligations which are payable in gold.

In the speculative field, the effect of striking down this act may be very considerable. It may cause a very great shock, because those fields are very largely controlled by psychology.

Actually, and in reality, each of these classes of railroad and industrial securities very largely offsets the other, and there should be no important reaction in Wall Street if only realities could be counted upon, and psychology, fear, and speculation could be eliminated. But let me say in passing that I am not awfully much interested in what goes on in Wall Street, nor am I greatly concerned that some man has bought an equity on such and such terms, that he may be forced to sell it for less than he has paid for it. It will not take away one hair's weight from the real worth of his security. This assurance I should like to give him.

So far as banks are concerned, they are probably not making many loans on these equities. If they are, they will be affected. At any rate, I say to them that it is the easiest thing in the world to overestimate and magnify the evil consequences which might come out of this decision of the Supreme Court.

I think the business men of this country should get this in their minds. I invite them to analyze the situation and to think it out. Do not take some newspaper economist's word for it, or a statement made by someone who in the enthusiasm of legal argument dragged in something extraneous to the case. Let these men of business think for themselves. Let them figure out for themselves how it will hurt them. I assure them if they keep their feet on the ground, if my economic judgment is of any value, there will be very slight harm to the business of this country.

Of course, a decision that the act is void will work two ways. I can see benefits to come out of it. I can see wherein any ill effect might be balanced off by very material good. A moment ago I pointed out that our action in repudiating our obligation had a world-wide impact. No man who understands world affairs can doubt for a minute that this is true. This depression is not local, it is not national; it is world-wide. The world is paying for the war. The world saw fit to unleash all the hates of mankind and to send millions of the finest of all races into the trenches, with deadly instruments of death in their hands, set upon taking each other's lives. The world took out of useful occupations, out of the production of things needful for man, things which might have contributed to his welfare and happiness—the world took out of those occupations millions upon millions of the strongest, and bravest, and best, and set them instead to bringing about destruction—to destruction of the fruits of man's labor, to subtracting from the sum total of the wealth of mankind. They were set not merely to taking each other's lives but to destroying both the material and the immaterial wealth of all the nations. They blocked the channels of commerce, they pulled all the nations out of plumb and out of equilibrium, and now we are reaping the consequences.

The fundamental cause of this depression was the war. It roots back into the war, and it has its manifestations in the erection of barriers of trade between the nations, and in the damming up of the channels of commerce throughout the world. It has had its effect in destroying mutual confidence and good will. The most serious factor confronting us now is the lack of confidence of nations, each in the other. They no longer trust each other; they no longer regard the pledged word to each other; they no longer feel that they can rely upon the promise given, even by the proudest of the nations.

There can be no recovery in America until there has been recovery in some measure in all the world. The key to recovery in this country is to open up the markets of the world to the fruits of the labor of our people; to tear down international trade barriers and also to destroy the multitude of trade barriers which have been erected between our own people and which prevent freedom of commerce between our own people. This is the real cure.

It will be years before the nations will trust each other again; it will be years before there is peace in Germany, in France, in China, and so on, and on, and on; but our contribution—the greatest contribution we in America can make is to see to it that America's promises shall always be inviolate. [Applause.]

If the nations of the world should be able to point to America and to a decision of our great Supreme Court, our bulwark of liberty and order and honest and brave thinking, which decision shall hold that the American Constitution does not permit that a solemn obligation of our Government shall be repudiated, then we will have made a contribution to world peace and to world stability second to none in the annals of government.

It is a long and a troubled road that we must follow back to happiness and to prosperity. They can be gained by no empirical methods, by no temporary thwarting of economic laws. God made these laws, and man cannot repeal them. When he stands in their way, it merely means that he may delay, but that eventually he will be crushed. The free flow of commerce throughout the world, based upon confidence and good will among the nations, is fundamental to world peace and to world prosperity. It cannot be gained by ourselves for ourselves alone. The first essential in gaining it is a regard for the sanctity of the obligations of a contract. Upon this principle, Mr. Chairman, I dare to stand. [Applause.]

[Here the gavel fell.]

Mr. JACOBSEN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I yield to no one in my respect and admiration for the sincerity, the honesty, and the brilliancy of the gentleman from Alabama. However, I do not agree with him in some of the statements he has made. The distinguished gentleman says that the Gold Revaluation Act constituted a repudiation of solemn obligations by the Government of the United States.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. DIES. I did not interrupt the gentleman when he was speaking.

Mr. HUDDLESTON. The gentleman is referring to the wrong act. I did not refer to that act at all.

Mr. DIES. Well, I refer to the statement the gentleman made about going off the gold standard.

Mr. HUDDLESTON. No; I did not refer to that act.

Mr. DIES. To what act did the gentleman refer?

Mr. HUDDLESTON. I referred to the act which declared invalid the gold clause in contracts, that is all.

Mr. DIES. The gentleman stated that that act was passed without any necessity on the part of the Federal Government and that at the time it was passed there was not any apparent necessity for the Government to do it. Now, what are the facts?

The facts are that England had gone off the gold standard, set up a stabilization fund, and was operating in the markets of the world by cheapening its own currency below the currency of the United States in order that England might have an advantage in the world markets. The facts are that France several years before had reduced the content of their franc to one-fifth of its original weight and fineness in order to obtain an advantage in the markets of the world. As a result of the stabilization fund in England and its skillful operation, England was capturing from the United States the markets of the world. Not only was that true, but we have the $100,000,000,000 of obligations in the United States payable in gold when there were only approximately $12,000,000,000 of gold in the entire world.

We were driven to that act not because we deliberately wanted to do so but in order to protect the United States and our export trade from the deliberate and systematic plan of Great Britain to cheapen her currency so that in the markets of the world she would have an advantage.

In regard to the effect of the Supreme Court decision, the gentleman is correct when he says that even if the Supreme Court rules against the Government, the obligations cannot be discharged in gold. It is self-evident that with only $8,000,000,000 of gold in the United States we cannot discharge $100,000,000,000 of obligations with gold. As the gentleman correctly stated, our gold is now in the possession of the Federal Government, and, of course, the Government is not going to surrender the gold. The point the gentleman overlooks, if he will permit me to suggest it, is that in case, under the Supreme Court decision, it becomes necessary for the debtors to discharge obligations payable in gold in the currency equivalent of gold, the man who owes a thousand dollars payable in gold, not being able to deliver a thousand dollars in gold, must deliver the currency equivalent of gold, which would be $35 for each ounce of gold owing under the contract. The consequence of that will be that the debtor classes in the United States will have to discharge their obligations with $35 for every ounce of gold called for in the contract, whereas prior to revaluation they could have discharged the same obligations with $20 for each ounce of gold.

What is the alternative? Of course, we ought to respect the ruling of the Supreme Court of our land, because none of us want to destroy that fundamental branch of our Government; but in case the ruling is adverse, the Government can go back to the old content of 23 and some odd grains for each dollar. The restoration of the old content will be necessary unless some other alternative is found, and this is the reason that gold revaluation is inseparably interwoven with the question of obligations payable in gold. What will be the effect of that? Our export trade will rapidly diminish, because other countries have adjusted their currency on the basis of our $35-an-ounce currency; and if we go back, it will mean that foreign buyers, in order to purchase our exportable surpluses, will only get 20 American dollars for each ounce of gold. Since they will be able to acquire considerably more paper currency of other nations with an ounce of gold, it will be to their interest to purchase the products of those nations. It must naturally follow that the United States will suffer the loss of this world trade.

The gentleman stated that the Revaluation Act did not affect the internal price levels. To some extent the gentleman is correct. One reason for this was our failure to make effective the revaluation by putting into circulation new currency based upon the increased valuation of our gold stock.

Mr. HUDDLESTON. I did not say the Devaluation Act had that effect. I said this act of June 5 did not; it is an entirely different act from the Revaluation Act.

Mr. DIES. They are all linked together. To revalue the gold dollar it was necessary to suspend specie redemption and reform and modify gold clauses in contracts to make them payable in lawful currency. To make effective such modification it was necessary to revalue the dollar.

Mr. HUDDLESTON. No; they are not.

Mr. DIES. The gentleman said that it had no effect on commodity prices in the United States.

Mr. HUDDLESTON. I said that this act of June 5 did not.

Mr. DIES. All right, this act. But the gentleman cannot consider these acts separately. Each is a necessary and integral part of a coordinated monetary policy to protect us from cheap currencies abroad and to protect our own people from an abnormally appreciated dollar. The combined acts were designed to restore the normal purchasing power of the dollar so that obligations can be discharged in honest money.

The facts are that the reduction in the contents of the gold dollar enabled foreign buyers to exchange 1 gold ounce for $35 instead of $20. As a consequence of this our export trade was stimulated. Our export trade to China increased some 80 percent, to Ecuador 101 percent, to Japan 50 percent, and to Great Britain 37 percent. Not only did it result in stimulating our export trade by making it possible for foreign buyers to purchase our products on a competitive basis with the products of countries like France and England, who had cheapened and depreciated their currency but more important, it enabled us to hold our remaining export trade. Had it not been for that monetary policy, our export trade would have disappeared. It was manifestly impossible for the United States to maintain a gold standard and redeem these obligations in gold when the world is against us, when other nations go off the gold standard and, as the gentleman says, refuse to redeem their obligations in gold or to cooperate with us in the maintenance of a gold standard.

Now, is it a repudiation of a solemn obligation? One who has an obligation today payable in gold gets currency that has almost as much purchasing power as it did a year ago. Is he being defrauded in any sense if he has an obligation payable in gold for $1,000 and instead of getting $1,000 in gold, he gets $1,000 in American currency? Wherein has he been robbed or defrauded? When you take your $1,000 you can still purchase almost as much of commodities as you could prior to the action of the United States Congress.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. FORD of California. If this $1,000 were lent 5 years ago, you could purchase more commodities today than you could then.

Mr. DIES. That is true, because of the fact that when most of this money was loaned—and the gentleman, who is so much concerned about the fact that we might repudiate some obligation, overlooks this fact—the dollar had a purchasing power 50-percent less than now. Between 1921 and 1929, about $200,000,000,000 were contracted when the dollar was cheap. The dollar had been deliberately made cheap by credit inflation. So the creditor loaned a cheap 50-cent dollar in terms of commodity prices. Then, today, regardless of whether he can be paid in gold or in gold equivalent, he gets back for each dollar he loaned, in terms of purchasing power, twice as much as he actually loaned.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Mississippi.

Mr. RANKIN. The elements in the United States that are complaining most about this reduction of the gold content

of the dollar and the law to which the gentleman from Alabama [Mr. HUDDLESTON] referred are the ones, as a rule, who have their money invested in tax-exempt securities or those who have contracts that, as he states, are payable in gold. Suppose the United States Government had discovered an unlimited supply of gold and gold had become cheap. Then those same interests and individuals would have been demanding American dollars instead of gold.

Mr. DIES. The gentleman's point is well taken.

But let me say this, in reference to the repudiation of a promise to pay in gold. In the first place, impossibility of performance is a defense to any contract, and at the time we suspended specie redemption, raids were being made upon our gold stock. We witnessed the ridiculous situation of debtor nations raiding the gold supply of the creditor nation. We could not have redeemed our currency and obligations with gold because there was not enough gold in the world to do this. We could not maintain a gold-exchange currency because other nations refused to cooperate, and in fact forced us to follow their example in self-protection. On account of the deliberate action of other commercial nations in depreciating their currencies we were losing the markets of the world.

Not only is this true, but why was it right to write into a contract that it should be payable in gold and not in the currency of our land? Because the Supreme Court, after the war between the States—I believe in the Gresham case—held that contracts payable in gold were enforceable in gold. The highest court in England has held on the same proposition that a contract payable in gold cannot be enforced, for to do so is to deprive the sovereign power of its control over currency.

The Constitution of the United States gives to Congress the power to coin money and to regulate the value of it, and if individuals, by contract, can specify that the payments must be made in gold and not in currency, then that is paramount to saying that individuals have the right to restrict and limit the jurisdiction of Congress over currency and the value of it. If the Supreme Court rules contrary to the contention of the Government and holds that contracts payable in gold must be paid in gold or in the currency equivalent of gold, it means an increase in debt of $69,000,000,000 if we do not go back to the old content of the dollar or adopt some other alternative. Not only that, but it means that we cannot compete on the world markets. How can we sell our products with American dollars dear and the English pound cheap? How can we compete with France with the franc depreciated to one-fifth of what it was before the war? How can we retain the export market that the gentleman says we must have for our economic independence unless we protect our own citizenship against the deliberate "monetary tinkering" of Europe?

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield to the gentleman from Kentucky.

Mr. MAY. I have never been worried very much about the decision of the Supreme Court of the United States in this matter for one reason. The American people can go astray about a matter and they will run around in the wilderness, but after a while come out straight; and when the Court approaches this problem, it will probably approach it from the proposition that if the Congress delegated its authority to coin money and regulate the value of it to the President, this was without the bounds.

Mr. DIES. That is true.

Mr. MAY. If they do not find that and get down to the major problem of whether or not the devaluation of the dollar constitutes the impairment of the obligation of a contract to pay in gold, they will probably take the position that the making of these private contracts or these public contracts was done by the people who made them with full knowledge of the constitutional provision that provides that Congress shall have power to coin money and regulate its value.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. DIES. I simply want to say in reply to the gentleman that there is no use for us to deceive ourselves about this. If the Supreme Court rules against the Government, we cannot redeem in gold equivalent. Congress should not compel the debtor classes to do it on account of the condition of this country. I will tell you what may have to be done. If we have no other way around it, legally, we can tax the written contracts payable in gold to the extent of 50 percent; and not only this we can issue United States notes to pay the difference between the $20 and the $35. The gentleman would deplore that action on the part of the Congress of the United States, and therefore I say to the gentleman that the creditor classes are more interested, or as vitally interested, in having the acts of the Government upheld as the debtor classes, for if they demand the pound of flesh when people are unable to deliver it, then the Congress of the United States, in protection of the people, will be compelled to resort to some method, either the issuance of United States notes and the taxing of such contracts, in order to save the economic stability of the United States. If we have to restore the old content of the dollar, we can accept silver at a premium in settlement of trade balance and protect our people from cheap foreign currencies. [Applause.]

Mr. CANNON of Missouri. I yield 2 minutes, Mr. Chairman, to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I am convinced that one thing that we are suffering from in the House as well as elsewhere is lack of information. [Laughter.]

At the special session of Congress beginning March 4, 1933, we passed several acts which had relation to the use of gold as money. Among these are the act of March 9, 1933, with resolution of ratification passed a few days later, which had effect to withdraw all gold from circulation; the act of May 12, 1933, which authorized the President to devalue the gold dollar by reducing the gold content as much as 50 percent; and the act of June 5, 1933, which declared void all clauses in contracts requiring payment in gold. The latter act I discussed a few minutes ago. It had nothing whatever to do with removing gold from circulation nor with the devaluation of the gold dollar.

My remarks were addressed to the act of June 5, 1933, and the Supreme Court is considering this act only. What I said has not the slightest bearing on the devaluation of gold or upon foreign trade, or upon anything else the gentleman from Texas [Mr. DIES] has talked about.

What I ask is that our business men—I believe them capable of thought—inform themselves and analyze what is in the act, and what the issue before the Court is, and try to do a little thinking of what will be the consequences if the decision should be adverse to the act.

All talk about foreign trade and so on has nothing to do with the subject. I invite thought on what I have said, to wit, that the effects of a decision of the Supreme Court adverse to the act of June 5 may be very minor, and it might be beneficial to the whole world. [Applause.]

Mr. CANNON of Missouri. Has the gentleman from Pennsylvania use for any more time?

Mr. DITTER. I have requests over here for approximately an hour, but I cannot use it immediately.

Mr. CANNON of Missouri. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. PIERCE].

Mr. PIERCE. Mr. Chairman, I wish I were capable of discussing the question of the repeal of the gold clause that has just been before the Committee. From my viewpoint, without repeal, the debts could never be paid. The contracts for gold could never be carried out, and we were justified in what we did in abrogating the gold clause.

My object in asking for time was to reply to my friend from Illinois [Mr. DIRKSEN] in his eloquent and brilliant speech on the reciprocal-tariff act.

The Congress was justified in passing that act, and I think his fears are groundless.

He pictured the present condition of agriculture quite accurately and then drew a dark picture of our future under operation of the act. He evidently believes in intense

nationalism. He would build a wall around this country and say to every foreign nation: "You cannot send anything in here that we can possibly produce." He would say to Japan, England, France, and to all the nations of the world: "Take back from our harbors your cargoes of silk, of tin, rubber, tea, and coffee, because we are today a self-contained nation." I know that notion is extant in our country. It seems to me that nationalism is one of the things we should fear today. The feeling has been growing in this world for a century and a half. Perhaps it has grown more rapidly in the last century than ever before; and if it keeps on, it will keep raising these tariff walls between nations until trade, commerce, and traffic disappear. That is not going to lead to world peace, but to a world of dissention, trouble, and ultimately to war.

The gentleman from Illinois [Mr. DIRKSEN] talks much about industrial alcohol made from blackstrap. I call his attention to the fact that his party was for 10 years in complete control, from 1920 to 1930, of all the branches of this Government. Twice they revised the tariff upward; and if there were such wrongs being committed by not prohibiting the importation of blackstrap, why was its importation not prohibited? He speaks eloquently for the distillers of Peoria and that group which would like to prevent the coming in of those articles which enter largely into the making of industrial alcohol. For that reason he would then condemn the entire reciprocal-tariff law. I would go over the party line, if the picture is half as black as he paints it, and raise the tariff walls to keep out those articles that are evidently cutting off the supplies that should come from corn. Industrial alcohol should be made from our own products if possible. For fear of the importation of blackstrap molasses and starch, would he prevent the entire operation of the reciprocal-tariff act?

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. PIERCE. Yes.

Mr. CULKIN. Is the gentleman in favor of letting Russian lumber in under one of these reciprocal-tariff arrangements without a tariff? I have in mind shingles and the products of the forest, articles of commerce from his own State.

Mr. PIERCE. I cannot believe for a minute that all of the virtue, all of the attempt to do something for the farming world rests on the Republican side of the Chamber. I am willing to trust the President and his advisers.

Mr. CULKIN. If the gentleman will permit, I am wondering whether he is as academic on lumber as he is on other phases of this tariff question.

Mr. PIERCE. I do not know that I fully understand the gentleman.

Mr. CULKIN. Would the gentleman be in favor of a trade arrangement with Russia permitting lumber to come in under a tariff treaty, without any duty, in competition with the products of his own State?

Mr. PIERCE. No; my State is a heavy producer of lumber.

Mr. CULKIN. So the gentleman would not be in favor of that?

Mr. PIERCE. I would not want to throw down the bars to let lumber in free if it competed with our lumber. I am not a free-trader. Free trade is as much an iridescent dream as is nationalism. We have got to accept some of the world's trade, or we have to regiment beyond any dream that anybody has ever had in this country. If you go to intense nationalism, that means the tying up of the few ships that are sailing the seas today, and that means that trade is gone and that we have to live within ourselves. What are we going to do with our vast surplus, if we cannot sell it or trade it for other goods? The only object of the reciprocal-tariff act was to try to find some place where we could dispose of this surplus. To illustrate from my own section, we have had to export two-thirds of all of the wheat we raise in the Pacific Northwest.

For 50 years that wheat went around the Horn in sailing vessels and then through the Panama Canal into northwestern Europe, where it found a ready market. There is no market for that wheat today. Under intense nationalism what will we do with the wheat? Have we got to quit raising it? What are we going to do with our surplus cotton if we cannot sell or trade some of it abroad?

Mr. CULKIN. Mr. Chairman, will the gentleman yield again?

Mr. PIERCE. Yes.

Mr. CULKIN. The gentleman speaks as if America were the chief offender in respect to nationalism. Is it not true that European nations first became rampantly national?

Mr. PIERCE. That is probably true.

Mr. CULKIN. And since the World War, they have become more and more national.

Mr. PIERCE. That is probably true.

Mr. CULKIN. And we have, in fact, suffered from a weak nationalism.

Mr. PIERCE. The only way that we can break it down at all is to give to the Executive, who can act quickly, the power to say to a nation like Brazil—we want your coffee, and we will take your coffee if you will take so much wheat or other products. I will go further than the present reciprocal-tariff act, and bargain with those articles that are on the free list. I would say to Japan, "You want to sell your silk, but in order to do so you must take so much of our products."

Mr. CULKIN. The gentleman knows that coffee is on the free list.

Mr. PIERCE. I am aware of that, but we have to sell to the outside world.

Mr. CULKIN. So that Brazil would have nothing to bargain for in that connection.

Mr. PIERCE. Brazil can use certain articles of our agricultural products, the same as Cuba will under the reciprocal tariff agreement.

Mr. CULKIN. The gentleman has match factories in his district?

Mr. PIERCE. No.

Mr. CULKIN. The gentleman realizes that lumber goes into the manufacture of matches?

Mr. PIERCE. I realize that, in some small part.

Mr. CULKIN. A great deal of it comes from the northwest coast, from the gentleman's own State, and there is pending now a treaty with Sweden, if the gentleman is familiar with it, whereby the American match industry is to be practically wiped out.

Mr. PIERCE. I cannot believe that. I do not think the President or his advisers would go that far. I think they want to do right and find a market for the surplus, just as much as the gentlemen on this floor.

Mr. CULKIN. That is what the match industry thinks, and that is what the Tariff Commission found in March 1934. Now it is proposed to cut down the tariff on matches and to give them an import quota which will destroy the American industry. Does the gentleman favor that?

Mr. PIERCE. I cannot believe that that is true.

Mr. CULKIN. Assuming it is true, is the gentleman in favor of that?

Mr. PIERCE. It was not true in regard to Cuba, and we heard the same things before that agreement was made.

Mr. CULKIN. Assuming my statement is true, is the gentleman in favor of that?

Mr. PIERCE. No. I cannot believe the President would enter into such a trade agreement. The reciprocal-tariff act, for which I voted, was enacted for the sole purpose of trying to dispose of our surpluses in this country to nations which could take them, giving us certain things in exchange.

Mr. CULKIN. The gentleman knows what Will Rogers says about our diplomacy—that if we have another naval treaty, all we will come away with is one rowboat.

Mr. PIERCE. I cannot believe that we can live within ourselves and be self-contained and keep our civilization. I think that the darkest day which can come to America will be the day we cut off all trade relations with the world. We cannot say to foreign nations today, "You take our surplus and pay us in gold." They have not the gold. They cannot buy. If we do not buy, we cannot sell.

Mr. CULKIN. Well, does the gentleman not take into consideration the distinction in the standards of living between our people and the Japanese, for instance?

Mr. PIERCE. Certainly.

Mr. CULKIN. For example, we cannot compete with them in the match-making industry, where they pay women 8 cents a day and men 17 cents a day, while we are paying our women 35 cents an hour and our men 50 cents an hour. We cannot compete with them in that field and maintain our standards of living, can we?

Mr. PIERCE. I cannot understand that there will be any attempt, when the final reports come in and the final treaties are made, to break down our business in those lines or break down our standards of living. Our President and his advisers want that to remain just as high as does the gentleman on this side of the aisle. There is no attempt on the part of the President or those around him to turn over our markets to the foreigners who have cheap standards of living; but the object of the reciprocal tariff was simply to reduce these big surpluses which break our home markets. The situation of the farmer is much better today than it was a year ago. The Agricultural Adjustment Act is working for the benefit of the farmer. It is far from being right today, but it is certainly better than it was.

Mr. CULKIN. Someone to my left suggests that I query the gentleman again, if I may, as to what he thinks about something that has already been referred to today, and that is the reduction in beet-sugar production in America. Beet sugar, of course, is not one of our surplus commodities. We only produce about one-quarter of the sugar which we consume. I assume the gentleman's own State raises some sugar beets.

Mr. PIERCE. We do not now produce any sugar beets.

Mr. CULKIN. Some of the abutting States do, however. Under the present arrangement with Cuba the production of beet sugar in continental America, and all sugar, is curtailed, I understand, to about one-third, if I have the facts correctly. That is a nonsurplus crop to which agriculture might turn itself. Does the gentleman think that we should restrict our own farmers?

The CHAIRMAN. The time of the gentleman from Oregon [Mr. PIERCE] has expired.

Mr. DITTER. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I rose somewhat belatedly to ask the gentleman a question regarding his expression that we had $100,000,000,000 of contracts payable in gold and had but $8,000,000,000 in the country. Some of us who are struggling to learn from these speakers what the cure-all is cannot help thinking that that has been the situation for many years back. For years there has been from fifty to one hundred billion dollars of such contracts while we had perhaps only four billion in the Treasury. But what troubles us is that many of these same legislators who tell of this great danger likewise say that inasmuch as there is $8,000,000,000 in the Treasury, it is now safe to issue 10 times that amount in printed money backed by this gold, because a reserve in the ratio of 1 to 10 would be sufficient in the light of past experience.

These two viewpoints do not seem to click, and I should like to suggest that these obligations of eighty to one hundred billion dollars are generally long-term securities which would not be redeemable for years to come and hence the gold would not be required at any particular date. If we should issue that amount of money, its redemption might be demanded during a short period of panic. There are always runs on banks which have to be temporarily closed because they cannot meet their outstanding obligations. It might be necessary even for the Treasury to stop the payment of gold for a time. But these two absolutely conflicting statements made by the students of monetary problems are rather confusing to us who are trying to learn. It is difficult to follow their lines of reasoning. I wanted a little explanation as to why we seemed to get along pretty well for so long a time, knowing that the same conditions existed. Has all this present chaos resulted from certain foreign nations going off the gold standard? Have not some of them gone off that standard at previous times?

Because of our present difficulties, must we embark upon such drastic and untried schemes, particularly as to the issuance of printed money?

Mr. McSWAIN. Mr. Chairman, will the gentleman yield for a question?

Mr. GIFFORD. I yield.

Mr. McSWAIN. Does not the gentleman from Massachusetts remember, however, that the countries of continental Europe prior to the World War were intensely strong in their adherence to the gold standard, and that the principal argument made by those who opposed the campaign of Mr. Bryan in 1896 was that it was necessary that America, if she was to become a great commercial nation, should be upon the gold standard, the single gold standard, such as the other commercial nations were on at the time?

Mr. GIFFORD. I understand that, but that was not the argument of the previous speaker, the gentleman from Alabama, who stated that this Nation, above all nations, must live true to her word and true to her obligations. The difficulty I have is in trying to reconcile the attitude of those who advocate such conflicting views. I want to know how these views are to be brought into agreement.

Mr. McSWAIN. I was seeking to answer the proposition of history that prior to this time other nations had gone off the gold standard and the calamities that are predicted as about to happen now did not happen then. As a matter of fact, prior to the World War other nations did not go off the gold standard but adhered to it with the greatest rigidity.

Mr. GIFFORD. Referring to calamities, Mr. Chairman, there has been nothing but calamity to follow everything in the way of these new departures we have seen undertaken in this country in the last few years. [Applause.]

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, I desire to pay my respects to the chairman of the subcommittee and to the members of the subcommittee for the very courteous and gracious way in which I, as the only member from the other side of the aisle, was received during the times of the hearing and the consideration of the bill. To the Members on the right side of the aisle may I say that in the hands of your capable chairman, it seems to me that the interests of the District of Columbia are certainly safely committed. With some few items we are not in accord. On those items I feel confident that probably our differences are due more to individual interests than to any purpose on the part of the chairman or his associates to underestimate certain functions of the municipal government.

I want to say just a word about the splendid appeal that was made by the gentleman from Alabama [Mr. HUDDLESTON] in this House just a few moments ago. It seems rather a coincidence that his statement should immediately precede the appeal which I shall try to make.

No Member on the right side of the aisle could turn a deaf ear to the eloquent appeal made by the gentleman from Alabama that those things which go to the moral fiber of a people, the fulfillment of obligations, the fulfillment of solemn pledges, transcend in importance the matter of purely material needs; and, from the standpoint of one of the other party, may I add just my humble word of appreciation for the very forceful and splendid words, and the admonition given by the gentleman from Alabama.

So far as the District of Columbia appropriation bill is concerned, in most respects I am thoroughly in accord with the members of the subcommittee on the right side of the aisle. There is but one item for which I care to make an appeal today. That is the item of character education. As the bill was prepared and came to us for consideration, it provided the sum of $87,000 for character education. As we considered the bill, the majority members were persuaded and the committee report states, that in the judgment of the majority, the sum of $87,000 should be taken out of the bill, that the experiment had not proved its worth, and that the endeavor that had been put forth by the Superintendent of Education

for character education should no longer be carried on. At the proper time it is my purpose to present an amendment in the hope that this $87,000 may again be made a part of the bill, in the hope that the character-education program in the District of Columbia may be continued, in the hope that the school system of the District of Columbia may provide a model for other school systems in the country to follow.

The character-education experiment was introduced in the public schools of Washington in September of 1934. It came as a result of the investigation of crime and racketeering conducted by a committee of the Senate and was endorsed in the hope that the educational facilities of the city might lend their efforts toward a solution of the crime problem and a proper appraisal of the value of character building in our community life.

It is proposed at this time to eliminate an appropriation for this purpose and to disrupt the organization which has been built up by the superintendent of schools in this commendable program. No one will be bold enough to deny that the development of character should be one of the primary functions of our school system, but there are those who believe that such a program should be relegated to a secondary place and depend for its efficiency upon haphazard and unscientific methods. I cannot join with these advocates of curtailment in character building.

The financial difficulties through which we are passing have been permitted to have a disastrous effect upon the schools. A program of social suicide has been countenanced as municipal leaders have directed their efforts of economy to those educational institutions which should be depended upon for the development of leadership, and have paid scant attention to inefficiency and wastefulness in other branches of governmental service. The fallacy of the doctrine of retrenchment in our public-school system becomes more evident as one contemplates the imperative demands for leadership in this age of uncertainty. Dependability, stability, and character are needed sorely today. Closed schoolhouses, overcrowded classrooms, depleted teaching staffs, provide a fertile field for the sowing of iniquitous seeds of un-Americanism and the cultivation of dangerous doctrines and pernicious practices. The future well-being of American life demands adequately trained, properly disciplined, and soul-inspired young people today.

It is a coincidence that today the President's message stressed the importance of the same words that he emphasized in his opening message to this Congress, namely, the matter of social security.

The President, in his opening message to the Congress, reaffirmed his previous declaration that "among our objectives I place the security of the men, women, and children of the Nation first." Certainly this commendable program must include a recognition of the value of the contribution which can be brought by the educational agencies of our land. I cannot appreciate any note of harmony between an avowed administration policy of emphasis upon social security and an evident administration program of ignoring the foundation upon which our social security must be built—the character of our people. Social security does not depend solely upon material resources. Social security cannot be obtained alone by statutes and administrative edicts. Social security does not rest only upon the regulation of business practices and the adjustment of controversial industrial issues. The security of a people springs from a sense of responsibility for the welfare of others.

It depends to a large degree on the proper appraisal of homely virtues—honesty, dependability, straightforwardness—in a word, on character. It depends on the endorsement by our people of the value of rugged righteousness and the denunciation of cunning craftiness in our everyday life. It places a premium on the value of the fulfillment of covenants and deplores the breach of solemn pledges. It cannot condone the doctrine of the excuse of expediency for the repudiation of contractual obligations. The security of a people is primarily dependent upon a sense of confidence in the honesty of purpose of others and the integrity of the program of the Government. James Truslow Adams in a recent magazine article entitled "The Crisis in Character" is the authority for the statement that the lack of character "has complicated our unhappy situation" and that the decadence in character will continue to have far-reaching effects after we have overcome the economic and political crisis through which we are passing and have restored to our people a degree of material prosperity.

I am not unmindful of the magnitude of the problems confronting the present administration nor the demands which have been made upon it. I realize that it is most difficult for a democratic government to keep its expenditures within reasonable bounds when spending is the criterion of the popularity of the administration. It is to be regretted, but we must admit that an extravagant administration may purchase its popularity with the people by an ever-increasing volume of benefactions bestowed with political favor and resulting in the ultimate prostitution of the country and the destruction of self-reliance and courage.

I deplore the fact that character education cannot be included in this program of administration expenditures. I appreciate keenly the fact that individuals, as well as Government agencies, must readjust themselves to the financial conditions of the present day. I denounce wastefulness and reckless prodigality, whether in public or in private life, but I believe we should come to a sense of relative values. Much has been said about the importance of balancing the Budget. I am in accord with those who emphasize the need of maintaining the national credit, but I am equally convinced that an economic recovery will be of little value unless those interests which have to do with character building are safeguarded and developed. It will be futile to balance the Nation's Budget and unbalance the Nation's life and spirit and character. A financial deficit can be discharged, but a social and a character deficit cannot be paid by values in lands and houses and material prosperity. I hold it as our first duty to give to our children the greatest possible advantages for physical well-being, for intellectual discipline, and the development of spiritual stability which can possibly be provided. Without these, prosperity will be barren. Demagoguery with its limited vision and selfish purpose may denounce the value of our schools and school systems, but a solemn duty rests upon us to bring the fallacies of their denunciation to the light of day.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield myself 4 additional minutes.

Mr. TERRY. Will the gentleman yield?

Mr. DITTER. I yield to the gentleman from Kentucky.

Mr. TERRY. The gentleman was speaking about the amendment in reference to cutting out the program pertaining to character education in the District. Did they entirely eliminate the character-building program or just reduce it somewhat?

Mr. DITTER. When the program was originally provided for last year, an allotment was made for a superintendent, counsellors, and the necessary clerical staff to carry on the experiment. We were advised at that time that they contemplated a 3-year program; that success could not come by simply inaugurating the program for a year and then letting it run its own way; that there should be a natural building up year by year until the whole program of the schools of the city are brought within the character-building experiment.

Mr. TERRY. The idea of the committee, then, is after 1 year to eliminate entirely the character-building program, as I understand the matter?

Mr. DITTER. In fairness to the members of the committee who are advocating elimination of the item, may I say it is their thought that this character-building program may be carried on by the teaching staff presently provided, and that there need not be the emphasis and the provision for counsellors and clerical assistants to carry on the work to its complete consummation. With this opinion I do not concur. To be successful it must be a systematic, coordinated program.

There is a difference in what we mean by economy. There is an economy that realizes the spirit of wastefulness, which, unfortunately, has been only too prevalent in many governmental functions. I join with that company who denounce such profligacy. But there is also an economy that countenances destruction and ruin. With this school of thought I have nothing in common. I repeat that we must come to a realization of relative values, of putting first things first, and among the first things in our democracy is the value of the public-school system in character building. There is an old saying, "It is good to know; it is better to do; it is best to be."

Character education aims and has for its purpose the molding of lives in the school system, the making of boys and girls who will not depend on what their reputation may be but will depend upon what their character is.

I ask from both sides of the House, irrespective of party lines, when the time comes for the presentation of the amendment, your support if you are interested in character education as a worthy objective in the public-school systems of this country. [Applause.]

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I yield the gentleman from Texas [Mr. BLANTON] such time as he may desire.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD and to insert certain excerpts I want to use in connection with the statement I desire to make.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Chairman, I began my service in this House of Representatives with the War Congress on April 2, 1917. My distinguished colleague from Missouri [Mr. CANNON], chairman of this committee having this bill in charge, was at that time an expert experienced parliamentarian and was then widely familiar with all affairs of the District of Columbia.

He first began his services here as parliamentarian of this House and as such served under both Democratic and Republican administrations. He was the parliamentarian for the Democratic National Conventions at San Francisco, 1920; New York, 1924; Houston, 1928; and Chicago, 1932.

Mr. CANNON of Missouri is the editor of two editions of the Manual and Digest of the House of Representatives, 1916 and 1918; is the author of A Synopsis of the Procedure of the House, 1919; of Procedure in the House of Representatives, 1920; of Cannon's Procedure, 1928; and of two editions of the Convention Parliamentary Manual. He is also the author of Treatise on Parliamentary Law in Encyclopedia Britannica, and is the editor and compiler of Precedents of the House of Representatives, authorized by act of Congress, and holds a doctor of laws degree.

Having had 23 years' familiarity with the affairs of Washington and having been for years a close student of fiscal relations between the Government and the District of Columbia, there is no better posted man in the United States than Mr. CANNON on the business, needs, and necessities of the District of Columbia.

Besides being a member of other committees, I was assigned to the Legislative Committee on the District of Columbia soon after I reached Washington. I served on that committee a number of years. I made a close detailed study of fiscal affairs, covering a period of more than 10 years. I personally checked up every office, plant, and project in the District. For several years I was the ranking Democratic member of said District of Columbia Committee.

I had the benefit of having Hon. Ben Johnson, of Kentucky, turn over to me all of his records, investigations, historical data, and facts gathered by him during the years he served as chairman of that committee before the war Congress, and before his death he related to me many times in minute detail all of the many donations in large sums this Government has made to the people of Washington, and how many hundreds of millions of dollars the District of Columbia owed the United States Government, if the Washington people had to pay it back.

While it was a great personal sacrifice for us to be away from home, Mr. CANNON, Mr. JACOBSEN, and myself spent most of the month of December, before this session met, holding hearings on this appropriation bill. These hearings embrace 871 printed pages. We had but one purpose, and that was to do full justice both to the District of Columbia and to the United States Government.

This bill appropriates $39,308,404 for the next fiscal year for the District of Columbia, and in addition to that the District has trust funds already given it of $1,430,000, and in addition to that has a cash surplus of $2,450,000, yet all of the Washington newspapers are bemeaning Mr. CANNON and myself, claiming that we have crippled the District by not giving it enough money.

During the past 6 weeks the newspapers of Washington have been carrying on a concerted campaign to try to force Congress to give the District a larger Federal contribution to civic expenses. As soon as we began the hearings, I reminded the chairman of the Board, Commissioner Hazen, that President Roosevelt's Budget fixed the Federal contribution at $5,700,000 and asked him the following questions:

Mr. BLANTON. The Budget has proposed that the Government contribute this year $5,700,000.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. And you are asking for about $3,000,000 more?

Commissioner HAZEN. About that, but the Budget did not seem to agree with us.

Mr. BLANTON. But you were asking for it?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. But you are not expecting to get it?

Commissioner HAZEN. We hope we will get it.

Mr. BLANTON. You are carrying on a concerted campaign in the city now by way of meetings and banquets, speeches and newspaper publicity, and so forth, to get that sum?

Commissioner HAZEN. We hope to get it.

Mr. BLANTON. Is there any Washington citizen opposing it?

Commissioner HAZEN. I have not heard of it.

Mr. BLANTON. You do not expect any opposition from Washington citizens?

Commissioner HAZEN. It is one thing to which there seems to be no opposition.

Mr. BLANTON. Unless some representatives of the people here in Congress rise up in front of you, you will have no obstacles; is that right?

Commissioner HAZEN. Oh, I think we will. I think this committee will probably oppose that.

Mr. BLANTON. Well, are not they representatives of the people?

Commissioner HAZEN. Yes, sir; representatives of the whole people.

Commissioner ALLEN. Mr. Blanton, we want to say also that we think we are representatives of the people. We do not want to be left out of that category.

Mr. BLANTON. Certainly; but the difference is, Mr. Commissioner, that you are representing 500,000 people of Washington and Chairman CANNON and Mr. JACOBSEN and I are representing 120,000,000 people of the United States.

Commissioner ALLEN. That is correct.

Mr. BLANTON. You are representing a part, and we are representing the whole. There is the difference. We look at the matter from the national viewpoint, a national scope, and you are looking at it from a circumscribed viewpoint within the scope of the city.

Commissioner ALLEN. That is correct.

Mr. BLANTON. And, of course, our views are divergent.

Commissioner ALLEN. That is correct.

When debate began on this bill yesterday, I made a statement reciting the admissions made by the District Commissioners. I gave nothing but the facts, the truth of which is clearly shown by the testimony of said Commissioners. No Member of this House made any attempt to refute any statement I made. No one could refute same. The RECORD supported my statements.

If Mr. CANNON and myself had given the District of Columbia all the Commissioners had asked for, and all the Washington newspapers wanted, we would have had the whole front, with our pictures in life size, on every newspaper in Washington, and we would have been heralded as statesmen and the greatest men in Congress. But we did not obey their mandates. And, as usual, we had to be subjected to their gaffs, their ridicule, their misrepresentations, and their usual displeasure. They have let it be known that any Member who will not criticize the appropriation bill, and any Congressman who will obey Washington newspapers, will have honorable mention, and can always get his picture

and a big write-up on the front page. But many people over the United States read the CONGRESSIONAL RECORD. These readers of the RECORD check up on these Members who, for a little notoriety, advocate giving large sums of public money out of the Federal Treasury to pay part of the expenses of Washington people, and these readers of the RECORD calmly pass on the question whether Washington people are well cared for and whether it was necessary for them to pay so much of Washington's expenses.

So the older Members here have learned that there is no reason or excuse whatever for making the people in the States pay the expenses of Washington people, and that their constituents back home call them to account when they get too generous with the people's money, and they have quit making speeches for Washington newspapers.

I wondered yesterday just who would take the floor to make the "Washington" speech. I knew it would be someone who had not been here many terms. To my great surprise it was my good friend from Illinois [Mr. DIRKSEN]. He was elected to Congress in November 1932, and had served one term, and I thought that would have given him time to be better informed. He is a splendid, fine, active Member of the House, and personally I like him immensely. But he has not been here long enough to learn much about District affairs. He preluded his remarks with this statement:

Mr. DIRKSEN. Mr. Chairman, if there were only more new Members in the Chamber at this time, I should like to disabuse their minds of some of the things that were stated here a little while ago by the distinguished gentleman and philosopher from the sagebrush country of Texas. I shall never forget as a Member of the Seventy-third Congress, listening with deep interest to the statement that was made at that time about how we frittered away the money of the people of this country and lavished it upon the people of the District of Columbia.

Why did he say I was from the "sagebrush country"? There is not a sagebrush in my entire district. I am not from the sagebrush country of Texas. He did not deny a single statement I made in my speech. He could not deny any statement, because every statement I made was proved by admissions made by the Commissioners in the printed hearings. He tried to get around my speech and the indisputable facts stated by me and quoted from the hearings by a mere wave of his hand. He said he would not attempt to disabuse the minds of new Members at that time, but promised to do so at some other time. Why did he pick new Members to disabuse their minds? Why did not he disabuse the minds of all Members? Because all the old Members knew I stated facts.

True to form, the Washington newspapers gave big headlines to Mr. DIRKSEN. He immediately became Washington's hero. I quote the following from the Washington Herald:

Caustic criticism of District residents by Representative BLANTON, of Texas, on the floor of the House yesterday after the local budget was reported, aroused Representative DIRKSEN, of Illinois, to a vigorous defense of Washingtonians.

Representative DIRKSEN said his service on the District Committee had convinced him that most of Mr. BLANTON's criticism was undeserved by the people of Washington.

Not in any particular was it shown that any fact was misstated, or that I had made any error in quoting from the hearings, or that I had made any criticism that was undeserved. There was just the lawyer's "general denial."

Now I quote from the Washington Post. It, too, ran true to form:

Almost the entire afternoon session of the House yesterday was occupied with general debate, during which Representative BLANTON, ranking member of the subcommittee, harangued regarding the advantages of living in Washington and the "propaganda" of the local newspapers.

Representative DIRKSEN (Republican), of Illinois, a member of the House District Committee, took BLANTON to task for some of his criticisms.

Because I gave facts, the Post said I "harangued." Just in what way did Mr. DIRKSEN "take me to task"? Not a denial of any fact stated by me did he make.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a minute. I am going to put in my remarks a quotation from the hearings, and these are admissions from the District Commissioners themselves, regarding every fact I mentioned on the floor yesterday to show you that you cannot get away from the facts. You cannot wave away facts by a wave of the hand.

Mr. DITTER. Will not the gentleman yield for a question?

Mr. BLANTON. Just a minute. I do not want to take too much time. I want to show up some of these newspaper misstatements.

For instance, the Herald this morning in attempting to quote statements made by our distinguished and able chairman, the gentleman from Missouri [Mr. CANNON], and in attempting to quote me, in great big box-car letters, states the following:

Starve needy out of city, Blanton's District of Columbia budget plan.

Representative CANNON of Missouri also suggested the relief recipients be sent back to farm—they do not belong here in Washington.

Now, all of that quotation is absolutely false. Both Mr. CANNON and myself were referring only to transients in Washington. There are over 10,000 Negro transients in Washington drawing relief, and we advised that they should go back to their homes and go to work.

THE OFFICIAL PRINTED HEARINGS

Now, I am going to quote a few excerpts from the official printed hearings which will conclusively prove every fact stated by me in my speech yesterday:

Mr. BLANTON. Mr. Chairman, before Major Donovan makes his statement, I desire to ask Commissioner Hazen some questions, as he is the President of the Board of Commissioners.

So that everyone may understand the matter under consideration, this bill upon which we are now holding hearings is called the "1936 bill." That is the appropriation bill for the fiscal year from July 1, 1935, to July 1, 1936.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. The bill upon which we held hearings early this year and for which we made appropriations, known as the "1935 bill", is for the current year that ends June 30, 1935.

Commissioner HAZEN. That is right.

Mr. BLANTON. In the general statement that you made on March 7, 1934, before this subcommittee, I quote from your statement on page 5 of the hearings. You call attention to the fact that the tax rate for the present fiscal year had been reduced to $1.50, and then you use this language:

"This reduction represents a saving to taxpayers in the fiscal year 1934 of $2,445,000."

That is a fact, is it not?

Commissioner HAZEN. I assume so.

Mr. DONOVAN. That is about right.

Mr. BLANTON. Then you went on to say:

Moreover, in the fiscal year 1934 the assessed valuation of real estate has been reduced by $80,000,000, a saving to property owners of $1,200,000.

That is right?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. By a reduction in the assessed valuations of real estate to the extent of $80,000,000, you meant that you distributed that over the general assessments?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. But everyone was presumed to have received a decrease?

Commissioner HAZEN. It is supposed to be leveled over the entire District.

Mr. BLANTON. That is right; it was leveled over the entire District.

Mr. DONOVAN. They all got the benefit of the decrease in the tax rate.

Mr. BLANTON. Then you further state: "It is also contemplated that a further reduction in the assessed value of real estate of approximately $50,000,000 will be made in 1935."

Did you make that further reduction?

Commissioner HAZEN. There was further reduction.

Mr. BLANTON. And you did make another reduction, approximately $50,000,000, in assessed values, as noted by the assessor, Mr. Richards, of 10 percent in the assessed valuations?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. And that was general all over the District?

Mr. RICHARDS. Yes, sir.

Mr. BLANTON. So that property owners generally got the benefit of that additional $50,000,000 reduction?

Commissioner HAZEN. That is quite right.

Mr. BLANTON. Then this year and last year you have given the property owners in the District a reduction in the assessed values of real estate of $130,000,000, or 15 percent, have you not?

Commissioner HAZEN. Approximately; yes, sir.

Mr. BLANTON. Then you also say:

"The Commissioners also invite attention to the recommendation under the chapter for the water service for a 25-percent reduction in water rates for 1935, and an increase in the metered

allowance now 7,500 cubic feet to 10,000 cubic feet. This means a saving to water users of about $600,000."

That was provided?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. So that the property owners of the District got a saving of $600,000 through a decrease in water charges?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. In addition to that $600,000 decrease in water charges, they also got the benefit of the increased metered allowance of 2,500 cubic feet of water?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Without extra charge?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. So that they got a double benefit in the matter of the water charges?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Then you further say:

"In the fiscal year 1934 Congress allowed a discount of 10 percent of the amount of any bill for water charges paid within 15 days after the date of the rendition thereof. It is estimated that this will mean a saving of about $100,000 to water users."

That was a saving of $100,000 additional, approximately?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. To water users here in Washington?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. It is a fact, Mr. Commissioner, that the tax rate this year, the fiscal year 1935, is only $1.50 per 100 on real estate and only $1.50 per 100 on personal property, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. There is no contemplation in the minds of the Commissioners to increase that tax for next year, 1936? You do not contemplate increasing it?

Commissioner HAZEN. We do not contemplate increasing it.

Mr. BLANTON. You have stated you did not contemplate that, have you not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. So far as you know now, your tax rate for next year, 1936, will be $1.50 per 100?

Commissioner HAZEN. It will, because we can meet the items in this bill with a $1.50 tax.

SURPLUS CARRIED OVER FROM FISCAL YEAR 1934 AND ESTIMATED SURPLUS FOR FISCAL YEAR 1935

Mr. BLANTON. With that $1.50 tax rate, you stated in your preliminary general statement that you carried over from the last fiscal year to the present fiscal year a surplus of $4,600,000?

Commissioner HAZEN. That is right.

Mr. BLANTON. And you say that you will inherit next July 1 a surplus of——

Commissioner HAZEN. $2,450,000.

Mr. BLANTON. A $2,450,000 cash surplus, to help you on expenses.

Commissioner HAZEN. That is what our auditor says.

Mr. BLANTON. That is what you say?

Commissioner HAZEN. Yes.

Mr. BLANTON. You have also, for this coming fiscal year, a trust fund, as you said in your general statement, of $1,430,000?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. That is a fund to which you have access, which you get out of the Treasury, regardless of what Congress does in this bill, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Because Congress in an appropriation bill cannot repeal that.

Commissioner HAZEN. That is right.

Mr. BLANTON. It takes a legislative act to repeal that?

Commissioner HAZEN. That is right.

Mr. BLANTON. So you have got that much cash to start on, have you not?

Commissioner HAZEN. Yes.

Mr. BLANTON. You have no income tax for the District of Columbia?

Commissioner HAZEN. That is true.

Mr. BLANTON. Such as other cities and States have?

Commissioner HAZEN. No.

Mr. BLANTON. And you have no inheritance tax here in the District of Columbia?

Commissioner HAZEN. No, sir.

Mr. BLANTON. In the Congress before last there were introduced and passed by the House of Representatives unanimously, but were pigeonholed and died in the Senate, what are known as the "Mapes bills", following exhaustive hearings by a regular select committee known as the "Mapes committee." One of said bills so passed unanimously by the House provided for an income tax for the District. That is so, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Are you recommending any income tax for the District?

Commissioner HAZEN. We have not in this Congress; no, sir.

Mr. BLANTON. Do you intend to recommend one?

Commissioner HAZEN. I cannot speak for the Board, Mr. Blanton.

Mr. BLANTON. Do you favor an inheritance tax for the District?

Commissioner HAZEN. Mr. Blanton, I have not given it sufficient study.

Mr. BLANTON. You are not ready to speak on that?

Commissioner HAZEN. No.

Mr. CANNON. In previous hearings, the Board of Commissioners have gone on record, have they not, as favoring the levying of an income tax and an inheritance tax for the District?

Mr. BLANTON. I thought so, and I was trying to get their present attitude on it.

Mr. CANNON. Evidently there has been a change in the attitude of the Board of Commissioners.

INTANGIBLE TAX

Mr. BLANTON. The tax on intangibles in the District is one-half of 1 percent. That is a fact?

Commissioner HAZEN. I believe so.

Mr. BLANTON. And it is a fact that up to this date the amount that is collected on intangibles is almost infinitesimal, is it not?

Mr. DONOVAN. Oh, no; $2,000,000 a year, Mr. BLANTON.

Mr. BLANTON. Yes; when you consider the hundreds of millions of dollars that are stored away in these lock boxes in the safe-deposit vaults in Washington—if you could get at them—you would find hundreds of millions of dollars of intangibles that could be taxed. Do you not think so, Major?

Mr. DONOVAN. Mr. Chairman, I am perfectly willing to say that, in my opinion, we ought to get a great deal more than we do from the present tax on intangibles.

Mr. BLANTON. Do you not think that there are hundreds of millions of dollars stored away in lock boxes here?

Mr. DONOVAN. I would not say how much. But I believe we ought to get more money than $2,000,000 a year.

Mr. BLANTON. Certainly.

Mr. CANNON. You mean at that rate it should be more than $2,000,000?

Mr. BLANTON. Has there ever been, so far as you know, since you have been connected with the District government, a prosecution against anyone for making a false return on intangibles?

Commissioner HAZEN. Not that I recall; no criminal action.

INTANGIBLES REACHED WHEN RICH MEN DIE

Mr. Chairman, if my colleagues will look on page 11 of the printed hearings, they will see that between January and November 1934 there were 76 wills probated in the District of Columbia, where each one of these 76 estates held a large amount of intangible assets, which theretofore had been untaxed. Their names and amounts are shown. One estate owned $82,000, another $115,000, another $105,000, another $96,000, another $335,000, and another $1,064,400 in intangible assets, which before their death had been locked up in tin boxes in bank vaults. After a man dies the title to his securities listed in his name cannot be passed to his heirs until they go through the probate court. Hence after death these intangibles come out of lockboxes and reach the light of day.

I now quote further from the official printed hearings:

GASOLINE TAX

Mr. BLANTON. In the District of Columbia there is a gasoline tax of 2 cents a gallon?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. That is in addition to the 1 cent Federal tax?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. In many States their State tax, in addition to their Federal tax, ranges from 5 cents to 9 cents a gallon. For instance, in Tennessee it is 7 cents. In Virginia, what is it?

Commissioner HAZEN. Five cents.

Mr. BLANTON. In Maryland it is now 4 cents?

Commaissioner HAZEN. Yes, sir.

Mr. BLANTON. The Mapes bill to provide for an extra tax on gasoline was passed in the House of Representatives unanimously, there being not a vote against it, on December 17, 1931. The bill was H. R. 5823. It was pigeonholed and died in the Senate.

Have you any objection to that bill, or a similar bill, being passed by the present Congress?

Commissioner HAZEN. No, sir; I am speaking now personally, of course.

LICENSE-TAG TAX

Mr. BLANTON. In the District of Columbia there is a license-tag tax that people pay in order to get their license plates each year. That amounts to only $1 per car.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. That would be $1 per car for an $8,000 Rolls-Royce limousine as well as a dollar per car for a Ford or a Chevrolet?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. They are all the same?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. In some States the fee on a Rolls-Royce would be $40. In the District it would be a dollar. That is a fact, is it not?

Commissioner HAZEN. For the tag.

Mr. BLANTON. In the Mapes bill, introduced in and passed by the House of Representatives by unanimous vote on December 17, 1931, but which died in the Senate, there was a provision to increase the cost of license tags upon automobiles, and to provide a comparable tax on trucks that do an interstate business through the District from New York to Texas. Is there any objection to that bill being passed by Congress?

Commissioner HAZEN. I think there ought to be a larger tax on automobiles.

Mr. BLANTON. But both Fords and Rolls-Royces each pay just $1 for license-number plates here in Washington. In the calendar year 1933, in Maryland, the registration fee on a Chevrolet or a

Ford was $8.64. That is right over across the line, 4 miles from the Capitol. Compare that with $1 charged Rolls-Royces in the District. You have no objection to legislation being passed to increase that tax to make it a fair tax, have you?

Commissioner HAZEN. Well, we have thought of a weight tax. We will discuss that matter later.

Mr. BLANTON. Have you any recommendations prepared to submit to Congress regarding a tax on these trucks that wear out your streets here?

Commissioner HAZEN. We will have.

Mr. BLANTON. Have you any at the present time?

Commissioner HAZEN. Not at this time.

WATER TAX

Mr. BLANTON. In the District of Columbia the average water tax per family is now approximately what?

Mr. DONOVAN. It is about $8.75.

Mr. BLANTON. Was not that the tax before Congress reduced it?

Mr. DONOVAN. It was that before Congress reduced it.

Mr. BLANTON. But Congress reduced it?

Mr. DONOVAN. You mean the 25-percent reduction?

Mr. BLANTON. Yes.

Mr. DONOVAN. If you take the 25 percent off——

Mr. BLANTON. I am talking about what they now actually pay per family per year for water.

Mr. DONOVAN. With the 25 percent off and the increase in the metered allowance, it is probably around——

Mr. BLANTON. About $6.75 per year per family for water?

Mr. DONOVAN. That or a little under.

Mr. BLANTON. Per year, per family for splendid water. Mr. Commissioner, is not that a remarkably low charge for water?

Commissioner HAZEN. I do not know.

Mr. BLANTON. Allowing 10,000 cubic feet for a flat rate like that per family per year for $6.75 or approximately 50 cents per month for water?

Commissioner HAZEN. Of course, it covers all operating expenses and allows for extensions. How it compares with the charge in other cities, I do not know.

Mr. BLANTON. That is a special privilege that Washington people enjoy here that the citizens of many other cities do not enjoy. You realize that that is a low rate?

Colonel SULTAN. It is low; yes.

Mr. BLANTON. The colonel knows about that.

Colonel SULTAN. For filtered water, it is very low.

Commissioner HAZEN. I am told it is one of the lowest.

Mr. BLANTON. The water charges in most of our cities are much higher. In the summertime some people in other cities pay as much as $25 a month for water to keep their lawns and trees alive, and then they cannot get all of the water they need.

Commissioner HAZEN. It does, however, take care of all expenses and upkeep—the present rate.

Mr. BLANTON. In Maryland, just across the line, a few miles from the Capitol, the water charge for a family of three is $14, just double what it is in Washington.

CONNECTIONS WITH SEWER SYSTEM

In the District of Columbia a man who built a house 25 years ago and then paid for having his house connected with the sewer system of the District has not in the last 25 years had to pay a single additional monthly service charge for sewers, has he?

Commissioner HAZEN. No.

Mr. BLANTON. And he will not have to pay any in the future, will he?

Commissioner HAZEN. No, sir.

Mr. BLANTON. After he once connects with the sewer, there is no service charge at all thereafter?

Commissioner HAZEN. I think not.

Mr. BLANTON. This is a special privilege that Washington people enjoy that is not enjoyed by citizens of other communities—by citizens of many other communities, is it not?

Commissioner HAZEN. After the property owner installs his connection with the sewer system, there is no charge from then on.

Mr. BLANTON. I say that is a privilege that they enjoy here?

Commissioner HAZEN. Surely it is a privilege.

Mr. BLANTON. For instance, in Abilene, Tex., I am paying $3 a month for such service.

Commissioner HAZEN. For sewer?

Mr. BLANTON. For sewer service, paid every month.

Commissioner HAZEN. Is that so?

Mr. BLANTON. $3 every month, as everyone is required to pay so much for every connection in the house, for every lavatory, every toilet, every spigot that you have in your house you have got to pay a certain charge. Such a system exists in many cities.

Now, paying no monthly service charge is a privilege that the Washington people enjoy, is it not?

Commissioner HAZEN. Surely it is.

FEDERAL CONTRIBUTIONS TO FEDERAL EXPENSES OF DISTRICT OF COLUMBIA

Mr. BLANTON. Now, with regard to paving in the years during which there was so much paving done in the District. During those years there was a system whereby the Federal Government paid 50 percent of all the expenses of the city of Washington?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. And streets were paved, fine schools were built, playgrounds were acquired, and bridges were built, the court buildings, hospitals, asylums, and jail were constructed, and general improvements were made on that same basis. Our water system and sewer system were thus acquired and perfected. This bridge out on Connecticut Avenue that is known as the "million dollar" bridge was built that way, the United States paying half of its cost.

Commissioner HAZEN. It is the Taft Bridge now.

Mr. BLANTON. For many years it was called the "million dollar bridge", because it cost a million dollars.

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Also a number of other important bridges and many fine school buildings having been built under that same arrangement. Then after that there was a period when the amount that the Government paid was reduced to a basis of 60-40; is that right?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. The Government then paid 40 percent and the District 60 percent?

Commissioner HAZEN. Yes, sir.

BENEFITS TO CITY FROM NATIONAL EXPENDITURES

Mr. BLANTON. Mr. Commissioner, within the last 20 years the Government of the United States has spent for permanent improvements in the way of beautiful public buildings in Washington $200,000,000. That is a great asset to Washington, is it not?

Commissioner HAZEN. It certainly is.

Mr. BLANTON. And the press of Washington last week stated that during this month there were to be 19 big national conventions held in Washington. That is a tremendous help to Washington, is it not?

Commissioner HAZEN. To the business of Washington, yes.

Mr. BLANTON. Those people spend their money when they come here for hotels, and for buying things at the stores, and so forth.

Commissioner HAZEN. It is a good thing for business, but a bad thing for the police department.

Mr. BLANTON. But it is a wonderful thing for the business of Washington, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. It is something that the chambers of commerce all over the United States in the big cities pay hundreds of thousands of dollars for every year, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. Now, is there a building in Washington that is owned by this Government that is not an asset to Washington? Can you tell me of one that is not?

Commissioner HAZEN. I would say that some of these buildings down in the Mall are not good assets.

Mr. BLANTON. I am talking about the permanent buildings. Are they assets to Washington?

Commissioner HAZEN. I would think so.

Mr. BLANTON. You would admit that they are assets to Washington?

Commissioner HAZEN. Yes.

Mr. BLANTON. The people all over the United States come here to see these big public buildings, do they not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. This new $10,000,000 Supreme Court Building is one of the beauty sights of Washington, and this $14,000,000 Memorial Bridge that the Government built here is a wonderful asset to Washington, is it not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. The people of Washington did not pay anything for it, did they?

Commissioner HAZEN. I think not.

Mr. DONOVAN. Except the approaches.

Mr. BLANTON. I am talking about the $14,000,000 that we spent out of the Treasury for the Memorial Bridge. That was paid for out of the Public Treasury, was it not?

Commissioner HAZEN. Yes.

Mr. BLANTON. Every person in Washington uses that bridge, do they not?

Commissioner HAZEN. I suspect that most of them do.

Mr. BLANTON. And all of the splendid parks, and there are 1,200 of them here in Washington, little and big, are used by the people and enjoyed by them, are they not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. And it is a wonderful asset to the people of Washington.

Then, we have one of the greatest Zoos in the United States here in Washington, have we not?

Commissioner HAZEN. Yes, sir.

Mr. BLANTON. And the 87,000 school children of Washington attend it regularly, do they not?

Commissioner HAZEN. They attend it. I do not know how regularly.

Mr. BLANTON. But they do attend it?

Commissioner HAZEN. Yes.

Mr. BLANTON. Swarms of them?

Commissioner HAZEN. Yes.

Mr. BLANTON. Mr. Commissioner, you have been a public servant for a long time, and you are intimately acquainted with every detail of Washington business and history. On the whole, can you cite the people of any city of the United States who have better privileges, who are better cared for, than those in the city of Washington?

Commissioner HAZEN. I think that it is the greatest city in the United States.

Mr. BLANTON. And Washington people are better cared for, are least taxed, and have greater privileges than any other people in the United States?

Commissioner HAZEN. I believe they do.

Mr. BLANTON (to Mr. CANNON). Do you mind, Mr. Chairman, our giving that out to the Washington press to offset the vigorous compaign it is now making to force Congress to give Washington people several million dollars more in a Federal contribution.

Mr. CANNON. I see no reason why there should be any objection.

Mr. BLANTON. That is all; thank you.

My colleagues will note that Commissioner Hazen, president of the Board of Commissioners for the District of Columbia, admitted that the people of Washington are better cared for, are least taxed, and have greater privileges than any other people in the United States.

I will assert without fear of contradiction that the city officials and employees of the District of Columbia, a city of 500,000 people, receive larger salaries than do the officials of any other city of comparable size in the whole world. And regularly each month their salaries are paid in spot cash, and they have never had to wait for payment, or discount their pay to get the cash. It is always forthcoming promptly on the date of payment. And it is promptly spent, so that all business men of Washington get the benefit of it.

And the 100,000 Government employees here in Washington regular spend most of their cash earnings here each month. The business men of Washington get the benefit of their salaries. They get most of the salaries of Congressmen. They get most of the salaries of United States Senators.

If you will look on pages 104 to 110 of the printed hearings, you will see the salaries paid officials of the District of Columbia, and when I mention same I mean basic salaries. The Commissioners receive $9,000 per annum and are furnished an automobile. The city secretary gets $5,600. The purchasing officer gets $5,400. The inspector of buildings gets $5,800. The tax assessor gets $7,500. The tax collector gets $6,000. The deputy assessor gets $5,600. There are 7 assistant assessors who receive $4,800 each. The city auditor gets $9,000. He has 12 assistants, who receive from $2,600 to $4,600. The corporation counsel gets $9,000. He has 16 assistants, who get from $2,600 to $7,000 each. The coroner gets $3,200. The superintendent of weights and measures gets $3,700. The architect gets $7,500. He has 39 assistants, who receive from $2,600 to $5,600 each. The public utilities has 15 employees, who receive from $2,600 to $5,000 each. The superintendent of insurance gets $4,600. The surveyor gets $5,000. The director of traffic gets $7,500. The chief librarian gets $8,000. He has 15 assistants, who get from $2,600 to $4,600 each. The register of wills gets $6,400. The recorder of deeds gets $5,500. The director of highways gets $7,500. The tree superintendent gets $5,200. The sewer director gets $7,500. The refuse supervisor gets $6,000, and 2 assistants $5,000 each, and 11 other assistants who get from $2,600 to $3,800 each. The playgrounds supervisor gets $4,600. The health officer gets $7,000. He has 25 assistants, who get from $2,600 to $5,600 each. The director of public welfare gets $8,000. The juvenile judge gets $7,000. The Gallinger superintendent gets $7,500. The superintendent of schools gets $10,000. The water superintendent gets $5,800. And the hundreds of other employees get proportionate salaries.

I now quote from page 63 of the printed hearings:

PERSONAL PROPERTY EXEMPTIONS

Mr. BLANTON. What is the exemption that is allowed each family for purposes of taxation?

Mr. RICHARDS. On household goods?

Mr. BLANTON. On everything. What are the exemptions?

Mr. RICHARDS. Only household goods.

Mr. BLANTON. Amounting to what—$1,000?

Mr. RICHARDS. $1,000.

Mr. BLANTON. Each family in the District is allowed an exemption from taxes on household goods of $1,000?

Mr. RICHARDS. Yes.

Mr. BLANTON. And in addition to that their libraries?

Mr. RICHARDS. Yes.

Mr. BLANTON. If a man owned $1,000 worth of household furniture and he had a $100,000 private library, he would have $101,000 worth of property exempt from taxation?

Mr. RICHARDS. Yes, sir.

Every time the Government wants a piece of property, the Washington citizens who sit on the jury to assess the amount the Government must pay for it, invariably charge the Government about twice what it is worth. I quote the hearings from page 47 to show this:

Mr. CANNON. There is one piece of property that in September 1919 sold for $4,500 but for which the jury compelled the Government to award $11,500.

Here is one piece of property, lot no. 40, which in June 1919 sold for $12,000, and for which the Government had to pay $25,000.

Here is another piece of property, lot no. 32, an inside lot, which on July 19, 1922, sold for $3,800, and for which the Government was required to pay $8,250.

Here are two lots which in November 1923 sold for $16,500, which cost the Government, under the award of the jury, $37,500; and another lot which in August 1922 sold for $11,000, but for which the Government was charged $28,500.

Here is another lot, lot no. 832, which in January 1919 sold for $3,500, but for which the jury awarded $12,500.

I recall the first jury that was empaneled for the fixing of the value of the site for the Jefferson Junior High School, and it fixed the value of the property at $105,000. A second jury increased that to $294,000. That must have been another case where the jury was subject to other influence than the merits of the case.

Mr. RICHARDS. Mr. Chairman, in the first award that was made on that property, I testified. I do not believe any property in that locality is worth over $1 a foot. Three men got on the stand and testified that it was worth $5 a foot.

LOCAL EMPLOYMENT SERVICE IN WASHINGTON

Mr. BLANTON. Where did you come from?

Miss MERRITT. My legal residence happens to be New York, because I was there——

Mr. BLANTON. That is where practically all of Miss Perkins' employees have come from, all the way down the line.

Miss MERRITT. I was from Chicago just before that, but——

Mr. BLANTON. But your legal residence is New York?

Miss MERRITT. I just by accident have a legal residence there.

Mr. BLANTON. When did Miss Perkins notify you to come?

Miss MERRITT. I was appointed on the 17th of September this year.

Mr. BLANTON. What salary do you draw?

Miss MERRITT. $3,000.

Mr. BLANTON. Who is over you?

Miss MERRITT. Directly, Mr. Young, who is manager of the District office.

Mr. BLANTON. He is not here now?

Miss MERRITT. He is in California, on a business trip.

Mr. BLANTON. He is having a good time out there, in Hollywood?

Miss MERRITT. I hope so.

Mr. BLANTON. How long has he been gone?

Miss MERRITT. About 3 weeks, and will be back at the end of this week.

Mr. BLANTON. And that will be a month that he has been out at Hollywood?

Miss MERRITT. In California, looking into the California employment service, with reference to their coming under the Wagner-Peyser Act.

Mr. BLANTON. Yet he is at the head of the employment service for Washington, the District of Columbia, which has nothing to do with California; is that right?

Miss MERRITT. Yes.

Mr. BLANTON. You do not look after California, do you, as his assistant?

Miss MERRITT. No.

Mr. BLANTON. Then there are three District employees working there now?

Miss MERRITT. In addition to the janitor.

Mr. BLANTON. And there are 25 that were appointed by Miss Perkins' Department?

Miss MERRITT. Yes.

HEAD OF CHILDREN'S TUBERCULOSIS HOSPITAL

Mr. BLANTON. You are a regular, practicing physician?

Dr. FINUCANE. Yes, sir.

Mr. BLANTON. A graduate of what school?

Dr. FINUCANE. Of Georgetown University.

Mr. BLANTON. And your age is what?

Dr. FINUCANE. Thirty-one, sir.

Mr. BLANTON. You graduated when?

Dr. FINUCANE. In 1927.

Mr. BLANTON. How long have you been connected with this sanatorium?

Dr. FINUCANE. I was appointed in February.

Mr. BLANTON. Of this year?

Dr. FINUCANE. Yes, sir.

Mr. BLANTON. By whom?

Dr. FINUCANE. By the District Commissioners, on the recommendation of the Board of Public Welfare.

Mr. BLANTON. After your graduation from the Georgetown University, how many years' practice did you have in your medical profession?

Dr. FINUCANE. I have had no private practice at all.

Mr. BLANTON. What pay did you get at the first hospital?

Dr. FINUCANE. At the first hospital I did not receive any pay.

Mr. BLANTON. You served your first year without pay?

Dr. FINUCANE. Yes, sir.

Mr. BLANTON. Just for the experience?

Dr. FINUCANE. Yes, sir.

Mr. BLANTON. And the next 2 years you were paid what?
Dr. FINUCANE. I started at Mount McGregor being paid $50 a month.
Mr. BLANTON. And you ended by being paid what?
Dr. FINUCANE. $75 a month.
Mr. BLANTON. You worked the first year as an interne there at Mount McGregor for $50 a month?
Dr. FINUCANE. Yes, sir.
Mr. BLANTON. And the second year for $75?
Dr. FINUCANE. Yes, sir.
Mr. BLANTON. Then you went where?
Dr. FINUCANE. To the Tuberculosis Hospital in Washington, D. C.
Mr. BLANTON. You entered that when?
Dr. FINUCANE. In July 1930.
Mr. BLANTON. In what capacity?
Dr. FINUCANE. As assistant resident physician.
Mr. BLANTON. At what salary?
Dr. FINUCANE. $80 a month.
Mr. BLANTON. You were there how long?
Dr. FINUCANE. Up until I was appointed as superintendent of the children's institution.
Mr. BLANTON. This year?
Dr. FINUCANE. Yes, sir.
Mr. BLANTON. Give the committee the mutations in your salary from the time you went there at $80 a month until you left.
Dr. FINUCANE. I received $80 a month until the position was classified in December of 1930, I believe it was, at $2,600 a year as the basic salary.
Mr. BLANTON. Then you jumped, immediately after being here 6 months, from $80 a month to how much?
Dr. FINUCANE. A basic salary of $2,600.
Mr. BLANTON. You have drawn that ever since while you were there?
Dr. FINUCANE. Yes, sir.
Mr. BLANTON. And then you left there in the first part of this year at the salary of $2,600 and entered this new tuberculosis sanatorium at a salary of what?
Dr. FINUCANE. A basic salary of $3,800.
Mr. BLANTON. Then you jumped by an increase of $1,200 over night?
Dr. FINUCANE. Yes, sir.

*Statement showing number of men in each grade and salaries, District of Columbia fire department*

| | |
|---|---|
| 1 chief engineer | $8,000 |
| 2 deputy chief engineers | 5,000 |
| 16 battalion chief engineers | 4,500 |
| 1 fire marshal | 5,000 |
| 1 deputy fire marshal | 3,000 |
| 7 inspectors | 2,460 |
| 47 captains | 3,000 |
| 46 lieutenants | 2,840 |
| 49 sergeants | 2,600 |
| 1 superintendent of machinery | 5,000 |
| 1 assistant superintendent of machinery | 3,000 |
| 2 pilots | 2,600 |
| 2 marine engineers | 2,600 |
| 2 assistant marine engineers | 2,460 |
| 2 marine firemen | 2,100 |
| 690 privates | 1,900–2,400 |

Total uniformed personnel, 870.

The salaries to the officers and 1,304 patrolmen on the Metropolitan Police force in Washington are comparable to the above salaries paid to firemen.

SALARIES OF SCHOOL OFFICERS

I quote the following from the evidence of Superintendent Ballou:

Mr. BLANTON. Your salary is $10,000, and it has been $10,000 for how long?
Dr. BALLOU. Oh, for several years; I have forgotten what year it was made that.
Mr. BLANTON. Since 1927?
Dr. BALLOU. About that time, I should think.
Mr. BLANTON. The basic salary of your assistant now is what?
Dr. BALLOU. The next lower salary is for the first assistant superintendents, and their salaries run from five to six thousand dollars.
Mr. BLANTON. Practically all of them by reason of their seniority are getting $6,000 now?
Dr. BALLOU. Most of them are, but I think not all of them.
Mr. BLANTON. Your assistant superintendents get what?
Dr. BALLOU. From $4,200 to $4,700.
Mr. BLANTON. And they get $4,700 now?
Dr. BALLOU. Not all of them, but most of them.
Mr. BLANTON. How many assistant superintendents have you?
Dr. BALLOU. We have five.
Mr. BLANTON. Do not all five of them get $4,700?
Dr. BALLOU. No; because one was appointed last year. She was appointed at $4,200, less the reduction.
Mr. BLANTON. Then four of them get $4,700?
Dr. BALLOU. Yes; I think so.
Mr. BLANTON. They used to get $3,500?
Dr. BALLOU. Yes; approximately.
Mr. BLANTON. You get the same salary that a United States Senator and Member of Congress gets; that is, the same basic salary?
Dr. BALLOU. So I understand, sir.
Mr. BLANTON. And that is $1,000 more than the basic salary of the Commissioners, which is $9,000?
Dr. BALLOU. I do not know what their salary is, sir.
Mr. BLANTON. It is $9,000. I will ask you if it is not a fact that a great many full professors in first-class universities are getting far less than $10,000?
Dr. BALLOU. Without doubt.
Mr. BLANTON. Are there not a great many full professorships in many of the principal universities whose pay is not more than $5,000?
Dr. BALLOU. I do not know, but I should presume there were.
Mr. BLANTON. Is it not a fact that there are presidents of various universities who are getting not more than $6,000?
Dr. BALLOU. I presume that is so, but I have no definite knowledge of that.

SALARIES OF HIGH-SCHOOL TEACHERS

Mr. BLANTON. Are there not some that get $3,200?
Dr. BALLOU. There is a superior-salary class which ranges from $2,900 to $3,200.
Mr. BLANTON. How many high-school teachers are getting $3,200?
Dr. BALLOU. I could not answer that offhand.
Mr. BLANTON. There are a great many, are there not?
Dr. BALLOU. No; not a large number. There have been only 30, 40, or 50 promoted in any given year, and that plan has only been in operation 4 or 5 years.
Mr. BLANTON. How many would you say, according to your best judgment, get $3,200 now as their basic salary, and will get it during this next fiscal year?
Dr. BALLOU. There are 136 teachers in the superior-salary class in the high schools, and there are 488 who are not in that salary class in the high schools.

TEACHERS ELSEWHERE IN THE UNITED STATES

(Statement of Dr. J. D. Sandefer, president Hardin-Simmons University, Abilene, Tex.)

Mr. CANNON. We have with us this morning Dr. J. D. Sandefer and shall be glad to have a statement from him. Judge BLANTON will preside.
Mr. BLANTON. You are Dr. J. D. Sandefer, of Abilene, Tex.?
Dr. SANDEFER. Yes, sir.
Mr. BLANTON. You have been in New York for a couple of weeks on business and are on your way home, going through Washington?
Dr. SANDEFER. Yes.
Mr. BLANTON. And I asked you to come here?
Dr. SANDEFER. Yes, sir.
Mr. BLANTON. Doctor, there is, is there not, at Abilene, Tex., a university of the first class, known as the Hardin-Simmons University?
Dr. SANDEFER. Yes.
Mr. BLANTON. That is a university of the first class?
Dr. SANDEFER. Well, it ranks with other schools in Texas calling themselves universities. Of course, some of the others have courses in law and medicine and are a great deal more comprehensive, but our work is accredited everywhere, both for the undergraduate degrees and for the M. A. work. We do not offer anything beyond an M. A. degree.
Mr. BLANTON. You are recognized in the United States and in Europe, are you not?
Dr. SANDEFER. Our graduates are accepted in all of the standard institutions of learning in this country, and the Ambassador from France wrote us many years ago and said that any of our students wanting to take the doctor's work in France would have their work for that accepted at face value.
Mr. BLANTON. You have been president of the Hardin-Simmons University for 26 years?
Dr. SANDEFER. Yes.
Mr. BLANTON. And Hardin-Simmons University is a member of the Southern Association?
Dr. SANDEFER. Yes.
Mr. BLANTON. Is that the university that has what is known as the "cowboys' band", that has an international reputation, that is internationally known?
Dr. SANDEFER. Yes.
Mr. BLANTON. Is it the one which went to Europe a few years ago?
Dr. SANDEFER. Yes.
Mr. BLANTON. And toured Europe?
Dr. SANDEFER. Yes.
Mr. BLANTON. And you went with them?
Dr. SANDEFER. Yes.
Mr. BLANTON. And it has been down in Old Mexico?
Dr. SANDEFER. Yes.
Mr. BLANTON. And is going back to Europe next year?
Dr. SANDEFER. Yes.
Mr. BLANTON. You have been to New York many times?
Dr. SANDEFER. Yes.
Mr. BLANTON. Is Mr. Walker, the city editor of the New York Tribune, related to you by blood or marriage?
Dr. SANDEFER. He is my son-in-law; he married my second daughter.

Mr. BLANTON. Doctor, the main reason I have asked you here is to get some idea about salaries that are paid in universities, including the ones in this vicinity, and to find out something about the deductions in salaries that have been made during the depression in universities.

As president of the Hardin-Simmons University before the depression came, what was your basic salary?

Dr. SANDEFER. Mine, individually?

Mr. BLANTON. Yes; as president of the university?

Dr. SANDEFER. $6,000.

Mr. BLANTON. In reference to Dr. Olsen, who has been with your university a long time, what qualifications has he? He is a graduate of what university?

Dr. SANDEFER. He is a Ph. D. from Yale, and he did additional graduate work in Berlin and in Cambridge, England.

Mr. BLANTON. He has been professor of what for how long?

Dr. SANDEFER. He has been professor of physics for 32 years.

Mr. BLANTON. What was his basic salary before the depression?

Dr. SANDEFER. It was $3,000.

Mr. BLANTON. Who holds the chair of mathematics down there in your university?

Dr. SANDEFER. Dr. Burnham.

Mr. BLANTON. What was his basic salary before the depression?

Dr. SANDEFER. $3,000.

Mr. BLANTON. What was the basic salary of your professor of Latin?

Dr. SANDEFER. Twenty-four hundred dollars. We do not class her as a full professor. She is head of the department, but we class her as an associate, and therefore the salary is put at $2,400.

Mr. BLANTON. Have you any lady director of playgrounds drawing $4,600 a year down there?

Dr. SANDEFER. No; we do not have any director of playgrounds.

Mr. BLANTON. There is a Miss Head, who has been the matron in your girls' dormitory a good many years?

Dr. SANDEFER. For 12 or 15 years.

Mr. BLANTON. And she is from one of the best families in the South, is she not?

Dr. SANDEFER. Yes.

Mr. BLANTON. What was her basic salary before the depression?

Dr. SANDEFER. A hundred dollars a month and her living. She has a room and an office in the dormitory.

Mr. BLANTON. What does Dr. Stevenson, your professor of politics, get?

Dr. SANDEFER. Twenty-four hundred dollars.

Mr. BLANTON. You also have a man there who is quite a well-known scientist, a Dr. Richardson?

Dr. SANDEFER. He is an historian, the author of two books recently off the press.

Mr. BLANTON. He is connected with various scientific institutions and organizations?

Dr. SANDEFER. Yes.

Mr. BLANTON. He is president of a Texas archeological association, is he not?

Dr. SANDEFER. He is an officer.

Mr. BLANTON. What salary does he get, Doctor?

Dr. SANDEFER. $3,000.

Mr. BLANTON. Those were all predepression salaries?

Dr. SANDEFER. Yes.

Mr. BLANTON. Since the depression, what is your present salary as president of the university?

Dr. SANDEFER. Thirty-six hundred dollars.

Mr. BLANTON. What do the other full professors, like Dr. Olsen, get now?

Dr. SANDEFER. They draw $250 a month for the 9 months. If they should do work in the summertime, there would be a supplement to that.

Mr. BLANTON. All of them have taken cuts?

Dr. SANDEFER. Yes.

Mr. BLANTON. What is the greatest cut you yourself have taken during the depression?

Dr. SANDEFER. Those in the lower brackets took cuts amounting to 25 percent, and those cuts run up to my own cut of nearly 50 percent.

You understand, where the money for salaries does not come in regularly I do not get my $300 a month. I got $2,700 a year once and $2,900 one year.

Mr. BLANTON. After cutting your salary from $6,000 to $3,600, when do you get the $3,600? Have there yet been made any restorations in salaries or cuts?

Dr. SANDEFER. No.

Mr. BLANTON. You have not been able to make any restorations yet?

Dr. SANDEFER. No; not yet.

Mr. BLANTON. You have a corps of professors composed of some forty-odd men?

Dr. SANDEFER. Yes.

Mr. BLANTON. Have any of them quit you?

Dr. SANDEFER. We have not lost anyone.

Mr. BLANTON. They have all stayed with you?

Dr. SANDEFER. Every one.

Mr. BLANTON. And been loyal to the institution?

Dr. SANDEFER. Yes; every one.

Mr. BLANTON. As president of a university, I wish you would state what the situation is as to there being many applications from men with degrees of Ph. D. from eastern universities for positions at those low salaries. Do you have many such applications?

Dr. SANDEFER. Dozens of them.

Mr. BLANTON. Are they from men who are graduates of recognized, big universities, like Yale, Harvard, Cornell, Princeton, and Columbia?

Dr. SANDEFER. Yes; from the leading universities of the Nation.

Mr. BLANTON. Are they or not anxious to work at low salaries?

Dr. SANDEFER. They have been; yes.

Mr. BLANTON. And apply for those positions?

Dr. SANDEFER. Yes.

Mr. BLANTON. Is this a fair picture of your plant there [indicating photograph]?

Dr. SANDEFER. That is an exact reproduction of the university plant of 12 buildings, the layout of the campus, the trees, and everything.

Mr. BLANTON. Your campus embraces about 40 acres?

Dr. SANDEFER. Yes. That is just as it appears from the air. Those buildings are all there, and, incidentally, they have all been built during my 26 years.

Mr. BLANTON. Mr. Chairman, I wanted Dr. Sandefer merely to give the committee an idea of what is going on in other places than Washington.

Let me ask you one other question. From your familiarity with school matters, what is the average salary of grade-school teachers in our graded schools in our city of Abilene, of 25,000 people?

Dr. SANDEFER. They did run as low as $65.

Mr. BLANTON. You mean $65 a month?

Dr. SANDEFER. Yes; for the 9 months. They are raised now. I think I can speak fairly accurately when I say they are raised to $80 and $85, up to $100 or $110 or $115. I do not have the last figures.

Mr. BLANTON. At one time you think they did get as low as $65 during the depression?

Dr. SANDEFER. A few of them.

I wonder what the constituents of my good friend, Mr. DIRKSEN, back in Illinois would think if they knew that from this floor he had criticised the members of a committee that did nothing in the world but call the attention of this House to the fact that the taxes here in Washington are lower than anywhere else in the United States. Where he and his people pay a big gasoline tax in Illinois, they pay 2 cents here. Where they have an income tax there, they have none here. Where they have an inheritance tax in Illinois, they have none here. Where they have a license-tag tax there according to the kind of automobile used, here they have an auto tax of only $1 for all cars. They pay $1.50 here as a total tax that embraces schools and everything else, while in Illinois they have a State tax and a county tax and a city tax, as well as school taxes and various other kinds of taxation. While here in Washington they have an intangible tax of one-half of 1 percent, with hundreds of millions of intangibles in lockboxes escaping all taxation, but in Illinois they are taxed in a great amount. If his people could know all the facts, would they approve of his criticism of this committee?

Mr. DITTER. Mr. Chairman, will the gentleman from Texas yield?

Mr. BLANTON. Certainly.

Mr. DITTER. In view of the fact that my colleague the gentleman from Illinois [Mr. DIRKSEN] is not in the Chamber at the present time——

Mr. BLANTON. He is busy on other official business elsewhere in the Capitol.

Mr. DITTER. He is unavoidably absent in committee meeting.

Mr. BLANTON. Most of the time he is here.

Mr. DITTER. May I remind the gentleman from Texas of the fact that the gentleman from Illinois is a member of the District of Columbia Committee?

Mr. BLANTON. Oh, yes; but just a new member. While he is able and energetic, he has not been a member long enough to find out conditions here.

Mr. DITTER. But the gentleman from Texas will concede that during his first term, no man in the House was so willing to carry his share of the work of the House or more adaptable than the gentleman from Illinois [Mr. DIRKSEN].

Mr. BLANTON. Certainly; I will admit that, because I am his friend. I prefaced my remarks by saying that he is a splendid, active, new legislator.

Mr. DITTER. And conscientious.

Mr. BLANTON. To the highest degree.

Mr. DITTER. And the gentleman wants to encourage him now as a new man.

Mr. BLANTON. Certainly; and after he stays here 8 or 10 or 15 years longer and learns all about the intricate, devious ways that Washington has of getting money out of the Public Treasury, then I will say, "Brother DIRKSEN, you know as much as we do about these things." [Laughter and applause.]

Mr. Chairman, I have not criticized the Washington people. I have not denounced them. I have merely given a recitation of the facts. I have merely put things in the RECORD that their own Commissioners have stated. Who are their Commissioners? Mr. Hazen, who is the chairman of the Board, for 30 years has been an official of the District government. For many years he was the surveyor of the District and he knows the history of the District of Columbia.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, ladies and gentlemen of the Committee, I take the floor this afternoon to discuss a very important matter. I have today introduced two very important measures, both of which deal with the improvement of the rural roads of the whole United States. Each and every Congressman here will be interested in these bills, for a very large majority of you have many rural roads in your districts, and everyone is forced to admit that the whole country, city and rural, is benefited by what will benefit those who produce the food, the lumber, the cotton, and the minerals of the country.

The growth and development of the legislation providing for Federal aid to public roads has been gradual and fairly progressive and consistent. The first Federal-aid laws, under which we operate now, have their practical bases in the law of 1916 and the law of 1921. These laws are still operative. The amounts provided under those laws have varied as time progressed.

In 1933 Congress took a step forward in providing money for road improvement. One of the provisions of the National Industrial Recovery Act provided that $400,000,000 should be divided among the several States. The division was made along fair lines. Twelve and one-half percent was divided among the States according to population, and the remainder was divided according to area, and road mileage, and population. This appropriation was made only for a limited time, and the same is not now in effect.

In 1934 Congress again enacted special legislation for another limited time. Under the provisions of the Hayden-Cartwright bill $200,000,000 was appropriated to be divided among the several States according to the same provisions as those provided in the National Industrial Recovery Act, except that this bill carried what was known as the "Jenkins amendment." This amendment provided that not less than 25 percent of the appropriation to any State shall be applied to secondary or feeder roads, including farm-to-market roads, rural mail routes, and public-school bus routes.

This amendment was offered from the floor and was adopted. The fairness of the amendment appealed to all Congressmen familiar with rural road conditions.

The Hayden-Cartwright bill was only a temporary measure and will not continue into the coming year. If it is reenacted it should carry an amendment making the 25 percent amendment more certain of enforcement. The Federal Highway Department, which apparently is very jealous of its power and prestige, failed to enter into the spirit of this amendment granting relief for the rural people, but on the contrary restricted its activities until it was practically impotent in some States, especially Ohio. Likewise some of the highway directors also failed to appreciate their responsibility to the rural people. Especially was this true in Ohio. If the State road officers in Ohio had done their duty there would have been $2,000,000 spent on Ohio rural roads in 1934. They failed miserably. The reason for this failure on the part of these high road officials is that they are sold on the idea of building main thoroughfares and expensive and elegant bridges, to which they can point with pride as a monument to their own ability. They fail utterly to appreciate the importance of the rural roads. There is no question but that road construction offers the best method of public-works relief. A road is usable immediately after it is finished. While I am much in favor of reforestation and erosion projects, these must usually run for some years before their utility is appreciated. Not so with roads. Good roads improve the value of lands as well as provide comfort and many other advantages to those who can use them. The construction of country roads calls for a very large percentage of what is called "general labor." The common everyday man in country and city is given an opportunity to work. There are not many highly skilled men or artisans employed; still there are a few.

I have been surprised that the President has not seen fit to lay special stress on road construction from the standpoint of usefulness and public benefit now and in the future. I hope he does yet take special notice of the importance of those projects.

The following is a copy of one of the bills which I introduced today:

H. R. 4121

A bill to amend the Federal Aid Road Act approved July 11, 1916, as amended and supplemented

*Be it enacted, etc.*, That for the purpose of extending the benefits of the Federal Aid Road Act more equitably to the rural sections of the United States, the said act be, and hereby is, amended to provide that out of any and all moneys apportioned to the several States under the terms of said act for any fiscal year beginning with the fiscal year ending June 30, 1936, not less than 25 percent of the apportionment to any State shall be applied to the construction or reconstruction of rural roads lying outside the 7-percent Federal-aid system, which rural roads shall be such as the Secretary of Agriculture shall determine to be primarily of service to the rural population in the operation of public-school bus routes, rural free-delivery mail routes, and star mail routes. No part of such 25 percent is to be used for the construction or reconstruction of a highway or road which has been designated as a part of a Federal or State highway system eligible to participate in Federal aid.

This bill seeks to amend the original law of 1916 and 1921 so that 25 percent of whatever is appropriated by the Federal Government to the various States should be used exclusively on rural roads. If this bill is passed, the Federal Highway Department and the State highway department will be compelled to use this amount of this money on rural roads. They will not then be able to conjure up any excuses. This will allow 75 percent to be used on the main thoroughfares, where they are now using the whole 100 percent, and will compel them to use 25 percent on rural mail routes and school-bus routes. The main-thoroughfare advocates should be satisfied with this. In fact, I feel that this money should be divided 50-50. That would be a more fair division. But, out of respect for the former division, I have made it 25 percent in this bill.

There are many arguments that I can advance for the passage of this bill. I know that every Congressman here this afternoon has many arguments that he can advance. I will not consume your time in advancing any arguments except to say that 37 percent of our population lives outside of the cities, yet only 16 percent of the automobiles are owned by that 37 percent. The rural man has more use for an automobile than does the city man, but the city man owns the automobile largely for pleasure, while the rural man cannot even operate an automobile, which he needs very badly in his business. Marketing his product and educating his children are more important to the rural man than is the producing of his crop. It is also very important to the city man that the rural man can bring his products to the consumer in the city. This bill should pass; and if it does, it would be a piece of permanent legislation which is fair. If it fails, then the rural man will be served a great injustice. The same fair-mindedness shown by a large majority of the House in passing the amendment offered by me in the last session of Congress will, I am sure, manifest itself again when the occasion presents.

The other bill which I introduced has the same purpose in view. It differs from the first bill in that it is temporary in its nature. It is intended to operate only for 3 years. The following is a copy of it:

Joint resolution providing for improvement of rural roads

Whereas there is much unemployment throughout all parts of the United States; and

Whereas the construction and repair of public roads is one of the best methods of relieving unemployment; and

Whereas there are yet many miles of unimproved roads on which rural free-delivery mail routes, star mail routes, and public-school bus routes operate: Therefore be it

*Resolved, etc.*, That for the purpose of increasing employment and for the purpose of improving the Postal Service and the educational advantages of the youth of the Nation there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the following sums: $150,000,000 for the fiscal year ending June 30, 1936; $100,000,000 for the fiscal year ending June 30, 1937; and $100,000,000 for the fiscal year ending June 30, 1938.

Such sums shall be apportioned among the several States, seven-eighths in accordance with the provisions of section 21 of the Federal Highway Act, approved November 9, 1921, as amended and supplemented (which act is hereby further amended for the purposes of this title to include the District of Columbia), and one-eighth in the ratio which the population of each State bears to the total population of the United States according to the latest decennial census. And said sums shall be expended only on rural free-delivery mail routes, star mail routes, and public-school bus routes.

And no part shall be expended or used on a highway or road which has been designated as a part of a Federal or State highway system and eligible to participation in Federal aid for roads constructed as primary or secondary roads or routes.

No part of the funds appropriated hereunder to any State need be matched by funds from that State.

The specifications and plans for the roads and highways constructed or improved by the appropriations herein provided for shall be prepared by such agencies as the Postmaster General and the Secretary of Agriculture shall designate and shall meet the approval of said Postmaster General and Secretary of Agriculture.

The amount apportioned hereunder to each of the several States shall be allocated to the various counties of that State in the ratio that the total of the rural free-delivery mail routes, the star mail routes, and the public-school bus routes operating in any county on roads not a part of a Federal or State highway system, either primary or secondary, bears to the total rural free-delivery routes, star mail routes, and public-school bus routes operating in the whole State on roads not a part of the Federal or State highway system, either primary or secondary.

The selection of the highways and roads to be constructed or improved in any county of any State is to be left to the county commissioners of that county. The supervision of the construction or improvement is to be left to such agencies as the Secretary of Agriculture and the Postmaster General may select.

This bill provides specifically that the money appropriated thereunder must be spent on rural roads. It cannot be spent on these great thoroughfares which in many cases have been built where there is not half as much traffic as is carried on many dirt roads in many sections of the United States. It is reliably estimated that there are 59,000 miles of heavily constructed roads in the United States in excess of the needs for the same. These unnecessary miles have cost more than $600,000,000. We have gone to extremes in this respect. We cannot go to extremes in the other direction so long as there are thousands upon thousands of rural people who are bound to their homes several months of the year because of bad roads. If this bill should pass, the local road authorities could then be free to extend their efforts farther into the rural sections to the benefit of those who are the most helpless now.

This bill proposes a division of authority in determining the location of the roads to be improved. It gives the county commissioners a chance to have some authority. The commissioners are elected by the people and know the wants of the rural people. The Government will, under this bill, furnish the money and provide the plans and specifications and provide the supervision and machinery, but the higher authorities will not have the full power. The rural people themselves through their county commissioners will have to be consulted.

Either or both of these bills will be of great benefit to the rural man who now is in the mud. If I can help bring him relief, I shall feel amply repaid for the efforts that I have expended through the years. If these bills or similar bills should not pass, I will still keep fighting on, for there is no question but that our cause is right and just. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks, in which I shall continue this valuable discussion.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, many Congressmen at this session as well as the last session introduced old-age pension bills. At the last session of Congress I introduced one and made the age limit 50 years.

I maintain that the time has come when we should provide a pension for every man and woman who has attained the age of 50 and who is out of employment. It is an absolute fact that in practically every industry in the United States, when a man or a woman applies for a job, and they have reached the age of 50, they cannot secure employment. And it is also true that in many departments of the Government a man who has reached the age of 50 cannot obtain a position.

What are we going to do with these men and women?

It is my candid opinion that it would be more economical and humane to give a pension to all those who have attained the age of 50 rather than have them compelled to join the breadline and go into poorhouses. We know most of the money that is appropriated for the maintenance of poorhouses is spent for overhead expenses. So, ladies and gentlemen, I will introduce a bill and ask you to support it, and I am going to make the age limit 50 years. [Applause.]

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, for many years the question of the Government competing with private business has been an issue in both Houses of Congress and also discussed on the floor of this House. Both political parties, from time to time, have included planks in their platforms pledging to eliminate Government competition with private industry.

In the last Congress a bill was introduced which provided for the setting up of a cost-accounting system. That bill was referred to the committee of which I am chairman. Propaganda, the like of which you never saw, soon appeared in support of the legislation. The bill was introduced in the closing days of the first session of the Seventy-third Congress. When the second session met, the committee held hearings upon the bill. Even while the committee was holding hearings I was receiving telegrams saying that the committee was not giving a fair opportunity to those who favored the bill to be heard. Testimony of the various Government agencies showed that if the bill were enacted into law as introduced it would cost the Government millions of dollars to enforce it, and there would be no benefit as a result. The Comptroller General favored the bill in part, but told me personally, in view of conditions, this was a bad time to pass it.

In the last issue of the CONGRESSIONAL RECORD of the Seventy-third Congress, which was published probably 2 weeks after we adjourned, the gentleman from Missouri [Mr. SHANNON], author of the bill, and the gentleman from Pennsylvania [Mr. RICH], a member of my committee, both assailed me because that bill did not get out of the committee. Of course, I had no opportunity to answer them.

I am chairman of the committee, but I have only one vote in the committee. I opposed the bill as introduced and would oppose a similar bill now. It so happened, however, after the hearings were concluded, that it was agreed that an effort should be made to get together with the Comptroller General, some officials of the various departments who were opposed to the original bill, and those who favored the bill, to see if some legislation could not be drawn up that might be beneficial and at the same time not cost the Government millions of dollars to install. The gentleman from Pennsylvania [Mr. RICH] came to me and asked me to please delay any action on the bill until he had an opportunity to go to Pennsylvania and attend the marriage of his niece. He went away, and as the RECORD will show, he was absent from this House on roll call after roll call in the closing days of the session, and he never did come back to me

and ask me to take any action; and I kept my word with him and let the matter rest.

Mr. Chairman, another bill was introduced the other day. I have not had time to read it. It may be the same bill. However, some of the departments have called up and asked me to let them be heard in the event the bill is taken up, one saying that it is more drastic than the original bill. As I said, I have not looked at the bill and have no idea of its provisions.

I am just as much in favor as any man in the House of stopping Government competition with private industry. I want to say now what I have often said, you can pass all the legislation that you desire with reference to cost-accounting systems and you will never stop the Government competing with private industry until the Members of this House and the Senate stop appropriating money and legislation making it mandatory for the departments to compete with private industry. Cost-accounting systems will not stop it when you compel by legislation the departments to manufacture their own supplies.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 5 minutes more to the gentleman from Missouri.

Mr. COCHRAN. Mr. Chairman, the RECORD will show that I have attempted on the floor of this House through amendment to stop the Government competing with private industry on numerous occasions.

We spent over $15,000 for a special committee to go around the country to investigate what the Government was doing as far as competition with private industry is concerned. That committee held hearings in all parts of the country. One of the most flagrant competitors of private industry was an Army factory in Philadelphia. A few years ago, when the Army appropriation bill was pending, I exercised my right and offered an amendment placing a limitation upon the money appropriated therein, which limitation would have closed that factory in Philadelphia.

This very factory, according to the special investigating committee, manufactures nearly 100 articles that the Government can purchase in the open market. My amendment was carried, though somewhat modified, and if it had become a law the factory would have closed up. I was appealed to by Members in this House to withdraw the amendment. I refused. The bill went to the other side of the Capitol, and a Senator from Pennsylvania, who is no longer in that body, held up the bill for weeks and weeks until he finally succeeded in getting my amendment modified so that the factory could carry on. The gentleman from Pennsylvania [Mr. RICH], from the State where the factory was located, a member of the committee of which I am the chairman, also a member of the special investigating committee, who criticized me, offered me no assistance in taking that factory out of competition with private business.

The Holman rule gives one an opportunity to offer amendments placing limitations upon appropriation bills. The bill before us at the present time is the second appropriation bill. An amendment will stand on this bill or any other appropriation bill under the Holman rule limiting the expenditure of money appropriated in the bill. In this bill one can prevent the District of Columbia from competing with private industry, if you know it is competing, by drawing the proper amendment. So it is with every appropriation bill that we will consider in this House. Here is the place to take the Government out of business and this is the only way it can be done.

When the Army appropriation bill comes to this floor, I am going to prepare and offer the amendment which I offered several years ago and I shall notify the gentleman from Pennsylvania [Mr. RICH] that I am going to do it and give him, if he desires, the amendment, so that he can offer it. If he does, I shall support him on the floor. He was a member of the committee that spent this money to investigate the Government competition with private industry, which is making so much noise now about Government's competing with private industry, and his special committee said this factory in his State was the outstanding offender. If the gentleman from Pennsylvania [Mr. RICH] does not desire to offer the amendment which will stop that factory in his State from competing with private industry, then I shall offer it myself, but I shall expect the gentleman to support the amendment by both voice and vote on the floor of this House.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SNELL. I am interested in the gentleman's statement about the Government's engaging in private industry. I am in entire accord with the gentleman's statement. The gentleman is Chairman of the Committee on Expenditures in the Executive Departments, and can play a very important part in keeping the Government out of business, because he has a right to review all these expenditures. Along this line, does not the gentleman think it is very much easier for the Government to get into business when we make lump-sum appropriations?

Mr. COCHRAN. I agree with the gentleman that lump-sum appropriations can cause a great deal of damage. Those administering lump-sum appropriations can put the Government in business and do what they desire. There is no checking them, as the minority leader knows.

But in emergencies it is necessary at times to give to the President, as we gave to your Republican President, lump sums and also the power to exercise his judgment in spending the money. I think that in time of an emergency, no matter whether the President be a Democrat or a Republican, there is justification for passing such legislation, but only when an emergency exists.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. COCHRAN] has expired.

Mr. DITTER. I yield the gentleman 5 additional minutes, Mr. Chairman.

Mr. SNELL. Will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SNELL. In times of extreme emergency I agree with the gentleman, but how long does the gentleman consider that these emergencies exist?

Mr. COCHRAN. If the gentleman does not know that the emergency which we inherited from the last Republican administration still exists, I think he is out of touch with conditions in the country. I am sure the gentleman is too well informed not to know it.

Mr. SNELL. I would say that perhaps some emergencies still exist, but the emergencies calling for huge lump-sum appropriations, from my understanding of conditions throughout the country, certainly do not exist at the present time, so that it is necessary to give these appropriations for 2 years in advance.

Mr. COCHRAN. I repeat, the emergency which the present President of the United States inherited from the previous President of the United States to a great extent still exists, and nobody can deny that it exists. I will not attempt to deny it, for I know it still exists.

Now, Mr. Chairman, the gentleman from New York seeks to take me away from expressing my thought on the Government's competing with business. I want to say again that if any Member has any factories or arsenals or navy yards or any other Government activity in his district he wants to stop, do not ask the Congress to pass bills creating a new accounting system that will cost millions to operate, but let him come here when the appropriation bill is being considered and place a limitation upon the appropriation bill which will prohibit the spending of any money to operate the factory, and the factory will be closed.

In the Navy Department appropriation bill every year we make provision that compels the Navy Department to manufacture its own supplies when it can do it cheaper than it can purchase supplies in the open market. Everyone who has been here in past Congresses has voted for the Navy Department appropriation bill and for that clause in the bill, and it cannot be eliminated on a point of order, because it is law.

Personally I am not in favor of closing our navy yards and arsenals; they are necessary from a national-defense standpoint. But there is much competition with private industry which can be done away with. You can stop it only in one way—stop appropriating money that makes it mandatory upon the various departments to compete with private industry.

Mr. DARROW. Will the gentleman yield?

Mr. COCHRAN. Yes; I yield.

Mr. DARROW. Does not the gentleman from Missouri think there is a distinction between the question of national defense and other kinds of industry?

Mr. COCHRAN. Absolutely; when it comes to munitions of ordnance or navy yards, I do; but let me ask the gentleman a question: Does the gentleman from Pennsylvania approve of what the factory in Philadelphia was doing, as outlined in the report filed by the subcommittee that investigated the Government's competing with private industry?

Mr. DARROW. The quartermaster's factory, I think, is doing good work ordinarily.

Mr. COCHRAN. But I should like to know if the gentleman approves of the report made by his colleague the gentleman from Pennsylvania [Mr. RICH]?

Mr. DARROW. No; I do not, entirely.

Mr. COCHRAN. Mr. Chairman, I yield back the balance of my time. [Applause.]

Mr. DITTER. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, during the past few days there has been some increased interest and discussion with reference to the so-called "bonus legislation." For the past few years when we talked about the bonus bill it was generally understood that we were referring to the Patman bill, H. R. 1, the bill which provides for the immediate and full payment of the World War adjusted-service certificates, and which provides that this money shall be made available through the issuance of new currency, and that no bond issue or levy of taxes would be necessary to pay off this obligation to World War veterans.

When we have talked about the bonus in the past few years it has generally been regarded throughout the country that we were talking about the Patman bill. I want to call that to your attention particularly in view of the fact that within the last few days another bill has been introduced by the distinguished gentleman from Kentucky [Mr. VINSON], which is generally known as the "American Legion plan" for the payment of the bonus. I want to call to your attention the fact that there is a very great difference between the provisions of those two bills, with reference to the method of making the money available for the purpose of paying this obligation. The Vinson bill provides merely an authorization of an appropriation, so that under the terms of that bill the money will be made available in the usual way, which will be through the issuance of bonds, the levying of taxes, the issuance of more tax-exempt, interest-bearing bonds.

This is a question in which many groups of people other than veterans have been interested. The bonus question can no longer be considered a veterans' problem, because other groups have been very much interested in the provisions of the Patman bill. The National Farmers Union, for instance, and other farm organizations, have gone on record at national conventions for the last 3 or 4 years, favoring the payment of the bonus to the veterans; but I want to call to your attention the fact that at the same time the National Farmers Union passed a resolution urging the payment of the bonus, in the same convention they passed resolutions condemning the practice of issuing interest-bearing, tax-exempt securities, showing very definitely that the farm groups who have supported this legislation have done so because they have been advocating an expansion of the currency. They have been opposed to the issuance of tax-exempt securities.

I wish to say further that there has been an effort on the part of some veterans' organizations to propagandize this particular proposal, and in each instance the leaders of this proposal to pay the bonus have advocated the retirement of that obligation through the issuance of new currency and not through the issuance of tax-exempt securities.

So I want to call your attention to the fact that you are confronted with the question of satisfying groups other than the veterans with reference to this legislation. To illustrate, if you were to pass the Vinson bill you would not be meeting the demands of the farm leaders, who are asking for an expansion of the currency. Bear in mind, too, the fact that certain groups who have been vitally interested in monetary reform, "inflationists", as some people call them, and I consider myself one of this class, although I prefer to be called a "reflationist" rather than an inflationist; but, be that as it may, certain groups have been sponsoring the payment of the bonus not because they particularly wanted to pay it to the veterans but because they felt it was the ideal method of distributing a sufficient amount of circulating currency to meet the normal business demands of the Nation. So if you favor the Vinson bill, you will not be complying with the demand of this group; and I want to say that you will have a very difficult time justifying your position, excepting only with the veterans of the Nation.

A few years ago Congress provided that the veterans should be permitted to borrow 50 percent of the full face value of their certificates. At that time most of the veterans took advantage of this opportunity and borrowed as much as they were able to borrow on their certificates. This money went into the usual channels of trade. To some extent it certainly did stimulate business. It helped small retail men and large manufacturers alike. It helped all classes of business men.

It must be remembered, too, that there is a certain group of individuals who claim that the benefit derived at that time was infinitesimal, that it was not significant, that it did not really stimulate business to the extent that it could be considered wise economically from the standpoint of the general welfare of the Nation. I am not so sure of that. There may be some justification on the part of those who have some apprehension as to the real merit of the bill providing for payment of half of the bonus at that time. So far as the general welfare of the Nation is concerned I want to say that if you pass this Vinson bill you can give no more relief by paying the other half of the bonus than you gave when you paid the first half. Payment will do the same thing; it will do a tremendous amount of good; it will give the veterans an opportunity to reestablish their credit. No doubt most of this money will leave the hands of the veterans and go into the hands of those who can use the money advantageously in establishing their own credit or extinguishing debt. I believe it would have a wholesome effect upon the Nation; but you cannot expect any more benefit under the Vinson bill than was given under the bill which provided for the payment of the first half of the bonus.

On the other hand, if you pass the Patman bill and thereby put into circulation over $2,000,000,000 of new currency, you will materially increase the price level of all commodities. Bear in mind that the Patman bill has a very definite check against unduly increasing the price level, so there is no danger of increasing prices above the 1926 level, which is the objective of the monetary reformers. It is the objective of those who have been and still are sponsoring the Patman bill.

The issuance of this new currency would put an additional amount of currency in circulation and would to some extent at least cheapen the value of the dollar. We hope it will cheapen the value of the dollar to where it was in 1926. As I say, the bill has a perfect check and control, so that there is no possibility of the bill's operating to increase prices above the 1926 level.

The Vinson bill apparently anticipates merely authorizing an appropriation, which means the Government will sell bonds, take this money out of circulation, put it in the Treasury, and pay it right out to the veterans. So, after the operation is completed, there will not be one additional dollar of currency in circulation, because that bill would take the money out of circulation and then put it back into circulation

by paying it to the veterans; but if we expand the currency as is provided in the Patman bill we will increase the currency in circulation and it will have a wholesome effect upon the entire country. After the provisions of the bill have been put into operation there will be an additional amount of circulating medium, an additional amount of currency with which to carry on the normal business activities of the Nation.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. DUNN of Pennsylvania. Are the Veterans of Foreign Wars opposed to the Vinson bill?

Mr. BOILEAU. I am not prepared to state that the Veterans of Foreign Wars are opposed to the Vinson bill, but I am prepared to say that the Veterans of Foreign Wars for several years have been advocating the enactment of the Patman bill. On several occasions at the request of the national headquarters of the Veterans of Foreign Wars I have had the opportunity of speaking to the veterans, and on those occasions I, as well as other advocates of the plan whom I have heard speak, advocated the payment of the bonus through an expansion of the currency and not through a bond issue.

Yesterday, the gentleman from New York [Mr. FISH], spoke at some length against the policy of issuing tax-exempt securities. I agree fully with his remarks with reference to this particular subject. I believe the great majority of the Membership of the House will be glad to see a start made against a continuation of this policy of issuing tax-exempt securities. If we pass the Vinson bill it will mean that we will have more tax-exempt securities in existence because the bill merely authorizes an appropriation and, automatically, the money will be made available through the issuance of bonds, and these bonds will be tax exempt.

I submit that there is every reason at this time to pass the Patman bill. In the first place, you will remember that when this bill was first advocated the opponents raised their hands in horror and said: "Why, if you pass this bill you will drive us off the gold standard." We do not have to worry about that any more. That has all been taken care of and, I believe, in a very nice way. I believe the country is immeasurably better off since we went off the gold standard. So that argument is no longer available to be used in opposition to the Patman bill.

They also stated: "If you issue that currency under the provisions of the Patman bill, you will be issuing fiat money", and they talked about the horrors and the terrible consequences of running the printing presses. If I have any conception of the meaning of "fiat money", it is money behind which there is not a sufficient metallic reserve. I do not claim to be a monetary expert, but I feel that I have given the matter as much consideration as the average Member of this House, and, although my acquaintance with the subject does not permit me to use the finest technical terms perhaps, it seems to me like good common sense to say that the issuance of $2,000,000,000 of additional currency would not by any stretch of the imagination give us fiat money.

According to the figures of the United States Treasury, on the 1st of December last we had in excess of $8,000,000,000 in gold in the Treasury. I assume the figures have not changed materially since. Also on that date we had $1,200,000,000 worth of silver. We had a total amount of gold and silver of $9,400,000,000 with just slightly over five and a half billion dollars of currency in circulation. Mr. Chairman, we could issue close to $4,000,000,000 more of currency and still have 100 cents of metal back of every dollar of currency outstanding; so that no one can make the claim now that the issuance of this currency will be fiat money. If they still use this argument, their conception of the term "fiat money" is far different from mine.

Why, under our old system when we were going along nicely a few years ago, we always considered that 40 percent gold reserve was adequate. As a matter of fact, under our statutory law we provide that 40 percent in gold is sufficient backing to the currency in circulation. So that if we ignore the silver which we have, and which should not be done, and just say that we have a little over $8,000,000,000 in gold back of the five and a half billion dollars in currency, it is very easy to understand that we now have, roughly speaking, 150 cents worth of gold back of every dollar of currency outstanding; and if we issue the $2,000,000,000 of additional currency, we will still have much more than 100 cents of gold back of every dollar of currency outstanding.

This money cannot be discriminated against. True, it would be paper money, but under the Gold Standard Act all paper money issued by the United States Government and the Federal reserve is redeemable in gold. That is the basic law, so that if at a time when people could redeem their paper money with gold, a reserve of 40 percent gold was sufficient to back up the currency, it seems to me that 150 percent ought to be adequate security or an adequate reserve back of your currency when you cannot get the gold if you did surrender your circulating medium.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOILEAU. So that if 40 percent was sufficient at one time, it seems to me that now one should be permitted to say we have fiat money when we have $1.60 of gold or metallic base, including silver, back of every dollar of currency outstanding, and this at a time when you cannot redeem the currency outstanding in gold. We have an adequate amount of gold in reserve for the issuance of this currency, and so long as the crying need of the Nation is to expand the currency, I say that we should use the Patman plan rather than the Vinson plan for the payment of our obligations to the veterans. May I remind you again of the fact that the payment of the bonus under the Vinson plan may satisfy some veterans, but it is not going to satisfy all of them, because the great majority of the veterans are sold on the payment of this bonus because they believe that it will help the entire country, not only themselves. [Applause.]

They are not a selfish lot. I submit, Mr. Chairman, payment of this bonus under the provisions of the Patman plan rather than under the Vinson plan would give an immeasurable amount of relief to this country.

Mr. MICHENER. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Michigan.

Mr. MICHENER. How much does the gentleman feel the currency should be expanded?

Mr. BOILEAU. May I say to the gentleman that I do not claim to know how much it should necessarily be expanded, but at least enough to bring back the price level of 1926. I say we should bring the price level back to the average of 1926, and I believe the $2,000,000,000 will about do the trick. If it raises prices too high, then there are provisions in the Patman bill for the withdrawal of currency and putting bonds in circulation in lieu thereof.

Mr. MICHENER. There are many Members of the House who are interested in another expansion bill, namely, the Lemke bill. If the Lemke bill is enacted into law, that would bring about an expansion of about what?

Mr. BOILEAU. That bill provides that there shall not be in excess of $75 per capita in circulation. I am just quoting from memory. That is an expansion of three or four billion dollars.

Mr. MICHENER. If that bill creates an expansion of three or four billion dollars, and if it should take eight to ten billion dollars to take care of the farm indebtedness of the country, and if we add on this additional $2,200,000,000 are we not going to go further into the expansion business than the gentleman himself or the country at large might prefer?

Mr. BOILEAU. I may say to the gentleman that the $8,000,000,000 that the gentleman refers to does represent the farm debt, but no one who advocates the passage of the Frazier bill will ask that we print that much currency.

We ask that about $3,000,000,000 be used for the purpose of creating a revolving fund to refinance these obligations

and the bill has a definite check of $75 per capita of currency in circulation.

Mr. MICHENER. But we would have to borrow that money, if we stopped after we expanded to the extent of $75 per capita.

Mr. BOILEAU. We create a revolving fund of about $3,000,000,000.

Mr. MICHENER. The thing I was trying to bring to the gentleman's attention is this: If we are in favor of the payment of the bonus in the way the gentleman has suggested, and if we are in favor of the Lemke bill, it seems to me that before we commence to expand in a given direction, we should have all of our expansion pictured, and determine whether or not we are going for the Lemke bill or whether we are going for the Patman bill or whether we are going the full length of inflation.

Mr. BOILEAU. I understand the gentleman's point quite well, and let me reply in this manner: Every inflationist I know of favors the Frazier-Lemke bill, the bonus, and these other bills in principle, but no one that I know of would advocate the enactment of all these bills at the same time. No one advocates and no one has advocated the enactment of bills that would give the greatest possible amount of expansion of the currency. The proponents of the Frazier-Lemke bill, in saying that about $3,000,000,000 would be sufficient to use as a revolving fund, mean that we should stop at that point if commodity prices get to the 1926 level; and then I may say to the gentleman that if we passed that measure first, and that had the desired effect, then I would be willing to accept the Vinson plan, rather than the Patman plan, but we have not passed the Frazier-Lemke bill yet, and with the temper of this House as I have seen it during the past 4 years I am not so sure that we can pass the Frazier-Lemke bill so easily.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOILEAU. For one, I would not want both passed at the same time. If one of them were passed, then I would accept, so far as I am concerned, a compromise in the matter and provide that the other money be made available in some other method, at least until we had an opportunity to observe the results of the enactment of the first bill passed.

Mr. MICHENER. The gentleman is reaching the very point in which I am interested. It is practically impossible to carry out the views of the proponents of the Frazier-Lemke bill and the views of the Patman proponents and pass the same bills at the same session of Congress.

Mr. BOILEAU. The gentleman is probably correct, but the gentleman is also much more of an optimist than I am if he feels that Congress is going to pass them both one after the other without intervening time. I should be very optimistic if I thought we could pass one early in this session and then pass the other one later during the session.

Mr. MICHENER. There are a great many people in this body in favor of the so-called "Townsend plan." Would the gentleman favor the Townsend plan to the exclusion of either or both of the other measures?

Mr. BOILEAU. Let me say to the gentleman from Michigan that unless the bonus bill is passed or unless the Frazier-Lemke bill is passed or unless some other inflationary measure is passed, and passed soon, you are going to see a much greater demand for the Townsend bill than that which now exists. I am very frank to say to the gentleman that I believe the Townsend plan to be the most inflationary measure yet suggested. I doubt very much if it would be possible to enact the Townsend plan with its sales-tax provision and retain any of our present conceptions of economics. I do, however, favor a liberal and adequate old-age pension system. I should like to say to the gentleman that I believe, however, unless some inflationary measure is enacted, you are going to have to go as far as the Townsend plan. You are going to have to give some inflation to the country so that the people will have a fair chance to at least eke out an existence.

Mr. MICHENER. I assume the gentleman is receiving mail as I do, coming from certain groups, advocating the enactment of the Patman bill, the Townsend bill, and the Lemke bill. The gentleman has made it very clear that in his judgment it would be ruinous to enact any two of them in the same session of the Congress.

Mr. BOILEAU. I should not want to say it would be ruinous to enact the Frazier-Lemke bill and the bonus in the same session of Congress. I do say, however, it might be very dangerous. However, I do not want to say that $2,000,000,000 or $3,000,000,000 is a sufficient amount to expand the currency. Maybe that is not going to be enough, and I do say that we should use such bills to expand the currency until the commodity price level reaches the 1926 level, and we should start with one or the other of them right now.

Mr. MICHENER. I have a great many farmers in my district, as the gentleman has. Does the gentleman think it would be better first to pass the Lemke bill to take care of the farmers or to pass the Patman bill first?

Mr. BOILEAU. I wish to say to the gentleman that since I have been a Member of the Congress I have been one of the exponents of the Frazier-Lemke bill. I want to say to you here now that if I had my choice today to enact any one piece of legislation which I thought would do the greatest amount of good for all the people, I would cast my vote for the Frazier-Lemke bill. I believe it to be economically sound in principle, I believe it to be workable and helpful to every man, woman, and child in this country. However, I may say that I am not willing to carry all my eggs in one basket. I am going to keep on working for inflation just as I have at every session for the last 4 years, because I believe we are not going to get out of the depression until we expand our currency materially; and if the gentleman from Michigan, or any other gentleman, has any real, sensible program of expansion—I mean one that appeals to me as being sensible—I can assure the gentleman I shall support it and do all I can to have it enacted if it appears to me to be the one that will first receive consideration.

However, I want to leave this statement with the Membership of the House. I believe in expansion of the currency. I am going to keep on fighting for it to the utmost of my ability, and I want to say to the gentleman from Michigan that it is going to be a sorry day for this country unless we wake up in the near future and have the Congress of the United States have something to say about our monetary system.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. KENNEY. Do I understand the gentleman to say that under the Patman plan the veteran himself, about whom we are concerned in the payment of the bonus, will receive a cheaper dollar?

Mr. BOILEAU. No; not a cheaper dollar than anybody else gets.

Mr. KENNEY. Does the gentleman——

Mr. BOILEAU. Just a moment. I do not want to accept a wrong premise in this argument. The gentleman made the statement, "the veteran, about whom we are chiefly concerned." That is not my position. I believe this is a matter in which every citizen of the country is concerned. It is not only a veterans' problem but it is one of national economics and one in which the entire Nation is interested.

Mr. KENNEY. That is, the inflationary part?

Mr. BOILEAU. Both parts of it.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. KENNEY. Under the Vinson plan would not the veterans get a greater value than under the Patman bill?

Mr. BOILEAU. Yes; at the expense of every other person in this country.

Mr. KENNEY. Does it not occur to the gentleman that in connection with the bonus legislation we might pass the Vinson bill without any burden on the taxpayer whatever, and at the same time not give rise to any fear of inflation,

provided we passed a revenue-raising measure at the same time which would not resort to or burden the taxpayer, and we could do that through my proposed national lottery?

Mr. BOILEAU. I thought the gentleman would come around to the lottery. [Laughter.] I know the gentleman is a serious sponsor for that proposition, but I do not think I can support a lottery.

Mr. KENNEY. Does the gentleman know of any other plan better or equally as good that would raise money without being a great burden on the taxpayer?

Mr. BOILEAU. I am sorry if I have not been able to make my views plain on expansion of the currency. It would not be a burden on the taxpayer, but it would be of benefit to each and every one of them; only some of them do not want to lose the unfair advantage they have because of our silly monetary system. Now, I do not care to discuss the lottery proposition. The gentleman made reference to the fear of inflation. I am not one of those who is fearful of inflation, because it can be controlled by a sensible Congress. I believe there are men in this House who believe in moderate expansion who would cooperate with the conservative men in the House to prevent undue expansion.

Mr. WHITE. Will the gentleman yield?

Mr. BOILEAU. I yield.

Mr. WHITE. I should like to ask the gentleman from New Jersey if the money to support this lottery comes out of those who are able to support it?

Mr. BOILEAU. I will let the gentleman from New Jersey answer that question.

Mr. KENNEY. It comes by voluntary contribution of the people. It is a voluntary tax. It is not a compulsory tax. If a man does not want to participate in it, he need not do so. I believe that we ought to go to the country to raise this money from people who are willing to contribute small amounts to support various worthy causes, as they did in the Revolutionary War and thereafter and as they are now doing in supporting foreign hospitals, foreign veterans, and other foreign causes through participation in lotteries of other countries.

Mr. WHITE. The losses through gambling at race tracks would be a similar contribution.

Mr. KENNEY. Oh, no; that is an entirely different principle. The proceeds go into different channels entirely.

Mr. BOILEAU. Mr. Chairman, I want to conclude my statement and make it well understood that I am not advocating a lottery as a means of paying the bonus. The Vinson bill is bad enough. When it comes to expansion of the currency, there is no gambling about it. If gentlemen will study the provisions of the Patman bill, they will find it provides for a controlled expansion of the currency, and in my opinion there is no one thing that would be of as much benefit to the country as to expand the currency moderately as provided in the Patman bill. And I say as much for the Frazier-Lemke bill, so that I would not be charged with deserting my first love, because I do advocate the Frazier-Lemke bill as a bill to give much-needed relief to agriculture. [Applause.]

Mr. DITTER. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. McLEAN].

Mr. McLEAN. Mr. Chairman, it is my purpose to direct attention to the necessity of some immediate action by Congress for the relief of the home owners. The situation became tragic in November when it was announced that no further applications for home loans would be received and that no application had a chance for favorable consideration unless it had reached the closing department. Unless some attention is given to this situation and some provision made to accomplish and complete the real purpose of the home owners' loan movement, a complete break-down of this phase of the recovery program must be admitted.

As of January 3, the Corporation has closed a total of 733,140 loans, in the amount of $2,219,011,290. There are in the closing department a total of 188,696, thus making a total of 921,836 loans which will have been closed with the money previously appropriated by Congress for that purpose.

In New Jersey the Corporation has closed as of the same date 29,824 loans, involving $145,714,727. There are in the legal department being closed an additional 6,585 loans, which would make a total of 36,409 closed under the present appropriation. The ones actually closed as of January 3 represent 50.3 percent of the net applications.

There has been considerable criticism in Congress of the administrative officers of the Home Owners' Loan Corporation. There may have been errors of omission and commission in the administration of the act, but it is also true that the program has accomplished a great deal of good. We cannot hope to make legislation effective without the faith and confidence of the people. Ridicule and caustic criticism by those who enact the laws do not conduce to that faith and confidence. It behooves us, therefore, to extol its virtues and correct its shortcomings, and with the knowledge that has come to us from the experiences of the past 2 years, meet the situation and complete the job by granting the home owners the relief it was intended they should have.

Operations of the Home Owners' Loan Corporation were suspended on November 16, 1934. Congress has been in session since January 3. If I judge the sentiment of the House correctly, there is sufficient support for an additional appropriation and for such action as may be necessary to grant this relief, and Members are waiting for an opportunity to support the necessary legislation for that purpose. But there is no indication of anything being done. When the legislation was being considered by the House, the Chairman of the Committee on Banking and Insurance very frankly said it was not the hope or idea of the proponents of the legislation that it would be a complete solution for all the difficulties confronting the home owners, that it was experimental in its nature, and it was the hope it would grant some relief and blaze the way to a solution of these difficulties. Whether or not it is wise within the purview of constitutional limitations, or economically sound, for the Government to enter into this activity is doubtful, but we have been constrained to overlook these considerations because of the emergencies which exist, and also for the reason that this was one of the emergency-relief measures which is self-liquidating, and which provides reasonable certainty for the Government to get back a considerable portion of the money which it invests and will enable it to retire from this sort of activity in that great day we all hope for when conditions shall have righted themselves.

For these reasons I was glad to support the legislation as a part of the recovery program, and I have watched its course with considerable interest. I lent my cooperation to every agency in my district, in public addresses, and in private conversation to bring about its successful operation, and this, notwithstanding that I was not asked to recommend a single individual as an appraiser or as an attorney, and that the entire organization in my State bears every indication of the fact that one who sought employment with the corporation, as a condition precedent to his qualifications, needed to be affiliated with the political activities of the party in power.

It may be true, as is charged, that many applications failed of proper consideration because of the inefficiency of the administrative officers. It may be true that favoritism was shown in some instances, and it may be true, and doubtless is, that many persons obtained loans who were not in difficulties, whose properties did not need refinancing, and who could have solved their problems in other ways. All these shortcomings might readily be the natural and probable consequences of the haste with which the organization was set up and the inexperience of the administrative officers. Newness and haste always create evils of one kind or another. Also, in the discharge of their duties the administrative officers met many situations, and the necessary resistance on their part in improper and unworthy cases naturally caused resentment and adverse comment. However, the way to solve this difficult problem is not by adding to this criticism and the lack of confidence which it will inevitably create by yapping about conditions, but it is for the responsible parties to undertake the study of the exi-

gencies, and the situation of home owners as it exists today and to find a solution for it, and in this instance the responsibility lies with the Congress of the United States, and should have immediate attention.

Knowing of the charges and attacks that are being made and the necessitous conditions confronting thousands of home owners, it should be the obligation of the Committee to immediately undertake an investigation into the matter and determine upon the procedure and future policy of the Government.

Encouraged by the hope held out to them 2 years ago, many home owners have been anticipating favorable action, and people who have their money invested in mortgages have been awaiting action by the Government. Meanwhile, interest on mortgages, municipal taxes, and Government charges against the property, insurance premiums, and the cost of necessary repairs have been accruing, further jeopardizing investments and making it more difficult for home owners to solve their problems. This experiment, which was one of many calculated to bring about economic recovery, has taught us many valuable lessons from which it should be possible for Congress to overcome many shortcomings. The administrative officers have learned the same lessons and, in many instances, have used their knowledge to the end that the appropriation made by Congress and the bonds issued may be placed in channels where it was really intended they should go.

There is no doubt that mortgage companies, building and loan associations, and banks and individuals have benefited by an exchange of bonds for mortgages, and many municipalities have been relieved by the payment of taxes brought about through the payments which have been made through the refinancing of homes under the act.

We hear much of the effort to force private money out of hiding into investments. In my judgment none of the other efforts to induce investment in real-estate mortgages will be as effective as the system provided under the Home Owners' Loan Act. The bonds are finding a ready market, and the relief from anxiety of the home owner is a reassurance, and he has undertaken the task of meeting the vicissitudes of life, even under existing conditions, with greater hope, greater faith, and greater confidence.

I have said that the situation now existing among the home owners is tragic. Hope deferred has resulted in discouragement and disaster. It is the obligation of Congress to hear this cry for action and to make the object of its immediate attention that vast concourse of Americans who have their all invested in their homes. I strongly urge that instead of indulging in ironical sarcasm and personal invectives and criticism of public officials, which can have no other purpose than to hamper the work of the agencies of the Government and destroy the faith and confidence of the public in governmental agencies, we should look to a solution which the public has a right to expect. Our duty is plain. We should either go forward and finish the job of granting relief to home owners, either by the method provided by the Home Owners' Loan Act, or some substitute therefor; or else we should stop encouraging those who have been led to believe that their Government was coming to their aid, and make it known that the effort to aid home owners has been abandoned so that they will not continue to dwell on false hopes and will face the inevitable.

Mr. CANNON of Missouri. Mr. Chairman, I ask the Clerk to read the bill.

The Clerk read the bill down to and including line 15, page 30.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 3973, the District of Columbia appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MCDUFFIE, indefinitely, on account of illness in family.

To Mr. DUNN of Mississippi, for 4 days, on account of important business.

RIVERS AND HARBORS OF SOUTHWEST WASHINGTON AND THE NATIONAL HARBORS AND FLOOD CONTROL PROGRAM

Mr. SMITH of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein an address which I delivered before the Northwest Rivers and Harbors Congress at Seattle, Wash.

The SPEAKER. Is there objection?

There was no objection.

Mr. SMITH of Washington. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert an address delivered by me before the Northwest Rivers and Harbors Congress at Seattle, Wash., on October 12, 1934.

The address is as follows:

Mr. President, members of the Northwest Rivers and Harbors Congress, ladies and gentlemen, I appreciate Mr. Wilson's kind words of introduction and I am glad that he is a little more charitable than the chairman on a certain occasion who was introducing a Member of Congress and said, "We have had a very profitable session and we are all enjoying ourselves. Shall we continue to do so, or shall I now call upon the Congressman to deliver his address?"

I am very happy to be here today and to have the opportunity of discussing with you matters in which I know you are all vitally interested, and which are also very close to my heart. I claim the unique distinction as a Member of Congress of representing more rivers and harbors and waterways and larger bodies of water than any other single Member of the United States Congress; and when I went back to the National Capital and sought membership on the Rivers and Harbors Committee I made that assertion and made it repeatedly and defied any other Member to successfully contradict it. In southwest Washington we have six very important harbors—Grays Harbor, Willapa Harbor, Longview, Vancouver, Olympia, and Bakers Bay. We have two important seaports—Longview and Vancouver—on the Columbia River, which is the tenth largest river in the world. Olympia is on Puget Sound, which is one of the largest inland bodies of water in the world. In addition to that I claim, and I believe, truthfully, that the Pacific Ocean, which is the largest ocean in the world, is in my district because Pacific Beach is in my district. In addressing the National Rivers and Harbors Congress in Chicago, I told them of the great honor and pleasure I had a number of years ago of being introduced to Mary Pickford, "America's sweetheart." I asked her if she had ever been in the State of Washington and she said she had spent some delightful hours in Seattle. I told her, "Well, you should by all means come down to Pacific Beach and visit our ocean down there. We are very proud of it. It is the largest ocean in the world." She smiled and said, "But isn't it the same one we have down here in California?" I had to admit that it was.

PROGRESS DURING PAST 2 YEARS

I think that there has been more development and more progress made in regard to rivers and harbors of the Northwest in the past 2 years than has been the case for a long time, and I believe that a great deal of the credit is due to your organization. I noted the fact that Mr. Wilson, in making his report, referred to your sponsorship by resolution of a number of very important projects which have since materialized and been carried out. I was just checking over the other day the number of items and transactions relating to the rivers and harbors of southwest Washington that came before the Rivers and Harbors Committee for action during the first and second sessions of the Seventy-third Congress, and I found that there are 20 items relating to hearings, reports adopted, resolutions that were passed, and other items of business relating to the rivers and harbors of southwest Washington.

GRAYS HARBOR JETTY PROJECT

Down on Grays Harbor we have succeeded in having transferred to the Federal Government the cost of maintaining the inner channel of Grays Harbor, which has been borne by the local taxpayers for 15 years, since 1919. I believe you mentioned in your report the Grays Harbor jetty. Since 1915, during the past 19 years, there has been no money appropriated in Congress for the Grays Harbor jetties, and during that period a program of dredging has been carried on. As a result, the jetties have become very badly in need of reconstruction. In fact, that condition has existed for the past 10 or 12 years, in regard to one of the jetties particularly, despite the efforts of our port commission and the port manager, Mr. W. J. Murphy, whom I want to say I consider as a very capable and competent gentleman in that position. He has been very aggressive, as has the port commission, and repeated efforts have been made to get the United States Board of Army Engineers to reverse its former adverse reports against reconstructing the Grays Harbor jetties. In September 1933 I introduced a resolution, after having had numerous conferences with

members of the Board and the Chief of the United States Army Engineers, for a review of the former adverse reports. The resolution was duly passed by the Rivers and Harbors Committee of the House, and in due time a review was made of the prior reports. Gen. George B. Pillsbury, first assistant to Maj. Gen. Edward M. Markham, came out here first, and at the time when he was inspecting the Willapa Harbor project he also investigated the condition of the jetties.

He went back to Washington and reported to the Board, and the Board came out and the entire personnel made a personal inspection and finally they reviewed all the evidence and the prior reports and rendered a decision recommending the project to reconstruct the north and south jetties of Grays Harbor to an elevation of 16 feet at a cost of $4,565,000, which would give us as safe and fine a harbor as there is anywhere in the United States, probably. That project is now pending before the Public Works Administration for allocation of funds, and I will bring it before the Rivers and Harbors Committee for adoption in the next Congress.

WILLAPA HARBOR AND VANCOUVER PROJECTS—OLYMPIA—BAKER'S BAY PROJECTS

The project to dredge Willapa Harbor to a depth of 26 feet was initiated and $80,000 of P. W. A. funds allocated for that purpose. In addition to that, we initiated the project to straighten the Narrows in the bend of the Willapa River, a very sharp S-turn in that river, which is a menace to navigation. That project will cost $207,000. It was favored by the district and division engineers, was rejected by the United States Board of Army Engineers, but was finally approved by General Markham, and the project is now pending before the Public Works Administration for funds. We obtained the necessary funds to carry out the Vancouver project to deepen the channel to a depth of 28 feet, but no sooner had that been done than it was found necessary to continue to a depth of 30 feet on account of the contemplated construction of a 2,000,000-bushel grain elevator which Colonel Robins and I had the delightful pleasure of helping to dedicate this summer. I want to just mention a little amusing experience when I was presenting the original project before the Rivers and Harbors Committee of the House. We had a great many projects up that morning and I was speaking hurriedly, and, through a slip of the tongue, in referring to the grain terminal, I inadvertently described it several times as a 2,000,000-ton grain elevator. I noticed the chairman of the committee had a very peculiar expression on his face. He interrupted me and said, "Congressman SMITH, that certainly is a remarkable project. What was the name of that town?" "Why, Vancouver, Wash., at the head of the Columbia River", I answered. "Well," he said, "that certainly is a gigantic project, 2,000,000 tons. I don't believe we have very many that size in the United States." I realized what had occurred and told him I should have said 2,000,000 bushels. I was certainly impressing the committee with the importance and magnitude of my project. The modified project of 30 feet was approved by the engineers and is now before the Public Works Administration and will be brought before the Rivers and Harbors Committee for adoption when Congress convenes.

We have carried out a new project at Bakers Bay, to create a 10-foot channel at a total cost of $80,000. We deepened the Olympia Channel to a depth of 30 feet, and after that project was approved they found they did not have the funds for a turning basin, so we went back and got another resolution adopted and succeeded in getting the committee to authorize the additional funds, a total of $92.000, for carrying out the original project and providing the turning basin. We did not secure quite sufficient funds at Bakers Bay. We ran short of funds and had to go back and get an additional amount to complete the project down there, which we succeeded in obtaining.

HARBOR DREDGING IN SOUTHWEST WASHINGTON

For the first time in a long while we have the continuous operation of Government dredges in every seaport in southwestern Washington—Grays Harbor, Willapa Harbor, Longview, Bakers Bay, Olympia, and Vancouver. Dredging work has been done on the Washington ship canal. There has been work done at Tacoma Harbor and this work that we mentioned at Bellingham. We certainly ought to appreciate, and I think we do, the cooperation and the consideration we have received from Secretary Ickes and the Public Works Administration and the splendid cooperation we have had from the United States Board of Army Engineers, and particularly from Gen. Edward M. Markham, who has proved that he is very friendly to all the waterways of the Pacific Northwest. I believe he is a true friend of our section of the country and realizes the importance of our seaports out here. I consider that we are very fortunate indeed that the new north Pacific division office of the United States Board of Army Engineers has been established at Portland and has jurisdiction over all the harbors in our section of the country. That is going to be a decided advantage to us. I make the same statement in regard to Col. T. M. Robins, who has been very considerate, more than fair, and I believe he is our friend, and I am sure we all appreciate it.

NEW NATIONAL WATERWAYS PROGRAM

There is going to be a new national waterways program. You have read the message that President Roosevelt sent to Congress relating to that subject. It is going to be very comprehensive and embraces a great many features, among them flood control, river and harbor development, reforestation, and other national undertakings. We are more interested in the flood control and development of rivers and harbors. I understand it is contemplated to create 5 local boards similar to the Tennessee Valley Authority—1 for the Pacific coast, 1 for the Atlantic coast, 1 for the Gulf waterways, 1 board for the western tributaries, and 1 board for the western tributaries of the Mississippi River. This matter will come before Congress in January, based upon reports the engineers have been preparing. The report on the Columbia River is very voluminous and was just completed by Army Engineers last fall. I hope and I think it will be my position, as a member of the Rivers and Harbors Committee, if I serve in the next Congress, that regardless of what set-up may be created that the jurisdiction and the supervision of all of this work be left in the hands of the United States Army Engineers. My friends, I have been interested in rivers and harbors for many years, long before I ever aspired to a seat in Congress, and I have read many reports of the Army Engineers, and I am more or less familiar with their work, and I think that their record for efficiency and for devotion to duty and integrity is hardly equaled, and certainly not surpassed, by any body of men who serve the Federal Government.

FLOOD CONTROL IS VERY IMPORTANT

The matter of flood control is very important. For the past 30 years we have had floods recurrently in this State every 2 or 3 years, some of them very disastrous. I recall particularly the flood which wiped out the old bridge between Kelso and Longview and did so much damage in 1923. The late Senator Wesley L. Jones was in Congress then and he had a great deal of influence in the Capital. He made every effort at that time to enlist the cooperation of the Federal Government and to get it to recognize that we had a flood-control problem in this State, but failed to do so. Down on Grays Harbor the most severe floods of record occurred in November 1909. Other floods came in December 1891, 1892, 1897, 1903; March 21, 1908; January 1914; December 21, 1915; 1919; and January 1923; in other words, floods have occurred at the rate of one every 4 years. The flood of 1897 cut a channel through a farm between Oakville and Porter and made travel by road difficult for almost 2 months. The flood of November 1909 washed out a 90-foot section of the right-of-way of the Northern Pacific Railroad between Montesano and Cosmopolis and submerged the rails in other places by 2½ feet.

The Federal Government has taken the position that as far as our flood-control problem in this State was concerned, it was a local problem for local communities. The Federal Government refused to render any aid. Last December, when we had the flood, it was the first time we ever succeeded in obtaining any financial aid from the Federal Government, and it was important, of course, because it resulted in a lot of repair work being done that was valuable and gave employment. But, in my opinion, it was more important because of the precedent it established. For the first time the Federal Government has recognized that we have a flood-control problem in this State as well as along the Mississippi River and the Sacramento River. As a result, we were able to secure the passage through Congress of bills for preliminary surveys of the main rivers and their tributaries in the States of Washington and Oregon. I introduced a bill relating to the Columbia River, which was amended to include Oregon. That survey is now being conducted. Similar bills were passed, favored by the Flood Control Committee of the House, signed by the President, and became the law of the land, for preliminary examinations of the Lewis, Cowlitz, and Chehalis Rivers, which will soon be made. These are the first bills for preliminary examinations in regard to flood control that have ever been passed by the United States Congress affecting the rivers in the State of Washington and in the State of Oregon; so, I feel, my friends, that we are making real progress. Now we are in the picture, and when this national program is carried out, which it will be in the very near future, as that legislation will come before Congress early in the next session, it is going to result in our obtaining protective measures in those States against floods in the future and against soil erosion. However, we cannot expect the Federal Government to assume the entire cost, as it has not done that along the Mississippi or Sacramento Rivers; but I think we will find in many communities that by constructing the dikes, by constructing tide boxes, by building roads and bridges, and making other improvements, we have already made a valuable contribution, and the Federal Government will more than match our expenditures. We are only beginning to recognize the truth of Theodore Roosevelt's prophecy of 30 years ago in regard to the need for flood control in this country. We have had these disastrous floods all over the country.

I happened to be in the office of Mr. Hopkins—Federal Emergency Relief Administrator—when he received a long-distance call from New York in regard to the floods up there. He had promised to help us out here and he turned the people of New York down because funds were not available. We have been treated very generously out in this section of the country in many ways, as witness the two great projects, the Bonneville project and the Grand Coulee project, to develop electrical power and for the reclamation of arid lands. I said that we have come into the picture. We have. We are receiving more attention from the Federal Government than has ever been true in the past. We can visualize a great industrial expansion in this part of the country. It is very essential that we be prepared by developing our rivers and harbors to protect the commerce that is going to enter and depart from the harbors of the State of Washington.

OMNIBUS RIVER-AND-HARBOR BILL

Speaking as a member of the Rivers and Harbors Committee, I feel that I can honorably assure you that there will be a rivers

and harbors bill reported out by the Rivers and Harbors Committee of the House and introduced in the next session of Congress and that it will be reported out and brought out on the floor of both of those bodies and will be enacted into law. We haven't had a river-and-harbor bill, I think, for 5 years. I don't believe there was a bill during the former administration, but we have the assurance of the present administration, of President Roosevelt himself, who has already proven his friendliness to river-and-harbor improvements, that he is friendly to such a bill being introduced and passed during the next session of Congress.

In conclusion, I want to acknowledge on this occasion my indebtedness to all the port managers in my district and throughout the State and to members of various port commissions for the splendid cooperation I have received from them and the magnificent way in which they have presented their projects, because we all realize no Congressman can get very far unless you gentlemen give him the material with which to work. You have to furnish us with the evidence and with the testimony, you might say, and then we have to conduct the case to the best of our ability. I also wish to pay a tribute to the district and division engineers, to Colonel Sturdevant, of Seattle, and Major Williams, of Portland, and, of course, as I have mentioned, to Colonel Robins, who is our true friend, although I don't believe he would allow his friendship to sway his judgment any more than I would, were you to present a project which I thought was fantastic and had no merit. I wouldn't sponsor it, because if a man did that he would lose his influence with the Rivers and Harbors Committee, as every time I appear before the committee I want to be fortified by facts and evidence, so that I can persuade them that the project is meritorious. That is where you gentlemen come in, in cooperating with port managers and district engineers in assembling facts and presenting the case.

I have a great deal of faith in the future of this part of the country. I think we are about to witness an awakening in the Orient; that the many millions over there are about to become modernized so that they will present the richest market for the sale of our products that the world has ever seen. Civilization has been moving westward ever since the dawn of creation. We are now about to witness the commercial supremacy of the Pacific coast, and I do not believe that any master of language could paint a word picture that would be too rosy so far as the future of the States of Washington and Oregon and all our seaports and all our cities in this section of the United States are concerned. We are on the eve of the greatest era of development that the world has ever witnessed.

I thank you for your kind attention.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman from Colorado [Mr. TAYLOR] kindly inform us what the program is for tomorrow after the completion of the pending bill?

Mr. TAYLOR of Colorado. I do not know of a thing for tomorrow after that time; and in this connection I may say that I hope we can, by unanimous consent, adjourn over on Fridays for some little time. All of the Members are deluged with office and departmental work, and I feel that we can get better service if we shall adjourn over from Fridays to Mondays.

STATUES OF CAESAR RODNEY AND JOHN M. CLAYTON

Mr. STEWART. Mr. Speaker, I ask unanimous consent for the present consideration of Senate Concurrent Resolution No. 4, which I send to the desk and ask to have read. I might state that I have conferred with the gentleman from Illinois [Mr. KELLER], the Chairman of the Library Committee, and it is my understanding that he is agreeable to the consideration of this matter in this manner.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Senate Concurrent Resolution 4

*Resolved by the Senate (the House of Representatives concurring)*, That the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware and placed in Statuary Hall, are accepted in the name of the United States, and that the thanks of Congress be tendered the State for the contribution of the statues of two of its most eminent citizens whose names are so thoroughly identified with the State and Nation.

*Resolved further*, That a copy of these resolutions, suitably engrossed and duly authenticated, be transmitted to the Governor of Delaware.

The SPEAKER. Is there objection?

There was no objection.

The resolution was agreed to; and a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

AIRPLANES

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution which I send to the desk and ask to have read.

The Clerk read as follows:

*Resolved*, That for the purpose of obtaining information necessary as a basis for legislation the Committee on Military Affairs of the Seventy-fourth Congress is authorized, as a committee, by subcommittee or otherwise, to continue the investigation begun under authority of House Resolution 275 of the Seventy-third Congress, and for such purposes said committee shall have the same power and authority as that conferred upon the Committee on Military Affairs by House Resolution 275 of the Seventy-third Congress. The unexpended balance of the appropriation of $30,000 under House Resolution 284 and House Resolution 439 of the Seventy-third Congress is hereby continued for such purposes.

The SPEAKER. Is there objection to the immediate consideration of the resolution?

Mr. MARTIN of Massachusetts. Reserving the right to object, I should like to ask the gentleman from South Carolina [Mr. McSWAIN] if this is a unanimous report from the Committee on Military Affairs?

Mr. McSWAIN. It is. It is not only the unanimous recommendation of the Committee on Military Affairs but I presented the resolution to the Chairman of the Rules Committee, which would normally have jurisdiction, and he said he would have no objection, and could conceive of no objection, in view of the work of the committee and its great advantage to the country. I presented the resolution also to the minority leader, Mr. SNELL, this morning, and he had no objection. He said he wished to ask me a question, and I shall be glad to give the gentleman the information which the minority leader said he wished to elicit.

Mr. MARTIN of Massachusetts. Could we not let this go over until tomorrow? The minority leader is temporarily out of the Chamber attending a meeting. I suggest that the gentleman let this go over until tomorrow morning.

Mr. McSWAIN. I should be glad to have it considered tonight. The minority leader said he wished the RECORD to show how much of the appropriation had been expended and whether or not there would be any further appropriation requested.

Mr. MARTIN of Massachusetts. Mr. Speaker, I think I will have to object to the consideration of this resolution at this time.

Mr. McSWAIN. I hope the gentleman will withdraw his objection.

Mr. BLANTON. Will the gentleman yield?

Mr. McSWAIN. I yield.

Mr. BLANTON. The gentleman from Massachusetts [Mr. MARTIN] knows of the splendid work which this subcommittee did not only in the last Congress but all through vacation and, so far, in the present Congress. I understand the minority leader has agreed to this resolution. Why not let it go through?

Mr. MARTIN of Massachusetts. The minority leader said he would like to ask a question, and he is not here to ask that question.

Mr. BLANTON. The only question he would ask would be whether or not it was going to require more money.

Mr. MARTIN of Massachusetts. Well, I do not know that. Nothing is going to be lost by letting it go over until tomorrow morning.

Mr. BLANTON. But you will require the gentleman from South Carolina [Mr. McSWAIN] to be here in the morning, and he is very busy and is needed elsewhere.

Mr. MARTIN of Massachusetts. The gentleman from South Carolina is always here, so that will be no hardship.

Mr. BLANTON. But the gentleman is doing some most important work that requires his time somewhere else.

Mr. MARTIN of Massachusetts. I appreciate that, but I do not think there will be any hardship in letting this go over until tomorrow.

Mr. McSWAIN. May it come up the first thing in the morning, so that I will not have to remain on the floor?

Mr. MARTIN of Massachusetts. Certainly, so far as we are concerned.

Mr. BLANTON. I understand that the gentleman from New York [Mr. SNELL] expressed himself as being perfectly agreeable to the resolution.

Mr. McSWAIN. Mr. Speaker, I will withdraw my request at this time.

The SPEAKER. The gentleman from South Carolina withdraws his request temporarily.

LEAVE OF ABSENCE

Mr. DUNN of Pennsylvania. Mr. Speaker, I rise to ask a question. I understood that Mr. DUNN asked unanimous consent to be absent for 4 days. Is that the gentleman from Mississippi [Mr. DUNN]?

The SPEAKER. The Chair is informed that it was the gentleman from Mississippi [Mr. DUNN] who made the request.

AN EMANCIPATION PROGRAM FOR PENNSYLVANIA

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein the inaugural address of the Governor of Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. ELLENBOGEN]?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, I am happy to present to the Congress and to the people of the United States a truly great human document—an emancipation proclamation for Pennsylvania—the inaugural address of the Honorable George H. Earle, who was inducted into office as Governor of the Commonwealth of Pennsylvania last Tuesday, January 15, 1935.

I want to present this address to my colleagues, not because Governor Earle and myself share the same political faith, and not because he has become the chief executive of Pennsylvania, the State which I have the honor to represent in the House of Representatives. I do it because I sincerely believe this address to be the clearest and best expression of the purpose and objectives of the new deal that has yet been presented.

GOVERNOR EARLE'S DEFINITION OF "A DEMOCRATIC FORM OF GOVERNMENT"

Although Governor Earle has here specifically laid down a plan of action to be undertaken for the betterment of my own State—and one which is worthy of emulation by all others—the underlying philosophy he expounds, and the exposition of the solemn obligations of a government to those it governs, overleaps the boundaries of a single State. Mr. Earle has given us here, in specific and unequivocal terms, a translation into action of that vague phrase, "a democratic form of government."

This is democracy—not a grudging admission of the rights of the unfortunates of this life to a few crumbs left from the full loaf but an eager welcome to them to partake fully of what they have so long been denied.

That, to George Earle, is the essence of the new deal, and its great promise permeates every word of his speech. The principles he espouses are principles which should guide the Nation as well as the Commonwealth of Pennsylvania, and indeed they shall. For they are fine enough and broad enough to lead us to a happier and saner permanent way of life.

GOVERNOR EARLE BLAZES A NEW TRAIL IN THE KEYSTONE STATE

I ask every one of my colleagues to read Governor Earle's speech and to understand it as we in Pennsylvania understand it.

Pennsylvania in the past has not been a happy State. Too many of its legislators have won the dubious distinction of being errand boys for a selfish privileged few. These have exploited the powers and potentialities of that great State. Mighty industries, wealth-producing mines, and fertile farm lands have been misused to build up a few towering fortunes and financial dynasties at the expense of its 10,000,000 citizens. We have done away with all that. We are on a new trail in the Keystone State.

Pioneering until now only in industrial development, henceforth we also lead in social engineering. This is the significance of Governor Earle's speech; this is the path he will tread.

GEORGE H. EARLE IS EMERGING AS A NATIONAL FIGURE

Mr. Speaker, I ask you and the Members of the Congress to keep before you the name of George H. Earle, and to mark what he will do. He has already served his country well as its Minister to Austria, although in that capacity he was too far removed from the daily stage of our national activities to receive well-deserved attention. But as the Governor of the Keystone State of the Union, George H. Earle is emerging as a new figure on the national scene. Let him but have the strength to realize these high aims and George H. Earle will emerge one of the great men of these trying times.

And now let me read to you the inaugural address of Gov. George H. Earle.

In this oath I have pledged myself to serve the people of Pennsylvania as best I can. These are desperately trying times, bitter times. You are asking, "Where are we going? Where do you want to lead us?"

Solemnly, with the echo of the oath still upon us, I answer that we are going, along with the rest of this Nation, to new ground. Politically and economically a change is necessary. The misery of millions, the insecurity of all, bids us vacate the too easy tolerance into which we were lulled during the past decade.

America, in its pioneer days, was hardy and barefooted, shirt-sleeved, sharp-eyed. America was then ready for whatever came, always striving for a better pasture over the hill. We're going back to that spirit today. Not literally, not seeking new land, but seeking into the future for the security and freedom that makes all land, all property, all life worth while.

America is going pioneering across the mountains of special privilege and predatory wealth that fancies itself securely founded. Pennsylvania, in my administration, is going with America. The farther we are toward the fore, the better.

Every now and then history sits down and rests. The short-sighted say, "Now the last frontier is closed. Now change is ended." But the last frontier is never closed. This summons cannot be ignored or evaded with impunity.

WARNS OF DISINTEGRATION

The punishment of history has descended again and again on those who closed their eyes to the summons. Disintegration, decay, extinction, are the inevitable fate of a nation which refuses to change when the times demand change. The jungle creeps back upon the untended clearing, the sea finds a way through the once adequate dike. When the old enemy is stamped out, a way must be found to defeat the new.

We can no more shirk our pioneering task than the men who first landed on these shores could turn their backs to the wilderness in front of them. We must plunge into and cut away the undergrowth and build. We must explore and experiment, be watchful and not content to rest, until our security is attained.

Our ancestors fought their way forward with axes and plows. Today's pioneering calls for the subtler, but no less necessary, tools of the mind. The obstacles and dangers around us are not the work of external nature, but creations of our ancestors and of ourselves.

Our dangers consist of institutions, practices, fulcrums of political and economic power which exist to the detriment of the people as a whole.

We were building a vast technical machine in these last 100 years. We were improving the methods of agriculture, revolutionizing the processes of industry. We broke through one material frontier after another. But we forgot that no nation is stronger than the law and the morality that bind it together. We forgot one of the oldest lessons of history—that changed physical conditions call for new political institutions.

OPPOSES HASTY CHANGES

I do not mean, of course, that we must try to wipe out the past by revolution or too hasty change. There are fundamental institutions which, I believe, will endure in the fields of economics and politics for thousands of years. Democracy and private property, for instance, may no more be successfully replaced today than the ancient principles of the lever and the wheel have been displaced by our progress in the field of mechanics.

But the right of private property does not mean to me something exactly and precisely defined down to the last detail and the definition graven on stone and buried somewhere in the vaults of antiquity.

It means this: Individual ownership of material goods on terms adapted to serve best the needs of any given community at any given time. When private ownership has been a successful institution, it has meant just that. When private ownership, or any other institution, has set itself against fundamental changes, it has been found wanting. This I believe to be the liberal position, the attitude necessary for permanent recovery.

I believe in the profit motive. I believe in private ownership. They provide the only basis for our present civilization and its future progress. But we cannot escape the fact that today private ownership means the ownership of nothing by the majority of our citizens. Except through charity, they have not even obtained sufficient of the product of private ownership to keep alive. Could any situation be more calculated to undermine faith in private ownership than this?

The timorous cry of mistaken self-interest quavers that the slightest modification of the present political attitude toward business foreshadows the doom of capitalism.

POINTS TO EUROPE

If the reactionaries would turn their eyes in the opposite direction they would have more justifiable cause for alarm. Danger does lie ahead for capitalism and for democracy, unless we are ready to change many of our institutions and practices. Russia is the proof. All Europe today is a panorama of the decay of nations which will not face the necessity for sane, sensible progress.

From Austria I watched that disintegration with my own eyes, and I returned to be your candidate for Governor with the question in my heart, "Will my Nation be strong enough, intelligent enough, courageous enough to avoid that fate?" I believe the answer is "yes", but I believe the victory will take some fighting and work. It is worth it.

I want to be a part of this fight. I want to share this work. My program was stated fully and, I hope, clearly during the campaign. As I restate it now, you will not find it changed. My convictions have not altered. Rather they have strengthened as the depression continues and the enemies of reform give stronger evidence that they intend to block recovery.

My fundamental conviction is that life must be made more secure for those millions who, by the accident of birth, are left at the mercy of economic forces. I see no just reason for the relative present security which I personally enjoy, by the grace of chance, while most of my fellow-citizens are never at any time separated by more than a hair from want and misery. The gulf is too wide, the contrast too sharp. I have long felt in my heart that there is something basically wrong with this disparity. And with my eyes I have seen what is wrong during this depression.

The benefits of all our progress have gone to a few, though it was the masses that made the progress possible. The few cannot go farther without the many. The few who enjoy wealth are chained, not only by bonds of humanity, but by bonds of cold economies to those who now falter by the wayside through no fault of their own.

What is our material wealth? It is made up of factories, farms, stores, and mines in which the needs of men are made and distributed. When that distribution stops, when production stops, wealth vanishes. No man is so rich that his fortune can long endure without that foundation of all business—customers. Customers—in this mass-production age—means the whole body of labor.

For a long time past, labor has not received its proper share of the profits of industry. The farmer is not getting his proper share of the profits of the farm.

By "proper" I do not only mean fair and just—I mean the share which is called for by the iron necessity of the business set-up of this country.

CITES NEED FOR MARKETS

I mean that America needs new markets for the products of her machines and farms. We cannot find them abroad. We cannot find them on Mars. We must create new markets by increased purchasing power to the customers of industry, the masses who labor in field, factory, and store.

As Governor of this State, which is truly the keystone of America's industrial system, I shall wage a determined fight to readjust the balance of purchasing power. Minimum-wage laws, abolition of sweatshops, protection of the right of unionization, decent workmen's compensation laws, and unemployment insurance are but a few of the lines on which this fight must be won. Child labor must never return.

Pennsylvania has lagged behind in legislation and executive policy in this vital field. Some of our so-called "better citizens" have boasted that labor was weak in Pennsylvania; that this was a "good" State for employers. That boast sticks in their throats today if they have intelligence enough to realize that the depression has been intensified here precisely because Pennsylvania lagged in labor legislation.

DEPLORES FATE OF AGED

Nor am I going to forget the veterans of industry and the veterans of agriculture, who have just as much claim upon the State as the veterans of our wars. In settled rural communities of a century ago old age brought its recompense. It brought rest and the security in which the younger members of the family carried on in the well-loved fields to earn the living by which they supported their parents.

That is gone now. Filial devotion has not died. Sons still want to care for their parents. But often they cannot. The shift and strain, the insecurity, has become too great. If they can save a penny, they need it for their own wives and children. No man knows today what economic misfortune tomorrow will bring. So the aged, who, in their prime, built the present, are shunted out into economic and social oblivion.

This army of worthy old men and women is beaten into exile from the economic system at every crisis, just as aged inhabitants of besieged cities were once sent to die outside the walls so they would not deplete the rations.

MAKES PLEA FOR RELIEF

We who revert to this barbarism have not even the excuse of necessity. We have the machines, the tools, the materials to produce enough for all without sacrifice. We can feed these aged.

Then in the name of humanity and hard-headed sense, let us feed them! Let us give them a decent life in their own homes when their work is done. An old-age pension system is not a sentimental gesture. It is as much a necessity of modern life as steel and electricity. It fits into the jigsaw puzzle the world is trying to reconstruct from the aftermath of the industrial revolution of the nineteenth century.

A moment ago I spoke of the ancient security of rural communities. They are no longer secure. Not only does the weight of an unjust taxation and monetary fluctuation bear them down, but they have fallen into the control of big business which has impoverished them with one hand while it exploits the consumer with the other.

I refer in particular to certain of the large milk distributors operating in this and other States. When I look at the recent history of these companies in their relation to the farmer and to the public, I am driven to one conclusion—that the men in charge of them hope to clean up personal fortunes in a few years and get out before public indignation catches up with them.

They cannot be looking far ahead. After all, the human worm will turn. And if ever there was occasion for public resentment, these certain milk distributors have given that provocation.

Milk is the most vital of all necessities that can be dealt in commercially. The public is at the mercy of its milk supply. Moreover, in this part of the Nation, dairying is the backbone of agriculture.

DENOUNCES DISTRIBUTORS

Yet these men have had the effrontery to attack the roots of both our rural and urban existence. Briefly, they kept up the price of milk through the depression so that fewer and fewer persons could buy enough. With the consumption of milk fallen below half the amount necessary for minimum healthful diet standards, they turn to the farmer and cut his income on the plea that a milk surplus exists.

Surplus, indeed. I know where that surplus is—and so do they. It is in the fat salaries that these men who dominate the Milk Trust receive. It is in the watered stock of some of these companies. That's the only surplus in the milk business.

These companies maintain a virtual monopoly. They fix prices to the farmer. And the difference between the two returned some of the larger milk companies a profit of 30 percent consistently through the worst years of the depression.

This administration will end that in Pennsylvania. There is going to be a milk-control law with teeth in it. Since prices are already being fixed for this public necessity, then the public is going to have the controlling voice in the milk business of this State.

Such regulation is the only alternative to public ownership. The big milk dealers are not the only ones who do not recognize this danger. Their brothers of the utilities seem quite as blind to the impending storm. They won't shorten sail, although the hurricane warnings fly from every jackstaff on the political coast.

PLEDGES STRINGENT CONTROL

But the utilities do not yet realize that the golden goose is in his death throes. I want to save the utility companies. I want to protect the thousands of investors in utility companies in Pennsylvania. These investors will suffer if public-ownership competition comes. The movement for municipal light and power plants is growing throughout the country.

I know we are supposed to have utility regulation in this State at present. But that is not the sort of regulation I'm talking about. This administration will introduce a public-utility law so stringent that no public-service commission can stultify it without full public knowledge.

Relations between utility companies and their holding companies should be under the jurisdiction of the public service commission.

Further, all expenditures of utility companies should be subject to public scrutiny and control.

It has been the practice for many years to use a part of the surplus profits squeezed from the public to fight the public. Candidates have been bought with utility-company campaign contributions, usually in secret. Lobbies have been maintained here at Harrisburg by these funds. So great has been the power of these extralegal groups that not a bill passed, not a move could be made without their consent.

We propose to root out the lobby evil. First, to destroy the utilities' lobby by cutting off its source of revenue. Second, by striking at all lobbies.

There must be an end to the invisible government by lobbies and lobbyists in Pennsylvania. The legislation of Pennsylvania must be written in the State capitol and not in the private parlors of Harrisburg hotels where special-privilege lobbies have held forth so many years.

SEES MOCKERY OF GOVERNMENT

I intend to give the people a day-by-day account of the activities of these lobbyists if the necessity arises. Any legislator influenced by them will have to make his explanations to his constituents. It is time that this vicious system, which makes a mockery of representative government, be dragged out into the open and into the light of publicity. Only in that way can it be ended.

I have another word of warning, not unconnected with the utilities, for it refers to their real masters—a little group of all-powerful bankers. These bankers are the backbone of the reactionary opposition to the new deal. These bankers have a fondness for masking their activities behind the phrase "protection for the widows and orphans."

Strike at excess milk profits and they cry out that widows and orphans are the shareholders of the milk companies. Strike at high utility rates and the same wail rends the skies. It is these bankers themselves who are endangering the funds of widows and orphans by driving the consuming public to desperation.

Wall Street sent $14,000,000,000 of American funds abroad in the last 10 years, exclusive of the war debts. How much of those foreign loans are coming back? Precious little. We all know that now.

PLEDGES PROTECTION

But these bankers knew it then. And whose funds were these? Widows' and orphans' and the ordinary American small investor. Do you hear them deploring this betrayal of the widows and orphans?

This administration will do its utmost to protect the investors of Pennsylvania. But it will take neither direction nor advice from this powerful banking clique which in the past has had so much to say about the operation of this State government. For the next 4 years, and I hope I speak loudly enough to be heard in Wall Street—it's "Hands off Harrisburg."

I am deeply concerned over the plight of those thrifty men and women who, through no fault of their own, have suffered because their savings are tied up in closed banks. Liquidation of these deposits has been slower in Pennsylvania than in any other State. There is no excuse for this. We are going to speed up the process of returning these funds to their owners.

The banking lobby here has blocked certain legislation designed to strengthen the banking system of the State. If this legislation had been in effect, I am convinced the banking collapse would have been far less severe. Let us remember that lesson. We must enact restrictions which will make it more difficult for bankers to dissipate the funds of their depositors.

Building-and-loan associations have an almost unique and, in the main, honorable history here in Pennsylvania. But in recent years practices have crept into some of them which should be stamped out so that these splendid institutions may regain their real place in the financial life of the community.

Pennsylvania plutocracy reflects itself also in our tax situation. Although 60 percent of the wealth within the State is in the form of stocks, bonds, and other personal property, 90 percent of local taxation is derived from real estate. This grossly unfair situation is a perfect example of the dead hand of the past crushing the present, which I mentioned earlier.

When our present State constitution was written in 1874, real estate amounted to 90 percent of the wealth and should have borne that portion of the tax. But is there any reason why a situation which existed 60 years ago should crush our home-owners and farmers today?

The remedy lies in a graduated State income tax. The soundest tax is that based on the principle of ability to pay. We are going to bring that principle to Pennsylvania.

Revision of the State constitution is absolutely necessary. Pennsylvania simply cannot continue further with the absurdly antiquated constitutional provision which restricts its borrowing capacity to $1,000,000, an infinitesimal part of our annual expenditures.

No business could operate soundly on that basis. In times of stress such as these, we ought not increase taxes drastically to meet the necessity for increased relief expenditures. The sound way, the business way, is to borrow when expenditures must be increased and pay back in days of increasing income. This fossilized restriction causes the State treasury to face today a grave financial crisis which would not have arisen under a modern constitution.

PLANS BUDGET MESSAGE

I will discuss the serious financial problems which confront the Commonwealth in detail in a budget message which I will address to the legislature in the near future.

Constitutional revision is one of the most immediate needs of Pennsylvania. We can all see it is no academic subject if a very ill-timed tax increase is made necessary in order to meet the needs of relief.

Can we reduce State relief expenditures? There is no escape in that direction as long as the Federal Government does not bear the full burden. As long as Washington does not assume entire responsibility, there can be no talk of cutting relief expenditures.

It is quite likely that we can effect some administrative savings by coordinating the various relief agencies which now duplicate each other to some extent. But such savings we must not keep. They must be passed along in increased benefits to the unemployed whose present subsistence level is shamefully low.

I know there is a sneering mention of Santa Claus whenever any public official advocates an increase in relief. Such propaganda fails to impress me. I know from whence it emanates.

The same banking group that shudders at a Federal expenditure of $4,000,000,000 is the one that sent your $14,000,000,000 over to Europe and down to South America never to return.

CITES WALL STREET DEBACLE

What of the $80,000,000,000 of inflated 1929 valuation, which withered away? Where are the expressions of contrition from Wall Street for that debacle? Are they hiding their faces in shame? Not they. From behind the backs of the widows and orphans these brave grenadiers of high finance are firing their propaganda of so-called "economy and budget-balancing" against the unemployed, the helpless, the down-trodden.

I believe in work relief rather than the dole. Work is in this Nation's blood and sinews. Americans do not want to idle about half starved on Federal doles. We want to make, to build, to earn a living wage. We cannot in a day or a decade stop the trend of centuries which instituted the necessity of work. If we try, beware of disastrous psychological consequences.

We will care for the unemployed, but let us beware of creating unemployables. This is a Nation of workers. Please God it may not be saved from being a Nation of economic slaves only to become a Nation of drones.

My administration will cooperate to the utmost in an intensified relief program. Above all, let the expenditures be concentrated so that business can feel a real impact of purchasing power. Only thus will confidence be restored. Only thus will business begin to reemploy our idle millions. We cannot use trench-warfare tactics against the depression. We must strike with the full-focused strength of all our financial resources.

Do not misunderstand me. Because I believe in spending money for recovery, it does not follow that I do not appreciate the importance of economy in governmental administration. I intend to conduct the State government on strictly businesslike lines. It is not supposed to be good politics to cut down on pay rolls. But that is exactly what I intend to do.

FAVORS LOCAL REORGANIZATIONS

Local communities, particularly Philadelphia and Allegheny Counties, can save money for their taxpayers by reorganizing their governments. Consolidation to meet modern conditions should be a part of the program of the State constitutional convention.

In closing, let me explain that I know well that I have said things in this address which the timid souls will consider politically unwise. I have attacked powerful groups, well-established institutions. I am ready to take the consequences. This office of Governor is the realization of my political ambitions, not the stepping stone.

I will make mistakes, I know, but they will be mistakes of the head and not of the heart. I will never do anything or refrain from doing anything because of considerations of my future political career or the future political career of any of my friends. This administration is going to live and work in the present. That task is large enough.

I will be more than content if 4 years from today I can feel that I have played a small but willing part in the saving of this Nation from the dangers that encompass it; that I have helped it push forward to new economic and political frontiers.

We know in which direction the salvation of democracy and American ideals lies. Let us go forward!

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Friday, January 18, 1935, at 12 o'clock noon.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on the Post Office and Post Roads was discharged from the consideration of the bill (H. R. 2422) for the relief of James O. Greene and Mrs. Hollis S. Hogan, and the same was referred to the Committee on Claims.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON: A bill (H. R. 4120) to alleviate the hazards of old age, unemployment, illness, and dependency; to establish a Social Insurance Board in the Department of Labor, to raise revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. JENKINS of Ohio: A bill (H. R. 4121) to amend the Federal Aid Road Act, approved July 11, 1916, as amended and supplemented; to the Committee on Roads.

By Mr. BUCK: A bill (H. R. 4122) to improve navigation and to control destructive flood waters on the Sacramento and San Joaquin Rivers in the State of California, to aid and improve agriculture and industrial development within said river basins, and for other purposes; to the Committee on Flood Control.

By Mr. BUCKLER of Minnesota: A bill (H. R. 4123) providing for the payment of $25 to each enrolled Chippewa Indian of the Red Lake Band of Minnesota from the timber funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

By Mr. FISH: A bill (H. R. 4124) to provide for the national security and defense; to the Committee on Military Affairs.

By Mr. KERR: A bill (H. R. 4125) to prohibit the exportation of tobacco seed and plants, except for experimental purposes; to the Committee on Agriculture.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 4126) to reserve certain public-domain lands in Nevada and Oregon as a grazing reserve for Indians of Fort McDermitt, Nev.; to the Committee on Indian Affairs.

By Mr. SANDERS of Louisiana: A bill (H. R. 4127) to provide for 1-year enlistments during the period of depression and recovery for training the enlisted personnel of the land and naval forces of the United States; to the Committee on Military Affairs.

By Mr. STUBBS: A bill (H. R. 4128) to improve navigation and to control destructive flood waters on the Sacramento and San Joaquin Rivers in the State of California, to aid and improve agricultural and industrial development within said river basins, and for other purposes; to the Committee on Flood Control.

By Mr. WHITE: A bill (H. R. 4129) to establish a United States Army air base at Lewiston, Idaho, to provide a supporting Army air base at a favorable and strategic location for the protection of the North Pacific coast and coast cities, and to provide an advantageous location for easy access to the coast, following the Columbia and Snake River Valleys; to the Committee on Military Affairs.

By Mr. WILCOX: A bill (H. R. 4130) to authorize the selection, construction, and installation of frontier defense bases for the Army Air Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 4131) to authorize appropriations for construction at military posts, and for other purposes; to the Committee on Military Affairs.

By Mr. COLLINS: A bill (H. R. 4132) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602), by adding a new section thereto, to be known and designated as "section 8"; to the Committee on Indian Affairs.

By Mr. DOCKWEILER: A bill (H. R. 4133) authorizing the Postmaster General to extend certain air mail contracts for a further period not exceeding 6 months; to the Committee on the Post Office and Post Roads.

By Mr. EKWALL: A bill (H. R. 4134) to amend section 724 of the Revised Statutes; to the Committee on the Judiciary.

By Mrs. NORTON: A bill (H. R. 4135) to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want; to the Committee on the District of Columbia.

Also (by request), a bill (H. R. 4136) to create the District of Columbia Garage Corporation, and for other purposes; to the Committee on the District of Columbia.

By Mr. REECE: A bill (H. R. 4137) to amend the law relating to suits on Government life insurance, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. TRUAX: A bill (H. R. 4138) to authorize the Home Owners' Loan Corporation to issue an additional $1,250,000,000 of bonds to enable the Corporation to grant additional relief to distressed home owners; to the Committee on Banking and Currency.

By Mr. MEAD: A bill (H. R. 4139) to amend section 4 of the United States Grain Standards Act of 1916 as relating to the use of the official grain standards of the United States on grain moved in interstate commerce from shipping points to destination points without official grade determination; to the Committee on Agriculture.

By Mr. STUBBS: A bill (H. R. 4140) authorizing the Secretary of Commerce to dispose of the Morro Rock Lighthouse Reservation, Calif.; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL: A bill (H. R. 4141) to reduce the internal-revenue tax on malt liquors; to the Committee on Ways and Means.

By Mr. LEWIS of Maryland: A bill (H. R. 4142) to alleviate the hazards of old age, unemployment, illness, and dependency, to establish a social insurance board in the Department of Labor, to raise revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. DEEN: A bill (H. R. 4143) to authorize the Reconstruction Finance Corporation to make loans to aid in financing the construction of paper-pulp mills, and for other purposes; to the Committee on Banking and Currency.

By Mr. BLANTON: A bill (H. R. 4144) to abolish existing police- and fire-department trial boards in the District of Columbia, to establish a discipline board for the investigation of the conduct of officers and members of the Metropolitan Police force and the fire department of the District of Columbia, and to provide for their suspension and removal, to amend and repeal certain laws relating thereto, and for other purposes; to the Committee on the District of Columbia.

By Mr. BEITER: A bill (H. R. 4230) for the control and regulation of the waters of Niagara River, for the preservation of Niagara Falls, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CHRISTIANSON: A bill (H. R. 4231) extending the obligation of bonds of contractors for public buildings to include premiums for insurance; to the Committee on the Judiciary.

By Mr. KNUTSON: Resolution (H. Res. 58) pertaining to the negotiation of reciprocal-trade agreements; to the Committee on Ways and Means.

By Mr. JENKINS of Ohio: Joint resolution (H. J. Res. 106) providing for improvement of rural roads; to the Committee on Roads.

By Mr. CITRON: Joint resolution (H. J. Res. 107) authorizing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. FISH: Joint resolution (H. J. Res. 108) proposing an amendment to the Constitution of the United States for a referendum on war; to the Committee on the Judiciary.

By Mr. GRANFIELD: Joint resolution (H. J. Res. 109) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. LEMKE: Joint resolution (H. J. Res. 110) proposing an amendment to the Constitution of the United States providing for the initiative of legislative measures by electors; to the Committee on the Judiciary.

By Mr. LUDLOW: Joint resolution (H. J. Res. 111) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

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## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRUNNER: A bill (H. R. 4145) for the relief of the Walter Motor Truck Co., Inc.; to the Committee on Claims.

By Mr. CARTWRIGHT: A bill (H. R. 4146) for the relief of Mrs. Olin H. Reed; to the Committee on Claims.

By Mr. CHRISTIANSON (by request): A bill (H. R. 4147) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of date November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on War Claims.

By Mr. DARDEN: A bill (H. R. 4148) for the relief of the Thomas Marine Railway Co., Inc.; to the Committee on Claims.

By Mr. DIETRICH: A bill (H. R. 4149) granting an increase of pension to Amanda E. Kellam; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4150) granting an increase of pension to Lettie M. Fleming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4151) granting an increase of pension to Antoynette Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4152) granting an increase of pension to Adelia Chilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4153) granting an increase of pension to Alice J. Schrader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4154) granting an increase of pension to Martha J. Capwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4155) granting a pension to Matie Patrey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4156) granting a pension to Anastasia Watts; to the Committee on Pensions.

Also, a bill (H. R. 4157) to correct the military record of Lemuel Horton; to the Committee on Military Affairs.

Also, a bill (H. R. 4158) granting a pension to Harriet B. Gilmore; to the Committee on Invalid Pensions.

By Mr. DIMOND: A bill (H. R. 4159) for the relief of Anchorage Commercial Co., Inc.; to the Committee on Claims.

By Mr. DUNCAN: A bill (H. R. 4160) to enroll certain persons on the citizenship rolls of the Cherokee Tribe; to the Committee on Indian Affairs.

By Mr. FORD of California: A bill (H. R. 4161) for the relief of Squire Estes; to the Committee on Military Affairs.

Also, a bill (H. R. 4162) for the relief of Charles Mullikin; to the Committee on Military Affairs.

By Mr. GRANFIELD: A bill (H. R. 4163) for the relief of James McDonough; to the Committee on the Civil Service.

Also, a bill (H. R. 4164) granting a pension to Cora Orissa Butler; to the Committee on Pensions.

By Mr. GRAY of Pennsylvania: A bill (H. R. 4165) granting a pension to Inez Shannon; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 4166) granting a pension to Rebecca Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4167) for the relief of Frank Mulder; to the Committee on Military Affairs.

By Mr. IMHOFF: A bill (H. R. 4168) for the relief of Theodore Torok; to the Committee on Claims.

By Mrs. KAHN: A bill (H. R. 4169) for the relief of Anna S. Carrigan; to the Committee on Foreign Affairs.

By Mr. KING: A bill (H. R. 4170) to authorize the appointment of Charles Bradford Robbins as an ensign on the retired list of the United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 4171) for the relief of Look Hoon and Lau Hoon Leong; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 4172) granting a pension to George Newton Groff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4173) granting an increase of pension to Sarah J. Lafferty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4174) granting a pension to Hiram Gerth; to the Committee on Invalid Pensions.

By Mr. KRAMER: A bill (H. R. 4175) granting a pension to Charles Lenard Ray; to the Committee on Pensions.

Also, a bill (H. R. 4176) for the relief of Albert J. Jones; to the Committee on Military Affairs.

By Mr. LUDLOW: A bill (H. R. 4177) for the relief of Harlie O. Hacker; to the Committee on Military Affairs.

By Mr. O'CONNOR: A bill (H. R. 4178) for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee; to the Committee on Claims.

By Mr. O'NEAL: A bill (H. R. 4179) granting an increase of pension to Kate R. Forrester; to the Committee on Invalid Pensions.

By Mr. PARSONS: A bill (H. R. 4180) granting a pension to Sarah Arbuckle; to the Committee on Pensions.

Also, a bill (H. R. 4181) granting a pension to John W. Aldredge; to the Committee on Pensions.

Also, a bill (H. R. 4182) granting a pension to Ray Beal; to the Committee on Pensions.

Also, a bill (H. R. 4183) granting a pension to Clara K. Brandon; to the Committee on Pensions.

Also, a bill (H. R. 4184) granting a pension to Grover C. Etheridge; to the Committee on Pensions.

Also, a bill (H. R. 4185) granting a pension to Lillie Cox; to the Committee on Pensions.

Also, a bill (H. R. 4186) granting a pension to George R. Moyers; to the Committee on Pensions.

Also, a bill (H. R. 4187) granting a pension to Herschel E. Lawrence; to the Committee on Pensions.

Also, a bill (H. R. 4188) granting a pension to Claud Stine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4189) granting a pension to Kelly Rister; to the Committee on Pensions.

Also, a bill (H. R. 4190) granting a pension to Alice Floyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4191) granting a pension to Susan Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4192) granting a pension to James Edward Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4193) granting a pension to Chester D. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4194) granting a pension to Flossie M. Ramsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4195) granting a pension to Hannah D. Warren; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4196) granting an increase of pension to Hannah R. Byrne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4197) granting an increase of pension to Nancy C. Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4198) granting an increase of pension to Virginia F. Proudfit; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4199) granting an increase of pension to Robert T. Bland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4200) granting an increase of pension to Marie O. Fowler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4201) granting an increase of pension to Mary E. Freeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4202) granting an increase of pension to Susan B. Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4203) granting an increase of pension to Nancy Fopay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4204) granting an increase of pension to Margaret J. Maiden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4205) granting an increase of pension to Amanda J. Lane; to the Committee on Invalid Pensions.

By Mr. REECE: A bill (H. R. 4206) granting a pension to Flora Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4207) for the relief of Solon P. Haun; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky: A bill (H. R. 4208) granting a pension to Albert Davis; to the Committee on Pensions.

Also, a bill (H. R. 4209) granting a pension to Martha E. Thomas; to the Committee on Invalid Pensions.

By Mr. SADOWSKI: A bill (H. R. 4210) for the relief of Anthony Nowakowski; to the Committee on Claims.

By Mr. SHORT: A bill (H. R. 4211) granting a pension to E. Jane Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4212) granting a pension to Marietta Cannon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4213) to correct the military record of Rock White; to the Committee on Military Affairs.

By Mr. SNYDER: A bill (H. R. 4214) granting an increase of pension to Hannah Snider; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4215) granting a pension to Agnes E. Kimmell; to the Committee on Invalid Pensions.

By Mr. STEWART: A bill (H. R. 4216) for the relief of A. Randolph Holladay; to the Committee on Claims.

Also, a bill (H. R. 4217) for the relief of the Mutual Savings & Loan Association, Wilmington, Del.; to the Committee on Claims.

By Mr. STUBBS: A bill (H. R. 4218) for the relief of Charles Franklin Campbell, Sr.; to the Committee on Claims.

Also, a bill (H. R. 4219) for the relief of John J. Ryan; to the Committee on Claims.

By Mr. SHORT: A bill (H. R. 4220) granting an increase of pension to Annie L. Teague; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4221) granting a pension to Cathrine Orender; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 4222) granting an increase of pension to Margaret A. Skeel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4223) granting a pension to Thomas McKendry; to the Committee on Pensions.

Also, a bill (H. R. 4224) granting a pension to Isabelle H. Brynes; to the Committee on Invalid Pensions.

By Mr. WALTER: A bill (H. R. 4225) to carry out the findings of the Court of Claims in the case of the Wales Island Packing Co.; to the Committee on Claims.

By Mr. WARREN: A bill (H. R. 4226) for the relief of Floyd Hull; to the Committee on Claims.

By Mr. WILLIAMS: A bill (H. R. 4227) granting a pension to Alice Paver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4228) granting a pension to Fred C. Nunn; to the Committee on Invalid Pensions.

By Mr. WOODRUM: A bill (H. R. 4229) for the relief of C. H. Beasley & Bro., Inc.; to the Committee on Claims.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

200. By Mr. BACON: Petition of the Holy Name Society of the Cutchogue parishes, including villages of Laurel, Mattituck, Cutchogue, and New Suffolk, Long Island, N. Y., protesting against anti-Catholic conditions in Mexico; to the Committee on Foreign Affairs.

201. Also, petition of the Long Island (N. Y.) Chapter, Knights of Columbus, protesting religious persecution in Mexico; to the Committee on Foreign Affairs.

202. By Mr. BRUNNER: Resolution of Hon. J. S. Berg, State Senate, Albany, N. Y., asking Congress to consider legislation looking to either taking all profits out of war or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Military Affairs.

203. Also, resolution of the Ridge-Metropolitan Civic Association, Inc., 53–57 Metropolitan Avenue, Maspeth, N. Y., urging Congress to compel all corporations, in the event of receiverships or other like contingencies endangering the safety of their bonds, debentures, or other obligations, to file with the district courts a list of the names and addresses of all the holders of such bonds, debentures, or other obligations, arranged in alphabetical order according to the residence of the holders, and that such records shall be available to such holders and the judicial and prosecuting officers of the Federal Government; to the Committee on Banking and Currency.

204. By Mr. BUCKLER of Minnesota: Petition of B. K. Wassmann and members of the Carl Goldstrand Post, No. 371, of the American Legion, Roosevelt, Minn., praying for the immediate payment of the adjusted-service certificates, and other legislation; to the Committee on Ways and Means.

205. By Mr. DARROW (by request): Resolution of the Philadelphia Board of Trade, opposing legislation for the immediate cash payment of the soldiers' bonus; to the Committee on Ways and Means.

206. By Mr. KRAMER: Resolution of the board of governors of the State Bar of California, with respect to legislation to provide for two additional judges for the United States District Court for the Southern District of California; to the Committee on the Judiciary.

207. Also, resolution of the Ambrosians, with respect to the Government of Mexico intensifying its program of suppression of religion and of the molestation, abuse, persecution, and oppression of a God-loving and God-fearing people, etc.; to the Committee on Foreign Affairs.

208. Also, resolution of the board of directors of the Redlands Chamber of Commerce, Redlands, Calif., with respect to the national defense; to the Committee on Military Affairs.

209. Also, resolution of the Northwest Mining Association, with respect to the probable existence in the Western States, Southern States, and Alaska of large deposits of gold-bearing gravels, etc.; to the Committee on Mines and Mining.

210. By Mr. LAMNECK: Petition of Rev. J. H. Harris and other citizens of Columbus, Ohio, urging for the continuance of the Nye munitions investigation; to the Committee on the Judiciary.

211. By Mr. LUDLOW: Petitions of citizens of the State of Indiana, favoring legislation to provide for the establishment of unemployment and social insurance; to the Committee on Labor.

212. By Mr. LUNDEEN: Petition of the Ninth Minneapolis Ward Townsend Organization, urging the passage of the Townsend old-age revolving pension; to the Committee on Labor.

213. Also, petition of the United States Old Age Pension Association of Cottonwood County, Minn., urging that the Townsend old-age-pension revolving-fund plan be enacted into law; to the Committee on Labor.

214. Also, petition of the St. Paul Musicians Association, of St. Paul, Minn., urging for the purpose of encouraging the restoration of "living" music there be created a national subsidy for art; to the Committee on Appropriations.

215. Also, petition of the Saturday Lunch Club of Minneapolis, Minn., urging that the Federal Government in carrying out its plan for the Quetico-Superior Forest purchase at an early date the Kabetogama and Pigeon River areas, including the entire strip from Rainy Lake to Pigeon River; to the Committee on Foreign Affairs.

216. Also, petition of the Association of Employees of the Alcohol Tax Unit, Bureau of Internal Revenue, district no. 12, protesting against the enforcement of the so-called "McKellar amendment" to the Emergency Appropriation Act, fiscal year 1935, and urging that proper action be taken by Congress and the President to protect the civil-service rights of Federal employees; to the Committee on Appropriations.

217. Also, petition of citizens of Minneapolis, Minn., protesting against conditions in Mexico and asking for the recall of the present American Ambassador; to the Committee on Foreign Affairs.

218. Also, petition of citizens of Border, Minn., urging that legislation be passed providing that the cost of star-route carrier service be paid by the Government rather than by the carrier and that the practice of competitive bidding for star routes be discontinued; to the Committee on the Post Office and Post Roads.

219. Also, 58 petitions of National Slovak Society of the United States, urging the enactment of unemployment-insurance and old-age-pension legislation; to the Committee on Labor.

220. By Mr. MERRITT of New York: Resolution adopted by the board of directors of the Franklin Society for Home Building and Savings, 217 Broadway, New York City, N. Y., relating to the present unfair discrimination against State-chartered savings and loan associations; to the Committee on Banking and Currency.

221. By Mr. PFEIFER: Petition of the American Legion, national legislative committee, Washington, D. C., recommending the immediate cash payment of the face value of the adjusted-service certificates, with cancelation of interest accrued and refund of interest paid; to the Committee on Ways and Means.

222. Also, petition of the Franklin Society, New York City, relating to the present unfair discrimination against State-

chartered savings and loan associations; to the Committee on Banking and Currency.

223. Also, petition of the Rocky Mountain National Fur Growers Association, Denver, Colo., protesting against excise tax on furs; to the Committee on Ways and Means.

224. By Mr. STEFAN: Resolution adopted by the Surety National Farm Loan Association of Dodge, Nebr., respecting fuller exercise by Congress of its power to coin and regulate money; to the Committee on Banking and Currency.

225. Also, resolution adopted by the Surety National Farm Loan Association of Dodge, Nebr., asking Congress to establish a permanent rate of 4-percent interest on farm mortgages made through the Federal Farm Credit System; to the Committee on Agriculture.

226. Also, resolution adopted by the Surety National Farm Loan Association of Dodge, Nebr., asking Congress for a thorough investigation of the meat-packing business in the United States as it relates to the interests of livestock producers; to the Committee on Agriculture.

227. By Mr. THOMAS: Petition of Senate of the State of New York, asking that the Secretary of Agriculture of the United States be requested to supplement the regulations made by New York State pertaining to the production, handling, and marketing of milk within the State by making effective at the earliest possible date such Federal regulations as will place milk produced in other States and marketed within the State of New York under similar regulations to those applied by the State to milk produced within its borders; to the Committee on Interstate and Foreign Commerce.

228. Also, petition of the Assembly of the State of New York, asking that the Congress of the United States and the Postmaster General of the United States be respectfully memorialized to take appropriate action to the end that the Floyd Bennett Field Airport in the borough of Brooklyn, State of New York, be designated as an air mail service station for the city of New York and the environs of such city; to the Committee on the Post Office and Post Roads.

229. Also, petition of the Senate of the State of New York, memorializing the United States Congress to consider legislation looking to either taking all profits out of war or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Military Affairs.

230. By Mr. TRUAX: Petition of Local Union No. 231, of the United Mine Workers of America, organized into a bona fide trade union, affiliated with the American Federation of Labor, hereby requesting the Honorable ROBERT F. WAGNER, of the State of New York, to again introduce his labor-disputes bill, in its original form, at the convening session of Congress; to the Committee on Labor.

231. Also, petition of District Five Conference of the Phi Delta Kappa Educational Fraternity, by their district representative, Don C. Rogers, urging the National Congress first to appropriate sufficient additional funds for the Public Works Administration to permit an extensive school-building construction program, and, second, to authorize such a ratio of financial contribution toward the construction of school buildings that the Federal Government will provide a larger proportion of the cost than at present; to the Committee on Appropriations.

232. Also, petition of Division No. 168 (Lima, Ohio), Benefit Association of Railway Employees, by their secretary, Frank Dobner, requesting that the Honorable CHARLES V. TRUAX, Member of Congress from the State of Ohio, be requested by this body, consisting of 775 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100) introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

233. Also, petition of Local Union No. 527 of the International Union of Operating Engineers, affiliated with the American Federation of Labor, requesting that Senator ROBERT F. WAGNER, of the State of New York, again introduce his labor-disputes bill in its original form at the convening session of Congress; to the Committee on Labor.

# SENATE

## FRIDAY, JANUARY 18, 1935

*(Legislative day of Thursday, Jan. 17, 1935)*

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal for the calendar day Thursday, January 17, 1935, was dispensed with, and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to Senate Concurrent Resolution 4, as follows:

*Resolved by the Senate (the House of Representatives concurring)*, That the statues of Caesar Rodney and John M. Clayton, presented by the State of Delaware and placed in Statuary Hall, are accepted in the name of the United States, and that the thanks of Congress be tendered the State for the contribution of the statues of two of its most eminent citizens whose names are so thoroughly identified with the State and Nation; be it further

*Resolved*, That a copy of these resolutions suitably engrossed and duly authenticated be transmitted to the Governor of Delaware.

### EXECUTIVE REPORTS OF COMMITTEES

Mr. COSTIGAN. From the Committee on Finance I report back favorably the nomination of Miss Josephine A. Roche, of Colorado, to be Assistant Secretary of the Treasury.

Mr. GUFFEY, from the Committee on Finance, reported favorably the nomination of James L. O'Toole, Jr., of Pittsburgh, Pa., to be collector of internal revenue for the twenty-third district of Pennsylvania, in place of David L. Lawrence, resigned.

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Sigmund Solomon, of New York, N. Y., to be superintendent of the United States assay office at New York, N. Y., in place of Niles R. Becker.

He also, from the same committee, reported favorably the nomination of Joseph S. Buford, of New York, N. Y., to be assayer of the United States assay office at New York, N. Y., in place of Burt G. Shields, resigned.

He also, from the same committee, reported favorably the nomination of Harry M. Brennan, of Louisville, Ky., to be collector of customs for customs collection district no. 42, with headquarters at Louisville, Ky., to fill an existing vacancy.

He also, from the same committee, reported favorably the nominations of the following collectors of internal revenue:

Philemon C. Merrill, of Safford, Ariz., for the district of Arizona, to fill an existing vacancy;

Fred C. Martin, of Bennington, Vt., for the district of Vermont, to fill an existing vacancy; and

Joseph T. Higgins, of New York, for the third district of New York, to fill an existing vacancy.

Mr. HARRISON also, from the Committee on Finance, reported favorably the nominations of sundry officers in the Public Health Service.

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. POPE, from the Committee on Mines and Mining, reported favorably the nomination of John Wellington Finch, of Idaho, to be Director of the Bureau of Mines, he having been appointed during the recess of the Senate, vice Scott Turner, resigned.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Copeland | La Follette | Reynolds |
| Austin | Costigan | Lewis | Robinson |
| Bachman | Couzens | Logan | Russell |
| Bailey | Davis | Lonergan | Schall |
| Bankhead | Dieterich | Long | Schwellenbach |
| Barbour | Donahey | McCarran | Sheppard |
| Barkley | Duffy | McGill | Shipstead |
| Bilbo | Fletcher | McNary | Smith |
| Black | Frazier | Maloney | Steiwer |
| Bone | Gerry | Metcalf | Thomas, Okla. |
| Borah | Glass | Minton | Thomas, Utah |
| Bulkley | Gore | Moore | Townsend |
| Bulow | Guffey | Murphy | Trammell |
| Burke | Hale | Murray | Truman |
| Byrd | Harrison | Neely | Vandenberg |
| Byrnes | Hastings | Norris | Van Nuys |
| Capper | Hatch | Nye | Wagner |
| Caraway | Hayden | O'Mahoney | Walsh |
| Clark | Johnson | Pittman | Wheeler |
| Connally | Keyes | Pope | White |

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on the business of the Senate; that the Senator from South Dakota [Mr. NORBECK] is unavoidably detained; and that the Senator from Wyoming [Mr. CAREY] is absent on account of a death in his family.

I wish further to announce that the Senator from Iowa [Mr. DICKINSON] and the Senator from New Mexico [Mr. CUTTING] are necessarily absent.

Mr. LEWIS. I announce the absence of the Senator from New Hampshire [Mr. BROWN], who is detained on official business, and the absence of the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness.

I reannounce the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] on the Philippine Commission, they not having returned.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

DISPOSITION OF USELESS PAPERS IN POST OFFICE DEPARTMENT

As in legislative session,

The VICE PRESIDENT laid before the Senate a letter from the Postmaster General, transmitting, pursuant to law, a schedule of papers and documents on the files of the Post Office Department which are not needed in the transaction of public business and have no permanent value or historical interest, and asking for action looking toward their disposition, which, with the accompanying schedule, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. TRAMMELL and Mr. SCHALL the committee on the part of the Senate.

PETITIONS AND MEMORIALS

As in legislative session,

The VICE PRESIDENT laid before the Senate a resolution adopted by the City Council of Chicago, Ill., favoring the enactment of legislation and the making of such appropriations as may be necessary to create a Federal agency to take over all assets and liabilities of closed banks in the United States and pay each depositor the full amount of his deposit, which was referred to the Committee on Banking and Currency.

He also laid before the Senate resolutions adopted by the Louisiana Bottlers Association, of Bogalusa; the Police Jury Association of Louisiana, of Monroe; and the Louisiana Motor Transportation Association, of New Orleans, all in the State of Louisiana, favoring the enactment of legislation to repeal the Federal tax of 1 cent per gallon on gasoline and to leave to the States the exclusive right to tax gasoline, which were referred to the Committee on Finance.

Mr. ROBINSON presented a letter in the nature of a petition from the director of highways, Arkansas State Highway Commission, of Little Rock, Ark., recommending that certain principles be incorporated in any legislation making funds available for railroad grade-crossing work, which was referred to the Committee on Finance.

Mr. HALE presented numerous petitions of citizens of the State of Maine, praying for publication at Government expense of the testimony taken by the Federal Communications Commission, Broadcast Division, in relation to the broadcasting of programs of public interest, convenience, and necessity, together with the report of the Commission, which were referred to the Committee on Interstate Commerce.

Mr. COPELAND presented a resolution adopted by the Common Council of Middletown; and papers in the nature of petitions from Local No. 574, Carpenters and Joiners of America; Local No. 207, Brotherhood of Painters, Decorators, and Paper Hangers; and Local No. 133, International Brotherhood of Electrical Workers, of Middletown, in the State of New York, praying that preference be given to employees and contractors of Orange County and Middletown, N. Y., upon construction and other work at the United States Military Academy at West Point, N. Y., which were referred to the Committee on Education and Labor.

He also presented a resolution adopted by the board of directors of the Franklin Society, of New York City, N. Y., favoring the enactment of legislation removing the exemption from taxation of the dividends paid on the shares of Federal savings and loan associations or granting a similar exemption to such associations operating under State charters, which was referred to the Committee on Finance.

He also presented resolutions adopted by Hornell Division, No. 83, of Hornell, N. Y., and Port Jervis Division, No. 82, of Matamoras, Pa., both of the Order of Benefit Association of Railway Employees, favoring the enactment of legislation modifying the fourth section of the Interstate Commerce Act so as to permit railroads to compete with unregulated forms of transportation, which were referred to the Committee on Interstate Commerce.

He also presented a memorial of employees of the Rochester (N. Y.) office of the Reece Button Hole Machine Co., remonstrating against the enactment of the so-called "Black-Connery" 30-hour work week bill or any other such measure designed to limit further by statute the working hours per week in industry, which was referred to the Committee on the Judiciary.

He also presented resolutions adopted by the Woman's Christian Temperance Union of Niagara Falls, N. Y., urging the manufacture of munitions by the Government, the imposition of a 95-percent tax on all incomes in excess of $10,000 in time of war, prohibiting the use of the American flag on boats carrying munitions to foreign ports, and the limitation and reduction of armaments, which were referred to the Committee on Military Affairs.

He also presented resolutions adopted by the League of Nations Association, Inc., of New York City, N. Y., favoring the ratification of the World Court protocols, which were ordered to lie on the table.

Mr. WALSH. Mr. President, I present petitions from the Lexington Townsend Club, purporting to represent 60 percent of the voters of Lexington, Mass.; from the Townsend Club of Woburn, Mass., purporting to represent 1,500 voters; and from the Townsend Club of Reading, Mass., purporting to represent 3,000 voters, urging adoption of the so-called "Townsend old-age pension plan." I ask that the telegram from the Lexington Townsend Club be printed in the RECORD, and that these petitions be referred to the Senate Finance Committee.

The petitions were referred to the Committee on Finance, and the one from the Lexington Townsend Club was ordered to be printed in the RECORD, as follows:

LEXINGTON, MASS., *January 17, 1935.*

Hon. DAVID I. WALSH,
*United States Senator, Washington, D. C.:*

The Lexington Townsend Club have names of 60 percent of voters in this town petitioning you to vote for the Townsend plan and work to enact same into law this session of Congress. Therefore vote against the administration social security program and accept no compromise.

LEXINGTON TOWNSEND CLUB,
MARTHA C. SPAULDING, *Secretary.*

REPORT OF THE COMMITTEE ON FOREIGN RELATIONS

As in legislative session,

Mr. BULKLEY, from the Committee on Foreign Relations, to which was referred the bill (S. 267) for the relief of cer-

tain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature, reported it without amendment and submitted a report (No. 15) thereon.

BILLS AND JOINT RESOLUTIONS INTRODUCED

As in legislative session,

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON:

A bill (S. 1165) to prevent discrimination against certain distressed home owners on account of the different methods that have been employed in the various States for financing public improvements; to avoid penalizing worthy properties in special improvement districts; and for other purposes; to the Committee on Banking and Currency.

A bill (S. 1166) granting a pension to Mary E. Laycock; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 1167) to amend the Emergency Relief and Construction Act of 1932; to the Committee on Banking and Currency.

A bill (S. 1168) for the relief of Horace G. Wilson; to the Committee on Claims.

A bill (S. 1169) to deepen the irrigation channel between Clear Lake and Lost River, in the State of California, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. McGILL:

A bill (S. 1170) for the relief of Mike L. Sweeney; to the Committee on Military Affairs.

A bill (S. 1171) granting a pension to Lucy Copeland; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1172) granting a pension to J. E. Barrows; and

A bill (S. 1173) granting a pension to Sarah E. Foster; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 1174) for the relief of Sidney M. Blackburn; to the Committee on Military Affairs.

(Mr. FLETCHER introduced Senate bill 1175, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. DAVIS:

A bill (S. 1176) for the relief of Thomas A. Coyne; to the Committee on Military Affairs.

By Mr. CAPPER:

A bill (S. 1177) to amend the act entitled "An act for the retirement of employees in classified civil service, and for other purposes, approved May 22, 1920, and acts in amendment thereof", approved July 3, 1926, as amended; to the Committee on Civil Service.

By Mr. METCALF:

A bill (S. 1178) to authorize the coinage of 50-cent pieces in commemoration of the three hundredth anniversary of the founding of the city of Providence, R. I.; to the Committee on Banking and Currency.

By Mr. WALSH:

A bill (S. 1179) for the relief of James H. Smith; to the Committee on Claims.

(Mr. WALSH also introduced Senate bill 1180, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. BYRD:

A bill (S. 1181) for the relief of First Lt. R. G. Cuno;

A bill (S. 1182) for the relief of William E. Smith; and

A bill (S. 1183) for the relief of Roland P. Winstead; to the Committee on Claims.

By Mr. BONE:

A bill (S. 1184) for the relief of Harry J. Tucker; to the Committee on Civil Service.

A bill (S. 1185) for the relief of Charles Miller; to the Committee on Military Affairs.

A bill (S. 1186) for the relief of Frank P. Ross; to the Committee on Public Lands and Surveys.

A bill (S. 1187) granting a pension to Theresa Elizabeth Mapes;

A bill (S. 1188) granting a pension to J. C. Ruark; and

A bill (S. 1189) granting a pension to William J. Allen; to the Committee on Pensions.

(Mr. CONNALLY introduced Senate bill 1190, which was referred to the Committee on Mines and Mining, and which appears under a separate heading.)

By Mr. TRAMMELL:

A bill (S. 1191) restoring the United States naval station at Key West, Fla., to an active status and authorizing an appropriation for its maintenance; to the Committee on Naval Affairs.

By Mr. ROBINSON:

A bill (S. 1192) to authorize additional expenditures by the District of Columbia-Virginia Boundary Commission; to the Committee on the District of Columbia.

By Mr. COPELAND:

A bill (S. 1193) to amend section 22 (g) of the Federal Reserve Act relating to loans to executive officers of member banks; to the Committee on Banking and Currency.

By Mr. CAPPER:

A joint resolution (S. J. Res. 35) for the relief of W. K. Richardson; to the Committee on Military Affairs.

(Mr. GORE introduced Senate Joint Resolution 36, which was referred to the Committee on Interoceanic Canals, and appears under a separate heading.)

EXTENSION OF FUNCTIONS OF RECONSTRUCTION FINANCE CORPORATION

As in legislative session,

Mr. FLETCHER. I introduce a bill to extend the functions of the Reconstruction Finance Corporation, and so forth, and ask to have the bill, along with a synopsis of it and explanation of it, printed in the RECORD at the same time.

There being no objection, the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years; to authorize loans or renewals or extensions to mature not later than January 31, 1945; to empower the Corporation to buy railroad obligations, with the approval of the Interstate Commerce Commission, in aid of railroad reorganization and in certain other circumstances; to empower the Corporation (a) to aid the mortgage situation generally by the purchase of nonassessable stock in mortgage loan companies and similar financial institutions, and to authorize the sale of stock, capital notes, or debentures purchased by the Corporation; and (b) to purchase any portion of the assets of closed banks under certain conditions; to increase the authorized investments in preferred stock and capital notes of insurance companies, or loans thereon, from $50,000,000 to $75,000,000; to continue the Commodity Credit Corporation and the Export-Import Banks of Washington, D. C., as agencies of the United States, and for other purposes, was read twice by its title, referred to the Committee on Banking and Currency, and, with the accompanying synopsis and explanation, ordered to be printed in the RECORD, as follows:

[S. 1175, in the Senate of the United States, 74th Cong., 1st sess.]

A bill to extend the functions of the Reconstruction Finance Corporation for 2 years; to authorize loans, or renewals, or extensions to mature not later than January 31, 1945; to empower the Corporation to buy railroad obligations, with the approval of the Interstate Commerce Commission, in aid of railroad reorganization, and in certain other circumstances; to empower the Corporation (a) to aid the mortgage situation generally by the purchase of nonassessable stock in mortgage loan companies and similar financial institutions, and to authorize the sale of stock, capital notes, or debentures purchased by the Corporation; and (b) to purchase any portion of the assets of closed banks under certain conditions; to increase the authorized investments in preferred stock and capital notes of insurance companies, or loans thereon, from $50,000,000 to $75,000,000; to continue the Commodity Credit Corporation, and the Export-Import Banks of Washington, D. C., as agencies of the United States; and for other purposes

*Be it enacted, etc.*, That until February 1, 1937, or such earlier date as the President may fix by proclamation, the Reconstruction Finance Corporation is hereby authorized to continue to perform

all functions which it is authorized to perform under law, and the liquidation and winding up of its affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that the functions of the Corporation are continued pursuant to this act.

SEC. 2 (a). Except as provided in section 9 of "An act relating to direct loans for industrial purposes by Federal Reserve Banks, and for other purposes", approved June 19, 1934, no funds shall be disbursed on any commitment or agreement hereafter made by the Reconstruction Finance Corporation to make a loan or advance, subscribe for stock, or purchase capital notes or debentures, after the expiration of 1 year from the date of such commitment or agreement; but within the period of such 1-year limitation no provision of law terminating any of the functions of the Reconstruction Finance Corporation shall be construed to prohibit disbursement of funds on commitments or agreements to make loans or advances, subscribe for preferred stock, or purchase capital notes or debentures.

(b) Notwithstanding any other provision of law, disbursement may be made at any time prior to January 31, 1936, on any commitment or agreement heretofore made by the Corporation to make a loan or advance, subscribe for preferred stock, or purchase capital notes or debentures.

SEC. 3. Notwithstanding any other provision of law limiting the maturity of obligations taken by it to shorter periods, the Reconstruction Finance Corporation may make loans or advances or renewals or extensions thereof to authorized borrowers or by other suitable agreement permit them to run so as to mature at such time or times as the Corporation may determine, not later than January 31, 1945: *Provided*, That in respect of loans or renewals or extensions of loans or purchases of obligations under section 5 of the Reconstruction Finance Corporation Act, as heretofore and herein amended (U. S. C., Supp. VII, title 15, ch. 14), to or of railroads, the Corporation may require as a condition of making any such loan or renewal or extension for a period longer than 5 years, or purchasing any such obligation maturing later than 5 years from the date of purchase by the Corporation, that such arrangements be made for the reduction or amortization of the indebtedness of the railroad, either in whole or in part, as may be approved by the Corporation after the prior approval of the Interstate Commerce Commission.

SEC. 4. Section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by striking out all of the third sentence of the third paragraph thereof through the first colon and inserting in lieu thereof the following:

"Within the foregoing limitations of this section, the Corporation, notwithstanding any limitation of law as to maturity, with the approval of the Interstate Commerce Commission, including approval of the price to be paid, may, to aid in the financing, reorganization, consolidation, maintenance, or construction thereof, purchase for itself, or for account of a railroad obligated thereon, the obligations of railroads engaged in interstate commerce, including equipment-trust certificates, or guarantee the payment of the principal of, and/or interest on, such obligations, including equipment-trust certificates, or, when, in the opinion of the Corporation, funds are not available on reasonable terms through private channels, make loans, upon full and adequate security, to such railroads or to receivers or trustees thereof for the purposes aforesaid: *Provided*, That in the case of loans to or the purchase or guarantee of obligations, including equipment-trust certificates, of railroads not in receivership or trusteeship, the Interstate Commerce Commission shall, in connection with its approval thereof, also certify that such railroad, on the basis of present and prospective earnings, may reasonably be expected to meet its fixed charges, without a reduction thereof through judicial reorganization, except that such certificate shall not be required in case of such loans made for the maintenance of or purchase of equipment for such railroads: *And provided further*, That for the purpose of determining the general funds of the Corporation available for further loans or commitments, such guaranties shall, to the extent of the principal amount of the obligations guaranteed, be interpreted as loans or commitments for loans":

SEC. 4a. Section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by striking out at the end of the third paragraph thereof the colon and the proviso. "*Provided further*, That the Corporation may make said loans to trustees of railroads which proceed to reorganize under section 77 of the Bankruptcy Act of March 3, 1933", and inserting in lieu thereof a period.

SEC. 5. The Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14) is further amended by inserting after section 5b thereof the following new section:

"SEC. 5c. To assist in the reestablishment of a normal mortgage market, the Reconstruction Finance Corporation may, upon the request of the Secretary of the Treasury, with the approval of the President, subscribe for or make loans upon the nonassessable stock of any class of any mortgage loan company, trust company, savings and loan association, or other similar financial institution, now or hereafter incorporated under the laws of the United States, or of any State, or of the District of Columbia, the principal business of which institution is that of making loans upon mortgages, deeds of trust, or other instruments conveying, or constituting a lien upon, real estate or any interest therein. In any case in which, under the laws of its incorporation, such financial institution is not permitted to issue nonassessable stock, the Reconstruction Finance Corporation is authorized, for the purposes of this section, to purchase the legally issued capital notes or debentures of such financial institutions. Notwithstanding any other provision of law the Reconstruction Finance Corporation may, with the approval of the Secretary of the Treasury and under such rules and regulations as he may prescribe (which regulations shall include at least 60 days' notice of any proposed sale to the issuer or maker), sell, at public or private sale, the whole or any part of the stock, capital notes, or debentures acquired by the Corporation pursuant to this section, and the preferred stock, capital notes, or debentures acquired pursuant to any other provision of law."

SEC. 6. Section 5e (a) of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is amended

(1) By inserting in the first sentence thereof after the words "the assets" and before the words "of any bank", the following: ", or any portion thereof,";

(2) By inserting in the second sentence thereof after the words "such assets" and before the words "held for the benefit" the following: ", or any portion thereof,".

SEC. 7. Notwithstanding any other provision of law, Commodity Credit Corporation, a corporation organized under the laws of the State of Delaware as an agency of the United States pursuant to the Executive order of the President of October 16, 1933, shall continue, until April 1, 1937, or such earlier date as may be fixed by the President by Executive order, to be an agency of the United States. During the continuance of such agency, the Secretary of Agriculture and the Governor of Farm Credit Administration are authorized and directed to continue, for the use and benefit of the United States, the present investment in the capital stock of Commodity Credit Corporation, and the Corporation is hereby authorized to use all its assets, including capital and net earnings therefrom, and all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency, including the making of loans on agricultural commodities.

SEC. 8. Section 1 of "An act to authorize the Reconstruction Finance Corporation to subscribe for preferred stock and purchase the capital notes of insurance companies, and for other purposes", approved June 10, 1933, as amended (U. S. C., Supp. VII, title 15, ch. 14, sec. 605e) is amended by striking from the last sentence thereof "$50,000,000" and inserting in lieu thereof "$75,000,000."

SEC. 9. Notwithstanding any other provision of law, the Export-Import Bank of Washington and the Second Export-Import Bank of Washington, D. C., banking corporations organized under the laws of the District of Columbia as agencies of the United States pursuant to Executive orders of the President, shall continue, until June 16, 1937, or such earlier date as may be fixed by the President by Executive order, to be agencies of the United States and in addition to existing charter powers, and without limitation as to the total amount of obligations thereto of any borrower, endorser, acceptor, obligor, or guarantor at any time outstanding, said banking corporations are hereby authorized and empowered to discount notes, drafts, bills of exchange, and other evidences of debt for the purpose of aiding in the financing and facilitating exports and imports and the exchange of commodities between the United States and any of its territories and insular possessions and any foreign country or the agencies or nationals thereof, and, with the approval of the Secretary of the Treasury, to borrow money and rediscount notes, drafts, bills of exchange, and other evidences of debt for the purposes aforesaid. During the continuance of such agencies the Secretary of State and the Secretary of Commerce are authorized and directed to continue, for the use and benefit of the United States, the present investment in the capital stock of said banking corporations.

SEC. 10. No obligations, contingent or absolute, shall be incurred for the expenditure or other disposition of funds heretofore, hereby, or hereafter appropriated, or otherwise obtained for the carrying out of functions of Reconstruction Finance Corporation unless within estimates of such obligations and expenditures approved by the Director of the Budget, and, to the extent that the Secretary of the Treasury may consider practicable, and under such rules and regulations as he may prescribe, there shall be maintained on the books of the Treasury Department such accounts as may be necessary to give full force and effect to this provision.

The synopsis and explanation referred to are as follows:

SYNOPSIS OF DRAFT BILL EXTENDING THE FUNCTIONS OF THE RECONSTRUCTION FINANCE CORPORATION, AND FOR OTHER PURPOSES

Section 1: Extends the functions of the Corporation until February 1, 1937, subject to prior termination at such earlier date as the President, by proclamation, may determine.

Section 2: Puts a 1-year limitation on disbursement of future commitments (except commitments to aid in the completion, repair, or improvement of self-liquidating projects heretofore financed under the Emergency Relief and Construction Act of 1932) by the Corporation, and authorizes the disbursement of past commitments at any time prior to January 31, 1936.

Section 3: Authorizes the Corporation to make loans or renewals with maturities up to January 31, 1945, instead of January 31, 1940, as now provided.

Section 4: Authorizes the Corporation, with the approval of the Interstate Commerce Commission and with certain other limitations, for the purpose of aiding in the financing, reorganization, consolidation, maintenance, or construction of railroads, to purchase or guarantee railroad obligations, including equipment-trust certificates, or to make loans to railroads, receivers, or trustees thereof upon full and adequate security.

Section 4a: Eliminates a duplication which will exist in section 5 of the Reconstruction Finance Corporation Act, as amended, if the amended section 4 herein proposed is adopted.

Section 5: Authorizes the Corporation, when requested by the Secretary of the Treasury, with the approval of the President, to purchase stock in mortgage-loan institutions (the same as in banks and insurance companies) for the purpose of aiding in the reestablishment of a normal mortgage market. It also authorizes the Corporation to sell, under certain conditions, the stock, capital notes, or debentures acquired pursuant to this section, and the preferred stock, capital notes, or debentures of banks heretofore or hereafter purchased.

Section 6: Section 5e now authorizes the Corporation to purchase all of the assets of a closed bank under certain conditions. The proposed section 5e would authorize the Corporation to purchase any portion of, as well as all of, the assets of such closed banks.

Section 7: Authorizes the continuance until April 1, 1937, of the Commodity Credit Corporation as an agency of the Government.

Section 8: Authorizes an increase in the total funds of the Corporation which may be invested in purchases of, or loans on, preferred stock and capital notes of insurance companies from $50,000,000 to $75,000,000.

Section 9: Authorizes the continuance until June 16, 1937, of the export-import banks as agencies of the Government and broadens the powers of these banks, subject to certain restrictions.

Section 10: Places in the Director of the Budget determination of the expenditures which shall be made by the Corporation, notwithstanding the availability of funds authorized by Congress.

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EXPLANATION OF DRAFT BILL

SECTION 1

Section 1 of the draft bill would extend the lending power and other active functions of the Reconstruction Finance Corporation for 2 years beyond the present date of expiration of such power. Under the original Reconstruction Finance Corporation Act, approved January 22, 1932, the Corporation was permitted to make loans at any time prior to the expiration of 1 year from the date of enactment of such act, and the President was given power to postpone such date of expiration for an additional 1 year. The President subsequently exercised such power, and the life of the Corporation was extended up to January 22, 1934.

In "An act to continue the functions of the Reconstruction Finance Corporation, to provide additional funds for the Corporation, and for other purposes", approved January 20, 1934, Congress authorized the Corporation to "continue to perform all functions which it is authorized to perform under existing law" until February 1, 1935.

Section 1 of the draft bill would again postpone the date of the expiration of the Corporation's lending functions until February 1, 1937, or such earlier date as the President might fix by proclamation.

SECTION 2

Section 2 (a) is a reenactment with certain clarifying and necessary changes of section 2 of "An act to continue the functions of the Reconstruction Finance Corporation, to provide additional funds for the Corporation, and for other purposes", approved January 20, 1934.

There has been some doubt as to whether the term "loan or advance", as used in section 2 of such act, is sufficiently broad to include subscriptions for preferred stock or purchases of capital notes or debentures, and accordingly the language of the section has been broadened so as to include these other functions of the Corporation.

The proposed section 2 expressly excepts from the operation of the section commitments made under section 9 of the so-called "Industrial Loan Act", approved June 19, 1934. Such section 9 authorizes the Corporation to make further loans in connection with "self-liquidating" loans made by it prior to June 26, 1933, for improvements, extensions, etc., to projects so financed. Owing to the nature of the work performed with the proceeds of this type of loan, it is felt that it would be unsatisfactory to require disbursement of loans under section 9 within a 1-year period from the making of the commitment.

Section 2 (b) provides that the Corporation may make disbursement on account of any commitment heretofore made to make a loan or subscribe to preferred stock or purchase capital notes or debentures at any time prior to January 31, 1936. Under existing law such disbursement may be made only up to the expiration of 1 year after the date of the commitment.

There are many situations, as in the case of receivers' loans, where it has been found, through no fault of the borrower, that disbursement within 1 year from date of the commitment is either impossible or inconvenient. Unless the period of disbursement is extended to take care of such cases, each case will have to be submitted to the board of directors and a new loan made. This would, of course, involve a great amount of inconvenience and delay.

SECTION 3

This section of the draft bill would permit the Corporation to make loans for sufficiently long periods to enable borrowers to repay the Corporation without the drag on business activities which might be attendant upon too rapid utilization of capital for such repayments.

Section 3 of the draft bill provides for loans or advances or renewals or extensions thereof to mature not later than January 31, 1945, instead of February 1, 1940, as under existing law.

This section contains a proviso that as a condition of making loans to railroads or railways, or purchasing the obligations thereof, for a period longer than 5 years the Corporation may require:

"That such arrangements be made for the reduction or amortization of the indebtedness of the railroad, either in whole or in part, as may be approved by the Corporation after the prior approval of the Interstate Commerce Commission."

This proviso is considered to adequately protect the Corporation's interest in connection with these long-term loans, and is in accordance with the plan for the scaling down of the debt structure of railroads and railways approved by the President.

SECTION 4

This section of the draft bill is designed to clarify and broaden somewhat the power of the Corporation to be of assistance to the railroads of the country. It proposes to add certain new words to section 5 of the Reconstruction Finance Corporation Act so as to permit the Corporation, with the approval of the Interstate Commerce Commission, to purchase for itself, or for account of a railroad obligated thereon, obligations, including equipment trust certificates, of railroads engaged in interstate commerce, in addition to the making of loans to such railroads which the Corporation is at present authorized to make.

Section 4 of the draft bill would authorize the Corporation, in addition, to guarantee the payment of the principal of, and/or interest on, such obligations.

In lieu of the present phrase, "to aid in the temporary financing", the following language has been inserted in section 4: "To aid in the financing, reorganization, consolidation, maintenance, or construction." This language is designed to clarify the position of the Corporation in regard to the assistance which it may give to railroads and railways, and to somewhat enlarge the scope of such assistance.

The first proviso requires the Interstate Commerce Commission, in the case of loans to or the purchase or guarantee of obligations of railroads not in receivership, to certify that such railroad, on the basis of present and prospective earnings, may reasonably be expected to meet its fixed charges without the necessity of a reduction thereof through judicial reorganization. This certificate is not required in the case of loans for the maintenance of, or purchase of equipment for, such railroads, since such loans might be advisable without such a certificate, because they would provide work.

The second proviso at the end of the proposed amendment would require the Corporation to interpret as loans or commitments for loans any guaranties made pursuant to this section, to the extent of the principal amount of the obligations guaranteed.

The reason for including this certification in the Reconstruction Finance Corporation Act is that the requirement for certification of such loans is not included in the Reconstruction Finance Corporation Act, as amended, but is part of the Emergency Railroad Transportation Act of 1933, which provides in part as follows (sec. 15):

"The Commission shall not approve a loan to a carrier under the Reconstruction Finance Corporation Act, as amended, if it is of the opinion that such carrier is in need of financial reorganization in the public interest."

The continuance of such provision seems desirable, but at present it will expire June 16, 1935, unless renewed. The proviso in the draft bill is more specific than the above section 15 in that it deals with fixed charges rather than the vague and uncertain term "in need of financial reorganization." The proviso thus furnishes the Commission with a more definite standard on which to base its approval or disapproval of R. F. C. assistance to railroads.

SECTION 4 (A)

This section of the draft bill would eliminate the proviso contained in section 5 of the Reconstruction Finance Corporation Act, as amended, which authorizes the Corporation to make loans under section 5 to trustees of railroads under section 77 of the Bankruptcy Act. Such proviso is no longer necessary in view of the use of the word "trustee" in section 4 of the draft bill.

SECTION 5

Section 5 of the draft bill would add a new section to the Reconstruction Finance Corporation Act, to be known as section 5 (c). This section would give the Corporation the power to assist in the reestablishment of a normal mortgage market by subscribing, upon the request of the Secretary of the Treasury with the approval of the President, to the nonassessable stock of mortgage-loan companies, trust companies, savings-and-loan associations, and other similar financial institutions whose principal business is that of making real-estate mortgage loans. It also authorizes the Corporation to sell, under certain conditions, the stock, capital notes, or debentures acquired pursuant to this section or any other provision of law.

The Corporation is of the opinion that the reestablishment of a Nation-wide market for sound real-estate mortgages is an important element in recovery. The proposed amendment of the Reconstruction Finance Corporation Act would enable the Corporation to be of assistance to this field.

SECTION 6

This section of the draft bill is designed to clear up an ambiguity in the language of section 5e (a) of the Reconstruction Finance Corporation Act, as amended. Such section 5e (a) authorizes the Corporation to "make loans upon or purchase the assets" of closed banks and to make loans upon or purchase assets of closed banks which have been trusteed for the benefit

of depositors. Some doubt has arisen in interpreting the language of this section as to whether the term "assets" means necessarily all the assets of a closed bank or whether it would permit the purchase merely of a portion thereof. In order to clear up this ambiguity the words "or any portion thereof" have been added after the word "assets" in the two places in the section where necessary.

SECTION 7

This section of the draft bill would continue the status of the Commodity Credit Corporation as an agency of the United States until April 1, 1937, or such earlier date as may be fixed by the President.

The Commodity Credit Corporation was organized under the laws of Delaware, pursuant to an Executive order of the President, dated October 16, 1933. The capital stock was subscribed for by the Secretary of Agriculture and the Governor of the Farm Credit Administration, and is held by them in trust for the United States. The Reconstruction Finance Corporation is the principal creditor of the Commodity Credit Corporation, because of the loans it makes to it under section 201 (d) of the Emergency Relief and Construction Act of 1932.

The authority for the creation of the Commodity Credit Corporation is found in section 2 of title I of the National Industrial Recovery Act, which provides: "To effectuate the policy of this title the President is hereby authorized to establish such agencies, * * * as he may find necessary, * * *." Such section further provides, however, that "This title shall cease to be in effect and any agencies established hereunder shall cease to exist at the expiration of 2 years after the date of enactment of this act, * * *." The effect of this language is that on June 16, 1935, without any new legislation, the Commodity Credit Corporation would probably cease to be an agency of the United States.

It is felt, however, that the Commodity Credit Corporation still has many necessary functions to perform, and that its life should be extended as provided in section 7 of the draft bill.

SECTION 8

The Corporation, as of January 15, 1935, has authorized the investment of $100,000 in purchases of preferred stock of insurance companies and the investment of $35,775,000 in loans on preferred stock and capital notes of such insurance companies, making a total of $35,875,000. Under the existing act there is a limitation of $50,000,000 on the amount of funds of the Corporation which may be invested in such purchases or loans. Applications now pending before the Corporation and others in immediate prospect indicate that the entire balance of the fund will be more than absorbed. It is believed that an additional $25,000,000 is required to take care of pending and future legitimate requests.

SECTION 9

This section of the draft bill would continue the status of the Export-Import Bank of Washington and the Second Export-Import Bank of Washington, D. C., as agencies of the United States until June 16, 1937, or such earlier date as may be fixed by the President.

The Export-Import Bank of Washington was organized under the laws of the District of Columbia, pursuant to Executive order of the President dated February 2, 1934. The bank was capitalized at $11,000,000, of which the preferred stock of $10,000,000 was subscribed for by this Corporation and the money for the common stock of $1,000,000 was made available from the funds provided by section 220 of the National Industrial Recovery Act.

The Second Export-Import Bank of Washington, D. C., was organized under the laws of the District of Columbia, pursuant to Executive order of the President dated March 9, 1934. The total authorized capital of $2,750,000 is divided into $250,000 common stock, subscribed for out of the funds made available by section 220 of the National Industrial Recovery Act, and $2,500,000 preferred stock subscribed for by this Corporation.

The authority for the creation of both of these banks is found in section 2 of title I of the National Industrial Recovery Act, which provides:

"To effectuate the policy of this title, the President is hereby authorized to establish such agencies * * * as he may find necessary * * *."

Such section further provides that "this title shall cease to be in effect, and any agencies established hereunder shall cease to exist, at the expiration of 2 years after the date of the enactment of this act * * *." The effect of this language is that on June 16, 1935, without any new legislation, the Export-Import Bank of Washington and the Second Export-Import Bank of Washington, D. C., would probably cease to be agencies of the United States.

Section 9 of the draft bill is also designed to correct certain legal inhibitions in the banking laws of the District of Columbia which seriously hamper the operations of the export-import banks.

If a Government-owned bank for financing export and import trade is to become a part of our domestic economy, it should be given a status which would permit it to carry on its business unhampered by constant doubts as to the extent of its authority and without the embarrassment of unnecessary legal restrictions.

In the first place, the District of Columbia Code forbids the organization of banks of discount. The power to discount is, however, one of the most important functions of a modern banking institution, and the draft bill would remedy this situation by specifically giving the export-import banks the power to discount or rediscount notes and other obligations. This section also authorizes the banks to borrow money and rediscount obligations with the approval of the Secretary of the Treasury.

The District of Columbia Code applies section 5200 of the National Bank Act to all banks doing business in the District of Columbia, thus limiting loans to any one borrower to 10 percent of the bank's unimpaired capital and surplus. This provision has no proper application, however, to foreign banking where advances of large sums against shipping documents is common practice. Because of the limited capital of the Second Export-Import Bank the limitations of section 5200 have been particularly onerous, and the draft bill provides for the making of loans without limitation as to the total amount of obligations thereto of any borrower.

SECTION 10

This section was inserted at the request of the Secretary of the Treasury. It places in the Director of the Budget determination of the expenditures which shall be made by the Corporation notwithstanding the availability of funds authorized by Congress.

EXPANSION OF COLUMBIA INSTITUTION FOR THE DEAF

As in legislative session,

Mr. WALSH. Mr. President, I introduce a bill to amend section 4865 of the Revised Statutes, as amended, which in effect increases the number of beneficiaries from the several States and Territories who may be admitted to the collegiate department of the Columbia Institution for the Deaf from 125 to 145. I ask that the bill be printed in the RECORD and appropriately referred, together with a letter from the Secretary of the Interior urging the passage of the bill.

There being no objection, the bill (S. 1180) to amend section 4865 of the Revised Statutes, as amended, was read twice by its title, and, with the accompanying paper, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

*Be it enacted, etc.*, That the number of beneficiaries from the several States and Territories authorized by section 4865 of the Revised Statutes, as amended, for admission to the collegiate department of the Columbia Institution for the Deaf be, and it hereby is, increased from 125 to 145.

The accompanying letter is as follows:

THE SECRETARY OF THE INTERIOR,
*Washington, January 17, 1935.*

The CHAIRMAN,
*Committee on Education and Labor,*
*United States Senate.*

MY DEAR MR. CHAIRMAN: Enclosed is a copy of a proposed bill to amend section 4865 of the Revised Statutes, as amended, increasing the number of beneficiaries from the several States and Territories who may be admitted to the collegiate department of the Columbia Institution for the Deaf.

For the education of deaf mutes in the District of Columbia, the United States has established and maintains the Columbia Institution for the Deaf. The advance department, known as "Gallaudet College", accepts students from outside the District, most of whom are in poor circumstances and need the help of the scholarships offered by the institution. Although Congress has restricted the number of such beneficiaries, it has progressively expanded its authorization to provide for a steadily increasing demand for enrollment. Thus the original limit of 40 has been increased first to 60, then to 100, and finally, in the year 1918, to 125. The enrollment has again reached a point where authority to increase the number is necessary.

It is respectfully requested, therefore, that this bill be placed before the Senate for appropriate action.

Sincerely yours,

HAROLD L. ICKES,
*Secretary of the Interior.*

REGULATION OF TRAFFIC IN PETROLEUM

As in legislative session,

Mr. CONNALLY. Mr. President, a few days ago I introduced Senate bill 858 reenacting in effect section 9 (c) of the National Industrial Recovery Act relating to the transportation of oil. This was the section of that act held unconstitutional by the Supreme Court in the Amazon and Panama cases. The Senator from Oklahoma [Mr. GORE] introduced a joint resolution somewhat similar. These measures have been before the Committee on Mines and Mining, and we have agreed upon the draft of a new bill in which are incorporated some of the suggestions contained in the measure of the Senator from Oklahoma. So I ask leave to reintroduce the measure at this time with that explanation and have it referred to the Committee on Mines and Mining.

The bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products

produced in violation of State law, and for other purposes, was read twice by its title and referred to the Committee on Mines and Mining.

INCREASE OF CAPACITY OF THE PANAMA CANAL

As in legislative session,

Mr. GORE. I introduce a joint resolution and ask that it may be referred to the Committee on Interoceanic Canals. Owing to the general interest in the subject matter, I should like to have the joint resolution printed in the RECORD. It is very brief.

There being no objection, the joint resolution (S. J. Res. 36) to authorize an investigation of the means of increasing capacity of the Panama Canal for future needs of interoceanic shipping, and for other purposes, was read twice by its title, referred to the Committee on Interoceanic Canals, and ordered to be printed in the RECORD, as follows:

*Resolved, etc.*, That the Governor of the Panama Canal is hereby authorized and directed to investigate the means of increasing the capacity of the Panama Canal for future needs of interoceanic shipping, and to prepare designs and approximate estimates of cost of such additional locks or other structures and facilities as are needed for the purpose, and to make progress reports from time to time of the results thereof.

AMENDMENT TO AN APPROPRIATION RESOLUTION

As in legislative session,

Mr. ROBINSON submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place in the joint resolution insert the following:

For an additional amount for the purpose of carrying out the provisions of Public Act No. 125, Seventy-third Congress, entitled "An act to provide for the appointment of a commission to establish the boundary line between the District of Columbia and the Commonwealth of Virginia", approved March 21, 1934, including salaries, travel and subsistence expenses as authorized by law, to be immediately available, $4,000.

THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence, as reported by the Committee on Foreign Relations.

Mr. VANDENBERG. Mr. President, inasmuch as I propose to address myself exclusively to the pending reservation to the protocols of adherence to the World Court, I ask that the clerk read the pending amendment.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The legislative clerk read as follows:

*Resolved further*, That adherence to the said protocols and statute hereby approved shall not be so construed as to require the United States to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political question of policy or internal administration of any foreign state; nor shall adherence to the said protocols and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Illinois?

Mr. VANDENBERG. I yield.

Mr. LEWIS. I should like to ask the Senator a question. I am attracted by the amendment he has offered, and I recall what transpired in the Committee on Foreign Relations. May I ask the Senator what does he mean and what will he have it understood is meant by the words "shall not be construed"? Shall not be construed by whom?

Mr. VANDENBERG. Mr. President, the language which is contained in this reservation, as I shall subsequently indicate, is in the historical form which has followed down through the entire assertion of these rights by the Senate for many years. Whatever appropriate construction attaches to it attaches traditionally, and the Senator is quite as competent as am I to make the interpretation. Possibly as we proceed I can make plain what I have in my own mind.

Mr. President, the language read by the clerk speaks for itself; indeed, the language read by the clerk makes the only speech that should be necessary in defense of the proposed reservation. It is plain and simple language. It is an invincible recital. It is a statement of policy often asserted by the Senate heretofore, and never heretofore denied by the Senate upon any occasion when the Senate has been invited to announce it. The theory and meaning of the reservation are not denied by any of the proponent Senators who are most eagerly pressing our adherence to the World Court. In the face of such a situation I confess that it is something of a shock to me to find any resistance whatsoever to this reassertion of this historic policy. Indeed, when the Committee on Foreign Relations a few days ago rejected the amendment by the significantly close vote of 11 to 9 it was done without any discussion whatsoever, because, I take it, none of us contemplated that there would be any question raised against this regular procedure in behalf of the assertion of this regular, traditional, fundamental, and unchallenged American doctrine.

One of the outstanding advocates and earnestly zealous enthusiasts in the country in behalf of World Court adherence, one in whose judgment I have great confidence, was in contact with me upon this subject this morning, and I asked him what his verdict would be upon this reservation. This was his language in reply. He said, "It is an excess of caution, but it is harmless."

Mr. President, it is never an excess of caution for the American people, and the Senate speaking in their behalf, to reassert the traditional and fundamental policies which we have pursued in all our international relations for years.

Mr. ROBINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Arkansas?

Mr. VANDENBERG. In just a moment. If all that can be said against it is that it is harmless, then I submit it should be accepted lest those of us who feel its deliberate rejection would be harmful can be satisfied in our opinion.

I yield now to the Senator from Arkansas.

Mr. ROBINSON. A brief statement will be necessary in order to make clear my position in this matter, and I ask the attention of all Senators.

The domestic policies of the United States are not subject to the approval of foreign governments. It is a strange process of reasoning, in my judgment, that would prompt one who insists that domestic policies and traditional policies are solely matters for the consideration of this Government, to put the proponents of the doctrine in the position of depending on foreign governments to consent to that principle, or inviting them to reject that principle.

There is nothing in the pending resolution or any result that can come from it which detracts from, restricts, or impairs any domestic policy of the United States. When the issue is raised to submit to the 54 or more signatories to the World Court the question of whether in consenting to the World Court the United States reserves all questions pertaining to its domestic policies is a course which I cannot comprehend, if that course be pursued by one who believes in maintaining the domestic policies of the United States.

Mr. VANDENBERG. Mr. President, if the Senator will be patient, I think I can demonstrate to him very clear reasons why the Senate should again do precisely what it has done heretofore and what the Senator from Arkansas himself has heretofore supported under like circumstances.

Mr. ROBINSON. I shall be very patient. I shall not again interrupt the Senator.

Mr. VANDENBERG. I welcome the Senator's interruptions, because the thing we are all seeking is information.

When the Senator from Arkansas says it is a strange process of reasoning which would present a declaration of this character in connection with an engagement of this nature, I refer him back to his own support of precisely the same type

of statement upon at least two previous occasions, as I shall subsequently indicate.

Mr. President, I repeat that I do not rise to enter on a general discussion of the World Court question. There are many phases of it I should like to traverse. But time does not permit this afternoon, and I do not want to be diverted from my special purpose. I address myself exclusively to the pending reservation. I want to assert with the greatest respect but in the plainest possible language that I consider it to be a simple and conclusive test; that is, the vote upon this reservation will be a simple and conclusive test whether Senators are completely convinced that the protocols do not infringe upon the traditional and indispensable policies of the United States essential to our peace and our independence. It cannot change the actual contract one way or the other, but it can demonstrate our own understanding of the contract beyond further argument.

I am not conceiving an America which is cut off from voluntary cooperation in the promotion of the peace of the world. That always has been one of our high and persistent aspirations. This is a foreshortened world, and I shall clearly indicate before I shall have concluded that I have no prejudice against voluntary international cooperation on the part of the United States. But neither do I envision a United States capabe of making a useful contribution to peace, and the peace of the world in particular, except as it does preserve, without any question or shadow of a doubt whatsoever, its own inherent independent right to make up its own mind respecting these issues and its maintenance of its own traditional attitudes.

Mr. President, it is my contention, precisely as it is the contention of the Senator from Arkansas, that the protocols pending do not intend to infringe upon any of those rights which are recited in the pending reservation. This is the reason why I have been willing to sustain the protocols. It is equally the reason for my presentation of this reservation to confirm my belief in specific terms. But my belief in the conviction of like-minded Senators upon this floor will be shaken if, after listening to a simple statement of the facts involved, they shall reject a reservation which is nothing more than a reiterated assertion in specific terms of what proponent Senators claim to be the unimpaired American status. I confess to utter amazement that there should be any semblance of challenge to such standard.

I think perhaps a general statement ought to be made about my attitude toward the fundamental question so there may be no mistake about it. It is frequently asserted that no one is interested in a reservation to these protocols except as he is interested in defeating the fundamental issue itself. My record denies any such purpose so far as I am concerned, although I most certainly do not challenge the good faith of those who support reservations, regardless of whether they intend ultimately to attack the entire proposition. They certainly are logical in wanting every possible safeguard embraced. It seems to me that those who share my view of the pending contract are no less logical. It is one point where all minds should meet.

My record of 15 years publicly and privately is that I would not take America into the League of Nations under any circumstances whatsoever. That is my position today. I would not consciously approach one single inch of a step toward American membership in the League of Nations. That continues to be my position today. But I have argued all through this same period that it is possible to create an effective discrimination and distinction between the League of Nations and the World Court.

This is my conception of what is intended by the pending protocols. I want to make it very clear because I am one of those who voted to report these protocols in spite of my disappointment that the committee should reject this interpretative amendment which is wholly in harmony with this viewpoint. I want to make it perfectly plain that in my judgment under the program of proposed adherence we are left wholly free to decide for ourselves in each individual instance whether we choose to enter the Court as plaintiff or defendant or as litigant in any capacity whatsoever; that we are wholly free from the menace of any advisory opinions by the Court over our objections whenever we have or claim an interest; that we are bound only if, as, and when we choose to be bound; that these are the literal conditions in the instrument itself; that these are the explicit interpretations of those who sponsor and promote this legislation; that we therefore hazard no foreign entanglement and no surrender of traditional American positions and attitudes.

If I am right, I argue that all Senators, whether favorable to Court membership or not, should be eager to identify those landmarks beyond all possible misunderstanding or subsequent dispute. If it be what has been termed an "excess of caution", it is none the less advisable. If it be reiteration, nothing is lost. On the other hand, if I am mistaken in my opinion of the letter of the bond—and I have the greatest respect for the fears upon this score expressed by opponents to any Court adherence whatever—then much is gained for all of us, and for the country, by an explicit identification of the thing we think we do. I can at least identify the thing I think I am doing by offering and by sustaining this reservation.

I want to say again that I draw a sharp distinction, as I have for 15 years, between the Court and the League. I concede that if we were to be taken into the Court without adequate protection for our fundamental rights the discrimination could not be preserved; but I think it is possible to preserve these rights and I think the intent of the pending protocols is to preserve them. I take this position with respect to that, with a reiteration that I would not consciously approach one single inch toward membership in the League of Nations. I agree with the statement upon that subject made by President Roosevelt in 1932—not the statements he made in 1920 but the statement he made in 1932, when he said:

> American participation in the League would not serve the highest purposes of the prevention of war and the settlement of international difficulties in accordance with fundamental American ideas. Because of these facts, therefore, I do not favor American participation.

In that same address, which was before the New York State Grange, President Roosevelt was advocating a trade conference with the other nations of the world. He further said:

> Such a conference should not by any stretch of the imagination involve the United States in any participation in political controversies in Europe or elsewhere. Nor does it involve the renewal in any way of the problem 12 years ago of American participation as a member of the League of Nations.

That is the spirit in which it should be possible for us to give our limited adherence to the World Court. At any rate, it is my conception of the thing we are asked to do. Certainly the expressions in the pending reservation are but a paraphrase of the President himself as he spoke upon this other occasion.

So I assert again that I want, if possible, to clinch the discrimination between the Court and the implications of the League. Those who are like-minded, Mr. President, certainly cannot logically vote to reject the pending amendment, which does nothing except to reassert the fundamental American attitude and the fundamental American policy, which has been similarly asserted upon every other occasion, when either the Foreign Relations Committee of the Senate or the Senate itself has ever heretofore acted upon this question.

I beg of Senators to think of this open-mindedly, because there is a reality to the advisability of this declaration. If the declaration never had been made heretofore in these connections, the situation might be different; but, since it has been made heretofore, the affirmative refusal to repeat the declaration today too easily invites what I believe to be the false implication that there is a change in the status from the status upon these other occasions.

The important thing about this reservation is its history, Mr. President. I am not speaking of the history of the idea behind it, because the history of the idea behind it would be a survey covering every hour of the American story from the neutrality proclamation of 1793 down to date. It would start with Washington and Hamilton and Jefferson, and,

with few detours, it would be the continuous story of dominant, priceless, and indispensable American tradition.

Senators know the history of the idea. It is impregnated in the very air we breathe. I beg of them to be equally attentive to the history of this specific reservation and the language of it, because therein lies the challenge to our reiteration of this reservation, and therein lies the possible danger of an unfortunate implication if it be not reasserted.

What is the history of this precise pending reservation?

Mr. President, in the first place, this precise language originally appeared as the fourth paragraph of the fifth reservation to the resolution of World Court adherence in 1926. Let us not have any misunderstanding about this identification of it. The able Senator from Arkansas [Mr. ROBINSON] a few days ago said that this particular resolution—I mean the original of 1926—was not a part of the fifth reservation. I think he made that categorical statement. So far as the record of the Senate is concerned, I think the facts dispute his conclusions, because, as I indicated at the time, the Executive Journal of the Senate itself, volume 64, part I, pages 541 and 542, describes this precise original reservation as "the fourth and last paragraph of reservation no. 5."

Mr. President, so far as the official record of the Senate is concerned, it still is the fourth and last paragraph of reservation no. 5. It is still the fourth and last paragraph of reservation no. 5, because there is no denouncement of it in the pending protocol of accession—exhibit C in the pending Senate document.

Since there is no denouncement of it in the protocol of accession, and since that protocol reads that:

> The States signatories * * * have mutually agreed * * * subject to the five reservations formulated by the United States in the resolution adopted by the Senate on January 27, 1926—

and then that "The States signatories * * * accept" the reservations, subject only to the conditions that follow, and since there are no conditions that follow which refer directly or indirectly to this particular reservation, it would seem to stand today as included specifically within the contract to which we are invited to adhere. That could be a conclusive reason for my belief that we are inherently protected, among other reasons. Still, it would not be a reason for abandoning reiteration, because the Senator from Arkansas says it is not in the contracts; that the language was not part of the original fifth reservation. I think his word was "ambiguity" as he spoke of one other apparent disagreement between text and resolution. Certainly there is an ambiguity here. Indeed there is a direct clash. There is a direct dispute between the record and the Senator from Arkansas in this connection; and if there were no other reason than that alone, since this relates to a fundamental policy and a fundamental American right we should make perfectly certain that we say what we mean, so that he who runs may read.

Mark you, we are now at the birth of the language of this specific reservation. It is my reservation only by adoption. It was written by former Senator Swanson, of Virginia, who now sits in the President's Cabinet at the head of the naval portfolio. If there was need of it in 1926—and apparently the then Senator from Virginia thought there was need for it—there certainly is emphasized need for it today. At any rate, we are tracing the history because the history is significant in respect to the challenge which is laid to the conscience of Senators as they pass upon this reservation ultimately.

We find, I repeat, in the first place, that it was born—and I remind you again that this is the literal, verbatim language, without the change of a comma, which was offered by the Senator from Virginia at that time—we find this precise reservation, then, born in 1926 under the auspices of the distinguished Senator from Virginia. Evidently he saw no such impropriety in it as is now charged to its lineal descendant.

Secondly, when the Senate acted upon the entire body of the reservations in 1926, and upon the fifth reservation in particular, it acted paragraph by paragraph. There is no mistaking the record in this respect. Although other paragraphs and other parts of the fifth reservation were debated at great length and were the subjects of heated divisions and frequent roll calls, this particular paragraph was accepted by acclamation. The Senate Journal does not disclose a single voice or vote against it. Apparently it never occurred to anybody then that there could be any reason against it, or that there was any novelty or strange process of reasoning attached to its promulgation. There is none now unless our prospective status has basically changed, which I deny, and which the sponsors of ratification at least vocally deny.

So, now, let us remember that we are tracing the story of the precise reservation which now rests upon the bar of the Senate. We find first that it was written by the then Democratic Senator from Virginia, Mr. Swanson. We find, secondly, that it was unanimously adopted, all by itself, by the Senate of that day in connection with the voting upon our limited adhesion to the World Court. Next, after it had been voted into the resolution of ratification, which was on January 26, 1926, the Senate finally passed upon the whole contract as it then impended, and it did so by roll call. In that contract which the Senate then approved was the precise reservation now resting upon the bar of the Senate. It was adopted by a vote of 76 to 17. Manifestly, all of the 17 approved the reservation, because the reason of their objection to the completed contract was that it did not adequately protect the thing which this reservation asserts.

Who were among the other 76, Mr. President, who then voted affirmatively upon this proposition, and validated not only the specific language now pending as an amendment but validated its attachment to our proposal to adhere to the World Court? I call the roll simply to indicate the extent of the credentials which the pending amendment has.

The following Senators who are still Members of this body voted that day in favor of the thing which is now pending:

Senators Ashurst, Capper, Copeland, Couzens, Fletcher, George, Gerry, Glass, Hale, Harrison, Keyes, McKellar, McNary, Metcalf, Neely, Norbeck, Norris, Pittman (the present Chairman of the Foreign Relations Committee), Robinson, of Arkansas (the distinguished leader upon the other side and the sponsor of the pending resolution of adherence), Trammell, Walsh, the late Senator from Montana, whom the Senator from Arkansas [Mr. ROBINSON] justly eulogized the other day for his faithfulness in this and every other cause, and Wheeler.

Thus, the language of the pending reservation was imbedded in the Senate's official mandate in 1926. Now, remember, we are following the story of this thing which we are now asked to reject upon the one hand, but which I am asserting to you every force of logic and prudence and every challenge of the record calls upon us to reintroduce into our resolution of adherence.

What happened next? We find that this thing was the language of the then Senator from Virginia. We find that it was unanimously approved by itself by the Senate of the United States. We find then that, imbedded in the resolution of adherence, it was eloquently approved upon roll call, as I have indicated. What is the next entry on the record?

After the failure of international agreement upon the action of the Senate in 1926, the World Court issue next arose officially in 1932. The Senate Foreign Relations Committee again acted. It again voted to recommend an American formula of adherence, this time under the primary leadership of the late Senator Walsh, of Montana. This was after the so-called "Root formula" was in being. It was precisely the same situation in all its aspects which the Senate confronts today in respect to the form of the pending resolution.

There was no difference in the status then and now. What happened when it was proposed in the Senate Committee on Foreign Relations in May 1932 to attach this precise amendment to our resolution of adherence? Why, Mr. President, it was unanimously accepted. It never occurred to anybody that there was any question to be raised against it. The late Senator from Montana, Mr. Walsh,

was particularly willing, as I recall, because of my conversations with him, to have this affirmative statement made in respect to the thing which we think we are about to do. He was more than willing to make assurance doubly sure.

Members of the Senate still sitting in this body who will again pass upon this precise amendment, who voted that day to attach it to the resolution of adherence, are the following:

Senators BORAH, JOHNSON, CAPPER, LA FOLLETTE, VANDENBERG, PITTMAN, the Chairman of the Foreign Relations Committee, ROBINSON, of Arkansas, HARRISON, GEORGE, BLACK, WAGNER, CONNALLY, and LEWIS.

This happened on June 1, 1932. What in the interim has changed the situation so that it now ceases to be proper to do that which at that time everybody agreed was proper?

Mr. LEWIS. Mr. President——

Mr. VANDENBERG. I yield to the Senator from Illinois.

Mr. LEWIS. I am sure the able Senator from Michigan would not leave the intimation that I had approved the World Court in the Committee on Foreign Relations.

Mr. VANDENBERG. No; I am asserting that the Senator was happy to approve this particular reservation then, as he did this week. He agrees with me upon the reservation, but not upon the ultimate objective.

Mr. LEWIS. I do not recall the previous vote. I do not recall any vote whatever, but I only wish it to be clear that I have never approved adherence to the World Court when voted on in the Foreign Relations Committee.

Mr. VANDENBERG. I want the record perfectly clear that that was not my assertion. I stated only that the able Senator twice approved the pending reservation when it was then submitted; and that is the record.

Now comes an interesting thing in this chronology: I ask you to remember that this was June 1, 1932, when the late Senator from Montana, Mr. Walsh, and the former Senator from Ohio, Mr. Fess, reported the World Court resolution to the Senate with appending reservations, one of which was the amendment which I again offer. Mark you, this was June 1, 1932, when the World Court resolution was reported to the Senate with this resolution appending. Twenty-six days later the Democratic National Convention met in Chicago, and it was under the chairmanship of the late Senator from Montana, Mr. Walsh. In that convention at Chicago, 26 days later, what was it that the Democratic National platform had to say about the World Court? The Senator from Arkansas [Mr. ROBINSON] already has read it, but he did not linger upon the ultimate and controlling phrase in it. This is what the convention said in its platform:

> We advocate * * * adherence to the World Court with appending reservations.

Mr. President, what reservations were appending at that time except those that were reported on June 1, 1932, by the very distinguished Democrat who presided over the convention in Chicago which made this assertion? Can there be any denial that the reference embraces the appending reservations of June 1, only 26 days previous?

What were the appending reservations which the majority party, now so substantially in control of the decisions that are made in this body, thus approved? What was the obligation which was written into their platform in respect to this thing?

> We advocate * * * adherence to the World Court with appending reservations.

There can be no doubt of the obvious answer. And one of the appending reservations, Mr. President, beyond any chance of controversy, was the precise reservation which they now have a chance again to adopt in keeping with their promise. If there is any doubt, furthermore, about the fact that they particularly meant this pending reservation, I call attention to the further language in their platform, which, in its discussion of foreign relations, said:

> We advocate * * * no interference in the internal affairs of other nations.

Mr. President, that is nothing more nor less than a short but accurate paraphrase of the very reservation which now invites the Senate's action and which beckons these gentlemen to validate the promise that they made to the country in this aspect in 1932. Their promise was to adhere to the World Court with appending reservations. That was on June 27, 1932. The only appending reservations to which it could possibly refer are the appending reservations which 26 days previously had been offered upon this floor by the distinguished Democratic Senator who presided over the convention as its chairman. I am sure, upon reflection, they will keep faith.

It does not make much difference what the Republican platform commitment was, unfortunately, in the purview of our roll-call mathematics. Nevertheless, for the purpose of the record—and we are counting the chronology to see what it is that leads us, as I see it, irresistibly to again approve the appending reservation—what did the Republican convention say? After a specific endorsement of the World Court, it said:

> The party will continue to maintain its attitude of * * * going forward in harmony with other peoples without alliances or foreign partnerships.

That was the platform of my party, and my entire World Court attitude is in harmony with it and with the recommendations which my party's President have submitted to the Senate upon this score. The pending reservation is but the lengthened shadow of this quoted phrase, even as it mirrors the presumable purport of the pending protocols themselves.

Against this historical background which approves the pending reservation in spirit, if not actually by letter upon every occasion and upon every test, we now come down to 1935, at this good hour, and what happens now? Mr. President, the next appearance of this precise language, without the change of a comma—the next appearance of this precise language is in the Foreign Relations Committee on January 9, 1935, when, without a word of explanation or debate and solely upon the suggestion of the Senator from Arkansas [Mr. ROBINSON], the committee, to my amazement, voted 11 to 9 to decline to do that which the Senate itself had done upon every previous occasion when invited, and that which the committee itself had been willing to do—glad to do—upon a previous occasion.

So finally in the chronology the reservation now comes to the Senate itself, and it is this thing of which I am speaking, and it is this challenge that I am laying to the attention of the Senate. The Senate is asked once more to do precisely the same thing that it has always done without any deviation whatsoever upon every other occasion in connection with this contemplation.

Why, why is the situation so different today, I beg to ask? What are the conditions that are different today than they were in 1932 when Senators Walsh and Fess reported this same reservation upon the Root formula itself? What is the difference between the situation in which we find ourselves today and the situation in which the Foreign Relations Committee found itself in May 1932? There is no difference whatsoever. Therefore in the natural course of events the normal thing to have expected in the Foreign Relations Committee was that the unanimous experience that we have had with this reservation heretofore would again occur. But it did not. And so we find ourselves in the amazing situation, Mr. President, that this assertion of fundamental American purpose and principle which heretofore always has been affirmatively announced—we find ourselves in the amazing position—confronting a situation in which it is affirmatively rejected. It is this act of rejection which lends chief emphasis to my anxiety to reassert the doctrine involved, lest the rejection some day may invite an interpretation which I am sure was not intended by the Senators themselves.

I confess I am unable to conjure the reasons which could justify rejection. Have we shifted our position? Someone might say so, according to the record in the Foreign Relations Committee. Yet it is my view that we have not shifted our

base at all. But if we have not shifted our base, why should not we readily again reassert the thing that has always been asserted heretofore without any thought of a rejection? Is there anything contradictory, Mr. President, in this pending reservation and in the body and purport of the protocols themselves? The Senator from Arkansas [Mr. ROBINSON] says there is nothing inconsistent. That is my view. It is my view that we merely invite the Senate to say in terms what the proponents of the pending protocols assert in generality to be the American status in respect to the particular things here under discussion.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Idaho.

Mr. BORAH. I understand the Senator from Michigan to say, as a matter of fact, that there is no necessity for this resolution.

Mr. VANDENBERG. No, Mr. President; the contrary, because of collateral implications.

Mr. BORAH. I understood the Senator to say that this protocol and our adherence to the Court under the protocol would not be a sacrifice of the traditional policies of the United States.

Mr. VANDENBERG. That is my view. But I assert the corollary to it, that since in addition to that inherent fact it has been thought advisable heretofore to make an affirmative assertion on the subject—wisdom in which I cordially concur—there is a most unfortunate implication raised when there is an affirmative rejection of the same sort of a statement today. That is the chief measure of real necessity, in my view. I can think of no reason whatsoever in logic why it should be rejected unless it is contradictory, and I have yet to hear a proponent Senator testify that it is contradictory. If it is contradictory, let us have the direct testimony, because there ought to be candor in international relations or there certainly never will be peace. And if there is to be candor, and if there is to be clarity, where is the objection to an assertion as contained in the pending reservation—an assertion of the precise thing which we mean? What is the objection to saying what it is that is in our hearts and souls?

Mr. BULKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Ohio.

Mr. BULKLEY. Does the Senator think that if this reservation should be adopted by the Senate it would necessitate the whole agreement's going back to all the signatory powers for specific acceptance?

Mr. VANDENBERG. Mr. President, so far as my view is concerned, I should say not, because this is a statement of our understanding of what we mean when we sign up, and how long has it been since we could not say for ourselves what we think we are doing when we are doing it?

Mr. WHITE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Maine.

Mr. WHITE. In connection with the question asked by the Senator from Ohio [Mr. BULKLEY], is it not true that if the reservation as reported by the Committee on Foreign Relations is adopted by the Senate it must still go back to conference, and there still must be a further or a newer protocol of accession?

Mr. VANDENBERG. I think the Senator is opening a new phase of the discussion, which I prefer not to enter, because I wish to concentrate upon the thing which is before the Senate.

Mr. WHITE. My question was only suggested by reason of the inquiry of the Senator from Ohio.

Mr. VANDENBERG. I assume the able Senator from Maine is about to discuss the change of language in another section of the contract, and I do not want to be diverted into that field. I will say this to the Senator from Ohio, also, that if there is any question of consent involved, I call his attention to the fact that this precise pending reservation defined in the Journal of the Senate as the fourth and last paragraph of reservation no. 5, as the able Senator from Ohio well knows, because he studied it with me as he sat here the other day, is already accepted by other signatories under the protocol of accession, so far as the record is concerned. And why in the name of common sense, after on the face of the record it has been accepted abroad, we should hesitate to reassert it at home certainly challenges the human imagination.

Mr. BULKLEY. I should think that if it had been accepted it would no more need reassertion than any other matter.

Mr. VANDENBERG. I agree, Mr. President; but one trouble is, there is a disagreement as to whether it has been accepted, because the Senator from Arkansas [Mr. ROBINSON] insists it is not part of reservation no. 5. Now, you can take either horn of the dilemma you want. If it is duplication, there is no harm done; if it is not duplication, most certainly the Senator from Ohio wants to reassert it precisely as I do. So why not give ourselves the benefit of the doubt instead of somebody else?

The President of the United States in his message to the Senate upon the subject of World Court adherence describes what he hopes will happen in connection with adherence. What is the only bill of particulars submitted by the President of the United States himself in respect to what he hopes the Senate will do in respect to this pending question? This is all he has to say:

> I urge that the Senate's consent be given in such form as not to defeat or to delay the objective of adherence.

Mr. President, there is nothing in this pending reservation which could either delay or defeat the objective of adherence. On the contrary, the acceptance of this reservation might well hasten final action and might actually improve the chances to do precisely what the President expressed his hope may be done.

So there is no proscription under which this reservation can possibly fall. There is every reason why this thing should be done. There is no reason whatsoever why it should not be done.

I venture to believe that few Senators would say in stated terms, if the situation were reversed—and sometimes it is a good thing to assess a proposition in reverse—I assert that no proponent Senator would affirmatively say that this pending adherence requires the United States to intrude upon, interfere with, and entangle itself in the political questions of policy and of internal administration of some 50 foreign states, and that it involves a relinquishment by the United States of its traditional attitude toward purely American questions.

If you are unwilling to make the affirmative assertion that we do relinquish and that we do surrender, why are you not willing, in the alternative, to make the affirmative assertion that we do not surrender and we do not relinquish?

I ask the Senate again constantly to bear in mind that the controlling importance of the situation is that always heretofore the Senate and the Foreign Relations Committee, without even a division, have made this assertion and attached this amendment to the protocols, and if there be an affirmative rejection today it specifically invites an implication which no man upon this floor would care voluntarily to approve.

So, Mr. President, it seems to me that the situation clearly calls for the adoption of this reservation.

Mr. LONG. Mr. President——

The PRESIDING OFFICER (Mr. STEIWER in the chair). Does the Senator from Michigan yield to the Senator from Louisiana?

Mr. VANDENBERG. I yield to the Senator.

Mr. LONG. I am very much interested in the amendment offered by the Senator from Michigan to the resolution of adherence. The last clause of the proposed amendment reads:

> Nor shall adherence to the said protocols and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions.

I wonder if the Senator would object to my putting a little amendment in there to the effect that it is intended that America does not relinquish its traditional attitude under the Monroe doctrine?

Mr. VANDENBERG. Mr. President, if the Senator will be good enough to offer his amendment independently, I

would prefer that course to be followed, for the reason I fear the Senator has not been here during the last few minutes—that I am offering language which is verbatim, without the change of a comma, the precise historical form by which the Senate has always spoken upon similar occasions in respect to problems of this nature. The Monroe Doctrine unquestionably is included. I do not want anybody to have any reason, not even the reason of a misplaced comma, to say that the situation, being different in any aspect, justifies opposition.

Mr. LONG. Then I will not urge my suggestion; but, if the Senator will pardon me for making one more observation along that line, that was before England and France found out that they could do what they pleased around here.

Mr. VANDENBERG. Well, Mr. President, the more rapid the disclosures of the nature to which the Senator refers the greater the desirability for reiterating the declaration which I am urging.

It is not enough to say that the declaration in the proposed reservation is surplusage. It is never surplusage to declare our historic position upon any and every occasion. It will not do to say it is needless. It is never needless to reassert this position. Though it be ten thousand times a twice-told tale, let us never weary of repeating and reiterating this saving philosophy of the Republic.

Mr. LOGAN. Mr. President, I have a desire to make a few remarks on the question now pending before the Senate, not that I believe I can add anything to what is already known but for the reason that I should like to make a matter of record my own opinion about this question.

I have listened with a very great deal of interest to the speeches which have been made. It seemed to me that when the Senator from Arkansas [Mr. ROBINSON] had completed his speech we should have known exactly what was pending before the Senate at this time. He clearly pointed out the very narrow question that we were to consider. Since that time the debate has taken a wide range, and I am very much persuaded that fully 90 percent, if not more than that, of all that has been said has been entirely foreign to the question before us.

I listened day before yesterday to that great statesman—and I say it with the utmost sincerity—the senior Senator from California [Mr. JOHNSON].

He is always eloquent, nearly always logical, and what he says is based upon fact. I have always had a great admiration for him. Long before I knew him I thought he was one of the great statesmen of America, and I still think so; and so I listened to his speech with very great attention; but after he had concluded his speech, I was absolutely convinced that nothing could be said that would have very much weight against our becoming a member of the World Court or rather our adhering under the resolution to the three protocols now before us. I have analyzed the speech of the Senator from California since and I believe that I can see, and I believe that I could convince him, that there is not a single valid argument that he advances against affirmative action on the part of the Senate.

I noticed his reference to his grandson, 21 years of age. I have only one grandson, who is about 8 or 9 months old, in whom I am as much interested as is the Senator from California in his grandson. I think that some day when the grandson of the Senator from California is rather glorying in the fact that he had a famous grandfather and while he is reading the statesmanlike papers and speeches of his grandfather, perhaps he will come down to the speech the Senator made the other day, and he will say, in good old Kentucky language, to the others gathered around him, who are also proud of their grandfathers, "What was the matter with grandpap when he made that speech, because there is not very much in it?"

I think the Senator from California, as well as some of the other distinguished Senators, are very much like the old farmer who swore that his horse was 16 feet high when he meant 16 hands high, and, having once sworn it, stuck to it. I really cannot see any argument in what has so far been advanced against our adherence to the protocols. It is true the Senator from California said that he was a sort of "John the Baptist", and that a greater than he would come along to discuss this question. I do not know exactly whom he meant, but I have a suspicion, and I shall listen to the argument of that "greater one" with the same attention that I gave to the arguments which have already been made, hoping that perhaps there may be some sound argument advanced against adherence to the pending World Court protocols.

I know that this question is of considerable importance, and we talk about it as if it were the most important thing in the world; but I assert, and I think truly, that after we shall have ratified these protocols, within 6 weeks thereafter 99 percent of the people of America will not know whether we are a member of the Court or whether we are not, and in just a little while we ourselves will perhaps have to look the matter up in some encyclopedia to find out whether we are a member; but the work will go on.

Mr. LONG. Mr. President——

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. LOGAN. I yield.

Mr. LONG. What the Senator from Kentucky has stated is just the trouble. About the time people begin to have their rights adjudicated by the World Court, they will not even know where the decisions are coming from.

Mr. LOGAN. I think they always will know; I think the Court will perform its functions; and here it may not be amiss for us to consider just for a few moments the character of work the Court has done. There has been a good deal of talk about its not bringing peace. The Senator from California has rather held it up as a monstrous thing, stating that this Court is an evil thing that is likely to bring all kinds of trouble to the world. I believe, therefore, that it is necessary for us for a few moments to consider some of the questions that have been before the Court and what the Court has done about them. If we will do that, I think we will all have a better understanding of what we are trying to do at this time.

The Senator from California said it was the League of Nations Court. Oh, no, I might say, although I would not say it of the Senator from California, that that suggestion has been spread abroad as propaganda. We had as well say that the Constitution of the United States is a Magna Carta constitution, that it is an English constitution, because our ideas came from Magna Carta, or the Charter of Rights, as to say that the World Court is a League of Nations court. That is a misnomer. It is what it purports to be, a court entirely separate from the League, so far as we are concerned, for the purpose of determining international disputes in a legal way, in an effort to prevent the necessity of the resort to armed conflict in order to settle questions that should be settled by a court.

I think we had just as well admit that this Nation must do one of two things: It must either take part in world affairs in an effort to bring about the betterment of the human race throughout the world, it must discharge its duties as a great nation and must cooperate with other nations, or else it must do that which some of our great Senators think it should do, withdraw entirely from the world, saying that it is economically self-sufficient and able to exist without regard to any other nation and that it will become completely isolated from the world so far as public affairs are concerned. If we take that position, an extreme nationalist position, it will become necessary for us to build the largest navy in the world so that we may protect ourselves against the aggressions of other nations; it will become necessary for us to have the largest army in the world. If we are going to say good-bye to all the world, and have nothing to do with the rest of the world, then we must place ourselves in a position to defend our Nation against all others.

I believe that the United States of America should retain her nationalistic spirit. There is no one, I believe, who is

more patriotic than myself, but at the same time the United States of America has no right to say, "I am too big to be subjected to law; I am unwilling to allow any of the controversies that may arise between me and some other nation to be submitted to a court; I insist that I will not be subjected to any legal rule or to international law." It would be just as well, so it seems to me, for some man, rich and powerful in his community, to say, "I will not submit any controversy that I have with my neighbor to a court"; it would be just as well for a capitalist to say, "I am not going to submit any controversy that I have to a court, because perchance the court is made up of laboring men." It would be just as well for a member of the colored population of this Nation of ours, more than 10,000,000 of them, to say, "I do not intend to allow any dispute that I have with another race to be submitted to the court because my people are not represented on the court." I believe—and I am very sincere in that belief—that our becoming a member of the World Court will accomplish much good.

Mr. President, I do not believe that the Court will accomplish all the things that those who are most partial to it believe it will accomplish; I do not think it will solve all the problems of the world; I do not believe that all controversies will be submitted to the Court and settled by it; but I do believe that, although it may not be a very long step, our entry into the Court will be a step in the right direction.

Now, let us examine briefly, because I have no desire to take the time of the Senate unduly, some of the opinions that have been rendered by this Court so that we may ascertain the nature of the questions that have been considered and see whether they are worthwhile or whether they are not.

The very first judgment that was rendered by that Court was in the case of a French steamship. It will be recalled that the steamship *Wimbledon* wanted to go through the Kiel Canal for the purpose of delivering some munitions of war to Poland, Poland being at war at that time with Russia. Germany said the ship could not go through the Kiel Canal; that it would be an interference with the internal rights of Germany if the vessel should be allowed to go through the canal. But Germany had agreed in a treaty, which it had approved, that the ships of all nations at peace with Germany should on equal terms be allowed to pass through the Kiel Canal.

When the German Government refused to allow this vessel to go through the Kiel Canal, all the interested parties—France, England, Japan, and some other nations which were interested in the question—filed suit against Germany. They filed with the registrar at The Hague a statement of the cause of action and brought Germany into court. The Court determined that Germany was violating the terms of the treaty, which guaranteed that all nations should have equal access to the Kiel Canal if they were not at war with Germany. The case was before the Court for some time. Different phases of it were presented to the Court. It was held that France, the owner of the vessel, was entitled to recover for the damage which may have been sustained. That was just an ordinary controversy which arose between France on the one side and Germany on the other. If they had not had a court to which the matter could have been submitted, perhaps it would have been settled through some form of war.

There is another case I should like to mention. There have been many, but I want to mention just one more. I refer to the case of a Greek subject, Mavrommatis, who lived in Jerusalem. He had a concession to furnish electric light and power and drinking water, which had been granted by the Turkish Government before Palestine was mandated to England. The contract was not carried out. The same rights were perhaps granted to someone else—a British subject, I believe—with the result that through his Government Mavrommatis filed a suit before the World Court. Greece came into court and said it had the right to bring the suit against England because of the fact that the contractor, Mavrommatis, was a Greek subject and Greece had the right, acting for one of its nationals, to bring the suit, because thus Greece became really the party in interest.

The World Court deals only with controversies between or among the nations and not between or among individuals. The Court sustained the contention of Greece and held that the suit might be maintained in favor of Greece as against England. The case went to trial and it was held by the Court that the Greek subject had the legal concession to furnish light and power and water in Jerusalem. The matter was before the Court in one form and another a number of times, and, while it was held that he had that right, I believe the Court decided he was not entitled to any damages, but that England should restore to him the same right which had been taken away.

The opinions which I have mentioned are only two of many where controversies have arisen between nations that have gone into the Court to determine the rights involved. I suppose those who oppose ratification of the treaty feel that it would be better perhaps if we sent our battleships into some foreign port and there terrorized some little nation and forced it in some way to pay a judgment or claim instead of submitting the matter to the Court in a perfectly legal way.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. LOGAN. I yield.

Mr. LONG. I believe the Senator is one of the Senators favorable to a reciprocal tariff?

Mr. LOGAN. Yes; I am.

Mr. LONG. Did the Senator look up the case where the World Court passed upon a reciprocal tariff between Austria and Germany? I have not read it myself.

Mr. LOGAN. Knowing that the Senator from Louisiana is in great need of information, not only about this matter but about a good many other matters, I will read that opinion to him. [Laughter.] I am very glad he asked about it.

Mr. LONG. The Senator had better read the entire book he has in his hand, if that is the reason why he is reading.

Mr. KING. Mr. President, will the Senator from Kentucky yield at that point?

Mr. LOGAN. I am glad to yield.

Mr. KING. I might add that the matter went a little further than indicated by the Senator from Louisiana. It was not merely a question of customs duties, but some persons believe it involved, directly or indirectly or remotely, the protection of Austria against economic and political assaults by Germany.

Mr. LONG. Any other tariff decision would involve that question.

Mr. KING. Oh no!

Mr. LOGAN. This decision was simply the construing of certain protocols or certain contracts, as it were, which had been entered into, certain agreements which had been made. The question was whether Austria-Hungary could enter into the arrangement with Germany without surrendering rights which destroyed or tended to destroy the very existence of Austria as a nation. Let us see what the opinion was. The opinion was requested by the Council of the League of Nations on May 19, 1931. The Senator from California [Mr. JOHNSON] referred to this matter the other day as a living example of what is liable to happen to us if we should become a member of the World Court. The question put to the Court was:

> Would a regime established between Germany and Austria on the basis and within the limits of the principles laid down in the protocol of March 19, 1931, the text of which is annexed to the present request, be compatible with article 88 of the Treaty of Saint-Germain and with protocol no. I signed at Geneva on October 4, 1922?

The nations which were attacking the arrangements which had been made between Austria and Germany simply took that customs agreement, filed it with the World Court, and said, "We put to you this question." This action called for an advisory opinion. The League of Nations referred it to the Court and said, "Does this agreement violate the two protocols which are mentioned?" What was the answer?

There were 15 members of the Court. They had different ideas about it. Finally eight of them reached an agree-

ment, it being an 8 to 7 decision, that it did violate the sovereignty of Austria, that she would be surrendering part of her sovereignty if it were carried out. The other seven said it would not be violative of the sovereignty of Austria. Our own member of the Court, Mr. Kellogg, voted with the minority in that case. I cannot see why anyone should make the contention that this is a political court simply because the Court has been called upon to consider treaties.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Georgia?

Mr. LOGAN. Certainly.

Mr. RUSSELL. Does the Senator from Kentucky know the nationality of the various judges who composed the majority and minority?

Mr. LOGAN. I believe I have the information.

Mr. LONG. I can tell the Senator who they are without reading them. England and France voted for the majority opinion.

Mr. LOGAN. That is only two. England and France voted for the majority opinion. There is no question about that, I believe. They all wrote separate opinions, and it is a little difficult to tell exactly how they did stand. The one I remember who really decided the case was the Italian member of the Court, Anzilotti, whose opinion was controlling.

Mr. LONG. He voted with the majority.

Mr. LOGAN. He was on both sides of the case. He reminds me somewhat of the distinguished Senator from Michigan [Mr. VANDENBERG] in his politics in these days. [Laughter.] He took a neutral ground. I believe the book I have before me does not state the names of the judges, but I think France, England, Italy, perhaps Poland, and others I do not recall, voted with the majority. It was a close decision at all events.

Mr. LONG. Will my friend yield further?

Mr. LOGAN. Very well.

Mr. LONG. I had not looked to see what the vote was. I just know politics that well that I can tell the Senator now how they voted, and if I make a mistake I would almost be willing to say I am making a very serious blunder. Without looking to see who voted which way on the decision, all I know about it is that the Senator will find that England, France, Italy, Poland, most likely Russia——

Mr. KING. Russia was not a member of the Court.

Mr. LONG. Very well; Poland, Italy, and Czechoslovakia all voted with the majority. Why? Because they did not want the reciprocal agreement by which Germany would have the inside track on that trade. If we enter into a reciprocal trade agreement today with Cuba, the Court would have exactly the same jurisdiction over the United States and we would have exactly the same question before them.

Suppose we had an agreement with the Philippines. We have turned them loose and let them go. Immediately it would be said by Japan, "These trade agreements you have established are contrary to what is covered by various treaties." Therefore Japan would vote the other way. England has a trade agreement with Japan and she would vote the other way. It would be found that the United States would be trimmed 9 times out of 10 on the same basis.

It is an interesting fact that these minds, supposed to be judicial minds from England, France, Italy, Czechoslovakia, Poland, and these other countries, should all be of the same character. They vote just as the premiers in those countries would have voted in those cases. The judges are no different from any other politician who might be sitting on the Court.

Mr. LOGAN. May I say to the Senator from Louisiana that I am afraid he is not very well acquainted with politics, except Louisiana politics [laughter], and all of us admit he does know the situation down there. I might also suggest to him that the same argument he and others make against the World Court has been made against the Supreme Court of the United States from time to time. Back in the old slavery days it was said if a judge was from the South he voted for slavery and if he was from the North he voted against it. The same argument advanced by those who say the World Court is not fair has been advanced against every court that has ever existed in the world. There is really no more basis for the argument against the World Court than there has been in the past for the argument against other courts that have been set up to substitute the judgment of the court for individual judgment.

Mr. KING. Mr. President, will the Senator yield?

Mr. LOGAN. I yield to the Senator.

Mr. KING. The Senator might with propriety allude to the fact that the Supreme Court of the United States upon a number of occasions has rendered what many people believed to be political judgments. We recall that it was alleged that Mr. Lincoln made appointments to the Court for the purpose of sustaining his greenback policy, because the Court had held that the act providing for the issue of greenbacks was unconstitutional. I do not say that was a political judgment or a political court. It has been claimed by some that not only the Supreme Court of the United States but State tribunals have rendered political decisions. Senators will recall that when provision was made to decide the question of who was elected President of the United States and an eminent judge of the Supreme Court, Judge Davis, of Illinois, was chosen to preside over the commission, it was openly and secretly charged that a political judgment was rendered that gave the Presidency to the Republicans, and denied it to the one who many believed was duly elected by the people of the United States.

So, Mr. President, the Senator from Kentucky will understand and the Senator from Louisiana ought to understand that even in this Republic we are not free from the charge of having political courts and political judgments; but, taking it by and large, the Supreme Court of the United States from the beginning has represented the highest judicial thought and the highest form of morality, and our State courts, by and large, have risen to the responsibilities which rested upon them in their decisions.

Mr. LOGAN. I thank the Senator for the splendid statement he has made, better than I could have made it.

Mr. POPE. Mr. President, will the Senator yield further on that point?

Mr. LOGAN. I yield to the Senator from Idaho.

Mr. POPE. I call attention to a statement made by Senator Hamlin with reference to the Dred Scott decision. Immediately after it was rendered, Senator Hamlin made a statement on the floor of the Senate in which he said that the Court, referring to the Supreme Court of the United States, "was swayed by political reasons, forgot the rights of Dred Scott, and plunged into this political whirlpool in order to control its currents." At the same time Senator Seward charged, to quote his exact language, that the decision "was the result of a political bargain between the Court and the President."

Mr. LOGAN. Mr. President, I am not willing to say that courts are perfect. I am not willing to say that courts never make mistakes. I do say, however, that resort to the courts is the best method that has ever been found to settle disputes between or among individuals. It is the best plan that has ever been devised to settle controversies. If there were no courts, then, to use the old expression, everything would be settled on—

> The simple plan,
> That they should take who have the power
> And they should keep who can.

If the courts have been found the best instruments that we have to settle disagreements among individuals and groups of individuals, I do not believe there is a man or a woman throughout the United States who would be willing to say that we should not try to establish a court where law may be substituted for war; and to deny that it is proper for us to make that effort is to say that we are unwilling to submit our rights to a tribunal where the questions may be determined according to legal principles.

When the United States, a good many years ago, determined to withdraw itself from the world, I think it stabbed

very near the heart of the goddess of civilization herself. I do not believe the world can go on unless we can find some way in which questions may be decided according to legal principles rather than settled by the sword.

I noted day before yesterday, when the distinguished Senator from California [Mr. JOHNSON] was making his speech, that he said we were departing from the tradition of the United States; that for more than a hundred years we had never refused to arbitrate any dispute arising with another nation. I call attention of that distinguished Senator to the fact that we have done nothing and will do nothing, if this court shall be set up, to prevent arbitration of such questions. Specifically, the right is retained. The Court of Arbitration at The Hague which has been in existence for many years still exists, and any nation has a perfect right to arbitrate its questions rather than to go into court. I also call attention, however, to the fact that nearly every State in the Union, so far as I know, has a method of procedure whereby controversies are determined between man and man by means of arbitration; and every court likewise has, as some of the distinguished judges know, a provision that these controversies, private as they are, may be submitted to arbitrators.

How many of you who have practiced law throughout the years have ever submitted a case to arbitration? Once in a while you have done so, but ninety-nine times out of a hundred the courts have been called upon to determine these questions. The courts have decided them, and arbitration has almost fallen into disuse. The only reason why this Nation uses arbitration now is because there has been no other way to settle international difficulties.

Mr. President, I desire to make just a few more remarks that will express better than anything I have said my views on the question that is now pending before us. Since the earliest days of civilization, statesmen and philosophers have dreamed that the day might come when the nations of the world would have a tribunal with power to determine international disputes.

Those who have held to that view justified their advocacy of such a tribunal largely on the ground that any controversy which might arise between the nations could be settled by rules of law rather than by resorting to arms. Those who have advocated such a tribunal have not always understood the difficulties in the establishment of such a court.

These difficulties, of course, grow out of intense nationalism, or what is ordinarily called "patriotism." Patriotism is a good thing. Patriotism is something that ought to dwell in the heart of every American; but superpatriotism, which seems to dwell in the bosoms of some of our Senators, is a bad thing; and when that which we call patriotism will lead us far enough to make us want to deprive someone else in the world of something that is justly his, it is a bad thing.

Nations have always been suspicious of each other, and have been afraid to submit a controversy to any tribunal whose members were not of their own nationality. They have been afraid of other nations, afraid that they would not get a square deal, afraid that they would not have a fair trial. That is just as true in our country today as it will be in the World Court. Every day we hear men saying, "We do not want this particular question to go to some court, because the court is swayed by some particular view that it has upon the question. We believe it is unwise to submit the case to some particular court." That goes on everywhere. In every State in the Union, in every county and municipality in every State, even in the Nation itself, men cry out and say, "We do not believe the courts are fair."

Mr. President, the courts are fair. They may make mistakes, but they are fair, and they do that which is best in the settlement of all disputes of every character. To say that some judge is of a different nationality from our own judges is a very unfair argument.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Kentucky yield to the Senator from Texas?

Mr. LOGAN. I yield to the Senator.

Mr. CONNALLY. May I suggest to the Senator from Kentucky that in all cases of arbitration we, of course, have to submit our disputes to judges of other nationalities.

Mr. LOGAN. That is very true.

Mr. CONNALLY. There would be no difference between this Court and the arbitration tribunals in that respect.

Mr. LOGAN. I should like to ask the distinguished Senators who are afraid of the judges of the World Court if they are acquainted with the record, the standing, and the character of the three judges we have had on that Court. I should like to ask the distinguished Senators who say that the judges will be unfair because they are not of our nationality if they believe that Judge Charles E. Hughes, now Chief Justice of the United States Supreme Court, when he was a member of the World Court would have decided a case in favor of his own nation simply because he belonged to that nation. I resent any such argument. Judge Hughes would not have done it. Neither would Judge Kellogg do it. Neither would Judge Moore have done it. If the citizens of our Nation would not decide for our Nation simply because they were residents of it or belonged to it, I have no right to argue that the citizens of any other nation would be less fair than the citizens of our own Nation. I do not believe they would be less fair.

Mr. KING. Mr. President——

Mr. LOGAN. I yield to the Senator from Utah.

Mr. KING. The Senator will recall that in the arbitration decisions, the *Alabama* case and many others that I might mention, where the judges, at least in part, were from other countries, we accepted the decisions. Only within the past 2 weeks a decision has been rendered against the United States in the *I'm Alone* case, where an American judge, a Justice of the Supreme Court, and one of the most distinguished lawyers of Canada sat, and the decision was against the United States, and we accepted it.

Mr. LOGAN. Very true.

Mr. KING. So that in the case of international tribunals to which we have appealed to settle controversies we have accepted the decisions, sometimes with rather poor grace; but, by and large, I think it may be said, from a dispassionate review of the decisions, that they were just and fair in the light of the facts that were presented.

Mr. LOGAN. I thank the Senator; and I believe it may be said that every decision which has been rendered up to the present time by the World Court has been accepted by all the parties to the controversy without a word.

It is the nationalistic feeling which has prevented the United States becoming a party to the World Court treaty. The failure to ratify the treaty and thereby adhere to the Court does not reflect credit upon the statesmen in the United States. Apparently they are afraid that the jurists and statesmen of other nations are so far superior to our own that we could not prove a match for them in a contest over disputed rights. Certainly there is no basis for such an opinion. The American statesmen and jurists are as able as any in all the world.

It is said that more than two-thirds of the Members of the United States Senate have favored adherence to the World Court for many years; and yet, for some reason unknown to the public generally, the treaty has not been ratified. I for one favor the ratification of the treaty at the earliest possible date.

Because of this position it is my purpose to make a few remarks dealing with the subject briefly, though to my own satisfaction.

We have historical data to show that the idea of a tribunal to settle international disputes is not a new one. More than 600 years ago, or, to be exact, about the year 1305, a Frenchman suggested the establishment of a court having jurisdiction to settle disputes among nations. Later, in 1623, another Frenchman was the author of a book which has been translated into English within the last few years, wherein he undertook to make suggestions for the establishment of such a court and as to the jurisdiction which it might exercise. Nothing ever came of the suggestions made by these Frenchmen during the next 250 years, but there was arbitration in 1872 between the United States and Great

Britain which revived the idea of an international court, and David Dudley Field outlined suggestions for an international code, which he published in 1876.

When McKinley became President, in his first inaugural address he stated that the "leading feature of our foreign policy throughout our entire national history" had been our insistance on "the adjustment of difficulties by judicial methods rather than by force of arms."

The First Peace Conference was held in The Hague in 1899, and the American delegation was instructed by President McKinley to act upon "the long-continued and widespread interest of the people of the United States in the establishment of an international court." The delegation presented to the Conference a plan, as did the delegates from other nations, and drew up a convention for the settlement of international disputes, and under that convention there was established the Permanent Court of Arbitration. The author, James Brown Scott, discusses this convention in his book, The Hague Peace Conference, at some length. When the American delegation returned it reported that this Permanent Court of Arbitration was a "thoroughly practical beginning" which would "produce valuable results from the outset", and would serve as the "germ out of which a better and better system will be gradually evolved."

The Permanent Court of Arbitration was organized in 1900, when The Hague Convention of 1899 became effective. There was no other peace conference at The Hague until 1907, at which time the convention of 1899 was revised and the maintenance of the Court was provided for. Nearly all of the important nations of the world became "contracting parties" to these conventions. Forty-six States became parties to it and have had a part in maintaining it.

The Permanent Court of Arbitration, however, was not really a court. It simply provided a reservoir from which nations might draw tribunals from time to time. Each State that became a contracting party was entitled to four members. The members held no meetings. The affairs of the Court are directed by an administrative council at The Hague composed of diplomatic representatives of States which are parties to the convention. A tribunal might consist of one person or as many as five. The members of the tribunal were not necessarily from States that were contracting parties. There have been many arbitrations before tribunals of the Permanent Court of Arbitration. The United States has been a party to 6 of these arbitrations: 1 with Mexico, 1 with Great Britain, 1 with Venezuela, 1 with Norway, 1 with the Netherlands, and 1 with Sweden.

Our delegates to the Second Peace Conference at The Hague received instructions from President Roosevelt and Secretary of State Root. These instructions were to bring about the development of the Permanent Court of Arbitration into a permanent tribunal composed of judges who are judicial officers and nothing else, who are paid adequate salaries, who have no other occupation, and who will devote their entire time to the trial and decision of international causes by judicial methods and under a sense of judicial responsibility.

As far back as 1907, President Theodore Roosevelt gave specific instructions that this Permanent Court of Arbitration, which then was no court at all, should be so changed that there should be a court, with judges, with salaries, who should give their entire time to the settlement of international disputes. This World Court idea is an American idea. The idea came from the United States and from some of the great men of the United States, as all of us must know.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. LOGAN. I yield.

Mr. KING. The Senator, of course, is aware of the fact that Mr. Choate and our other representatives did everything in their power to carry out the instructions which had been given by Theodore Roosevelt, but the delegates to the Conference split upon this rock: they could not determine how the judges were to be selected. However, our representatives did everything they possibly could to bring about the establishment of a permanent court, one that would measure up to the requirements which have just been indicated in the instructions given by Mr. Roosevelt. Now, for the first time—notwithstanding that in the intervening years efforts have been made to determine how the judges should be selected—a plan was suggested in the Versailles Treaty which has met with the approval of a majority of the nations; in fact, all the nations of the world, perhaps, outside of the United States.

Mr. LOGAN. That is very true. They agreed upon this Court at the 1907 Conference. The functions of the Court, the purposes of the Court, were all agreed upon, as well as a code or a charter. The rock on which they split was the question of how the judges should be selected, and that was never determined until Mr. Root, who was also a representative of the United States in the 1907 convention, suggested the plan which was followed in selecting the judges of the World Court.

The delegations, representing the various states, were able to agree on a general plan for a new permanent court of arbitral justice, but they could not agree on a method of choosing the judges. The American delegation, however, was sufficiently encouraged to report—

> That the foundations of a permanent court have been broadly and firmly laid. * * * A little time, a little patience, and the great work is accomplished.

It has now been 27 years since the American delegation reported to the then President Roosevelt that a little time and a little patience were all that were necessary for the accomplishment of the great work. The people of the United States are still exercising the patience and still biding their time, but the Senate seems to ask of them to wait and show a greater degree of patience.

The plan which was proposed at the Second Hague Conference never became effective. Later Secretary of State Bacon proposed the establishment of an international prize court with the functions of the Permanent Court of Arbitral Justice, and his efforts followed by those of Secretary of State Knox; but they made little or no progress.

When the World War came on in 1914 there was no effective machinery for handling international disputes, and the only machinery of any kind was the Permanent Court of Arbitration. Perhaps there was no nation in the world that did not believe that when the war was ended a new court would be established, with full power to decide and determine international disputes. The matter, however, was not considered in detail at the Peace Conference, which drew up article 14 of the Covenant of the League of Nations. This article directed the Council of the League to formulate and submit plans for the establishment of a permanent court of international justice.

That is what the League of Nations did at the time. Instead of its being a League of Nations court, the League of Nations appointed some jurists to meet and prepare a plan for the establishment of a court of international justice.

The Council expeditiously invited jurists to frame a plan for the new court. One was from Japan, 1 from Spain, 1 from Belgium, 1 from Brazil, 1 from Norway, 1 from France, 1 from the Netherlands, 1 from Great Britain, 1 from Italy, and 1 from the United States. These jurists met on the 16th of June 1920 and completed their work on July 24, 1920. Plans had been worked out by many of the neutral nations and many suggestions were made to this body of jurists. The American representative, Mr. Root, solved the difficulty of the method of electing judges. The result of the deliberation of the body of jurists was promptly submitted to the Council of the League of Nations early in August. It was debated by that body. It was finally adopted by the Assembly of the League on December 13, 1920. The project was approved by the Council and Assembly, and was annexed as a statute. The protocol constitutes what may be designated as an independent treaty, and has been signed on behalf of 55 states, and 49 of them have ratified the signatures. Under its provisions it was to become effective when ratified by 28 states; so it may be said that the Permanent Court of International

Justice became a fact in September 1921, when that number of states had ratified it.

The first election of judges was held during the same month, and a preliminary session was held at The Hague, beginning on January 30 and ending March 24, 1922. At the first session it was determined that all states may have access to the Court on equal terms, whether or not they are members of the League of Nations. In all, there are 69 states or members of the League of Nations which may resort to the Court for the settlement of disputes.

More than 30 sessions of the Court have been held; and in 11 years it handed down 21 judgments, 24 advisory opinions, and many orders. Crippled as it has been by the failure of the United States to adhere, yet it has settled a large number of international disputes; and no nation has shown its unwillingness to abide by a judgment of the Court.

The jurisprudence of the Court is an important contribution to international law. Its operation has been orderly. Administrative problems have been easy. The expenses of the Court run about $600,000 a year, and have been promptly paid by the governments whose duty it was to pay them.

Members of the Court are elected at the end of each 9-year period. The first election occupied 3 days, but the second election was completed in 1 day. Four special elections have been held to fill vacancies. Candidates are nominated by the national groups in the Permanent Court of Arbitration, and for states not represented in that body national groups created ad hoc. At first the United States declined to make any nominations; but since then it has regularly made nominations. The voting on the election of judges is conducted in the Assembly and in the Council of the League of Nations. All of the 57 members of the League may vote in the Assembly, and a proposal has been made which would enable states not members of the League but parties to the protocol of signature of 1920 to participate in the voting. Under the protocol for American adhesion, September 14, 1929, the United States would be permitted to vote in the elections, both in the Assembly and in the Council.

There are vested in the Permanent Court of International Justice two kinds of jurisdiction. It has jurisdiction over contentious cases. In such cases the jurisdiction of the Court must depend upon the consent of the parties, which may be given by special agreement submitting the particular case or by previous agreement conferring obligatory jurisdiction over cases of a certain kind. Many treaties and conventions contain such general agreements. In a recent report of the Court 443 treaties are listed as providing for its jurisdiction. The most fruitful source of obligatory jurisdiction is the optional clause, now binding on 41 states or members of the League of Nations.

The other kind of jurisdiction is what is known as advisory opinions. They may be requested by the Assembly or the Council of the League of Nations. The Council has requested 26 advisory opinions, but 1 request was withdrawn, and the Court declined jurisdiction on another request because it related to a dispute to which a state was a party without having given its consent. Advisory opinions have been given in 24 instances, and in each instance the opinion has done much toward the solution of an international question.

In 1928 the Assembly of the League decided that the statute should be considered with the object in view of amending it. A committee of jurists was designated to consider the matter, and met in Geneva in March 1929. The Honorable Elihu Root was a member of that committee of jurists. The committee recommended a number of changes, and at a conference of signatories in September 1929 certain amendments to the statute were agreed to and embodied in a protocol for a revision of the statute dated September 14, 1929. Cuba objected, and prevented the protocol becoming effective by September 1930, as had been the intention. Some of the desired results have been achieved by action of the Court in revising its rules, and by resolutions of the Assembly of the League. The judges were increased from 11 to 15. The amendments to the statute will become effective when ratifications of the revision protocol are deposited by all of the parties to the protocol of signature of December 16, 1920. Ratification has been made by 45 of the 49 parties.

Beginning in 1897 the United States, through those in highest authority, has advocated the establishment of such a court. Early in 1923 Secretary of State Hughes suggested to President Harding that the United States should do its part in maintaining the Court by adhering with four reservations to the protocol of signature of December 16, 1920. President Harding promptly asked the Senate for its advice and consent. On January 27, 1926, the Senate gave its advice and consent to adherence by the United States, subject to five reservations. The resolution of the Senate was communicated to the various states signatories to the protocol of signature. These states, through their representatives, held a conference at Geneva in 1926; but the United States refused to be represented, and decided that the reservations in the Senate resolution should be accepted on certain conditions. These conditions were unacceptable to the President of the United States, and nothing further was done until the negotiations were taken up again by Secretary of State Kellogg, when he addressed a letter in February 1929 to the Secretary General of the League of Nations. The Council of the League referred the matter to the committee of jurists which was to study the proposed revision of the Court's statute. This committee drafted a protocol for American adhesion, which was considered by a second conference of signatories in September 1929 and opened to signature on September 14, 1929.

The protocol for American adhesion has been signed by 54 states, including the United States, and ratified by 41 states. It cannot become effective until it is ratified by the United States on the one hand, and by all of the other states which may have ratified the protocol of signature of December 16, 1920.

I might say that, as all Senators well know, five men have served as the Chief Executive of our Nation since this question first arose: President Wilson, President Harding, President Coolidge, President Hoover, and President Roosevelt. Each one of those Presidents has requested of the Senate of the United States that it take such steps as were necessary to bring the United States into the World Court. The great Secretaries of State, such as Hughes and Stimson and Kellogg and Bacon, have advised that we ought to become members of the World Court, and yet for 13 years the Senate apparently has completely ignored its duty in connection with this matter.

It will be seen from this brief recital of the history of the Court that the idea of an international court is not a new one.

The Court is a part of the affairs of the world. Its importance will increase with the years. The United States should not longer delay the ratification of the protocol for American adhesion.

The statute of the Court has been discussed in the public press for the past 13 years, and I shall not take the time to go into that subject. The protocol for American adhesion is likewise familiar to the American public.

There seems to be no material objection to ratification on the part of the United States. No one, except a small group of irreconcilables, attempts to advance a reason why the Senate should not act at the earliest possible time. Our failure to act stamps us more and more as a hermit nation, unwilling to do our part toward substituting law for the settlement of international disputes and for the arbitrament of arms.

No one will gainsay the statement that the most important problem in the world is the working out of plans that will insure permanent and honorable peace among the nations. Those who advocate the establishment of a tribunal to settle international disputes are not afraid of war, but they believe that war is not a necessary function of nations, and that there has been continual progress toward the substitution of law for war since civilization began. When civilization has reached the highest ideals there can be no resort to war. As long as nations resort to war, society is imperfect. Civilization has always been progressive in character.

As proof that law has been gradually substituted for war since the beginning, let me say that before the beginning of government the individual was without law. He sought some favored spot, where he lived because of its natural advantages. These advantages were largely of food, water, and shelter. No law protected him in his right of occupancy. There was no government to which he could appeal for protection. The weapons which nature gave him and the strength of his sinews constituted his equipment for war, both defensive and offensive. If another sought that which he claimed as his own, he resorted to war. His life was one of constant warfare. In protecting what he claimed as his he waged defensive warfare, but if, perchance, he sought the favored spot of another, he engaged in a war of aggression. Then, there was no way of settling disputes other than by war; that is, individual warfare between man and man. Aside from his natural strength, one individual had little advantage over another. There was no agitation over the size of armies and navies.

In the course of time the individual gathered about him a family. The members of the same family did not engage in warfare with one another. Rules were evolved for family government. These rules were the law of the family and they were substituted for war; hence these were the beginnings of the abolition of war and the substitution of law. There was peace in the family household, but each family fought with every other family. There were more days of peace, but the battles involved a greater number of individuals.

Families grew into clans; members of the same clan did not make war on each other; they were governed by the rules of the clan. Law took the place of war in the lives of a greater number of people. This was another step in the abolition of war. Law had made gains and war had suffered losses, but a clan made war on other clans. War had not been abolished, but law had been substituted for war on a larger scale.

The clans developed into tribes and members of the same tribe did not make war on each other. Tribal laws governed the members. Again law had been substituted for war in a larger area.

Tribes developed into states. Those familiar with the history of the feudal days in England will well understand the welding of small warring groups into a great state, governed by laws. With the advent of states there was a further abolition of war. Law was forging its way to the front. The citizens of a state did not war with each other, but the laws of a state governed only those within that state. States made war on each other.

Then came the federation of states, resulting in the substitution of law for war in ever-increasing populations.

I do not mean to say that civil war did not prevail at times within a clan and tribe, or a state, but great progress had been made and law had been recognized as a substitute for war.

Should we say that any country is civilized if it allows its citizens to make war upon each other in the settlement of internal controversies? Should we say that any State of the United States is civilized if it should allow groups of its citizens to obtain by force what they could not obtain in the courts of law? The citizens of a State look to the law for the settlement of all internal disputes. The citizens of one State do not engage in warfare with the citizens of another State, because the laws of the States are the laws of the United States, affording an adequate remedy for the settlement of controveries by law rather than by war. Individuals and groups of individuals submit their controversies to legal tribunals. If a citizen of one State has a grievance against a citizen of another State, he looks only to the law for relief. If one State has a controversy with another State, there is no thought of war. The courts are the supreme power for ending disagreements. The judgment of the court may take from an adversary a vast domain, but it requires no army to put the judgment into effect. An individual, clothed with the majesty and authority of the law, finds no resistance to his official demands.

Peace among members of the human race has been achieved and brought to its present state through a process of education and growth, through a better understanding of each other. He who says that law cannot be substituted for war denies that society is capable of further progress and advance and believes that it has reached its zenith. If we measure the future with the rules of knowledge gleaned from the past, we must conclude that he who argues that war must continue as one of the legitimate functions of national existence is without the support of sociological history. Law prevents warfare among the states of the same nation. Law prevails in every part of the world and affords ample remedy for all wrongs, except the wrong of a nation against a nation. Society is divided into about 60 main groups called "governments." Each of these governments has supplanted war with law within the component parts of the same government. If these 60 governments can agree upon a tribunal or tribunals with judicial powers for the determination of international questions of disagreement, civilization will have taken its last step in the abolition of war.

No one will contend that any international agreement will entirely eliminate violation of the laws made for the settlement of international controversies; but the nations, or the citizens of nations, who should violate the laws for the settlement of such matters would become outlaws, and they could be made to atone to the offended law. The laws governing citizens of a State are frequently violated, but those disobedient to the laws know that organized society is behind the laws, and the punishment of offenders is measured by the laws themselves.

If the statesmen of the world are unable to establish a system of international laws regulating the offensive conduct of one nation toward another and to erect tribunals for the administration and enforcement of such laws, there is little hope for a long continuation of the present cycle of civilization. If this cycle fails to achieve universal peace, there will be a recession into that darkness from which the human race has toiled upward through the painful years. Like Moses, we stand on the mountain in sight of the Promised Land. Shall we take the other step, or shall we leave it to another age which, many thousand years in the future, may have again worked its way up from the depths?

It may not be actual war that destroys the nations of today. The mad race among them in preparation for war is probably as dangerous as war itself. The burden of it all rests on the bent backs of groaning humanity. Year after year the burdens grow heavier. A large part of the earnings of every citizen goes toward the payment of the costs. A large part of the time of every citizen is given in labor to support his government in its warlike activities. The increasing weight of these burdens is fast approaching oppression which has been the chief factor in the downfall of all nations.

It has been said frequently of late that it is possible to abolish poverty. If the money expended for and as a result of war should be expended for the welfare and happiness of the race, the result would be inconceivable. How useful it would be in the fostering of industries for the employment of millions; in the elimination of insanitary conditions in the great cities of the world; in affording opportunities for education and recreation; in the creation of beauty; in the promotion of health; in caring for the unfortunate, and in making happiness the dominant note in every voice and love the law guiding and governing every heart!

The World War shook the very foundation of society and obscured for the time civilization itself. History will never record its horrors. The imagination of man cannot grasp them. Hearts unnumbered were crushed, and sorrow inexpressible was brought into innumerable homes. The moving battle fronts, with carnage-filled trenches, presented a picture that no painter will ever put on canvas, scenes that no sculptor will ever chisel, an epic which no poet will ever give to the world, events that no historian will ever narrate. For more than 4 years the thunder of guns drowned the voices of the world. Mothers prayed that the nations be made sane again. In the darkness of that night hope was

born—a hope that the sacrifice might not be in vain—that it was a war to end war. Responsible leaders, impelled by the pressure of public opinion, began to whisper it about that such an unholy spectacle must not again deluge the world in blood.

Then peace came, with its staggering problems. The Treaty of Versailles, with the League of Nations Covenant and provision for a World Court, was the first step toward peace among the nations. One day the world will erect monuments of enduring marble to the memory of those who wrought there; and, among that number, no one wrote his name in larger letters of living light on that immortal page of history than that statesman, philosopher, and prophet, the then President of the United States, the friend of society, Woodrow Wilson. He gave his life for a cause more sacred than any other—the cause of humanity.

There was joy in the hearts of the peoples of the nations when the treaty was signed. The representatives of the nations had opened a door of hope. The United States, for reasons known only to some of her statesmen, failed to carry on. I make no criticism of her conduct. There were currents and cross currents then that beclouded the visions of men. The heart of the people of the United States has always been true to the ideals of those who believe in law as a substitute for war. Our people have not grown faint in their adherence to the idea that finally the nations, acting in unison, will set up the necessary machinery for the abolition of war. No political party in the United States has ever declared against a working agreement which will promote and insure peace among the nations. Our Nation has moved with hesitating steps, but with unfaltering vision, in the path that leads to international concord.

The League of Nations was offered to the world at a time most unpropitious. The fires of nationalism burned brightly and nations were suspicious of each other. It is no cause for wonder that the United States held back, fearing what she might encounter just around the corner. But that is in the past. We did not go in. There has never been a plebiscite on the question. The political campaign of 1920, between the Democrats and Republicans, resulted in no decision against an international agreement. The Democrats declared for a League of Nations with the World Court. A few days prior to the election, the ablest and most outstanding leaders of the Republican Party, including the now ex-President Hoover, issued a manifesto to the American people, advising the voters that the quickest way to get into a league with other nations was to elect the Republican candidates. The question has been an issue in no other campaign. The League has made fair progress notwithstanding the hesitant policy of the United States toward it. It has amply justified its existence; but the question is not whether we shall become a member of the League of Nations. The question now before the Senate is whether we will give our consent to adherence of our Nation to the World Court. The question is whether we are willing to make an honest attempt to substitute law for war.

I have little patience with those who seem to believe that American statesmen are no match for the statesmen of other nations and that we are so unsophisticated in the ways of the world that advantage would be taken of us, if we should submit controversies to the World Court. There is too much depending upon our action for us longer to hesitate. We should speak clearly the voice of the American people, and that voice has been crying throughout the years that we join with other nations in substituting law for war. As an humble Member of this august body, the vote which I shall cast for the ratification of this treaty will afford me more pleasure than any vote that I have cast as a Member of the Senate.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### THE WORLD COURT RESERVATION BY SENATOR LONG

Mr. LONG. I ask unanimous consent to send to the desk at this time a reservation intended to be proposed by me to the resolution of adherence to the World Court protocols, and ask that it be printed.

The reservation intended to be proposed by Mr. LONG was ordered to lie on the table and to be printed, and to be printed in the RECORD, as follows:

*Resolved further*, That adherence to the protocols and statute is upon the express condition and understanding that the doctrine pronounced by President James Monroe, known and commonly called the "Monroe Doctrine", is and shall in no manner be affected or modified by the said World Court, and that the rights and duties assumed and heretofore exercised by the United States under said Monroe Doctrine shall never be affected by the said World Court.

### EXECUTIVE MESSAGE REFERRED AND NOMINATION WITHDRAWN

The PRESIDING OFFICER (Mr. ADAMS in the chair) laid before the Senate messages from the President of the United States, submitting several nominations in the Army and withdrawing a nomination, which were referred to the appropriate committee or ordered to lie on the table.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

Mr. CONNALLY. Mr. President, I make the point that there is no quorum present.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. McNARY. Mr. President, before the roll is called I should like to ask the Senator from Texas if it is desired further to continue the session today?

Mr. CONNALLY. I understand there are some reports to be submitted. The Senator from Arkansas [Mr. ROBINSON], who is momentarily absent, asked that I should have a quorum called at this time.

Mr. McNARY. Very well.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Copeland | La Follette | Reynolds |
| Austin | Costigan | Lewis | Robinson |
| Bachman | Couzens | Logan | Russell |
| Bailey | Davis | Lonergan | Schall |
| Bankhead | Dickinson | Long | Schwellenbach |
| Barbour | Donahey | McCarran | Sheppard |
| Barkley | Duffy | McGill | Shipstead |
| Bilbo | Fletcher | McNary | Smith |
| Black | Frazier | Maloney | Steiwer |
| Bone | Gerry | Metcalf | Thomas, Okla. |
| Borah | Glass | Minton | Thomas, Utah |
| Bulkley | Gore | Moore | Townsend |
| Bulow | Guffey | Murphy | Trammell |
| Burke | Hale | Murray | Truman |
| Byrd | Harrison | Neely | Vandenberg |
| Byrnes | Hastings | Norris | Van Nuys |
| Capper | Hatch | Nye | Wagner |
| Caraway | Hayden | O'Mahoney | Walsh |
| Clark | Johnson | Pittman | Wheeler |
| Connally | Keyes | Pope | White |

Mr. LEWIS. I make the same announcements with reference to absent Senators as were made on an earlier roll call and ask that the announcements stand for the day.

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

### THE CALENDAR

Mr. ROBINSON. Mr. President, I suggest that the Senate proceed to the consideration of nominations on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the first nomination in order on the calendar.

### FEDERAL HOUSING ADMINISTRATION

The legislative clerk read the nomination of James A. Moffett, of New York, to be Administrator of the Federal Housing Administration.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

### DEPARTMENT OF COMMERCE

The legislative clerk read the nomination of George Fried, of New York, to be supervising inspector, Bureau of Navigation and Steamboat Inspection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. ROBINSON. I ask unanimous consent that nominations in the Coast Guard be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON. I ask unanimous consent that nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. That completes the call of the Executive Calendar.

LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate resume legislative session.

The Senate resumed legislative session.

REPORT OF COMMITTEE ON MINES AND MINING

Mr. POPE, from the Committee on Mines and Mining, to which was referred the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes, reported it without amendment and submitted a report (No. 14) thereon.

CHANGES OF REFERENCE

On motion of Mr. McNARY, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 617) for the relief of Roy Alvey Jones, and it was referred to the Committee on Naval Affairs.

Mr. HARRISON. I ask unanimous consent that the Committee on Finance be discharged from the further consideration of the bill (S. 269) granting an annuity to Samuel R. Stone, and that it be referred to the Committee on Civil Service. The bill was introduced by the Senator from Ohio [Mr. BULKLEY]. In my opinion, the reference to the Committee on Finance was erroneous. I have talked with the Senator from Ohio about it, and he has no objection to the bill being referred as indicated.

Mr. BULKLEY. Mr. President, I have no objection to the change of reference.

The PRESIDING OFFICER (Mr. ADAMS in the chair). Without objection, the Committee on Finance will be discharged from the further consideration of the bill and it will be referred to the Committee on Civil Service.

REPORT OF GOVERNOR OF THE PANAMA CANAL

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals, as follows:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

REPORT OF BOARD OF DIRECTORS OF THE PANAMA RAILROAD CO.

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals, as follows:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the eighty-fifth annual report of the Board of Directors of the Panama Railroad Co. for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

REPORT OF PERRY'S VICTORY MEMORIAL COMMISSION

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Library, as follows:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the Fifteenth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

REPORT OF THE ALASKA RAILROAD

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs, as follows:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the Annual Report of the Alaska Railroad for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

(NOTE: Report accompanied a similar message to the House of Representatives.)

PUBLISHERS' CODES—ADDRESS BY WALTER LIPPMANN

Mr. BORAH. Mr. President, I offer for printing in the CONGRESSIONAL RECORD a brief address by Walter Lippmann on the subject of Publishers' Codes.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, Jan. 17, 1935]

LIPPMANN ADVISES PUBLISHERS TO REFUSE CODE WHEN N. I. R. A. ENDS—EVEN THE BEST MAY PAVE WAY FOR CENSORSHIP AND SHOULD NEVER BE ACCEPTED, HE SAYS AT BOOK ASSOCIATION LUNCHEON; REVIEWER CRITICIZES CRITICS

Even the best of codes may pave the way for a bad one, and hence should never be accepted by any publisher who values the freedom of the press, Walter Lippmann said in a speech before the luncheon of the National Association of Book Publishers, following their annual meeting yesterday in the Ambassador Hotel. He urged them to ask for no code and to accept none when the N. I. R. A. expires next June.

"They tell us", he said, "that General Johnson and Mr. Richberg and the President are devoted to the freedom of the press and have no desire to censor it. But they are not immortal, and I do not know, and you do not know, who are going to be in the seats of authority 10, 20, or 50 years hence. The freedom of the press is much too important a thing to be dealt with on the notion that intelligent and well-intentioned men happen at this moment to be in power in Washington."

SEES PATH TO CENSORSHIP

Censorship of the press through a code could be accomplished, he said, by imposing high scales of wages and building requirements that would force the radical publishers, usually the less wealthy ones, out of business. Or, if the Government wished to muzzle the conservative press, he added, this could be done by regulation of advertising and "a few other aspects of the publishing business."

Christopher Morley, toastmaster at the luncheon, remarked that in his opinion the question of freedom of the press was settled if the publisher "prints the same thing exactly as the author wants it", and that "conditions of sale have nothing to do with freedom of the press."

"There is also another right to be considered", he said, "and that is the right of the small bookseller to make a living."

Clifton Fadiman, book reviewer of the New Yorker and connected with the publishing firm of Simon & Schuster, launched a vigorous attack on the growing tendency toward "grand chamism" in literary criticism—the growth of personal prestige to the point where a single man's words may make the success of a book or ruin its possibilities.

"The reviewer", he said, "has assumed far too great importance in the life of book publishers. I deplore the tendency to publish with certain reviewers in mind."

Publishers should remember, Mr. Fadiman added, "that there is the story of the boy who cried 'Wolf!' too often, and that it is possible also for a reviewer to 'go quietly mad' once too often."

CALLS CRITICS SPINELESS

Mr. Fadiman said that the atmosphere in relations between publishers and reviewers should be "one of healthy suspicion" and that, like some other things, such relations were "most pure when slightly strained." As an example of the dangers of too

much friendliness between publisher and critic, he cited the present state of English criticism, which he said had become "almost completely spineless."

Archibald MacLeish, former Pulitzer prize winner in poetry, a member of the staff of Fortune, told the assembled publishers that the very element that made the success of publishers and critics—timeliness—was the thing it was most necessary for a writer to avoid if he wished to do great work.

He suggested that perhaps publishers might be more successful in unearthing works of genius "in the occasional slim volumes of some young poets rather than in all the catalogs and all the blurbs of their competitors."

Mr. MacLeish said that it was his opinion that there was too much talk of "the revolution" in contemporary writing and not enough real revolution. The distinction between the two, he explained, was that "the revolution" was the political and economic revolution produced by class struggle, while "revolution" was simply the progression of ideas, the work usually of poets, which would produce their political and social effects only after a century or more.

LIPPMANN'S ADDRESS

The complete text of Mr. Lippmann's address follows:

"Mr. Norton has asked me once or twice to give him a title for what I am going to say. I haven't thought of one yet. But I can describe my general intentions. Having had an excellent luncheon with the publishers I propose to bite the hands that have fed me by arguing that since the summer of 1933 the publishers of books, magazines, and newspapers have exhibited an alarmingly inadequate understanding of what it means to protect the freedom of the press and that they have gravely compromised the basic principles of that freedom.

"I refer to their acceptance of N. R. A. codes and their willingness to permit the Federal Government to put the Blue Eagle on their publications as a sign of approval. For I take the position—and I am going to argue it here today—that publishing should never have been put under N. R. A., that the administration should never have been permitted, without a struggle carried right up to the Supreme Court, to impose codes, and that publishers should never have accepted them voluntarily.

FREEDOM OF THE PRESS

"What are these codes? They are Federal laws enforceable in the Federal courts. Under these laws the Federal Government undertakes to regulate hours, wages, the relations between publisher, editor, and writer, the costs of production, the method of distributing what is written. These are specific Federal regulations applying to different sorts of publications. Now, I say that when publishers and editors and writers accept the principle that a government authority may make specific laws for books, magazines, and newspapers, they have accepted an evil precedent which threatens the freedom of the press. They have admitted that the government may regulate the economic basis of the press, and if a government can regulate the economic basis of the press, it can regulate what is printed by the press.

PRECEDENT FOR MISCHIEF

"They tell us that General Johnson and Mr. Richberg and the President are devoted to the freedom of the press and have no desire to censor it. I believe that. I have never doubted it. But they are not immortal, and I do not know and you do not know who are going to be in the seats of authority 10, 20, or 50 years hence. The freedom of the press is much too important a thing to be dealt with on the notion that intelligent and well-intentioned men happen at this moment to be in power in Washington. It has to be guarded, as the most sacred part of our heritage and the foundation of all our other liberties, on the presumption that sometime or other, in the midst of a crisis we cannot now foresee, attempts will be made to destroy the freedom of the press. The liberties of man are not yet so secure that they do not have to be defended with the utmost vigilance. And I say that if ever the attempt is made to destroy the freedom of the press these codes will furnish the means to do it and the precedent by which it can be done.

EXAMPLES OF DANGER

"Let me tell you how it can be done. Suppose you wished to throttle the publication of progressive and radical books, magazines, and newspapers. You would recognize that by and large their publishers are the economically weaker members of the publishing business. On the whole they pay lower salaries; they are published in poorer buildings. All right. With the help of a clever lawyer and an architect it would be no great trick at all to put building regulations into a code which was ostensibly designed to protect newspaper workers from fire and from disease, but would in fact, if enforced, make it impossibly expensive for many small, weak publishers to exist. It would then be possible to set a scale of wages and hours which only the richest, which is likely to mean the more conservative, publishers could afford.

"On the other hand, with the help of experts, it would be feasible to throttle the conservatives almost as effectively if you will let me write codes to regulate advertising and a few other aspects of the publishing business. Give me the right to regulate the economic basis of publishing and I'll regulate publishing, perhaps not quite so effectively as Dr. Goebbels, but effective enough.

"You may say these things won't happen. It is enough for me that they could happen. If someone stood up in Washington and said, 'Let us have a press censor; he will be very liberal * * *' would you agree to that? You would not. Well, I say you should not have agreed to let the Government impose codes regulating the business of publishing, no matter how confident you felt that the codes would not now interfere with the freedom of the press. A good censor is still bad, because you know that he might easily be followed by a bad censor. By the same token, a good code is bad because it might easily become a bad code.

CODES ARE SPECIFIC LAWS

"I know the arguments of those who defend the codes. Aren't publishers business men, they say, and why, as business men working for profit, should they escape regulation that applies to other business men? Those who use this argument have never, I believe, understood the real point at issue. The codes are specific laws applying to specific industries. And they can, therefore, be manipulated—and, in fact, have been manipulated in many cases—to promote particular interests and policies for that industry.

"I have no objection, of course, to general laws which apply to all business men, publishers included. I am not arguing that publishers should be exempt from, let us say, a child-labor law; I am arguing that the Government, and especially executive officials, shall not make a particular law applying to newsboys. I am not suggesting that publishers should not have to obey labor laws. I am objecting to special labor laws for the publishing industry. The point is important. I hope I can make it clear. Perhaps this illustration will make it clearer. There is no reason why publishers should not pay taxes just like any other business men. But there would be the greatest possible objection to a special tax on publications. For a special tax could be used in the future, as it has been in the past, to control what is published and therefore to destroy the freedom of the press.

"I am afraid I have gone beyond my allotted time. I apologize, but this thing has been in my mind since the N. R. A. was launched and, like Dr. Condon, I have to talk. I am worried by the ease with which men, who have devoted their lives to fighting for freedom of speech, have lost their bearings in this affair.

SHOULD ACCEPT NO CODE

"Surely, the only position for publishers, editors, and writers to take is that they are subject to the general laws of the land, within the guaranties of the Constitution, and that for the rest they will ask no favors from the Government. They will accept no favors from the Government. They will recognize no authority in the Government to regulate them specifically.

"And that, therefore, when the N. I. R. A. expires in June they will ask for no code and accept none, and that they are removing the Blue Eagle from their publications because the right to publish in America is guaranteed by the Constitution, and no license, no decoration, no official stamp of any kind is necessary, is desirable, is consistent with the American tradition of the freedom of the press."

At their business meeting in the morning the National Association of Book Publishers elected W. W. Norton, president of W. W. Norton & Co., Inc., president of their association for 1935. Other officers elected were D. L. Chambers, of Bobbs-Merrill Co., first vice president; Curtis W. McGraw, of the McGraw-Hill Book Co., second vice president; Howard C. Lewis, of Dodd, Mead & Co., third vice president; Richard J. Walsh, of the John Day Co., fourth vice president; Stanley M. Rinehart, of Farrar & Rinehart, secretary; and Thayer Hobson, of William Morrow & Co., treasurer.

Editorial problems, publishers' relations with book sellers, librarians, and book manufacturers, and activities of the association's credit bureau during the last year were among the subjects discussed at the business meeting, which was closed to the press.

INAUGURAL ADDRESS OF GOVERNOR OF PENNSYLVANIA

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD the inaugural address of George H. Earle, Governor of Pennsylvania, delivered on Jan. 15, 1935, at Harrisburg, Pa. The address appears in the RECORD, p. 624, as part of the remarks of Hon. HENRY ELLENBOGEN, a Representative from Pennsylvania.]

ADJOURNMENT TO MONDAY

Mr. ROBINSON. I move that the Senate adjourn until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 2 o'clock and 25 minutes p. m.) the Senate adjourned until Monday, January 21, 1935, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate January 18 (legislative day of Jan. 17), 1935*

PROMOTIONS IN THE REGULAR ARMY

TO BE CAPTAIN

First Lt. Thomas William Munford, Coast Artillery Corps, from January 14, 1935.

TO BE FIRST LIEUTENANTS

Second Lt. Carl Bascombe Herndon, Infantry, from December 1, 1934.

Second Lt. Charles Guthrie Rau, Infantry, from December 1, 1934.

Second Lt. Pearl Harvey Robey, Air Corps, from December 1, 1934.

Second Lt. Charles Glendon Williamson, Air Corps, from December 3, 1934.

Second Lt. James Julius Winn, Infantry, from December 5, 1934.

Second Lt. Wesley Carlton Wilson, Infantry, from December 9, 1934.

Second Lt. John Lyford Horner, Jr., Quartermaster Corps, from December 12, 1934.

Second Lt. Daniel Fulbright Walker, Field Artillery, from December 12, 1934.

Second Lt. John Kauffman Bryan, Field Artillery, from December 16, 1934.

Second Lt. George Putnam Moody, Air Corps, from December 26, 1934.

Second Lt. Nelson Marquis Lynde, Jr., Infantry, from December 31, 1934.

Second Lt. Charles Dudley Wiegand, Infantry, from January 1, 1935.

Second Lt. Charles Howard Treat, Infantry, from January 1, 1935.

Second Lt. Thomas Bolyn Smothers, Jr., Infantry, from January 1, 1935.

Second Lt. John Francis Regis Seitz, Infantry, from January 1, 1935.

Second Lt. Bruce Easley, Jr., Infantry, from January 1, 1935.

Second Lt. Edgar Wright, Jr., Infantry, from January 1, 1935.

Second Lt. William Lester Nave, Infantry, from January 1, 1935.

Second Lt. Edward Edgecombe Cruise, Infantry, from January 1, 1935.

Second Lt. Brendan McKay Greeley, Infantry, from January 1, 1935.

Second Lt. Ralph Copeland Cooper, Field Artillery, from January 7, 1935.

Second Lt. John Ambrose Geary, Infantry, from January 8, 1935.

Second Lt. John Warren Joyes, Jr., Infantry, from January 8, 1935.

Second Lt. Everett Clifton Hayden, Quartermaster Corps, from January 14, 1935.

Second Lt. William Henry Shimonek, Infantry, from January 14, 1935.

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## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 18 (legislative day of Jan. 17), 1935*

### FEDERAL HOUSING ADMINISTRATOR

James A. Moffett to be Administrator of the Federal Housing Administration.

### SUPERVISING INSPECTOR, BUREAU OF NAVIGATION AND STEAMBOAT INSPECTION

George Fried to be supervising inspector, Bureau of Navigation and Steamboat Inspection.

### COAST GUARD

#### PROMOTIONS

*To be district commanders*

Charles Walker
Irwin Burton Steele
Martinus Peter Jensen

*To be lieutenants (junior grade)*

Charles B. Arrington
Robert T. Alexander
Edward A. Eve, Jr.
Howard A. Morrison
Eric A. Anderson
Marion Amos
Halmar J. Webb
Frank A. Erickson
Victor F. Tydlacka
William D. Shields
Richard E. Morrell
Aden C. Unger
George I. Holt
Simon R. Sands, Jr.
Donald M. Morrison
Henry U. Scholl
Christopher Copeland Knapp
Joseph E. Madacey
Elmer E. Comstock
Elmer J. J. Suydam
Rufus E. Mroczkowski
James Plakias
Oscar C. B. Wev
Ned W. Sprow
William I. Swanston
William E. Creedon
Henry A. Meyer
Preston B. Mavor

*To be commodore on the retired list*

Benjamin M. Chiswell

*To be captains*

Howard E. Rideout
Ralph W. Dempwolf
Roger C. Weightman

### POSTMASTERS

#### INDIANA

Otto N. Hennefent, Alexandria.
Harry L. Brendel, Anderson.
Rena Zehr, Berne.
William W. Houk, Brazil.
James R. McDonald, Brookville.
Roy D. Haines, Bryant.
Ralph D. Barry, Crandall.
Beatrice Bales, Dana.
John A. Donohue, Elwood.
Fay A. Crandall, Gas City.
J. Russell Smith, Gosport.
Dorothy V. Prall, Henryville.
Herbert J. Harris, Hillsboro.
Samuel S. Foor, Macy.
Charles H. Wilson, Mooresville.
Orville R. Wells, Morgantown.
Henry H. Powell, Newburgh.
Retta M. House, North Salem.
Edward P. Donnar, Oaktown.
Benjamin F. Phipps, Pendleton.
James R. Morrissey, Peru.
Earl J. McWilliams, Plainville.
Ivan R. Huxford, Rosedale.
Albert J. Anderson, Shirley.
Mildred B. Mitchell, Shoals.
Ralph E. Fox, South Whitley.
Elsie E. Mitchell, Sweetsers.
Albert Rautenkranz, Urbana.
Benjamin B. Plummer, Windfall.

#### IOWA

Anna V. McDonnell, Adair.
Ambrose J. Leinhauser, Agency.
Joseph W. Weber, Alta Vista.
Frank B. Baldwin, Cedar Rapids.
John B. Taylor, Centerville.
Lester A. Falcon, Central City.
Robert H. Stoneking, Cushing.
Earl P. Patten, Danbury.
Anna M. Stephenson, Deep River.
Cecil W. Langmann, Durant.
Harry L. Conway, Elma.
Hans P. Hansen, Jr., Exira.
Jacob S. Forgrave, Farmington.
Edward H. Schnebel, Farnhamville.
Harry W. Kelly, Grandmound.
Gertrude Posten, Gravity.
Howard Colon, Hamburg.
Hal W. Campbell, Harlan.
Thomas H. Thompson, Kanawha.
John E. Leinen, Keota.
George A. Norelius, Kiron.
Richard A. Dunlevy, Lansing.
John E. McHugh, Lisbon.
Darrell C. Laurenson, Moorhead.
Mattie M. Bridges, Moville.
Tracy R. Osborne, New Sharon.
Ben Jensen, Onawa.
Frank H. Peckosh, Oxford Junction.
Clarence J. Bunkers, Remsen.
Andrew L. Anderson, Ringsted.
Harve E. Munson, Rippey.
Andrew M. Simonson, Rolfe.

Hans M. Mohr, Sabula.
Peter C. Hollander, Schleswig.
Alfred P. Harder, Shelby.
Ida E. Larson, Swea City.
Glen P. Weatherhead, Tabor.
Richard P. Tank, Walcott.
John F. Zimpfer, Walker.
Jack G. Chapman, Washta.
Hazel H. Gerdes, Wesley.
Clarence P. Lietsch, West Burlington.
Grace G. Patterson, Westside.
William Hoker, Wheatland.
Ernest Reitz, Wyoming.

KANSAS

Ruskin R. Couch, Anthony.
Horace G. Bodwell, Arlington.
John G. O'Neil, Beattie.
Robert E. Lee, Englewood.
Wilsey E. Stout, Medicine Lodge.
Benjamin F. McKim, Morrill.
John J. Appelhans, Spearville.

MASSACHUSETTS

Frederick J. Wangler, Beverly Farms.
Charles L. Jepson, Cheshire.
Mark W. Supple, Easthampton.
Grace G. Kempton, Farnumsville.
John R. Fales, Foxboro.
Wayne A. Smith, Griswoldville.
Kathryn N. Gibbons, Hingham Center.
Ella M. Harrington, Jefferson.
Agnes M. Butler, Millville.
John J. Stewart, North Scituate.
Richard J. Specht, West Springfield.

MISSISSIPPI

William C. Bailey, Como.
Thomas R. Armstrong, Edwards.
Ruth P. Therrell, Florence.
Jefferson D. Fogg, Hernando.
Robert R. Smith, Poplarville.
Edgar L. Dear, Sledge.
Emma D. Barkley, State Line.

NEVADA

Dora E. Kappler, Carlin.
Milo W. Craig, Montello.
Delevan F. Defenbaugh, Winnemucca.

NORTH DAKOTA

Raymond P. Everson, Alamo.
Benjamin Wright, Antler.
Robert L. Peterson, Bisbee.
Ernest W. Kibler, Cavalier.
Alice M. Sorlie, Churchs Ferry.
Olive M. Bartlett, Cogswell.
Oscar Lange, Kulm.
John H. Bellon, Lehr.
James E. Jones, Lisbon.
H. C. Erhart Petersen, Makoti.
Christine Loken, Petersburg.
Joseph G. Kringlie, Portland.
John K. Diehm, Schafer.
Paul G. Wagner, Sentinel Butte.
Franklin E. Reiman, White Earth.

OREGON

Neta Daly, Beaverton.
William W. Lower, Creswell.
David C. Evans, Dufur.
Erma L. Basford, Florence.
Grace M. Ely, Gladstone.
Alice J. Nebel, Glendale.
Maude Sears, Halfway.
James W. Drinkard, Halsey.
Ella M. Eaton, Jacksonville.
C. Verdo Fairchild, Joseph.
Victor Eckley, La Grande.
L. Lee Mead, Nehalem.
Robert W. Zevely, Prineville.
Jennie J. Shatto, Scappoose.
Harry M. Stewart, Springfield.
Lisle W. Tame, Talent.

VIRGINIA

Harvey R. Stebbins, Ashland.
Paul B. Hilliard, Ballston.
Edgar E. Shannon, Bland.
George W. Garvin, Boyce.
William T. Paxton, Buena Vista.
J. Long Haley, Cheriton.
Newman M. Conant, Chincoteague Island.
Cornelia L. Patton, Clinchco.
Janie M. Mason, Colonial Beach.
Lewis A. Ashton, Dahlgren.
John D. Webb, Disputanta.
D. Irvine Persinger, Eagle Rock.
Elizabeth L. MacMillan, Glasgow.
Robert A. Smith, Gordonsville.
Annie R. Walker, Herndon.
Gordon P. Murray, Hollins.
Henry L. Munt, Hopewell.
Charlie S. Farmer, Jetersville.
Joseph L. Blackburn, Kenbridge.
Edward M. Blake, Kilmarnock.
Ruth K. Northington, Lacrosse.
Thomas E. Warriner, Lawrenceville.
Samuel B. Henson, Louisa.
John H. Cave, Lynchburg.
Milton E. Gee, Meherrin.
Thomas M. Hesson, Monroe.
James M. Shannon, Mount Jackson.
George E. McInteer, Quantico.
Hollis H. Howard, Radford.
Ernest L. Keyser, Roanoke.
Vernon C. Dotson, St. Charles.
Ward S. Atkinson, Shawsville.
Marion W. Sherman, Shipman.
Edwin J. Shuler, Stanley.
William B. Cocke, Jr., Stony Creek.
Samuel B. Harper, Stuarts Draft.
Henry C. Snyder, Troutville.
Clifford E. Hafdy, Victoria.
Benjamin N. Hubbard, White Stone.
Merritt W. Foster, Williamsburg.

WISCONSIN

John C. Will, Arkansaw.
Otto Hussa, Bangor.
Jerome A. Casey, Bloomington.
Lena K. Herning, Cecil.
Myrvin C. Hoey, Centuria.
Lincoln C. Holmes, Clear Lake.
Ina E. Hennlich, Curtiss.
Willis Engebretsen, Eagle.
Randolph W. LeTourneau, Fifield.
John H. Poh, Forestville.
Isabelle C. Spang, Franksville.
Mathew E. Lang, Gillett.
Bernard L. Slota, Gilman.
Raymond W. Burt, Goodman.
Joseph W. Sazama, Hatley.
John P. Peterson, Hawkins.
Alma M. Olk, Hortonville.
Ernest G. Ross, Hudson.
Philip A. Panetti, Hustisford.
Roger R. Austin, Lancaster.
Orin W. Livingston, Livingston.
Florence H. P. Stabnow, Loganville.
Ernest A. J. Samson, Manawa.
Harry F. Kelley, Manitowoc.
Paul O. Anderson, Nelson.
Neil A. Tarr, New Auburn.
Jacob Werner, New London.
Gustave V. Anderson, Ogema.
Edward Stackman, Ontario.

Harry V. Holden, Orfordville.
Harry P. Walker, Plainfield.
Laura H. Culver, Pound.
Tony Efta, Pulaski.
Agna Means, Rothschild.
Walter P. Stephan, Sawyer.
Jeannette L. Andrews, South Wayne.
Laurence Driscoll, Spencer.
Ferdinand A. Hirzy, Stevens Point.
Mabel E. Johnson, Stockholm.
Gaylord Helmick, Three Lakes.
Nyole E. Creed, Unity.
Robert L. Graves, Viroqua.
Edmund O. Johnson, Warrens.
Harold J. Christ, Wausaukee.
Christian R. Mau, West Salem.
Frank L. Daniels, Weyerhauser.
Albert L. Brossard, Winnebago.
Joseph P. Wheir, Wisconsin Rapids.

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WITHDRAWAL

*Executive nomination withdrawn from the Senate January 18 (legislative day of Jan. 17), 1935*

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Hampton Robb, of Connecticut, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Paraguay.

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# HOUSE OF REPRESENTATIVES

## FRIDAY, JANUARY 18, 1935

The House met at 12 o'clock noon.

Rev. A. C. Millar, editor of the Arkansas Methodist, Little Rock, Ark., offered the following prayer:

Our Heavenly Father, we rejoice in the privilege of calling Thee our Father. We thank Thee for the multiplied mercies and blessings we have received. We have had our troubles, our trials, our tribulations; and yet, in spite of all these things, we have been the objects of Thy mercy and Thy love.

We come with humble hearts and ask Thy pardon for our individual and collective sins. We pray that Thou wouldst bless each one of us. We pray Thy blessings upon our Nation, that we may be a people who love and honor Thee and seek to promote righteousness in the world. We pray Thy blessings upon the President and the Congress, upon all who are in authority, that these may be men who serve not merely a human constituency but who serve Thee as far as they can understand how to serve the God of the universe.

We pray Thy especial blessing upon the individual Members of this body, that each one may seek to live a good life and may seek to follow the principles of truth and righteousness and may endeavor to meet the expectation of those who have reposed confidence in Thee. Bless us in this hour and continue to bless us, we beg. For Christ's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3410. An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes.

RESIGNATION OF MEMBER

The Speaker laid before the House the following communication:

JANUARY 10, 1935.

Hon. JOSEPH W. BYRNS,
*Speaker of the House of Representatives,*
*Washington, D. C.*

SIR: I beg leave to inform you that I have this day transmitted to the Governor of Rhode Island my resignation as a Representative in the Congress of the United States from the First District of Rhode Island, to take effect at midnight tonight.

With great respect,
Your obedient servant,

FRANCIS B. CONDON.

HOUSE OFFICE BUILDING COMMISSION

The SPEAKER. Pursuant to the provisions of title 40, sections 175 and 176, United States Code, the Chair appoints the gentleman from New York [Mr. O'CONNOR] and the gentleman from New Jersey [Mr. BACHARACH] members of the House Office Building Commission to serve with himself.

AIRPLANES

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 59

*Resolved*, That for the purpose of obtaining information necessary as a basis for legislation the Committee on Military Affairs of the Seventy-fourth Congress is authorized, as a committee, by subcommittee or otherwise, to continue the investigation begun under authority of House Resolution 275 of the Seventy-third Congress, and for such purposes said committee shall have the same power and authority as that conferred upon the Committee on Military Affairs by House Resolution 275 of the Seventy-third Congress. The unexpended balance of the appropriation of $30,000 under House Resolution 284 and House Resolution 439 of the Seventy-third Congress is hereby continued for such purposes.

Mr. SNELL. Mr. Speaker, the gentleman from South Carolina very kindly consulted me in regard to this resolution. I think this committee has done some good work. The gentleman from South Carolina informs me that the work is not entirely completed, however, and that there are several other matters that should be attended to in connection with this investigation. So far as I know, there is no opposition on this side against the immediate consideration of the resolution.

The SPEAKER. The question is on the adoption of the resolution.

The resolution was adopted, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. GRAY of Indiana. Mr. Speaker, I ask unanimous consent that, after the reading of the Journal next Monday, I be allowed to address the House for 10 minutes on Two Safeguards to Free Government.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

"HOT OIL"—CAN CONGRESS PROHIBIT INTERSTATE COMMERCE IN PETROLEUM PRODUCED IN EXCESS OF STATE ALLOWABLES?

Mr. PETTENGILL. Mr. Speaker, I ask unanimous consent to extend my own remarks on the subject of the petroleum industry.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PETTENGILL. Mr. Speaker, throughout the investigation of the petroleum industry by the Cole committee it was urged that Congress continue in force the substance of the Connally amendment—section 9 (c) of the National Industrial Recovery Act—forbidding the movement in interstate commerce of hot oil, that is, crude oil or its products produced in excess of allowables fixed by State law. So far as I recall this view was unanimously presented. State officials, majors, and independents united in advocating such legislation.

The United States Supreme Court in the Panama and Amazon cases has just held that section 9 (c), as drawn in 1933, was invalid in that it conferred upon the President the power to prohibit or not prohibit "hot oil" in his own unlimited discretion and was therefore an unconstitutional attempt to delegate legislative power. The Court said:

The Congress left the matter to the President without standard or rule, to be dealt with as he pleased. * * * If section 9 (c) were held valid, * * * Congress could at will and as to such subjects as it chooses transfer that (the law-making) function to the President.

In brief, the Court held that 9 (c), if valid, could be extended in such way as to convert a representative government into a dictatorship.

Despite this salutary reminder that the Constitution is still the supreme law of the land, it seems to be assumed, again almost without question, that if the vice of delegating unlimited power to the President were removed, Congress can nevertheless either delegate that power to be exercised within charted boundaries, or that Congress can directly prohibit the shipment of "hot oil", as defined by State law, from an oil-producing to the oil-consuming States. Bills have been presented by Senator CONNALLY and Representative DISNEY to prohibit such shipment.

Before embarking on another effort to corral "hot oil" it may be worth while for Congress and the petroleum industry generally to examine a little more critically the assumption upon which the proposed legislation rests.

Let it be understood that we are here dealing with constitutional power, rather than the question of the desirability of conserving our indispensable natural and national resources or of stabilizing a great industry. The Supreme Court will still continue as an ex post facto partner in petroleum legislation.

I therefore raise this question: Does Congress have the power to forbid the facilities of interstate commerce to petroleum, or other commodities, produced in excess of the law of the State of its production?

This question remains undecided by the Amazon-Panama decision. Justice Hughes, speaking for the majority of eight, said:

> Assuming for the present purpose, *without deciding*, that Congress has power to interdict the transportation of that excess in interstate and foreign commerce—

And so forth.

Justice Cardozo, who dissented, said:

> There could surely be no question as to the validity of an act whereby carriers would be prohibited from transporting oil produced in contravention of a statute, if in the judgment of the (Interstate Commerce) Commission the practice was demoralizing the market and bringing disorder and insecurity into the national economy.

To this observation of Justice Cardozo it may be pointed out that in using the words "in contravention of a statute" he does not state explicitly whether he means a Federal or a State statute, although he probably meant the latter, nor is it plain that he had considered the broader implications of the question to which I now advert. In any event, from Justice Hughes' language it is clear that the Court did not decide whether Congress may prohibit the movement of oil denominated as "hot", not by its own law, but by the law of a State.

The question is: Does legislation of this general character amount to a regulation of interstate commerce by the State and not by the National Government? If so, is it valid? Can Congress delegate its exclusive power to regulate interstate commerce to a State? Can it consent to the States exercising that power?

Here is an oil-producing State. It determines or confers upon its State officials the power to determine how much oil shall be produced in that State and to brand all oil produced in excess of that determination as contraband. Congress says the contraband shall not leave that State. This, of course, denies to the other States and the oil consumers of the Nation the right to obtain and use that excess oil, whatever the amount may be, as fixed by the oil-producing State. The oil-producing State does not act in the national interest or from a national viewpoint. It acts in its own interest. It acts to conserve its natural resources. It acts also to raise the price of oil and thus benefit its own citizens. One month it may produce and ship to the oil-consuming States 500,000 barrels; the next month 600,000; the next 300,000; the next, conceivably, none at all. Congress interdicts all oil in excess of this fluctuating allowable, and does so in advance.

It is clear from this that the State actually determines from month to month the amount of oil that enters interstate commerce. Is this a regulation of commerce? Congress, representing the Nation and the national as opposed to a local interest, exercises no discretion in the matter of how much that amount shall be. It handcuffs itself to the State. Congress is the tail. The State is the dog. The dog wags the tail. Whatever the State does or may do, Congress ratifies in advance. Congress, in effect, transfers to the State the determination of how much oil shall enter interstate commerce.

Is this an unconstitutional exercise by the State of the power to regulate commerce among the several States? Is it an unconstitutional surrender by Congress of its power to regulate that commerce?

These are questions of far-reaching importance. They go much further than the immediate situation. They go also, it seems to me, to the matter of the much-discussed State compacts. If one State cannot regulate the amount of oil that flows in interstate commerce, can a group of States by compact regulate that amount? Can Congress consent to such regulation even before it is made or known?

Could one, or a group of oil-producing States, in some future time when oil runs short, limit its or their production to an amount sufficient only for their own citizens? It is easy to say that in such case Congress would repeal its interdiction so that oil might flow to the other States. But, in any event, we are dealing here with a supposed power of a State—with the aid of Congress—not only to conserve its petroleum but also to raise the price of petroleum and thus levy tribute upon the oil consumers of the Nation. (We assume that supply and demand still have some relationship to price!)

Perhaps no State would ever yield to that temptation. But we are dealing here with power, not policies; and questions of power, as Chief Justice Marshall once said, "Do not depend on the degree to which it may be exercised" (*Brown* v. *Maryland*, 12 Wheat. 419). And a century later Justice McKenna in Heisler against Thomas Colliery Co., Two Hundred and Sixtieth United States, page 245, said:

> The action of a State as a regulation of interstate commerce does not depend upon the degree of interference; it is illegal in any degree.

However ingenious we may be in our efforts to permit the States in effect, if not in law, to regulate interstate commerce in petroleum, we may yet find it necessary to amend the Constitution of the United States before that is done. We still have a Supreme Court, as we were reminded the other day.

Let us discuss some of the cases which point both ways—and the historical facts which led to the inclusion of the interstate-commerce clause in the Federal Constitution.

Why did the States in 1787 enter into that more perfect union under which we live? There were many reasons, of course, but according to Chief Justice Marshall:

> It may be doubted whether any of the evils proceeding from the feebleness of the Federal Government contributed more to that great revolution which introduced the present system than the deep and general conviction that commerce ought to be regulated by Congress—

Not by the States. Brown against Maryland. Marshall was a contemporary of the events of which he spoke. In *Gibbons* v. *Ogden* (9 Wheat. 1) Judge Johnson said:

> If there was any one object riding over every other in the adoption of the Constitution, it was to keep the commercial intercourse among the States free from all invidious and partial restraints.

Under the Confederation the restraints on the free flow of commerce among the Thirteen States were many and vexatious. Nearly every State erected tariff walls against its sisters. Each tried to build up its own economy at the expense of the others. And it may be doubted whether any factor has contributed as much toward building this Nation as the fact that commercial intercourse among the States has been kept free from restraints imposed by each State upon the others. As a result each State has not only had a free national market for its own goods but in turn has been able to buy what it cannot itself produce wherever it could buy cheapest. In other words, each State has had the benefit

of the low producing costs of the other States. This has constantly lowered the cost of goods to every American citizen and thus given a greater measure of general prosperity than any other nation ever achieved. All this is commonplace. One State grows cotton and buys wheat. Another makes automobiles and buys gasoline.

Now, when the States surrendered to the new Government under the Constitution the power which they previously held to regulate commerce, is it to be supposed that they intended the grantee of that power—Congress—to use it or permit it to be used by a sister State to build up its own industry—whether petroleum, coal, wheat, automobiles, or cotton—at the expense of the others? When a State gave up its power to exclude the goods of other States in exchange for a surrender by a sister State of a like power to exclude the goods of the first, can it be assumed that Congress was to prohibit what the States gave up the right to prohibit?

I know we are dealing here with a great and irreplaceable natural resource; but if the theory of Congressional acquiescence in State restrictions is sound in law, it must apply to all commodities.

The four or five automobile States could be equally permitted in law to limit the production of automobiles and thus raise the price and build up their economy at the expense of the rest. This would cause the other States to make their own automobiles—regardless of higher cost—and thus diminish the standards of living of the entire Nation.

To prevent such possibilities the States went to great lengths in writing the fundamental law of the Nation. They conferred upon Congress the exclusive power to regulate commerce with foreign nations and among the several States. They provided that no tax or duty shall be laid on articles exported from any State, that no preference shall be given by any regulation of commerce—by the National Government—to the ports of one State over those of another, that no vessels bound to, or from, one State be obliged to enter, clear, or pay duties in another, that all duties, imposts, and excises shall be uniform throughout the United States, that no State shall grant letters of marque and reprisal or without the consent of Congress lay any imposts or duties on imports or exports, or lay any duty on tonnage, or enter into any agreement or compact with another State and that the citizens of each State shall be entitled to all privileges and immunities of citizens in the several States.

It must be clear that it was the intention that all citizens and their property and business should be free and equal, so far as the law of the Union could make them so.

In *West* v. *Kansas Natural Gas Co.* (221 U. S. 229) it was held that a State could not prohibit the transportation outside the State of natural gas produced within the State. The Court said:

> If States have such power * * * Pennsylvania might keep its coal, the Northwest its timber, the mining States their minerals. And why not the products of the field be brought within the principle? * * * No State, by the exercise of, or by the refusal to exercise, any or all of its powers, may substantially discriminate against or directly regulate interstate commerce or the right to carry it on.

Similarly, in *Pennsylvania* v. *West Virginia* (262 U. S. 535), West Virginia passed a law to conserve to her own citizens her supply of natural gas which it was believed was being exhausted. The law was held unconstitutional as a State regulation of interstate commerce.

In two earlier cases a somewhat different view was taken. *Geer* v. *Connecticut* (161 U. S. 519) involved a statute forbidding shipment out of the State of wild game. It was upheld on the ground that wild game belongs to the State, which may confine the use of such game to those who own it, the people of the State. This was distinguished in West against Kansas on the ground that natural gas when reduced to possession becomes the property of the landowner—not of the State—and the subject of interstate commerce.

In *Hudson County Water Co.* v. *McCarter* (209 U. S. 349), it was held that New Jersey could prohibit the sale of water out of the State. This theory did not appeal to the court in the later cases involving natural gas.

These cases involve State restrictions on the outbound movement of commodities. The liquor cases, to which I shall refer, involve restrictions on inbound movement.

It may be said that West against Kansas and Pennsylvania against West Virginia did not have congressional sanction and that with it, the case might be different. This raises the question whether Congress can consent to a limitation on interstate commerce imposed by a State—at least as to commodities which do not run the gantlet of police power such as liquor. And with respect to the latter it may be pointed out that the prohibition extends uniformly to all liquor; not some liquor; in other words, to the commodity itself, not to the amount of the commodity.

Since the *Passenger Cases* (7 How. 282) it is generally accepted doctrine that the power of Congress to regulate interstate commerce is "immediately exclusive"—that a State cannot regulate such commerce on the theory that, in any particular case, Congress by inaction or silence can be supposed to have given consent. This doctrine leads to the conclusion that the congressional power to regulate cannot be delegated to the States any more—let us say—than it could unconditionally delegate it to the President as was attempted in the Amazon-Panama cases.

In 1890 Congress passed the Wilson Act to subject intoxicating liquor to State law when brought within the State, though still in the original package. This was held constitutional in *Re Rohrer* (140 U. S. 545). The Court said:

> It does not admit of argument that Congress can neither delegate its own powers nor enlarge those of a State. * * * By the adoption of the Constitution the ability of the several States to act upon the matter solely in accordance with their own will was extinguished, and the legislative will of the general Government substituted. * * * In enacting the law in question Congress has not attempted to delegate the power to regulate commerce * * * or to grant a power not possessed by the States, or to adopt State laws. It has taken its own course and made its own regulation, applying to these subjects of interstate commerce one common rule, whose uniformity is not affected by variations in State laws in dealing with such property. * * * Congress did not use terms of permission to the State to act, but simply removed an impediment to the enforcement of the State laws in respect to imported packages in their original condition, created by the absence of a specific utterance on its part. It imparted no power to the State not then possessed, but allowed imported property to fall at once upon arrival within the local jurisdiction.

Before the Wilson Act was passed, two cases, *Bowman* v. *Railroad* (125 U. S. 465) and *Leisy* v. *Hardin* (135 U. S. 100), had held that the States could not forbid the import of liquor. In those cases there were expressions that Congress might grant express permission or allow the States to do so.

When it was found that the Wilson Act original packages were leaking, the Webb-Kenyon Act was passed, in 1913, over the veto of President Taft, who held it was an unconstitutional transfer of congressional power. The act was upheld in *Clark Distillery Co.* v. *Western Maryland Ry. Co.* (242 U. S. 311). The Court said:

> The sole claim is that the act was not within the power of Congress to regulate because it submitted liquors to the control of the States by subjecting interstate commerce in such liquor to present and future State prohibition, and hence in the nature of things was wanting in uniformity. * * * The argument as to delegation to the States rests upon a mere misconception. It is true the regulation which the Webb-Kenyon Act contains permits State prohibitions to apply to movements of liquor from one State to another, but the will which causes the prohibitions to be applicable is that of Congress, since the application of State prohibition would cease the instant the act of Congress ceased to apply.

It must, I think, be admitted that the language just quoted has some bearing upon the proposed redraft of section 9 (c). In distinction, however, it may be pointed out that in that case the State prohibition, as well as the auxiliary prohibition of Congress, was absolute and uniform as to the thing prohibited. It prohibited the commodity itself, not its amount. It interdicted an article, not a quantity. It did not sanction a part, and condemn another part of the same thing.

Whether this has legal significance I do not know. But in any event the Supreme Court was then dealing with a commodity—intoxicating liquor—as to which there was no question the State might prohibit in its entirety.

In the oleomargarine cases the courts have gone a long way to prevent commerce in an article that might be easily

and fraudulently palmed off as something that it is not. But in *Schallenberger* v. *Pennsylvania* (171 U. S. 1), the Court said: "A lawful article of commerce (oleomargarine) cannot be wholly excluded from importation into a State from another State where it is manufactured or grown."

This brings us to the question whether oil made hot by State law is a lawful article of commerce while admitting that what might be called cold oil is clearly lawful.

Here the analogy of the stolen automobile suggests itself. The Dyer Act punishing the transportation of stolen motor vehicles was upheld in *Brooks* v. *U. S.* (267 U. S. 432). The Court said:

> Congress can certainly regulate interstate commerce to the extent of forbidding and punishing the use of such commerce as an agency to promote immorality, dishonesty, or the spread of any evil or harm to the people of other States from the State of origin. In doing this it is merely exercising the police power, for the benefit of the public, within the field of interstate commerce.

The Court then discussed the cases involving diseased cattle, lottery tickets, prize-fight films, white slaves, adulterated articles, and so forth. In these cases the use of interstate commerce had contributed to the accomplishment of harmful results to the people of other States. The child-labor case, *Hammer* v. *Dagenhart* (247 U. S. 251), was described as "really not a regulation of interstate commerce but a congressional attempt to regulate labor in the State of origin, by an embargo on its external trade."

Is "hot oil" in the same category as a stolen automobile? Neither is harmful in itself, like a tubercular cow. The sale, however, of a stolen automobile in another State is a fraud upon the innocent purchaser. His money is obtained on a false pretense. He acquires no title to what he buys. "Hot oil", however, when it moves into another State either in its crude or refined form, is so incapable or difficult of identification as such that to deny a good title to its purchaser would place an almost insufferable burden upon commerce in petroleum. The question may therefore still be asked whether the movement of "hot oil" is apt to accomplish a harmful result to the people of other States than the State of origin. Neither the Connally or Disney redraft of 9 (c) goes so far as to forfeit the interest of the innocent purchaser. He, therefore, cannot receive a harmful result. The thing condemned by their drafts is transportation or commerce not purchase and use.

If Congress, under Hammer against Dagenhart, cannot regulate labor in the State of origin, can it directly or indirectly regulate production in the State of origin even though the State, like Barkis, is willing?

The *Champlin Refining Co.* v. *Corporation Commission of Oklahoma* (286 U. S. 210) did not hinge upon the interstate-commerce clause of the Federal Constitution.

The Court said, in upholding the State proration law, that it—

> Applies only to production and not to sales or transportation of crude oil or its products. Such production is essentially a mining operation and therefore is not a part of interstate commerce even though the product obtained is intended to be and in fact is immediately shipped in such commerce.

*Heisler* v. *Thomas Colliery Co.* (260 U. S. 245) is a case to which I have already referred. It is of very great interest not only as a sidelight on petroleum but with reference to other natural resources such as are now under consideration by Congress and the National Resources Board.

In that case Pennsylvania provided that anthracite but not bituminous coal should be "subject to a tax of 1½ percent of the value thereof when prepared for market." The attorneys general of the States of New York, Massachusetts, New Jersey, Maine, New Hampshire, Vermont, Rhode Island, Connecticut, and Delaware—anthracite-consuming States—filed briefs. It was alleged that Pennsylvania had a practical monopoly of anthracite coal, and that 80 percent of its production was shipped to other States, which constitute its major market.

It was therefore claimed that the imposition of this additional tax on anthracite alone would be passed on to the consumer and thus permit—

> The holder of a natural monopoly to use the channels of interstate commerce to tax persons in other States to the extent of about $6,000,000 a year, of which about $3,000,000 will be paid by the protesting States.
>
> Outward movement is as much within the protection of the commerce clause as inward movement. * * * If the tax be upheld, it is inevitable that every State which possesses natural resources essential to other States will impose similar taxes, in order to make those which it cannot directly and constitutionally tax contribute to its exchequer through the channels of commerce. Indeed, several States may combine (interstate oil compacts) so as to create absolute monopolies by the enactment of uniform laws exacting taxes similar to this. Such a situation would bring back the commercial conflicts between the States which the commerce clause was enacted to prevent.

Reliance was placed on cases holding void, as to documents used in interstate commerce, State stamp-tax laws—*United States* v. *Hroslef* (237 U. S. 1), and so forth.

The Court disposed of these contentions and held the act valid as not infringing on the power to regulate commerce or as a denial of due process as an unreasonable classification for tax purposes:

> A tax upon articles in one State that are destined for use in another State cannot be called a regulation of interstate commerce, whether imposed in the certainty of a return from a monopoly existing, or in the doubt and chances because of competition. The contention is—

Said the Court—

> that the products of a State that have, or are destined to have, a market in other States are subjects of interstate commerce, though they have not moved from the place of their production or preparation.

The Court held, rightly, it seems, that this drove the old gray mare too far. It said:

> The reach and consequences of the contention repel its acceptance. If the possibility, or, indeed, certainty of exportation of a produce or article from a State determines it to be in interstate commerce before the commencement of its movement from the State, it would seem to follow that it is in such commerce from the instant of its growth or production, and in the case of coals, as they lie in the ground. The result would be curious. It would nationalize all industries; it would nationalize and withdraw from State jurisdiction and deliver to Federal commercial control the fruits of California and the South, the wheat of the West and its meats, the cotton of the South, the shoes of Massachusetts, and the woolen industries of other States at the very inception of their production or growth; that is, the fruits unpicked, the cotton and wheat ungathered, hides and flesh of cattle yet on the hoof, wool yet unshorn, and coal yet unmined, because they are, in varying percentages, destined for and sure to be exported to States other than those of their production.

The Court concluded that the power of Pennsylvania to tax continued to, and ceased when commodities commenced their final movement for transportation from the State of their origin to that of their destination. The fact that the coal was to be taxed on its value when ready for shipment did not cause the situation of the coal to be changed and as moving in interstate commerce when it is plainly not so moving.

The obvious effort, however, of Pennsylvania to impose a tax on its consumers of anthracite in other States, while legally permissible, recalls an observation by Alexander Hamilton in Thirty-first Federalist:

> It should not be forgotten that a disposition in the State governments to encroach upon the rights of the Union is quite as probable as a disposition in the Union to encroach upon the rights of State governments.

This paper will justify the labor of its preparation if it recalls once more the wisdom of the fathers in making commerce among the States free from State control and the ever-present danger of whittling that wisdom away. We may, and do, freely grant the desirability of conserving a great natural resource while we at the same time recognize the temptation to use conservation as an excuse for stabilization, for building up profits in one State at the cost of the other States. Conservation is primarily a national problem, and danger may lie in Congress tying itself too tightly to a solution of that problem that is apt to be too greatly influenced by local and selfish considerations.

These observations are submitted to the Congress and the petroleum industry for their consideration in the hope that further discussion may clarify the questions involved.

Congressmen sometimes rush in where judges fear to tread.

PERMISSION TO ADDRESS THE HOUSE

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SNELL. Mr. Speaker, at this time I desire to call the attention of the House very briefly to important headlines carried in every metropolitan paper this morning. It seems to me this is a subject that is of equal importance and of equal interest to the majority as well as to the minority Members of the Congress. I can say that so far as I am concerned as a Member of this body, I was considerably disturbed. It seems to me this announcement materially affects the future of our present form of government and whether or not we are to continue to have three separate and distinct branches of Government, the legislative, the executive, and the judicial.

The immediate article to which I shall refer appeared in the New York Tribune, but practically the same matter was carried in all of the other morning papers:

Industry to tell views; new-deal open door to opinions of business is created by extension of Advisory Planning Council.

Now comes the direct quotation given by Secretary Roper which, I expect, has the approval of the administration. I quote:

Any business man or organization desiring to be heard on any piece of pending or proposed legislation may get a hearing through this council.

According to the present plan, and set-up, and policy of the Federal Government hearings on pending legislation for 150 years have been carried on before the committees having jurisdiction over that legislation. It seems to me that that is the proper forum for the business men of the country or any other man who has any suggestion relative to pending legislation to present his views. That is certainly the place unless we are going entirely to change our present procedure as far as legislative matters are concerned, and adopt in its place a complete form of government under commissions. This policy has always been opposed by both major political parties, and this announcement at this time from a high source in the present administration indicates to me that the administration intends to further take unto itself all the constitutional rights of the legislative branch of the Government.

Further quoting:

Information and suggestions communicated to it will be passed along to the subcommittee for consideration and later communicated to different Members of the Cabinet. They, in turn, will route the suggestions through whatever channels they deem fit.

Now, it seems to me that that is a definite statement that as far as this supercommission is concerned they do not intend to give any consideration whatever to the legislative branch of the Government. They mention the Cabinet, a part of the executive, but do not even mention the legislative. Therefore, what other deduction can we make from that statement except Congress will be ignored more fully in the future than this administration is doing at present?

I am wondering how the elected Members of the majority look on such an astounding suggestion from the executive branch of the Government?

Mr. BULWINKLE. Will the gentleman yield?

Mr. SNELL. I wish the gentleman would wait just a minute.

Mr. BULWINKLE. I should like to ask the gentleman a question on that particular point.

Mr. SNELL. What is the question?

Mr. BULWINKLE. Is there anything in the statement made by the Secretary that precludes any committee of Congress from considering legislation that may come before such committee?

Mr. SNELL. The statement is made definitely to the effect that they will put it wherever they see fit and indicates it will be referred to one of its own subcommittees, or to the Cabinet, but no mention whatever of the legislative branch, which is created under the Constitution for the express purpose of legislating. I maintain, if you are going to carry out that idea and we are going to have supercommission government, the American House of Representatives and Senate have no further functions to perform. I have nothing to criticize as far as the members of that commission are concerned. They are all high-grade men; but if they are going to decide the policies of this Government in regard to all legislative matters, I maintain they should be elected to the House of Representatives or to the Senate from their individual districts and then they will have the opportunity of doing that work. [Applause.]

I expect to make some further remarks later and speak more fully along this line, but I want to say here and now that so far as I am concerned the continued supercommission form of government is not going to go unchallenged. [Applause.]

Mr. O'CONNOR. Will the gentleman yield?

Mr. SNELL. I yield to the gentleman from New York.

Mr. O'CONNOR. I agree in part with what the gentleman says. Of course, he is reading from the mouthpiece of the opposition.

Mr. SNELL. Regardless of the paper, I read a direct quotation supposed to come from Secretary of Commerce Roper.

Mr. O'CONNOR. I do not like to see the minority leader get so alarmed about the fear that Congress is ever going to delegate to anybody its legislative power.

Mr. SNELL. May I say that if you continue along the line you have gone the last 2 years, you will not have to go very much farther before you have delegated all of the power. [Applause.]

Mr. O'CONNOR. That is a criticism that is always used by the opposition. It was used during the 8 years the gentleman's party was in control.

Mr. SNELL. I am not going to yield to the gentleman in order to make a long speech. If we went as far as the present administration, or even ever suggested going as far as your administration is now going, I want to apologize now. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes.

Mr. CONNERY. Mr. Speaker, reserving the right to object, at the conclusion of the gentleman's remarks I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. O'CONNOR. Mr. Speaker, I regret that I have never acquired the habit of putting my own speeches in the RECORD, but it is just a coincidence that last evening I spoke before the Bar Association of Baltimore County on the very same subject the distinguished minority leader has discussed.

During the 10 years I served under the Republican administration, and it was very much under, I heard no complaint from the Republican side as to the great menace of "delegation of congressional power", and I recall many a day when all the Republican leaders of the House spent their time at the other end of the avenue or in some department getting ideas as to legislation. They had no objection then. They were going down town every day in order to get ideas as to what should be passed here, and may I say further that there never was a party in power that brought in here so much legislation and passed it under the suspension of the rules as the Republican Party did when they were in power.

Now, I do not mind the opposition press criticising Congress for relinquishing its rights. I expect that from the New York Herald Tribune and the Chicago Tribune, I expect it from the minority, but I know that the public today has

confidence in the Democratic Congress. They know their Members are sent here direct from the people and that there is no danger that the fundamental conceptions of our Government are going to pass out of existence. One hundred and fifty years from now we will still have a Congress of the United States functioning here and passing legislation, and no executive or any other branch is going to interfere.

Mr. BLANTON. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Texas.

Mr. BLANTON. The gentleman knows that the minority leader's last President for 4 years never had an idea of his own. He never had a constructive policy of his own. He never had a program of his own. He left everything to commissions, and every time he wanted to do something he appointed a commission and spent a year or 18 months investigating before his commission would give him an idea.

Mr. O'CONNOR. What annoys some Members of the minority is that for 8 years in the White House they built up a reputation of complete silence. That was their only claim to fame—Silent Cal and Silence. Now we have a man in the White House who is brave enough to speak up and talk with his own American people who elected him, and the Republicans just cannot understand how that could possibly happen. Whenever the distinguished President transmits to Congress some ideas for the consideration of the Congress that is such a new venture, such a novelty to the minority that they talk about dictatorship. This is contrasted with the silent men that they had down there. If they had not been so silent, we would not be in the position we are today, because it was their silence for 4 or 5 years that threw us into the greatest abyss that any nation has ever been in, so we are not worried about this minority attack in reference to legislation being perfected somewhere else.

Mr. RANKIN. Will the gentleman yield?

Mr. O'CONNOR. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from New York [Mr. SNELL] stirred up a tempest in a teapot about nothing. The various departments investigating these matters which business men have brought to them have nothing to do with committee hearings on proposed legislation. No matter what these department heads may do, and no matter to whom these things may be referred, any legislation, before it can come to the floor of this House, must go to a committee, and if the committee desires to do so it may hold hearings on the proposition.

Mr. O'CONNOR. Exactly.

Mr. RANKIN. I am surprised at my friend the distinguished gentleman from New York [Mr. SNELL].

Mr. SNELL. It is all right to laugh about it, but the statement is definitely made, "If the people want to have any expression or present their ideas on pending legislation", and so forth. I claim that if they want to present their ideas on pending legislation they should go before the appropriate committee of the Congress, as has always been done.

Mr. O'CONNOR. Oh, the gentleman from New York knows that that is just what they have got to do.

Mr. SNELL. I do not know whether it is or not.

Mr. BULWINKLE. That is exactly the point I made.

Mr. O'CONNOR. Some of the Members who have been here for years will recall that when important legislation was before this House, especially that which came from other sources, we had three or four Presidential secretaries and Cabinet members on the floor here to see that such legislation went through. [Laughter and applause.]

[Here the gavel fell.]

Mr. CONNERY. Mr. Speaker, by unanimous vote of the Committee on Labor, I have been instructed to come before the House and to protest to the Speaker and the Membership of this House against the referring of legislation to the Ways and Means Committee which properly belongs in the Committee on Labor.

For the past 12 years the Committee on Labor has held long, extensive hearings on old-age pension legislation. During the past 3 years the Committee on Labor has held hearings on unemployment insurance and the Committee feels, with no aspersion cast on the Ways and Means Committee, that all the brains of the House of Representatives are not necessarily confined to the Ways and Means Committee, and the members of the Committee on Labor feel that legislation affecting labor and the employees in labor in the United States should be referred to the Committee on Labor, where it properly belongs.

I have here the Lewis bill and I understand the Chairman of the Committee on Ways and Means, Mr. DOUGHTON, has the same bill, and the title of the bill is "To alleviate the hazards of old age, unemployment, illness, and dependency; to establish a social insurance board in the Department of Labor; to raise revenue, and for other purposes."

The only thing in this entire title which sends this bill to the Ways and Means Committee is the phrase "to raise revenue."

Now, as I say, I have no desire to cast any aspersions on the Ways and Means Committee. They are all fine Members, intelligent, bright Members of the House of Representatives, but I do feel it is my duty as Chairman of the Committee on Labor to protest that after a committee has worked for 12 years on legislation that it is almost an insult to that committee to have such legislation referred to another committee at the last minute.

What applies to the Committee on Labor applies equally to other committees of the House, and I am doing this by direction of my committee and, as I say, by the unanimous vote of the committee.

I do not think it is just to the committee to work long days, many times well into the night, on legislation for the benefit of the American people and then at the last minute have it referred to another committee and have that committee obtain all the credit for 12 years of work on the part of the Committee on Labor.

Mr. VINSON of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Kentucky.

Mr. VINSON of Kentucky. I feel that the gentleman from Massachusetts should not be too severe upon the Speaker who made the reference, due to the fact that the reference was made in conformity with the rules of the House. The rules of the House specifically give exclusive jurisdiction to the Committee on Ways and Means of any bill relating to the raising of revenue.

Mr. CONNERY. I understand that, but what the Committee on Labor wants is a bill to come in here that will not necessarily send it to the Ways and Means Committee. Divide your bill up and put the legislation where it belongs and not have the Ways and Means Committee running all the affairs of the Nation. Let us have the committees function properly or let us abolish them.

Mr. COOPER of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Tennessee.

Mr. COOPER of Tennessee. Of course, the gentleman from Massachusetts knows there is no disposition on my part to quarrel with him about this question.

Mr. CONNERY. I know that.

Mr. COOPER of Tennessee. But I invite the gentleman's attention to the fact that the Speaker did not make this reference. By unanimous vote of the House this message and the accompanying legislation was referred to the Committee on Ways and Means.

Mr. CONNERY. I understand that thoroughly, and, of course, the gentleman knows, as a practical matter, how much good it would have done me to stand up here yesterday and move that the matter be referred to the Committee on Labor.

Mr. COOPER of Tennessee. I simply invite the attention of the gentleman, as well as the House, to the fact that the House voted unanimously in making this reference.

Mr. CONNERY. We ask that the various portions of these bills be referred to the appropriate committees, and not put unemployment insurance and old-age pensions, which are directly connected with the workers of the United States, in

the Ways and Means Committee by putting in the words " to raise revenue."

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. CONNERY. I yield to the gentleman from Illinois.

Mr. SABATH. Is there anything to prevent the gentleman's committee from reporting favorably his bill to the House?

Mr. CONNERY. No.

Mr. SABATH. Why does not the gentleman do that?

Mr. CONNERY. Because we have been through that. We reported an old-age pension bill last year, which is exactly in line with what the President asked yesterday in his message and we could not get a rule from the Rules Committee.

Mr. SABATH. You would not need any rule.

Mr. CONNERY. When we have studied legislation which the President wants, do not wait until you can send it to the Ways and Means Committee.

Mr. SABATH. This would not delay the reporting of a bill by the gentleman's committee. The committee has plenty of time now.

Mr. CONNERY. Mr. Speaker, I have performed my duty as requested by the committee.

[Here the gavel fell.]

ACOUSTICS OF THE HALL OF REPRESENTATIVES

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

IMPROVEMENT OF AUDITION IN THE HOUSE CHAMBER

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to address the House for about 5 minutes. I ask the indulgence of Members of the House to listen to me for just a few moments on a question which has been of great interest to many of the new Members, something which I have discussed with many Members on both sides of the House, and which pertains to the bad acoustical conditions which exist here. People who have been in the House for many years agree that these conditions exist, and they agree that an improvement can be made. Many plans have been suggested. I am opposed to anything which would in any way change the appearance of this historical Chamber. My present interest is the comfort of Members of the House in order that they can more easily hear what is going on.

Being the only practical radio announcer in the House today, I became interested, and have made a 3 weeks' study of the acoustical properties of the House, and from personal investigation, personal contact with the Members, employees, and visitors, I find that we are not taking advantage of modern equipment which would bring invaluable improvements and more comfort, which would make us more efficient in our service to the people, aid our esteemed Speaker, lend more dignity to this body, and render more humane treatment to our speakers and employees, who today must yell at the tops of their voices the words in important documents, punctuated by the hammering of the Speaker's gavel, in order that we may hear.

I have talked to many Congressmen and asked them why it is when an important document is being read, when a Member is delivering an address on a matter of vital importance, there is so much confusion, so much noise, so much talking, and why Members congregate in the aisles and passageways and talk. The reply that comes to me is that they cannot hear anyway, and that they will be able to read what is going on in the CONGRESSIONAL RECORD or in the newspapers. It is my belief that this is all unnecessary, especially with the great strides science has made in the loud-speaking equipment, and it is my belief and the belief of many who are here fresh from their campaigns in which they talked to thousands of people, that we should avail ourselves of this new humane comfort for the good of the Nation.

I could easily demonstrate on the floor of this House the ease with which this question can be solved by speaking in a natural tone, which you could never hear without a loud speaker, and then imitating the efforts of some of our Members in endeavoring to speak loudly. There are only a few men in the House today, from my observation, who are able to talk loud enough to be fully heard.

With this new speaking equipment in the House, the Speaker could control the House more easily. A microphone at the Speaker's desk, one at the Clerks' desk, one, each, at the reading tables, with invisible loud speakers installed at various places in the House, with the wiring placed in conduits under the floor and space provided for same, would correct the condition which exists here today. I am not endeavoring to give you a salesmanship talk on equipment. My remarks to the House are the result of deep study in acoustics and present conditions in the House, to which I have devoted many hours, and are the result of a conference with officials who agree with me. For instance, the President, in person, delivered an important message to us the other day. It was impossible to hear all that the President had to say, and we Members of the House had to wait for copies of the address before we were able to understand what the President was saying. On the other hand, three radio chains, the National Broadcasting Co., the Columbia Broadcasting System, and the American Broadcasting System, had their equipment installed in the House and enabled people miles away from lines of communication, without telephones, miles away from railroads, to hear every word distinctly, while we who sat here in the presence of the President, hearing his voice, seeing him in person, were unable to hear what he said.

The same thing is true with some of the great speakers who stand before us and talk on great state matters. We who are new are amazed to learn that we must sit very close to the speaker if we wish to hear what he has to say. It is not a question of defective hearing. It is a question of acoustical conditions in the Chamber and a condition which can be easily rectified by taking advantage of modern equipment.

My address here today is the result of a conference with Dave Lynn, Architect of the Capitol, and conference with the Honorable JOE BYRNS, the Speaker of the House, who realize that improvements can be made and who are glad to cooperate. It is my belief that the Architect should be given permission to make such experiments looking toward this necessary improvement.

This address is also the result of a conference with experienced radio experts of this city and the publishers of the magazine Broadcasting, who realize these conditions and who wonder why something has not been done about it. It is my belief that if these improvements were made it would be of inestimable value to our Speaker, making it easier for him to be heard and to more easily carry out the programs which have been laid down. It is also the result of conferences with Members who realize the good psychological effect this would have on the entire House, and that it would result in humane treatment to Members who come here to represent their people and who are anxious to be given all of the information that they need, and who are entitled to hear what is being said.

This House Chamber is approximately 75 years old. I join in the sentiment of Members of the House that nothing should be done to mar any historical phase of this Chamber. I am also in accord with the argument that nothing should be done in any way to mar architecturally or structurally or otherwise deface the present beauty of the House Chamber. The plan I have in mind will not do this but will merely mean the installation of appropriate equipment that will make it possible for human ears to hear what is being said.

I have been asked by various Members on both sides of the aisle whether or not the plan I have in mind will make it possible for those gentlemen in the press gallery to hear the proceedings on the floor without having to strain their ears, as they have to do now, and I have answered that that benefit would result.

While we must preserve the beauty of the artists who designed this historical Chamber 75 years ago, we must bear

in mind the rapidity of the development of modern science, and, wherever it is possible, we must take advantage of modern mechanical equipment, especially when it will be of direct benefit to the people whose interests we serve.

Because I feel the great service this would render to the Government, to the House, and to the people, I plead with Members to give the Architect permission to make such experiments which would lead to the installation of improvements in this historical Chamber, in no way marring its present beauty or its historical aspects; and so, Mr. Speaker, looking toward this greatly needed improvement, I submit a resolution, which I send to the desk and ask the Clerk to read:

The Clerk read the following resolution:

Whereas it is the common experience of Members of the House of Representatives that their participation in the proceedings of the House and the transaction of the public business are hindered and made unduly difficult because of imperfect audition in the House Chamber; and

Whereas it is certain that the conveyance of sound in the Chamber can be greatly improved by mechanical means: Therefore be it

*Resolved*, That the Architect of the Capitol is hereby authorized and directed to thoroughly investigate the means of such improvement and as promptly as practicable to report to the House of Representatives the results of such investigation, his recommendations calculated to perfect the conveyance of sound in the Chamber; and the estimated cost of making such improvement.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. STEFAN. Yes.

Mr. McSWAIN. Could a loud speaker be installed in the Press Gallery so that those gentlemen there would not have to strain their ears, as they do now, to hear the proceedings on the floor?

Mr. STEFAN. Yes; it can be done.

The SPEAKER. The time of the gentleman from Nebraska has expired.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent that the proposed resolution to which the gentleman from Nebraska refers be read from the Clerk's desk.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

Resolution

Whereas it is the common experience of Members of the House of Representatives that their participation in the proceedings of the House and the transaction of the public business are hindered and made unduly difficult because of imperfect audition in the House Chamber; and

Whereas it is certain that sound conveyance in the Chamber can be greatly improved by mechanical means: Therefore, be it

*Resolved*, That the Architect of the Capitol is hereby authorized and directed to thoroughly investigate the means of such improvement and as promptly as practicable to report to the House of Representatives the results of such investigation; his recommendations calculated to perfect sound conveyance in the Chamber; and the estimated cost of making such improvement.

Mr. MARTIN of Colorado. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which the Clerk has just read.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, we have an important appropriation bill under consideration, which must be read and passed today; hence, on behalf of the chairman of our committee, I feel I must object.

The SPEAKER. Objection is heard.

ELECTION TO A COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer the following resolution, which I send to the desk and ask for its present consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 60

*Resolved*, That WILLIAM M. CITRON, of Connecticut, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on the Judiciary.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

ACOUSTICS OF THE HALL OF REPRESENTATIVES

Mr. BELL. Mr. Speaker, I ask unanimous consent to proceed for one moment.

The SPEAKER. Is there objection?

There was no objection.

Mr. BELL. Mr. Speaker, the only reason that I shall speak at this moment is the fact that I, too, am a new Member. I was intensely interested in the remarks of the gentleman from Nebraska [Mr. STEFAN] who submitted the resolution regarding the acoustics of this room. Those of you distinguished gentlemen who have been here serving your country for many years have ceased, perhaps, to notice the difficulty with which we hear. I come here with all of the impressions that accompany every new Member of this House. I have talked to many of the new Members themselves, and they all agree with me that it would add tremendously to the respect that the public in general gives this House if we could be heard when we speak.

The President of the United States addressed this body at the beginning of this session. The magic charm of his personality, the melody of his splendid speaking voice, the intense interest of those who listened gave him a hearing that no one else could have obtained in this Chamber, crowded as it was, and yet by reason of poor acoustics you and I who sat in the back of this Chamber could not hear him. There were hundreds of citizens of the United States in these galleries, and they could not hear him. Every day that I have been here there have been many hundreds of people in the galleries from all over the United States. We are their servants, and they have a right to hear the proceedings of the House. I have talked with quite a number of them, and some of them go away with the impression that no Member of Congress can get a respectful hearing in this body. I am simply giving you the impressions of people with whom I have talked. I think it would be of great advantage to the Members of the House and of great advantage to the people of the United States if the resolution regarding the study of the acoustics of this Chamber could be given serious study by this body. [Applause.]

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1936

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3973) making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. GREENWOOD in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

PUBLIC SCHOOLS

For personal services of administrative and supervisory officers, in accordance with the act fixing and regulating the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, approved June 4, 1924 (43 Stat., pp. 367–375), including salaries of presidents of teachers colleges in the salary schedule for first assistant superintendents, $661,800.

Mr. DITTER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DITTER: On page 30, line 23, after the word "superintendents", strike out "$661,800" and insert in lieu thereof "$666,100."

Mr. DITTER. Mr. Chairman, the amendment which the Clerk just read relates to the character-education program about which I spoke at some length yesterday. The increase provides for the payment of an assistant superintendent at $4,300.

The item of character education has been endorsed by the superintendent of schools. He has definitely requested that the experiments which we started a year ago might be continued. I feel confident that the members of the subcommittee have confidence in Dr. Ballou's judgment. I believe that they have confidence in the way in which he has administered the schools of the District of Columbia. The suggestion has been made that this character-education program could be carried on by giving the work of character education over to the group of teachers and associates presently employed as regular teachers. Dr. Ballou is an expert in education. He commands the respect of educators not only of the District but of the whole country. I believe this body should follow his suggestions so long as they come within reasonable bounds, and it is my conviction that this is reasonable.

The argument may be made that our taxpayers back home are going to pay for this program of character education. Let me remind the members of the committee that a very considerable portion of the total cost comes from the taxpayers of the District of Columbia. In other words, the spread is about 6 to 1. This entire character-education program will cost approximately $85,000.

Mr. COX. Will the gentleman yield?

Mr. DITTER. I yield.

Mr. COX. I have always been under the impression that all education was character improving in its nature. What is the distinction? Frankly, I do not know.

Mr. DITTER. The purpose of the program as inaugurated last year in the District of Columbia was to study intensely child psychology and child physiology in order that those defects which under ordinary educational processes might be latent could be discovered, and corrective measures brought in order that those defects might be cured.

Mr. COX. In other words, is it work that the regular organization could not well do?

Mr. DITTER. It is the conviction and the stated opinion of Dr. Ballou that the work cannot be carried on by the regularly assigned group of teachers.

Mr. BLANTON. Will the gentleman yield?

Mr. DITTER. I will be glad to yield to my distinguished friend from Texas.

Mr. BLANTON. The present amendment which the gentleman has offered is one of four which our friend intends to offer to this bill, if he is successful on this one? This one carries $4,300. The next one will carry $5,000; the third one will carry $20,340; and the next one $56,900. Then there is another one of $1,000, and if the gentleman is successful, when he gets through he will have added $87,540 to this bill. Is that not correct?

Mr. DITTER. I did not yield for a statement, but I yielded for a question.

Mr. BLANTON. Is that not correct?

Mr. DITTER. But may I say to the gentleman from Texas that I have already anticipated his alarmist attitude and have stated to the House that the program comprehended the possible expenditure of $85,000. So I anticipated this alarmist attitude that the gentleman from Texas is presently trying to impress upon the House. I purpose in no sense to leave the House under any misapprehension. The educational program which I purpose bringing to the floor this morning provides ultimately, in this present appropriation bill, for approximately $85,000.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. DITTER] has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. If the gentleman will permit me, then, the gentleman's program, if he is successful in getting this amendment passed, is to add these other items aggregating an additional $85,000.

Mr. DITTER. I have already handed to the desk, to be read at the proper time, amendments to provide for approximately $85,000, which comes within the Budget estimate.

Mr. BLANTON. That is correct, then?

Mr. DITTER. It comes within the amount which the Bureau of the Budget submitted.

Now, may I proceed, after the effort at alarming the Membership of this House by the distinguished gentleman from Texas.

I have the highest regard for my friend from Texas. I have regard for his continued and persistent effort to watch the expenditures of government. I believe he is the watchdog of the Treasury; but I believe that, only too often, the gentleman does not have a proper sense of relative values. I believe the gentleman is willing to see a considerable sum spent for some pet project of his, and absolutely ignore the demands of the school children, not only of the District of Columbia, but the school children of the country, for, mark you, this is experimental in its character. I confess that.

Mr. BLANTON. Will the gentleman yield further?

Mr. DITTER. In just a moment. If this experiment, as a result of 3 years of continued effort, proves successful, then the school children of your district and the school children of every district in this country may benefit by the advanced program, such as has been inaugurated in the District of Columbia.

I now yield to my friend from Texas.

Mr. BLANTON. Does my good friend from Pennsylvania mean to intimate to this House that the mere statement of any program he would propose here would be alarming to the House?

Mr. DITTER. No. I am afraid that my——

Mr. BLANTON. That is what the gentleman intimated, that a mere statement of his program would alarm the House.

Mr. DITTER. Mr. Chairman, I am afraid the gentleman from Texas has misunderstood my statement. I know the distinguished gentleman from Texas tries to alarm the House about possible expenditures——

Mr. BLANTON. By stating the actual facts that appear in the record.

Mr. DITTER. Which I had already previously stated to the House. Now, again, with that interruption out of the way, irrespective of party lines—and there is no partisanship in this—if you believe that the children of the District should have the advantages of psychological and physical tests that are comprehended in this program, should have the benefit of trained assistants in studying the defects that are there, latent in many instances, and the benefit of corrective measures to cure these defects, you will support this amendment and the other amendments I purpose offering for character education. Only too frequently the school programs have been hit-or-miss programs. This is an advanced program of benefit such as has been endorsed by an educator in whom every Member of this House should have confidence.

Mr. COX. Mr. Chairman, will the gentleman yield further?

Mr. DITTER. I shall be pleased to yield for a question.

Mr. COX. Would the adoption of the other amendments, to which reference has been made, be necessary to make effective the amendment now pending?

Mr. DITTER. I believe they all hang together. I see no reason for asking for the appointment of a superintendent at $4,300 unless he has a complement of personnel in that particular division to carry out the program under his

direction. If you are not in favor of the whole program, then we should certainly vote down this $4,300 request. The requests which will follow have to do with the appointment of councilors and the appointment of teachers to build up and continue the present personnel and to extend the program into the other schools.

I ask your support for the amendment.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our subcommittee chairman has asked me to act for him in opposing this amendment. I do not believe any schools anywhere in the United States, or even in the world, have been treated better than have the schools in Washington. We have furnished the 91,241 school children of Washington some of the finest buildings, some of the finest equipment, some of the best teachers, who have been paid the highest salaries, and who have been given more privileges and advantages than I believe exist in any other school in the country.

The superintendent of schools in Washington is paid a salary of $10,000 a year, but in Yale, in Harvard, in Columbia, in Cornell, in Princeton, in the University of Chicago there are full professorships which do not carry any such salary. If you look on page 448 of the hearings you will find that there are 136 of the Washington high-school teachers who get $3,200 a year and that there are 488 high-school teachers here who receive salaries of $2,800 a year.

At the hearings evidence was adduced showing a man who had been president of a first-class university for 26 years had during the depression taken as low as $2,700 a year and then has had to wait for his money, as shown on page 795 of the printed hearings. Not a teacher in the schools of Washington—and there are about 2,900 teachers here—has ever had to wait 1 hour for salary, and they have gotten their salaries the very minute they were due in spot cash.

I do not believe you will find a man in the United States who knows more about the school situation in Washington or the general affairs of Washington than the splendid and able chairman of this subcommittee, the gentleman from Missouri [Mr. CANNON]. He has studied the situation for years intimately and in detail.

This $85,000 item was not in the bill last year when it passed the House. It is a new idea. The bill passed the House and went to the Senate. There it was amended by a distinguished Senator, who placed this item in the bill, and upon his insistence in conference the committee allowed it to remain, as an experiment.

They made no attempt to put character education in all the schools here. They picked out 10 schools with 5,575 pupils. Remember, the total number of pupils in the Washington schools is 91,241.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Hence, even after spending this $85,000, there were 85,666 students, pupils in the Washington schools, who did not have any contact or benefit from it whatever. It was an experiment. It was tried on only 5,575 pupils in 10 schools and they were the only ones who had any benefit from it. They were 85,666 pupils who were left out in the cold.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Pennsylvania.

Mr. DITTER. Will the gentleman from Texas tell us what opinion was expressed by Dr. Ballou?

Mr. BLANTON. Dr. Ballou, of course, was in favor of it. It meant having $85,000 additional to spend.

Mr. DITTER. I am speaking of the present opinion of Dr. Ballou in regard to the continuance of this particular program.

Mr. BLANTON. Of course, Dr. Ballou is in favor of having an additional $85,000 to spend; he was in favor of the subject.

Mr. DITTER. The distinguished gentleman from Texas has commented upon Dr. Ballou's salary. Does he mean to infer that he has not confidence in Dr. Ballou's ability?

Mr. BLANTON. I have confidence in his ability. But I can get Ph. D. graduates from Yale, Harvard, Princeton, Columbia, Cornell, or the University of Chicago who are just as able and who will furnish just as good service to the schools of this city for a salary of much less than the $10,000 Dr. Ballou is getting, and they would be glad to receive such a salary.

Mr. DITTER. Just one further question.

Mr. BLANTON. Certainly. Please do not take up all of my time.

Mr. DITTER. Has the gentleman, with his usual energy, enthusiasm, and application to work, taken any steps toward securing the dismissal of Dr. Ballou and the substitution of one of these many, many applicants in whom he is personally interested?

Mr. BLANTON. No; certainly not. Our committee can not change the law. If we moved another one in he would get the same $10,000 a year, because the law provides that salary.

Mr. DITTER. Then, the gentleman is satisfied that Dr. Ballou should continue?

Mr. BLANTON. Certainly. He is about as good as any other we could get. And he is experienced here.

Mr. DITTER. The gentleman has confidence in his judgment?

Mr. BLANTON. He is as good as anyone else we could get, but I think he is overpaid.

[Here the gavel fell.]

Mr. DITTER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MAY. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. MAY. This is just one of the ways of proving again the fact that when we establish one of these bureaus or departments, they want all they can get?

Mr. BLANTON. Certainly. Dr. Ballou wants this $85,000 to spend. It is easy to start a little bureau, and the first thing you know it has a thousand employees if Congress will provide the money to pay their salaries.

The distinguished chairman of this committee, Mr. CANNON, has passed on this matter. I hope he will be upheld.

Mr. CANNON of Missouri. The hearings of the committee disclose that when this subject was under consideration, my good friend from Pennsylvania asked no questions about it, offered no objections or suggestions, and apparently was not interested in the matter. If he had suggested this ought to go into the bill, we would have taken it under consideration and reached some agreement with him.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. Yes; I yield to my friend from Pennsylvania.

Mr. DITTER. The chairman of the subcommittee will probably recall that I reserved the right at the time the bill was being marked up with respect to the matter of character education, for my committee imprint definitely discloses that I made a memorandum of the right which I then reserved. However, let us brush aside technicalities, let us save the time of the House; let us save the time of the country and have my distinguished chairman agree to the amendment and we will go on our way without any further difficulty.

Mr. CANNON of Missouri. If the gentleman had made that suggestion to me in committee, we could have determined it in committee.

Mr. DITTER. But can we not do it now?

Mr. CANNON of Missouri. He made no suggestion whatever in the committee. We came to this item in marking up

the bill and I said to the committee, "What is the will of the committee with respect to this item?" I first called on Judge BLANTON, who said he thought it ought to be stricken. I then turned to Mr. DITTER, who was the leader of the minority, and asked if it would be agreeable with him if it was stricken out, and he said, "Yes; but I reserve the right to offer an amendment on the floor", and I said, "Is it all right to strike it out?" and he said, "Yes." That was the time to have made any proposition about retaining it, and we would have saved 1 day in this House. We would not have had this bill up in the House today. We could have taken up other pressing legislation.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. BLANTON. And when the chairman discussed the matter with some very reliable teachers the gentleman from Texas was present.

Mr. CANNON of Missouri. He was present and approved it. I may add that none of the teachers who appeared before us approved this expenditure. None of the representatives of parent-teachers associations who appeared before the committee, representing the parents of the pupils, favored it. All criticized it.

Mr. DITTER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman.

Mr. DITTER. If I had insisted upon it in committee and if the gentleman would have agreed to the inclusion of the item in the bill, why not agree to it now and close the discussion?

Mr. CANNON of Missouri. Why did not the gentleman suggest it then. We are appropriating for the schools of the District the greatest amount of money ever appropriated for the maintenance and operation of the schools in the history of the District. We are appropriating more money for the operation and maintenance of the schools of the District of Columbia per capita than is provided by any other city in the United States, and this amendment proposes to add $87,500 more for a purpose which both teachers and parents disapprove.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for one question?

Mr. CANNON of Missouri. I yield.

Mr. BLANTON. There was some evidence about the boys and girls having to sign a questionnaire.

Mr. CANNON of Missouri. The teachers testified that the number of questionnaires and reports had greatly added to the burden of their work, without corresponding benefit to the pupils; that it was apparently an attempt to delegate to the school a function which properly belongs to the home and the church.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word. It is one of the most amazing things that the English language is so flexible that one can discuss the issue without going to the substance or merits of the amendment proposed in this case.

There has been a change in education as there has been a change in everything else. They spent $2,500 for tallow candles when George Washington was inaugurated, and I suppose the electric-light bill would not be more than ten or fifteen dollars for the ball at the inauguration of President Roosevelt. There has been a change in industry, a change in science, and a change in education.

We cannot be content with the three R's that we once had. The science of pedagogy has changed in like degree.

I am amazed that my good friend the distinguished gentleman from Texas should be opposed to this amendment for this reason: The other day he read into the CONGRESSIONAL RECORD an editorial from a Hearst paper which dealt with communism in this country. Communism is nothing more than the development of antisocial tendencies. What do they seek to do in character education. They seek to conserve in the children those qualities and opinions that will help to eliminate this antisocial tendency and make them better citizens. To talk about the salaries of school teachers completely begs the question and does not go to the merits of it. It is rather picayunish. Why, we used to pay the bricklayer $16 a day to build the foundation of a house. Then why kick about $300-a-month salaries for competent teachers to build the foundation of the lives of our children who will be the citizens of tomorrow?

Why drag a herring across the trail by talking about $3,200-a-year teachers, and all that sort of thing? The evidence will show that the average age of most of our criminals today is 23. Most of them are in the brackets from 18 to 19. So you see that crime, that antisocial conduct, starts early in life. This is an experiment in education seeking to deal with the conduct of children, seeking to give direction to these tendencies, so that we can get rid of the Capones and the Dillingers, and those who have been a menace to every fabric of our society.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. O'MALLEY. What are the parents supposed to do about this matter of character? Do we propose to delegate to the State everything, including the making of character?

Mr. DIRKSEN. The gentleman from Wisconsin knows very well that this is supplementary to the work of the home and supplementary to the work of the church.

Mr. O'MALLEY. Is not the whole effort of this new theory of education to delegate all of these things that the parents should do to the State? This is simply an evidence of that.

Mr. DIRKSEN. This is nothing more than an experiment to develop the right kind of character and conduct tendencies for healthier citizenship in this country.

Mr. O'MALLEY. But where do the parents come in?

Mr. DIRKSEN. It is an expenditure and experiment similar to what you would have in the Department of Commerce if they asked for $250,000 to carry on experimentation to make airplane travel safer in this country. This goes to the vitals of future citizenship, and we should not be so picayunish as to consider the matter in terms of $87,000. It is money well spent. I venture to say that the Department of Justice expended $100,000 to just chase Dillinger around the country. If we correct the tendencies in a single child that might go into the paths of error and become a social enemy, this money would be well expended. Are you going to stop experimental work in education because there seems to be something abstract and elusive about it? Do not you think we have to carry on experiments in the psychology of pedagogy as well as we do in commerce and industry and science and in all those other things that lie on the doorstep of the Government? It is money well expended.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the time of the gentleman be extended for 5 minutes. I want to ask him some questions.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DIRKSEN. I now yield to the distinguished statesman from Texas.

Mr. BLANTON. My friend heard the chairman of the committee say that when these teachers asked their superior what they should do about this character education, they were told to make talks to the children. They asked what kind of talks, and they were told: "Oh, you know how to talk to the children; go on and talk to them." Each teacher could prepare his own talk.

We have 2,900 teachers in the city of Washington. Complaints during the last 18 years have come to us that some of them are off color—are communistic in their tendencies.

If the character education permits each one of the 2,900 teachers to talk to the children as each wants to talk to them, how would character be built in the schools?

Mr. DIRKSEN. Will the gentleman be so kind as to inform us how many Communists we have on the teaching staff?

Mr. BLANTON. In the last 18 years I have received several complaints.

Mr. DIRKSEN. How many? Let us be specific.

Mr. BLANTON. I understand that one of the teachers was suspended here once. The teacher then appealed to the American Federation of Labor and the teachers' union, and that organization forced the teaching staff to restore the teacher; and restore the salary. There have been several complaints here during the last 18 years.

Mr. DIRKSEN. Several complaints among 2,900 teachers over a period of 18 years! You will find that condition prevails in every city of this size in the United States.

Mr. BLANTON. After all, there should be character teaching in the make-up of every teacher. Is not that so? Every teacher everywhere, in every school, should do his part in character building.

Mr. DIRKSEN. Quite so.

Mr. DITTER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. DITTER. To answer the gentleman from Texas with regard to the communistic tendencies in the schools. With this character-education program under direct supervision, such as is provided for by Dr. Ballou, it will help root out the things that the gentleman from Texas complains about.

Mr. DIRKSEN. I think the gentleman is correct.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. O'MALLEY. The gentleman knows and I know that these new-fangled ideas in education like this so-called "character education" are a lot of highbrow baloney to create some jobs for some people who are not working. Does the gentleman not think that the money might be better spent on the parents, whose duty it is to build character in their children?

Mr. DIRKSEN. Would the gentleman like to go back to the dim, misty day, when we had only the three R's and do away with the advantages accruing from modern education?

Mr. O'MALLEY. The gentleman misunderstands me. All these new theories in the last 10 years have not decreased crime, and all this trick education, this character education, has not seemed to decrease the crime rate.

Mr. DIRKSEN. Oh, the gentleman does not take into account the thousands of other factors that might enter into it. This is one of the major things to which we have given no attention before, and the gentleman knows that the crime rate has been on the increase all these years. Here is a chance for experiment in correctional methods.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. FITZPATRICK. What is the tax rate in the District of Columbia?

Mr. DIRKSEN. It is $1.50 a hundred.

Mr. FITZPATRICK. And what is the tax rate in the gentleman's community?

Mr. DIRKSEN. I suppose about $3.50.

Mr. FITZPATRICK. That is twice the amount here?

Mr. DIRKSEN. Oh, let me explain to the gentleman.

Mr. FITZPATRICK. Does not the gentleman think the people in the District of Columbia ought to have some civic pride themselves, and raise this money?

Mr. DIRKSEN. The gentleman is not informed. The tax rate in the District of Columbia is $1.50, but that is on the full valuation. When you come to pay taxes in New York you pay on the assessed basis, which is about one-half the value.

Mr. FITZPATRICK. We have the lowest tax rate of any city in the United States, but throughout the country they pay $3.50 or $4.20 a hundred, and in the District of Columbia they only pay $1.50.

Mr. DIRKSEN. That is on the full amount.

Mr. FITZPATRICK. They should have some civic pride and raise this money themselves.

Mr. DIRKSEN. I think it is a rank injustice to the people of the District of Columbia to constantly parade this information that the tax rate in the District of Columbia is $1.50, when, as a matter of fact, on the basis on which you are assessed in your State, and in mine, it would be $3 per hundred and not $1.50.

Mr. FITZPATRICK. That would not be so in our city.

Mr. DITTER. Will the gentleman yield?

Mr. DIRKSEN. I yield.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DITTER. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DITTER. Will the gentleman make the observation for the benefit of the committee that the matter of the tax rate is not pertinent to the issue presently before the committee?

Mr. DIRKSEN. The gentleman is entirely correct.

Mr. DITTER. That of every dollar paid by the Federal Government $6 is matched by the taxpayers, and out of this present sum of $87,000, $6 of every $7 will be paid by the taxpayers of the District of Columbia and not by the people back home.

Mr. DIRKSEN. That is correct.

Mr. BLANTON. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BLANTON. I am sure the gentleman from Illinois does not want to misstate the facts.

Mr. DIRKSEN. No, indeed.

Mr. BLANTON. If the gentleman's premise were correct, that the assessments were on full valuation, say, up to last year, and I do not agree with the gentleman, does not the gentleman know that in the hearings the Commissioners testified that in the last year they arbitrarily reduced the assessed values $80,000,000 and that again this year they reduced them arbitrarily $50,000,000; so that in the last 2 years they have arbitrarily reduced the assessed values $130,000,000 in the District of Columbia?

Mr. DIRKSEN. Why should they not?

Mr. BLANTON. Then the assessments are at least $130,000,000 below full valuation.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has again expired.

Mr. O'MALLEY. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. DIRKSEN. Why should there not be a decrease in the assessable amount of property? Did not the gentleman from Texas take extreme pride in coming in to the Well of this House and helping the people of the District to constantly get those reductions?

Mr. BLANTON. Oh, I am the best friend that the Washington people have, in spite of the opposition of the newspapers.

Mr. DIRKSEN. I think that is true. [Laughter and applause.]

Mr. TRUAX. Will the gentleman yield?

Mr. DIRKSEN. I yield for a brief question only. I wish to use some of my time myself.

Mr. TRUAX. I am going to ask for a little time unless the gentleman answers my question. I should like to ask the gentleman and his fellow character educationists if they receive their major support from their constituents on account of the appropriations they receive for the District of Columbia or for their own representative districts?

Mr. DIRKSEN. Oh, now let me say to the gentleman from Ohio [Mr. TRUAX] that of the thirty-eight or thirty-nine million dollars that is represented here only $5,700,000 comes out of the Federal Treasury. Is that not right?

Mr. BLANTON. That is just one item, but look at Howard University. Every dollar that is spent on Howard Uni-

versity is spent by the Federal Government. Look at some of the hospitals here, which benefit the District people, the money for which is furnished by the Federal Government out of other bills.

Mr. DIRKSEN. That has nothing to do with the bill under consideration.

Mr. BLANTON. I can tell the gentleman 20 different projects in the District of Columbia benefiting Washington people alone that the Federal Government finances in other departmental bills.

Mr. TRUAX. Will the gentleman yield further?

Mr. DIRKSEN. Not at this time. Here they are paying taxes out of their own pocket, to which Uncle Sam adds $5,700,000. What for? For all this real estate that has been displaced and that is not taxable, because it is a part of the instrumentality of government. Look at the majestic buildings and the vast amount of land preempted by Uncle Sam from which the District derives no taxes. That is why we throw a lump sum into this appropriation bill. Most of it comes out of their own pockets. Now, their superintendent of education comes before the committee and says, "We should like to spend some of our own money for this character-education work that was started last year." It is their money and they ought to have some jurisdiction and authority as to how they want to spend the money. Then, I wish to say to the gentleman from Ohio [Mr. TRUAX] that this work in character education is going to be supervised by Dr. Mann, of the American Council of Education; by some professors from Columbia University; and two from Ohio State University, who have been doing experimental work in character education.

Mr. TRUAX. I wanted to bring out the fact that in Ohio schools were closing by the score prior to the meeting of the fourth session of the general assembly, which placed a sales tax of 3 percent on the backs of the common people so that the schools could reopen; yet here you want to spend $87,000 for educational experimentation and fasten it on the backs of the taxpayers of this country.

Mr. DIRKSEN. Because of the fact there is now some difficulty in the gentleman's State and closing of Ohio schools, the gentleman from Ohio, by way of commiseration and sympathy, surely is not going to pull the schools of the District of Columbia down rather than to raise the Ohio schools up?

Mr. TRUAX. No; I would take that $87,000 and send it back to Ohio to open up some schools instead of experimenting down here with these high-priced educators.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BLANTON. The gentleman spoke of Government buildings having displaced taxable property. The hearings show that last year these very Government buildings caused visitors from his district, from my district, and from all the States to spend $50,000,000 here in Washington—a bonanza for every commercial interest in Washington.

Mr. DIRKSEN. Mr. Chairman, I hope the amendment will be sustained.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 33, noes 62.

So the amendment was rejected.

The Clerk read as follows:

For personal services of clerks and other employees, $165,140.

Mr. TRUAX. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DITTER: Page 30, line 25, at the beginning of line 25, strike out the figures "$165,140" and insert in lieu thereof the following: "$185,480."

Mr. DITTER. Mr. Chairman, I do not intend to take the time of the Committee on this amendment other than to say that this is a further provision for the character-education program. I shall be glad to have a vote on it immediately.

Mr. BLANTON. And a part of the $87,000 extra program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

For personal services of teachers and librarians in accordance with the act approved June 4, 1924 (43 Stat., pp. 367–375), including for teachers colleges assistant professors in salary class 11, and professors in salary class 12, $6,896,200: *Provided*, That as teacher vacancies occur during the fiscal year 1936 in grades 1 to 4, inclusive, of the elementary schools, such vacancies may be filled by the assignment of teachers now employed in kindergartens, and teachers employed in kindergartens are hereby made eligible to teach in the said grades: *Provided further*, That teaching vacancies that occur during the fiscal year 1936 wherever found may be filled by the assignment of teachers of special subjects and teachers not now assigned to classroom instruction, and such teachers are hereby made eligible for such assignment without further examination.

Mr. DITTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DITTER: Page 31, line 11, after the word "twelve", strike out the figures "$6,896,200" and insert in lieu thereof the following: "$6,953,100, of which not exceeding $5,000 may be expended for compensation to be fixed by the board of education and traveling expenses of educational consultants employed in character education."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment. Clearly the last paragraph of the amendment is legislation unauthorized on an appropriation bill and is a change in existing law. Hence the entire amendment should be stricken out, being subject to the point of order.

Mr. DITTER. Mr. Chairman, instead of being technical I would prefer to have the amendment voted upon. It is part of the same educational program I stressed before. I ask for a vote on it.

Mr. BLANTON. Mr. Chairman, I insist on the point of order, because there is no law now that permits this arrangement of compensation to be made.

The CHAIRMAN. Does the gentleman from Pennsylvania desire to be heard on the point of order?

Mr. DITTER. Mr. Chairman, I shall submit the matter entirely to the hands of the Chair with regard to the objection on the point of order.

Mr. BLANTON. Mr. Chairman, the compensation now is fixed by law.

The CHAIRMAN. Will the gentleman inform the Chair what is the compensation fixed by law?

Mr. BLANTON. The compensation of all the employees is fixed by law; but this amendment would change the law and allow these officials to fix it. Therefore it is a change in existing law, and is clearly subject to the point of order.

The CHAIRMAN. The Chair is of the opinion that the amendment is subject to the point of order on the ground that it is a change of existing law. The point of order is sustained.

The Clerk read as follows:

For purchase and repair of furniture, tools, machinery, material, and books, and apparatus to be used in connection with instruction in manual and vocational training, and incidental expenses connected therewith, $60,000, to be immediately available.

Mr. HARLAN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes.

Mr. HARLAN. Mr. Chairman, a few days ago we lost from our Membership the gentleman from New York, Anthony J. Griffin, for whom I have always had the greatest respect. My respect for him was increased yesterday when I heard the gentleman from Wisconsin discussing the bonus bill, for the reason I had just received copy of a bill that Mr. Griffin had introduced into the House providing for what seemed to me to be a very sensible solution to this bonus question. In the bill it is provided that instead of handling this question as an insurance matter we go back to the original mistake that was made at the time the bonus question first came up and treat the men as though they had been paid the cash which ought to have been paid them at that time, and then pay

them compound interest at the rate of 4 percent from the date of the armistice to the present time on the sum which they ought to have received in cash at that time.

This would entail an expenditure out of Federal funds at this time of approximately $1,250,000,000, or $1,000,000,000 less than the amount provided for in the two bills now before the House, namely, the Vinson bill and the Patman bill. It will treat every veteran alike, and under any bill that has been proposed so far they will not be treated alike. This will enable every veteran, even those who have borrowed on their service certificates, to get an average of approximately $171 apiece. It will enable those who have not borrowed to cash their certificates at once. It will save money to the Government and will render justice to the veterans, because it will remove the mistake that was made in the beginning of this bonus imbroglio.

It seems to me that any way we handle this bonus question, particularly if we accept the provision inflating the currency, to pay it we are going to add a burden on the Government that is not justifiable because there is no reason for doing so. If we adopt the Patman method, and start to handle this question by an inflationary step, we will shake the confidence of the people in this country in every future measure this Congress undertakes, because everyone will assume, including the business people, laborers, and everybody else, that we are starting on a program of inflation which cannot do anything at this time, it seems to me, but cause a great deal of harm.

The bonus program that we launched was the result of two things, an idealism on the part of many of the leaders of the veterans' organizations and a very selfish materialism with the administration in power at that time who desired any measure to avoid paying out cash. The veteran leaders thought it would be better to handle this by the insurance-policy method instead of by the cash method. The administration thought anything would be better than handing out cash and putting it on the tax rolls at that time.

We cannot correct this measure unless we go back, as Mr. GRIFFIN suggested in this bill (H. R. 2019), which has been referred to the Ways and Means Committee, and erase the mistake that we originally made. Assume that we pay these men what should have been paid in 1919 and then pay them compound interest from that time to the present time at the rate of 4 percent. This will clear up, it seems to me, a great many questions that we cannot settle in any other way. It will render justice to the veterans, it will save money to the Government, and it will clear up a question that is confusing everything now before Congress and which is putting every Congressman in a very embarrassing situation. [Applause.]

[Here the gavel fell.]

The Clerk read as follows:

For the pay and allowances of officers and members of the Metropolitan Police force, in accordance with the act entitled "An act to fix the salaries of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia" (43 Stat., pp. 174–175), as amended by the act of July 1, 1930 (46 Stat., pp. 839–841), including compensation at the rate of $2,100 per annum for the present assistant property clerk of the police department, $3,213,500.

Mr. RANDOLPH. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. RANDOLPH: Page 41, line 7, after the word "department", strike out "$3,213,500" and insert in lieu thereof "$3,280,000."

Mr. RANDOLPH. Mr. Chairman, the item as written in the bill is $3,213,500. The amendment which I offer calls for an increase of $66,500 to cover the employment of 35 privates or patrolmen at a yearly salary of $1,900 per annum.

The reason that I ask for this increase today in connection with the discussion of the District appropriation bill is because I have actually tried to look at this matter in a fair and just manner. Major Brown went before the Budget Committee and asked that there be given to him not alone the 35 privates who had been dropped from the police force in 1933 and 1934, but he also asked, in view of the alarming and distressing crime conditions in the District of Columbia, that he be given 100 additional privates. However, when the Commissioners of the District of Columbia went before the Appropriations Committee, they disregarded the request of Major Brown as to the 100 new additions to the police force and asked simply that the 25 which had been dropped in 1933 and the 10 which had been dropped in 1934 be given back to the force.

Since that time the population of the District of Columbia, I may say, has increased from 486,000 to more than a half million residents. In addition to this the Metropolitan Police area includes hundreds of residents who daily come to Washington to transact business or who are connected with business institutions within the District of Columbia. Thousands of others come to the District each week upon Government business from the States which the gentlemen of this House represent.

The great necessity is for patrolmen. We sometimes wonder why we do not always see the policemen on the streets, but this is simply because of the very nature of District of Columbia life. These men are delegated to ceremonies, to the embassies, to legations, to emergency situations, to the protection of school children, the direction of traffic during rush hours, and the like.

I feel that the 25 positions dropped in 1933, and the 10 positions dropped in 1934, a total of 35, should be restored.

I want to make this statement, and then I shall yield to the gentleman from Texas, who is my splendid friend. A compilation of policemen per square mile in 15 cities of the United States shows that Washington, D. C., has fewer policemen to the square mile than any of these comparable cities. I may say that New York City has 56 per square mile, Boston has as many as 51 per square mile, Philadelphia has 39, Newark, N. J., has 57, Chicago has 32, while the District of Columbia has but 19 men to the square mile.

I may say to the chairman of the committee that we found that in 12 cities with respect to the number of policemen to population, taking Newark, N. J., as an example—

In Newark, N. J., with a population of 473,600, they had 1,328 policemen. In Washington, with a population of 472,000, we had 1,262 policemen.

I now yield to the gentleman from Texas.

Mr. BLANTON. Does my friend know how many patrolmen we have in Washington?

Mr. RANDOLPH. We have about 1,400.

Mr. BLANTON. We have 1,304, I may say to the gentleman.

Mr. RANDOLPH. I did not mean to say patrolmen, I was referring to the entire force.

Mr. BLANTON. In addition to that we have a park police here of 76 policemen.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia may have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. If my friend will permit me, in addition to the 1,304 patrolmen on the Metropolitan Police force, we have a splendid park police force here, one of the best in the United States, which has 76 policemen. Then we have the White House police force, which has nearly 40, and then we have the Department of Agriculture special police force, and then we have the Capitol special police force, the House Office Building special police force, and the Senate Office Building special police force.

Mr. RANDOLPH. I may say to the gentleman that, certainly, we have a park police, but we have the parks here, and you do not have them in your city.

We have the Capitol here, and you do not have it in your city. We also have these Government departments here, which have to be taken care of.

But that should not take us away from the question of the actual policing of Washington, D. C. We know that in De-

cember the President of the United States was in hearty accord with the crime conference called here, because he wished to strengthen the arm of the law in the United States.

Mr. BLANTON. If my friend will permit, because he is always fair, does my friend know that within the last 4 years we have furnished much money to put these traffic lights at intersections all over Washington, and we have been able to retire a number of traffic policemen and put them back on the regular force.

Mr. RANDOLPH. I may say to the gentleman that if he will go to Dupont Circle and see the situation existing there, regardless of traffic lights, he will know that there will have to be a subway constructed in that section. He must realize that Washington in the next 20 years is going to be a city of three-quarters of a million people. We have outgrown our swaddling clothes.

Mr. BLANTON. I would not be surprised if every person in Texas moved up here, because they have more advantages in Washington than they have in Texas and I should not be surprised if every constituent my friend has in West Virginia does not come here ultimately.

Mr. RANDOLPH. My friends in West Virginia love Washington and they like to come here, but when they do come here they want to know they are going to have protection, and I may say that the safety of the constituents who visit the gentleman is also at stake when they come here. I had a Member of the Congress tell me, in the Capitol restaurant, where I notice the gentleman eats frequently, that one of his prominent constituents had his best overcoat stolen last evening.

In closing, may I say that I believe this request is modest, in view of the alarming situation which we know, if we are honest with ourselves, actually exists here in the National Capital.

I have tried to be fair in the presentation of the amendment. I have not asked what Major Brown asked for and he is the man who is in close contact with this vital situation. I have only asked what the Commissioners of the District of Columbia, after a careful study, have asked from the Committee on Appropriations, and I leave it with the gentleman of the committee if it is not a fact, in view of the actual conditions here, that we should grant this modest request, which is not for a new group of men, but simply placing back upon the force the 35 men who were dropped in 1933 and 1934.

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I trust the Members of the House will not think the Appropriations Committees arrive at decisions without exhaustive investigation and statistical information which justify them in the decisions which they reach.

We investigated this matter very thoroughly. We investigated it both as to crime conditions in the District as compared with crime conditions in other jurisdictions and also as to the number of police in Washington as compared with the number of police per 1,000 inhabitants in other cities.

We found crime statistics for Washington were vastly less than those of the average American city. We found more policemen per thousand of population in Washington than in the average American city. We found the rate of pay of police much in excess of the average American city.

In other words, the actual statistics of police efficiency, crime conditions, and appropriations for maintenance of the police force are much more favorable to Washington than to the average American city.

We found—and our information is secured from the official reports of the United States Department of Justice—that only two cities of the United States have more police per capita than Washington. Boston has more police per thousand, and Newark, N. J., has more police per thousand than Washington. We have more than San Francisco, New Orleans, Baltimore, Philadelphia, Chicago, New York, or any other city except the two mentioned.

Br. BULWINKLE. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. BULWINKLE. Is the gentleman including in that number the Park Police, the Capitol Police, and the White House Police?

Mr. CANNON of Missouri. No. Excluding all extra police, we still have more per thousand than any except the two cities I have mentioned—Boston and Newark.

Mr. RANDOLPH. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. RANDOLPH. Is it not a fact, taking the per capita, Washington is the second city in the number of murders and first in the number of robberies?

Mr. CANNON of Missouri. The gentleman is mistaken in that. According to the figures of the Department of Justice, in the number of murders in the cities of the United States Washington ranks twenty-seventh.

Mr. RANDOLPH. Per capita?

Mr. CANNON of Missouri. Per capita. Take the percentage in the nearest city to Washington—Richmond, Va. There the murders are 4.4 per capita; in Washington, 2.1, less than half of that in Richmond, Va.

Mr. BEITER. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. BEITER. Has the gentleman the number of deaths caused by traffic accidents in Washington compared with other cities?

Mr. CANNON of Missouri. We have the reports from Washington. Comparative statistics of accidents are not compiled by the Department.

Murders, robberies, burglaries, and every other form of crime with which the police deal are more efficiently controlled in Washington than in any of the major cities of the United States.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the city of Washington has more police and pays them better and has less crime than any other major city in the United States except Boston and New York.

Mr. BLANTON. And Richmond is a much smaller city than Washington.

Mr. CANNON of Missouri. Yes.

Mr. BOILEAU. Will the gentleman yield?

Mr. CANNON of Missouri. Yes.

Mr. BOILEAU. The gentleman made a statement that we have more police per capita than in other cities. Does the gentleman take into consideration the fact that it is estimated that in Washington we have an average of about 150,000 to 200,000 people here right along as transients, which is not the case in the average American city?

Mr. CANNON of Missouri. Oh, there is no way of judging the number of transients, although I would say that New York and Chicago undoubtedly have more transients than Washington.

Mr. BOILEAU. Per capita?

Mr. CANNON of Missouri. I would think that that is true, although that is not the point at issue. The criterion which the Department of Justice judges the relative efficiency in control of crime is the rate per capita, and judged by that standard Washington compares favorably with any other city in the United States.

Mr. BOILEAU. Is it not a fact that the transient population is to be taken into consideration if we are to give protection, because these transients not only cause trouble but they require protection?

Mr. CANNON of Missouri. I am certain we have less transients here than either New York or Chicago.

Mr. BOILEAU. I agree, but does the gentleman maintain that we have more transients in New York per capita than in the city of Washington, the center of the Nation's business? Is it not generally admitted that we have a much

larger transient population in Washington by far than any other city in the Union?

Mr. CANNON of Missouri. It is not admitted, and there is no evidence to indicate it is true. If the gentleman has any statistics, I hope he will cite them.

Mr. BOILEAU. I have not the statistics, though I wish I had.

Mr. RANDOLPH. I have those statistics.

Mr. CANNON of Missouri. We have not only better conditions in the city of Washington, more effective preservation of law and order, more police per capita, but we are constantly increasing our police force. It has been increased more than 300 in the last decade. In addition to that increase, both this year and last year—by the institution of traffic lights at the intersections—we have released a number of police formerly on duty as traffic officers at these intersections. Then we have placed radios in police cruising cars, thereby releasing one patrolman; a man for each car so equipped. Heretofore it required two men for each car, now with the radio it requires but one man to a car. As a result of that we were able in effect to add 40 men to the force this year. Where they had previously required two men to a cruising car, now with radio they require but one. We have released in the last 2 years by the installation of traffic lights approximately 25 men. That aggregates 65. We have made other readjustments which increased the efficiency of our police force.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ELLENBOGEN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. ELLENBOGEN. How many policemen are there in the District of Columbia?

Mr. CANNON of Missouri. There are 1,304, not including park police and numerous other special units.

Mr. ELLENBOGEN. Pittsburgh is as large as or larger than this community, and has something like 800 policemen.

Mr. BLANTON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. BLANTON. And if you were to add 150 new policemen would it insure any change in the present conditions, in the gentleman's judgment?

Mr. CANNON of Missouri. None whatever. We are amply policed.

Mr. ELLENBOGEN. I just wanted to support the gentleman's statement.

Mr. DUNN of Pennsylvania. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. DUNN of Pennsylvania. Does the gentleman not believe that Mr. Brown, head of the police department of Washington, knows more about the police situation than we Members of Congress?

Mr. CANNON of Missouri. He ought to be informed, and he did not ask our committee for a single policeman. The statement has been made repeatedly this afternoon that he came before our committee and asked for additional policemen. The hearings will disclose that Superintendent Brown did not ask for additional police.

Mr. RANDOLPH. Will the gentleman yield?

Mr. CANNON of Missouri. Certainly.

Mr. RANDOLPH. It is a fact that the gentleman from Missouri has the highest regard for the Metropolitan Police force, is it not?

Mr. CANNON of Missouri. I so expressed myself in the hearings. We have a very efficient force and it is doing its duty. If we felt they needed a single additional man we would insist on his employment. After considering all the information that we could gather on the subject we reached the conclusion that the present force is ample.

Mr. BLANTON. Will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. BLANTON. Did anyone come before the committee and ask for additional policemen?

Mr. CANNON of Missouri. No one.

Mr. BLANTON. Does not the gentleman think that if the authorities needed them they would have come around to see the gentleman rather than go to some outsider?

Mr. CANNON of Missouri. That would be a very natural conclusion.

Mr. RANDOLPH. Will the gentleman yield further?

Mr. CANNON of Missouri. I yield.

Mr. RANDOLPH. It is a fact that the board of trade, several citizens' associations, and the business men of this city, 800 strong, went on record publicly in favor of this addition to the police force of Washington, D. C. Is that not a fact?

Mr. CANNON of Missouri. They sent a delegation which appeared before the committee on another matter, but they did not mention the police force.

Mr. RANDOLPH. Well, that is true.

Mr. BLANTON. They want all the money they can get, naturally.

Mr. ELLENBOGEN. Will the gentleman yield further?

Mr. CANNON of Missouri. I yield.

Mr. ELLENBOGEN. I have been a member of the subcommittee of the District of Columbia on policemen and firemen, and I am now chairman of that subcommittee. I have never had a request for more policemen for the city of Washington.

Mr. CANNON of Missouri. That is a rather significant statement, that the District Committee has not had any official intimation of any need for additional police.

Mr. Chairman, Washington is the best financed city in the United States. The cost per capita of government in Washington, D. C., is greater than that of any other American city, and while we have no statistics on other countries, I am inclined to think that the cost of government per capita is heavier in Washington than in any other city in the world, amounting to $78.75 per capita. Certainly there is no occasion for increasing this amount while we are struggling to balance the Budget.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has again expired.

Mr. BULWINKLE. Mr. Chairman, I rise in favor of the amendment offered by the gentleman from West Virginia [Mr. RANDOLPH].

I recognize, Mr. Chairman, that it is very difficult to pass any amendment to any appropriation bill. There are 39 members of the committee, and they are nearly always present, and it is very difficult to get an amendment through.

All I have heard against the amendment is that there is no crime or comparatively no crime, or there is less crime in Washington than in other cities in the United States. There is one thing, however, that I want to call to the attention of the Membership here present, and that is the traffic conditions in Washington. The traffic conditions are such that additional patrolmen and additional traffic men are needed. One hundred and thirty-five people in the District of Columbia lost their lives last year on account of accidents, and hundreds, although I forget exactly how many, were wounded and injured in traffic accidents in the District of Columbia. The life of one American citizen, if it can be saved by the addition of patrolmen or traffic officers, is well worth the expenditure. This Congress should not stand in the way of doing that. If you drive through the streets of this city in the morning from 7:30 to 9:30 or in the afternoon from 4 o'clock until 6 o'clock, you will find the conditions which I have stated. I think the police force of Washington is a good force, efficient, capable, and alert. And they work hard, and they are doing their duty. The gentleman spoke of the Capitol Police, the White House Police, and the Park Police. They have nothing to do with this traffic situation, except in connection with traffic through the parks. But the Washington police are called out on more occasions, I will venture to say, than policemen are in many of the cities of the United States. Conditions are different in this city.

I am not a new Member. For 14 years I have seen this police force in the District of Columbia do its duty as well as, if not better than, any force in the United States. All I am asking the Membership to consider is that if you do not give a sufficient force to take care of traffic conditions in the District of Columbia we cannot expect to reduce the number of deaths and accidents in the District.

Incidentally, there are nearly half as many cars in this small space within the District of Columbia as there are in the entire State of North Carolina; in addition there are those that come from Virginia and Maryland and other States. My reason for addressing the Committee is for the protection of human life and property of our people in the District of Columbia and not with increasing the force or increasing the expense. The addition to the police force of 35 men will be an additional tax upon the District alone.

Mr. RANDOLPH. Will the gentleman yield?

Mr. BULWINKLE. I yield.

Mr. RANDOLPH. It is a fact that conditions are not comparable to other cities because of our complex national life?

Mr. BULWINKLE. They cannot be compared.

Mr. CANNON of Missouri. There was no question, Mr. Chairman, that the committee investigated more thoroughly than the cause of traffic deaths on the streets of Washington. Every official of every department of the city government who could be expected to have any information on the subject or who could be expected to offer any explanation or who could be expected to suggest a remedy was carefully examined on this subject. We asked them: "What is the cause of this great increase in traffic deaths in the city, and what is the remedy?"

Mr. Chairman, not one who appeared before us said that the remedy was to increase the number of policemen. Not a man who appeared before us, as an examination of the hearings will disclose, said the increase was due to lack of police.

The gentleman from North Carolina has overlooked this one significant fact, that last year, with less policeman than we have now, we had only 80 traffic deaths. This year, with 40 or 50 more police released from other duties and available for service, the number of traffic deaths were 135, proving conclusively that there is no relation between the number of policemen and the number of traffic deaths.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. CANNON of Missouri. I yield.

Mr. BULWINKLE. Then, under the logic of the gentleman, we could keep on decreasing the police force to the point where we had no deaths. [Laughter.]

Mr. CANNON of Missouri. The gentleman says that 2 and 2 make 6, but 2 and 2 make 4. I repeat, that increasing the police force has not decreased the number of traffic deaths. This year, with an increase in the available police force, the number of deaths increased from 80 to 135.

Mr. Chairman, the information collated by the committee has demonstrated that there is no need for additional police force. Furthermore, not a single citizen appeared before the committee asking for more policemen. Not an official appeared before the committee asking for more policemen. Not a Congressman appeared before the committee asking for more policemen. The printed hearings show that no individual or organization appeared before us asking for additional policemen. I submit, Mr. Chairman, that the amendment should be voted down.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The arguments we have heard would assume that we have not a police force here in Washington. If you were to bring all the 1,304 patrolmen to the Capitol and try to put them in the House Chamber, only one-third of them could be seated, because the seating capacity of the House is only 435. So it would take three shifts to get all of them into the House. That is how many patrolmen we have in Washington.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Just a minute. In addition to the Metropolitan Police of 1,304 patrolmen, we have 76 of the ablest policemen in the world on our Park Police force. No one can violate the law going through those parks. People who drive cars here obey the law better in the parks than anywhere else, because they know they are going to be arrested if they violate the law. The able, skillful park policemen are there.

In addition to that, we have a large force of special policemen in the White House grounds, every one of them having a Metropolitan badge and every one of whom can make an arrest.

Then around the Agricultural Department we have another special police force that has been there for years.

Out here at the Zoo Park we have another special police force policing the Zoo Park. No one can go through there and violate the law with impunity.

Mr. Chairman, I want to say to my friend from West Virginia and to my friend from North Carolina that if we could save one human life in Washington by putting on extra policemen, I would be willing to go the limit with them in putting on extra men.

I have been on this committee, studying this question, for years. I have introduced resolutions that caused more investigations of the police department here, both park and metropolitan, than any other man in Congress. I conducted the investigation of Captain McMorris, who was then at the head of the Park Police force, and caused his removal. I impeached a police commissioner, Col. Frederick A. Fenning, and through an investigation forced his resignation because of improper conduct.

Mr. BULWINKLE. Mr. Chairman, I think the gentleman will admit that the rest of us had something to do with it.

Mr. BLANTON. Yes; the gentleman from North Carolina helped. [Laughter.] But I was the instigator of that; I impeached him; I led the attack; I conducted the hearings before the Judiciary Committee and the District Committee for weeks and even months.

Mr. BULWINKLE. I think the gentleman will admit that before he brought it up before the Committee on the Judiciary the gentleman from Mississippi [Mr. RANKIN] and I took it up before the Veterans' Committee.

Mr. BLANTON. That was after I produced the evidence against him. Oh, the gentleman from North Carolina performed valiant service. I take my hat off to him. He and my friend from Mississippi [Mr. RANKIN] helped me immensely, after I worked for months gathering the facts against Colonel Fenning.

But does he know more about this present police situation than our friend from Missouri [Mr. CANNON], who has been studying this question for 23 years? Does he know more about it than the members of this subcommittee and the 39 members of the Committee on Appropriations? Do not these 39 men also have a concern about the protection of human lives? If they felt that the putting on of additional policemen would save human lives, they would have provided for it in this bill. They are just as much interested as is the distinguished gentleman from North Carolina; they are just as much concerned as is our splendid young colleague from West Virginia. But not a man appeared before our committee, from the superintendent of police down, and asked for even one additional policeman.

Mr. BULWINKLE. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. All I heard from the gentlemen comprising the appropriations subcommittee was in reference to the matter of crime in the District. I told the gentleman I was not talking about crime; but when he was asked the question about the number of deaths and injuries caused by automobile accidents, I may say we received no facts in the Appropriations Committee.

Mr. BLANTON. The facts are fully stated in the hearings. May I say to the gentleman from North Carolina that if he will go to a prominent corner in New York City he will see that there is posted daily a bulletin heralding the daily increase to the number of traffic deaths. Every morning they add to the number of traffic deaths in the city of New York. We have traffic deaths everywhere.

Mr. BULWINKLE. Does the gentleman from Texas want me to go to New York to find out what I am attempting to find out from the Appropriations Committee?

Mr. BLANTON. Oh, we have plenty of policemen here, I may say to the gentleman from North Carolina.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. RANDOLPH) there were—ayes 40, noes 43.

So the amendment was rejected.

The Clerk read as follows:

For one combination hose wagon and one pumping engine, triple combination, all motor driven, $18,500.

Mr. DIRKSEN. Mr. Chairman, I offer two amendments, which I send to the desk, and ask unanimous consent that the two amendments may be read and considered as one.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. DIRKSEN: On page 45, line 1, after the word "for", strike out the word "one" and insert in lieu thereof the word "three"; and on page 45, line 2, after the word "driven", strike out "$18,500" and insert "$34,500."

Mr. DIRKSEN. Mr. Chairman, the language at the top of page 45, as amended, will read:

For three combination hose wagons and one pumping engine, triple combination, all motor driven, $34,500.

I am very happy that the distinguished chairman of the subcommittee, the gentleman from Missouri [Mr. CANNON], and the gentleman from Texas [Mr. BLANTON] have given such complete emphasis to the fact in the previous discussion that nobody from the police department or nobody identified therewith or nobody who is interested in adding officers to the Metropolitan Police force came before the committee with the suggestion or proposal to increase the number. That, however, does not happen to be the case in connection with the fire department. There is nothing better I could do than to read from the hearings as to whether or not these additional pieces of equipment are necessary at this time. I read from the hearings of the committee.

Mr. CANNON. Now, we went out of our way and gave you everything in the world you asked for in the way of equipment last year, as I recall, except one piece of machinery. For this year, I notice you want three combination hose wagons.

Mr. SCHROM. Yes, sir.

Mr. Schrom, by the way, is the chief engineer of the fire department.

Mr. CANNON. Why would not the two we gave you last year be sufficient?

Mr. SCHROM. Mr. Chairman, we have right now 11——

Mr. CANNON. In the repair shop?

Mr. SCHROM. We have 11 that are really old and do not produce the proper efficiency.

Mr. CANNON. What is the difficulty? Are they antiquated?

Mr. SCHROM. Yes.

Mr. CANNON. Or obsolete, or worn out—which of the two?

Mr. SCHROM. I would say they are worn out, and I will leave it to the superintendent of machinery to tell you, after I make this remark, that I think our older pieces are only making about 1 mile on a gallon of gasoline. Some of them are as much as 20 years old.

Think of it—there is fire apparatus in the District of Columbia almost 20 years old. Mr. CANNON continues:

Mr. CANNON. While they take more gasoline, do they attain a reasonable rate of speed?

Mr. SCHROM. Some of them do; some not. This estimate is designed to permit the purchase of three combination hose wagons at $8,000 each, and one pumping engine, $10,500.

Long experience has shown that this apparatus should not be kept in service longer than 15 years. To extend this period means to use apparatus that is obsolete in design, worn out and unreliable as to mechanical condition, and lacking power and performance. This is true not only of the pieces in active daily service, but also with regard to replacement pieces which are maintained to relieve apparatus in need of repair, and as active units in time of large fires, storms, and other emergencies.

Then follows a summary, and here is the summary: Number of hose wagons in the District as of 1936, 20 years old, 1. There are two 18 years old, six 17 years old, two 16 years old, and five that are 15 years old.

The number of pumping engines—there will be 7 that are 15 years old, 1 that is 17 years old, and 1 that is 18 years old.

Mr. Chairman, I do not know as it takes any elaboration on my part to show that this equipment is necessary if the District Fire Department is to be equipped with modern appliances, because after all the question of politics, patronage, and all that sort of thing never enters into the question of expeditious and efficacious putting out of fires and the saving of property of the people in the District.

[Here the gavel fell.]

Mr. CANNON of Missouri. Mr. Chairman, I rise in opposition to the amendment.

The gentleman from Illinois [Mr. DIRKSEN] did not read the important part of the hearings. He did not read the questions I asked the chief as to whether or not they were sufficiently equipped to answer promptly all calls and as to whether there was any danger to either life or property with the present equipment, which would be lessened by the purchase of additional equipment. The chief testified they had ample equipment to meet all calls, that failure to add this additional equipment would in no way imperil life or property or add to the fire hazard in the District. The committee, after careful consideration, was convinced that the new equipment provided by the bill with the additions which the committee authorized last year were ample, and the committee therefore submits that this amendment should not be adopted.

Mr. DIRKSEN. Will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Illinois.

Mr. DIRKSEN. In the previous discussion the gentleman from Missouri stated they were always glad to have people come before the committee and submit their requests with respect to District problems in the hope of having the bill conform to the desires of the people.

Here we have the man who has the technical experience in putting out fires and in surveying and estimating the needs of the District so far as fire apparatus is concerned. He is an expert. He has been here a long time. He has been coping with metropolitan fire problems and he requests these additional pieces of equipment. I think, after all, that is the substance of the argument.

Mr. CANNON of Missouri. The gentleman is not familiar with the methods obtaining in making departmental estimates. We call before the committee the heads of departments and ask them what they want. They usually ask about twice what they expect to receive. It is not necessary to take more time on this small item. I will simply say, Mr. Chairman, that we have unquestionably a fire department with ample equipment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 17, noes 37.

So the amendments were rejected.

The Clerk read as follows:

The disbursing officer of the District of Columbia is authorized to advance to the Director of Public Welfare, upon requisitions previously approved by the auditor of the District of Columbia and upon such security as may be required of said Director by the Commissioners, sums of money not to exceed $400 at any one time, to be used for expenses in placing and visiting children, traveling on official business of the board, and for office and sundry expenses, all such expenditures to be accounted for to the accounting officers of the District of Columbia within 1 month on itemized vouchers properly approved.

Mr. FISH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to speak under the broad heading of the general welfare of the District of Columbia, and I particularly direct my remarks to the members of the Committee on the District of Columbia on both sides of the aisle. I am not speaking, primarily, in my capacity as a Member of Congress but rather as a taxpayer in the District, as a

home owner, and as the father of several children born in the city of Washington.

It seems to me that the committee and my good friend the gentleman from Texas [Mr. BLANTON] could render a great service to the District and promote the general welfare of the District if they would give some consideration and take some favorable action to limit or wipe out and eradicate the soot nuisance that comes from the extensive and uncontrolled use of soft coal in the District of Columbia. I know nothing that is more injurious to the health of all the people who live in the District, whether young or old. This is one of the dirtiest places in America, filled with dirt and smoke and soot, and everyone who lives here knows this to be the fact. They know this by simply looking at the window sills of their rooms. They are covered every day with a heavy layer of soot. This soot and smoke is injurious to the eyes, nose, throat, and the lungs of both young and old.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Ohio.

Mr. HARLAN. The gentleman states that Washington is one of the dirtiest cities in the country. Has the gentleman ever been in Cincinnati or Pittsburgh?

Mr. FISH. I am pleased that the gentleman has asked this question. A few years ago I think Pittsburgh had the reputation of being about the dirtiest city in America. They have taken hold of this problem and they have applied drastic measures to eradicate the grime and soot nuisance in that city and with great success. I assume the gentleman represents a district that produces soft coal. I do not know whether the gentleman does or not, but I am simply inferring that from the question which he has asked.

Mr. HARLAN. We do not produce any coal.

Mr. FISH. The gentleman's State does.

Let me repeat, Pittsburgh has taken hold of this problem and has eliminated, so far as humanly possible, the soot and the dirt and the smoke from soft coal that is used in that city.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FISH. Certainly.

Mr. BLANTON. Has the gentleman ever been in Poughkeepsie?

Mr. FISH. As the gentleman has raised that question, that city, a very lovely and beautiful city, is situated in one of the finest congressional districts in the United States, in the highlands of the Hudson, only 3 miles from where the President of the United States has his home.

Mr. BLANTON. And where Vassar College thrives.

Mr. FISH. As a matter of fact, Poughkeepsie has not any smoke nuisance whatever, if the gentleman implies that.

Mr. BLANTON. I want to say this to our friend from New York: If he will bring to the committee of which I am a member any plan we have authority to handle that will get rid of this nuisance in Washington, he will find a ready and sympathetic ear and action taken immediately.

Mr. FISH. That is all I am speaking about.

Mr. BLANTON. What is the gentleman's remedy? How are we going to stop it? We are not a legislative committee. We are an appropriating committee.

Mr. FISH. I will tell the gentleman how to stop it. In the first place, I understand a huge petition will be presented, signed by tens of thousands of the inhabitants of this District, requesting some action by your committee to eradicate the smoke and the soot and the dirt nuisance in order to protect the health of the people here.

[Here the gavel fell.]

Mr. FISH. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. Will the gentleman yield for one further question?

Mr. FISH. Yes.

Mr. BLANTON. The gentleman from New York has been here a long time and he knows that our committee is nothing in the world but an appropriating committee. It has no power over legislation at all. We cannot provide anything that is a change of law. Anything that changes present existing law has to come through the legislative committee, and the gentleman will admit that we are handicapped, and cannot place in our bill any legislative matter.

Mr. FISH. I think the gentleman heard what I said in the beginning. I said that I had hoped the members of the District of Columbia Committee were present while I was making these remarks, and naturally I inferred that the members of that committee would be here when your subcommittee on appropriations has the District bill under consideration.

Mr. BLANTON. But the Committee on Appropriations is powerless to remedy the situation to which the gentleman refers.

Mr. FISH. Absolutely powerless; but I will say this to the gentleman from Texas: As a member of this subcommittee and as a member of the Committee of the Whole House, he is not powerless on anything, and I am asking for his help in a very worthy cause.

Let me now go back to the situation existing here. I understand various civic organizations are going to submit a petition, signed by thousands of the taxpayers of the District, asking merely for relief and the abatement of the soot and smoke nuisance from the Congress, which is the governing body of the District. It is the function of every individual Member of Congress, but primarily of the District Committee, to help protect the health and promote the general welfare of the people living in the city of Washington.

Now, what can be done? There are several things. First, you can do what New York City does. You can prohibit the use of soft coal entirely. Its use is prohibited in New York City and, I presume, in other large cities in the country. This is the first and most drastic procedure. Next, you can put through various regulations to compel the use of certain screens to prevent soot and other kinds of cinders from going all over the city and into the lungs of the young children of Washington.

There is another consideration which I failed to mention. We have appropriated in recent years, and very properly so, millions upon millions of dollars to erect the most beautiful Government buildings in order to make Washington the greatest and most beautiful city in the world.

Many of these buildings have been erected, and many of them are already discolored because they have no protection from the soot and smoke resulting from the uncontrolled use of soft coal on an extensive scale.

I am making my plea hoping the District members here and others interested, when the matter is presented to you by petition of the people of Washington, will do what you can to eliminate this nuisance, in spite of the opposition coming from the soft-coal districts in the United States, and you will find plenty of opposition on both sides of the House. I believe you are interested in the welfare of the District, and I hope you will give it your immediate attention, and that the gentleman from Texas [Mr. BLANTON], with his ability and energy, will assist in getting favorable consideration of the petition asking for immediate relief from Congress.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. FISH. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman think also that the lungs of Members of Congress ought to be protected from soot? The smoke nuisance is a constant menace to their well-being and to that of their families.

Mr. FISH. I certainly do. Now, I cannot agree with the gentleman who spoke today asking that loudspeakers be installed in the House. It seems to me we have got along pretty well for 150 years without having any of these newfangled contrivances, loudspeakers and megaphones. If your constituents elect you and send you down here, they do not send you here to speak through megaphones or loudspeakers. I am opposed to putting a broadcasting system into the House of Representatives except when the President speaks. Each Member ought to have the ability and capacity

to stand on the floor of the House and use his own voice and not be obliged to speak through a loudspeaker, megaphone, amplifier, or anything of that kind. [Applause.]

Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

General expenses: For general expenses in connection with the maintenance, care, improvement, furnishing of heat, light, and power of public parks, grounds, fountains, and reservations, propagating gardens and greenhouses under the jurisdiction of the National Park Service, including not to exceed $5,000 for the maintenance of the tourists' camp on its present site in East Potomac Park, and including personal services of seasonal or intermittent employees at per diem rates of pay approved by the Director, not exceeding current rates of pay for similar employment in the District of Columbia; the hire of draft animals with or without drivers at local rates approved by the Director; the purchase and maintenance of draft animals, harness, and wagons; contingent expenses; city directories; communication service; car fare; traveling expenses; professional, scientific, technical, and law books; periodicals and reference books, blank books and forms; photographs; dictionaries and maps; leather and rubber articles for the protection of employees and property; the maintenance, repair, exchange, and operation of not to exceed two motor-propelled passenger-carrying vehicles and all necessary bicycles, motorcycles, and self-propelled machinery; the purchase, maintenance, and repair of equipment and fixtures, and so forth, $365,000: *Provided*, That not exceeding $20,000 of the amount herein appropriated may be expended for placing and maintaining portions of the parks in condition for outdoor sports and for expenses incident to the conducting of band concerts in the parks; and not exceeding $10,000 for the erection of minor auxiliary structures.

Mr. SHANNON. Mr. Chairman, I move to strike out the last three words.

A Member of this House who passed from this life a few years ago, Will Wood of Indiana, appeared before our special committee investigating Government competition with private enterprise, and spoke in language both vigorous and profane. He said: "If you expect any truthful information from any of these blank bureaus or boards, you are a d—— fool."

The chairman of the subcommittee that considered this appropriation bill, Mr. CANNON of Missouri, had before him one of the so-called "bureau heads", and he asked him specifically concerning this item of $5,000 for the maintenance of the tourists' camp in Potomac Park. As I read the hearings before the subcommittee, I can see what the chairman was driving at. He wanted to save this item of $5,000. He persisted in his questioning, and the bureau head continued to find excuses for the item.

I ask the indulgence of the House at this time to place in the RECORD, for the enlightenment of future committees, just what was disclosed in the hearings before our special investigating committee, concerning this particular activity of the Welfare and Recreational Association, which is described as a private corporation incorporated under the laws of the District of Columbia and operating under a franchise granted by the former Director of Public Buildings and Public Parks.

I offer copies of three letters, which were made a part of the records of our special committee, purporting to have passed between F. W. Hoover, general manager of the Welfare and Recreational Association, and a certain hotel in this city. The first is a letter from Mr. Hoover to the hotel stating that it had been approved as satisfactory for overflow from the tourist camp; the second is a letter from Mr. Hoover to the hotel dunning it for commissions on the business sent it from the tourist camp; and the third is a letter to Mr. Hoover from the hotel transmitting a check for $18.10 to cover the 20-percent commission.

This so-called "recreational organization" has a system by which, if your wife or children were to go to it for accommodations, or ask to be directed to an approved hotel in the city, they would be sent to a hotel on their list, and immediately thereafter this organization would set out to collect 20 percent of the money received by the hotel it recommended.

Mr. CANNON tried to ascertain why this $5,000 was needed. He was told that it was not needed, that the tourist camp was a going concern, and that they would not use the money, but they wanted it as a matter of safety. This is purely a business venture, where a public agency is levying on private industry. I do not believe there is a community in the United States that would tolerate such a practice.

I do not wish, at this moment, to raise a point against this particular item, for the reason I believe the gentlemen who considered the bill were honest in their belief that it should be included in the appropriations. But I do think the RECORD should contain these communications, a part of the official record of our special committee, and I ask unanimous consent that they be made a part of my remarks at this time.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that his remarks be extended in the manner indicated by including certain excerpts and letters. Is there objection?

There was no objection.

Mr. SHANNON. It is hardly fair to the committee to ask that this item be struck from the bill at this time, especially in view of the fact that the chairman tried to get light on it from the Bureau; but I wish to make these remarks so that in the future the chairman will have this evidence, should he wish to use it in respect to another request for a similar appropriation.

The matter referred to follows:

Mr. Ringgold Hart, counsel, National Restaurant Association, Washington, D. C., testified December 7, 1932, before the committee:

"There came to my attention, and I transmitted to Mr. SHANNON, as chairman of the committee, three copies of letters that passed between the secretary of the Welfare and Recreational Association, Mr. Hoover, and a certain hotel. It involved the question of the tourist camp in Potomac Park. We thought the tourist camp was operated for people who came to visit the Capital and was not intended to be operated for profit. In the years 1930 and 1931 there was a tremendous profit made from the operation of that tourist camp. The statement which I submitted to Mr. SHANNON showed that the Welfare and Recreational Association profited to the extent of $25,845.95 in the year 1930 and $18,003.48 in 1931.

"Notwithstanding that profit, the secretary of the Welfare and Recreational Association demanded a 20-percent cut from tourists who could not procure accommodations at that tourist camp and were transferred to hotels. I respectfully submit that that was a wrong procedure. I submitted to you a copy of a letter from Mr. Hoover making that demand, a copy of the letter from the hotel in reply thereto, and a copy of the letter transmitting a check covering the 20 percent.

"Frank W. Hoover is secretary of the Welfare and Recreational Association, which is a private corporation incorporated under the laws of the District of Columbia."

In accordance with the request which you recently made of me, an inspection has been made of the Gordon Hotel with a view to placing it on the approved list at the Washington tourist camp. The inspector has passed it as possessing satisfactory accommodations for overflow from the tourist camp.

The manager of the tourist camp has been advised to place the Gordon Hotel on the list of hostelries to which tourists are sent who cannot be accommodated at the camp. It is suggested that you furnish Mr. Clarke, manager of the camp, a supply of your special rate cards on which he can stamp the name of the camp.

You understand that this association requires in return for the inspection given your hotel and its listing at the camp payment of 20 percent of the gross revenues from the guests sent you. Payments should be made on or before the 5th of each month for the preceding month.

Very truly yours,

F. W. HOOVER, *General Manager.*

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In order that the business of this association for the month of August may be closed at the earliest practicable date, please submit your check for commissions on business sent you from the tourist camp during the month of August as soon as convenient.

Very truly yours,

F. W. HOOVER, *General Manager.*

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SEPTEMBER 6, 1932.

DR. F. W. HOOVER,
*General Manager Welfare and Recreational*
*Association of Public Buildings and Grounds,*
*1052 New Navy Building, Washington, D. C.*

MY DEAR MR. HOOVER: Enclosed find check for $18.10 to comply with our agreement for commissions on the business sent to us for the month of August.

Thanking you for this business, I remain,

Yours very truly,

The Clerk concluded the reading of the bill.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. GREENWOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 3973, the District of Columbia appropriation bill, and had directed him to report the same back to the House without amendment, with the recommendation that it do pass.

Mr. CANNON of Missouri. Mr. Speaker, on that I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SHANLEY, for 2 days.

To Mr. DRISCOLL, at the request of Mr. HAINES, for 2 days, on account of important business.

PANAMA RAILROAD CO.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the Eighty-fifth Annual Report of the Board of Directors of the Panama Railroad Co. for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

REPORT OF GOVERNOR OF PANAMA CANAL

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

ALASKA RAILROAD

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Territories:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the annual report of the Alaska Railroad for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

PERRY'S VICTORY MEMORIAL COMMISSION (H. DOC. NO. 28)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Library and ordered printed:

*To the Congress of the United States:*

I transmit herewith, for the information of the Congress, the Fifteenth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 18, 1935.*

EXCELLENT RECORD OF THE FEDERAL TRADE COMMISSION

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the Federal Trade Commission.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, possibly what I have to say might have been more appropriately said when the independent offices appropriation bill was before the House for consideration a short time ago. Lacking the opportunity at that time, I now ask the indulgence of my colleagues for a few minutes in order to direct their attention to the work of an establishment of the Federal Government about which we may not hear a great deal either here on the floor of the House or in the public press. Nevertheless, it is my judgment, and I have taken the trouble to make some inquiries, that the establishment I have in mind is performing a most valuable service to the great consuming masses in this country.

Particularly is this true as to the smaller business and manufacturing interests, the "little fellow" who is engaged in business, and the small corporations and industrial concerns which are not able to maintain highly paid legal staffs, yet which are in much need of the service that this agency performs in protecting them from unfair trade practices and the sometimes greedy and selfish instincts and practices of the more powerful corporate interests, without which protection the small merchant and manufacturer might find it even more difficult to stay in business than he does find it now, rough as the going has been in recent years.

I am referring to the Federal Trade Commission. It is one of the smaller establishments of the Federal Government, with a small personnel, as Government departments and establishments go, and with relatively small appropriations, which I believe for the next fiscal year will be approximately $1,400,000.

KIEFER MAYER'S TRIBUTE

Recently, I received from a constituent of mine a highly commendatory letter about a phase of the work which the Federal Trade Commission is doing. The writer is Mr. A. K. Mayer, of Indianapolis, familiarly known in that city and throughout Indiana as Kiefer Mayer. Mr. Mayer is head of a large wholesale drug firm in my home city and is president of the National Wholesale Druggists' Association. Under the sponsorship of the Federal Trade Commission, there was recently held in Chicago a trade-practice conference for the wholesale drug industry of the country, with Commissioner Charles H. March presiding. At that conference there were about 500 wholesale druggists in attendance or represented by proxy, doing an annual business of more than $500,000,000, or probably 90 percent or more of the total volume of the wholesale drug business in the entire country. Of the success of that conference, Mr. Mayer wrote me in part as follows:

MY DEAR MR. LUDLOW:

Yesterday the wholesale drug industry had a trade-practice conference in Chicago, under the auspices of the Federal Trade Commission, with Hon. Charles H. March, Commissioner, presiding. There were over 500 in attendance, with approximately 95 percent of the members of the industry either present or represented by proxy.

In 1 hour and 35 minutes the different divisions of the wholesale drug industry approved rules of business conduct that, when approved by the Federal Trade Commission, will eliminate most of the unfair trade practices and trade abuses that have crept into the industry. These will turn wasteful methods into profits without any increase in prices to the consumer.

Before this formal conference, representatives of the industry spent about 7 hours with Judge McCorkle, director of trade-practice conferences of the Federal Trade Commission, so that altogether in less than 9 hours the industry wrote new rules under this Government agency and accomplished more than they had been able to do in 18 months before. These gentlemen in the Federal Trade Commission know their subject. They can give you a frank, clear, concise answer. If Congress would amend the Federal Trade Commission Act so that they could investigate and approve costs for an industry, it would solve the greater portion of the difficulties of American industry and would increase wages and employment in line with the wishes of the President.

Congress will no doubt consider amendments to or a revision of the N. I. R. A., and I just can't refrain from giving you my statements outlined above.

Trusting you are enjoying your usual good health and with very kind personal regards, I am,

Very respectfully,

A. K. MAYER.

VALUE OF TRADE-PRACTICE CONFERENCES

These trade-practice conferences have developed into an important and valuable phase of the work the Federal Trade Commission is doing. The plan for holding such conferences was developed in 1919, and their purpose is the elimination of unfair methods of competition or trade abuses. I am informed that approximately 150 such conferences have been held. They afford an opportunity for members of an industry to sit down together and under the auspices of the Federal Trade Commission consider methods for the correction or elimination of unfair and unethical business practices. It is a process in which an industry takes the initiative in establishing self-government, making its own rules of business conduct, subject, of course, to approval by the Commission, and necessarily within the limitations of law. Of course, the objective insofar as the Federal Trade Commission is concerned is to see that the interests of the public are protected. I am informed that it is the experience of the Federal Trade Commission with these conferences that they have resulted in a clearly marked trend toward higher standards of business conduct and that the agreements made by industries engaging in these conferences have been lived up to almost 100 percent.

SAVINGS OF HUNDREDS OF MILLIONS

There is another job the Federal Trade Commission is doing in which it is rendering a service to the American consumers that is saving them hundreds of millions of dollars. I refer to the investigation the Commission has been making of the electric and gas public utilities of the country. This investigation has been under way for more than 6 years and has been conducted under authority of a resolution introduced by the late Senator Thomas J. Walsh, of Montana. This investigation has reached its final phase, and the Commission is now making its final report, which, I am informed, will include recommendations for legislation for the correction of evils that have grown up in the public-utility industries. About the time the Federal Trade Commission made public its annual report for the last fiscal year, the Washington Daily News in its issue of December 27, 1934, carried an editorial commenting on the value of the Federal Trade Commission to the American public, and especially the importance of the utility investigation. That editorial said in part:

Any one of a dozen achievements of the Federal Trade Commission last year may be cited as worth more in dollars to the American people than the cost of maintaining that useful Government agency. This is clear from its current annual report.

On a budget slightly in excess of a million dollars, the Commission last year carried on its customary policing of industry, between the various units and between industry and consumers.

In addition it did many other things. Its disclosure of malpractices and financial juggling in the electric and gas utility industries already has saved consumers millions of dollars. It may save them much more, if state regulatory bodies make proper use of this information.

Its study of monopolistic practices in the milk business can yield rich dividends in higher prices to dairy farmers and at the same time lower prices to milk consumers.

Its investigative services for N. R. A., A. A. A., and T. V. A. have measurably increased the efficiency of those Government agencies.

Its analysis of price-basing systems, steel-industry practices, gasoline-price trends, and corporate salaries are essential to Congress in framing important legislation.

Selfish interests, which want to be left free to exploit the people, try every year in Congress to cripple the Commission by curtailing its budget.

Few, if any, other branches of the Government give taxpayers as much for their money.

About the same time another great newspaper, the St. Louis Post-Dispatch, printed an editorial entitled "A Great Public Service." Commenting on the utilities investigation, that editorial said in part:

The country is indebted for the investigation to the late Senator Thomas J. Walsh, of Montana, whose resolution precipitated a battle which was in some respects a turning point in American history. Walsh asked for a special Senate committee to conduct the investigation, but after a long battle the utilities succeeded in substituting the Federal Trade Commission.

If the utilities thought the Commission would make a less exhaustive investigation than a Senate committee would have made, they were sadly mistaken. It became apparent at the outset that the Commission was not going to slight its task, and it never has done so. Its published reports are now a matter of public record. They tell the story of an exploitation which has no parallel outside the railroad industry in the United States. It is not an exaggeration to say that this investigation ended the dispute over Muscle Shoals; that it was the inspiration of the Tennessee Valley project; that it crystallized the Government's new policy with respect to such social services as electricity, gas, water, and communication.

SAVINGS ARE CUMULATIVE

It is not possible to estimate closely the amount of savings which the American consuming public has enjoyed from electric and gas rates reductions that have resulted directly or indirectly from disclosures made during the Commission's investigation. Nearly a year ago, an estimate was made based on rate reductions noted during the years 1930 to 1933, inclusive, by a prominent trade journal in the electrical field. During that 4-year period, the publication in question noted 139 reductions with a total estimated consumer saving amounting to nearly $120,000,000. Fifty-eight additional reductions were noted, but without the amount of the reductions being given. They were, therefore, not included in any estimate of consumer savings. If these savings were known and there could be added to them savings due to rate reductions which escaped the attention of the technical papers, they would probably add many millions of dollars annually to the amount of consumer savings. These savings are, of course, cumulative because they continue in force from year to year, and some of them will in all probability be increased by further reductions, so that the total in a few years will unquestionably exceed a billion dollars. The figures I have mentioned do not include any gas-rate reductions at all, relating only to electric rates.

Up to the present the Commission has filed with the Senate 73 volumes of reports covering the record made up during the investigation, of which 65 volumes have been printed as Senate documents, the other 8 now being in the hands of the Printer. In addition, it has filed its final report on the propaganda activities of the utilities and has sent to the Senate two installments of its final report on the corporate organization, control, and financial practices of holding companies and their subsidiaries in the electric and gas field. The inquiry has covered corporations with assets of more than $10,000,000,000 and has included the investigation by members of the Commission's staff of 18 superholding companies, 42 subholding companies, and 91 operating companies, as well as many other affiliated companies.

At last reports, the total cost to the Federal Treasury of the power and gas utility investigation over the period of more than 6 years since the inquiry was launched was not quite $2,000,000. Certainly, the consuming public has already been paid handsome dividends for the investment made in this investigation, not to mention the public benefit which will follow whatever regulatory policy may be adopted by the Congress in its wisdom, based upon the information gathered during the inquiry.

In my remarks, I have called attention to only two phases of the work the Federal Trade Commission is doing. Of course, there are many others, but I think I have said enough to do what I had in mind, that is, bring to your attention the value of this establishment which in many particulars is the only Government agency that gives protection to the consuming masses and the smaller businesses and industries of the country.

FORMER MEMBERS OF CONGRESS GIVE HIGH ORDER OF SERVICE

I should like to say in conclusion that the work of this Commission is probably of special interest to many of you because of the presence on it of two of our former colleagues. I refer to the Honorable Ewin L. Davis, of Tennessee, who is now serving as chairman, and the Honorable William A. Ayres, of Kansas, who last summer resigned his seat in this House to accept a position on the Commission by appointment of President Roosevelt. Other members of the Commission are Hon.

Garland S. Ferguson, Jr., of North Carolina, and Hon. Charles H. March, of Minnesota. The fifth place on the Commission is now vacant, but it is expected that it will be filled soon by appointment by the President. Commissioner Davis, the chairman, was for 14 years a Member of this House and served as Chairman of the important Committee on Merchant Marine, Radio, and Fisheries. Mr. Ayres is a veteran of 20 years in this House and for several years was my associate on the Appropriations Committee and was chairman of the Naval Appropriations Subcommittee. Most of you know these gentlemen personally and know the high order of service of which they are capable and the broad experience which they have brought to their duties in the responsible positions they now occupy. It is my information and my judgment that that important Commission has never engaged upon more important work than is now receiving its attention and never performed its duties with more ability and dispatch than now.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 3 o'clock and 27 minutes p. m.), in accordance with the order heretofore made, the House adjourned until Monday, January 21, 1935, at 12 o'clock noon.

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## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

128. A letter from the president of the Georgetown Barge, Dock, Elevator & Railway Co., transmitting the annual report of the company for the year ended December 31, 1934; to the Committee on the District of Columbia.

129. A letter from the Secretary of War, transmitting draft of proposed legislation for the relief of certain disbursing officers of the Army, and for other purposes; to the Committee on Claims.

130. A letter from the Secretary of War, transmitting draft of bill authorizing superannuation disability pay for alien employees of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

131. A letter from the Attorney General of the United States, transmitting a report showing the names of the persons employed under the appropriation for the support of United States prisoners, the annual rate of compensation paid to each, together with a description of their duties; to the Committee on Expenditures in the Executive Departments.

132. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to increase the statutory limit of expenditures for repairs or changes to naval vessels; to the Committee on Naval Affairs.

133. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend the act entitled "An act making appropriations for the naval service for the fiscal year ended June 30, 1903, and for other purposes", approved July 1, 1902, Thirty-second Statutes at Large, page 662; to the Committee on Naval Affairs.

134. A letter from the Attorney General of the United States, transmitting a statement of the expenditures under appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1934; to the Committee on Expenditures in the Executive Departments.

135. A letter from the Secretary of the Navy, transmitting draft of a proposed bill for the relief of the officers and men of the United States Naval and Marine Corps Reserves who performed flights in naval aircraft in connection with the search for victims and wreckage of the United States dirigible *Akron;* to the Committee on Naval Affairs.

136. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the relief of the Richmond, Fredericksburg & Potomac Railroad Co.; to the Committee on Claims.

137. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the relief of the Western Electric Co., Inc.; to the Committee on Claims.

138. A letter from the Postmaster General, transmitting the cost ascertainment report for the fiscal year 1934; to the Committee on the Post Office and Post Roads.

139. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the relief of Mrs. Carlysle Von Thomas, Sr.; to the Committee on Claims.

140. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the payment of allowances and gratuities to naval prisoners; to the Committee on Naval Affairs.

141. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the relief of Jasper Daleo; to the Committee on Claims.

142. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the relief of Lt. Col. Russell B. Putnam, United States Marine Corps; to the Committee on Claims.

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## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKBEE: A bill (H. R. 4232) to provide for the payment of old-age pensions, and for other purposes; to the Committee on Ways and Means.

By Mr. HIGGINS of Massachusetts: A bill (H. R. 4233) to provide for weekly pay days for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. EKWALL: A bill (H. R. 4234) providing for the purchase of a site and the erection thereon of a public building for the use of station A, a station of the post office at Portland, Oreg.; to the Committee on Public Buildings and Grounds.

By Mr. GREENWOOD: A bill (H. R. 4235) to promote the general welfare of the United States in a comprehensive plan to control destructive floods of the Wabash and White Rivers and their tributaries, to conserve the soil from erosion, build up forest reserves, preserve wildlife, increase recreational centers with cabin and cottage sites, utilize submarginal lands, expand subsistence farming, extend water navigation and commerce, produce electrical energy for interstate transmission, provide a healthy and cheaper water supply for household and irrigation purposes, and to relieve unemployment among the people; to the Committee on Flood Control.

By Mr. IMHOFF: A bill (H. R. 4236) to authorize the Home Owners' Loan Corporation to issue $1,500,000,000 of additional bonds; to the Committee on Banking and Currency.

By Mr. KEE: A bill (H. R. 4237) to provide for the immediate redemption of adjusted-service certificates, and for other purposes; to the Committee on Ways and Means.

By Mr. KRAMER: A bill (H. R. 4238) to authorize the acquisition of an addition to the site heretofore acquired and the erection on such site and addition of a Federal building at Los Angeles, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. MAPES: A bill (H. R. 4239) authorizing the Secretary of Commerce to convey to the city of Grand Haven, Mich., certain portions of the Grand Haven Lighthouse Reservation, Mich.; to the Committee on Interstate and Foreign Commerce.

By Mr. STEAGALL: A bill (H. R. 4240) to extend the functions of the Reconstruction Finance Corporation for 2 years; to authorize loans or renewals or extensions to mature not later than January 31, 1945; to empower the Corporation to buy railroad obligations, with approval of the Interstate Commerce Commission, in aid of railroad reorganization and in certain other circumstances; to empower the Corporation (a) to aid the mortgage situation generally by the purchase of nonassessable stock in mortgage loan companies and similar financial institutions, and to authorize the sale of stock, capital notes, or debentures purchased by the Corporation; and (b) to purchase any portion of the assets of closed banks under certain conditions; to increase the authorized investments in preferred stock and capital notes of insurance companies, or loans thereon, from $50,000,000 to $75,000,000; to continue the Commodity Credit Corporation and the export-

import banks of Washington, D. C., as agencies of the United States; and for other purposes; to the Committee on Banking and Currency.

By Mr. WEARIN: A bill (H. R. 4241) to provide for the flood control of the Mississippi River and the Missouri River; to provide for reforestation and the use of marginal lands in the Missouri Valley; to provide for the agricultural and industrial development of the Mississippi Valley and the Missouri Valley; to provide for the restoration and preservation of the water level in the Missouri Valley; to provide for the flood control of the Missouri River and the Mississippi River; to improve the navigability of the Missouri River where feasible; to provide for the development of electrical power in the Missouri Valley; and for other purposes; to the Committee on Flood Control.

By Mr. WOODRUM: A bill (H. R. 4242) to authorize the Reconstruction Finance Corporation to make loans to private colleges, universities, and institutions of higher learning, and for other purposes; to the Committee on Banking and Currency.

By Mr. MAPES: A bill (H. R. 4243) to provide a tax on the transfers of estates of decedents; to the Committee on the District of Columbia.

Also, a bill (H. R. 4244) to increase the motor-vehicle fuel tax in the District of Columbia, and to provide for the better administration thereof; to the Committee on the District of Columbia.

Also, a bill (H. R. 4245) relating to the contributions of the United States toward defraying the expenses of the District of Columbia; to the Committee on the District of Columbia.

Also, a bill (H. R. 4246) to provide for the taxation of incomes in the District of Columbia, and to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 4247) to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes; to the Committee on the District of Columbia.

By Mr. BOYLAN: A bill (H. R. 4248) to reclassify salaries of employees in the custodial service of the Treasury and Post Office Departments of the United States; to the Committee on the Civil Service.

By Mr. SISSON: A bill (H. R. 4249) to provide for the establishment of a national monument on the site of Fort Stanwix, in the State of New York; to the Committee on the Public Lands.

Also, a bill (H. R. 4250) to provide for the establishment of a national monument on the site of Fort Stanwix, in the State of New York; to the Committee on the Public Lands.

By Mr. WERNER: A bill (H. R. 4251) to create an Indian Claims Court for the immediate settlement of tribal and band claims, defining the powers and functions thereof, and for other purposes; to the Committee on the Judiciary.

By Mr. HOEPPEL: A bill (H. R. 4252) to amend section 1 of Public Act No. 174, Fifty-ninth Congress, approved March 2, 1907 (34 Stat. 1217), to provide reciprocal Army, Navy, Marine Corps, and United States civil-service retirement credits; to the Committee on Military Affairs.

By Mr. MOTT: A bill (H. R. 4253) relating to the cancelation of star-route mail contracts; to the Committee on the Post Office and Post Roads.

By Mr. SIROVICH: A bill (H. R. 4254) to prohibit the use of traps, weirs, and pound nets for fishing in the waters of Alaska, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. HOEPPEL: A bill (H. R. 4296) to create employment by the extension of loans to retired Federal beneficiaries and to disabled war veterans and their dependents, for the construction of subsistence homesteads, without cost or risk on the part of the Government; to the Committee on Ways and Means.

By Mr. KNUTE HILL: A bill (H. R. 4297) to provide funds for cooperation with White Swan School District, No. 88, Yakima County, Wash., for extension of public-school buildings to be available for Indian children of the Yakima Reservation; to the Committee on Indian Affairs.

By Mr. MASSINGALE: A bill (H. R. 4298) to amend title I of an act entitled "Agricultural Adjustment Act" (Public, No. 10, 73d Cong.) and to provide additional relief by securing to the farmers a minimum price for agricultural commodities of not less than the cost of production thereof, and for other purposes; to the Committee on Agriculture.

By Mr. KENNEDY of Maryland: A bill (H. R. 4299) for the relief of the city of Baltimore; to the Committee on War Claims.

By Mr. O'CONNOR: A bill (H. R. 4300) to fix the date of the annual meeting of Congress, and for other purposes; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. ELLENBOGEN: Resolution (H. Res. 61) to direct the standing Committee of the District of Columbia or the subcommittee thereof to investigate any and all conditions affecting rentals and rental properties in the District of Columbia; to the Committee on Rules.

By Mr. LAMNECK: Resolution (H. Res. 62) to create a committee of seven Members of the House to make a thorough and complete investigation on the monetary policy; to the Committee on Rules.

By Mr. STEFAN: Resolution (H. Res. 63) authorizing Architect of the Capitol to determine ways and means to improve audition in House Chamber; to the Committee on Accounts.

By Mr. LEMKE: Resolution (H. Res. 64) amending section 4 of rule XXVII of the rules adopted as the rules of the Seventy-fourth Congress; to the Committee on Rules.

By Mr. RANKIN: Joint resolution (H. J. Res. 112) to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. REED of New York: Joint resolution (H. J. Res. 113) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. McLAUGHLIN: Joint resolution (H. J. Res. 114) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SADOWSKI: Joint resolution (H. J. Res. 115) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. SWEENEY: Joint resolution (H. J. Res. 116) authorizing the issuance of a special postage stamp in honor of Commodore John Barry; to the Committee on the Post Office and Post Roads.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of New York; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Texas; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of New York, regarding the sale of munitions of war; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of New York, regarding the designation of Floyd Bennett Field as an air-mail service station for the city of New York; to the Committee on the Post Office and Post Roads.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOYLAN: A bill (H. R. 4255) for the relief of Charles F. Brown; to the Committee on Claims.

Also, a bill (H. R. 4256) for the relief of Anna Caporaso; to the Committee on Claims.

By Mr. CANNON of Wisconsin: A bill (H. R. 4257) granting a pension to Olaf Moen; to the Committee on Pensions.

By Mr. DARROW: A bill (H. R. 4258) for the relief of Anna Carroll Taussig; to the Committee on Claims.

By Mr. DREWRY: A bill (H. R. 4259) for the relief of George R. Slate; to the Committee on Military Affairs.

By Mr. EKWALL: A bill (H. R. 4260) for the relief of Philip McEntee; to the Committee on Military Affairs.

Also, a bill (H. R. 4261) for the relief of Grayson E. Pedigo; to the Committee on Military Affairs.

Also, a bill (H. R. 4262) for the relief of Owen Ewart Smith; to the Committee on Naval Affairs.

Also, a bill (H. R. 4263) for the relief of William H. Wannebo; to the Committee on Military Affairs.

Also, a bill (H. R. 4264) granting an increase of pension to June MacMillan Ordway; to the Committee on Pensions.

Also, a bill (H. R. 4265) for the relief of William J. C. Schuldt; to the Committee on Naval Affairs.

By Mr. ELLENBOGEN: A bill (H. R. 4266) granting a pension to Felix Jaranowski; to the Committee on Pensions.

By Mr. FULMER: A bill (H. R. 4267) granting a pension to Abraham J. Steedly; to the Committee on Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 4268) granting a pension to Catherine J. Hoyer; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 4269) for the relief of Clyde William Tarrant; to the Committee on Naval Affairs.

By Mr. KRAMER: A bill (H. R. 4270) granting a pension to Charlotte M. Spaulding; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4271) granting a pension to Nancy A. Keiser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4272) granting a pension to Clara E. Bryan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4273) for the relief of Irving Levine; to the Committee on Military Affairs.

Also, a bill (H. R. 4274) correcting date of enlistment of Elza Bennett in the United States Navy; to the Committee on Naval Affairs.

By Mr. McLAUGHLIN: A bill (H. R. 4275) authorizing the Secretary of the Treasury to pay the claim of William Quinlan; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 4276) for the relief of Kate Carter Lyons; to the Committee on Claims.

By Mr. MOTT: A bill (H. R. 4277) authorizing and directing the Secretary of the Treasury to reimburse James R. Russell for the losses sustained by him by reason of the negligence of an employee of the Civilian Conservation Corps; to the Committee on Claims.

By Mr. O'CONNELL: A bill (H. R. 4278) for the relief of Charles B. Malpas; to the Committee on Claims.

Also, a bill (H. R. 4279) for the relief of Charles B. Malpas; to the Committee on Claims.

By Mr. O'CONNOR: A bill (H. R. 4280) for the relief of Emil Chalupa; to the Committee on Naval Affairs.

By Mr. OWEN: A bill (H. R. 4281) for the relief of Ralph W. Pennington; to the Committee on Claims.

Also, a bill (H. R. 4282) for the relief of Ulysses Green; to the Committee on Claims.

By Mr. PLUMLEY (by request): A bill (H. R. 4283) for the settlement by the Secretary of the Interior of certain claims for services rendered to the Mississippi Choctaw Indians; to the Committee on Indian Affairs.

By Mr. RANSLEY: A bill (H. R. 4284) for the relief of Joseph Pasquarello; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky: A bill (H. R. 4285) granting a pension to Rachel Fuson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4286) granting an increase of pension to William Napier; to the Committee on Pensions.

By Mr. ROGERS of Oklahoma: A bill (H. R. 4287) for the relief of Frederick E. Dixon; to the Committee on the Post Office and Post Roads.

By Mr. SISSON: A bill (H. R. 4288) authorizing the appropriation of $600,000, or so much thereof as may be necessary, to refund payments made to the collector of taxes of the District of Columbia for illegally assessed taxes for paving roadways or laying curbs or gutters in the District of Columbia, including penalties charged and paid, as may on the date of approval of this act be legally due Paving Tax Refund Corporation of the District of Columbia, a corporation organized under the laws of the State of Arizona; to the Committee on the District of Columbia.

Also, a bill (H. R. 4289) granting a pension to Arthur Boyce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4290) for the relief of Harriet V. Schindler; to the Committee on Claims.

Also, a bill (H. R. 4291) for the relief of Jeremiah Aldersley; to the Committee on Military Affairs.

By Mr. SMITH of Virginia: A bill (H. R. 4292) to authorize the Secretary of War to grant a right-of-way to the Arlington & Fairfax Railway Co. across the Fort Myer Reservation, Va.; to the Committee on Military Affairs.

By Mr. THOMAS: A bill (H. R. 4293) granting an increase of pension to Corrie A. Chubb; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 4294) for the relief of Louis A. Miller; to the Committee on Naval Affairs.

By Mr. VINSON of Kentucky: A bill (H. R. 4295) granting a pension to Daniel W. Perkins; to the Committee on Pensions.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

234. By Mr. ANDREW of Massachusetts: Petition signed by William J. Mahoney, president of the Ward Three Community Club of Haverhill, Mass., and by 197 other citizens of that city, urging the adoption of the Townsend plan of old-age revolving pensions; to the Committee on Labor.

235. By Mr. BACON: Memorial of the Franklin Society for Home Building and Savings, protesting against the present unfair discrimination against State-chartered savings-and-loan associations in favor of Federal savings-and-loan associations; to the Committee on Banking and Currency.

236. By Mr. BOILEAU: Resolution of the Stevens Point Division, No. 54, Order of Benefit Association of Railway Employees, favoring enactment of legislation as recommended by the Federal Coordinator and covered in House bill 8100 of the Seventy-third Congress and reintroduced in the Seventy-fourth Congress in House bill 3263; to the Committee on Interstate and Foreign Commerce.

237. By Mr. BOYLAN: Resolution unanimously adopted at a meeting of the Xavier Alumni Sodality, New York City, N. Y., regarding conditions in Mexico; to the Committee on Foreign Affairs.

238. Also, resolution unanimously adopted by Lafayette Council, No. 487, Knights of Columbus, at its regular meeting held December 27, 1934, regarding conditions in Mexico; to the Committee on Foreign Affairs.

239. By Mr. BRUNNER: Resolution of the South Side Regular Democratic Club, Inc., Jamaica, N. Y., asking Congress to make additional funds available for the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

240. By Mr. CULLEN: Senate Concurrent Resolution No. 15, State of New York, requesting legislation looking to either taking all profits out of war or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Military Affairs.

241. Also, petition of the Assembly of the State of New York, urging that the Floyd Bennett Field Airport, in the borough of Brooklyn, State of New York, be designated as an air-mail service station for the city of New York and the

environs of such city; to the Committee on the Post Office and Post Roads.

242. By Mr. DIES: Petition signed by W. H. Davidson and 605 others; to the Committee on Labor.

243. Also, petition signed by Alaman Evans and 301 others; to the Committee on Labor.

244. Also, petition signed by B. Rolston and 183 others; to the Committee on Labor.

245. Also, petition signed by N. R. Harrecy and 213 others; to the Committee on Labor.

246. By Mr. GOODWIN: Petition of the Franklin Society of New York, protesting against subsection H of section 5 of the Home Owners' Act of 1933 relating to Federal savings-and-loan associations whereby all shares of such associations shall be exempt from all taxation, except surtaxes, estate, inheritance, and gift taxes; to the Committee on Banking and Currency.

247. By Mr. HOPE: Petition of E. M. Simmons and 82 other citizens of Scott City, Kans., urging the enactment of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

248. Also, petition of Roy H. Traylor and 168 other citizens of Plains, Kans., urging the enactment of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

249. Also, petition of R. D. Brown and 121 other citizens of Fowler, Kans., urging the enactment of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

250. Also, petition of Cora Morrison and 59 other citizens of Kingman, Kans., urging the enactment of the Townsend plan for old-age pensions; to the Committee on Ways and Means.

251. By Mr. KENNEDY of New York: Memorial of the Legislature of the State of New York, memorializing Congress to consider legislation looking to either taking all profits out of war or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Military Affairs.

252. Also, memorial of the Assembly of the State of New York, memorializing Congress and the Postmaster General of the United States to take appropriate action to the end that the Floyd Bennett Field Airport in the borough of Brooklyn, State of New York, be designated as an air-mail service station for the city of New York and the environs of such city; to the Committee on the Post Office and Post Roads.

253. Also, memorial of the Legislature of the State of New York, memorializing the Secretary of Agriculture of the United States to supplement the regulations made by this State pertaining to the production, handling, and marketing of milk within the State by making effective at the earliest possible date such Federal regulations as will place milk produced in other States and marketed within the State of New York under similar regulations to those applied by this State to milk produced within its borders; to the Committee on Interstate and Foreign Commerce.

254. By Mr. KRAMER: Resolution of the American Federation of Labor, with respect to designation of employment of nonunion workers by the Public Works Administration; to the Committee on Appropriations.

255. By Mr. KVALE: Petition of 165 citizens of Jasper, Minn., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Labor.

256. Also, petition of 826 citizens of Chippewa and Swift Counties, Minn., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Labor.

257. Also, petition of the Glenwood Townsend Club, of Glenwood, Minn., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Labor.

258. Also, petition with reference to relief signed by various residents of the District of Columbia; to the Committee on the District of Columbia.

259. Also, petition of the Lac qui Parle Post, No. 158, American Legion, Madison, Minn., opposing any compromise payment on adjusted-service certificates; to the Committee on Ways and Means.

260. Also, petition of the Gust F. Holden Post, No. 253, American Legion, Lowry, Minn., urging the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

261. By Mr. LAMNECK: Petition of Mrs. Robert Levy, of 78 South Trexel Avenue, and a number of other citizens of Columbus, Ohio, urging that the Nye munitions investigation be continued; to the Committee on Military Affairs.

262. By Mr. MEAD: Petition of the American Homestead Protective Association, requesting that Congress shall establish uniform laws on the subject of bankruptcies throughout the Nation; to the Committee on Banking and Currency.

263. Also, petition of the Medical Society of the State of New York, regarding Dr. Van Etten's 10 points presented to and adopted by the 1934 house of delegates of the American Medical Association; to the Committee on the Judiciary.

264. Also, petition of the National Council, Sons and Daughters of Liberty, regarding the decrease in alien deportations; to the Committee on Immigration and Naturalization.

265. Also, petition of the Senate of the State of New York, regarding the manufacturers of munitions, against the best interests of the citizens of our country, who have been wont to sell and transport to foreign countries munitions of war, poison gases, and other death-dealing devices, which could be used against our own soldiers in the event of war between us and some foreign country, etc.; to the Committee on Interstate and Foreign Commerce.

266. By Mr. SADOWSKI: Petition urging amendment of bankruptcy laws by American Homestead Protective Association; to the Committee on Banking and Currency.

267. Also, petition urging immediate payment of adjusted-service certificates by Woodrow Wilson Post, No. 2; to the Committee on Ways and Means.

268. By Mr. SANDERS of Texas: Petition of the farmers of Rusk County, Tex., urging appropriation of funds for crop-production loans for 1935; to the Committee on Agriculture.

269. By Mr. TRUAX: Petition of the International Brotherhood of Teamsters, Chauffeurs, Stablemen, and Helpers of America, New Philadelphia, Ohio, organized into a bona fide trade union, affiliated with the American Federation of Labor, requesting the Honorable ROBERT F. WAGNER, of the State of New York, to again introduce his labor-disputes bill in its original form at the convening session of Congress, urging Members of Congress to support the bill in its amended form; to the Committee on Labor.

270. Also, petition of the Order of Benefit Association of Railway Employees, Akron Division, No. 186, by their secretary, C. A. Tinley, requesting by their body, consisting of 406 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100), introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

271. Also, petition of the Order of Benefit Association of Railway Employees, Springfield Division, No. 166, by their secretary, H. B. Poland, requesting by their body, consisting of 229 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100), introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

272. Also, petition of the Order of Benefit Association of Railway Employees, Cleveland Division, No. 98, by their secretary, C. H. Boysen, requesting by their body, consisting of 808 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the

fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100), introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

273. By Mr. BUCKLER of Minnesota: Petition of Blanches M. Sprung, Dora Martin, Hattie Snyder, Marie Wylie, and about 75 other members of the Farmers' Profit and Pleasure Club of Dilworth, Minn., requesting the enactment of the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

274. By the SPEAKER: Petition of the county of Milwaukee, favoring passage of the so-called "Lundeen bill"; to the Committee on Labor.

275. Also, petition of the Negro Labor News Service; to the Committee on the Judiciary.

276. Also, petition of the city of Cambridge, supporting payment of the veterans' bonus; to the Committee on Ways and Means.

277. Also, petition of the Police Jury Association of Louisiana; to the Committee on Ways and Means.

278. Also, petition of the Louisiana Bottlers Association; to the Committee on Ways and Means.

279. Also, petition of the Louisiana Motor Transportation Association; to the Committee on Ways and Means.

# SENATE

## MONDAY, JANUARY 21, 1935

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, who by the miracle of light hast brought again the earth out of nightly shadows into new hours of beauty and delight, grant that this day, wherein a wondrous duty lies, may see fulfilled the hope and expectation of our country, for with Thy inner voice to guide us we shall find Thy praise sufficient crown.

Search us, O God, and know our hearts; try us and know our thoughts, and see if there be any wicked way in us; and lead us in the way everlasting, through Jesus Christ our Lord. Amen.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, January 18, 1935, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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| Adams | Connally | Hayden | Pittman |
| Ashurst | Coolidge | Johnson | Pope |
| Austin | Copeland | Keyes | Radcliffe |
| Bachman | Costigan | King | Reynolds |
| Bailey | Couzens | La Follette | Robinson |
| Bankhead | Cutting | Lewis | Russell |
| Barbour | Davis | Logan | Schall |
| Barkley | Dickinson | Lonergan | Schwellenbach |
| Bilbo | Dieterich | McCarran | Sheppard |
| Black | Donahey | McGill | Smith |
| Bone | Duffy | McNary | Steiwer |
| Borah | Fletcher | Maloney | Thomas, Okla. |
| Brown | Frazier | Metcalf | Thomas, Utah |
| Bulkley | Gerry | Minton | Townsend |
| Bulow | Glass | Moore | Trammell |
| Burke | Gore | Murphy | Truman |
| Byrd | Guffey | Murray | Vandenberg |
| Byrnes | Hale | Neely | Van Nuys |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Clark | Hatch | O'Mahoney | Wheeler |

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on the business of the Senate; that the Senator from South Dakota [Mr. NORBECK] is unavoidably detained; and that the Senator from Wyoming [Mr. CAREY] is absent on account of a death in his family.

I wish also to announce that the Senator from Minnesota [Mr. SHIPSTEAD] and the Senator from Maine [Mr. WHITE] are necessarily absent. I ask that these announcements stand for the day.

Mr. LEWIS. I wish to announce the absence of the Senator from Georgia [Mr. GEORGE] and the junior Senator from Louisiana [Mr. OVERTON], occasioned by illness.

I again announce the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] in connection with the Philippine Commission.

I desire further to announce that the senior Senator from Louisiana [Mr. LONG] is unavoidably detained from the Senate.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 3973) making appropriations for the government of the District of Columbia, and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes, in which it requested the concurrence of the Senate.

### RECOMMENDATIONS FOR AMENDMENTS TO COMMUNICATIONS ACT

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Federal Communications Commission, transmitting, on behalf of the Commission, pursuant to section 4 (k) of the Communications Act of 1934, recommendations for three proposed amendments to the Communications Act, which, with the accompanying papers, was referred to the Committee on Interstate Commerce.

### OCTOBER REPORT OF FEDERAL EMERGENCY RELIEF ADMINISTRATION

The VICE PRESIDENT laid before the Senate a letter from the secretary of the Federal Emergency Relief Administration, transmitting, pursuant to law, the report of the Administrator covering the period of October 1 to October 31, 1934, inclusive, which, with the accompanying report, was ordered to lie on the table.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution of the House of Representatives of the State of Nebraska, memorializing Congress to promptly enact legislation to abolish the Federal gasoline sales tax, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. NORRIS.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the Senate of the State of Nebraska, memorializing Congress to provide effective Federal assistance to aid in controlling and eradicating field bindweed, which was referred to the Committee on Agriculture and Forestry.

(See resolution printed in full when presented today by Mr. NORRIS.)

The VICE PRESIDENT also laid before the Senate a letter in the nature of a petition from James E. Hughes, of Cambridge, Md., praying for the enactment of old-age pension legislation, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the council of the city of Cleveland, Ohio, favoring the ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented a petition of members of the Woman's Christian Temperance Union of Lafontaine, Kans., praying for the prompt ratification of the World Court protocols, which was ordered to lie on the table.

He also presented a resolution of Beloit Post, No. 57, the American Legion, of Beloit, Kans., favoring the enactment of the four-point program of the American Legion and the immediate payment of adjusted-service certificates of World War veterans, which were referred to the Committee on Finance.

He also presented petitions of sundry citizens of Peabody, Kans., and members of Henry F. Hall Post, No. 183, American Legion, of Drexel, Mo., praying for the enactment of legislation providing immediate cash payment of adjusted-service certificates of World War veterans, which were referred to the Committee on Finance.

Mr. WAGNER presented the following senate resolution of the Legislature of New York, which was referred to the Committee on Foreign Relations:

STATE OF NEW YORK,
IN SENATE,
*Albany, January 15, 1935.*

Senate Resolution 22 (by Mr. Hendel)

Whereas the outrageous conduct of certain officials of the Mexican Government in carrying on a studied campaign against freedom of religion, the press, the right of assembly, and the freedom of education has shocked the sensibilities of fair-minded people throughout the State of New York; and

Whereas this persecution, because of the religious belief of large numbers of the residents and citizens of Mexico is entirely alien to concepts of liberty and freedom of thought in the Western Hemisphere, as distinguished from racial and religious hatreds and enmities existing in the Old World; Now, therefore, be it

*Resolved*, That it is the sense of the Senate of the State of New York that the Government of the United States, acting through the proper officials, take appropriate action in condemning the tactics of such officials of the Mexican Government: And, be it further

*Resolved*, That copies of this resolution be forwarded to the Honorable Franklin D. Roosevelt, President of the United States, the Secretary of State of the United States, and to each United States Senator and Member of Congress elected from the State of New York.

By order of the senate:

JAMES J. REILLY, *Clerk*.

Mr. WAGNER. I also present a resolution adopted by the Farmers' and Hotelkeepers' Association, of Ellenville, N. Y., which I ask to have printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

ELLENVILLE FARMERS' AND HOTELKEEPERS' ASSOCIATION, INC.,
*Ellenville, N. Y., January 17, 1935.*

Hon. Senator WAGNER,
*Washington, D. C.*

DEAR SENATOR WAGNER: The following is a copy of a resolution adopted at a meeting of our association held on January 10, 1935:

"Resolution

"Whereas the savings banks have greatly reduced the interest rate on deposits; and

"Whereas the farmers, home owners, and business men cannot afford to pay 6 percent on mortgages and loans on account of the reductions in their incomes: Be it

"*Resolved*, That we request our representatives in the legislature and Congress to introduce legislation to reduce the legal interest rate on all loans and mortgages to 5 percent or less."

We will appreciate it if you will do everything possible to bring about such reduction in the interest rate.

Respectfully yours,

E. YAFFE, *Secretary*.

Mr. NORRIS presented the following resolution of the Senate of the State of Nebraska, which was referred to the Committee on Agriculture and Forestry:

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT FEDERAL LEGISLATION TO CONTROL AND ERADICATE FIELD BINDWEED

(Introduced by Senators Brady, Gillette, Cady, Green, and Warner)

Whereas the forty-ninth session of the Nebraska State Legislature passed and approved a bill to provide for the control and eradication of field bindweed (Convolvulus arvensis), in which was prescribed the duties of certain county and State officers with respect thereto in article 14, Code Annotated Supplement, 1933 (ch. 2, Session Laws of Nebraska, 1933); and

Whereas the eradication of the field bindweed, which has become common on Nebraska farms, is a question which requires Federal assistance and cooperation: Now, therefore, be it

*Resolved by the senate in fiftieth session assembled*—

1. That this senate respectfully petitions and memorializes the Congress of the United States forthwith to provide effective assistance by the Federal Government to control and eradicate field bindweed.

2. That the secretary of this senate be directed forthwith to forward copies of this resolution, properly authenticated and suitably engrossed, to the President of the United States, the Vice President of the United States, and to the several Senators and Congressmen representing the State of Nebraska in the National Congress, as well as to the Secretary of Agriculture of the United States, to the end that necessary remedial and beneficial laws with respect to the control of field bindweed be enacted for the benefit of agriculture in Nebraska and neighboring States.

Mr. NORRIS also presented the following resolution of the Senate of the State of Nebraska, which was referred to the Committee on Finance:

Resolution introduced by Senators Mattson, Gillette, Brady, Van Kirk, and Howard

Whereas there is pending in our National Congress bills providing for immediate payment of the adjusted-service certificates held by the veterans of the World War; and

Whereas an emergency exists in our country and payment of these certificates would act as a relief and recovery measure; and

Whereas there has been stated upon good authority that the amount due can be paid with sound currency and that such payment will not increase national taxes or create additional debt. That such payment would be a godsend to this country because it will quickly distribute purchasing power immediately and uniformly into every nook and corner of this Nation into the deserving hands of those who need it, and that payment now is in the interest of the nonveterans as well as the veterans: Now, therefore, be it

*Resolved by the Senate of the State of Nebraska in regular session assembled*, That it is the opinion of this body that Congress should enact legislation permitting immediate payment of the adjusted-service certificates held by the World War veterans; and be it further

*Resolved*, That a copy of this resolution be spread upon our records and a copy sent to each Senator and Congressman of the State of Nebraska.

Mr. NORRIS also presented the following resolutions of the House of Representatives of the State of Nebraska, which were referred to the Committee on Finance:

A RESOLUTION MEMORIALIZING CONGRESS OF THE UNITED STATES OF AMERICA TO ELIMINATE THE TAXATION OF GASOLINE BY THE FEDERAL GOVERNMENT

Whereas the Congress of the United States of America has imposed a tax upon all sales of gasoline; and

Whereas the imposition of this Federal tax has caused the users of motor vehicle fuel in the State of Nebraska to pay in excess of $2,000,000 annually as Federal taxes on the said product; and

Whereas the State of Nebraska now imposes a tax of 4 cents a gallon on all gasoline imported into the State and all other States of the United States have already imposed similar taxes upon such sales; and

Whereas the Federal tax on such sales is untimely and prohibitive and, coupled with the respective State taxes on such sales, places a burden upon the users of gasoline in Nebraska beyond which they should carry and beyond that which the traffic can legitimately bear; and

Whereas the taxation of sales of gasoline should properly be left to the exclusive use of the States as a means of providing funds for road construction and maintenance: Now, therefore, be it

*Resolved by the House of Representatives of the State of Nebraska*, That the Congress of the United States be, and it is hereby, respectfully memorialized to enact with all convenient speed such legislation as may be necessary to abolish the Federal gasoline sales tax and to surrender to the States exclusively the power to tax such sales in the future; and be it further

*Resolved*, That a copy of this resolution be transmitted to the President of the United States, the Clerk of the House of Representatives, the Secretary of the Senate of the United States, and to each Member of Congress elected in the State of Nebraska, and that our Congressmen be urged to use their best offices to procure the enactment of such legislation as will accomplish the purposes of this resolution.

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RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES FAVORING THE SPEEDY PASSAGE OF A BILL PROVIDING FOR FEDERAL OLD-AGE PENSION

Whereas the Seventy-fourth Session of the Congress of the United States now has before it for consideration numerous bills touching every phase of the old-age-pension problem as viewed from the national standpoint; and

Whereas it is the sense of this house that, in the interest of all groups and sections of this country, the matter of old-age pensions should be treated as a national and not as a State problem for remedial legislation, peculiarly within the jurisdiction of the Congress and not subject to the whims and caprices of the legislatures of several States: Now, therefore, be it

*Resolved by the House of Representatives of the State of Nebraska in fifteenth session assembled*—

1. That it is the conclusion of this house, based on its thorough survey of all plans proposed for the sympathetic and intelligent treatment of aged persons, that some rational and uniform legislation on the part of Congress which will require, among other things, contributions to in part by the beneficiaries of said pension while they are still engaged in productive and profitable pursuits as well as contributions from the national bounty, be immediately considered by the Seventy-fourth Congress, not as a measure of temporary relief but from the standpoint of a permanent economic policy of the National Government.

2. That the clerk of this house is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated, to the Vice President of the United States, to the United States Senators represening the State of Nebraska, and to the Congressmen representing the State of Nebraska in the National Congress, to the end that they and each of them may urge and vote for the immediate adoption of Federal legislation in accordance with the tenor of this resolution.

Mr. COPELAND presented a resolution adopted by the Senate of the State of New York, favoring the taking of appropriate action by the United States in protest against alleged activities of certain officials of the Mexican Government in carrying on a campaign against freedom of religion, the press, the right of assembly, and the freedom of education, which was referred to the Committee on Foreign Affairs.

(See resolution printed in full when presented today by Mr. WAGNER.)

Mr. COPELAND also presented resolutions adopted at a recent convention of the American Federation of Labor at San Francisco, Calif., favoring the enactment of the so-called "King-Dies bill", relative to the entry of undesirable aliens into the country in the disguise of seamen, which were referred to the Committee on Immigration.

### PETITION RELATIVE TO RADIO HEARINGS BEFORE FEDERAL COMMUNICATIONS COMMISSION

Mr. BONE. I send to the desk a voluminous petition containing some 54,000 signatures, I am sure, which I have received from the State of Washington, asking that there be printed at Government expense the radio hearings recently held before the Federal Communications Commission relative to the allocation of radio facilities. I have been requested by the petitioners to send this record to them, but I have been assured that it contains many thousand pages of typewritten matter. Since it would involve either copying that in my office or having it printed and mailing it there, my office facilities are wholly inadequate for such a task, and I take this method of acknowledging receipt of the petition. I believe, Mr. President, one of my colleagues has requested that there be printed in the RECORD a copy of this petition. I believe that it is a petition that has been generally employed throughout the United States. So I will not ask that it be reprinted in the RECORD.

Mr. KING. Mr. President, the Senator is not asking for action upon the matter now, is he?

Mr. BONE. No; I am merely filing the petition which contains, I think, some fifty-three or fifty-four thousand names.

The VICE PRESIDENT. The petition will be received and referred to the Committee on Interstate Commerce.

### ANTILYNCHING LEGISLATION

Mr. COSTIGAN. Mr. President, underlying the arguments now being made for adherence to the World Court and League of Nations is the growing insistence of public opinion on the supremacy of law over lawlessness. Such advocacy will be strengthened by evidence that our own national house is being set in order. The Senator from New York [Mr. WAGNER] and I are sponsoring before this body and Representative FORD of California in the House of Representatives a measure having these ends in view.

We have offered an antilynching bill, S. 24, substantially in the form in which an earlier measure was favorably reported to the Senate by the Judiciary Committee at the last session of Congress. For convenient reference I ask that a copy of the bill be printed in the RECORD at the conclusion of my remarks; that it be followed by an article from a publication entitled "The Crisis" for January 1935, and that the article be referred to the Judiciary Committee. This well-considered article by the well-known author and authority, Walter White, is both concise and informative with respect to reasons for and Nation-wide endorsements of the proposed legislation—South, North, West, and East—and concludes with a useful summary of the bill.

There being no objection, the article was referred to the Committee on the Judiciary, and the bill and article were ordered to be printed in the RECORD, as follows:

A bill to assure to persons within the jurisdiction of every State the equal protection of the laws by discouraging, preventing, and punishing the crime of lynching

*Be it enacted, etc.*, That the phrase "mob or riotous assemblage", when used in this act, shall mean an assemblage composed of three or more persons acting in concert, without authority of law, for the purpose of killing or injuring any person in the custody of any peace officer or suspected of, charged with, convicted of the commission of any crime, with the purpose or consequence of preventing the apprehension and/or trial and/or punishment by law of such person or otherwise of depriving such person of due process of law or the equal protection of the laws.

SEC. 2. If any State or governmental subdivision thereof fails, neglects, or refuses to provide and maintain protection to the life or person of any individual within its jurisdiction against a mob or riotous assemblage, whether by way of preventing or punishing the acts thereof, such State shall by reason of such failure, neglect, or refusal be deemed to have denied to such person due process of law and the equal protection of the laws of the State, and to the end that the protection guaranteed to persons within the jurisdictions of the several States, or to citizens of the United States, by the Constitution of the United States, may be secured, the provisions of this act are enacted.

SEC. 3. (a) Any officer or employee of any State or governmental subdivision thereof who is charged with the duty or who possesses the power or authority as such officer or employee to protect the life or person of any individual injured or put to death by any mob or riotous assemblage or any officer or employee of any State or governmental subdivision thereof having any such individual in his custody, who fails, neglects, or refuses to make all diligent efforts to protect such individual from being so injured or being put to death or any officer or employee of any State or governmental subdivision thereof charged with the duty of apprehending, keeping in custody, or prosecuting any person participating in such mob or riotous assemblage who fails, neglects, or refuses to make all diligent efforts to perform his duty in apprehending, keeping in custody, or prosecuting to final judgment under the laws of such State all persons so participating, shall be guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $5,000 or by imprisonment not exceeding 5 years, or by both such fine and imprisonment.

(b) Any officer or employee of any State or governmental subdivision thereof, acting as such officer or employee under authority of State law, having in his custody or control a prisoner, who shall conspire, combine, or confederate with any person who is a member of a mob or riotous assemblage to injure or put such prisoner to death without authority of law, or who shall conspire, combine, or confederate with any person to suffer such prisoner to be taken or obtained from his custody or control to be injured or put to death by a mob or riotous assemblage shall be guilty of a felony, and those who so conspire, combine, or confederate with such officer or employee shall likewise be guilty of a felony. On conviction the parties participating therein shall be punished by imprisonment of not less than 5 years nor more than 25 years.

SEC. 4. The District Court of the United States judicial district wherein the person is injured or put to death by a mob or riotous assemblage shall have jurisdiction to try and to punish, in accordance with the laws of the State where the injury is inflicted or the homicide is committed, any and all persons who participate therein: *Provided*, That it is first made to appear to such court (1) that the officers of the State charged with the duty of apprehending, prosecuting, and punishing such offenders under the laws of the State shall have failed, neglected, or refused to apprehend, prosecute, or punish such offenders; or (2) that the jurors obtainable for service in the State court having jurisdiction of the offense are so strongly opposed to such punishment that there is probability that those guilty of the offense will not be punished in such State court. A failure for more than 30 days after the commission of such an offense to apprehend or to indict the persons guilty thereof, or a failure diligently to prosecute such persons, shall be sufficient to constitute prima facie evidence of the failure, neglect, or refusal described in the above proviso.

SEC. 5. Any county in which a person is seriously injured or put to death by a mob or riotous assemblage shall be liable to the injured person or the legal representatives of such persons, or the estate of such deceased person for a sum of not less than $2,000 nor more than $10,000 as liquidated damages, which sum may be recovered in a civil action against such county in the United States District Court of the judicial district wherein such person is put to the injury or death. Such action shall be brought and prosecuted by the United States district attorney of the district in the United States District Court for such district. If such amount awarded be not paid upon recovery of a judgment therefor, such court shall have jurisdiction to enforce payment thereof by levy of execution upon any property of the county, or may otherwise compel payment thereof by mandamus or other appropriate process; and any officer of such county or other person who disobeys or fails to comply with any lawful order of the court in the premises shall be liable to punishment as for contempt and to any other penalty provided by law therefor. The amount recovered shall be exempt from all claims by creditors of such injured or deceased person, or the legal representative of such injured person or of the estate of such deceased person. The amount recovered upon such judgment shall be paid to the injured person, or where death resulted, distributed in accordance with the laws governing the distribution of an intestate decedent's assets then in effect in the State wherein such death occurred.

SEC. 6. In the event that any person so injured or put to death shall have been transported by such mob or riotous assemblage from one county to another county or counties during the time intervening between his seizure and injury or putting to death, the county in which he is seized and the county in which he is injured or put to death shall be jointly and severally liable to pay the forfeiture herein provided, and action shall be brought and prosecuted by the United States district attorney of any district wherein any such county is located. Any district judge of the United States district court of the judicial district wherein any suit or prosecution is instituted under the provisions of this act may by order direct that such suit or prosecution be tried in any place in such district as he may designate in such order.

SEC. 7. If any provision, sentence, or clause of this act or the application thereof to any person or circumstances is held invalid, the remainder of this act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

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[From the Crisis, January 1935]

THE COSTIGAN-WAGNER BILL

By Walter White

Promptly upon the convening of Congress on January 3, Senators EDWARD P. COSTIGAN, of Colorado, and ROBERT F. WAGNER, of New York, will reintroduce in the Senate their bill to make lynching a Federal offense. The bill will be reintroduced in the House by Congressman THOMAS F. FORD, of Los Angeles.

Developments since Congress adjourned without voting on the bill in June 1934 have given whatever proof was needed that there can be no end to lynching unless there is Federal legislation. The perverted and fiendish mutilation of Claude Neal at Marianna, Fla., late in October revealed as few other lynchings in the history of the United States have that there are States in America where it is useless to expect any effective action against lynching by local authorities. At the date of writing, the lynching record for 1934 lends striking affirmation to the contentions of the supporters of the Costigan-Wagner bill. Of 17 lynchings, 2 occurred early in January. Then there was a complete cessation of lynching until it was evident in June that Congress would adjourn without voting on the bill. Fifteen lynchings, among them the one widely advertised in advance at Marianna, occurred between June and the end of November.

ENDORSED BY 42,000,000

There have been within recent months significant changes in the general attitude toward Federal legislation against lynching. In October the triennial convention of the Protestant Episcopal Church, at its meeting in Atlantic City, N. J., voted by an overwhelming majority to support Federal action. It is exceedingly significant that the movement for this resolution was led by bishops and laymen from Southern States, including Mississippi, South Carolina, North Carolina, and Alabama. In October the American Federation of Labor, at its San Francisco convention, for the first time voted active endorsement and support of the Costigan-Wagner bill. Organizations with a total membership of more than 42,000,000 have now endorsed the bill, as follows:

The Young Women's Christian Association; Young Men's Christian Association; Writers' League Against Lynching; City-Wide Forum of Baltimore, Md.; Maryland Anti-Lynching Federation; Congregational Commission on Lynching; Committee on Race Relations of the Society of Friends; the Federal Council of Churches; the League for Industrial Democracy; the Church League for Industrial Democracy; the Fellowship of Reconciliation; the Josephite Order of Baltimore, Md.; American Civil Liberties Union; National Urban League; National Association for the Advancement of Colored People; the Methodist Federation of Social Service; the Interdenominational Preachers' Meeting of New York and Vicinity; Women's International League for Peace and Freedom; Women's Missionary Council of the Methodist Episcopal Church South; Board of National Missions of the Presbyterian Church, United States of America; Social Justice Commission of the Central Conference of American Rabbis; National Student Council of the Young Women's Christian Association; public affairs committee of the Young Women's Christian Association; American Federation of Teachers; Winter Capital Lodge of Elks, New Orleans, La. (Winter Capital Lodge, No. 595, Improved Benevolent and Protective Order of Elks of the World, signers of petition); Oakland (Calif.) Council of Church Women; Colored Methodist Episcopal Church; Twenty-second District Republican Club of New York; Hartford (Conn.) Federation of Churches; City Council of Cleveland, Ohio; Holy Name Society of Our Lady Queen of the Angels Church, Newark, N. J.; Nashville (Tenn.) Pastors Association; New York State Assembly; Indiana State Assembly; City Council of Duluth, Minn.; Toledo (Ohio) Council of Churches; Unity Circle of the First Unitarian Church, Des Moines, Iowa; Chicago Committee on Anti-Lynching Legislation; Protestant Episcopal Church; New Jersey State Legislature; International Youth Movement; El Paso (Tex.) Woman's City Government Club; Congregational and Christian Churches; New York City Congregational Church Association; Chautauqua Circle, Atlanta, Ga.; National Association of Colored Women; National Baptist Convention; American Federation of Labor, at San Francisco convention.

OPPONENTS HAVE SHIFTED

Opponents of the bill also have shifted somewhat in their opposition. There are those who honestly question the constitutionality of a Federal law against lynching. Most of this opposition is based upon the contention that punishment for lynching is exclusively the function of the State, in that lynching is murder and nothing more. But, as James Weldon Johnson rightly pointed out in an article in Current History in 1930, lynching is murder and more than murder, in that the mob sets itself up as judge, jury, and executioner and flouts all orderly processes of law. Under the new concept of the Federal Constitution as being a living document rather than a dead and unchangeable instrument, more and more recognition is being given to the fact that the Federal Government has equal responsibility with the State in assuring to citizens equal protection of the laws, and that the Federal Government not only has the right but the obligation to supply that margin of protection which the individual States either cannot or will not supply.

WHAT THE BILL PROVIDES

In order that there may be as wide-spread understanding of the provisions of the Costigan-Wagner bill as possible, we give here a summary of the principal features of the measure:

For the purposes of this act the phrase "mob or riotous assemblage" * * * shall mean an assemblage composed of three or more persons acting in concert, without authority of law, to kill or injure any person, with the purpose or consequence of depriving such person of due process of law or the equal protection of the laws.

Section 2: Failure, neglect, or refusal to protect an individual against a mob is deemed denial of due process of law and the equal protection of the laws of the State.

Section 3: (a) Failure on the part of any local or State officer charged with the duty to protect an individual in his custody from injury or death, or to apprehend, keep in custody, or prosecute any mob member, is held to be a felony, punishable by a fine not exceeding $5,000 or by imprisonment not exceeding 5 years, or by both such fine and imprisonment.

(b) Any local or State officer who conspires with a member of a mob to injure or put a prisoner to death without authority of law, or who suffers such prisoner to be taken from his custody to be injured or put to death, shall be guilty of a felony, and those who so conspire with such officer shall likewise be guilty of a felony. On conviction the parties participating therein shall be punished by imprisonment of not less than 5 years or more than 25 years.

Section 4: Gives jurisdiction to the District Court of the United States judicial district wherein the person is injured or killed by a mob to try and punish in accordance with the laws of the State all persons who participate therein: *Provided*, State officers have failed to apprehend, prosecute, or punish such offenders; or (2) that jurors are so opposed to such punishment that there is probability that those guilty will not be punished in such State court. Failure to act within 30 days after the offense, to apprehend, indict, or prosecute shall constitute prima facie evidence of the failure, neglect, or refusal described.

Section 5: County liability. Injured persons or legal representatives may recover from $2,000 to $10,000 from the county involved in civil action against such county in the United States district court in whose jurisdiction the person is injured or killed. Prosecution by the United States district attorney. Where the county fails to pay the judgment, the court has jurisdiction to enforce payment by levy of execution upon property of the county or may otherwise compel payment by mandamus or other appropriate process. Failure of any officer to comply with any lawful order of the court in the premises shall be liable to punishment for contempt and to any other penalty provided by law therefor. The amount recovered is exempt from claims of creditors and shall be paid to the injured person or his heirs.

Section 6: Where the victim has been transported from one county to another county, both counties shall be jointly and severally liable to pay the forfeiture. Any district judge of the United States district court concerned may direct that the prosecution be tried in whatever place he designates in such district.

Section 7: If any provision, sentence, or clause of this act or the application thereof to any person or circumstances is held invalid the remainder of this act and the application of such provision to other persons or circumstances shall not be affected thereby.

REPORTS OF COMMITTEES

Mr. LOGAN, from the Committee on Mines and Mining, to which was referred the bill (S. 575) to amend the Mining Act of May 10, 1872, as amended, reported it without amendment and submitted a report (No. 16) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 411) to authorize an annual appropriation of $10,000 to pay the pro rata share of the United States of the expenses of the Pan American Institute of Geography and History at Mexico City, reported it without amendment and submitted a report (No. 17) thereon.

He also, from the same committee, to which was referred the bill (S. 753) to carry out the findings of the Court of Claims in the case of the Wales Island Packing Co., reported it with an amendment and submitted a report (No. 18) thereon.

Mr. WAGNER, from the Committee on Foreign Relations, to which was referred the bill (S. 736) for the relief of Louise

Fox, reported it without amendment and submitted a report (No. 19) thereon.

Mr. BYRNES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 42) authorizing the Committee on Commerce to hold hearings during the Seventy-fourth Congress, reported it without amendment.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 1194) for the relief of the State of Maine (with an accompanying paper); to the Committee on the Judiciary.

A bill (S. 1195) granting a pension to Angeline M. Rolfe (with accompanying papers); to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 1196) granting a pension to Keturah Jane Pool Long; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1197) granting a pension to Ellen Knight;

A bill (S. 1198) granting a pension to Hiram Hilton;

A bill (S. 1199) granting an increase of pension to Virginia Dodd;

A bill (S. 1200) granting an increase of pension to Bart H. Hickman;

A bill (S. 1201) granting a pension to Harry F. McCray; and

A bill (S. 1202) granting an increase of pension to Mary J. Pennington; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 1203) to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 1204) to authorize the Secretary of the Navy to dispose of a Government-owned right-of-way and electric-power transmission line in Anne Arundel County, Md.;

A bill (S. 1205) to repeal section 16 of the act entitled "An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes", approved May 29, 1934;

A bill (S. 1206) authorizing the transfer of certain lands near Vallejo, Calif., from the United States Housing Corporation to the Navy Department for naval purposes;

A bill (S. 1207) to authorize trial by court-martial of any person in the naval service charged with the crime of murder committed without the geographical limits of the States of the Union and the District of Columbia;

A bill (S. 1208) authorizing personnel of the naval service to whom a commemorative or special medal has been awarded to wear in lieu thereof a miniature facsimile of such medal and a ribbon symbolic of the award;

A bill (S. 1209) to authorize the Secretary of the Navy to relinquish an easement for a water main at Pearl Harbor, Hawaii;

A bill (S. 1210) authorizing certain officials under the Naval Establishment to administer oaths;

A bill (S. 1211) authorizing the assignment of two officers on the active list of the United States Marine Corps not below the rank of colonel to duty as assistants to the Major General Commandant of the Marine Corps; and

A bill (S. 1212) to amend section 1383 of the Revised Statutes of the United States; to the Committee on Naval Affairs.

By Mr. CAPPER:

A bill (S. 1213) granting a pension to Addie M. Mandeville (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 1214) for the relief of Oliver B. Huston, Anne Huston, Jane Huston, and Harriet Huston; to the Committee on Claims.

A bill (S. 1215) for the relief of Theodore L. Beers; to the Committee on Military Affairs.

By Mr. FRAZIER:

A bill (S. 1216) granting a pension to Mary Perry; and

A bill (S. 1217) granting a pension to Edwin K. Williams; to the Committee on Pensions.

A bill (S. 1218) to amend the act entitled "An act authorizing the attorney general of the State of California to bring suit in the Court of Claims on behalf of the Indians of California", approved May 18, 1928 (45 Stat. L. 602), by adding a new section thereto, to be known and designated as "section 8"; to the Committee on Indian Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 1219) granting an increase of pension to John E. Fitzgerald; to the Committee on Pensions.

A bill (S. 1220) to amend title I of an act, entitled "Agricultural Adjustment Act" (Public, Law No. 10, 73d Cong.), and to provide additional relief by securing to the farmers a minimum price for agricultural commodities of not less than the cost of production thereof, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. SMITH:

A bill (S. 1221) to provide a banking system for agriculture, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. NYE:

A bill (S. 1222) to further extend the times for commencement and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.; to the Committee on Commerce.

A bill (S. 1223) to regulate election expenditures; to the Committee on the Judiciary.

A bill (S. 1224) to allow credit to homestead settlers and entrymen for certain military service; to the Committee on Public Lands and Surveys.

By Mr. HAYDEN:

A bill (S. 1225) for the relief of Harry H. A. Ludwig; to the Committee on Civil Service.

A bill (S. 1226) to prohibit the sending of unsolicited merchandise through the mails; to the Committee on Post Offices and Post Roads.

(By request.) A bill (S. 1227) to authorize the issuance and sale to the United States of certain bonds of municipal governments in Puerto Rico, and for other purposes; to the Committee on Territories and Insular Affairs.

By Mr. BARKLEY:

A bill (S. 1228) granting a pension to Gillis S. Mitchell;

A bill (S. 1229) granting a pension to Juriah Hyden;

A bill (S. 1230) granting a pension to Gertrude Briggs;

A bill (S. 1231) granting a pension to Maggie Ball;

A bill (S. 1232) granting a pension to Levi Sawyer;

A bill (S. 1233) granting a pension to Alexander Steele;

A bill (S. 1234) granting a pension to Mary Krebs;

A bill (S. 1235) granting a pension to Margaret Moore;

A bill (S. 1236) granting a pension to Lucinda Van Norsdel;

A bill (S. 1237) granting a pension to Wiley Roberts;

A bill (S. 1238) granting a pension to Mary Curry;

A bill (S. 1239) granting a pension to Dora Short;

A bill (S. 1240) granting a pension to Frank House;

A bill (S. 1241) granting a pension to John R. Sparks;

A bill (S. 1242) granting a pension to Viola Compton;

A bill (S. 1243) granting a pension to Mattie Sebastian;

A bill (S. 1244) granting a pension to Fieldon Adkins;

A bill (S. 1245) granting a pension to Dora McCallister;

A bill (S. 1246) granting a pension to Maggie Wilson;

A bill (S. 1247) granting a pension to Ellanor Green;

A bill (S. 1248) granting a pension to Ella Noe;

A bill (S. 1249) granting a pension to Allen Nantz;

A bill (S. 1250) granting a pension to Lydia Ann Hollingsworth;

A bill (S. 1251) granting a pension to Mary Shelton;

A bill (S. 1252) granting a pension to Sam H. Hadley;

A bill (S. 1253) granting a pension to John C. Hounshell;

A bill (S. 1254) granting a pension to Gertrude Maurer;

A bill (S. 1255) granting a pension to Thomas E. Morrison;

A bill (S. 1256) granting a pension to Philip T. West;

A bill (S. 1257) granting a pension to Nancy V. Shipley;

A bill (S. 1258) granting a pension to Daniel Wilson;

A bill (S. 1259) granting a pension to Sarah Jane Lewis Langdon;

A bill (S. 1260) granting a pension to Delia England;

A bill (S. 1261) granting a pension to Minnie Harrison;

A bill (S. 1262) granting a pension to Aleck Camlin;

A bill (S. 1263) granting a pension to Nancy C. Buck;

A bill (S. 1264) granting a pension to John Winn; and

A bill (S. 1265) granting a pension to Elizabeth M. Runnels; to the Committee on Pensions.

A bill (S. 1266) for the relief of Robert E. Masters;

A bill (S. 1267) for the relief of Will Castleman;

A bill (S. 1268) for the relief of Will Brewer;

A bill (S. 1269) for the relief of William Wallingford;

A bill (S. 1270) for the relief of Charles A. Peters;

A bill (S. 1271) for the relief of Homer N. Horine;

A bill (S. 1272) for the relief of Matthew J. Isaac;

A bill (S. 1273) for the relief of Charles Wells;

A bill (S. 1274) for the relief of Horace C. Romans;

A bill (S. 1275) for the relief of Alton T. Fields; and

A bill (S. 1276) for the relief of Frank L. Ragsdale; to the Committee on Military Affairs.

A bill (S. 1277) authorizing persons, firms, corporations, associations, or societies to file bills of interpleader; to the Committee on the Judiciary.

A bill (S. 1278) for the relief of Daniel Coakley;

A bill (S. 1279) for the relief of Larkin B. Walker;

A bill (S. 1280) for the relief of James Clay Colson; and

A bill (S. 1281) for the relief of the estate of Martin Preston, deceased; to the Committee on Claims.

A bill (S. 1282) for the relief of Virgil Joseph Haynes;

A bill (S. 1283) for the relief of Forest Mobley;

A bill (S. 1284) for the relief of Buster Jones; and

A bill (S. 1285) for the relief of Robert N. Wallace; to the Committee on Naval Affairs.

A bill (S. 1286) reducing the rates of taxation on tobacco products; and

A bill (S. 1287) to confer additional jurisdiction on the United States Board of Tax Appeals, and for other purposes; to the Committee on Finance.

A bill (S. 1288) to promote the safety of employees and travelers on railroads by requiring common carriers engaged in interstate commerce to install, inspect, test, repair, and maintain block-signal systems, interlocking, highway grade-crossing protective devices, automatic train stop, train control, cab signal devices, and other appliances, methods, and systems intended to promote the safety of railroad operation; to the Committee on Interstate Commerce.

By Mr. COPELAND:

A bill (S. 1289) for the relief of H. P. Converse & Co.; and

A bill (S. 1290) for the relief of Walter Motor Truck Co., Inc.; to the Committee on Claims.

A bill (S. 1291) authorizing the estate of John Gellatly, deceased, and/or Mrs. Charlyne Gellatly, individually, to enter suit in the United States District Court for the Southern District of the State of New York, for the return of an art collection and objects of art claimed to have been obtained by agents or representatives of the Smithsonian Institution and of the United States Government, and for other purposes; to the Committee on the Judiciary.

A bill (S. 1292) for the relief of Zinsser & Co.; to the Committee on Military Affairs.

A bill (S. 1293) for the relief of George A. Gerety; to the Committee on Naval Affairs.

A bill (S. 1294) authorizing the appropriation of $600,000, or so much thereof as may be necessary, to refund payments made to the collector of taxes of the District of Columbia for illegally assessed taxes for paving roadways or laying curbs or gutters in the District of Columbia, including penalties charged and paid, as may, on the date of approval of this act, be legally due Paving Tax Refund Corporation of the District of Columbia, a corporation organized under the laws of the State of Arizona; to the Committee on the District of Columbia.

By Mr. WHEELER:

A bill (S. 1295) to provide for the disposition of unclaimed deposits in national banks; to the Committee on Banking and Currency.

By Mr. WALSH:

A bill (S. 1296) for the relief of John P. Ryan; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 1297) for the relief of C. N. Markle;

A bill (S. 1298) for the relief of John Z. Lowe; and

A bill (S. 1299) for the relief of the First State Bank & Trust Co., of Mission, Tex.; to the Committee on Claims.

A bill (S. 1300) to amend the War Department appropriation act relative to the operation of motor-propelled vehicles;

A bill (S. 1301) to provide further for the maintenance of United States Soldiers' Home;

A bill (S. 1302) for the relief of certain disbursing officers of the Army, and for other purposes;

A bill (S. 1303) for the relief of James M. Kendrick; and

A bill (S. 1304) to amend section 47c, National Defense Act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence; to the Committee on Military Affairs.

By Mr. ADAMS:

A bill (S. 1305) to further extend the operation of the act entitled "An act to further extend the operation of the act entitled 'An act for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law', approved April 1, 1932", approved March 27, 1934; to the Committee on Irrigation and Reclamation.

By Mr. BULOW:

A bill (S. 1306) granting to the State of South Dakota for institutional purposes the property known and designated as the "Canton Asylum", Canton, S. Dak.; to the Committee on Public Lands and Surveys.

By Mr. COPELAND:

A joint resolution (S. J. Res. 37) to amend the joint resolution entitled "Joint resolution requiring agricultural or other products to be shipped in vessels of the United States where the Reconstruction Finance Corporation or any other instrumentality of the Government finances the exporting of such products", approved March 26, 1934; to the Committee on Commerce.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 38) for the adjustment and settlement of losses sustained by the cooperative marketing associations; to the Committee on Agriculture and Forestry.

By Mr. BARKLEY:

A joint resolution (S. J. Res. 39) authorizing the Joint Committee on the Library to procure oil portraits of former President Herbert Hoover and of President Franklin D. Roosevelt; to the Committee on the Library.

EXCLUSION OF ALIENS FROM APPORTIONMENT COUNT

Mr. CAPPER. Mr. President, I introduce a joint resolution for reference to the Committee on the Judiciary.

The joint resolution (S. J. Res. 40) proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States was read twice by its title and referred to the Committee on the Judiciary.

Mr. CAPPER. Mr. President, the joint resolution proposing an amendment to the Constitution which I have just introduced provides simply that—

> Aliens shall be excluded from the count of the whole number of persons in each State in apportioning representatives among the several States according to their respective numbers.

Under the present wording of the Constitution, those States with large numbers of unnaturalized aliens—there are some 6,000,000 of these in the United States—are given credit for these unnaturalized aliens in the apportionment of congressional Representatives and Presidential electors. Those States which are most largely composed of native-born and naturalized citizens are deprived of representation they should be entitled to.

The justice of this amendment I am proposing is attested by the fact that in those States which are given extra congressional and electoral representation because of their large number of unnaturalized aliens—in those States these un-

naturalized aliens are excluded from the count in apportioning representation in their State legislatures and assemblies.

In the latest apportionment, the agricultural and interior industrial States in which the population is predominantly American, lost half a dozen Congressmen to those States in which there are several million of unnaturalized aliens. This condition should be corrected before the next census is taken, and can be corrected by submitting my amendment to the States. There is no question that it would be ratified when submitted.

HOUSE BILL REFERRED

The bill (H. R. 3973) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1936, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

CHANGE OF REFERENCE

On motion of Mr. HAYDEN, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 809) for the relief of Julius McKindry Henderson, and it was referred to the Committee on Naval Affairs.

MARY A. CHAPLINE

Mr. BARKLEY submitted the following resolution (S. Res. 57), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1935, to Mary A. Chapline, widow of Charles B. Chapline, late an employee of the Senate folding room under the supervision of the Sergeant at Arms, the sum of $250, said sum to be considered inclusive of funeral expenses and all other allowances.

SURVEY OF LAND AND WATER POLICIES AND PROJECTS

Mr. O'MAHONEY submitted the following resolution (S. Res. 58), which was referred to the Committee on Irrigation and Reclamation:

*Resolved*, That a special committee of seven Senators, to be appointed by the President of the Senate, three of whom shall be members of the Committee on Public Lands and Surveys and three of whom shall be members of the Committee on Irrigation and Reclamation, is authorized and directed to make a survey and study of all land and water policies and projects of the several executive agencies and establishments of the Government and to report to the Senate, as soon as practicable, the results of its survey, together with its recommendation for necessary legislation in connection therewith.

The committee or any duly authorized subcommittee thereof is authorized to attend the National Grazing Conference to be held under the auspices of the Department of the Interior at Denver, Colo., February 11, 1935.

For the purposes of this resolution the committee or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, including expenditures for travel, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

THE BANKHEAD ACT AND DEMOCRACY

Mr. BANKHEAD. Mr. President, I present an article by Clarence Poe, president and editor of the Progressive Farmer, entitled "The Bankhead Act and Democracy", together with an illustration. I request that the matter be referred to the Committee on Printing, with a view to having it subsequently printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

THP WORLD COURT—STATEMENT BY GEN. JOHN F. O'RYAN

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement in favor of the World Court by Gen. John F. O'Ryan, commander of the Twenty-seventh Division of the American forces in France during the World War.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JOHN F. O'RYAN, COMMANDER OF THE TWENTY-SEVENTH DIVISION OF THE AMERICAN FORCES IN FRANCE DURING THE WORLD WAR, URGES AMERICAN MEMBERSHIP IN THE WORLD COURT—WAR IS THE DESTROYER OF THE VIRILE, PROTECTOR OF THE UNFIT

The question of our adherence to the World Court is now before the Senate for decision. Years have elapsed since this question was first discussed by the people of the country. The intervening time has afforded opportunity for extreme partisans on both sides to "cool off" and for the mass of us to consider the question unemotionally and upon its merits. It is not an exaggeration to say that the determination to be made is a momentous one.

Will our adherence to the World Court give greater stability to world peace and, therefore, to peace for the people of this country? Or will our adherence complicate the peace structure and lessen for us the probability of avoiding war? Finally, can the World Court function in the interest of peace as effectively without our adherence as with it?

I have attempted, both as a lawyer and as one who witnessed first-hand some of the tragedies and waste of the World War, to answer these questions to my own satisfaction. I believe it to be in the interest of world peace and in the interest of the people of the United States that, without delay, the Senate should ratify our adherence to the Court. The following are some of the reasons for this conclusion:

(1) The families of the world cannot seriously expect their governments to maintain world law and order unless the world is organized for the maintenance of world law and order. At present, and in the past, governments have been organized for war. All authorities on this question of world peace are agreed in principle that world peace cannot be maintained without world organization for its maintenance.

(2) I cannot conceive this world as it will be 100 years from now without world organization for the maintenance of world law and order, which includes the suppression of war as distinguished from the internationally lawful use of world police power. If this is true, it is in our interest to advance the date of the advent of this condition.

(3) Nowhere, perhaps, other than in the history of our own country can there be found a better precedent for what is proposed. The Thirteen Original States were at the conclusion of the Revolutionary War sovereignties as free and independent each of the other as are the present peoples and governments of Europe. Although their population differed widely in background, in creed, in habits, in outlook, and in regard to the question of slavery, they, nevertheless, for their own good and in the interest of peace, surrendered some measure of their sovereign rights. They agreed to vest in the central authority such control of the military man power of the population of the States (in other words, the militia) for the purpose of suppressing insurrection, repelling invasion, and executing the laws; and these sovereign States also agreed that none of them would maintain an army without the consent of Congress. They also agreed to the establishment of a Supreme Court independent of all the States, the decrees of which would be final in relation to interstate matters. This happy condition was not arrived at without bitter debate. Practically all of the objections made in this country in relation to the existing League of Nations and the World Court were registered at the time of the Constitutional Convention against the adoption of the American covenant which we call the Constitution and which vested these powers in the Federal Government. It was only by a small majority of the votes of the delegates that the Federal Constitution was adopted.

In this connection a vital feature of the plan was that every last State should give its adherence. If Pennsylvania or New York, for example, had remained aloof, that circumstance would have changed in unhappy fashion our entire history. The absence of any one State from adherence to our Constitution would have vitally weakened the whole structure. So it is with the existing world organization for peace. Its greatest weakness is not only the absence of one civilized country—our own—but the fact that from the military viewpoint that country is the most powerful Nation in the world, possessing as it does a great man power having martial qualities, vast wealth, unprecedented industrial capacity for munitions manufacture, and a history of conquest.

(4) It may be said that this covenant of the American Constitution failed to prevent the Civil War. That is true. And it is also true that for similar reasons the existing world organization for peace has not wholly prevented war since its establishment. Nevertheless, as our Constitution and the Government under it grew in strength and developed a supporting force of judicial determinations, so the present world organization for peace will grow in strength and dependability. Most of all, it must have the support and membership of the powerful United States, which at the present time, from the world viewpoint, is free to make war when, where, and upon whom it pleases—the various pious pacts to the contrary notwithstanding.

Finally, those who undertake to consider this subject unemotionally and impartially must dismiss from their minds inherited prejudices and hatreds, if they exist, in relation to present and past affairs of European history. They must realize that war has been a greater plague to the human race than any of the dreadful scourges, epidemics, and plagues that have from time to time swept the populations of the world. These plagues and epidemics tended to kill off the weak and defective rather than the

strong and virile. Thus, in general terms, it might be said that they acted as a purge. War, however, works the other way. The entire system of war tends to shelter from its scourge the physically weak, the mentally defective, the neurotics, the diseased, and the habitual drunkards. It sends into the fire of battle for potential destruction the young men of all the lands who are the fittest in all respects. War is actually the most effective form of race suicide known to man. It is in the light of this knowledge that our people should view the effect of our adherence to the World Court upon the question of substituting reason for wholesale homicide in the settlement of international disputes which are justiciable.

JOHN F. O'RYAN,
*Major General, United States Army Reserve.*

THE WORLD COURT—EDITORIAL FROM WASHINGTON HERALD AND STATEMENT BY WILL ROGERS

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from last Saturday's Washington Herald on the subject of the World Court, and also an interview with Will Rogers in the Washington Times of last Saturday. I wish to say that Will Rogers is not only the most famous son of my State but one of the greatest humorists in this country, and, in addition to that, he is one of its greatest philosophers.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Washington Herald, Jan. 19, 1935]

AMERICA FIRST

According to the United States Treasury Department, whose official figures were published recently, the World War cost the United States 50 thousand million dollars.

And this does not include the 12 thousand million dollars of war debts owed the United States by foreign nations.

The total, therefore, of actual cost to the United States through our own folly and foreign perfidy is 62 thousand million dollars.

Instead of a national debt of over 30 thousand million dollars the United States would have today a surplus of over 30 thousand million dollars, if President Wilson had only "kept us out of the war" as he was elected to do.

Instead of the present system of cruel taxation, which breaks the back of industry, robs labor of employment, and deprives the community of purchasing power, Federal taxation today would be at a minimum and our National Government would have surpluses to distribute to the States, as was contemplated and planned in 1912.

Instead of wringing blood money from a people harassed by business and employment difficulties, our Government would have today at its comfortable disposal 30 thousand million dollars' surplus to be devoted to public works and social betterment to make our Nation the greatest and happiest in the world.

All these blessings we would have if we had only had the wisdom and patriotism to follow the advice of George Washington and the great Presidents who succeeded him, and to "keep free from foreign entanglements."

Benjamin Franklin said: "Experience keeps a dear school, yet fools will learn in no other."

Surely we as a people are not fools.

Surely we have learned something from the blood we have shed, the money we have wasted, the sufferings we have undergone.

Surely we have learned enough to keep our fingers out of the fire, our feet out of the trap of foreign entanglements.

Surely we have learned enough to keep free from the leagues of foreign nations and league courts and from all the jealousies and hatreds and angry disputes which distract and embroil European peoples.

France is daily increasing its armaments.

Italy is marching its soldiers up and down its frontiers in continual menace to its neighbors.

Germany is secretly arming for war.

Every one of these war-mad nations is preparing for another destructive struggle.

Why should we mingle in this maelstrom of hatred and fury?

We have tried to stop their armament, their preparations for war.

We could not do it.

If they have the will to war, we cannot stop the war.

All we can do is become involved in it.

All we can do is lose more of our fine young men and more of our wealth and plunge ourselves deeper into debt and disaster.

Have we another fifty thousand million dollars to spend in wars which do not concern us?

Have we another twelve thousand million dollars to loan to ungrateful allies?

Why not save our wealth—what is left of it—for home requirements?

Why not mind our own business at a time when our business needs minding?

Why not stay in our own land and keep our own peace and restore our own prosperity?

Why not keep out of the madhouse of foreign intrigue?

Why not respect the judgment and the injunction of our fathers who built this Nation to greatness?

Why not keep out of the League of Nations and the League Court, and "keep free from foreign entanglements"?

Let us be friendly to all the world, helpful to all the world, but let us think of America first—America, our country, our people, our home.

WILLIAM RANDOLPH HEARST.

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[From the Washington Times, Jan. 19, 1935]

ROGERS BOUND FOR DISTRICT OF COLUMBIA AFTER COURT ATTACK

INDIANAPOLIS, IND., January 10.—Will Rogers was bound for Washington today after delivering a blistering attack upon American entry into the League Court.

Cheered by 6,000 persons, Mr. Rogers departed from the humorous vein of his address here last night to make a serious plea against the League Court proposal as advanced by President Roosevelt a few days ago. The comedian was brought here by the Indianapolis Junior League, and he donated his services in behalf of the Riley Hospital for Children. Mr. Rogers told his audience:

"I told the President a few days ago that I didn't see any good in our entering the World Court.

"I do not believe the Members of Congress ought to be wasting time during this crisis to argue about the World Court. It looks to me they ought to be worrying about putting people to work, with millions needing relief like they do.

HITS INGRATITUDE

"We have shown the people of Europe in a billion ways that we care. We have had our men killed or crippled, we have lent them money; but if we said tomorrow that they didn't owe us a nickel, they wouldn't appreciate it.

"I told them in Paris that we didn't resent it so much because they hadn't paid us but because they didn't show appreciation for what we had done.

"Maybe this World Court won't get us in the League of Nations, but I have batted around Europe so much that I am suspicious.

"They say that this is a big Nation and we ought to take the moral leadership in the world, but I say there is need for moral leadership right here at home."

THE CALENDAR

The VICE PRESIDENT. The calendar under rule VIII is in order. The clerk will state the first order of business on the calendar.

BILL PASSED OVER

The bill (S. 396) to amend section 1180 of the Code of Law for the District of Columbia, with respect to usury, was announced as the first order of business on the calendar.

Mr. BULKLEY. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

CROP PRODUCTION AND HARVESTING LOANS

The Senate proceeded to consider the bill (S. 859) to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with amendments.

The first amendment of the committee was, on page 2, line 24, after the word "exceed", to insert "$500", and on page 3, at the end of line 2, to insert "$700", so as to make the paragraph read:

(b) The amount which may be loaned to any borrower pursuant to this act shall not exceed $500 unless, in the opinion of the Governor, the circumstances surrounding the loan are such as to warrant a larger amount, in which event the borrower shall be entitled to a loan not in excess of $700: *Provided, however,* That in any area certified by the President of the United States to the Governor as a distressed emergency area, the Governor may make loans without regard to the foregoing limitations, under such regulations and for such time as he may prescribe therefor.

The amendment was agreed to.

The next amendment was, in section 5, on page 5, line 3, to strike out "$50,000,000" and insert "$100,000,000", so as to make the section read:

SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $100,000,000, or so much thereof as may be necessary, to carry out the provisions of this act. Any moneys so appropriated, and all collections of both principal and interest on loans made under this act, may be used by the Governor for all necessary administrative expenses in carrying out the provisions of this act and in collecting outstanding balances on crop production, seed and feed loans made under the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1934, and for other purposes", approved February 23, 1934, or under prior legislation of the same general character.

Mr. JOHNSON. Mr. President, will the Senator from South Carolina [Mr. SMITH] tell us about the proposed legislation and explain what the bill is?

Mr. SMITH. Mr. President, it is exactly the same as legislation we have had for the last 5 years. It is the bill in usual form and the committee was unanimous in its report.

Mr. GORE. Mr. President, does the bill involve seed loans?

Mr. SMITH. Yes.

Mr. GORE. Does it apply to all the States?

Mr. SMITH. Yes; to all the States.

Mr. ROBINSON. Mr. President, may I ask the Senator from South Carolina what is the total amount carried in the bill?

Mr. SMITH. One hundred million dollars is authorized.

Mr. ROBINSON. The authorization is $100,000,000?

Mr. SMITH. Yes.

Mr. ROBINSON. Has the measure been considered by the Farm Credit Administration?

Mr. SMITH. I think it has. The report shows that a bill of similar character was taken up and considered in the House.

Mr. McNARY. Mr. President, I think it would be well for the chairman of the committee to explain the difference between the bill now under consideration and the bill which we passed last year.

Mr. SMITH. The only difference is this: Members of the committee who represent the drought-stricken regions said we would have to have an additional amount for the purchase of seed and for feed; that there was absolutely a dearth of any seed or any facilities to purchase seed. After consideration of the matter for an hour or more the committee unanimously agreed, in view of the consideration given the bill last year and the rise in the prices of foodstuffs and the cost of living, as well as the rise in the price of seed corn and seed wheat, that it was necessary to increase the amount to $100,000,000.

Mr. COSTIGAN. Mr. President, may I ask the able chairman of the Committee on Agriculture and Forestry whether the bill covers seed loans?

Mr. SMITH. It does.

Mr. COSTIGAN. As provided in a bill (S. 25) for crop production and seed loans which I introduced early in the session?

Mr. SMITH. Yes.

Mr. ROBINSON. Mr. President, may I ask the Senator from South Carolina if there are any changes in the method of administration?

Mr. SMITH. None whatever. It is exactly in that respect as it was last year.

Mr. RUSSELL. Mr. President, I notice on page 2, line 8, there is a provision as follows:

> Recording and other fees in connection with such loans shall not exceed $1 in any case, which shall be paid by the Farm Credit Association.

There is a great difference in the system of recordation in the various States. In some States it is only necessary to file the paper itself, while in other States it is necessary to record all the bills of sale and contracts. In some cases the recording fees run much over a dollar. I can see why the Farm Credit Administration should not pay more than a dollar, but under this provision of the bill the clerk of the court or officer having the recording in charge in the respective States could not collect more than a dollar in any event, even though the cost might be greater because of it being a very lengthy document.

Mr. SMITH. In previous years we have had so much complaint from various States that the recording fees were so different and in some of them so exorbitant that the committee felt it proper that we should fix a uniform fee. That is the reason why we have incorporated the provision in the bill. In some States the cost was ridiculously high, indeed was exorbitant. Therefore we cut it down to what we feel is a reasonable amount for the service to be rendered.

Mr. KING. Mr. President, will the Senator from South Carolina yield?

Mr. SMITH. Unless the Senator merely wants to ask a question I should like to make this statement before I yield. Never since I have been a member of the Committe on Agriculture and Forestry have I seen such unanimity as prevailed in my committee touching this particular bill. On the roll call there was not a dissenting voice. In addition to that each and every member of the committee expressed his hearty approval of the bill in the form in which it is presented. The members of my committee represent a very good cross-section of the country.

Further than this I do not care to make any statement, and I yield now to the Senator from Utah.

Mr. KING. I ask the Senator from South Carolina the reason why the amount has been increased from $50,000,000 to $100,000,000. I ask that question in the light of information which has come to me that perhaps the House will agree upon the sum of $40,000,000.

Mr. SMITH. Mr. President, this bill is an expression of the opinion of the Members of the Senate who are members of the Committee on Agriculture and Forestry, several of whom have just been elected and sent here from their States. There was a percentage of our committee membership having a first experience in the Senate and on the committee. After canvassing the situation and considering the returns made by the Farm Credit Administration, it was found that the amount paid back is astonishingly high in view of our markets and the drought and all the unfortunate circumstances which surrounded crop production in the country.

The percentage of returns or repayments is astonishingly high. In several States this year it has been 100 percent. Even in the drought-stricken regions, where by virtue of adverse seasons they were practically stripped of anything like production, a remarkably large amount has been collected. There has been no action on the part of the Government in conserving the manhood and the self-respect of those who are unfortunate, no effort on our part, Mr. President, that compares to this. It keeps the man at home. It does not make a charity seeker of him. He borrows the money, makes the crop, and turns it over to the Government, and settles his bill so far as his crop will permit.

Mr. ROBINSON. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Arkansas?

Mr. SMITH. I yield.

Mr. ROBINSON. I had not understood that in any territory the reimbursements or returns from the funds loaned on this account had been 100 percent, but I know that in some of the districts the returns have approximated that figure. It is my information that there was unavoidably a considerable shortage due to exceptional conditions prevailing. I am wondering whether the Senator from South Carolina believes that the increase carried in the amendment which he has discussed, from $50,000,000 to $100,000,000, is imperative in view of the fact that the original amount asked for was $50,000,000.

Mr. SMITH. In answer let me say that every man who has given his personal attention to the condition of the average farmer knows that last year, when we set up another system which required them to furnish collateral, there were hundreds of them who could not qualify. There was never any provision made to meet that condition. That was shown to the committee, and we discussed it at the time.

This was not my amendment alone. It is the unanimous opinion of the committee that suffering small farmers, who make the bulk of our agricultural products, are entitled to have a sufficient amount to keep them at home and to allow them to meet the exigencies which are now so terrible.

Mr. ROBINSON. Did the Farm Credit Administration have any opportunity to give the committee any information as to the amount required to meet the necessities of the approaching season?

Mr. SMITH. No. I believe they gave the House committee that information. We had no statement direct from them.

Mr. ROBINSON. This is an authorization and not an appropriation, I understand?

Mr. SMITH. It is an authorization.

Mr. ROBINSON. So when the appropriation shall come before us opportunity will be afforded to adjust the sum to the actual need?

Mr. SMITH. Certainly.

I want to say further, in consideration of the vast sums we are paying out for relief, that I challenge any Senator on this floor to cite any project we have undertaken which compares with this measure in practicability and in the conservation of the self-respect and manhood of our farmers. It is to the everlasting credit of the indigent, helpless individuals in my State, in Georgia, and in North Carolina that they have paid in excess of 98 percent of their borrowings in spite of low prices and in spite of the adverse season. In the West the unprecedented droughts have left many farmers even without seed to plant.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. SMITH. Certainly.

Mr. MURPHY. The Government loaned $120,000,000 in corn loans, which have been repaid 100 percent, with a profit to the Government, or rather to the Commodity Credit Corporation, represented by interest, of $750,000.

Mr. ROBINSON. That was not involved in the seed loans.

Mr. ADAMS. Mr. President, one item of perhaps lesser importance occurs to me in that provision of the measure which provides that—

All collections of both principal and interest on loans made under this act may be used by the Governor for all necessary administrative expenses in carrying out the provisions of this act and in collecting outstanding balances on crop production, seed and feed loans made under the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1934, and for other purposes", approved February 23, 1934, or under prior legislation of the same general character.

I am wondering if it is not pretty broad authorization to enable them to use these funds for administration under any "prior acts of the same general character."

Mr. SMITH. They are collecting in 1935 for the loans made in 1934. They were collecting in 1934 on the loans made in 1933, just as they were collecting in 1933 on the loans made in 1932. The borrowers are paying their loans. If I had my way, I would have had the loans for each year kept in separate accounts. In 1934, if the farmers made a comparatively good crop and got a reasonable return, they not only repaid that year's loan from the Government but they paid something on the loan of the previous year. I know other Members of this body have had like experience. In my State some 10 or 15 percent has been collected from the delinquents from 1933 and 1934. I challenge any man here to compare that result, and the beneficial effect of this work in maintaining the American spirit, with any other thing we are doing here.

Mr. ROBINSON. Mr. President, in addition to what the Senator has said, if he will indulge me, there is much detail that requires attention in connection with making and collecting these loans.

Mr. SMITH. Oh, there is; there is.

Mr. ROBINSON. As the Senator has stated, it is entirely true that when conditions permit, the borrowers go back to the obligations of previous seasons and take them up or reduce them; and I think that process should be encouraged rather than discouraged.

Mr. SMITH. I think so.

Mr. ROBINSON. May I ask the Senator a question before I discontinue my interruption of him?

Mr. SMITH. Certainly.

Mr. ROBINSON. Has the Senator any information as to the annual cost of the administration of the seed loans?

Mr. SMITH. I have those figures, but failed to bring them over to the Senate Chamber this morning. I will have them incorporated either in today's RECORD or in tomorrow's RECORD.

Mr. ROBINSON. I should be glad to have those figures.

Mr. SMITH. The cost is remarkably low compared with the work done by these agents, who go from house to house to the borrowers, from time to time. The agents cooperate with the borrowers; and the expense to the Government of making the loans and collecting them is remarkably small, considering the vast area to be covered and the work to be done.

Mr. ROBINSON. And when one considers the fact that these loans are not made by the Farm Credit Administration unless the borrower is unable to secure a loan from any other source, I think it is truly remarkable that collections have been so large.

Mr. SMITH. I am glad the leader of our side has called attention to this matter. Under the terms of this bill, no one can get a lien loan, such as this is, unless he cannot qualify under the crop-production credit. That means that he has no collateral except his prospective crop, and he borrows this money on a lien on his current production; and in spite of the fact that he has no collateral, no assets to put up, the borrowers, including those in the drought region, paid in 1933 an average of 78 percent, I believe. We had the figure before the committee, furnished to us by the Department.

Mr. BANKHEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Alabama?

Mr. SMITH. I yield.

Mr. BANKHEAD. I have here a newspaper clipping containing a statement recently issued by Judge James Tipton, regional manager of the Memphis emergency crop loan office, showing that at that time 90.39 percent of the loans made by the regional office in 1934 had been repaid, and the farmers in the nine States had paid back $14,556,360. Some of the notes do not mature until November 1; and a part of the area involved in this district has suffered severely from the drought.

Mr. ROBINSON. What is the date of that statement?

Mr. BANKHEAD. A few days ago; not long ago. It contains the percentage paid of the amount loaned in each of the nine States.

Mr. ROBINSON. In all of which collections have been made since the statement was made?

Mr. BANKHEAD. Oh, yes; and a number of the notes are not yet due.

Mr. ROBINSON. And payments are continuously made?

Mr. BANKHEAD. Yes; they are continuously made; and, as I stated, a number of those notes are not yet due.

I ask to have this statement published in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article is as follows:

[From the Birmingham (Ala.) News]

FARMERS IN SOUTH SHOWN AS HONEST—CROP LOAN OFFICE FIGURES REVEAL HIGH RATE OF OBLIGATIONS PAID

MEMPHIS, TENN.—Southern farmers are just about as honest as any set of folk on earth, contends James Tipton, regional manager of the Memphis emergency crop loan office.

And he had the figures Wednesday to bear out his contention.

His figures show that 90.39 percent of the regional office's 1934 loans have been repaid. The farmers have paid back $514,556,360, and some of the notes do not mature until November 1.

Collections, by States, thus far include:

Alabama—94.1 percent of 15,247 loans for $799,030.
Arkansas—82.77 percent of 26,355 loans for $1,570,285.
Florida—77.08 percent of 1,658 loans for $91,740.
Georgia—93.60 percent of 38,891 loans for $3,020,445.
Louisiana—88.61 percent of 21,607 loans for $1,189,340.
Mississippi—88.66 percent of 27,785 loans for $1,467,760.
North Carolina—90.58 percent of 34,817 loans for $2,691,760.
South Carolina—92.76 percent of 31,634 loans for $2,751,430.
Tennessee—78.14 percent of 13,792 loans for $744,445.

Mr. MURPHY. Mr. President, having relation to the increased amount of this loan, it is to be said that the cost of feed and of seed is several hundred percent more now than it was a year ago, and that the need in individual cases is more acute.

In some 31 counties of my State the corn crop is a complete failure. There are townships which were dependent upon corn where not one single bushel of corn was harvested. The need of farmers there for feed and seed is acute; it is immediate.

No one can determine what the price of seed this season will be. If we had been in the market earlier, we would have been able to buy it much cheaper. The need in individual

cases, we assume, will be larger than it was a year ago, due to the fact that many farmers have absolutely no seed whatsoever for spring planting.

When the bill gets into conference, and a more detailed study of the needs has been completed by the drought division of the Agricultural Administration, if the amount provided in this bill should be found to be excessive, I think it can be determined fairly in conference.

Mr. KING. Mr. President, the few observations which I shall make are not directed against appropriations for the relief of the farmers of our country. I realize that they have been passing through a period of great distress and have been subjected to hardships and difficulties perhaps greater than those borne by many groups and classes of our citizens. I have favored and shall favor what I conceive to be legitimate and proper measures in aid of all branches of agriculture. I take this occasion, however, to challenge attention to the demands which are being made upon the Federal Government for enormous appropriations for almost every activity and industry. Many of these demands do not rest upon any proper foundation and cannot find support by reference to the Constitution of the United States. There are manifestations of a growing feeling that the Federal Government owes every individual a livelihood and that the obligation rests upon the Federal Government to engage in every form of industry and to furnish employment to all the people. In emergencies as that through which we have passed the Federal Government is warranted in giving aid and succor and to engage in activities which under ordinary circumstances could not be justified.

I fear that many of our citizens do not appreciate the limitations upon the Federal Government and the sources from which it must obtain revenues to meet its appropriations. It is not always appreciated by many of our citizens that appropriations made by Congress can only be met by imposing taxes upon the people. Perhaps I should modify that by stating that the Federal Government has authority to borrow money for legitimate purposes to meet the necessary expenses of the Government, but it is obvious that there must be a limit upon the borrowing power of the Government. If it imposes heavy burdens of taxes and then creates enormous deficits, the day will arrive when it will experience difficulty in disposing of its securities to meet deficits and expenditures.

Governments, like individuals, may impair their credit. We have recently witnessed the collapse of the credit of some municipalities and the appeals which have been made for Federal legislation to enable them to effect compensations with their creditors. I submit that one of the most imperative duties resting upon Congress is to ascertain the needs of the Government, to determine just what appropriations should be made, and before making them, ascertain the sources of revenue and determine how the appropriations are to be met. In other words, Congress should take stock and determine its assets and its liabilities; the sources from which revenue may be obtained and the amount that will be secured. It should determine what, if any, deficits will result, and then, after full investigation, decide the method by which such deficits shall be met.

I respectfully submit that Congress should prepare its budget; determine just what it will appropriate, and provide sound and rational plans under which there will be realized funds sufficient to meet the appropriations made.

I have been long enough in the Senate to know, however, that that course is seldom pursued and that admonitions against improvident, not to say extravagant, appropriations receive but little attention.

With the growing demands for Federal appropriations, and the pressure which is brought upon Congress by groups and organizations—powerful, aggressive, and active—barriers interposed to legislation to carry out such demands are often swept aside.

Without being critical of the committee reporting the bill before us, it seems to me that there should have been hearings and a comprehensive study made, if not a searching investigation, as to the need for an appropriation amounting to $100,000,000. The bill which was offered called for but $50,000,000, and so far as I am advised, without a full and complete investigation, it has been raised to $100,000,000. The fact that the committee unanimously favored the increase is not conclusive that the increase should have been made.

Undoubtedly the condition of the farmers—owing to the drought, crop failures, and the effects of the depression—is serious and doubtless justifies relief at the hands of Congress. But, I repeat, that the Senate should have supporting data when it is asked, with but limited debate and slight, if any opportunity upon their part to obtain complete information, to appropriate one hundred millions of dollars.

I invite the attention of the Senators to the fact that the expenses of the Federal Government have been enormously increased during the past few years. Not many years ago the entire expenses of the Government were less than a billion dollars. Since then the machinery of the Federal Government has grown to enormous proportions, the number of Federal employees has been greatly augmented, and the amount required to pay their compensation for the last fiscal year was in excess of one billion two hundred and fifty millions of dollars.

I confess that I look with considerable apprehension upon the rise of bureaucracy and the tremendous power which it exercises not only in executive fields but over the legislative branch of the Government.

The burdens of taxation have been greatly increased by reason of the multiplication of offices, bureaus, and executive and administrative agencies. Not only has the Federal Government's expenses increased by leaps and bounds but the expenditures of States and their political subdivisions have assumed alarming proportions. States, counties, cities, school districts have bonded indebtedness aggregating many billions of dollars; and, as Senators know, the national debt has greatly increased beyond the high limits which it attained during the World War. I do not have the figures before me, but I have no hesitancy in stating that the obligations of the Federal Government and the States and their political subdivisions exceed $50,000,000,000. Appeals are being made by many taxpayers for relief—indeed, in many of the States tax delinquencies have reached enormous proportions.

I have received communications from various parts of the United States asking me to support legislation under which loans would be granted to the owners of real estate in order that they might meet tax delinquencies, some of which covered a period of 4 or 5 years. It is difficult for legislative bodies to deal with this problem when a large part of the people are demanding increased appropriations, and some of the suffering taxpayers are demanding that the burdens of taxation shall be lightened. I have seen many statements to the effect that the expenditures upon the part of the Federal Government and the State government and their political subdivisions, exceed 25 percent of the earnings of all the people of the United States.

Certain it is that there must be retrenchment and reform in the administration of National and State Governments. The tax burdens must be diminished, and the waste and extravagance found in too many of the agencies of the Federal and State Governments must be eliminated.

I appreciate, however, appeals for reduction in appropriations by the present Congress will be in vain. I expect when the final chapter shall have been written dealing with the activities of this session of Congress it will chronicle appropriations in excess of those at any session of Congress in the history of the Republic except possibly during the World War period of 1917–19.

We are regaled almost daily with statements made by executive agencies and administrative employees concerning measures which are to be passed and appropriations which are to be made. A stranger coming to the United States would assume that the functions of Congress with respect to appropriations were negligible, that executive departments and administrative agencies, bureaus, and agencies, and

what not, constitute the legislative branch of the Government, or at least are the possessors of the taxing prerogatives and the authority to levy and collect taxes.

The practice of employees in executive branches and in administrative agencies of the Federal Government in drafting bills carrying appropriations and announcing policies is increasing. Much of our legislation, Mr. President, instead of being devised by Congress, is formulated by executive agencies, by departments, bureaus, and subordinate organizations of an administrative character; and I might add that from these departments and executive and administrative agencies propaganda emanates in favor of the formulated plans, or policies, or measures, and active and aggressive representatives appeal to the people in various parts of the United States to join in securing the legislation and appropriations so formulated and prepared.

It has been suggested that legislation be enacted to restrain executive and administrative agencies from formulating legislation except upon request of Congress, or of becoming traveling salesmen and propagandists throughout the United States urging the people to back and support the policies and measures which they have originated.

Mr. President, I appeal to Members upon this side of the aisle to oppose extravagant and needless appropriations. I do not forget that the Democratic platform upon which the present administration was elected pledged the party to a reduction in the burdens of taxation. My recollection is that the platform demanded a 25-percent reduction. Certainly, with the mounting costs of the Government and the serious financial condition in which people in many parts of the country find themselves, every efforts should be made to reduce the expenses of the Government and to that extent lighten the burdens resting upon the people.

I do not appeal to Senators upon the other side of the aisle because I appreciate that the appeal would be in vain. I have no doubt that they will support the various appropriation bills that are reported, though it is obvious they will add to the burdens of the people and swell the growing deficit to the extent of billions of dollars.

I have stated upon several occasions that I regretted that upon the other side of the aisle there was not a vigorous, aggressive, and fighting minority that would challenge attention to the delinquencies—if such there be—of the majority party, and who would fight against and who would oppose socialistic tendencies and policies strengthening bureaucracy and weakening democratic institutions.

Mr. President, when communities and nations pass through periods of depression, it is inevitable that forces would be developed which would lead to unrest and serious questioning of what had formerly been regarded as sound economic and political principles and policies. But it is important that sound and just political and economic policies be not forgotten or weakened.

Mr. President, before resuming my seat I direct attention to a provision in the bill read by the Senator from Colorado a few moments ago, and I move to strike out the sentence which reads as follows:

and all collections of both principal and interest on loans made under this act, may be used by the Governor for all necessary administrative expenses in carrying out the provisions of this act and in collecting outstanding balances on crop production, seed and feed loans made under the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1934, and for other purposes", approved February 23, 1934, or under prior legislation of the same general character.

Just another word. Mr. President, we have repeatedly condemned continuing appropriations or appropriations which gave to executive departments the authority to utilize funds which they may have collected or obtained through prior appropriations. We have considered it wise to compel the departments to submit estimates at the beginning of each Congress for the expenses of their respective bureaus and departments for the ensuing year. And we make appropriations to meet those expenditures. We have not approved of the plan permitting them to reach into the Treasury, or to refrain from turning into the Treasury funds which may have come into their hands or which are paid into the Treasury from prior loans or from prior sources.

When we make appropriations of that character, after they have submitted their estimates, we know what the expenses of the various departments will be; but if we enact legislation of the character of the pending legislation it is impossible to determine what the expenditures may be for clerk hire or for administrative purposes.

Mr. BAILEY. Mr. President, as I see it, there is a moral obligation upon the Congress to enact the pending legislation providing credit, by way of loans, whereby a peculiar class of our agricultural population may obtain the means of subsistence during the coming year. So long as the Government pursues the policy of crop control it must also pursue the policy of providing for that portion of the population whose credit is destroyed by reason of that policy. I think I could undertake to maintain that as a moral as well as an economic and humanitarian proposition.

Let me give to Senators the facts as to my State. There were, at the most recent date of a report by the authorities, 66,000 people on Federal relief in North Carolina. Thirty-three thousand of those 66,000 were people who heretofore had made their living in agricultural pursuits. However, when the Congress enacts legislation which cuts down a small farmer's right to sell his cotton or tobacco to as low as a few bales of cotton or a few hundred pounds of tobacco, all the remainder being taxed at from 50 percent with regard to cotton to 25 percent with regard to tobacco, it places that farmer where he cannot get credit anywhere on earth except from the Federal Government.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. BAILEY. I yield to the Senator from Iowa.

Mr. MURPHY. My information is that the first of the seed loans was made in 1928, before the adoption of the present policies of this administration.

Mr. BAILEY. I will agree to that. The first of the seed loans was made in 1928. However, that does not affect the moral obligation in 1935 under the conditions I have just narrated.

Mr. KING. Mr. President——

Mr. BAILEY. One minute, if the Senator pleases. I shall not undertake to argue whether or not the policy in 1928 was sound. I was not then in the Senate. I shall not undertake to argue whether or not the policy in 1933 was sound. My point, however, is that Congress cannot with one hand deprive 33,000 of the farming population of the means of obtaining credit, and then withhold from them the credit upon which they must depend, and under circumstances in which the President of the United States has recently notified us that the Government must abandon the work of relief. My point is that notwithstanding a relatively good situation in North Carolina with respect to agriculture, without the loans in question there would be in the present year 33,000 of farming population thrown out of relief and into an order of things which we call agricultural control, in which they would have no means of credit whatever, and they would go back to their lands with no opportunity to produce the means of livelihood.

Mr. KING. Mr. President, will the Senator yield?

Mr. BAILEY. I now yield to the Senator from Utah.

Mr. KING. I ask the Senator if it is not a fact that representatives from the Southern States, notably the Senator from Alabama [Mr. BANKHEAD], speaking, as I understood, for the cotton producers of the South—put through Congress a bill under the terms of which it was claimed the price of cotton would be greatly increased, and though perhaps the number of bales produced might be diminished, the price at which the bales would be sold would more than compensate the farmers for the diminution in their production. I will also ask the Senator if it is not a fact that after a plebiscite was taken in at least some of the States—as I understood, in all the cotton-producing States—under the auspices of the Department of Agriculture, an overwhelming vote was registered in favor of that policy, which I denounced and which the Senator from North Carolina [Mr. BAILEY] denounced, but which apparently the cotton pro-

ducers of the South believed was a wise and sound economic and industrial policy.

Mr. BAILEY. Mr. President, I should be satisfied to answer each of the inquiries in the affirmative. However, while that matter is before us momentarily I will say that the price of cotton in the South or elsewhere has not increased. The gold price obtained today—and that is the price by which we test it in comparison with any of the prices obtaining prior to the devaluation—is 7¾ cents a pound. The domestic price, or the price in American currency due to devaluation, is 12½ cents a pound. The price of tobacco today in the world market—the gold price—is 15 cents a pound. My authority for each of these statements is Mr. Secretary Wallace, of the Department of Agriculture. The average price for tobacco in American currency for the season—which has not yet come to an end, but has practically expired—is 26¾ cents in American currency and 15 cents in gold; and any intelligent comparison with a view to ascertaining the beneficial effects of the legislation to which the Senator from Utah has referred would necessarily be made in terms of gold value and not American currency value. If I am not mistaken, the present price of 12½ cents for a pound of cotton and of 26½ cents for a pound of tobacco—they being the average—is due to the devaluation of the dollar in terms of gold, and not to the legislation which was put forward in Congress as the means of lifting those prices.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. WHEELER. I voted for the so-called "Bankhead bill" with a great deal of reluctance, but I voted for it because of the fact that practically all the Senators from the South were in favor of it. Reports have come to me since that time, however, that the effect of that bill was that it was curtailing, practically cutting off, our export trade in cotton. What does the Senator from North Carolina say with reference to that? How has the legislation affected the export of cotton?

Mr. BAILEY. Mr. President, I did not rise with a view to discussing those questions, though I hope to do so later. I will, however, answer the Senator's inquiry.

I think the impression that the legislation of the last session had the effect of reducing our export trade in cotton is not well founded. I realize that it might be advantageous to me to argue otherwise; but let us argue the facts. The world production of cotton outside the United States had been rising steadily for a long period before the Bankhead Act was ever thought of. If Senators will take the data which I have, which have been issued by the Department of Agriculture, they will find that the production of cotton outside the United States was about 7,000,000 bales in 1920; and it rose in a very orderly fashion, until in the most recent year it exceeded 13,000,000 bales. The process whereby the world consumption of cotton has tended to increase the production of cotton outside the United States antedated the agricultural legislation of the last three sessions of the Congress. So I think I have answered the Senator's question, so far as he would care for me to do so at this time.

Mr. President, I have another remark to make about this loan. I am proud of the record which has been made by the farmers of North Carolina. To be sure, the men who borrowed this money were men of less means—what we call the small farmers; they had been dependent upon "time" merchants, and I fear they had been paying a great deal more interest than they were due to pay. In 1917 the general assembly of my State passed an act forbidding those who were then lending to farmers to charge more than 15 percent per annum. That act is now on the statute books. I fear that under the conditions which obtained prior to this beneficial legislation there may have been grounds for complaint; that men who paid so great an interest—the difference between the cash price and the "time" price, as we say in our section—may not have made a record so creditable as they would have made if they had been required to pay only 5 or 6 percent.

However, since this legislation has been on the books the humble classes of the farmers in my Commonwealth have borrowed freely, and I am proud to say they have paid back more than 99 percent of every dollar the Government has advanced to them. In the light of that circumstance, there cannot be any imputation that they are disposed to deadbeat the Government or that they are not disposed to pay their debts. They paid 99 percent in 1933, when conditions were hard; they are paying 100 percent this year. The Government loses no money in North Carolina by this necessary legislation.

I recur, Mr. President, to my proposition. There may not have been the moral obligation in 1928; there was probably not a moral obligation in 1933, but there was a humanitarian necessity when all the credit was destroyed down there. Today, however, there is a moral obligation resting upon the Congress which passed the legislation, the effect of which was to deprive the humble class of farmers in North Carolina of the means of credit. The moral obligation rests upon us who took the credit from them to place it in their hands. Otherwise the obligation will be upon this Government or upon the State of North Carolina to maintain with doles at least 33,000 people who, if given half a chance, will maintain themselves and ask of no one odds.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Utah [Mr. KING].

Mr. NORRIS. Mr. President, I was not aware that the Senator from Utah had offered an amendment. Did he offer to strike out certain parts of the bill?

Mr. KING. Yes.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Utah will be stated.

The CHIEF CLERK. On page 5, line 5, after the word "act", it is proposed to strike out the remainder of the bill.

Mr. NORRIS. Mr. President, I have listened to all this debate. Senators have been making rather lengthy speeches under rule VIII, which limits debate to 5 minutes. I am very much opposed to the amendment offered by the Senator from Utah and, while I am criticizing other Senators for taking a long time, I expect to quit in 5 minutes.

Mr. President, we cannot compare the conditions now with those which existed in preceding years. Bear in mind also that this is an authorization and not an appropriation. It would be a sad thing if we should by the fundamental law neglect to authorize and provide an appropriation of a sufficient amount with which to buy seed. We can regulate the amount when we come to the appropriation. It does not follow that $100,000,000 is going to be used but, from all the information we now have, there is no comparison whatever of conditions this year with conditions in other years when we authorized or appropriated $50,000,000.

In a large portion of the West, and I understand the same condition exists in many sections of the South, the farmers produced absolutely nothing—not a green spear of grass is growing and, in a great many instances, they have no means with which to put in a crop.

Mr. KING. Mr. President, will the Senator yield?

Mr. NORRIS. No; I have only 5 minutes. The Senator had half an hour.

Mr. KING. The Senator is in error in his view as to the purpose of my amendment.

Mr. NORRIS. I have only 5 minutes. I inquire if my time is up?

The PRESIDENT pro tempore. No; the Senator will be notified when his time is up.

Mr. NORRIS. Very well. Let me be notified when it is up.

From those whose business it will be to loan this money in that section of the country with which I am somewhat familiar, I have received numerous letters and statements that nothing heretofore can be compared to the conditions which exist this year in a great portion of what has been the real bread basket of the Nation, where nothing has been produced, where no crops will be planted unless the

farmers, to a very great number, are able to borrow money from the Federal Government in order to buy seed. There is no gainsaying that; I do not think there is any doubt about it.

This bill provides that not a cent shall be loaned to any farmer who can borrow from the banks or from private sources; but, as the Senator from North Carolina [Mr. BAILEY] has pointed out, there are thousands of farmers for whom it is impossible to secure any money from private sources, and unless this bill shall pass and provide a sufficient amount, there will be hundreds of thousands of farmers who have the land, who have the machinery, who have the time, but have no way in which to buy seed. They have not raised a bushel of grain.

Mr. BORAH. And it will be necessary to put them on the relief roll.

Mr. NORRIS. And as the Senator from Idaho [Mr. BORAH] suggests to me, they will probably have to be put on the relief roll. There is nothing for them to do unless they can get seed planted in order that they may raise a crop. Therefore, I think this is not only a necessary bill but it is one that must be disposed of without any delay. I ask Senators not to kill this bill by talking until 2 o'clock, but to let us pass it before that time under the rule.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Utah [Mr. KING].

The amendment was rejected.

Mr. TRAMMELL. Mr. President, I very much appreciate the wisdom and purpose of the pending bill. I have supported similar legislation at every session of Congress when the subject has been before us. The question with me is whether or not the language of the bill provides that loans may be made for fall crops. In my State we have what we call "fall crops" or early spring crops, which are planted in September, October, and November, partially harvested during the same year, and then over into the early spring of the following year. I should like to know from the chairman of the committee if in this bill conditions of that character have been unquestionably taken care of.

Mr. SMITH. In 1934 the identical question to which the Senator refers was decided by the Department, and it was held that the case to which he refers, namely, crops which are planted in the fall to be gathered in the succeeding spring, come under the purview of this language, so that a crop planted in 1934 and gathered in 1935 was eligible to a loan just as was a crop planted in 1934 and gathered in 1934. The language of the bill takes care of that situation. In the report given me by the Department, figures are given as to crops planted in 1934 and completed in 1934, showing the amount of the loans, the amount collected, and the percentage yet due. Similar figures are given for crops planted in 1934, which are to mature and be sold in 1935. The language of the bill, under the ruling of the Department, amply takes care of the situation referred to by the Senator.

Mr. TRAMMELL. That is a matter in which I was very much interested on account of conditions in my State, and the customary period of planting. I have proposed an amendment, to be sure, that that situation was taken care of, which proposed amendment went to the Committee on Agriculture and Forestry. However, the chairman of the committee assures me that the committee had that situation in mind and considered it at the time they were making up their report, and that it has been taken care of. So, with the understanding that this bill does provide for loans for crops which may be planted in the latter part of the year 1935 and harvested in the early part of 1936, I am, of course, glad to give support to the proposed legislation and appreciate the fact that that particular feature has been taken care of by the committee.

Mr. KING. I desire to offer an amendment, on page 5, in lines 13 and 14, to strike out the words "or under prior legislation of the same general character."

I may say to my friend from Nebraska [Mr. NORRIS] that he utterly misconceived the purpose of my former amendment. It did not deal at all with the fifty million or one hundred million dollars, but merely challenged attention to what I conceive to be an evil which the Senate over and over again has recognized, namely, of giving to the Department authority to take the funds that might come from some revolving source and utilize them in paying various departmental expenses. The amendment which I am now offering deals with this question.

I propose to strike out the words "or under prior legislation of the same general character." If that provision should be permitted to remain, then the Department could take all the funds that may come in from any source in connection with loans, and employ as many persons as they desire, without the need of submitting estimates to the Bureau of the Budget for obtaining funds to meet their expenses. I am perfectly willing to give the Department of Agriculture all the money they need to carry out the purposes of the legislation, but to permit them to take funds that may come into their possession from loans or from prior legislation, and use such moneys to pay expenses, in addition to the appropriations which we make for that purpose, it seems to me is highly improper.

Mr. ADAMS. Mr. President, I want to point out that it is not only money that may come in from collections, but the appropriation itself may be so used. In other words, the entire $100,000,000 may be diverted to other uses without making use of a single penny of it for the very purposes of the bill.

Mr. SMITH. Mr. President, I think there is a misinterpretation of the language. We know there are circumstances under which the departments, under our general practice, have to go into debt, as it were, and then submit an estimate for a deficiency appropriation. This provision of the bill simply means that if the amount appropriated for the purpose of lending to the farmers should become so depleted that those engaged in the work of collections would otherwise have to carry on without compensation, they could be paid out of this fund.

I am sorry I did not bring the statement with me this morning, but I shall incorporate in the RECORD tomorrow a meticulous account of every dollar spent, for what purpose spent, and out of what funds spent, so that the Senate may be advised of the fact that this loan, starting in 1928 and continuing to this time, has been as wisely, economically, and beneficially used as any other fund appropriated for a governmental purpose.

Mr. HATCH. Mr. President, was not this same language contained in the bill which we passed last year?

Mr. SMITH. Yes; the same language.

Mr. HATCH. And in the bill passed in the year prior to that?

Mr. SMITH. Yes. It was the same language verbatim et literatim.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was rejected.

The PRESIDENT pro tempore. Are there any further amendments to be offered? If not, the question is, Shall the bill be engrossed, and read the third time?

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

### OFFICERS AND EMPLOYEES OF THE FOREIGN SERVICE

The bill (S. 267) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophies of nature was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.*, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to Matthew E. Hanna, American Minister to Nicaragua, the sum of $25,368.58, of which the sum of $25,215.50 represents the value of reasonable and necessary personal property lost as a result of the earthquake at Managua, Nicaragua, March 31, 1931, and the sum of $153.08 represents the amount of money and vouchers destroyed when the contents of the safe in the Legation were burned.

To Willard L. Beaulac, secretary of the American Legation at Managua, Nicaragua, the sum of $1,006.82, such sum representing the value of reasonable and necessary personal property lost as a result of the earthquake at Managua, Nicaragua, March 31, 1931.

To Marion P. Hoover, clerk in Legation at Managua, Nicaragua, the sum of $80, such sum representing the value of reasonable and necessary personal property lost as a result of the earthquake at Managua, Nicaragua, March 31, 1931: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent of any claim thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with any such claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated for any claim in this act in excess of 10 percent of such claim on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000. The aforestated amounts shall be considered in full settlement of the aforesaid claims.

### REGULATION OF INTERSTATE AND FOREIGN COMMERCE IN PETROLEUM

The bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes, was announced as next in order.

Mr. BORAH. Mr. President, I desire to ask a question before the bill is taken up. I understand this is a bill designed to obviate the effect, or rather to overcome the effect, of the decision of the Supreme Court in the oil case?

Mr. CONNALLY. That is correct.

Mr. BORAH. I really have not had time to read the bill. It must necessarily be very important. I shall not object to its present consideration, but I should like to have the Senator explain the bill.

Mr. ROBINSON. Mr. President, I concur in the statement that the bill ought to be analyzed. I am sure the Senator from Texas is prepared to do that.

Mr. McNARY. Mr. President, the Senator from Texas is conversant with the rule that on Monday morning 5 minutes only may be taken in explanation or discussion of a bill. The morning hour concludes at 2 o'clock. Is it desired by the Senator to bring up this important measure under such a strict limitation of debate?

Mr. CONNALLY. The bill is on the calendar. I have not been able to find any real objection to it. I had hoped to get it through the Senate today.

Mr. McNARY. A number of Senators are absent today. This is an important measure. Time for discussion is limited under the rule. It occurs to me that the Senator should wait until some future day, perhaps tomorrow, when by giving notice the bill can be taken up when there is no limitation on debate and no limitation of the time that can be devoted to discussion and consideration of the bill.

Mr. CONNALLY. Will the Senator from Oregon agree that we may take up the bill tomorrow?

Mr. McNARY. I have no objection now to its immediate consideration except that I should have to suggest the absence of a quorum. Only 5 minutes is allowed for discussion, and the rule has been invoked. I think we should have some general information with respect to the bill. We should have some notice that it is to come up at some time when we shall not be limited by a rule of the Senate as to the time we may devote to its consideration and to debate.

Mr. ROBINSON. Mr. President, it will be in order to proceed to consideration of the bill tomorrow without the limitation to which the Senator from Oregon refers, so that the Senate may be afforded the opportunity at that time to consider the bill and discuss it without any limitation of debate. I suggest, however, that the Senator from Texas might make his explanation now or at least consume 5 minutes in making an explanation, and then, if the Senator from Oregon desires the bill to go over, I think it should be passed over.

Mr. McNARY. I want to accommodate the Senator, but that would hardly meet the situation, because I would have to suggest the absence of a quorum. Secondly, I do not think the Senator from Texas could explain it in 5 minutes.

Mr. CONNALLY. I am sure the Senator from Oregon could understand it in 5 minutes.

Mr. ROBINSON. The suggestion of the Senator from Oregon is not intended as a reflection on the Senator from Texas?

Mr. McNARY. Oh, no.

Mr. JOHNSON. Mr. President, I quite agree this is a very important measure; but I see no reason why an explanation should not be made now and, if not completed, resumed at some subsequent time.

Mr. McNARY. I am sure the Senator from Texas would not want to be confined to 5 minutes. I would ask unanimous consent that the Senator might have until 2 o'clock or any time he wants beyond 2 o'clock for the explanation. I do not want to limit the Senator unnecessarily to 5 minutes to explain the bill.

Mr. CONNALLY. I want to serve notice, if necessary, that tomorrow I shall move to proceed to consideration of the measure.

Mr. McNARY. There will be no objection on this side of the Chamber.

Mr. ROBINSON. If the Senator wishes to make explanation now, there can be no objection to it.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Mines and Mining without amendment.

Mr. CONNALLY. Purely for the purpose of enabling and urging Senators to look into it, I will make a brief statement at this time, because unless such a statement shall be made there will be Senators here tomorrow who have not read the bill and who will plead for another postponement.

Mr. JOHNSON. Mr. President, does the Senator intend now to proceed with his explanation? I think that is wise. I have the decision of the Supreme Court in my hand. I have been trying to read it with some degree of understanding. I am interested in the explanation which may be made.

Mr. ROBINSON. I ask unanimous consent that 10 minutes be afforded the Senator from Texas at this time.

The PRESIDENT pro tempore. In there objection? The Chair hears none. The Senator from Texas has 10 minutes on the bill.

Mr. BORAH. Mr. President, before the Senator begins his explanation, I may say that I have just read the bill in the last 3 or 4 minutes. There is one matter to which I think the Senator should give particular attention. I understand this is an effort of the National Government to prevent the shipment of so-called "contraband oil" in interstate commerce. The question I should like to have the Senator consider is whether the National Government can exclude from the channels of interstate commerce an article which in and of itself is not deleterious or objectionable but has been made so by some action of a State legislature.

Mr. CONNALLY. Mr. President, I will say to the Senator from Idaho that that is a very important aspect of the matter, but I am sure that in 10 minutes, in conformity to the suggestion of the Senator from Arkansas, I would not be able to go into that matter thoroughly, as well as into the mechanics of the bill; so I hope the Senator will pardon me if I do not enter upon an exhaustive discussion of that particular matter at this time.

Under the National Industrial Recovery Act there was a provision in section 9 (c) which, in short, simply authorized the President to prohibit the interstate shipment of oil and its products for use in violation of any State law or the rule or regulation of any State body or agency having jurisdiction over that matter. That provision was attacked in certain cases before the Supreme Court, those being known as the "Amazon and the Panama Petroleum Corporation cases." The Supreme Court held—and I think properly so—that the Congress did not possess the power to delegate authority to the President to put the prohibition in effect or not in effect as he might determine. In other words, the Court held that was a delegation of the legislative function and not the exercise of an executive power to be exercised under a certain

standard which the Congress should establish. The Court indicated, in harmony with other decisions heretofore made, that had the Congress set up a standard or a measure by which the President could determine when and when not the shipment of oil should be prohibited the act would probably have been held valid. In essence, that is the situation which confronts us.

The pending measure was drawn in collaboration with the legal authorities of the Department of the Interior and has been carefully scrutinized by the oil production board and their legal staff. They, as well as the Committee on Mines and Mining and the Senator from Oklahoma [Mr. GORE], who also had a part in the drafting of the bill, are convinced that the present measure obviates the objections which were urged to the act before the Supreme Court.

In the first section of the bill there is a declaration of the policy of the Congress. One of the suggestions in the decision of the Supreme Court was that Congress had not declared any particular policy but had merely delegated its authority to the President. The declaration of policy here is that in order to remove the burden of interference with interstate commerce by contraband oil, and in order to cooperate with the various States to that end, the Congress prohibits the interstate shipment of oil and oil products when the particular oil has been produced or refined or handled in violation of some State law or some valid regulation or order of the State commission.

While the Supreme Court did not in so many words hold that the Congress had authority to prohibit it, per se, there is every suggestion in the opinion that in the original case if Congress itself had prohibited the interstate shipment of this oil it would have been better.

A part of section 1 is a definition of terms. It sets up the meaning of the term "contraband oil" as it is employed in the bill, as well as defining what is engaging in interstate or foreign commerce.

Section 2 then absolutely prohibits the shipment in interstate or foreign commerce of oil produced in violation of State law or regulations. It also undertakes to protect common carriers who may transport oil, and makes them amenable to this act rather than to penalty suits for failure to accept such shipments.

Section 3 of the bill prescribes that the President or his agents may prescribe suitable rules and regulations to effectuate the enforcement of the act, and it specifically authorizes the reestablishment of certain boards which heretofore have operated under section 9 (c). Those were boards known as "tender boards." In other words, persons or corporations who desired to ship oil in interstate commerce tendered the oil to these boards, and they passed upon its eligibility prior to the commerce moving. It was found that these boards were very effective, and probably had done more to enforce the laws with regard to the shipment of oil than any other agency which had been provided. The bill also provides that in the enforcement of the act books and reports and records may be required to be kept and may be examined by these boards.

Section 4 is the penalty section; and subsection (b) of section 4 is a provision that removes any doubt as to the Government's right to proceed by injunction or other summary civil process in the enforcement of the act. In addition to the criminal penalties the Government is given authority to proceed by injunction or summary writ. There are some cases in which the point has been raised that since the Government has the legal remedy of prosecution, it has no equitable remedy by injunction or other writ.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WHEELER. I should like to have the Senator distinguish this line of argument from the child-labor cases. As I understand, the Supreme Court in those cases held that we could not prevent the shipment of clothes or shoes made by factories. I am wondering how we can prevent the shipment of oil when we cannot stop the shipment of shoes or clothes made in factories. It seems to me a much clearer case was presented by the Child Labor Act than is presented by this measure.

Mr. CONNALLY. I will say to the Senator that I have not read those decisions recently; but this is what the Supreme Court decided in the child-labor law case:

Congress had passed an act prohibiting the interstate shipment of any article produced within a State by the employment of child labor. When the Supreme Court passed upon that particular case it held that the production of shoes or any other article within the States was clearly within the control of the States themselves, and that under the interstate-commerce clause Congress could not prohibit their shipment until after they were produced and had entered into commerce, and therefore that we had no right to dictate to the States anything whatever regarding their production. The difference between that case and this case is that in this case we do not undertake to prohibit the shipment of the article until it has first been condemned and made contraband by the laws of the States themselves; and then, as a matter of cooperation with the States, the Federal Government says, "Since you produced this article in defiance of State law, we will not permit you to evade that law by resorting to shipping it in interstate commerce." So there is quite a distinction, I will say to the Senator from Montana.

Mr. WHEELER. I have not read the case for some time. I am glad to have the Senator's statement on the subject.

Mr. CONNALLY. If the Senator will reread that decision, I think he will see that the Supreme Court held that the Federal Government had no jurisdiction whatever until the article had got into commerce; and since its production in the factory was purely within the State jurisdiction, the Federal Government could not utilize anything that happened with respect to its production, which was not in itself illegal, to affect its shipment in interstate commerce. I think the Senator from Arkansas will bear me out in that statement.

Mr. President, if any Senator desires to ask a question regarding this measure, I shall be glad to answer it. If not, I do not care to consume any more of the time of the Senate.

### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

### EXECUTIVE REPORTS OF COMMITTEES

Mr. DIETERICH, from the Committee on the Judiciary, reported favorably the nomination of Arthur Roe, of Illinois, to be United States attorney for the eastern district of Illinois, to succeed Paul F. Jones, resigned.

Mr. PITTMAN, from the Committee on Foreign Relations, reported favorably the following nominations:

C. Porter Kuykendall, of Pennsylvania, now a Foreign Service officer of class 6 and a consul, to be also a secretary in the Diplomatic Service; and

Dorsey Gassaway Fisher, of Maryland, now a Foreign Service officer, unclassified, and a vice consul of career, to be also a secretary in the Diplomatic Service.

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

### NOMINATION OF HORACE G. BODWELL—RECOMMITTAL

Mr. McGILL. Mr. President, on last Friday the Senate confirmed the nomination of Horace G. Bodwell to be postmaster at Arlington, Kans. I ask unanimous consent that the vote by which that nomination was confirmed be reconsidered and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Permanent Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence as reported by the Committee on Foreign Relations.

Mr. BORAH obtained the floor.

Mr. ROBINSON. Mr. President, will the Senator yield for the suggestion of the absence of a quorum?

Mr. BORAH. I will.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Hayden | Pittman |
| Ashurst | Coolidge | Johnson | Pope |
| Austin | Copeland | Keyes | Radcliffe |
| Bachman | Costigan | King | Reynolds |
| Bailey | Couzens | La Follette | Robinson |
| Bankhead | Cutting | Lewis | Russell |
| Barbour | Davis | Logan | Schall |
| Barkley | Dickinson | Lonergan | Schwellenbach |
| Bilbo | Dieterich | McCarran | Sheppard |
| Black | Donahey | McGill | Smith |
| Bone | Duffy | McNary | Steiwer |
| Borah | Fletcher | Maloney | Thomas, Okla. |
| Brown | Frazier | Metcalf | Thomas, Utah |
| Bulkley | Gerry | Minton | Townsend |
| Bulow | Glass | Moore | Trammell |
| Burke | Gore | Murphy | Truman |
| Byrd | Guffey | Murray | Vandenberg |
| Byrnes | Hale | Neely | Van Nuys |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Clark | Hatch | O'Mahoney | Wheeler |

Mr. LEWIS. I reannounce the absence of Senators previously announced this morning.

The PRESIDENT pro tempore. Eighty-four Senators having answered to their names, a quorum is present.

Mr. BORAH. Mr. President, only a strong conviction could move me to reenter the debate upon the subject which is now before the Senate. It is a subject which has been discussed in this Chamber at different times for the past 12 years. It recalls what Edmund Burke said when he opened the debate on the question of American taxation:

For 9 years—

He said—

session after session, we have been lashed round and round this miserable circle of occasional arguments and temporary expedients.

It is some 12 years since the debate opened on this subject. Those of us who have taken some part in the debate during that long period feel that in all probability we have exhausted the subject. Therefore we naturally enter upon the discussion again with some hesitancy, knowing that we shall not likely be able to add anything new to the discussion.

The proposal, however, is here. To my mind it is one of transcendent moment, and I cannot forbear restating my opposition to our adherence to the Permanent Court of International Justice. I feel also that things have transpired which will enable us to apply certain principles and conclusively establish that the Court is not alone a court, but an advisory tribunal controlled by or responsive to political influences.

Mr. President, if it were not for the advisory jurisdiction of this Court, I should not detain the Senate in a discussion of the proposal. If this were a judicial body, where nations or governments could go and voluntarily submit matters for judicial determination, I should have no objection to the Court. If it were a body in which parties litigant, as it were, could take their controversies, I should feel entirely different in regard to it.

It has been a matter rather unpleasant to me during these long years to have it said, as has often been said, particularly in the press, that I am opposed to the settlement of international controversies through judicial tribunals. I have never entertained that view. I do not entertain that view now. I have been an advocate of international judicial bodies.

However, when we come to the advisory jurisdiction of the Court a wholly different question is presented, the picture is changed, the problems for us to consider are wholly different. We are then, in my judgment, not dealing with a judicial tribunal such as we contemplate when we use that term. We are dealing with an advisory tribunal, a tribunal which has for its purpose in the exercise of that particular jurisdiction that of giving counsel and advice and rendering advisory opinions which amount to giving counsel in particular matters, and it is the advisory jurisdiction to which I invite the attention of my colleagues today. Bear in mind that it is the advisory jurisdiction around which this entire debate has raged for 12 years. Had it not been for the advisory jurisdiction of the Court, I am of the opinion that the matter would have been settled long ago. But this advisory jurisdiction of the Court has given us much concern—concern to the supporters of the Court and to the opponents of the Court. The able men who have advocated our adherence to the Court have, through all these years, labored earnestly, ably, patriotically to curtail, as they thought they could, the jurisdiction of the Court in this respect so as to protect the interests of the United States.

The real matter of controversy between us during all these years has been whether it was practicable, whether possible so to limit the operation of the advisory jurisdiction of the Court as to protect the interests of the United States. There were those who thought they could do that. There are others of us who do not believe it has been done or that it can be done. It is our belief that, throw around the advisory jurisdiction whatever safeguards you may, it still remains an advisory tribunal into which political matters will inevitably intrude, into which economic matters will likewise inevitably intrude, and into which national feeling will inevitably intrude and control. Therefore, when we are considering this Court as to its advisory jurisdiction we are not considering a tribunal engaged in the determination of a purely judicial or legal question; we are considering a tribunal which has almost the relationship to a political body that the Attorney General of the United States has to the political side of the Government of the United States.

I shall today confine my remarks entirely to an analysis of the advisory jurisdiction, its scope, its power, the source of its power, its control, and the effects of the advisory jurisdiction.

It has many times been said that in opposing this Court—those of us who do—we are opposing that which has been advocated in the United States by leaders for years and years. It has been said that the United States has been a leader in the advocacy of judicial tribunals for the settlement of international disputes, and now one is proposed and we are retracing our steps, as it were, by refusing to follow out, and to its end, the logic of the position which we have heretofore taken. I invite the Senate's attention to the fact that no leading American prior to the time of the advisory jurisdiction created here, ever advocated any such Court as this, ever advocated any advisory power being attached to the Court. This Court is not an American product and springs from no American proposal.

On the other hand, the great leaders in this movement, as I shall show the Senate, have from the beginning earnestly opposed the attaching of this jurisdiction to the World Court. It has never been a part of the conception of a court as advocated by the United States, of the leaders in international affairs with reference to judicial settlements. On the other hand, it has been always opposed.

Perhaps Mr. Elihu Root may claim precedence, at least may claim great honor as having been one of the leaders in the matter of arbitration in international affairs and in the matter of setting up judicial tribunals for the settlement of international controversies. He has been cited over and over again as the real author of the concept which we are here discussing today. But in order that that may be true you must wholly eliminate from this Court the advisory jurisdiction which we are now discussing. Mr. Root, as the

Senate knows, was one of the original committee which formulated this Court under the invitation of the League of Nations. At the time that it was being formed he took occasion to declare that he was—

Opposed to the Court's having the right to give an advisory opinion.

That took place at the time of the organization. It was in perfect harmony with his entire record with reference to the creation of judicial tribunals. He followed that by saying that in his opinion this advisory jurisdiction of the Court was a—

Violation of all juridical principles.

It can hardly be said that the great advocate of settlement of international disputes through judicial processes was an advocate of this Court as it is being presented to the Senate at this time.

Mr. Root saw clearly that involved in the advisory jurisdiction was an element of danger, not only to the Court itself but an element of danger to the advancement of the cause of settlement of questions through judicial processes. He also recognized that it being there, it would be difficult, if not impossible, to control it.

I should say, in passing, that Mr. Root is an advocate of adherence to the World Court at this time. I doubt if he has ever changed his mind on the subject of the advisory jurisdiction. I do not think it is any violation of confidence to say that he had lunch with me in the Foreign Relations Committee the day before he left for Europe on his last trip, when he brought back what is known as the "Root-Hurst protocol." I said to him at the time that my objection to this Court lies in its advisory jurisdiction, and he stated that undoubtedly it was a mistake, but that he had the hope that they would in time see the mistake and eliminate the advisory jurisdiction. I did not understand that he had changed his mind with reference to the principle itself. My feeling then was and now is that if we approve this advisory jurisdiction it will become permanent; it fits into the European conception of a court, half law and half politics.

Another leader in this matter of the settlement of international controversies by judicial process was and is Hon. John Bassett Moore. I think it would be within the truth to say that he is today, although much in retirement, the leading authority in the United States and one of the leading authorities in the world upon international matters relating particularly to questions of international law, and relating to the subject of setting up and maintaining tribunals for the settlement of controversies by judicial process. He was for a time a member of this tribunal. John Bassett Moore in the very beginning of the movement for the creation of the World Court, speaking with reference to the advisory jurisdiction of the Court, said:

That the exercise of such a function is at variance with the fundamental design of the Permanent Court of International Justice which was to advance the application between nations of the principle and method of judicial decision.

What does he mean where he says that it is at variance with the fundamental design of a court of international justice? He means that this matter of injecting advice and counsel is at war with our theory of a court where men sit in judicial capacity, moving not until litigants bring a question of controversy to them.

Again, he says that the advisory opinions give the Court a function—

Admittedly inconsistent with and potentially destructive of the judicial character with which the Court has undoubtedly been invested.

"Inconsistent with and potentially destructive." I would have the Senate bear that sentence in mind as I proceed to discuss some of the proof that it is potentially destructive of the Court itself. It is potentially destructive of the very design and purpose of an international court. It will undermine confidence in the Court. It will bring it into the whirlpool of European politics and degrade the whole question of political adjustments.

The Senator from Arkansas [Mr. ROBINSON], the able leader of the majority, when he spoke upon this subject paid a just tribute to the late Senator Walsh of Montana. No tribute which he might give to the late Senator could exceed that which is justly due him.

Senator Walsh was not only a man of great industry and great ability and of moral probity but he possessed, in a most eminent degree, the rare virtue of intellectual integrity. He was an earnest advocate of international judicial tribunals, but he never was satisfied with the advisory jurisdiction of this Court. No one labored more intelligently and more industriously than did Senator Walsh to try to limit the jurisdiction of the Court so as both to protect the Court and to protect the interests of the United States. He was always vigilant and was never satisfied. When the Root protocol came back, Senator Walsh was one of the first to say that it was inadequate, that it did not sufficiently protect the interests of the United States; and again he set himself to work to surround and circumscribe and limit the jurisdiction of the Court in this respect as he thought would be in the interest and for the protection of the United States.

However, in the last public speech, so far as I know, which he made, he said in explaining the reservations, and so forth—

I enter upon no defense of that jurisdiction—

The advisory jurisdiction—

exercised by this Court.

Being an earnest advocate of the Court, or of some court, and this Court at last, he felt that there could be sufficient reservation to justify our entrance into the Court; but I do not understand that Senator was ever satisfied with the advisory jurisdiction of the Court; that is to say, as an original proposition. I do not mean to say that he was not satisfied to enter the Court; of course he was, but he entertained always grave doubt about the wisdom of the advisory jurisdiction of the Court.

Mr. President, let us inquire for a moment just what is the advisory jurisdiction of the Court. It is a peculiar jurisdiction. If the United States and Great Britain were members of the Court and they desired the benefit of the advisory jurisdiction of the Court, they could not ask the Court for an advisory opinion.

No nation litigant could ask the Court for an advisory opinion. No one can set in motion and make active the advisory jurisdiction of the Court except a purely political body—the League of Nations. I do not care whether it is the League or some other political body, but bear in mind that this jurisdiction is subject, in the initiative, solely to the control of a political body. It alone can form the issue upon which it is to ask advice; it alone can put the issue up to the Court and ask for advice. In other words, the League may ask for advice or an opinion not upon some juridical question alone, not for the interpretation of a treaty alone, not upon some such question as we ordinarily consider when we are thinking of submitting a matter to a court; but observe the breadth of the jurisdiction of the Court. It applies to any dispute or question arising in international affairs. No dispute may arise in all the international affairs of Europe, but the League, if it sees fit, may ask the Court for an opinion; may ask it for its advice upon the subject. How can it be possible under these circumstances to keep the tribunal out of politics?

Of course, Mr. President, it has been said, and it is true, that all courts are at times charged with being influenced by political consideration; I doubt if there has ever been a court created that has not been affected at times, unconsciously, at least, by political considerations; but I invite attention to the fact that here is a jurisdiction which is controlled in its initiative by a political body, a jurisdiction which may embrace any question, whether political or otherwise, if the League sees fit to submit it.

Having briefly explained the Court's jurisdiction, I shall now illustrate, as best I may, the inevitable workings of that jurisdiction in the case of great questions which may arise.

In ordinary matters, where there would be involved no politics, no national feeling, no great passion or sentiment, it is possible that the political side of the question could be avoided, I take the position that I have from the beginning, that in important questions, the great problems which may arise, those which we would be most concerned to have the Court pass upon, politics and economics and national interests inevitably enter into the consideration in the disposition of questions which are disposed of as the advisory jurisdiction. I invite the attention of the Senate today carefully to this contention and to that point. I am going to take as an illustration one case, the one case in which politics were concerned, in which national feelings were aroused. That case, I think, will disclose unmistakably the influence of politics and of national interest upon the workings and opinions of this tribunal. Not only, Mr. President, may there be involved matters of direct concern to the United States, but if the United States were a member of the Court and assisting in the exercise of its advisory jurisdiction—that is one of the means by which the United States could be drawn into all political questions that may arise in Europe, and there would be no way to prevent it.

The able Senator from Arkansas was instrumental in having placed in the resolution of adherence to the protocols a statement designed to protect the United States, giving the United States the right to object to an advisory opinion where its interests were involved. I most heartily commend the able Senator for his watchfulness in that regard. But I invite you to consider today the character of questions which arise in Europe, the questions which we will be called upon to consider with reference to the affairs of Europe. The American policy is not that of protecting American interests on the western continent alone; the American policy consists equally in not intruding ourselves into the affairs of foreign governments in European affairs. It does not seem possible under the exercise of this jurisdiction for the United States to abstain from interfering with and having a part in determining the most intricate and the most vital political questions which may arise in Europe. When this Government adheres to the Court and joins in giving advice upon these European political and economic matters which may be brought before the Court, we become involved in European politics.

The most noted case in regard to this matter is that of the German-Austrian customs treaty, or the German-Austrian customs decision, we will say. In this case the Court was called upon to pass upon a question which was supposed to involve nothing more than the interpretation of a treaty. Senators, it is my belief that, if you will examine that record, you will inevitably come to the conclusion that the Court was used to accomplish a political goal and that a majority of the Court yielded to aroused national political passions. The able Senator from Kentucky [Mr. LOGAN] said that courts were generally fair. I agree with him; I am not today intimating that the Italian judge or the French judge or the Rumanian judge were corrupted in the sense that we use that term ordinarily. I only mean to say that when they were called upon to render advice or an opinion upon a matter in which their nations were supremely interested, upon which their nations had expressed themselves, upon which national feelings had been purposely aroused, they reflected the same sentiments as the respective nations had reflected through their political officers before the decision was rendered.

They were moved in giving advice, as every other Frenchman was moved, as every Polander was moved. Had they been called upon merely to determine a question of law it might have been different, but they were asked by a political body to offer advice—a mere opinion—upon a question involving a matter of supposed tremendous political and economic consequences, and the judges of those nations expressed the same views and adopted the same arguments as the respective premiers had expressed long before the Court acted. Was there no politics? Can credulity stand the strain?

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER (Mr. BARKLEY in the chair). Does the Senator from Idaho yield to the Senator from Arkansas?

Mr. BORAH. I yield.

Mr. ROBINSON. Mr. President, I am loath to interrupt the learned Senator from Idaho, but if he will indulge me for a brief statement, perhaps it may tend to clarify the issue between the Senator from Idaho and myself.

The statement has often been made that the Austro-German customs case is an illustration of the political character of the World Court and of its readiness to respond to political influences. The declaration has been made—and I understand that to be the statement of the Senator from Idaho, who is now addressing the Senate—that this case peculiarly shows that the World Court as it is constituted cannot determine an issue submitted in a request for an advisory opinion according to high judicial standards. I undertake now to say, after a somewhat careful study of that case, that the criticism which has been made against the World Court on account of the Austro-German customs case is not justified. The question submitted to the Court was a judicial question; it was not a political question. The manner in which it was dealt with by the Court does not justify the conclusion that the Court was controlled by mere political considerations, and subsequent events have proven beyond the cavil of a doubt that the advisory opinion rendered in the Austro-German case was just and wise and in conformity to the principles of international law.

With the permission of the Senator from Idaho, I meet the challenge which the enemies of the Court make in that particular with the counterstatement that an analysis of the record of the question submitted and the manner in which it was dealt with and disposed of by the Court justifies the result of the proceedings, according to the highest standards of judicial determination.

Mr. BORAH. Mr. President, that makes the issue clear between the able Senator and myself. I am pleased to have it made clear. I repeat that in my opinion—and I am going into some detail and I am afraid of somewhat wearying the Senate in undertaking to demonstrate what I say—that the chancellories of Europe, the political leaders of Europe, invoked the aid of this Court to accomplish a political end; that they did so through the Court; that before the decision was ever handed down it was known what it would be, and being known what it would be they utilized it for the purpose of bludgeoning Germany and Austria into submission.

Mr. President, what was the question before the Court? There was just one question submitted to the Court. As the able Senator said, the question submitted was a legal question and should have been decided as a legal question, and there the Court should have stopped. What was the question? The question was whether a certain treaty entered into between Austria and Germany alienated or impaired the independence of Austria. That was the question. That on the face of it looks like and was a proper matter to be submitted to a court. Did the treaty alienate the independence of Austria? That treaty was made on the 19th day of March 1931. What were the terms of the treaty? Let me invite attention to them.

The treaty in question does not surrender any territory between the parties or surrender or abandon any governmental powers between the parties. It was a tariff treaty much in the nature of treaties which the able Secretary of State is negotiating or would negotiate if he could find someone to negotiate with on the question of tariffs at the present time. They had made a tariff treaty practically establishing free trade, at least a very low tariff, between Germany and Austria. That was in legal effect the sum total of the terms of the treaty. There was to be no separate customs service, no fusion of administration, and no common fund. An arbitral tribunal was set up to pass upon all controversies arising out of the administration of the treaty.

The plan was to be rejected or might be rejected at the end of 3 years by either party. The plan was open to adhesion by

any other nation. The plan does not provide that the tariff laws of Germany be adopted by Austria or that the tariff laws of Austria be adopted by Germany. There is a unification of customs duties between the countries. Each country acted exclusively for itself in determining all questions with relation to the administration of the tariff and as to the kind of tariff within certain limits. The fact is the full purport of the treaty was the establishment of comparative free trade between these countries.

Mr. President, examine this treaty as you will, up and down and across, and it will be found that it in nowise surrendered any of the sovereignty of Austria, unless the making of any ordinary tariff treaty would be a surrender of the sovereignty of a country, which no one will contend.

Just as soon as this treaty was made, it burst like a storm, a political hurricane, over Europe. The politics of Europe were stirred to their depths. Even the great apostle of peace, Briand, declared publicly that they would use force to dissolve the treaty if necessary. The President of France in a public address—and this was before the Court passed upon the matter—declared that the League did not have military power or military force sufficient to enforce the abandonment of the treaty; therefore France must rely upon her own military force for that purpose.

The great Premier of Czechoslovakia declared in a pamphlet, which he wrote on the subject, that the legal question was of little significance, that the real question was a political and economic question, and he said, "It presents the most serious political question since the war." He declared that regardless of what the Court might decide, they would not be bound by or permit the treaty to stand.

This was the political situation as it arose immediately after the announcement of the treaty. It was in this atmosphere and in this political turmoil that it was concluded to call on the Court to ask for this opinion. Not Germany, not Austria, but a purely political body, the League, asked for an opinion as to the validity of this treaty.

May I read the exact question which was presented to the Court? This is the exact question which was presented to the Court:

> Would a regime established between Germany and Austria on the basis and within the limits of the principles laid down in the protocol of March 19, 1931—

Which I have been explaining—

> the text of which is annexed to the present request, be compatible with article 88 of the Treaty of St. Germain and with protocol no. 1. signed at Geneva on October 4, 1922?

With the Treaty of St. Germain, Senators are familiar. The protocol of 1922 was the agreement entered into between Austria and other nations when they made a loan to Austria, this protocol practically repeating what is called the "Treaty of St. Germain", and that is that Austria should not do anything to alienate her independence. The question was whether the treaty which had been made did alienate the independence of Austria.

Mr. ROBINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Arkansas?

Mr. BORAH. I yield.

Mr. ROBINSON. This is important.

Mr. BORAH. Yes; it is.

Mr. ROBINSON. I should like to ask the Senator if the question on its face did not raise the issue as to whether the Austro-German customs protocol of March 1931 was compatible with article 22 of the Treaty of St. Germain and certain provisions in the Geneva protocol of 1922? It was not simply a question as to the effect on the independence of Austria of the arrangement proposed to be entered into with Germany, but whether in view of existing treaty obligations assumed by Austria or forced upon her, she had the right to enter into the Austro-German customs arrangement—whether, in view of her existing obligations, that constituted an infringement on her independence.

Mr. BORAH. That is practically correct. The question was whether the regime entered into on the 29th of March 1931 was incompatible with article 88 of the Treaty of St. Germain and with protocol no. 1 signed at Geneva on October 4, 1922.

Mr. ROBINSON. If the Senator from Idaho will pardon further interruption—and I shall not interrupt him if it will interfere with the course of his argument—he has alluded forcefully to the fact that at the time this request for an advisory opinion was submitted to the Court there was a tense political feeling existing in Europe. Admittedly that is true, but that condition frequently, if not always, exists when serious controversies arise of an international character. There is no power with which I am familiar that can drive away the atmosphere of tensity and hostility, if you please, which inevitably arises during a crisis in the affairs of nations; no method to cause the world to be enveloped in calm, sunshine, and good will; so that as a practical proposition if we are to have any peaceful method of settling international disputes, we must recognize the necessity of dealing with the question at a time when tense political feeling exists.

In the plan for a world court which the Senator from Idaho himself proposed in 1923 it was contemplated that every international question arising under a code should be submitted to the World Court which he proposed, without any limit or restriction on the jurisdiction, with full power in the Court to decide every international question that might arise, whether the parties desired that it do so or opposed such jurisdiction.

Does the Senator from Idaho, with all his learning and experience in international affairs, concede that his plan for an international court would have enabled the Court to function without undergoing the difficulty and embarrassment which inevitably arises out of political considerations? These political considerations always reflect themselves in cases of acute dispute. They do it in our States. They do it in the United States.

There is no way with which I am familiar of divesting international questions of political considerations. So if we are to have a court, whether we give it the limited powers that are conferred on the Permanent Court of International Justice or give it the unlimited powers which were contemplated by the Borah resolution of 1923, we must, in recognition of practical conditions, realize that the court, if it functions at all, will function in the face of and in spite of intense political feeling.

I thank the Senator for yielding.

Mr. BORAH. Mr. President, I stated in the opening of my remarks that I had always been an advocate of an international judicial tribunal for the settlement of international disputes, and that my objection to this Court was based upon this advisory jurisdiction, which, in my judgment, not only permits but necessarily draws into the discussion and into the consideration political questions, for the reason that the jurisdiction is not limited as I would have it limited to questions arising under a code, or to questions of the construction of a treaty, or to judicial questions. Here it is any dispute, any question which a political body may submit—not which two litigants may take to the court which I would contemplate; not which Great Britain and the United States might see fit to submit to the Court, but which a purely political body may see fit to submit to the Court; and that jurisdiction is unlimited in the matter of the kind of dispute or the questions which may be submitted.

But, Mr. President, let me proceed with this matter further; and I think in doing so I shall have further reference to the remarks which the Senator from Arkansas has just made.

Let us get back and find out what this was. I have read what was the question submitted to the Court, and that was whether this treaty between Germany and Austria was in conflict with the St. Germain Treaty. Let me read it:

> The independence of Austria is inalienable otherwise than with the consent of the Council of the League of Nations; consequently Austria undertakes, in the absence of the consent of the said Council, to abstain from any act which might, directly or indirectly or by any means whatever, compromise her independence,

particularly, and until her admission to the membership of the League of Nations, by participation in the affairs of another power.

The Court agreed, both the majority and the minority, that the sole question submitted was whether this treaty of 1931 alienated the independence of Austria. There was no other question. What I object to is that after they settled the legal question they left the domain of legalism and went into politics, and they say so in the decision itself. Again let me read the protocol:

The Government of the Federal Republic of Austria undertakes, in accordance with the terms of article 88 of the Treaty of St. Germain, not to alienate its independence; it will abstain from any negotiation or from any economic or financial engagements calculated, directly or indirectly, to compromise this independence. This undertaking shall not prevent Austria from maintaining, subject to the provisions of the Treaty of St. Germain, her freedom in the matter of customs' tariffs and commercial or financial agreements and, in general, in all matters relating to her economic regime.

When that was put into that protocol Mr. Balfour said:

This makes it plain that Austria is not to be embarrassed in her customs matters, in her tariff matters, in her financial matters.

And that is all under heaven that the treaty of 1931 covered.

Mr. ROBINSON. Mr. President, will the Senator permit me to interrupt him there?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Arkansas?

Mr. BORAH. I yield.

Mr. ROBINSON. I think the Senator has omitted to read to the Senate the controlling part of the protocol. It follows immediately the language which the Senator read. With his permission I will read it all, so that the connection may be seen.

This undertaking shall not prevent Austria from maintaining, subject to the provisions of the Treaty of St. Germain, her freedom in the matter of customs, tariff, and commercial or financial agreements, and, in general, in all matters relating to her economic regime or her commercial relations, provided always that she shall not violate her economic independence by granting to any state a special regime or exclusive advantage calculated to threaten this independence.

If I may take just one moment, the latter part of that is the material portion of it, insofar as the decision under discussion is concerned. It is certainly true, as I shall undertake to demonstrate later without infringing on the time of the Senator from Idaho, that the Austro-German customs union constituted a regime by which Germany and Austria sought to secure to each other great commercial and financial advantages in violation of the terms of article 88 of the Treaty of St. Germain and of the Geneva protocol of 1922.

Again I thank the Senator, and I shall refrain from interrupting him further.

Mr. BORAH. Mr. President, I did not read the concluding sentence because I had already read the same thing in the beginning, because all these matters were of no moment whatever unless they impaired or threatened the independence of Austria; and it all comes back to that proposition. They had a right to make tariff treaties and customs treaties unless the effect of them was to impair, alienate, or threaten the independence of Austria. I had made that plain.

Let us not have any mistake about this matter. The Court agreed that the question was whether the independence of Austria had been alienated or threatened. All other matters point to that one proposition, or they are of no moment.

Having placed the question before the Senate, before I take up the opinions, let me call attention to a matter which I cannot overlook.

On that Court at that time sat a French judge. The French Government had demanded publicly that these two nations abrogate this treaty. The President and the Premier of France had said that, if necessary, they would use force.

Poland had a judge on the Court. The feeling in Poland was in excess of that in any other country that I know of.

Rumania had a judge on the Court.

Italy had a judge on the Court.

Spain had a judge on the Court.

Now, after the decision in the Mosul case, Turkey greatly complained because a matter was decided by those who were sitting in opposition to her interests; and therefore the Court proceeded to make a rule that where a government had a special interest they might have a judge ad hoc; they might select a judge to sit in the case.

What happened? Spain, France, Poland, Rumania, Italy, and all these nations who had declared in unmistakable terms that this treaty had to be abrogated, either peacefully or by force, were represented on the Court. Austria came in and asked permission to have a judge ad hoc. Can we conceive of its being denied? Austria was virtually on trial for her life; that is, there was involved the right to make a treaty, one of the high attributes of sovereign power—and the judges were about to decide that she did not have the right to make a tariff treaty which probably was necessary for her continued existence. She asked that a judge ad hoc from Austria be permitted to sit with the judges of France and Poland and Rumania and the other governments which were equally interested in the matter. Can we say that Austria had not the same right to have a representative there that France or Rumania or Poland had? Did she have a less right? Certainly not. Upon what principle of justice, under what rule of common decency, was Austria denied a judge?

Mr. President, I contend that these things are the exhibition of national feeling. Nobody went to the Italian judge and bought him; nobody went to the French judge and corrupted him; but the national interest, the national feeling obtaining throughout the country, would and did consciously—or, if not consciously, unconsciously—affect them.

Austria asked for a judge to sit in the case, and that right was denied to Austria. I cannot see anything in that except an act of great injustice; and that act of injustice that could not occur except by reason of the strongest kind of national feeling, which national feeling obscured and beclouded the Court's sense of justice.

So we go into the Court. France sends her attorneys to argue the case. Italy sends her attorneys to argue the case, and so forth. Let us now examine the majority opinion.

I contend that upon the majority opinion the legal question was decided in favor of Austria. I contend, furthermore, that the legal opinion was a unanimous decision; that the 15 judges agreed upon the legal question. I read a paragraph from the majority opinion:

It can scarcely be denied that the establishment of this regime does not in itself constitute an act alienating Austria's independence, for Austria does not thereby cease within her own frontiers to be a separate state, with its own government and administration; and in view, if not of reciprocity of law, though perhaps not in fact, implied by the projected treaty, at all events of the possibility of denouncing the treaty, it may be said that legally Austria retains the possibility of exercising her independence.

That was the majority opinion. It cannot be said, according to the terms of the treaty, that Austria has alienated her independence. Was not that the question submitted to the Court?

The Court further says:

It may even be maintained, if regard be had to the terms of article 88 of the treaty of peace, that since Austria's independence is not, strictly speaking, in danger within the meaning of that article, there would not be from the point of view of law any inconsistency with that article.

Well, what else was there to decide? The judge had finished his task, the Court as a court had functioned, and the case was in favor of Austria. Then the nationalist takes hold and decides against Austria.

It may be even maintained, if regard be had to the terms of article 88, * * * that since Austria's independence is not, strictly speaking, in danger—

Not in danger—

within the meaning of that article, there would not be, from the point of view of law, any inconsistency.

Here I desire to call attention to an opinion of this Court at a time when there was no politics, when passion was not prevailing throughout these countries.

They had another opinion, written some years before, in which a treaty had been made, and that opinion is found in Judgment No. 1, series A B 5, page 25. In that case they say:

> The Court declines to see in the conclusion of any treaty by which the state undertakes to perform, or refrain from performing a particular act, an abandonment of its sovereignty. No doubt any convention creating an obligation of this kind places a restriction upon the exercise of sovereign rights of the state in the sense that it requires them to be exercised in a certain way. But the right of entering into an international engagement is an attribute of state sovereignty.

It seems to me, Mr. President, that upon the principle of it all, and upon the language of the Court itself in the majority opinion, we must conclude that the legal question was settled in favor of Austria.

I read this paragraph because it is the one which has been relied upon by the opposition:

> On the other hand, it is difficult to deny that the projected regime of customs union constitutes a special regime and that it affords Germany, in relation to Austria, advantages which are withheld from third powers.

That is the result of any tariff treaty, or may be, unless you have the most-favored-nation clause, which prevents any such thing. The fact that we might have a reciprocity treaty with Canada which would give Canada a special advantage or a special favor, is that an alienation of our independence, or has it anything in the world to do with the alienation of our independence? It may be that Austria desired to give Germany a special favor with a treaty as we might desire to give as much to Canada. But what has this Court to do with the question of a special favor to somebody if it did not alienate the independence of Austria? This sophistry, if I may use the term, was worked after the legal question was decided and when it became necessary to bolster up a political opinion.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. FLETCHER. Does the opinion go so far and does the Senator believe that under that opinion the Court would have the right to pass upon questions of public policy?

Mr. BORAH. Oh, yes.

Mr. FLETCHER. If they find no objection from the legal standpoint, have they the power to go into the problem of public policy?

Mr. BORAH. That is what they did in effect in this matter. They said that it was against the policy of Europe to have Austria and Germany come in close relationship to one another. That is the effect of the decision. I will read a line or two in a minute which will show that.

Now, Senators, let us come to the concurring opinion by the Italian judge. He is evidently an able lawyer and is very frank. He said:

> Everything * * * depends on considerations which are for the most part, if not entirely, of a political and economic kind.

He took the position that the Court might, by reason of the fact that it was political, refuse to pass upon it at all, but if they were going to pass on it they necessarily had to pass upon the political question. So he did proceed to pass upon the political question in his concurring opinion.

Senators, listen to this paragraph from the concurrent opinion:

> We are definitely concerned with a particular instance, and, I must say, an instance which derives its importance from the fact that we are dealing with the relations between Germany and Austria.

Would the law be changed by reason of the fact that you were dealing with a question between Germany and Austria? Would the independence of Austria depend upon the proposition that you were dealing with Germany instead of some other country? Yes; that is what they held.

> It is quite probable that a similar customs union, or even a closer union between Czechoslovakia (and Germany), would not have raised the slightest difficulty.

Mr. GORE. Does the Court say that?

Mr. BORAH. That is in the concurring opinion of one of the majority of eight.

Mr. ROBINSON. Mr. President, for the simple reason that Czechoslovakia was not under the restraint imposed by article 88 of the Treaty of St. Germain and by the Geneva protocol of 1932.

Mr. BORAH. Oh, no; that is not the reasoning of the judge at all. The reasoning of the judge is that he is dealing with a special instance, and that instance is between Germany and Austria. If it were between Germany and some other country, and the same principle applied with reference to treaty, it would not present any difficulty whatever. That is shown by the opinion which I read a few minutes ago from another decision in which they said the making of that kind of a treaty in no sense impaired the sovereignty of a nation. That was the only question which was before them. It was not Austria's right to enter into a customs union in general. In my view, that right is unquestioned. Everything points to the fact that the answer depends upon the considerations which are for the most part, if not entirely, political.

The conclusion at which I have arrived, after much careful reflection, is that the Court must either refuse to give this opinion asked for or give it upon the question as a whole—politics and all.

It may be a coincidence, but a coincidence worth mentioning, that the judge from every nation which had declared against the treaty decided against the treaty, and the judge of every nation which was neutral decided in the minority. I think that a significant fact. It shows an unconsciously national influence. Yes; unconscious—not necessary to go further.

Mr. ROBINSON. I did not hear the Senator's last statement.

Mr. BORAH. I say it shows that unconscious national influence.

Mr. ROBINSON. What does?

Mr. BORAH. The fact that every judge whose nation had declared against the treaty found that the treaty was void, and the other nations which were not interested found that the treaty was valid.

Mr. ROBINSON. Does the Senator apply that to the British judge?

Mr. BORAH. The British judge decided for the treaty.

Mr. ROBINSON. Yes. He decided with the minority.

Mr. BORAH. Yes. Great Britain had not declared against the treaty at all. The Government had taken no action whatever upon the matter.

Mr. ROBINSON. Had Belgium taken no action?

Mr. BORAH. No; it had taken no action whatever that I know of.

Mr. ROBINSON. The Belgian judge, who could not be charged with having any German sympathy or Austrian sympathy, stood with the minority.

Mr. BORAH. Yes; the Belgian judge did.

Mr. ROBINSON. And so did the British.

Mr. BORAH. Yes. Those nations had taken no pronounced position upon the matter.

Mr. ROBINSON. But their political alinements and alliances and sympathies were supposed to be against the decision.

Mr. BORAH. Not Great Britain. That might be true of Belgium, but not Great Britain. Great Britain was not opposed to the treaty.

Mr. ROBINSON. Does the Senator think that the political sentiment in Great Britain supported the Austro-German customs union?

Mr. BORAH. I have no doubt about it. The press almost universally supported it. One of the most powerful editorials I think I ever read——

Mr. ROBINSON. I am speaking of the Government policy.

Mr. BORAH. I know, but the Government never took any action against it. The Government never made any declaration against it that I have been able to find. The press almost universally supported it. In an editorial by Mr. Garvin, the editor of the London Observer, recognized as one of the great editorial writers in the world, he made an extensive

defense of this treaty; and so far as I have been able to find in the English press, there was never any criticism of it. At least there was no manifestation of feeling in the country. There was no sentiment against it. And so far as the officials were concerned, I never found any expression.

Let us now take the minority opinion. The opening paragraph says:

The Council [of the League]—

I insert the words "of the League" because it was the Council of the League—

The Council has asked for the opinion of the Court on a legal question. * * * This Court is not concerned with political consideration nor with political consequences. These lie outside its competence.

There was a clear statement upon the part of the minority that they agreed with the majority on the legal question—on that end of the case. In other words, on the legal question the Court was unanimous.

We are not concerned with politics, said the minority. We are not concerned with economics. We are only concerned with the question of whether a treaty alienates the independence of a nation. You, the majority, have decided that it does not. We agree with you. That ends the question. We have nothing to do with anything else.

It was upon the political question that the minority and the majority split. There is no difference of opinion here between the majority and the minority on the legal question involved. The 15 judges agreed upon the legal question that it did not alienate the independence of Austria. Then the minority said in effect, "We cannot follow you in the discussion of the political consequences or the economic consequences."

Again the minority opinion says:

The decision of the Court must necessarily be based upon material submitted for its consideration. Unless the material submitted to it and passed upon by the Court justifies the conclusions reached, these conclusions cannot amount to more than mere speculation.

It is not enough that the arrangement should be the grant of a special regime—

Of which the able Senator from Arkansas speaks—

or of exclusive advantages—

Says the minority—

the grant must be calculated to threaten Austria's independence. The Court has no evidence before it on which such a conclusion can be reached.

So, Mr. President, the minority opinion says, "We agree with you on the legal question, the special regime. The economic effect or political consequences are matters with which we have nothing to do."

Which is the conclusive presumption raised that they thought the majority were dealing with political questions.

There is a rather lengthy minority opinion, which I think it is not necessary to read.

Mr. President, I have had a very careful research made of the press of Europe upon the effect of this decision. Outside of England, out of some 30 or 40 papers—to be exact I think 34; the leading papers—I have my first paper to find which did not declare that it was a political decision. The great majority of them say that was as it was expected to be and should be. In other words, they expect a political decision from the Court when the necessity arises.

I may say in passing that that is due largely to a wholly different conception of the functions of a court between the Europeans and the people of the United States. The Europeans are not disturbed over the fact that it was a political opinion. The Senator from Arkansas [Mr. ROBINSON] referred to the fact that the representatives on the bench from Belgium decided the other way. The papers I referred to, or some of them, denounced him, saying that he went off on a legal question and refused to consider the bigger question—the political and economic question. One leading paper in Europe said in almost so many words that the Belgium judge deserted us and undertook to decide the question upon legal grounds and not upon political grounds.

Mr. President, that is an illustration of the nature of the Court as it is used by those who undertake to call into action its advisory powers.

A singular thing happened. A few days before this opinion was announced officially it was given out that the opinion would be against Germany and Austria, and it is a historic fact that that pronouncement led to activity upon the part of certain chancellories of Europe to bring Austria and Germany into an agreement to abandon the treaty. Before the opinion was ever officially announced they were in negotiation, in view of the coming opinion, which they seemed to know of, and brought Germany and Austria into an agreement to abandon it before the Court announced its opinion. Someone was in touch with the Court. The Court was lending itself to a political move. The opinion, which had not been announced, was announced, apparently, to the prime ministers, and they used it to whip Germany and Austria into submission. What a spectacle!

Mr. President, I think the New York Tribune, commenting upon this matter at the time, states the subject briefly, but comprehensively, when it says:

The Court has suffered a severe loss of prestige. Its members are just so much further from achieving the habit of a judicial approach to international problems. And as long as the advisory opinion remains in the Court statute, the same demoralizing influence can recur again and again.

Does not that necessarily follow? An important question arises in Europe; it is political in its nature; a political body of the League of Nations asks for an opinion; passion is stirred up in the respective countries. It is natural that the judges of the Court should give way, consciously or unconsciously to that feeling; and they did in this instance, in my judgment, and were influenced by it to render an opinion based purely upon national feeling and political interest.

The moral seems to us clear—

Says the Tribune—

the advisory opinion can scarcely ever be of real help to the League, as the current decision shows. It can, and will, plague the Court as long as it endures. If it were eliminated, the adherence of this country would be a far simpler matter. Why do not the real friends of the Court work for the elimination of the advisory opinion entire?

That, Mr. President, states briefly the view which I entertain with reference to this matter. I would have no objection to an international tribunal to which parties themselves—speaking now of parties as meaning nations and governments—might voluntarily submit questions for an international adjudication. If a question should arise affecting Great Britain and the United States and they wanted to submit it to a court, of course there ought to be a court to hear it; but should there be a court which could draw us into the case, whether we wanted an opinion or not, through the political operation of the League, the League itself having full power to insist upon an opinion whether Great Britain and the United States should desire an opinion or not? That of itself makes it a political movement and gives it a political significance, controlling the jurisdiction by a political power; and it will always have the same effect as it had in the German-Austrian case.

The New York Times, an ardent supporter of the Court, says:

That the 8-to-7 decision against the Austro-German tariff union was dictated by national sentiment is obvious. Yes; obvious. Well stated. It has never been denied except by certain parties in this country.

* * * * * * *

The reason—

Says the Times—

for Italy's action is well understood. She does not want Anschluss any more than France does, because she does not want a united Germanic state of nearly 80,000,000 people for a frontier neighbor. Here is a common interest with France which the event has shown to transcend rivalry with France in the Mediterranean or jealousy of French supremacy on the Continent.

Let me read an editorial from the Bund, which is one of the leading newspapers of Switzerland, bearing on this matter. The Bund says:

The authority of the world justice has not gained anything. The Hague Court ought to reserve its activity and verdicts for real contests between two countries about the interpretation of international law. What is the use of investing an arropage of judges with the highest international honors if it is to be exposed at the occasion of a trifling matter to run the risk of giving a political rather than a juridical verdict, like the sentence of September 5, 1931, in which The Hague Court declares the Austro-German custom union incompatible with the Treaty of St. Germain. All the rejecting judges of the World Court hail from Latin countries, Italy, Spain, San Salvador, Colombia, Cuba, Rumania, France, and its satellite, Poland, while the seven judges in favor of the Austro-German custom union belong to Teutonic races, Hurst, England; Schucking, Germany; Van Eysinga, Holland; and even Rolin Jacquemyns, Belgian, abandoning his French ally; Kellogg, United States of America, united to the far-eastern Japanese, Adatci; and Wang, China.

* * * * * * *

How far we are from Wilson's claim for open-door politics. The Hague verdict has been cast forehand behind closed doors long before it was officially made public. "A Just Peace" was the slogan under which the allied nations fought the World War to its bitter end. Cannot the World Court, established by the world peace, in future be protected from such blunders as this custom-union verdict? May Switzerland raise its voice in Geneva in favor of true world justice.

And may Switzerland rejoice that at present she is not a member of the World Court?

There are other articles, Mr. President, which I shall undertake to insert later.

Mr. President, the able Senator from Michigan [Mr. VANDENBERG] in his remarks on Friday last declared that he would not go 1 inch toward the League; that he was utterly opposed to approaching the League. I know that this represents his view. But let me ask the Senator from Michigan if we are to be a member of this tribunal which tribunal the League may call into action, if we are a member of a tribunal which the League may call upon us as a member of the Court for advice, and we, as a member of the Court, join in advice to the League, just how close to the League are we? If the League dominates our action, what is our relation to the League?

Here is a tribunal of which we are a member, a tribunal having advisory jurisdiction, upon which the League may call, when it chooses, for an opinion. Where does this power of advisory jurisdiction come from? Does it come from the statute of the Court? Certainly not.

It comes from the League of Nations. There could be no advisory opinion if it were not in the League of Nations covenant; there could be no advisory opinion if the League did not call for it; and when we respond to the question of the League, I ask again just how close are we to the League?

Again, Mr. President, let us suppose that when the German-Austrian Treaty came before it we were a member of the Court; suppose that we had become a member in 1926, what would have been the situation? Here was a tribunal of which we were a member which was dealing with a question which was purely European in character, which did not concern us in the slightest, which was purely European in its import and in its effect; we would not have entered into a discussion of the matter of our own voluntary action; but as a member of the Court, a member of the tribunal, the League calls upon us for an advisory opinion, and we join with the other members of the Court in passing upon a purely political European question. If we would not be acting under the auspices, under the direction, and under the influence of the League, I do not know what would bring us under the influence of the League.

O Mr. President, you will never hear anything more about the World Court not being a part of the League after we are in it. The situation will be like that depicted by Earl Grey, who came over here when we were discussing reservations to the League of Nations. He went home and wrote a letter to the London Times, saying, "Let them come in with their reservations; we will construe their reservations."

If we go into the Court and the League calls for an opinion and we join in an opinion, we take part in the controversy; we decide upon questions that are purely European. We are dealing with European problems.

Mr. President, it has been supposed that by putting in a provision that the Court shall not render an opinion touching the interests of the United States over our objection, we have protected the interests of the United States. Does that prevent us from being drawn into European controversies, a prospect which, to my mind, is infinitely worse than European nations coming into American controversies.

Reservation 5 does not protect us from being drawn into European affairs; it only saves us, as they contend, from their passing upon matters which are of vital concern to us on the Western Continent. But, in view of the decision in the German-Austrian question, if Mussolini should consent to have the Court take jurisdiction of the Abyssinian question—he has not consented as yet and says he will not do so—but if he should consent to have the Court take jurisdiction, and we should become a member of the Court, we would be called upon to pass upon another question which has been threatening the peace of Europe for the last 30 days.

There is no way, Mr. President, that can be found by which to keep out of European controversies if we go into the Court and if its advisory jurisdiction remains. What is the advisory jurisdiction? It is counsel; it is advice; and we are counseling, we are advising, with reference to European affairs every time questions concerning them arise. Take out the advisory jurisdiction and make it a court and I should not detain the Senate a minute in opposition.

Mr. President, as I have said, this has been a long controversy. I know that I have been fearfully misjudged, because it has been supposed that I am not in favor of an international judicial tribunal. I am not in favor of an international judicial tribunal, so called, which is political and advisory in character. I am not going to give my vote in favor of a tribunal through which we can be drawn into every dispute, every controversy, every question which may arise in the caldron of European politics. I cannot be deceived by calling it a court. You had just as well call the Council of the League a court. The Council of the League, operating through the Court, can draw us into every dispute which we could be drawn into if we were a member of the Council.

This tribunal was created by the League, its members are elected by the League, paid by the League, and pensioned by the League. It is a tribunal designed in the first instance to be and actually has been created as a department of the League. It is now and for all time an adviser and counselor of the League—an inseparable, vital part of the machinery of the League. It is a tribunal dependent for its continued existence upon the continued existence of the League. When the League falls this tribunal falls. The Covenant of the League is a constitution which this tribunal must observe and is to expound. Is it fair to say to the American people that in becoming a member of this most important department of the League we are not in the League and a part of the League—a part of the machinery of the entire organization? If we desire to maintain the Court of this tribunal after we have joined it, must we not maintain the League in order to maintain the Court? Can we become interested in maintaining a department of the League and not be interested in the League as a whole?

Mr. President, the great achievement in government may be said to be the impartial administration of justice. Property rights and personal liberty alike wait upon the success of this achievement. Contentment among the people, the progress and prosperity of a people are advanced and assured in proportion to the progress made in the full realization of this achievement.

The history of jurisprudence discloses that the highest aims and the best thought in public affairs have been associated with the effort to establish and maintain tribunals fearless and unembarrassed in the administration of the law. And just in proportion and to the extent that courts have been divorced from the demoralizing influence of politics, they have commanded the respect and retained the confidence of the people—their judgments have been accepted without complaint and their decrees obeyed without resentment. Show me the record of the courts of any country and I will measure from that record with complete accuracy and fidelity the loyalty of the people to the insti-

tutions under which they live. In the English-speaking world—not to go elsewhere for an example—the fiercest struggles for liberty have been animated and sustained in the high resolve to remove the courts from the atmosphere and from the control of political forces.

It is my conviction, entertained from the hour this Court was set up, that in its advisory jurisdiction we are taking a long step, a dangerous step, backward in the long struggle to relieve courts from political influence. We are so constructing a court that not only may politics enter but it is practically inevitable that politics must enter into the considerations of the Court. A political body controls and makes active this jurisdiction of the Court. It selects the issue, and it alone calls upon the Court to act. A political body, and a political body alone, may invoke this jurisdiction—and that political body is not confined to juridical questions. It may place before the Court "any dispute." There is not a political question or controversy arising in all Europe, but the Council or Assembly may pass up for the consideration of this Court, and the Court in yielding the request and in the exercise of its advisory jurisdiction is constrained and restrained by no body of laws, no constitution.

It may take into consideration political and economic questions, and base its opinion, not necessarily upon law but upon what it deems to be the best for those concerned, national interests, political and economic interests concerned. And let us remember that the politics which may be imposed upon this Court and which the Court may choose to consider are not the politics arising within a nation and among a people living under one government, but international politics—politics surcharged with a feeling and a passion of international distrust, national fear, national pride—the fiercest and most arrogant politics in all man's experience, all of which was completely revealed by the Court in the Austrian case.

I well understand the answer to my contention, and that is we must take the tribunal offered, inadequate and unsatisfactory though it may be, and hope to improve it in the future. Sir, if in building institutions you lay the foundations upon sound principles you may well be justified in relying upon the future to round out and complete the details and adjust and apply the machinery.

But you must in great enterprises begin with sound principles; your foundation must be upon a rock and not upon shifting sands. To start with wrong principles is to court disaster and ruin. There is nothing more demoralizing, more calculated to turn back the hopes and purposes of a people than the break-down of institutions upon which they have been led to rest their faith for better things. What would have happened had the fathers in 1789, instead of laying the foundation of this Government in sound and enduring principles, patched up the confederacy as some would have done? What would have happened to law and order had they enmeshed our Supreme Court in politics and imposed upon it nonjudicial duties? Faith in free government in a few years might have broken down utterly, our continent might have been cursed with many governments—Balkanized—and our whole western continent dedicated to lassitude and contention and turmoil, instead of one unbroken Union, a proud and united Republic dominating a continent and sheltering beneath its stately arches 120,000,000 people imbued with a common pride and inspired with a common purpose. I recall to you the words of the wisest of men in answer to those who would have compromised with sound principles:

> If to please the people we present what we ourselves disapprove, how can we thereafter defend our work? Let us raise a standard to which the wise and noble can repair; the event is in the hands of God.

The lesson of a thousand years of Anglo-Saxon jurisprudence is that courts must be free from political influence and exempt from all duties not compatible with judicial power. We are instructed by experience and admonished by our clearest conception to demand such a court. In doing so we do not retard the cause of peace. We advance it, we do our plain, unmistakable duty in one of the most solemn tasks ever imposed upon men.

[From La Gazette, Brussels, Belgium]

Those involved in this matter would be wrong to pretend that the Hague Court had to give only a legal opinion. This argument would be without value if it had not still more strengthened the Austro-German thesis. For it is impossible not to know or to deny that the tariff union is a political problem. The Pan-European Commission and the Council of the League of Nations have proved that sufficiently when they resorted to the Hague Court. This evasion deceived no one. The economic aspect of the question was more important than the legal one, and far less important than the political aspect. The international judges have taken a back door out of the problem. * * * One understands now why the Council thanked the Hague Court, which tried to spare the feelings of both parties by pronouncing a colorless, odorless, shapeless verdict. * * *

[From Algemeen Handelsblad, Amsterdam, Holland]

The evidence, as far as it exists, upon which the verdict of the Hague Court on the Austro-German Customs Union is based, shows only too clearly that in the formation of the jury of judges politics played too great a role.

[From Neue Zuhoerer Zeitung, Zurich, Switzerland]

The grouping of the Court, as well as various divergences in the motives, let the Court's opinion appear to be rather torn, but it irrefutably follows from it that the barely sufficient majority of the Court allowed itself to a large extent to be guided by political motives.

[From Baseler Nachrichten, Basel, Switzerland]

We cannot wholly suppress our great surprise over the piteous meagerness with which the majority of judges of the Hague Court believed themselves justified in agreeing. The decisive sentences of the verdict are stutters and mumbles, but no arguments. We do not believe that even the smallest Swiss county court of the backwoods would dare to issue a verdict.

[From L'Excelsior, Switzerland]

One thing is certain: The judgment of the Court of The Hague on the Anschluss is not of a nature to encourage any governments in the future to submit their problems of vital interest to its arbitration.

[From Hamburger Fremdenblatt, Hamburg, Germany]

Today's example is the best proof for the necessity of changing the statutes of the Court in the interest of its reputation. It would be better if the judges belonged to countries who are not parties in the issue at stake, no matter what it is.

Otherwise the reputation of the Hague Court, upon which rests its usefulness in international quarrels, will very soon be wrecked. The first stop in this direction has unfortunately already been made.

[From Breslauer Neueste Nachrichten, Breslau, Germany]

Even though the verdict was clothed in a mantel of international law and economics, it was, after all, nothing more than a decision of superior power by the victor which turned out to the disadvantage of the vanquished, politically weaker party.

[From Le Journal des Debats]

The authority of the Court of The Hague will not be strengthened by this adventure. In order to obtain 8 votes in favor of the opinion which carried the day, all manner of negotiations and combinations were necessary. The majesty of international justice did not manifest itself in all its purity. It would have been better, no doubt, for the Court to have declared itself incompetent. One of the effects of the error committed this spring has made itself felt: The great international institutions upon which one was counting to assure peace are not in a happy phase of their existence.

Never has Europe more eagerly observed, studied, discussed America; and never has America followed more carefully, discussed more closely, the discussions of Europe about the United States. At the same time, it is hardly excessive to state that never have the two continents been wider apart in their inspirations and ideals. * * * The objections which the cultivated European instinctively raises to the American system come mainly from this fact: That the American point of view is at bottom democratic and the traditional European one aristocratic.

ANDRE SIEGFRIED.

THE CALENDAR

Mr. ROBINSON. Mr. President, I understand there is no one else ready to proceed now with further debate. Therefore I ask that the Senate proceed to the consideration of business on the Executive Calendar.

The PRESIDENT pro tempore. The clerk will state the first order of business on the calendar.

JAMES A. MOFFETT

Mr. ROBINSON. Mr. President, I ask unanimous consent that the President be notified of the action of the Senate in confirming the nomination of Mr. James A. Moffett to be Administrator of the Federal Housing Administration.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the President will be notified.

TREASURY DEPARTMENT

The legislative clerk read the nomination of Josephine A. Roche, of Colorado, to be Assistant Secretary of the Treasury.

Mr. CLARK. I should like to have this nomination passed over.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over.

Mr. COSTIGAN. Mr. President, may I ask the Senator from Missouri why he requests the nomination of Miss Roche to be passed over?

Mr. CLARK. I desire to have opportunity to make further investigation.

COLLECTORS OF INTERNAL REVENUE

The legislative clerk read the nomination of Philemon C. Merrill to be collector of internal revenue, district of Arizona.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Joseph T. Higgins to be collector of internal revenue, third district of New York.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James L. O'Toole, Jr., to be collector of internal revenue, twenty-third district of Pennsylvania.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Fred C. Martin to be collector of internal revenue, district of Vermont.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CUSTOMS SERVICE

The legislative clerk read the nomination of Harry M. Brennan to be collector, customs collection district no. 42, Louisville, Ky.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ASSAY OFFICE

The legislative clerk read the nomination of Joseph S. Buford to be assayer, United States Assay Office at New York, N. Y.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Sigmund Solomon to be Superintendent United States Assay Office, at New York, N. Y.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DEPARTMENT OF THE INTERIOR

The legislative clerk read the nomination of John Willington Finch, of Idaho, to be Director of the Bureau of Mines.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. ROBINSON. I ask unanimous consent that nominations in the Public Health Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON. I ask unanimous consent that nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, it is so ordered. That completes the Executive Calendar.

THE WORLD COURT

The Senate resumed consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Permanent Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence as reported by the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, before moving a recess I wish to take note of some of the things mentioned by the distinguished Senator from Idaho [Mr. BORAH] in connection with the Austro-German customs union case.

The World Court has rendered, as I now recall, something like 60 opinions. So far as the debate discloses and so far as my memory goes, the only instance in which its impartiality has been challenged is in the Austro-German customs case. There is a tendency on the part of litigants always to condemn the Court when their contentions are not sustained.

The Senator from Idaho is perhaps the ablest advocate within the Senate of any cause which he espouses, and he may be relied upon by the opponents of the Court to present his views with a full measure of thoughtfulness, force, and clarity. I do not believe, as I have stated during an interruption in the course of his remarks, that the one opinion of the World Court which has been criticized, the Austro-German customs case, fairly understood and analyzed, may be regarded as a political opinion or as a demonstration of a response of the Court to those sentiments of nationality which influence every intelligent human being.

The Senator correctly and accurately, of course, stated the question which was submitted to the Court. Aside from any argument which may be embraced in the opinion or in the conclusions which may be expressed by news writers or the editors of magazines and newspapers, it is my belief that when the treaty provisions which were germane to a proper determination of the issue in the customs case are fully understood, they will show conclusively that the special regime which Germany and Austria sought to establish by the protocol of March 1931 did impair the independence of Austria.

Let me assert now, lest I forget it, that I think history subsequent to the decision shows conclusively that if the customs union contemplated by the protocol of March 1931 had gone into effect, the union between Austria and Germany would have been accomplished, with the inevitable result that both the economic and the political independence of Austria would have been interfered with, almost destroyed.

The question was whether, in view of the existing obligations of Austria and Germany, the special arrangement which they sought to establish by the protocol of 1931 impaired the independence of Austria. In order to determine this question it will be helpful to look into the several pertinent treaty provisions, bearing in mind that the issue was not whether the treaty provisions were to be approved, but whether they were consistent.

In article 80 of the Treaty of Versailles, Germany acknowledged and bound herself to respect the independence of Austria within the boundaries to be fixed by the treaty.

Article 88 of the Treaty of St. Germain recognized the independence of Austria as inalienable. Austria undertook to abstain from every action which might directly or indirectly or by any means whatever compromise her independence.

Note the comprehensive nature of the undertaking. The Geneva protocol of 1922, signed at the time of the reconstruction loans by France, Great Britain, Italy, and Czechoslovakia to Austria, bound the four creditor powers and also Spain and Belgium to respect the political independence, the territorial integrity, and sovereignty of Austria, and not to seek to obtain any special or exclusive economic or

financial advantage calculated directly or indirectly to compromise that independence.

In the same instrument, the Geneva protocol of 1922, Austria engaged—

> In accordance with article 88 of the Treaty of St. Germain, not to alienate its independence; to abstain from any negotiations or from any economic or financial engagements calculated directly or indirectly to compromise this independence.

It was further provided:

> This undertaking shall not prevent Austria from maintaining, subject to the provisions of the Treaty of St. Germain, her freedom in the matter of customs, tariff, and commercial, or financial agreements, and, in general, in all matters relating to her economic regime or her commercial relations, provided always that she shall not violate her economic independence by granting to any state a special regime or exclusive advantage calculated to threaten this independence.

Now the question arises whether the special arrangement under discussion was calculated to impair the independence of Austria.

The customs union provided for in the Austro-German protocol of March 1931 abolished all import and export duties between the two countries, and at the same time maintained export and import duties against countries not included in similar arrangements.

It was also contemplated that the two States—Austria and Germany—should act concurrently and that no amendments could be made to the tariff laws of either without the consent of the other.

I ask Senators if such an arrangement as that, in view of the obligations of Austria, was not calculated to impair her independence? Internal-revenue duties and other taxes, together with the rates imposed and the time of their duration, as well as the exchange of goods covered by monopolies, or excise duties in either country, were not to be subject to the independent action of the countries, but to joint agreement. The duties collected in the joint area were not to belong to the state collecting them, but were to be apportioned on an agreed basis.

Paraphrasing the language of an eminent authority, it is accurate to say that neither country is to have its own policy, but both are to have a joint policy, and a joint policy alone. In view of the great disproportion in the economic and political strength of Germany and Austria, it must be regarded as reasonably probable that Austria's economic life would sooner or later become dependent upon Germany's.

As stated by the eminent Senator from Idaho [Mr. BORAH], for some reason Germany and Austria denounced the customs union of March 1931, and the decision was actually rendered after the occasion for it had passed; but those who are familiar with history will realize that running all the way through the German policy, both economic and political, is the purpose to compel a union with Austria, and the inevitable effect of it would be German domination of Austria.

I do not need to review the events of history which are familiar to all; how, as a result of an organization in South Germany, a movement for the forced union of Austria with Germany gathered volume until it became almost irresistible; and but for the intervention of Italy, and perhaps of other powers, the union would have been accomplished in spite of everything that Austria could do. And if the Anschluss had become an accomplished fact, if the union had been effected, who is there here who will assert, or even intimate, that the independence of Austria would have been preserved?

The inevitable result—indeed, the purpose—of the customs union was to bring about such a special arrangement between Germany and Austria that each could enjoy exclusively the benefits of trade with the other. That arrangement was in violation of the spirit of the Treaty of St. Germain, of the Geneva protocol of 1922, and certainly of the Versailles Treaty, although that may not be held to be involved.

In the light of history, in consideration of the fact that in 1932 Germany and Austria entered into a new protocol accepting the Court's decision, who is here who will say that it would have been better to abide the political consequences which the Senator from Idaho said were imminent? Who is here who will say that it would have been better to have let loose the dogs of war, as he said would have occurred if this Court decision had not been made, than to have had the decision of the Court?

Oh, yes; it is true, as the Senator from Idaho has stated, that feeling and sentiment in Europe was tense, that national feeling was powerful; but, Mr. President, as I remarked during the speech of the Senator from Idaho, the time is not at hand when we can hope to escape from the atmosphere which naturally envelops a situation. By such a world court as the Senator from Idaho proposes—a court empowered to try and decide all international questions—we are not going to remove from the hearts and minds of men those feelings which he designated as "national feelings." Throughout our progress we shall be compelled to make our adjustments and effectuate our arrangements in the face of and in spite of influences which are not always calculated to promote harmony and impartiality; but the important thing is that we shall not confess ourselves powerless, here and everywhere, now and at all times, to do anything that may be helpful in composing those differences which are likely to result in conflict.

Mr. President, unless there is some further business to come before the Senate, I shall move a recess.

PRINTING OF ARTICLES ON RUSSIA

Mr. SCHALL. Mr. President——

Mr. ROBINSON. I yield to the Senator from Minnesota.

Mr. SCHALL. I ask unanimous consent to print in the RECORD certain articles on Russia.

Mr. ROBINSON. Mr. President, there is a matter which I wish to bring to the attention of the Senate in connection with leave to print heretofore extended to the Senator from Minnesota [Mr. SCHALL].

The Senator, on a recent day of this session, had printed in the RECORD, by unanimous consent, a statement from one of his constituents bitterly assailing Members of this body and bitterly assailing the President of the United States. I am, therefore, compelled to object to the request of the Senator from Minnesota.

The PRESIDENT pro tempore. Objection is made.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

Mr. SCHALL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. ROBINSON. I yield to the Senator.

Mr. SCHALL. Does the Senator prefer that this matter be read?

Mr. ROBINSON. If it is of the character of the articles which the Senator has been inserting in the RECORD, I shall object to its being read. I have no means of knowing what the Senator desires to have printed. I will say to the Senator frankly that I think he has abused his privileges.

Mr. MCNARY rose.

Mr. ROBINSON. If the Senator from Oregon [Mr. MCNARY] states that there is nothing in the article unfairly reflecting on the President or Members of this body, I shall make no objection.

Mr. MCNARY. Mr. President, I have just entered the Chamber. Is there a request to read the article proposed by the Senator from Minnesota? What is the nature of the request?

Mr. SCHALL. I desired to have certain matter printed in the RECORD, and the Senator from Arkansas objected.

Mr. ROBINSON. If I may make a statement, the Senator from Minnesota asked unanimous consent to insert some matter in the RECORD. I stated that on the last occasion when he made that request he abused his privilege, and I do not intend that he shall do so any more without the express consent of the Senate.

Mr. SCHALL. Mr. President——

The PRESIDENT pro tempore. The Senator from Arkansas has the floor. Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. ROBINSON. I do not yield.

Mr. JOHNSON. Just a moment, if the Senator please.

Mr. ROBINSON. The Senators from California and Oregon can look at the matter and it can be inserted tomorrow if they find it unobjectionable.

Mr. JOHNSON. It seems to be an article on communism.

Mr. ROBINSON. Very well. I think time can be taken to look at the matter.

The PRESIDENT pro tempore. Objection is made.

LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate resume legislative session.

The Senate resumed legislative session.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock tomorrow.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, January 22, 1935, at 12 o'clock meridian.

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## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 21, 1935*

### BUREAU OF INTERNAL REVENUE

COLLECTORS OF INTERNAL REVENUE

Philemon C. Merrill to be collector of internal revenue for the district of Arizona.

Joseph T. Higgins to be collector of internal revenue for the third district of New York.

James L. O'Toole, Jr., to be collector of internal revenue for the twenty-third district of Pennsylvania.

Fred C. Martin to be collector of internal revenue for the district of Vermont.

### CUSTOMS SERVICE

COLLECTOR OF CUSTOMS

Harry M. Brennan to be collector of customs for the customs collection district no. 42, Louisville, Ky.

### UNITED STATES ASSAY OFFICE

ASSAYER

Joseph S. Buford to be assayer, United States Assay Office at New York, N. Y.

SUPERINTENDENT

Sigmund Solomon to be superintendent, United States Assay Office at New York, N. Y.

### BUREAU OF MINES

John Wellington Finch to be Director Bureau of Mines.

### PUBLIC HEALTH SERVICE

Roscoe R. Spencer to be senior surgeon.
Royd R. Sayers to be senior surgeon.
Walter C. Teufel to be senior surgeon.
Sanders L. Christian to be senior surgeon.
Paul M. Stewart to be senior surgeon.
David J. Prather to be senior surgeon.
Ralph S. Lloyd to be assistant dental surgeon.
Ralph L. Lawrence to be surgeon.
Melvin H. Pike to be assistant surgeon.
Warren P. Dearing to be assistant surgeon.
Alex G. Gilliam to be assistant surgeon.
Leonard A. Scheele to be assistant surgeon.
Ralph J. Mitchell to be assistant surgeon.
William H. Gordon to be assistant surgeon.
James C. Archer to be assistant surgeon.
John M. Francis to be passed assistant dental surgeon.
Charles B. Galt to be passed assistant dental surgeon.
Robert A. Scroggie to be passed assistant dental surgeon.
Kenneth J. White to be passed assistant dental surgeon.
Leonard R. Etzenhouser to be passed assistant dental surgeon.
Leland E. Weyer to be passed assistant dental surgeon.
Donald H. Soper to be passed assistant dental surgeon.
James H. LeVan to be passed assistant sanitary engineer.
Vincent B. Lamoureux to be passed assistant sanitary engineer.
Robert W. Kehr to be passed assistant sanitary engineer.
Thurman H. Rose to be passed assistant surgeon.
Victor H. Vogel to be passed assistant surgeon.
Joseph G. Pasternack to be passed assistant surgeon.
Robert H. Onstott to be passed assistant surgeon.
William G. Workman to be passed assistant surgeon.
Alfred B. Geyer to be passed assistant surgeon.
Roy E. Butler to be passed assistant surgeon.
R. C. Arnold to be passed assistant surgeon.
John L. Wilson to be passed assistant surgeon.
George G. Van Dyke to be passed assistant surgeon.
Donald W. Patrick to be passed assistant surgeon.
Llewellyn L. Ashburn to be passed assistant surgeon.
Oliver C. Williams to be passed assistant surgeon.
Thomas B. McKneely to be passed assistant surgeon.
Marion K. King to be passed assistant surgeon.
Robert K. Maddock to be passed assistant surgeon.
Robert H. Flinn to be passed assistant surgeon.
Leland J. Hanchett to be passed assistant surgeon.
Austin V. Deibert to be passed assistant surgeon.
Leslie McC. Smith to be passed assistant surgeon.
Waldemar J. A. Wickman to be passed assistant surgeon.
F. Paul Burow to be passed assistant surgeon.
Jack G. Mearns to be passed assistant surgeon.
Frederick J. Brady to be assistant surgeon.
Thomas H. Tomlinson, Jr., to be assistant surgeon.
Guy H. Faget to be surgeon.
C. Benjamin Spencer to be passed assistant surgeon.
Clarence H. Waring to be senior surgeon.
Marion S. Lombard to be senior surgeon.
Carl Michel to be senior surgeon.
Robert L. Allen to be senior surgeon.
James F. Worley to be senior surgeon.
Ora H. Cox to be senior surgeon.
John R. Heller, Jr., to be assistant surgeon.
Charles S. Sample, Jr., to be assistant surgeon.
Joseph R. Ridlon to be medical director.
Randolph M. Grimm to be medical director.
Arthur B. Price to be assistant surgeon.
Anthony Donovan to be assistant surgeon.
Paul E. Walker to be assistant surgeon.

### POSTMASTERS

COLORADO

Earl E. Graham, Canon City.
Rudy A. Weisgerber, Cripple Creek.
Olive R. Ross, Deertrail.
Nettie K. Lilley, Fairplay.
Lucia A. Wheatley, Grand Valley.
John W. McMahon, Leadville.
Townsend W. Monell, Montrose.
Wilton T. Hutt, Norwood.
Floyd F. Hensler, Ordway.
Edward R. Mulvihill, Palisade.
James W. Stuart, Pritchett.
Willard T. Moreland, Simla.
Carl E. Raney, Walsh.
Christine Jespersen, Weldona.
Carl H. Davis, Wiley.

MASSACHUSETTS

Thomas J. Ashe, Springfield.

NEW YORK

Robert J. Sheehe, Arcade.
George D. Burgess, Barker.
Sadie E. Hagan, Bloomingburg.
William L. Brown, Canisteo.
Michael J. Spillane, East Syracuse.
Nellie G. Squires, Hobart.
Ella M. Hickey, Mechanicville.
Grace M. Mumford, Middleville.
Wilfred D. Cheney, Newton Falls.

Rose H. Breen, Roslyn.
Edmund H. Lawler, Spring Valley.
William F. Duane, Jr., Valhalla.
Thomas F. Gaynor, Waterford.

RHODE ISLAND

James R. Brennan, East Greenwich.
Frank L. Giard, Pawtucket.

SOUTH CAROLINA

C. Lamar Richey, Abbeville.
Ralph G. Kennedy, Batesburg.
Edward D. Raney, Beaufort.
Charles P. DuBose, Camden.
William H. P. Faddis, Clearwater.
Eric C. Goza, Columbia.
Dewey Stephens, Dillon.
Harris P. DuBose, Jefferson.
Jo H. King, McBee.
Junius Scott Bagnal, Manning.
Jesse B. Taylor, St. Matthews.
Maebelle Orvin, St. Stephen.
James M. Nelson, Summerton.
Stacy Kearse, Walterboro.
Nellie B. Birt, Williston.

# HOUSE OF REPRESENTATIVES

## MONDAY, JANUARY 21, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Lord and our Master, we thank Thee for that love which embodies the heart of the Almighty and which defies all separation. It teaches us that we may receive; but we are to contemplate the noble pleasure of unselfish and righteous conduct. We praise Thee for the historic background and marvelous examples of the prophets, the apostles, and the army of martyrs; they have enriched the soil of the world and they still live, but others are with us. Merciful Father, look upon the obscure folk with loving favor; they have no social, financial, or political magnitude. So often they are tormented with a useless urge to start anew in their bewildering world. They bear the chills of winter, with its bitter sufferings and temptations. Do Thou be unto them as a shadow of a great rock in a weary land, and may they have their recompense and reward. When the evening hour comes may we be something other—bigger, better, worthier, fairer-hearted, and sweeter-hearted. Amen.

The Journal of the proceedings of Friday, January 18, 1935, was read and approved.

### GOVERNOR EARLE PLEDGES A NEW DEAL FOR PENNSYLVANIA

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein a speech which I delivered.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following radio broadcast delivered by me January 20, 1935:

Ladies and gentlemen, last week there were two occurrences of great importance to the citizens of this State as well as to the Nation as a whole, and I want to devote my talk this week to these.

### THE PRESIDENT'S MESSAGE ON ECONOMIC AND OLD-AGE SECURITY

One was the message of President Roosevelt to the Congress of the United States, outlining the eagerly awaited national program for social and economic security.

I was able to give you the detailed provisions of this program in my talk last Sunday, therefore will not outline them for you again at this time.

The program is of tremendous significance and I shall devote several of my future talks to its various phases. Right now I ask that you bear in mind what I had to say last Sunday in commenting on some of its provisions. I believe—and I am sure that it is the thought of the administration also—that this program is not to be taken as the best we can do for our aged and unemployed. It is rather a beginning—a step forward on the long road we must travel toward economic and social security and happier days.

### IMPROVEMENTS AND AMENDMENTS TO THE SECURITY PROGRAM ARE NECESSARY

I believe that the program can be improved, and I shall advocate such improvements. Among other things, I should like to see the old-age benefits begin at 60 instead of 65 years. I should like to see the monthly old-age pension higher than the present $30. I believe that only the smallest possible part of the contribution which will be necessary should be made by the employee, because he must carry the heaviest load of all in these times.

You may be sure that I shall advocate these changes strongly and press for their enactment. I hope I shall meet with some measure of success, and, as I have said, I shall report to you quite frequently on my progress.

### A PENNSYLVANIA EVENT OF NATIONAL IMPORTANCE

The second occurrence of importance, which I previously mentioned, did not occur at Washington, yet it bears a direct relation to the program to which we have dedicated ourselves there.

I am speaking now of the inaugural address of the Honorable George H. Earle, who was inducted into office as Governor of the great Commonwealth of Pennsylvania at Harrisburg last Tuesday—the first Democratic Governor in 40 years. The promise and hope contained in that address make it a truly great human document. For the State of Pennsylvania it is an emancipation proclamation. For the country as a whole it is the clearest and best expression of the purposes and objectives of the new deal that has yet been presented.

It is for these reasons that I ask you to examine it carefully with me now and to note what it can mean for us. We have here not only a specific and admirable plan of action to be undertaken for the betterment of the State but a splendid exposition of the solemn obligations of the Government to those it governs.

### GOVERNOR EARLE DEFINES THE NEW RESPONSIBILITIES OF GOVERNMENT

Why is Governor Earle's speech of such great significance?

First, he has committed himself and the officials who will serve under him to a new partnership between the small number who own the larger share of the wealth and means of production of this great State and that infinitely greater number who have made that wealth and production possible. He has sounded a warning to private capital and to private ownership of the means of production, that if they would survive they must recognize, and recognize at once, the sacred rights of the many—of the poor and underprivileged, of the farmer and home owner, of the miner, the clerk, and the small-business man. He has told them that they must change for all time their smug and complacent belief that they are feudal lords, at whose pleasure people survive and prosper or suffer and perish.

### EXPLOITATION BY PUBLIC UTILITIES IN PENNSYLVANIA

Governor Earle has expressed himself, without qualification, on the subject of utilities. The people of Pennsylvania have for too long been powerless to take adequate steps against the exploitation which has been ruthlessly practiced by its utility corporations.

I myself have gone into the subject of utilities in Pennsylvania at some length, and many of you are probably familiar with the constant agitation and protests I have made against their practices and policies. I am therefore all the more happy that we can look forward to some change in this terrible set-up and that we can expect a new deal here.

### EXPLOITATION BY THE MILK TRUST

I hope that all of you realize the full importance of Governor Earle's remarks regarding the milk situation in the State of Pennsylvania. I am afraid that many have not understood just how acute this problem is in Pennsylvania at the present time, and how directly it affects every inhabitant of the State. We must remember that Pennsylvania is not only a great industrial center; it is also one of the leading agricultural States, and of its farm products milk is the most important. What has happened is that the distribution of milk has to a large extent fallen into the hands of a monopoly which has exercised over it a control and exploitation as strong as anything you can find in industry or in the utilities.

On the one hand they have kept up the prices to the consumer, gouging him for every penny they thought he could pay. On the other hand, they have depressed the prices paid to the farmer to a point where he can make no profit. It is bad enough when grown-ups are cheated, exploited, and robbed, but to make innocent children suffer, so as to pay exorbitant salaries to a few ruthless executives, and to unduly fatten the resources of the unholy Milk Trust, is the limit of human indecency.

We are going to see some memorable and far-reaching changes in this awful situation, and they can come none too soon.

### WHY PENNSYLVANIA NEEDS A NEW CONSTITUTION

Governor Earle stresses, and rightly so, the need for early revision of the Pennsylvania constitution. I wonder if all of us realize just how much the progress of this great State of ours has been held back along all lines by its antiquated constitution?

It is not hard to understand why, if one only realizes the specific purposes for which the present constitution was drawn up. It was drawn up to keep reactionary government safe in Pennsylvania. It was drawn up to prevent the passage of any legislation which might bring about even a small measure of social or

economic security for the common man. It was drawn up to continue in power a few titans of finance and industry and to increase their privileges and power.

Certainly we want to do away with that. Certainly we want to have another kind of State constitution—one which will be based on the common need and the common good. We want, and shall have, a constitution which will give a much fairer distribution of the burden of taxation than we have at present.

*UNFAIR TAXATION IN PENNSYLVANIA—THE UNEQUAL BURDEN ON REAL ESTATE*

At this point I should like to give you some specific figures which will amaze you. They are the results of a careful study I recently made of the relative tax burdens borne by the home owner and farm owner and that borne by the holders of personal property in the form of stocks, bonds, and financial holdings.

Under our present system of taxation the home owner and farm owner pays 90 percent of the State's taxes. In Pennsylvania, for the year 1931, which was the last year for which I could obtain complete figures, the total tax levy on real estate for local government, including counties, cities, boroughs, townships, schools, and poor taxes, amounted to $372,000,000. Only $13,000,000 were obtained by the 4-mill tax on personal property. Just think of it! Real estate, $372,000,000; personal property, $13,000,000.

You may be interested, too, in the figures for Allegheny County. For 1934 the taxes assessed against real estate in the county amount to $16,419,000. Those assessed against personal property amount to $1,000,970.

A NEW SYSTEM OF STATE TAXATION, BASED ON ABILITY TO PAY

Here is the great injustice in our present form of taxation. Home owners and farm owners carry almost the whole burden. Personal property, which in this State, as in others, is concentrated in the hands of the few, carries very little. That system, Governor Earle has said, is going to be dumped overboard and in its stead we will have a graduated income tax. Those who can best afford to carry the burden will have to assume it whether they want to or not.

Too, with a new State constitution the State will be able to arrange its finances so that it can borrow in hard times and pay in good times.

PENNSYLVANIA CAN LOOK FORWARD TO BETTER TIMES IF GOVERNOR EARLE IS ENABLED TO REALIZE THESE HIGH IDEALS

My friends, I have, of course, been able to discuss only the high lights of Governor Earle's address. I say to you that if the promise contained in Governor Earle's speech is carried out, if these high aims are realized, George H. Earle will emerge one of the great men of these trying times.

I have every hope that these things will be accomplished. I have met Governor Earle on a number of occasions. I have discussed these problems with him. I have been greatly impressed with his sincerity and understanding. I believe that he is determined to bring these changes about. I believe that he will give every fine quality he has of heart and mind to them. He has courage. He has the will to succeed.

Pennsylvania in the past has not been a happy State. Too many of its legislators have won the dubious distinction of being errand boys for a selfish, privileged few. These have exploited the powers and potentialities of our great State. Mighty industries, wealth-producing mines, and fertile farm lands have been misused to build up a few towering fortunes and financial dynasties at the expense of the 10,000,000 citizens of Pennsylvania. We have done away with all that. We are on a new trail in the Keystone State.

Pioneering until now only in industrial development, henceforth we also lead in social engineering. This is the significance of Governor Earle's speech. This is the path we will tread.

TOWNSEND OLD-AGE PENSION PLAN

Mr. HOEPPEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute for the purpose of making a unanimous-consent request.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, there are approximately 20,000,000 individuals who have signed a petition asking Congress to enact the Townsend old-age pension plan. Therefore, in order to present the viewpoint of those millions of petitioners, I request unanimous consent to address the House for 30 minutes immediately after the reading of the Journal and the conclusion of matters on the Speaker's table on next Tuesday, January 29.

Mr. BLANTON. Reserving the right to object, I want to ask the gentleman from California whether or not he thinks that any Member of Congress ought to mislead 9,000,000 aged men and women into believing that this Government can pay them and expend $24,000,000,000 a year on old-age pensions when our total income from all revenues last year did not amount to $4,000,000,000? Our entire revenues of this Government last year from all sources amounted to less than $4,000,000,000, which is just one-sixth of what Townsend proposes to spend each year on old-age pensions alone. I know what I am talking about, yet the gentleman from California [Mr. HOEPPEL] would seek to speak 30 minutes to make 8,000,000 old men and women believe that we could raise $24,000,000,000 merely to pay a pension.

Mr. HOEPPEL. Answering the distinguished gentleman from Texas [Mr. BLANTON], whom I regard as one of the most able of our Representatives in Congress, I would ask him whether or not it is not best to endeavor to do something for our aged citizens, even though, through lack of cooperation, we may fall short of our objective, rather than to turn a deaf ear to them as they plead for relief from the morass of suffering and privation in which they are engulfed?

Mr. BLANTON. I believe that the distinguished gentleman from California [Mr. HOEPPEL] and every other Member here has the right to speak and to be heard on public questions. But the Townsend plan is so absurdly impossible that my position is we ought not to mislead anyone into believing that it has any chance to pass. It has no chance to pass. All of us who know anything about Government finances and taxation realize that.

I am in favor of a sane, sound, possible old-age pension. But all actuaries agree that the Townsend plan will cost $24,000,000,000 each year. Do any of us realize how much is $24,000,000,000? If Dr. Townsend had been born with $24,000,000,000 in cash 500 years before the birth of Christ and had lived through all the centuries since then and he had spent $24,000 every day during every year of that 500 years before Christ, and he had continued to spend $24,000 every day during every year all through the 1,935 years since the birth of Christ, he would still have left unspent out of his original $24,000,000,000 the stupendous sum of $2,669,400,000. All of the governments on earth could not raise an extra $24,000,000,000 per year to save their souls.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HOEPPEL]?

Mr. BLANTON. I shall not object. If the gentleman wants to do a futile thing, let him do it.

There was no objection.

EXTENSION OF REMARKS

Mr. IGLESIAS. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a cablegram that has just been received from the American Legion at San Juan, P. R.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to follows:

SAN JUAN, P. R., *January 19, 1935.*

Representative IGLESIAS,
*Washington, D. C.:*

The Lincoln American Legion Post of Puerto Rico, in meeting assembled, resolved to recommend you to ask Congress to approve the soldiers' bonus payments.

RAFAEL RIJOS, *Commander.*

PERMISSION TO FILE REPORT

Mr. O'CONNOR. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report from the Committee on Rules.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. SNELL. Reserving the right to object, I should like to ask the gentleman a question. So far as I am concerned, of course, I will not object to his having any time he desires to file a report; but is the gentleman willing to tell the House now, as long as we are going to take this up tomorrow, and will have no other opportunity to know what the rule is going to be, about what the provisions of that rule will be? Of course, the gentleman knows, because it is already drawn and he is going to have a meeting in a few minutes. Would the gentleman be willing to tell the House now what the provisions of the rule will be?

Mr. O'CONNOR. Of course, the rule has not been adopted, as the gentleman on the minority side has stated. Does the gentleman mean as to the provision for time?

Mr. SNELL. I should like to know what the general provisions of the rule are.

Mr. O'CONNOR. I do not believe I am able to say what form of rule will be adopted as to provision for time.

Mr. SNELL. Will the gentleman tell us what he proposes to present to the committee?

Mr. MAPES. Will the gentleman yield?

Mr. O'CONNOR. If the gentleman will be patient, he will learn the provisions of the rule in about 20 minutes or a half an hour. Could the gentleman restrain himself for, say, a half an hour?

Mr. SNELL. How are we to find out if the gentleman will not tell us at the present time? Let me ask the gentleman a direct question. This is very important and I think we are entitled to know. Is the gentleman going to allow us a motion to recommit or not?

Mr. O'CONNOR. I believe that is always allowed.

Mr. SNELL. It has always been allowed under the provisions and precedents of the House, but it was not allowed us last year, as the gentleman will remember.

Mr. O'CONNOR. Well, I think it is fairly safe to say that in all of the rules that I can foresee a motion to recommit would be allowed under the rules.

Mr. SNELL. I am glad to have the gentleman commit himself that far, at least, in regard to this rule.

Mr. MICHENER. Reserving the right to object, is it the purpose of the gentleman to take up the $4,000,000,000 bill tomorrow under the rule?

The SPEAKER. That is the plan.

Mr. MICHENER. Could the gentleman from New York, Chairman of the Rules Committee [Mr. O'CONNOR], advise us when we will get a copy of the bill that we are to vote on, so that we will know what we are to vote on under this rule?

Mr. O'CONNOR. I understand it has been introduced today. Of course, it should be available as soon as it is printed. That should be not later than tomorrow morning, at the latest.

Mr. MICHENER. It will be printed, then, before we vote on it?

Mr. O'CONNOR. I think so.

Mr. BLANTON. Mr. Speaker, will the gentleman from New York yield?

Mr. O'CONNOR. I yield.

Mr. BLANTON. The gentleman from Michigan has been here long enough to know that he can go upstairs now and look at the bill. He can look at any bill he wants to as soon as it is placed in the basket.

Mr. MICHENER. Has it been placed in the basket yet?

Mr. MAPES. It does not seem to have been placed in the basket yet.

Mr. BLANTON. The gentleman from New York said that it had been placed in the basket, hence it is available to all Members.

Mr. O'CONNOR. I understand it is in the basket and that a sufficient number of copies will be available for the 14 members of the Rules Committee immediately.

Mr. SNELL. Could the average Member secure a copy of the bill right now?

Mr. SABATH. Shortly.

Mr. SNELL. I thank the gentleman from Illinois for the information that shortly we will have it.

Mr. O'CONNOR. It will be available this afternoon.

Mr. SNELL. We certainly will have it before we vote on it?

Mr. O'CONNOR. I am quite sure of that.

Mr. MICHENER. The gentleman says it will be available before we vote on it. Will it be available this afternoon so we may have it in time to read it over before we take it up tomorrow?

Mr. O'CONNOR. It should be available to those Members who seek it.

Mr. MICHENER. It cannot be generally available until it is printed, can it? And it cannot be printed before tomorrow morning if it is dropped in the basket now?

Mr. O'CONNOR. I understand it has been sent to the Printing Office and should be back in the document room in a couple of hours.

Mr. MICHENER. And then will be available to the Members?

Mr. O'CONNOR. Oh, I imagine the document room will furnish copies.

Mr. MICHENER. The gentleman has a vivid imagination. I wanted direct information.

Mr. SABATH. The gentleman from Michigan knows that these bills are available the moment they are printed. They go to the document room and can be had by any Member who desires them.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

### PERMISSION TO ADDRESS THE HOUSE

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes in order to explain a resolution.

The SPEAKER. The Chair will state to the gentleman from Missouri that the gentleman from Indiana [Mr. GRAY], by special order, has been given 10 minutes and should be recognized at this time. Unless the gentleman from Indiana wishes to yield to the gentleman from Missouri, the Chair will recognize the gentleman from Indiana.

Mr. GRAY of Indiana. Mr. Speaker, I will yield for the space of 5 minutes. I would rather proceed in proper time, but I will yield to the gentleman from Missouri for 5 minutes.

The SPEAKER. Is there objection to the gentleman from Missouri proceeding for 5 minutes, to be followed by the gentleman from Indiana?

There was no objection.

Mr. COCHRAN. Mr. Speaker, as Chairman of the Committee on Expenditures, considerable information comes to me in reference to the activities of national organizations of all characters that are continually making requests of governmental agencies to advance money for the purpose of paying their transportation, lodging, food, and so forth, in order that they may come to Washington in support of or in opposition to legislation pending before Congress, and also matters pending before some of our emergency organizations.

It has also come to my notice that some of the money Congress has appropriated in a lump sum has been used for this purpose.

I have here a resolution which will prohibit in the future the use of any money that Congress appropriates in a lump sum for the payment of transportation, lodging, food, and so forth, of the members of organizations for conventions or assemblages that might want to come to Washington at governmental expense. This resolution protects the appropriations that the Congress has already specifically provided for, and it will prevent the use of moneys now in control of any emergency organizations or any other agency of the Government from being used for this purpose.

The resolution protects, for instance, payments for transportation, and so forth, of citizens' military camps, State and Agriculture Department appropriations for attending conferences, as well as the specific appropriations for the Departments of Commerce and Agriculture for attendance of their officers at meetings of learned societies.

It seems to me if the Government is to furnish any money with which to pay any of the expenses of representatives of such organizations it should be provided for by Congress in the proper way; and I ask unanimous consent, Mr. Speaker, that the resolution which I send to the Clerk's desk be immediately considered.

The SPEAKER. The gentleman from Missouri asks the immediate consideration of a resolution, which the Clerk will read.

The Clerk read as follows:

House Joint Resolution 118

To prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings

Whereas numerous applications are being received from various organizations requesting lodging, food, and transportation for the purpose of holding conventions or meetings at Washington and elsewhere; and

Whereas the expenditure of Government funds for such purposes is against the policy of Congress: Therefore be it

*Resolved, etc.*, That unless specifically provided by law, no moneys from funds appropriated for any purpose shall be used for the purpose of lodging, feeding, conveying, or furnishing transportation, to any conventions or other form of assemblage or gathering to be held in the District of Columbia or elsewhere. This section shall not be construed to prohibit the payment of expenses of any officer or employee of the Government in the discharge of his official duties.

The President is hereby requested to send a copy of this resolution to the heads of all Government departments and agencies which have been granted lump-sum appropriations.

Mr. SNELL. Mr. Speaker, reserving the right to object, to ask a question: If I understand the full purport of this resolution, I think I am very earnestly in favor of it. I did not suppose that even at the present time we were paying the expenses of transportation of various organizations to come to Washington for the purpose of presenting propaganda for their pet projects before committees of Congress or departments of the Government. Has that been the policy?

Mr. COCHRAN. My information is that the officials are just flooded with requests and that there may have been a little money used for this purpose, but I doubt if it was much. I am introducing this joint resolution for the purpose of stopping it altogether.

Mr. SNELL. At the present time it is against the law to do any such thing, is it not?

Mr. COCHRAN. I doubt whether it is against the law as to the lump-sum appropriations. When we make a lump-sum appropriation we throw it wide open.

Mr. SNELL. I agree with the gentleman on that.

Mr. COCHRAN. The gentleman knows that as well as I do.

Mr. SNELL. If I understand the principle of the joint resolution the gentleman introduced, I am for it 100 percent. If the gentleman can do something to put into effect a safeguard of this kind, so that nothing along this line can be done, the gentleman will have accomplished something.

Mr. COCHRAN. I am offering this joint resolution today for that very purpose.

Mr. MICHENER. Mr. Speaker, reserving the right to object, does this resolution have the approval of the administration?

Mr. COCHRAN. I am not the spokesman of the administration.

Mr. MICHENER. Will the gentleman, when the occasion presents itself tomorrow, at the time consideration is being given to the $4,000,000,000 matter, be willing to embody in that resolution a like provision?

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to proceed for an additional 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. I doubt whether I will have the opportunity. However, if this resolution passes, I am of the opinion that the Comptroller, who is auditing the accounts, will rule it will apply to the $4,800,000,000 appropriation which comes up tomorrow.

Mr. FISH. Mr. Speaker, reserving the right to object—and I am not going to object—I should like to inquire whether it would be in order to speak on this resolution. I should like 3 or 4 minutes to speak on this resolution at the present time, or when the gentleman concludes.

The SPEAKER. The gentleman from Missouri [Mr. COCHRAN] will have an hour at his disposal.

Mr. COCHRAN. I have no objection extending to the gentleman from New York 5 minutes, but I told the gentleman from Indiana, who is to speak, I would not consume much time.

Mr. FISH. I am for the gentleman's resolution.

Mr. COCHRAN. I have control over the time.

Mr. FISH. The gentleman will have 1 hour.

Mr. COCHRAN. I will yield 5 minutes to the gentleman.

Mr. O'MALLEY. Mr. Speaker, reserving the right to object, how will that resolution affect men like the veterans who come down here and are being taken care of at different places?

Mr. COCHRAN. It will have absolutely no effect on them whatsoever, and there is no desire on the part of anyone to stop the relief work which is being given to the veterans. I would not advocate such a resolution.

Mr. O'MALLEY. Where is this money being spent now that the resolution covers?

Mr. COCHRAN. The Government agencies, emergency agencies, are being flooded with requests from organizations of all character all over the United States to come here at the expense of the Government.

Mr. O'MALLEY. Does the gentleman know of any particular organization that has made such request or that has received money for such purpose?

Mr. COCHRAN. Yes. They have come from people advocating old-age pensions, monetary legislation, labor legislation, and unemployment insurance, as well as for national projects considered by the Public Works Administration and Federal Emergency Relief Administration.

Mr. O'MALLEY. Has the Government given any money so far?

Mr. COCHRAN. Some; but this is to prevent it in the future.

Mr. COX. It is not the disposition of the gentleman to give the soldier preferential treatment over the aged?

Mr. COCHRAN. No one asks for preferential treatment. This is simply to prevent any Government official from giving Government money to organizations of any kind who apply for it. It will not in any way affect the veterans to which the gentleman from Wisconsin referred.

The SPEAKER. Is there objection to the request of the gentleman from Missouri for the present consideration of the joint resolution?

There was no objection.

Mr. COCHRAN. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I had no idea that this resolution was coming up today. I think it is a very timely and appropriate resolution.

As I understand it, year before last it cost the Government some $70,000 to house veterans that came here under the auspices very largely of the Workers' Ex-Service Men's League, a Communist organization, and its affiliated groups. I understand that it cost $30,000 last year and it is proposed by the Workers Ex-Service Men's League and the Veterans' Rank and File Committee and Veterans' National Liaison Committee to bring another outfit here within the next few days. I am referring only to that group of veterans dominated by Communists, who have their headquarters in the city of Washington, and who are now instigating another march upon Washington. This movement, I may say, is opposed by the American Legion, the Veterans of Foreign Wars, the Disabled War Veterans, and all other veteran organizations. These men are now coming into the city and are being sent out into camps at the expense of the Government. All that is asked of them is whether they have an honorable discharge from the Army or Navy. They are not even asked whether they are World War veterans. It will probably cost us another $30,000 or $40,000 to take care of this influx of Communists.

Mr. Speaker, I propose to submit evidence within the next week to the Congress and to the American people that these Communist veterans, most of them members of the Ex-Service Men's League or the Veterans' Rank and File Committee, with their headquarters here in Washington, are receiving subscription to bring these Communist bonus marchers here, and I propose to give the names of those public officials holding high offices under the Democratic administration who have been and are now making contributions to these Communist organizations in order to bring Communists to Washington. I do not believe there will be very many Democrats who will defend any of these officeholders. I propose not only to name them but to give more concrete evidence than just a mere statement on my part.

Mr. O'MALLEY. Will the gentleman yield?

Mr. FISH. I may say that I was shocked when this evidence was given to me 48 hours ago that men holding high

public office, drawing pay out of the Treasury of the United States and having the confidence of this administration, were deliberately contributing sums from $20 to $100 to these communistic veteran organizations. I believe after I have given the names that it will be time for the Democratic Party, which can handle its own affairs, to clean its own house, because the man that contributes to the Communist is just as bad as the Communist himself, particularly for these purposes. [Applause.]

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Why does not the gentleman give the names? I have listened to the gentleman rant about Communists for 2 years, and I have yet to hear a concrete fact.

Mr. FISH. The gentleman has never heard me make a misstatement about the Communists in his life, and I do not propose, after 4 years, to begin now.

Mr. O'MALLEY. Why does not the gentleman give us the names?

Mr. FISH. I expect to have photostatic copies of these checks to present to the Congress within the next week, with the amounts and the names, and I shall tell you just who they are. I know every one of them by name.

Mr. O'MALLEY. Why does not the gentleman do it now?

Mr. FISH. Because I prefer to do it in my own way and in my own time with uncontrovertible evidence.

Mr. KELLER. Mr. Speaker, will the gentleman yield?

[Here the gavel fell.]

Mr. COCHRAN. Mr. Speaker, I move the previous question on the joint resolution.

The previous question was ordered.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and on a division (demanded by Mr. BOILEAU and Mr. O'MALLEY) there were—ayes 130, noes 3.

So the joint resolution was passed.

A motion to reconsider was laid on the table.

### WAYS AND MEANS COMMITTEE

Mr. COOPER of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have leave to sit during sessions of the House at such times as may be deemed necessary by the committee, during this session of the Congress.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER. Under the special order of the House, the gentleman from Indiana is recognized for 10 minutes.

### TWO GREAT CONSTITUTIONAL SAFEGUARDS OF FREE SELF-GOVERNMENT

Mr. GRAY of Indiana. Mr. Speaker, the security of our free institutions is based upon two fundamental principles, the inviolate observance of both of which is necessary to safeguard and perpetuate the forms of democracy and free self-government—one is the restrictions of the decentralization of powers to be exercised by administrative officials, and the other is the power of the people reserved to them for exercise by the direct vote.

To this end our forefathers in their wisdom provided in the Constitution or basic law for a government of separated or decentralized powers, a division or separation of jurisdictions for separate exercise and independent administration. One division or separated part was provided to serve as a restraint or check upon other divisions or parts, each part to be exercised and administered in jealous observance of limited jurisdiction to safeguard against abuse and usurpation, under which other like governments had failed and the people deprived of their liberty.

And as a governmental counterpart of the restriction of powers to be exercised to safeguard from usurpation from above, all primary powers were reserved to the people themselves for exercise by the direct vote, to serve as a defense of their right from below.

Upon these two great Gibraltar stones our forefathers built the citadel of self-government, their castle of freedom and human rights, to withstand the waves, winds, and assaults of greed and the thirst for autocratic power. And these two great bulwarks of free institutions have remained as a rock in a weary land, as a shelter in a time of storm, sheltering and protecting the masses from the burdens of the impositions of the few, by restraining the exercise of centralized powers and by safeguarding the direct and positive power of the people.

Our forefathers throwing off the yoke of Old World despotic rule set up and established here a new form of government under our own Constitution, and demonstrated and proved to the world the ability of men to govern themselves, to voice their will and wish, and to determine their own affairs. Yielding to the irresistible moral force and power of our example standing out before the peoples and the nations of the civilized world, monarchies gave way to republics, kingdoms to free institutions, and harsh, despotic rule to more popular and human forms of government. Leading all Central and South America to revolt against and overthrow their kings and establish government like our own for the greater recognition of the rights of men. Leading France and Switzerland across the seas to grant more complete free institutions safeguarding the security of human rights. And finally reaching every government in Europe for more complete recognition of the rights of the individual man.

This new form of government, reserving all primary power in the people, created what is known as a "democracy", meaning the rule of the people, the direct rule of the people, the rule of the people by the direct vote—the fullest measure and application of the principle of self-determination possible and practical under the forms provided. The form of government thereby created, providing for the rule of all the people and not of only a certain special few, declared the wisdom of the multitude and the will of the majority as final and supreme.

But, not satisfied with the security of democracy here in our land, for our own people, nor with the nations following in our example, we entered into a world conflict. We went to war with the nations, at the cost of blood, life, and treasure, and at the hazards of our very existence. We braved the dangers of a treacherous submarine sea. We fought from the shell-swept trenches of France. We charged over the top in the face of fire and into the very jaws of death. We advanced, groping our way through the Argonne Woods. We battled on to claim victory along the shell-torn battle fronts of Europe. We took our position to stay and stop the mad, on-rushing armies of Von Hindenburg, Ludendorff, and Moltke, advancing in an avalanche of fire and steel, driving, surging on to conquer Paris and the allied armies of defense, all to make the world safe for democracy, which we had cradled in our own land and by our example led the nations to follow.

But in this evil hour of our history and the history of the free institutions designing, assuming, autocratic rulers and ambitious premiers of the Old World, looking always for opportunity to take advantage of some crisis or condition of the people, are making claim and taking over greater and extraordinary powers, assuming as necessary, imperative, and required to meet and cope with the conditions of the times—social, economic, and industrial conditions—brought on by the panic and depression. And the spirit of arbitrary powers assumed over individual rights and local affairs has been lifted in the horizon of the Old World and is reflecting back across the sea as a prestige for like claim here to meet our own social and economic conditions under the continuance of this depression.

Unconsciously or unwittingly mistaking the cause and misapprehending the remedy, public officials are yielding and allowing the examples and claims of Old World premiers to prompt and inspire them in like claim here for the exercise of special and extraordinary powers to meet and cope with

the conditions of the panic where none are needed, necessary, or required.

Our own Nation, which led the world by the moral force of our example to adopt the forms of our democracy and free institutions, is being led back in ignominious retreat, humiliating, irreconcilable, and contradictory in the course of international relations, retracting from and compromising our exalted position. And yielding to Old World precedents and the strain of economic depression we are surrendering up and breaking down the safeguards of democracy at home in our own land for which we went to war to uphold and for which to make the world safe and secure we battled from the shell-swept trenches of Europe.

And the compromise of constitutional safeguards enjoining the separate exercise of power following the example of Old World premiers and to appease and in obedience to reactionary demands, the movement is being carried even farther and for the suppression of the direct vote of the people by demanding a repeal of the direct primary.

Great national calamities and wide-spread misfortunes and disasters, which divert the attention of the people and throw them off their guard, are seized upon as an opportunity for advantage to claim and take powers which at other times would not be assumed nor their exercise even attempted. The calamity and disaster of this depression is not different from other great misfortunes affording such opportunity for advantage. The claim for the exercise of extraordinary powers would not have at other times been claimed as the Hoover administration was led to claim in the reciprocal Tariff Act of 1930 and as this administration has been led to follow in the reciprocal tariff provision of 1934. And the movement to take from and deprive the people of the direct and positive power reserved to them under the Constitution would never have been proposed or attempted under prosperous and normal conditions with the attention of the people left undiverted to guard their rights in peace and civil life.

With the people today suffering and in distress and crying out for relief from the burdens of the panic and depression, willing and ready to yield up at any cost, price, or sacrifice their birthright or inheritance for a mere mess of pottage of partial and temporary relief, the time was most propitious and opportune to break in, pillage, and vandalize our free competitive system of industry and to plunder in the name and form of relief and recovery from the depression, as well as to enter the doors of free self-government and to rob the people of their vested powers by the direct vote.

The harsh and summary proceedings which society usually vindictively deals out to vandals following in the wake of great calamities is not urged or recommended inflicted here upon the claimants of extraordinary powers or the men conspiring to take away the primary. Yet the attempt to take away from the people their direct and positive powers, especially reserved to them as voters, taking advantage of their suffering and distress, should be condemned and resented in no uncertain words and terms. And the incident should be made the occasion for the people to demand and recover back their full rights and powers, as voters, to choose all candidates for office at primary elections, provided and safeguarded by the same direct and positive powers of the people, assured in the final election of public officials.

The direct primary laws in the several States were enacted to free the voters from and to lift and remove the burdens and impositions imposed under boss-rule convention systems and to give the honest, modest, earnest voter, the helpless, dependent individual man, a voice in directing his Government and the administration of public affairs. And the poll of the Governors of the several States where the primary is provided shows a consistent adherence to the principle and endorsement and approval of the law and a determination to maintain the primary as a part of the electorate system of the State in good-faith observance and in obedience to the fundamental principles of free institutions. To repeal the primary law now would bring a return of all the evils of legislation and the administration of government from which it was enacted to eradicate, now more intolerable than ever before, and would mark a backward movement and the most reactionary step taken in repudiation of the fundamental principles realized in the last 100 years.

There is no other public occasion which so appeals to the people, arousing a sense of public interest in the administration of the Government, a realization of public duty enjoined upon them and to keep alive the spirit of patriotism, as the opportunity afforded and safeguarded to express and have their will registered as a citizen of the land at the primary. Aside from the observance of a vital principle fundamental in our system of free institutions and necessary to maintain and perpetuate the forms of our free self-government, the institution of the direct primary, the opportunity open to every man and woman to express and register their will, is worth many times the cost in money to keep alive and maintain the spirit of the loyal and patriotic duty of the people.

The orderly conduct of the primary safeguarded by the Australian election law, the general and considerate observance of the day by men and women voters in a spirit of pride and reverence in going to and returning from the polls in the exercise of their right of citizenship, is an inspiring example of public duty, prompting and maintaining the patriotic spirit of the people. All this is in striking contrast with the secret strategies and intrigue, the cunning scramble for delegate's proxies, the sparring for position and advantage, the secret wire-pulling manipulations to coerce and mislead the timid and inexperienced and is in disparagement of public duty and interest. The high-handed, boss-rule domination and the log-rolling, steam-roller methods of party-convention proceedings and the manipulations by a certain special few, serve only to discourage and repel honest voters and to turn them away from participation in elections, from manifesting interest and concern in public questions, and to discredit our own form of institutions before the electorate and the people as a sham, a delusive claim, and mere pretense.

Under the theory of our free institutions, originally all power, by natural right, was vested in the people for exercise by direct vote. But in the organization of the Government through the adoption of the Constitution the people, for convenience and facility of action, surrendered and delegated a part of their powers vested in them over to legislative bodies, to courts, and administrative officials. In making such delegation of powers the people reserved to themselves what they believed was sufficient power, and which at the time was sufficient power to maintain their control of public affairs.

But under new and changed conditions, social, economic, and industrial conditions, the people have since come to realize that the powers reserved were not adequate or sufficient to enable them to safeguard their rights and control the administration of public affairs. And to meet these and new changed conditions and to resist the encroachment of corporate powers, the concentration of wealth in a few, and great combinations of capital, the organization of supercorporations rivaling its power of the Government itself, and to direct legislation and public affairs, the people have since entered upon a movement to recover back a part and measure of the powers so surrendered and delegated to legislative bodies, courts, and administrative officials for exercise themselves by a direct vote.

One of the powers originally vested in the people and surrendered to State legislatures on the adoption of the Constitution and which under new and changed conditions the people have since realized the necessity of recovering for exercise by direct vote was the power to elect United States Senators. Under these new and changed conditions the United States Senate was fast becoming an exclusive, autocratic, aristocratic body irresponsive to the will of the people and with the proceedings of that body being condemned and characterized as "the treason of the Senate." That the people have not mistaken their remedy in resorting to the direct vote in the election of United States Senators to eradicate the evils and abuses suffered is shown by the fact that even before the constitutional amendment went into effect recovering that power to the people and on mere

anticipation looking to the change, the Senate took on a new policy and has become more progressive than the House.

Every reason which existed for the amendment recovering back the election of United States Senators and every reason which exists today for the final election of United States Senators by the direct vote at the general election exist today, with equal force and effect for the nomination of United States Senators by the direct vote. The right to choose between candidates at the general and final elections held will avail the people little or nothing if they are not allowed to select the candidates between whom they must choose and for whom they are compelled to vote. If the people are denied the right or opportunity to choose candidates for whom they must vote, and a certain special select few men are left to dictate and name the candidates for whom the people must and can only vote, the direct election of candidates for office becomes a meaningless and empty form.

And with the movement to recover back powers surrendered under the Constitution, the people have come to realize the necessity under new and changed economic conditions, of exercising a greater measure of direct power which they had retained to themselves but to which they had not before resorted. And under such new and changed conditions the people have further realized the necessity of choosing their candidates for office to be voted for, as well as of choosing between candidates at elections, and that without this power their will can be completely thwarted and their choice nullified and be of no avail.

The repeal of the direct primary is now urged because of the cost of the primary, as well as upon the further grounds that the people cannot become acquainted with the men aspiring as candidates and are incapable of judging of their fitness and qualifications. Every reason and ground which can be urged and exists for the direct election of candidates applies with equal force and effect to the direct nomination of candidates. And every reason urged against the direct nomination of candidates can be urged with equal force against the direct election of public officials. If the direct primary is to be repealed because of the cost of holding the primary, then the direct-election laws should be repealed to save the cost and expense of holding the final elections. If a certain special few selected delegates can become better acquainted and more familiar and can better judge of the qualifications of men to be selected as candidates, then a certain special few men can become more familiar with the candidates and can better judge of and exercise a choice between the different candidates at election and the whole principle of direct election fails.

The will of the majority of the people is not expressed in party conventions. The honest, earnest, and unassuming voter is not given a free opportunity to express his will and choice for candidates nor to voice his will and preference for policies of government in the manipulative proceedings of conventions. The honest, confident individual man, earnest and ambitious to discharge his public duty, is compelled to sit in political conventions bewildered and confused by juggling tactics, while high-powered politicians and henchmen proceed to marshal delegates and proxies and pull the wires and strings and control both nominations and platform pledges.

All just election laws are fundamentally designed to carry out the principles of self-government and make effective the rule of the people and to restrain the certain special few from manipulation and control of the many. And without the direct primary law to safeguard first, the selection of candidates for whom and only for whom the people can vote, the direct vote of the people at elections is made a farce, pretense, and a delusion. All just election laws are designed to protect and safeguard the common, honest, confiding man, the earnest, dependent, individual voter, who is ambitious to discharge his duty, to express his will and wish, to direct at legislation and the administration of public affairs. Just and fair election laws are not intended to add to the power and opportunity of the shrewd, crafty, and resourceful nor to increase and augment such powers to thwart the will and exercise greater control over their confiding, unsuspecting fellow men.

It is true that some men may be better informed than other men and may possess superior powers of judgment and be more experienced than other men, may be able to become better acquainted and familiar and to better judge of the fitness and qualifications of men offering themselves for nomination as candidates. But our system of government is founded upon the principle and theory, and which principle and theory is right, that no man possesses such great mental powers nor such superior judgment, capacity, or discretion as to enable him to think and judge for another man, or to tell another man what he likes best, or how he loves to live, or the course of life he best enjoys.

All the wars of the world have been fought, all the revolutions of time have been organized, to resist the claim of one man assuming greater knowledge, or superior judgment, or greater opportunity, or experience in government, to tell another man how he should live or what he likes or loves best, which every man is entitled under every principle of natural right to claim and determine for himself.

The claim has been made in justification of the right of the few to govern and rule over the many that the few are informed and know better than the many know what is best for themselves. This claim is a subterfuge as old as human history; every man who has enslaved another man has enslaved him under the claim that it was to better the condition of the enslaved. Every nation which has conquered and subjugated a defenseless people has conquered and subjugated it under the claim that it was to improve the condition of the helpless, dependent, resisting conquered.

It is true that men are liable to make mistakes against themselves. But it is also true of men that they are not liable to make more mistakes against themselves as others make against them following the impulse of self-interest. It is also true that if men do make mistakes against themselves, as claimed, they are more likely to correct their mistakes than others making the mistakes against them will rectify the mistakes and give up the advantages gained.

If the principle of free institutions is not right, if the claim of free self-government is an error, a mere shadowy, visionary theory, without practical application in fact, then let us supplant and supersede free government and the farce of declaring the will of the people and suppress and end the right of men to will and determine for themselves how they best love to live, move, and have their being. Then, to be consistent and devoid of pretense, let us change the form of our Government, take away the pretense of power inherent in the people to rule, and substitute in its place instead the superior wisdom of the certain special few and apologize to the spirit of King George for the error of the American Revolution.

### DEFINITION OF "DISAGREEMENT", THE WORLD WAR VETERANS' ACT, 1924

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 112, which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

House Joint Resolution 112

*Resolved, etc.*, That a denial of a claim for insurance by the Administrator of Veterans' Affairs or any employee or agency of the Veterans' Administration heretofore or hereafter designated therefor by the Administrator shall constitute a disagreement for the purposes of section 19 of the World War Veterans' Act, 1924, as amended (U. S. C., Supp. VII, title 38, sec. 445). This resolution is made effective as of July 3, 1930, and shall apply to all suits now pending against the United States under the provisions of section 19 of the World War Veterans' Act, 1924, as amended, and any suit which has been dismissed solely on the ground that a denial as described in this resolution did not constitute a disagreement as defined by section 19 may be reinstated within 3 months from the date of enactment of this resolution.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, I reserve the right to object. This is a rather comprehensive proposition to be brought up suddenly at this time. I think the gentleman should

explain the situation and tell the House what it is before consent is given.

Mr. RANKIN. I shall be glad to do that.

The SPEAKER. Without objection, the gentleman from Mississippi will be permitted to proceed for 10 minutes.

Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, the request of the distinguished gentleman from New York is a very reasonable one, and I shall comply with it. Under the law passed in 1930 amending the World War Veterans' Act of 1924, it was provided:

> * * * And the term "disagreement" means the denial of a claim by the Director or someone acting in his name on an appeal to the Director.

A veteran named Frederick filed suit on one of these insurance claims. The circuit court, the court of original jurisdiction, held that there had been no disagreement as contemplated by this law, for the reason that it did not come from the Director of the Veterans' Administration himself. Frederick appealed to the circuit court of appeals, and the circuit court of appeals certified the case to the Supreme Court of the United States.

The conclusion of the brief of the Government's representative in the Supreme Court, which is over the signature of the Solicitor General and others, states in part:

> * * * There is, we believe, grave doubt as to the correctness of the opinion of the Acting Attorney General—

He refers to an opinion handed down by the Acting Attorney General several years ago, to the effect that a representative of the Veterans' Bureau could enter the disagreement contemplated by the statute.

This case is now before the Supreme Court. It was argued on October 18, and on November 5 the motion was made by the Solicitor General to defer the matter until Congress could clarify this law. That motion was sustained. The Solicitor General in that motion says:

> Since the argument in this case this Department has reached the conclusion that an effort should be made to secure from Congress at its next session in January, legislation having for its object the removal of any question as to the jurisdiction of the district court in these and other cases instituted under similar circumstances, ratifying the action of the Administrator. I am authorized to say that the Veterans' Administration will seek the necessary legislation.

The Veterans' Administration did come and ask for this legislation and submitted this report on the case. The joint resolution was prepared and introduced, submitted to the Solicitor General, and has his approval. I called the Veterans' Affairs Committee together last week. We went over the joint resolution and it was unanimously reported. I submitted it to the ranking minority member, Mrs. ROGERS, from Massachusetts, a few moments ago. She said it was all right to take it up for passage. The reason we are asking that it be done now is that the Supreme Court is holding this case in abeyance, and has been now for more than 2 months. I am sure there will be no opposition to it.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. SNELL. What will be the practical effect in the administration of the Veterans' Bureau affairs if this resolution be agreed to?

Mr. RANKIN. It will be this: The Administrator's representative can disagree on one of these insurance cases, and then if the applicant is dissatisfied he can go ahead and file his suit. General Hines states in this letter that he does not have any exact figures as to the cost of this resolution, but my recollection is he assured me there are less than 100 cases which would come under it.

Mr. SNELL. If this goes through, the matter will not be opened up so that it will run into a million dollars or so?

Mr. RANKIN. Oh, no.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. JENKINS of Ohio. The gentleman does not believe this will apply to very many cases, and it will not have the disastrous effect upon the claims of some of these soldiers that some of the newspapers seem to think?

Mr. RANKIN. No. My recollection is that General Hines told me there would be less than 100 cases affected by it.

Mr. JENKINS of Ohio. Does not the gentleman think that case was a flimsy case?

Mr. RANKIN. I do not know. I am rather of the opinion, and thought all the time, that it was the intention of Congress that disagreement by a representative of the Veterans' Administration meant a disagreement under this law, and I have thought that the soldiers' claims should at least have gone to trial.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. Yes.

Mr. ROBSION of Kentucky. In a case like this involved in our Federal district court, we had there a letter from a Mr. McCoy, director of insurance. The Government took the position that that letter must be signed by the director, and Mr. McCoy signing and sending out that letter did not meet the requirement of the act. This is to correct that very condition, as I understand it.

Mr. RANKIN. That is what it does. It corrects that very condition. There are probably a hundred of those cases where the director himself did not sign the disagreement, and they have gone on now to the point where, if this case should be decided against this young man, they would lose their rights, as a result of no shortcoming or misconduct of their own.

Mr. HEALEY. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HEALEY. Did I understand the gentleman to say that this involved the jurisdiction of the United States district court and their right to try these insurance cases?

Mr. RANKIN. Yes, sir; that is just about what is involved.

Mr. HEALEY. And this clarifies the situation?

Mr. RANKIN. Yes; this clarifies the situation.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### THE FAR EAST

Mr. GUEVARA. Mr. Speaker, I ask unanimous consent to address the House for 25 minutes on the Far East.

Mr. SNELL. Reserving the right to object, for the purpose of asking a question, is there any more business to come before the House this afternoon?

The SPEAKER. The Chair knows of none.

Mr. SNELL. It is expected we will adjourn after this speech?

The SPEAKER. That is the present expectation, although I do not know.

Mr. GUEVARA. Mr. Speaker, in the midst of prevailing international confusion in the world and in the Far East in particular, it is a painful duty to discuss the Philippine question as arranged by Public Act No. 127, Seventy-third Congress, commonly known as the "Tydings-McDuffie law." At the time of its formulation and adoption the conditions existing the world over were quite different from what they are now. The sponsors of the Tydings-McDuffie law gave their best thoughts to solve the Philippine problem in a way compatible with the responsibilities of the United States and to the best interests of the Filipino people. I am, therefore, pleased to acknowledge that the Seventy-third Congress, in passing Act 127, was moved by the loftiest ideals and the best sentiment toward the Filipino people. During the discussion of the Tydings-McDuffie law before the Committees on Insular Affairs of the House and of the Senate, many called the attention of those committees to the wisdom and justice of some of its provisions. The sponsors and supporters of the Tydings-McDuffie law did their best to meet those objections satisfactorily, but at that time they were

confronted with conditions and circumstances which compelled them to support the law as it is now.

The provisions of the Tydings-McDuffie law that were strongly objected to were those which referred to the economic phases of the bill. This part of the law is most important if the United States is willing, as she is, to create in the Far East either an independent nation or a self-governing country. Also, it becomes more important if the United States is willing, as I know she is, to preserve in the Philippine Islands the lives of 14,000,000 Christian people and their occidental civilization. The economic structure of the Philippine Islands is inevitably linked with its standard of culture and civilization. It is the only place in the Far East which may be fairly regarded as the dyke that will hold back the tide of the Asiatic seas. Bear in mind that this dyke was built first by Spain and rebuilt and strengthened by the United States, thus making the destiny of the Filipino people tightly interwoven with that of the United States.

Mr. FISH. Will the gentleman yield now or would he rather yield later?

Mr. GUEVARA. I yield now.

Mr. FISH. Will the gentleman tell the House what percentage of the products of the Philippines the United States buys?

Mr. GUEVARA. About 87 percent.

Mr. FISH. Will the gentleman tell the House what percentage of the Philippine trade in textiles a year ago was bought in the United States?

Mr. GUEVARA. In 1933, 54 percent in round figures.

Mr. FISH. And will the gentleman tell the House what it is today?

Mr. GUEVARA. Oh, it has decreased to about 60 percent now of its former value.

Mr. FISH. Is it not less than that now?

Mr. GUEVARA. Sixty percent. It has been reduced 15 percent in the last 6 months.

Mr. FISH. It has been reduced 15 percent in the last 6 months. Why?

Mr. GUEVARA. The Philippine Legislature wanted to amend the tariff law of the Philippines to protect the American textile trade in the islands, but for some reason beyond its control they have not been able to amend that tariff law. Therefore, the Japanese textile business is now invading the Philippines to the detriment of the American textile business in the islands.

Mr. FISH. And if it continues, it will take practically all the textile business?

Mr. GUEVARA. It will wipe out entirely the American textile business.

Mr. FISH. Does the gentleman know what the objection to the Filipino law was and where it came from?

Mr. GUEVARA. I will insert an editorial published by the Washington Herald a week ago at the conclusion of my speech. The House will be informed by that editorial.

Mr. FISH. Is it not a fact that the State Department objected to the Philippine Congress protecting the American textile industry?

Mr. GUEVARA. That is a very embarrassing question. [Laughter.]

In addition to this, the orientation of the social, educational, and political life of the Filipino people has been definitely influenced by American principles and institutions. This Nation has implanted in that overseas possession the fundamentals of her democratic institutions and the mentality of the Filipino people is closely patterned after them. For this reason it becomes the privilege and responsibility of the statesmen of the United States and the constructive patriotism of the Filipino people to see to it that the cultural traits of more than 300 years are not crushed overnight.

Realizing that such responsibilities and obligations rest upon the American and Filipino people alike, President Roosevelt in his message to Congress on March 2, 1934, said:

> Where imperfections or inequalities exist, I am confident that they can be corrected after proper hearing and in fairness to both people.

Indications are that the economic provisions of the Tydings-McDuffie law will catapult the Filipino people into hardships and difficulties and completely destroy their economic structure. When these sad days come, then it will amount to a defeat of the aims and purposes of the Tydings-McDuffie law. The best interests of the Filipino people will not have been protected and the responsibilities of this great Nation will not have been discharged, thus opening the avenue for some selfish nation to take advantage of the opportunity and gobble up the 114,000 square miles of fertile soil, and by natural process of attrition, assimilation, and penetration extinguish a race of 14,000,000 Christian people.

The excise tax of 3 cents per pound on coconut oil coming to the United States has the effect of paralyzing that industry in the Philippine Islands, thus throwing into unemployment millions of people who now find themselves destitute. One-third of the population of the Philippine Islands depends upon this industry for its livelihood, and its dislocation will certainly cause social and economic commotion in the Philippine Islands.

The sugar industry is also finding itself in dire straits. All of these economic calamities which have been aggravated by a series of devastating typhoons are to no advantage to the United States. This Nation is still importing sugar from abroad in order to meet the requirements of its markets. No substitute has as yet been discovered for the coconut oil used in the soap industry. The assumption that the coconut oil coming from the Philippines represents competition to the dairy farmers has no foundation in fact. Statistics prove beyond a doubt that the Philippine coconut oil used for edible purposes is very much less in value than what the Philippine buys from the American farmers. Curtailment at this time of the existing free-trade relations between the United States and the Philippine Islands would be an opportunity for some nation in the Far East to absorb the economic system of the islands. If this eventuality occurs, it would be only a question of time when we will witness American trade in the Philippines and in the Far East wiped out completely without the corresponding returns.

Mr. FISH. Will the gentleman yield further?

Mr. GUEVARA. I yield.

Mr. FISH. Will the gentleman put in the total amount of the American trade?

Mr. GUEVARA. I will put in the RECORD the figures at the end of my speech.

May I emphasize the fact that economically the United States and the Philippines complement each other.

The Filipino people are willing to do their part in this connection. Our legislature in its past session considered amending the Philippine tariff law in order to protect American trade in the islands, but for reasons beyond its control it has been unable to do so.

Now permit me to discuss the international situation of the Philippines as arranged by the Tydings-McDuffie law. President Roosevelt in his message to Congress on March 2, 1934, said the following:

> In keeping with the principles of justice and in keeping with our traditions and aims, our Government for many years has been committed by law to ultimate independence for the people of the Philippine Islands whenever they should establish a suitable government capable of maintaining that independence among the nations of the world.

I consider it my sacred duty to call attention to the fact that when the President sent that message to Congress the international conditions warranted such a statement. At that time the denunciation of the Washington Treaty and the treaty between the United States and other nations to respect the territorial integrity of their respective territories and insular possessions in the Pacific had not taken place. The former possessions of Germany in the Pacific, which are now under the mandate of a certain nation on behalf and under the authority of the League of Nations, were not known to have been fortified, and no one suspected that said mandatory power would refuse to surrender these possessions to the League of Nations once she had severed her connections and relations with that institution.

I am aware, Mr. Speaker, of the fact that, the United States not being a member of the League of Nations, the discussion of this affair on the floor of the House appears irrelevant. However, I cannot refrain from stating facts and from laying them before the American people for the reason that section 11 of the Tydings-McDuffie law, Public Act 127, Seventy-third Congress, provides that—

> The President is requested, at the earliest practicable date, to enter into negotiations with foreign powers with a view to the conclusion of a treaty for the perpetual neutralization of the Philippine Islands, if and when Philippine independence shall have been achieved.

At this juncture I recall that the nations of the world committed themselves in solemn treaty to respect and preserve the political independence and the territorial and administrative integrity of the Republic of China. Also the treaty concluded between Japan and Great Britain, committing themselves to respect and preserve the independence and territorial integrity of Korea, comes to mind. Hardly threescore years have elapsed since the execution of these treaties and the world has seen them violated flagrantly, thus rendering useless the blood shed by the youth of all nations of the world on the battlefields of Europe.

The Kellogg Pact, which outlawed war as an instrument of national policy, can now be considered dead. The invasion of Manchucuo and Shanghai, which caused diplomatic disturbances all over the world, is still fresh in the memory of all students of history.

Right on the floor of this House, Mr. Speaker, I said, when addressing the Seventy-third Congress, that—

> The establishment of American sovereignty over the Philippine Islands was not founded upon the simple issue of whether independence should be granted. If the grant of independence were the only basis of the American occupation of the Philippines, it could have been accomplished either before the ratification of the Treaty of Paris between Spain and the United States or after its ratification—

thus responding to the clamoring and petitioning of the Filipino people. The United States, however, time and again denied the grant of that independence upon the grounds that she had a mission to fulfill in the Philippine Islands in line with the obligations she assumed before the world.

There is nothing in the past to be regretted. We are facing the future with confidence, taking into consideration the solemn commitments made by the constitutional leaders of the American people.

Mr. MARTIN of Colorado. Will the gentleman yield?

Mr. GUEVARA. I yield.

Mr. MARTIN of Colorado. If the gentleman feels at liberty to answer, I should like to ask him whether there has been a change in the sentiment of the Philippine Islands regarding the question of their ultimate and complete independence of the United States since the passage of the last Philippine independence act by Congress?

Mr. GUEVARA. The sentiment of the Philippine people right at this moment is that they look at Japan as a real menace to Philippine independence. In this connection I wish to state that when the Japanese vice consul at Manila justified the big holdings of the Japanese in Davao and their investment in the Philippine Islands, he said that whether or not such holdings and investments would be a menace to Philippine independence was up to the Filipinos themselves, implying, "If you please us, you can have independence like Manchuria; if not, you know what is coming to you."

Mr. MARTIN of Colorado. I should like to ask the gentleman another specific question. He is at liberty to answer or not; he knows better than I whether he should or not. I should like to ask the gentleman whether, in his opinion, the future welfare of the Philippine Islands will be best conserved by their ultimate and complete independence from the United States, or by maintaining relationship with the United States?

Mr. GUEVARA. The best interests of the Philippines, the United States, and the whole world will be better served with an American protectorate of the Philippine Islands.

Mr. MARTIN of Colorado. If the gentleman will yield for a further question, is the view of the gentleman and the view of the Philippine people as just expressed by him based upon political or economic considerations?

Mr. GUEVARA. It is based upon the safety of the Philippine Islands. In this matter we do not consider either the economic or the political situation.

Mr. MARTIN of Colorado. The gentleman is not considering them separately?

Mr. GUEVARA. No.

Mr. MARTIN of Colorado. The gentleman is not just looking at coconut oil and sugar?

Mr. GUEVARA. No; those are matters completely disassociated from the question I am now discussing. I am basing my arguments upon the safety of the culture and civilization of the Filipinos, built up during the last 300 years.

Mr. KENNEY. Mr. Speaker, will the gentleman yield?

Mr. GUEVARA. I yield.

Mr. KENNEY. The Philippine Islands formerly did a large coconut-oil business with the United States, did they not?

Mr. GUEVARA. Yes.

Mr. KENNEY. Does the Delegate from the Philippine Islands happen to know how much that business has fallen off during the last year?

Mr. GUEVARA. I suppose about 25 percent.

[Here the gavel fell.]

Mr. GUEVARA. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER pro tempore (Mr. KOPPLEMANN). Is there objection to the request of the Delegate from the Philippine Islands?

There was no objection.

Mr. GUEVARA. President McKinley, in the speech delivered at the Eleventh Annual Banquet of the Home Market Club, Boston, Mass., February 16, 1899, said in the exposition of the motives of the occupation of the Philippines:

> The evolution of events which no man could control has brought these problems upon us. Certain it is that they have not come through any fault on our part, but as a high obligation, and we meet them with clear conscience and unselfish purpose, and with good heart resolve to undertake their solution.

He continued, saying:

> The Philippines, like Cuba and Puerto Rico, were intrusted to our hands by the war, and to that great trust, under the providence of God and in the name of human progress and civilization, we are committed. It is a trust we have not sought; it is a trust from which we will not flinch.

Will the American people flinch from the trust that they voluntarily assumed?

Within a few months the Philippine commonwealth will be inaugurated and a home rule will be established therein. The success of this commonwealth will entirely depend upon the help that the United States chooses to lend. It can only be successful, and therefore the aims and purposes of the Tydings-McDuffie law accomplished, if the American people, considering the mutual advantage that will result from the continuation of the existing free-trade relations, will forget the demands of sectional selfish interests and consider the weal of the United States.

May I be permitted to assure this House again that the Filipino people are determined to stand by the United States in any emergency that may arise in the future? God forbid that such an emergency may ever arise. But the course of human events is something that is beyond the control of any nation.

In concluding I wish to call the attention of this House to the bill introduced by the gentleman from Alabama [Mr. McDUFFIE], H. R. 3482, the passage of which is of vital importance at this time. I appeal particularly to the Chairman of the Committee on Military Affairs, the gentleman from South Carolina [Mr. McSWAIN], and the members of the committee to consider its urgency and recommend that the bill be passed at the earliest possible date.

Mr. WELCH. Mr. Speaker, will the gentleman yield?

Mr. GUEVARA. I yield.

Mr. WELCH. What is the purpose of the bill to which the gentleman has referred?

Mr. GUEVARA. The effect of the bill is to include the Philippine Islands as one of those countries which the United States may aid in matters of national defense.

Mr. WELCH. Since when did the gentleman change his views with reference to Philippine independence?

Mr. GUEVARA. I have not changed my opinion at all. I may say to the gentleman from California that my opinion goes along with the conditions and circumstances prevailing all over the world.

Mr. WELCH. But the gentleman was in favor of absolute independence at the time the Philippine-independence bill was before Congress.

Mr. GUEVARA. Of course; and so were the American people. I have not changed my mind; I have not changed my opinion, but I have to look to the future. I do want Philippine independence for the Filipino people, but not for the benefit of some other nation. I do not want Philippine independence to be a reason for some nation to gobble up the Philippines, and I know the gentleman from California [Mr. WELCH] does not want that, either.

Mr. WELCH. Did the gentleman not state, in answer to a question, that the Philippines would be better off under an American protectorate?

Mr. GUEVARA. Yes.

Mr. WELCH. How can they have complete independence while still retaining American protection?

Mr. GUEVARA. Why, it is much better than placing the Philippines under a neutralization treaty. A neutralization treaty should be negotiated by the President of the United States as provided for in the Tydings-McDuffie law to guarantee the independence of the Philippine Islands. After having seen the Kellogg Pact violated, after having seen the treaty creating the League of Nations violated, and after having seen other treaties violated, I am afraid that it will not work. The safety of the Philippine Islands rests upon being under an American protectorate.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. GUEVARA. I yield.

Mr. DONDERO. I assume the gentleman wishes to see the same relationship established between the United States and the Philippines as now exists between the United States and Cuba?

Mr. GUEVARA. Yes; exactly. The same relationship as before the repeal of the Platt amendment.

Mr. WELCH. The representatives of the Philippine Islands did not ask for that. They were here pleading for complete independence.

Mr. GUEVARA. I assure the gentleman from California that if reversing my opinion and my stand will mean security for the Philippine Islands I will not hesitate to reverse my stand or my opinion.

Mr. WELCH. I desire to state that I have no quarrel with the gentleman with reference to his change of opinion or policy.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. GUEVARA. I yield.

Mr. CRAWFORD. Would the gentleman place in the RECORD, if the facts are available, a statement showing the holdings of residents of different countries in the industries of the Philippine Islands?

Mr. GUEVARA. I shall be pleased to.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks by inserting in the RECORD a statement concerning the Philippine sugar industry.

The SPEAKER pro tempore. Is there objection to the request of the Delegate from the Philippine Islands?

There was no objection.

Mr. GUEVARA. Mr. Speaker, the sugar industry, the premier industry in the Philippine Islands, in which $250,000,000 of private and government capital is invested, is at present finding itself in dire straits as a result of the operation of the Jones-Costigan Act.

During the past crop the Philippine Islands produced a total of 1,578,953 short tons of sugar, but under the Jones-Costigan Act the Philippine Islands were allowed to export to the United States only 1,015,186 short tons of sugar, leaving, after providing for local consumption, a surplus of around 475,000 tons, which amount was carried forward to this year's quota.

The Secretary of Agriculture has fixed the quota for the Philippine Islands for this year at 991,308 short tons, or a reduction of approximately 24,000 tons, compared with last year's quota; so that with the surplus of 475,000 short tons carried over from last year's crop, the Philippine Islands this year could only export to the United States approximately 500,000 short tons of sugar, or one-third of the crop produced last year. The effect of this enormous reduction in the production of our main industry is now causing great hardships and difficulties among our people, since some 2,000,000 people depend for their livelihood upon this industry and from which our government derives as much as 60 percent of its revenue.

Yet in spite of all these hardships and difficulties our people have not obstructed the administration in carrying out its sugar program as embodied in the Jones-Costigan Act, and have at all times cooperated with officials of the administration in bringing about the objective adjustments of the administration's sugar program in the Philippine Islands. The Philippine Legislature at its last session enacted a limitation law, thereby putting into effect the purposes and aims of the Jones-Costigan Act in the Philippine Islands.

Thus, Mr. Speaker, the sugar industry of the Philippine Islands, by virtue of the operation of the Jones-Costigan Act, is already facing great hardships, even before the enforcement of the provisions of the independence act, known as the "McDuffie-Tydings Act."

Under the McDuffie-Tydings Act, section 6–A, the Philippine Islands were allowed to import into the United States free of duty, during the transition period, 800,000 long tons of unrefined sugar and 50,000 long tons of refined sugar, equivalent to 955,920 short tons of raw sugar.

As I well recall, during the hearings and debates on this legislation this limitation was fixed on the basis of what the author of the Hare-Hawes-Cutting bill termed as the "status quo" of the industry in the Philippine Islands. But I wish to refer in this connection to the observation of the author of the bill in this House, Hon. Butler B. Hare, who, in a letter to Hon. Harry B. Hawes under date of December 6, 1932, concluded:

> The theory upon which the limitation is predicated is to take as a basis for limitations the estimated importations to the United States from the Philippines for the crop year immediately preceding that in which the limitations are first to be imposed. * * *
>
> In other words, if we are going to take the "status quo" or "existing investments" as the basis for fixing the limitation, I think, instead of taking the export figures of 1931 as a basis for the limitations on sugar, we should take, as near as possible, the export figures at the time the limitations go into effect, because many of the planters, as I have stated, have already made their investments in better seed and in some cases provided a system of irrigation, which will result in the indicated production by the time the proposed legislation can be made effective. In that event, the limitations on sugar, as already suggested, should be at least 1,050,000 tons raw and 50,000 tons refined.
>
> It is with a keen sense of our obligation to be absolutely fair to the people of the Philippine Islands that I have felt it my duty to submit in some detail these facts and impressions for your sympathetic consideration, and I hope you will not consider it improper for me to suggest that an amendment to the bill in the Senate increasing the limitation on raw-sugar imports from the Philippines to 1,050,000 long tons would make this provision more in harmony with the facts obtained as a result of my study in the islands than the limitation now provided. It may not be amiss to state in this connection that these views regarding the necessity for increasing the amount of sugar limitations confirm representations made before our committee by the Resident Commissioners and the Philippine commission in Washington when the House bill was being considered last spring.

May I state the fact that this observation of former Congressman Hare was confirmed in the stabilization agreement agreed upon by all the sugar producers under the American flag in September 1933, in which the Philippine Islands were given a quota of 1,100,000 short tons of sugar, and again by the recommendation of the President, in his message to Congress on February 8, 1934, in which, considering the actual consumption in the United States, he suggested a quota for the Philippine Islands of 1,037,000 short tons.

Mr. Speaker, heretofore the American people have been told only of the one side of the American-Philippine economic question. Much emphasis has been stressed upon the competition of Philippine products imported into the United States. Records and facts were given to Congress and to committee hearings showing little or no foundation to these claims I have already referred to in the case of importation of coconut oil. In the case of sugar, even absorbing all the sugar produced in the areas under the American flag, the United States will still have to go to foreign countries, particularly to Cuba, to meet its sugar requirements, clearly proving the fact that the sugar industry in the Philippine Islands, even under maximum production of its present development, would not displace a single pound of sugar produced in the United States.

Turning to the other side of the American-Philippine economic question, during the 36 years of American sovereignty in the Philippine Islands, through the benevolent guidance of the United States in improving our health and sanitation and our social and economic conditions, we have today increased our standard of living 300 percent over the surrounding people in that part of the globe. As a result we have increased our purchasing power abroad, particularly for American products, which under the free-trade relationship between the United States and the Philippines, established in 1909, have been protected in the Philippine market against competition of foreign products.

During the 10-year period before the United States came to the Philippines we only purchased from the United States merchandise valued at $3,000,000, or 3 percent of our total imports abroad. During the last 10-year period we have purchased from this country $684,000,000 worth of merchandise, or 61 percent of our total purchases abroad.

To show the growth of the Philippine market for American products, I wish to invite the attention of the Members of this body to the following statistics compiled from the official reports of the insular collector of customs in the Philippine Islands, which clearly show the significance of the Philippine market to the American producers of farm and industrial products.

*Principal sources of Philippine imports*

10-YEAR PERIOD, 1885–94 (PRIOR AMERICAN OCCUPATION)

| Total | | Great Britain and possessions | | Spain | | China | | France and possessions | | Germany | | United States | | Japan | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent |
| $111,307,961 | 100 | $51,890,533 | 47 | $19,667,021 | 18 | $16,957,083 | 15 | $9,680,827 | 9 | $5,888,931 | 5 | $3,202,432 | 3 | $370,712 | ⅓ of 1 |
| 10-YEAR PERIOD, 1924–33 (FREE TRADE WITH UNITED STATES) | | | | | | | | | | | | | | | |
| $1,121,124,449 | 100 | $93,874,493 | 8 | $7,199,311 | ⅔ of 1 | $62,655,361 | 6 | $45,204,792 | 4 | $35,717,282 | 3 | $684,361,995 | 61 | $97,587,994 | 9 |

In this connection, I wish to refer to a portion of the speech made the other day before this body by the gentleman from New York, Hon. HAMILTON FISH, in which he stated:

> Up to this time the Philippines has been our greatest market for our textile goods. A year or so ago we did about 75 percent of all the textile business there. Japan has succeeded within the last year with its mass production and cheap labor costs in driving us out and wrecking our exports. Japan is now doing about 75 percent, and we are rapidly losing this market.
>
> * * * * * * *
>
> Unless something is done soon, there will be 35,000 more unemployed in the textile industry within a short time and approximately an equal number in the cotton fields, on the railroads, and in connection with shipping and other industries affected, due to the loss of our legitimate and natural markets in the Philippines and Latin America.

I also wish to refer to the following editorial of the Washington Herald, under date of January 17, 1935, which deplored the ruination of the Philippine market for American products:

STRANGLING UNITED STATES TRADE

According to a Manila dispatch, the American textile trade with the Philippine Islands "has been virtually ruined within a year because of insufficient insular tariffs", protecting United States trade with the Philippines against foreign competition.

The blame for this insufficiency cannot justly be saddled upon the Philippine Legislature for the following reasons:

Trade between continental United States and the Philippines is on a reciprocal basis. In consequence this trade has increased until the Philippines now rank ninth or tenth among the foreign purchasers of American products.

With a view to increasing Philippine purchases of American goods and in order to make the existing reciprocity fairer to the United States, the Philippine Legislature has long been urged to increase the insular tariffs against outside nations on cotton textiles, artificial silk, paper, and several other American products.

This the Legislature was about to do at the last session, in spite of an impudent protest from the Japanese consul general at Manila.

The protest of this alien meddler did not frighten the members of the Philippine Legislature. It only aroused their resentment.

But soon after this protest was made the Philippine Legislature was surprised to receive a request from Washington that the proposed tariff legislation be postponed until next year.

Under the circumstances it is not surprising to hear that American textile trade with the Philippines has been almost wiped out.

This is what will happen to all American trade with the Philippines unless President Roosevelt reverses the policy of his subordinates and encourages and supports the Philippine Legislature in its desire to strengthen its commercial ties with the country to which the Philippine people owe the blessings of liberty.

Mr. Speaker, the Filipino people are anxious to cooperate and to do their duty in the protection of American products in the Philippine Islands. They have given proof of their good faith by showing their willingness to amend their tariff law in order to increase the protection of American products in the Philippine Islands against foreign competition, but owing to circumstances beyond their control they were prevented from carrying out their desires.

Mr. Speaker, the Philippines is a rapidly growing country. We have today 14,000,000 people; 10 or 20 years hence we will have 20,000,000 or 30,000,000, all of whom will have been brought up under American customs and standards and who will constitute certainly a potential market for American products in that part of the globe.

*Principal items of merchandise brought into Philippine Islands from United States, calendar year 1933*

| Items | Measure unit | From United States | |
|---|---|---|---|
| | | Quantity | Value |
| Autos and trucks | Number | 3,507 | $1,938,343 |
| Accessories and parts | | | 527,439 |
| Cotton and manufactures: | | | |
| Cloths | Thousand square yards. | 80,951 | 6,201,355 |
| Other | do | | 2,060,675 |
| Chemicals, drugs, etc | | | 1,449,900 |
| Dairy products: | | | |
| Butter and cheese | Pounds | 350,690 | 75,053 |
| Canned milk | do | 23,623,964 | 1,289,315 |
| Other | | | 76,822 |
| Fertilizers | Pounds | 41,512,618 | 530,665 |
| Fish and products | do | 11,704,574 | 539,145 |
| Fruits and nuts | do | 13,315,034 | 677,595 |
| Iron, steel, and manufactures | | | 4,098,720 |
| Leather and manufactures: | | | |
| Unmanufactured | Pounds | 1,088,781 | 545,272 |
| Boots and shoes | Pairs | 84,810 | 129,990 |
| Other | | | 99,778 |
| Machinery (except electrical) | | | 2,227,440 |
| Electrical machinery | | | 1,366,660 |
| Meat and products | Pounds | 3,019,089 | 416,765 |
| Paper and manufactures | | | 1,600,195 |
| Petroleum and products [1] | Gallons | 73,519,547 | 4,745,008 |

*Principal items of merchandise brought into Philippine Islands from United States, calendar year 1933*—Continued

| Items | Measure unit | From United States | |
|---|---|---|---|
| | | Quantity | Value |
| Rubber and manufacturers: | | | |
| Auto tires and tubes | Number | 184,950 | 813,850 |
| Other | | | 298,645 |
| Soap | Pounds | 5,996,115 | 380,080 |
| Silk and manufacturers: | | | |
| Cloths | Square yards | 1,164,470 | 382,890 |
| Other | do | | 550,910 |
| Tobacco and products: | | | |
| Leaf | Pounds | 1,665,457 | 1,126,144 |
| Cigarettes | Thousands | 736,777 | 2,260,705 |
| Vegetables | Pounds | 16,863,603 | 539,820 |
| Wheat flour [2] | do | 103,946,890 | 1,636,150 |
| Other imports | | | 4,955,078 |
| Total imports | | | 43,540,407 |

[1] Does not include small amount of residuum and asphaltum.
[2] Wheat flour constitutes practically 90 percent of total breadstuffs from United States.

Source: Basis Customs Figures, Philippine Islands, subject to revision.

PHILIPPINE COTTON TRADE AND INDUSTRIAL INVESTMENTS

Mr. GUEVARA. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

*Cotton manufactures brought into the Philippine Islands calendar year 1933*

| Brought in from— | Value | Percent |
|---|---|---|
| United States | $8,262,033 | 53.03 |
| Japan | 4,547,926 | 29.19 |
| China | 1,207,679 | 7.75 |
| Great Britain | 901,531 | 5.79 |
| Switzerland | 372,789 | 2.39 |
| France | 156,656 | 1.01 |
| Germany | 38,592 | .25 |
| British East Indies | 34,966 | .22 |
| Netherlands | 19,482 | .12 |
| Czechoslovakia | 8,674 | .06 |
| Other countries | 28,498 | .19 |
| Total | 15,578,826 | 100.00 |

*Comparison of values of Philippine imported cotton manufactures by countries of origin for the first 6 months of 1933 and 1934 and percentage*

| Countries | 1933 | | 1934 | |
|---|---|---|---|---|
| | Value | Percent | Value | Percent |
| United States | $4,687,213 | 58.60 | $4,091,453 | 48.22 |
| Japan | 1,916,847 | 24.00 | 3,382,059 | 39.86 |
| Great Britain | 482,313 | 6.03 | 402,226 | 4.74 |
| China | 546,077 | 6.82 | 342,122 | 4.03 |
| Switzerland | 206,736 | 2.58 | 117,794 | 1.39 |
| France | 92,251 | 1.15 | 101,988 | 1.20 |
| Germany | 19,345 | .24 | 20,315 | .24 |
| Belgium | 3,367 | .04 | 6,383 | .08 |
| Other countries | 43,845 | .54 | 20,616 | .24 |
| Total | 7,997,994 | 100.00 | 8,484,956 | 100.00 |

Source: Bureau of customs figures published by department of agriculture and commerce of the Philippine Islands.

The difficulty, not to say impossibility, of accurately determining foreign investments in the Philippine Islands has been encountered by everyone who attempted to prepare such a statement.

This difficulty is well illustrated by the following quotation from a very recent letter to the members of the congressional committee now visiting the Philippine Islands. This letter was written by Judge John W. Haussermann, president of the Benguet Consolidated Mining Co. and the Balatoc Mining Co. Judge Haussermann has been in the Philippine Islands since 1898. He says this with reference to the mining industry in the Philippine Islands:

The present paid-up investment in mining in the Philippines exceeds ₱15,000,000 and has an actual market value of almost ₱200,000,000. Most of this is American capital, either directly invested from the United States or, more largely, invested in the Philippines by Americans. The development of mining in the Philippines has been primarily an American enterprise, dependent upon the initiative and tenacity of Americans resident here. Filipinos are now very properly coming into the field, both in their own companies and in cooperation with American enterprises. They cannot as yet, however, sustain the capital expenditure necessary to bring into correct production the mineral resources of the islands.

On the basis of this investment, the Philippine mining industry has developed a producing source of wealth. The 1933 output of gold was valued at ₱16,190,995, and the 1934 output is estimated at ₱22,000,000, a close rival of Alaska. There is every reason to believe that, with political and economic stability assured, this figure will steadily grow.

With this understanding of the liability of such statements to error there follows a statement submitted to the Senate Committee on Territories and Insular Affairs in February 1932, by Mr. E. B. Bruce, and also certain other estimates submitted to that committee at that time.

The statement referred to is as follows:

*Capital investments in Philippine Islands, exclusive of investments by governmental agencies (in United States currency)*

[Compiled from best available sources]

| Item | Total | Filipino | American | Chinese |
|---|---|---|---|---|
| Real estate [1] | $387,558,000 | $286,424,000 | $12,104,000 | $27,607,000 |
| Bank capital | 24,601,000 | 1,012,000 | 837,000 | 3,963,000 |
| Bonds | 120,389,000 | 992,000 | 113,985,000 | |
| Manufacturing industries | 142,560,000 | 44,450,000 | 35,474,000 | 14,988,000 |
| Mercantile establishments | 83,708,000 | 602,000 | 30,487,000 | 50,001,000 |
| Agriculture [2] | 545,877,000 | 527,231,000 | 10,616,000 | 63,000 |
| Mines | 3,965,000 | 647,000 | 2,609,000 | 136,000 |
| Forests and lumbering | 13,464,000 | 248,000 | 6,500,000 | 5,358,000 |
| Fishing and fisheries | 5,500,000 | 4,000,000 | | |
| All other | 79,690,000 | 16,788,000 | 45,179,000 | 7,020,000 |
| Total | 1,407,312,000 | 882,394,000 | 257,791,000 | 109,136,000 |
| Percentage of total, by respective nationalties | | 62.70 | 18.32 | 7.75 |
| Total, exclusive of real estate and agriculture | $473,877,000 | $68,739,000 | $235,071,000 | $81,466,000 |
| Percentage, by respective nationalities, based on totals shown | | 14.51 | 49.61 | 17.19 |

| Item | British | Spanish | Japanese | Not classified by nationalities [3] |
|---|---|---|---|---|
| Real estate [1] | | $18,049,000 | | $43,374,000 |
| Bank capital | $13,824,000 | 234,000 | $1,351,000 | 3,380,000 |
| Bonds | | 3,914,000 | | 1,498,000 |
| Manufacturing industries | 4,178,000 | 24,073,000 | | 19,397,000 |
| Mercantile establishments | 2,186,000 | 91,000 | | 341,000 |
| Agriculture [2] | | 7,219,000 | | 748,000 |
| Mines | 370,000 | 87,000 | | 116,000 |
| Forests and lumbering | 838,000 | 70,000 | 450,000 | |
| Fishing and fisheries | | | 1,000,000 | 500,000 |
| All other | 4,923,000 | 3,100,000 | 452,000 | 2,228,000 |
| Total | 26,319,000 | 56,837,000 | 3,253,000 | 71,582,000 |
| Percentage of total, by respective nationalities | 1.87 | 4.04 | 0.23 | 5.09 |
| Total, exclusive of real estate and agriculture | $26,319,000 | $31,569,000 | $3,253,000 | $27,460,000 |
| Percentage, by respective nationalities, based on totals shown | 5.55 | 6.67 | 0.68 | 5.79 |

[1] Exclusive of Agsicultusal land.
[2] Includes only lands devoted to Agriculture. Figures as to othes agricultural investments not yet available.
[3] Figures in this column include both items pertaining to nationalities other than those stated in headings to preceding columns and items pertaining to 1 or more of nationalities stated in preceding column headings, but as to which items satisfactory confirmation is not yet available as regards distribution under the preceding column headings.

AMERICAN INVESTMENTS IN THE PHILIPPINES

An exact statement of American investments in the Philippines cannot be made, but estimates thereof are quoted below from various official sources. It was officially reported in 1924 that the ownership of real property in the Philippine Islands, as determined from tax assessments, was as follows:

| | |
|---|---|
| Filipinos | $697,000,000 |
| Chinese | 26,000,000 |
| Americans | 29,000,000 |
| Spaniards | 29,000,000 |
| "Other foreigners" | 11,000,000 |

In 1928 the following estimate of investments by Americans and others in Philippine securities and industries was made by the director of the bureau of commerce and industry, Manila:

*Certain principal investments of Americans, Filipinos, and others in the Philippine Islands* [1]

[In thousands of dollars; i. e., 000 omitted]

| | American investments | Filipino investments | Other investments |
|---|---|---|---|
| Security holdings: [2] | | | |
| Insular government bonds | 64,103 | | |
| Provincial and municipal bonds | 10,213 | | |
| Total government bonds | 74,316 | | |
| Railroad and utility bonds and stocks: | | | |
| Manila Railway Co. bonds | 27,302 | | |
| Philippine Railway Co. bonds and stocks | 13,369 | | |
| Manila Electric Co. bonds and stocks | 7,550 | | |
| Total railroad and utility bonds and stocks | 48,221 | | |
| Total security holdings | 122,537 | | |
| Certain industrial investments: | | | |
| Rice mills (cost of buildings and mills only) | 15 | 5,100 | 2,385 |
| Sugar centrals (capital and equipment) | 24,038 | 40,280 | 20,820 |
| Sugar refineries | 210 | None | None |
| Hemp-baling presses | | | [3] 1,789 |
| Cigar, cigarette, etc., factories | | | [4] 15,000 |
| Bakeries and confectioneries | | | [5] 1,050 |
| Coconut-oil factories | [6] 2,750 | 825 | 1,925 |
| Rope factories | 175 | 40 | 775 |
| Embroidery factories | 7,000 | 500 | None |
| Total investments shown above | 156,725 | 46,745 | 43,744 |

[1] Letter of Sept. 5, 1928, from the director, bureau of commerce and industry, Manila, P. I., to the Governor General's office.

[2] American security holdings only; figures for other nationals not available.

[3] Present investments not available; 1918 census gives ₱3,578,000 ($1,789,000) as the total investment. There are 89 hemp-baling presses. Investors in their order of importance are: First, Chinese; second, English; third, American; and fourth, Filipino.

[4] A conservative estimate of capital invested in these different factories is placed at around ₱30,000,000 ($15,000,000). There are 90 cigar factories and 29 cigarette factories. Investors in the order of their importance are: Spanish, 50 percent; German, 20 percent; and Filipino, Chinese, and American, 30 percent.

[5] Present investments not ascertainable: 1918 census gives ₱2,100,000 ($1,050,000) as the total investment. Principal investors in order of importance are: Filipino, Chinese, Spanish, and American.

[6] A letter from the Acting Governor General of the Philippine Islands of Feb. 10, 1928, to the Bureau of Insular Affairs, War Department, stated the total capitalization of the coconut-oil industry as $6,185,000, of which $5,600,000 is owned by 4 American firms, or 90½ percent of total capitalization.

An estimate in 1930 by the trade commissioner of the United States Department of Commerce in Manila placed American investments in the Philippines, other than those of the United States Government, at about $200,000,000, distributed as follows:

*American investments in the Philippines* [1]

[In thousands of dollars; i. e., 000 omitted]

| | |
|---|---|
| Manufacturing industries | 8,732 |
| Public utilities: | |
| Transportation [2] (garages and bus lines) | 1,634 |
| Illuminating gas | 4,735 |
| Telephones | 2,220 |
| Radio and telegraph | 298 |
| Electric-light plant | 19,347 |
| Ice plants | 39 |
| Merchandising enterprises | 38,383 |
| Business enterprises: Real estate (including plantations, subdivisions, etc.) | 7,399 |
| Banks | 502 |
| Building and loan associations | 439 |
| Moving-picture theaters | 135 |
| Engineering, contracting, stevedoring, newspapers, hotels | 3,115 |
| Lumbering and sawmills | 6,000 |
| Sugar centrals | 30,000 |
| Sugar refineries | 210 |
| Religious organizations | 893 |
| Philippine government bonds | 65,472 |
| Philippine Railway Co. bonds | 7,384 |
| Manila Railway Co. bonds | 953 |
| Total | 197,890 |

[1] From report of C. C. Howard, trade commissioner, U. S. Department of Commerce, Manila, P. I., Mar. 7, 1930.

[2] Laundries were included in the total of $1,634,000.

The nationality of the ownership and investments in Philippine sugar lands and sugar centrals was given in 1929 by Mr. Stimson, Secretary of State, as follows: [3]

| | Area in hectares | Percent |
|---|---|---|
| Land devoted to sugarcane in the Philippines, showing cultivators: | | |
| Filipinos | 174,053 | 87 |
| Spaniards | 14,785 | 7 |
| Americans and other nationalities | 11,963 | 6 |
| Total | 200,801 | 100 |

The total investments in the Philippine sugar industry, aggregating $190,000,000, distributed as to the character of the investments and the nationality of the owner of the sugar lands, are as follows:

| | |
|---|---|
| Investments in centrals | $82,500,000 |
| Landed investments | 90,000,000 |
| Crop loans | 12,500,000 |
| Miscellaneous investments | 5,000,000 |
| | 190,000,000 |
| The land ownership is as follows: | |
| Filipino | 73,800,000 |
| Spanish | 9,900,000 |
| American and others | 6,300,000 |
| | 90,000,000 |
| The ownership of the centrals is as follows: | |
| Filipino | 40,250,000 |
| American | 21,500,000 |
| Spanish | 20,250,000 |
| Other nationalities | 500,000 |
| Total | 82,500,000 |

[3] Hearings on H. R. 2667 before the Committee on Ways and Means, 70th Cong., 2d sess., vol. XVII, p. 10643, statement of Hon. Henry L. Stimson, former Governor General of the Philippine Islands.

PERMISSION TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on a matter I think each Member is interested in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, I do not want to occupy too much of the time of the House at this moment. The only thing I want to do is to call attention to the situation prevailing in the States of the Northwest in regard to relief, and I think this is of enough importance to demand that I be given the opportunity which I have been given to present the situation to the House.

Mr. Speaker, North Dakota, as you know, is a State of 680,000 people, a State whose population is so small that their Congressmen have to be elected at large, and she has only two Representatives at that. During the past 55 years in our State we have produced wheat enough to feed everybody in our State, and for a great many years 50,000,000 more people. For a great many years we have raised enough beef in our State to feed everyone in our State and 30,000,000 more. We have never asked for relief before; but during the last 3 years we have experienced the greatest drought our country ever knew.

There is nothing to compare with it since away back in the early sixties, and you gentlemen sitting in this House cannot realize the situation in North and South Dakota today because of this drought. You can drive hundreds of miles and never see any more grass on the soil than there is on one of your highways in the State of Maryland.

We have asked for relief for the first time in 53 years. In this drought period we have asked for relief, and the situation I want to present to the House is that there is something wrong about the way the relief matter is handled. I do not charge it to the administration. I charge it to the way in which relief has been attempted to be handled heretofore. It is being handled direct from Washington in our State, and I understand in other States as well.

We have hay piled up as high as the dome of this building in every town of North Dakota, purchased by the Government and shipped in from Canada and elsewhere, and yet we are losing our cattle at the rate of 2,000 head per week because we cannot get the feed. I am asking the Democrats here, the majority, to come in and help get that feed, and I think I have this right.

Mr. FORD of Mississippi. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Mississippi.

Mr. FORD of Mississippi. Will the gentleman tell us just what method is being employed in distributing this drought relief?

Mr. BURDICK. I will come to that a little later, but may I say to the gentlemen on this side of the House that

there is no politics in what I am saying at all, because in the last Presidential election in the State of North Dakota two men headed the fight for Franklin D. Roosevelt, and those two were Republicans. The same two are now Members of this House, namely, the Honorable WILLIAM LEMKE and myself.

Mr. BLANTON. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Texas.

Mr. BLANTON. The gentleman knows that we have an Emergency Farm Credit Administration, of which Governor Myers is the head and W. Forbes Morgan is Deputy Governor, with regulations providing that every owner of livestock may apply for and receive so much per head in order to help carry over his livestock during this winter. If the gentleman's constituents in North Dakota will apply for the relief to which they are entitled, under the law, they may get it. The gentleman speaks about North Dakota's having 680,000 people. I used to represent the old jumbo district in Texas that had in it almost 600,000 people, and it alone embraced 59 counties running east and west, 556 miles from Mineral Wells to El Paso, and running 400 miles north and south from Lubbock to Rock Springs in Edwards County.

Mr. BURDICK. I may answer both gentlemen at once. Here is what I find wrong with relief: Before we can get any feed for our livestock in North Dakota we must have our cattle mortgaged. If our cattle are not mortgaged, we do not get the feed. Some of our people live 175 miles from any place where they can get a mortgage; and when they do get down there where they may be able to get it, they are either turned down or else they are required to take 10 percent stock in some agricultural finance corporation.

Mr. BLANTON. I will guarantee to the gentleman from North Dakota that if he will place the proper kind of an application before Governor Myers, showing the necessity for financing feed for livestock to tide him over this winter, he will get it in every instance and will not be turned down.

Mr. HULL. Will the gentleman kindly ask the gentleman from Texas to take a short, brief trip out into Wisconsin and consult with the feed-relief agencies out there, ascertain what they are doing, and then come back and tell us what he finds?

Mr. BLANTON. Down in my district, which is partly a livestock district, whenever I find that the people I represent are not taken care of with regard to feed loans, I take the matter up for them myself and see to it that they are given proper attention and consideration. I am sure the gentleman from North Dakota is just as energetic as I am in looking after his constituents. All he has to do is to go before Governor Myers down here and place a proper case before him, where a livestock owner needs assistance in order to carry his livestock over this winter, and the fact that the owner has no lien against him will help that much more.

Mr. SHORT. If we lived in Texas, we could do likewise.

Mr. HULL. The gentleman should suggest to the gentleman from Texas that when Progressive Members from Wisconsin go to the Agricultural Department, as we have been doing ever since we got here, perhaps the gentleman can show us some Texas Democratic way in which we can get action.

Mr. BLANTON. Why, the very head of the Agricultural Department to which the gentleman has referred was an Iowa Republican until he was made Secretary of Agriculture. He was made a Democrat merely by putting a Democratic administration stamp on him. He was taken out of the Republican fold out in Iowa, and surely he ought to be looking after his former Republican friends and constituents out there and out in North Dakota.

Mr. HULL. I may say to the gentleman that the starving cows of Wisconsin are in no way responsible for the Secretary of Agriculture's becoming a Democrat.

Mr. BURDICK. May I answer the rest of the gentleman's question previously propounded?

The second reason we cannot get feed when our cattle are starving is the fact that we must secure nondisturbance agreements. If a machine company has a mortgage on a drill, we are required to get a release of that mortgage when they have not any mortgage on the livestock at all. Other mortgages will not release, and the result is the cattle are starving in the very sight of worlds of feed, which will be hauled out and dumped next spring.

Mr. FULLER. Will the gentleman yield?

Mr. BURDICK. I yield to the gentleman from Arkansas.

Mr. FULLER. Does the gentleman state that there is a world of feed for cattle in the State of North Dakota?

Mr. BURDICK. Every town is full of feed, but shipped into the State by and owned by the Government.

Mr. FULLER. Why did the Government buy more cattle in the State of North Dakota than in any other State in the Union and pay more for the cattle?

Mr. BURDICK. Because there was no feed and no water to take care of them.

Mr. FULLER. But you have it available now?

Mr. BURDICK. No.

Mr. FULLER. The Government bought more cattle in North Dakota and paid higher prices than in any other place in the Union. There were a hundred thousand of them sent down to Arkansas.

Mr. BURDICK. We had 2,200,000 head of cattle when they started to buy.

Mr. FULLER. And they got a better price for them by 2 to 1 than any other place in the country.

Mr. BURDICK. It was not a question of price; it was a question of taking them out of there to keep them from dying.

Mr. FULLER. And that was because you said you did not have any feed for them, while now you say you have feed for them.

Mr. BURDICK. No; I did not say that. I said the Government has the feed—all shipped in, and the farmers cannot get it.

Mr. FULLER. You said you had plenty of hay for them.

Mr. DUNN of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. Yes.

Mr. DUNN of Pennsylvania. The gentleman spoke about the cattle not being fed. What about the people in the gentleman's State? Are they being well fed?

Mr. BURDICK. I have something on that matter right here, where a family of nine in our State is getting $2.50 per week for the entire family.

Mr. DUNN of Pennsylvania. May I say to the gentleman that I believe every word he is saying is true, and I want to make the statement that from the district that I represent, the Thirty-fourth Congressional District of Pennsylvania, I have many letters in my office from people maintaining they cannot get relief from the agencies in that district, and it is true, too.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota may proceed for 5 additional minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. FORD of California. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I yield anything but the principle I am talking on, but I want to answer the gentleman from Texas [Mr. BLANTON].

Mr. FORD of California. The gentleman made the statement that there was absolutely plenty of feed in North Dakota.

Mr. BURDICK. Yes; in the possession of the Government.

Mr. FORD of California. But you could not get it unless the cattle were mortgaged, and then you said you could not get a loan if there was a man who had a mortgage on a drill unless he would release it. Would the cattle have to be released if there was a mortgage on them?

Mr. BURDICK. If there was any mortgage ahead of that grain lien, it would have to be released also.

Mr. FORD of California. Why could they not get a loan if they had no mortgage?

Mr. BURDICK. I should like to know that, too.

Mr. FORD of California. I am told that is not the case.

Mr. BURDICK. In answer to the gentleman from Texas, I want to say that I have been to all these departments. I have shown them at least 300 examples like the ones I have here today, and they have promised to investigate, and I believe they are investigating; but while they are investigating and while my resolution is before your committees, the cattle are dying. This is an emergency matter that needs attention now, and the only reason I appear before you is to let you know that this is an emergency situation. I could tell you a lot about relief for human beings in my State if I had the time.

Mr. FULLER. Has the gentleman introduced any bill dealing with this particular matter?

Mr. BURDICK. Yes.

Mr. FULLER. Has the gentleman ever been down to the Department to try to contact them and explain the matter to them?

Mr. BURDICK. I have.

Mr. FULLER. And the gentleman wants us to look after the particular interests of his State?

Mr. BURDICK. No; I am speaking for the entire Northwest, and the reason for it is that the Department heads tell me they need clarification of the law before they can put a plan into operation that will allow them to grant feed without getting these releases and also put into operation a plan that will grant feed where the property is not mortgaged. They want this investigation, and they want some clarification of the law.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. I will.

Mr. BLANTON. The gentleman affiliates with the Republican Party that has been in power, with a few exceptional years, for the last 40 years. During all the droughts and hard winters and dying livestock never until last year was there the particular set-up that would grant Government relief to stockmen who had cattle dying, and I believe that within the last 2 years the present administration has provided more public funds to take care of dying cattle all over the United States than all the Republican administrations put together ever granted during the last 50 years.

Mr. BURDICK. There is not any argument on that. The great drought has not existed for 40 years.

Mr. BLANTON. Is the gentleman criticizing the administration for having granted needed relief?

Mr. BURDICK. No; that is the reason I was for them, because I believed they would take care of this relief situation, or any emergency that might arise.

Mr. BLANTON. I think my friend from North Dakota will find plenty of machinery, plenty of money, and plenty of means to grant relief to all stockmen in the United States, whether they live in North Dakota, or Texas, or anywhere else, if he will make proper application and show the proper facts to exist. And if there is not plenty of money now available, we will shortly pass a bill that will make more money available.

Mr. BURDICK. I trust the gentleman from Texas will help me do that very thing.

Mr. BLANTON. I will go to any department here any time to help the gentleman, if he thinks I can be of any service to him.

Mr. BURDICK. If I have succeeded this afternoon in calling this matter of emergency to your attention, I do not care how it has been done; and if that is accomplished, I shall have done all that I intended to do when I got up here.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BURDICK. Yes.

Mr. CRAWFORD. I should like to say to the gentleman from Texas [Mr. BLANTON] that this past week I had several cases referred to me by the county extension men and the county clerks in the district I represent, the Eighth District of Michigan. I took these cases to three different departments, and they refused to act on them and said there was no law authorizing them to give relief in that district of Michigan. They said that the Eighth District of Michigan is secondary drought-stricken territory. They stated that if the cattle were already mortgaged there was no way they could extend credit to the people who owned those cattle in order to give relief with which to buy feed in a territory where the snow fell about the 10th of December and it has been snowing and sleeting and freezing ever since.

Mr. BURDICK. That is all true.

Mr. CRAWFORD. It does not make any difference what we have provided heretofore, if there is no machinery and no funds available today when the cattle are starving. I think that is the question the gentleman is discussing now.

Mr. BURDICK. Let me answer by saying that the Governor of the Farm Credit Administration had given directions that when seed was furnished in 1934 it would not be necessary for the farmers to mortgage their 1934 crops for all previous advances of seed; but in spite of that, and in spite of the admonition of the Governor, those in charge of the work in the Northwest did demand that the farmers give a mortgage on all past seed advances, and I want to assure my friend from Texas that information is going out now telling them that if you give them seed in 1935 the farmers must give a mortgage for all prior advances of seed.

It is not a question of finding fault with the administration; it is a question of finding fault with the way it is administered out in the Northwestern States. The State administration should be responsible for the actual distribution and not the national administration.

[Here the gavel fell.]

Mr. BURDICK. Unless the situation were urgent, I would not ask permission to address the House at this time, as I am a new Member and fully recognize the custom that new Members should be seen and not heard. This situation that has developed in my State, however, compels me to break that custom and inform this House on a matter that is vital to the well-being of thousands of farmers in my State, South Dakota, and elsewhere.

During the past 2½ years we have suffered the greatest drought known in our history. Nothing approaching it since the early sixties has ever been known. While a small area of the State extending 15 miles west of the Red River and extending along that river for 100 miles did produce, in 1935, 20,000,000 bushels of wheat, the State at large produced nothing. No one from this distance can possibly conceive of the havoc produced by this unprecedented drought. Our lakes and sloughs have dried up, our well water supply has receded several feet, and in two-thirds of the State it has been left as barren of vegetation as the public highways. With cattle numbering over 2,000,000, we have been compelled to reduce them to less than a million, and we are still thinning the ranks of our cattle by a process that threatens to reduce them another half million by spring.

During this drought is the first time the people of North Dakota have ever asked for help. It will rain again, as it always has rained, and we will be able to care for ourselves. Just now we ask for help, and I resent the attitude of a few administrators who say North Dakota has fared pretty well and should be thankful for what it has received. But the cold facts remain that under the plan of distribution of relief in North Dakota, our livestock is starving at the rate of 2,000 head per week. Every station in North Dakota is piled up high with hay and straw shipped in by the Government and owned by the Government, but the starving livestock perish in the very sight of plenty. Why is this situation allowed to continue?

There are several reasons: First, under the rules set up by the Federal Emergency Relief Administration, no farmer can get feed for his livestock if his property is clear of a mortgage. He is told, "Go and mortgage your stock and get your own feed." There is no place he can secure a mortgage loan within 100 miles, in thousands of cases; and when he gets to where the loan agency is, he is turned down or made to purchase stock in the financial agency which is

designed to loan him money. Interest is taken out in advance and all inspection and abstract fees. The small balance he can receive does not go very far in buying wheat straw at $10.50 per ton, oat straw at $11.50 per ton, hay at $20 per ton, and alfalfa at $22.50 per ton, and in most cases the alfalfa is a bundle of stems without leaves and is worthless as feed.

The second rule adopted by the Federal Emergency Relief Administration is that no feed will be furnished a farmer until he gets nondisturbance agreements from his mortgagees. Machine companies who have no mortgage, except on machinery, and no mortgage on the livestock, must be settled with, and a release is obtained. They will not release, in many cases, unless they receive some payment—and the former has nothing—or unless the farmer will surrender the machinery in which the farmer has an equity and which machinery he deeds. Other mortgagees will not release their mortgage on the livestock, and, as a result, the cattle and horses starve and are hourly starving to death in North Dakota.

In a resolution introduced in this Congress (H. J. Res. 86), referred to the Committee on Rules, I have asked for a change in the method of distribution of relief in North Dakota, which I trust this House will consider at the earliest possible moment; but the question on which I address you now is too urgent to permit of any delay. This Congress has the power to make rules of distribution that will extend relief now and not allow it to be delivered later when it is too late. I therefore appeal to the Membership of this House to take action.

What will happen if this relief is denied, at a time of year when the temperature stands at 20 below zero, in wind-swept, totally arid country, with starving cattle and suffering human beings? I want the Members of this House to remember that in the last extremity, when all prayers and petitions for relief remain unanswered, the people of the Northwest will turn to a law not passed by legislatures or by Congress, a law that in final emergencies transcends all law, namely, the law of self-preservation. They will and are now taking feed from the possession of the Government to keep alive whatever of flickering life remains in their cattle. They will brush aside red tape.

Surely the Members of this Congress do not want our people to become law violators. We are law-abiding. We have confidence in our Government and are unalterably opposed to those who seek its destruction. We are not wild jackasses of the plains, but true Americans, and our forefathers fought in the Revolutionary War. Let this Congress assure these people that their confidence in our Government is not misplaced and that through this body they can receive without delay the protection which they as citizens of this great country so richly deserve in this great drought crisis.

Here is another example of relief administration in North Dakota. This is a letter which I wrote today in answer to a pathetic appeal from a North Dakota farmer:

WASHINGTON, D. C., *January 21, 1935.*

JACOB C. GROSSMAN,
*Dodge, N. Dak.*

DEAR MR. GROSSMAN: I was completely dumfounded to get your letter of the 15th and to learn what the emergency crop-loan office in Watford City is trying to do. There can be no doubt about this demand, as you enclosed the mimeographed demand made upon you.

They say:

"You have received your wheat-allotment check, and my records do not show that you have made any payments on your seed loan for this year.

"It is very important that you make a substantial payment on your seed loan at this time in order to preserve your credit with the Government. This will be an important factor in securing future loans.

"Call at my office or make payments to me at Watford City, N. Dak. Make remittances payable to Governor, Farm Relief Administration.

"Yours very truly.

"Call at Killdeer office, emergency crop loan office, field supervisor, Watford City, N. Dak."

In another letter they say:

"The Government is now renewing the old seed loans by taking crop mortgage on 1935 crops, and are asking borrowers to get waivers from the land owners so we may have a first lien on the crop. *This is being done at this time in order to clear the records, as no doubt the majority of those owing seed loans will again apply in the spring of 1935.*" (The portion in italics was underscored in red ink on the original demand.)

"Yours very truly,

"EMERGENCY FEED & SEED LOAN OFFICE,
"*Steele, N. Dak.*"

You ask first what my advice is as to whether you shall pay the seed loans out of your allotment. When this act was passed, it was fully understood that no advances were to be taken out. I therefore advise you to use your allotment checks to feed your family and pay bills to merchants who have trusted you with food while you were waiting for this check.

I never dreamed that any such policy would ever be permitted by this Government. Just to think that, feeding you with one hand (allotments and relief), the same Government wants to take it away from you the next moment to liquidate advances made for seed!

I say to you that it is a disgrace to common decency for the emergency feed and seed administration in North Dakota to demand of you the only money you have on which to live. They know you are living in a drought area where the prairie is as barren as a public highway. If their representative were there now he would see dead horses strewn across the prairie; he would see families of nine living on $2.50 per week relief from the Government; he would see hay and straw stacked up as high as the largest stores, and at the same time cattle dying in that area in the very sight of feed; yet, they ask you, under these circumstances, to make a payment on your old debt for seed. They deliberately intend to coerce and blackmail you into giving a mortgage by saying that "those now owing seed loans will again apply in the spring of 1935."

I am going to bring this whole matter to the attention of Congress just as soon as I can get the floor to do so.

Yours very truly,

USHER L. BURDICK.

### WILLIAM I. TRAEGER

Mr. COSTELLO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COSTELLO. Mr. Speaker, I deeply regret to announce the death of a former Member of this House, the Hon. William I. Traeger.

Mr. Traeger was a Member from the fifteenth district of California of the Seventy-third Congress. In view of the fact he had devoted his entire life to civic activities and civic affairs, I feel that his passing at this time is very deeply to be mourned.

### LOANS TO FARMERS IN DROUGHT-STRICKEN AREAS

Mr. JONES. Mr. Speaker, I move to suspend the rules and pass the bill H. R. 3247, to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas and for other purposes, with amendments.

The SPEAKER. The Clerk will report the bill.

Mr. JONES. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. BLANTON. I think we ought to have the bill read.

The Clerk read the bill, as follows:

A bill to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas, and for other purposes

*Be it enacted, etc.*, That the Governor of the Farm Credit Administration, hereinafter in this act referred to as the "Governor", is hereby authorized to make loans to farmers in the United States (including Alaska, Hawaii, and Puerto Rico) during the year 1935 for fallowing and for the production and/or harvesting of crops, and, to the extent of not exceeding $1,000,000, for feed for livestock. Such loans shall be made and collected through such agencies, upon such terms and conditions, and subject to such regulations, as the Governor shall prescribe.

SEC. 2. (a) There shall be required as security for any such loan a first lien, or an agreement to give a first lien, upon all crops of which the production, harvesting, and/or marketing is to be financed, in whole or in part, with the proceeds of such loan; or, in case of any loan for the purchase or production of feed for livestock, a first lien upon the livestock to be fed. Fees for recording, filing, and/or registering shall not exceed 50 cents per loan which shall be paid by the borrower, and may be deducted from the proceeds of the loan. Each loan shall bear interest at the rate of 5½ percent per annum. For the purpose of carrying out the provisions of this act and collecting loans made under other acts of the same general character, including loans made by the Governor with funds appropriated by the Emergency Appropriation Act, fiscal year 1935, the Governor may use the facilities and services of the Farm Credit Administration and any

institution operating under its supervision, or of any officer or officers thereof, and may pay for such services and the use of such facilities from the funds made available for the payment of necessary administrative expenses; and such institutions are hereby expressly empowered to enter into agreements with the Governor for the accomplishment of such purposes.

(b) The amount which may be loaned to any borrower pursuant to this act shall not exceed $250 unless, in the opinion of the Governor, the circumstances surrounding the loan are such as to warrant a larger amount, in which event the borrower shall be entitled to a loan not in excess of $500: *Provided, however,* That in any area certified by the President of the United States to the Governor as a distressed emergency area, the Governor may make loans without regard to the foregoing limitations as to amounts, under such regulations and with such maturities as he may prescribe therefor.

(c) No loan shall be made under this act to any applicant who shall not have first established to the satisfaction of the proper officer or employee of the Farm Credit Administration, under such regulations as the Governor may prescribe: (1) That such applicant is unable to procure from other sources a loan in an amount reasonably adequate to meet his needs for the purposes for which loans may be made under this act; and (2) that such applicant is cooperating directly in the crop-production-control program of the Agricultural Adustment Administration or is not proposing to increase his production of agricultural commodities in a manner detrimental to the success of such program.

SEC. 3. (a) The moneys authorized to be loaned by the Governor under this act are declared to be impressed with a trust to accomplish the purposes provided for by this act (namely, for fallowing and for the production and/or harvesting of crops, and for feed for livestock), which trust shall continue until the moneys loaned pursuant to this act have been used by the borrower for such purposes. It shall be unlawful for any borrower to use said trust fund or any part thereof for any other purposes, or willfully to fail to plant, cultivate, or harvest the crops described in his application, or willfully to fail to use said trust fund for the purposes therein stated; and any use of said trust fund by the borrower for other purposes, or any failure to plant, cultivate, or harvest the aforementioned crops, or any failure to use said trust fund for the purposes stated in his application, shall be prima facie evidence of an intent of the borrower to defraud the United States.

(b) It shall be unlawful for any person to make any material false representation for the purpose of obtaining, or assisting another to obtain, a loan under the provisions of this act; or willfully to dispose of, or assist in disposing of, except for the account of the Governor, any crops or other property upon which there exists a lien securing a loan made under the provisions of this act.

(c) It shall be unlawful for any person to charge a fee for the purpose of preparing or assisting in the preparation of any papers of an applicant for a loan under the provisions of this act.

(d) Any person violating any of the provisions of this act shall, upon conviction thereof, be punished by a fine of not more than $5,000, or by imprisonment for not more than 2 years, or both.

SEC. 4. The Governor shall have power, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States, to employ and fix the compensation and duties of such agents, officers, and employees as may be necessary to carry out the purposes of this act; but the compensation of such officers and employees shall correspond, so far as the Governor deems practicable, to the rates established by the Classification Act of 1923, as amended.

SEC. 5. (a) For the purpose of enabling the Governor to carry out the provisions of this act, there is hereby authorized to be appropriated a fund not to exceed $40,000,000, which shall be made up as follows: All unobligated balances of appropriations and funds available thereunder to enable the Secretary of Agriculture or the Governor to make advances or loans under the following acts and resolutions, and all repayments of such advances and loans and interest: March 3, 1921 (41 Stat. 1347); March 20, 1922 (42 Stat. 467); April 26, 1924 (43 Stat. 110); February 28, 1927 (44 Stat. 1251); February 25, 1929 (45 Stat. 1306), as amended May 17, 1929 (46 Stat. 3); March 3, 1930 (46 Stat. 78, 79); December 20, 1930 (46 Stat. 1032), as amended February 14, 1931 (46 Stat. 1160); February 23, 1931 (46 Stat. 1276); March 3, 1932 (47 Stat. 60); February 4, 1933 (47 Stat. 795); February 23, 1934 (48 Stat. 354); and June 19, 1934 (48 Stat. 1021).

(b) The moneys made available under subsection (a), and all collections of both principal and interest on loans made under this act, may be used by the Governor for making loans under this act and for all necessary administrative expenses in making and collecting such loans.

(c) Expenditures for printing and binding necessary in carrying out the provisions of this act may be made without regard to the provisions of section 3709 of the Revised Statutes.

Mr. BLANTON. Mr. Speaker, I demand a second.

The SPEAKER. Is there any member of the majority or minority of the committee opposed to the bill?

Mr. HOPE. I demand a second. I am not opposed to the bill, but I do not understand that is a prerequisite.

Mr. MOTT. I am opposed to one provision of the bill.

The SPEAKER. The gentleman is not a member of the committee. There being no member of the committee opposed to the bill demanding a second, the Chair will recognize the gentleman from Texas to demand a second.

Mr. JONES. Mr. Speaker, I ask unanimous consent that the time for debate be extended 20 minutes, to be controlled by the gentleman from Kansas [Mr. HOPE], and I ask that a second be considered as ordered.

Mr. BLANTON. I intended to yield most of my time to the gentleman from Kansas.

Mr. JONES. I ask unanimous consent that a second be considered as ordered and that the time of the debate be extended 20 minutes, to be controlled by the gentleman from Kansas.

The SPEAKER. Is there objection to the request of the gentleman from Texas, that the time of debate be extended 20 minutes and that a second be considered as ordered?

There was no objection.

The SPEAKER. The gentleman from Texas is recognized for 20 minutes.

Mr. JONES. Mr. Speaker, I think that everyone who is familiar with the facts will realize that this is one of the most effective and most necessary of measures under the circumstances. We thought that it would be unnecessary to continue this program, but everyone knows that throughout a great stretch of the farming and livestock areas of the United States there has been the worst drought in all of our history.

I believe it is important, therefore, that we pass a measure of this kind. It provides a type of credit that is absolutely essential and yet is not available otherwise to the people who will make use of it. Under the bill I think we have established proper safeguards in such a way that other provisions of credit will be used wherever they can be used. Last year we used only $28,000,000 in the regular crop loans, but later an additional $10,000,000 was used for feed loans, thus making $38,000,000 used in this way. We have cut down these loans through the production-credit organizations and other features of the farm-credit program in such a way that we have reduced by about one-half the amount of these loans, but we are down to rockbottom so far as the amounts are concerned.

There is enough in the unexpended balance and in the collections from previous loans and the interest thereon to make up the provisions of this bill. I think, therefore, that it is a bill that should be passed, and that some of the credit is necessary at an early date. I think it should be passed at an early date and made available as soon as possible. That is the reason I take this course to secure its early passage?

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. DONDERO. I am wondering if the committee gave due consideration to the amount allocated in this bill for feed, and to meet the situation described by the gentleman from North Dakota.

Mr. JONES. It is twice as large as was used last year under this bill. It is the same amount made available, but the main feed loans provisions were in the allocation for relief, and they were met on a different basis, and I presume that provision will be made, such as may be essential for that purpose. There was a demand for only half as much as was made available for this purpose in last year's bill.

I reserve the remainder of my time until I hear what the opposition has to say.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. JONES. Yes.

Mr. SNELL. In looking over the Treasury report that came to the office on Saturday last, I found where this relief corporation now has a balance of something like $204,000,000.

Mr. JONES. Not in this fund or in this authorization.

Mr. SNELL. What is that money to be used for?

Mr. JONES. The Farm Credit Administration covers the land banks, the Production Credit Corporation, the cooperative banks, and the intermediate-credit banks. I am not sure what the particular fund to which the gentleman refers will be used for.

Mr. SNELL. And there is nothing available at the present time for these loans?

Mr. JONES. No; last year's act was a 1-year act.

Mr. SNELL. It seems to me there is another question that ought to be taken into consideration in making these loans, and that is what is going to be the policy of the Agricultural Department during the coming year. Here we are lending money to people to increase crop production. Is not that the purpose?

Mr. JONES. Not at all. We require that they cooperate with the adjustment program all along the line; otherwise they cannot secure credit.

Mr. SNELL. But it is to make crops?

Mr. JONES. It is to furnish the essential money to make crops in accordance with the adjustment program.

Mr. SNELL. While we are doing this now, should we turn around with the next month and appropriate money to hire somebody in another State to increase his crop because we have increased crops in these particular States?

Mr. JONES. Oh, the gentleman understands——

Mr. SNELL. I do not understand; and I am asking the gentleman for information.

Mr. JONES. Then the gentleman should understand that a man who has designed his crop in accordance with the adjustment program must have the essential credit to carry on for that purpose, and this dovetails with it and helps him to carry on. I am sorry, Mr. Speaker, but I cannot yield further.

Mr. SNELL. Just one more question.

Mr. JONES. I yield for one more question if the gentleman desires.

Mr. SNELL. I shall give the gentleman some time over here. We have been making these loans now for a period of 12 or 14 years.

Mr. JONES. Yes.

Mr. SNELL. And the conditions in those sections where the loans are made are no better now than they were when we started.

Mr. JONES. In some sections they are no better, but in other sections they are better and they are better now than they were at a certain time. Formerly we have made a hundred million dollars available for the purposes indicated here.

Mr. SNELL. I understood the gentleman to say it was of more importance to do it this year than before, and that last year when you asked for this seed loan, you did not expect to ask for it again.

Mr. JONES. I said it was made necessary by conditions that were worse last year than were ever seen.

Mr. SNELL. I cannot understand why we should lend money to increase crops and on the other hand the next day appropriate money to reduce crops.

Mr. JONES. If a man has been accustomed to growing a hundred acres of wheat, it is necessary for him to get credit even if he plans to grow only 50 acres of wheat.

Mr. SNELL. Why not cut down here, and not pay some other fellow later on to cut down?

Mr. JONES. That would necessitate putting these people on relief, and if the gentleman had had as many people look him in the eye and tell him that these little $50 or $75 loans had kept them and their families off relief and had seen the sparkle in their eyes when they said that, he would know that that spirit is worth preserving in America.

Mr. SNELL. The gentleman says after making these loans they are worse off than before.

Mr. JONES. No; I did not say that, although the gentleman tries to make me say so.

Mr. SNELL. I understood from the gentleman's opening remarks that it was more important to make these loans this year than before.

Mr. JONES. I am sorry; the gentleman misunderstood me. I will have to reserve the remainder of my time. Later on, if I have any more time, I shall be glad to yield.

Mr. REED of New York. I am compelled to go to committee meeting at 2 o'clock. I should like to ask the gentleman one question.

Mr. JONES. I am very sorry, but I must reserve the remainder of my time.

The SPEAKER pro tempore (Mr. COOPER of Tennessee). The gentleman from Texas [Mr. BLANTON] is recognized.

Mr. BLANTON. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I am heartily in favor of all of the provisions of this bill except section 4.

But section 4 of this bill is a vicious, wasteful, inexcusable, and unwarranted provision that ought not ever to be in any bill we pass in this House, and as long as I stay here I never shall vote for another bill that carries a provision like section 4 in it. Eighteen years of experience in this House has taught me that it is unwise to do so.

Turn to section 4 and read it. It gives this Governor of the Farm Credit Administration carte blanche authority to employ the men he wants to and fix their salaries. Oh, there is a little provision there which says that where he deems it practicable he shall follow the salaries fixed by the Classification Act of 1923, but if he does not deem it practicable he will have the right to fix salaries as he chooses.

Let me read you this section 4, to which I object:

SEC. 4. The Governor shall have power, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States, to employ and fix the compensation and duties of such agents, officers, and employees as may be necessary to carry out the purposes of this act; but the compensation of such officers and employees shall correspond, so far as the Governor deems practicable, to the rates established by the Classification Act of 1923, as amended.

Can you not see that beyond any doubt whatsoever the above language of section 4 gives Governor Myers, of the Farm Credit Administration, absolute authority to employ who he chooses, to employ just as many new employees as he chooses, and to pay them whatever salaries he chooses?

Can you not see that the reference to the Classification Act might as well not be in the bill, for unless he deems it practicable he does not have to pay any attention to it? Of course he will not deem it practicable. He will want to do just what all other bureau chiefs want to do, and have done, fix the amount of salaries himself.

And the worst of it all is that we cannot change this bill in any particular. It is up under a motion to suspend all rules. We cannot amend it in any particular. We have to accept it just as this bureau chief prepared it. We have to swallow it whole. If 400 Members of this House wanted to strike out this section 4 we could not do it under the rules. The only way any of us could stop the passage of section 4 would be to kill the bill, and none of us want to kill it, because we are all in favor of the other provisions of the bill.

Are you gentlemen willing to turn another $40,000,000 over to General Myers and allow him to select his own employees and just as many new employees as he chooses and pay them all just as big a salary as he chooses? That is what this bill does. I am not willing to do it.

He has absolute carte-blanche authority to fix all of their salaries at any amount he sees fit. I am not going to vote for any more bills like that. I have learned the unwisdom of it. I am not going to vote for any more bills that will let a bunch of bureau chiefs, scattered over this country, waste the people's money. This $40,000,000 will be tax money wrung from the pockets of your constituents.

Mr. MICHENER. Will the gentleman yield?

Mr. BLANTON. In just a minute. I will if I have the time when I finish. I shall be glad to yield.

Mr. MICHENER. Well, will the gentleman yield right there?

Mr. BLANTON. No; I am sorry I cannot yield until I finish. I am making a Democratic speech now, criticizing a bad provision in an otherwise good Democratic measure, and I am not going to let any Republican intersperse my remarks with any campaign political data. [Laughter.]

As I said the other day, if there is any just criticism to be made about anything in this Democratic administration, it behooves the Democratic Members, of my party, to make the criticism, and we do not want any meddlesome Republicans to have anything to do with it. [Laughter.]

This is a bad practice, to allow bureau chiefs to fix salaries and to name any number of employees without limitation, and my friend from Texas [Mr. JONES] usually is such a wise legislator, and he has been so valuable to his country, I am surprised that he would let this bureau put this unwise provision over on his committee again.

Up to the 3d of January last year I had 19 counties in my district. The Secretary of Agriculture, Mr. Wallace, of Iowa, had a county agent in each of those 19 counties, and he fixed their salaries at $200 each. Notwithstanding that every one of them was getting a certain amount of pay from the county, and received the $200 per month from the Government in addition to the extra pay from the county.

Mr. DIRKSEN. They were not Republicans, were they?

Mr. BLANTON. Unfortunately, some of them are. Henry Wallace, having been a lifelong Republican himself, is not adverse to appointing Republican employees. But I do not approve of it. And I do not believe that the other Congressmen from Texas approve of his appointing any Republican county agents in our districts at $200 a month salary. I have seen measure after measure passed here when they could not be amended, creating a special bureau or commission to spend money out of the Public Treasury and give them carte-blanche authority to select their own personnel, without limitation as to number, and fix salaries, without any restriction, and I have objected to it always, and I have been voted down and the bills have been passed; and then you have seen salaries of $10,000, $12,000, and $15,000 a year paid to some men who back home could not earn $100 a month. I am going to fight against such practice. There are too many heads of families in my district now without jobs and who are not able to earn anything.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Speaker, I yield myself 5 additional minutes.

During the recent hearings before the subcommittee on the District of Columbia, I showed under this Classification Act mentioned in this bill, which Governor Myers can go by if he wants to and not go by if he does not want to, that you had little employees here in the District of Columbia, who used to get $1,400 and $1,600 a year, who overnight, under that act back in 1923, were raised to six, seven, eight, and nine thousand dollars. How much longer are you going to stand for that?

Mr. DIRKSEN. Will the gentleman yield?

Mr. BLANTON. In just a moment. How much longer are you going to stand for that? Outrageous salaries can be paid and are now being paid under that Classification Act of 1923.

I know that under suspension of the rules you have to vote this bill up or down. You will vote it up, because you cannot afford to kill a measure like this that gives to the stockmen of this country the right to get enough money to buy feed to save their cattle from dying. I am with the gentleman from North Dakota [Mr. BURDICK]. He has got a right to protect his cattle up there, and I will help him every time I can; but I am tired of voting for provisions in good bills that give a few little bureau chiefs the right to select a great big personnel, with $40,000,000 to spend, and let them fix the salaries without restrictions, when it is our duty to stop it.

Mr. WADSWORTH. Will the gentleman yield?

Mr. BLANTON. I promised first to yield to the gentleman from Illinois.

Mr. DIRKSEN. May I observe that section 4 is the identical language in the celebrated home owners' loan bill of 1933?

Mr. BLANTON. Yes; and that is the bad and dangerous language that you Republicans taught our Democratic bureau chiefs to put in the bills. You have been teaching them that for the last 12 years. [Laughter.] I have been fighting it and trying to stop it.

That was the language you put in this Reconstruction Finance Corporation Act that Jesse Jones, from my State, is the head of now. You had that language put in it, and I then strenuously objected to it, and called attention to the fact that you would have great big salaries paid under it, and you Republicans said, "Oh, no", and then in less than 6 months I got up on this floor and showed you where they had appointed numerous high-salaried employees, and had one man they were paying $16,000 a year under that act.

Mr. WADSWORTH. Mr. Speaker, the gentleman from Texas has called attention to section 4 with proper emphasis, in my judgment; and a few moments ago he remarked that no Member could afford to vote against this bill.

Mr. BLANTON. Because you have got to vote it up or down and cannot amend it in any particular. You cannot afford to kill it. I wish it could be killed and could be brought back without this provision in it, and then all of us could vote for it.

Mr. WADSWORTH. May I call the gentleman's attention to another provision of this bill and ask him if he regards it as a fair and square method of dealing with the livestock men? I call attention to paragraph (c), on page 3, that no one of these loans shall be made to a stockman whose cattle are starving, mind you, unless that stockman signs a contract to abide by the orders of the Agricultural Administration from that point on for an indefinite period, with respect to the future production of his cattle.

Mr. BLANTON. I think that is absolutely fair, I will say to my friend.

Mr. WADSWORTH. Is that not asking the stockman to put his head in a noose?

Mr. BLANTON. No; I do not think the Government will ever take advantage of the stockmen under this bill.

Mr. WADSWORTH. Having signed a contract, is he not bound by it?

Mr. BLANTON. Yes; but he should be willing to sign it. Regardless of that, I do not believe the Government would ever take advantage of them. My friend the gentleman from New York is one of the leaders on his side of the House and has performed distinguished service to his Nation. If he were lending his own money, he would not lend it on cattle unless he had the right to require certain safeguards. Why, some of the banks even go so far as to say how they should be pastured and fed and where they should be pastured and fed and where they should be marketed. This provision he refers to, section 3, is reasonable.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I reserve the remainder of my time.

Mr. HOPE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. REED].

Mr. JONES. Mr. Speaker, will not the gentleman permit me to use half a minute? I promised to yield to the gentleman from New York.

Mr. REED of New York. My purpose in getting this time is to ask a question. For the first time since I can remember there is a very serious drought situation in the western and northern part of New York. These are dairy sections. The drought has become so acute there since last year that portions of many herds of highly bred cattle have had to be sacrificed. They are now trying to carry the stock over this winter. There is less than a ton of hay per cow in those districts. Cornell University has found that those areas, embracing eight counties, are in the drought section of the country, but, under the ruling of the Department of Agriculture, I understand that the drought area was found to be west of the Mississippi River. Now, under the terms of this bill, will any relief be afforded the drought areas of New York?

Mr. JONES. This bill is country-wide. It is quite probable that the greater part of the money will be lent where the drought has been the heaviest, but the provisions of the bill are country-wide. The provision of the bill that was under discussion a minute ago would apply. There is in existence at the present time under a different classification an act making available relief loans for feed for cattle in desperate condition. That is a separate and distinct measure. This measure, however, will cover the country in its entirety. But, as I say, a greater amount will be loaned in the areas where the drought was most severe.

Mr. REED of New York. There is a fund now being administered for this purpose, I understand?

Mr. JONES. Yes; that is different from this bill.

Mr. REED of New York. I understand this applies if Government officials find a drought condition in any part of the country.

Mr. JONES. I understand so.

Mr. REED of New York. Mr. Speaker, I yield back the remainder of my time.

Mr. HOPE. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Speaker, in considering this bill I want to point out the fact that feed prices have advanced from 200 to 300 percent in the last year. I am in favor of a bill of this nature. I think it is very necessary that we have some such relief at this time. I think, however, that $1,000,000 is entirely inadequate, because a year ago we had much easier conditions, prices of feed were much less than they are today. This language is contained in paragraph (b) of page 3 of the bill:

> That in any area certified by the President of the United States to the Governor as a distressed emergency area, the Governor may make loans without regard to the foregoing limitations as to amounts under such regulations and with such maturities as he may prescribe therefor.

There are certain areas which are not construed as primary drought-stricken areas. They are construed as secondary areas, or they are not classified at all.

The farmers in all drought-stricken areas, both primary and secondary, should be provided for in the broad interpretation and administration of the act. I do not know how we can make the act more effective unless we can increase the amount to $3,000,000, $4,000,000, or even to $5,000,000.

The bill is not perfect; but having been brought up under a suspension of the rules, there are no amendments permissible. Owing to the emergency which exists and regardless of the fact that the bill carries such a small appropriation for feed for livestock, in order to expedite the passage of the bill and thus speed up making the funds available for the farmers, even as the bill stands I shall vote for it, trusting that in some other manner more means will be provided for additional relief to the unfortunate farmers who have not the money with which to provide feed for their livestock.

Mr. Speaker, I yield back the remainder of my time.

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. GEHRMANN].

Mr. GEHRMANN. Mr. Speaker, I certainly am in accord with the bill as proposed; but it does not provide sufficient funds to buy feed for cattle in the stricken areas which need feed and need it badly. I agree with the gentleman from Michigan [Mr. CRAWFORD] that the amount of money provided by this bill is inadequate. The probable result will be that those areas which are not now designated as primary drought areas will be left out. In that case of my own district, nearly the entire district, is not designated as a primary drought area. Only a few days ago we met with the administration and tried to iron this out, but so far we have not been very successful. It seems that a survey was made some time last summer, but conditions have changed entirely since the survey was made, and those districts that were not so seriously affected in the early summer had absolutely no emergency crops because of the continuance of the lack of rain, while other sections in the primary drought area had rains and harvested fair emergency crops. Many farmers in my district are absolutely without any more feed for their livestock, and something must be done immediately to save those cattle from starvation. I have received many resolutions from county boards which happen to be in that belt. I also have a stack of petitions from farm organizations and communications from county agents, as well as other business groups, calling my attention to the seriousness of the feed situation.

Those farmers are destitute and have no feed left in their barns and no credit left to buy with. The relief administration demands negotiable notes before it will give feed to those farmers. The majority of those farmers needing feed are already mortgaged for all they are worth, in addition to several years' feed loans, back interest, taxes, and so forth. The Relief Administration, or at least some of those administering relief, tell the farmers to get rid of their cattle. It seems that they are desirous of forcing those farm families on the permanent relief role, because when you force them to get rid of their foundation herds they will have no income for several years to come, if they should be allowed to remain in their homesteads.

We hope and have every reason to believe that we will have a normal season this year, because of the abundance of snow now covering the fields. We have normally an abundance of the finest pasture in my district, and the farmers would be enabled to pay back some of their obligations if they could keep their dairy cows and take the income from them during the summer without any feed expense. That would give them a new lease on life. But if you make the farmer get rid of his cows at this time of the year, when at least half of the feeding season is behind him, you will most certainly force him into bankruptcy and onto the permanent relief rolls. The farmer must have the needed feed without the Government's insisting on any kind of negotiable or secured paper, and must have it without any more delay or red tape.

Another provision in the ruling of the Relief Administration that is incorrect is the provision that the maximum allowed to any farmer per month is $24.99. That will buy just about 1 ton of hay in my district. How many dairy cows can a farmer feed in 1 month on a ton of hay? Not more than two or three. The maximum should at least be doubled and common sense used in granting the farmer's needs.

I realize fully that feed is very scarce and expensive this year, but the only way, as stated before, is to allow the destitute farmer to keep his foundation dairy herd, so that with more favorable weather conditions and better prices he may see a ray of hope of somehow working out of the deplorable condition he finds himself in today.

The dairy farmers especially have been entirely ignored and forgotten. They are forced to pay the processing taxes to most of the other branches of the agricultural industry but are denied the possibility of raising their foundation herd when the barn feeding season is now half over and after they have submitted to elimination of a large percentage of their herds by tubercular tests and the Bang's disease test that in many instances takes the entire herd.

We will be so short of both dairy and beef cattle that we shall be building up the finest market for Argentine and New Zealand farmers, and those of our farmers that still have their herds will have to face that kind of cheap-production competition, while a large percentage will be forced into competition with the millions of unemployed and on relief, just because of the short-sightedness of the Relief Administration.

Mr. JONES. Mr. Speaker, I yield to the gentleman from Texas [Mr. JOHNSON] such time as he may desire.

Mr. JOHNSON of Texas. Mr. Speaker, this bill, which authorizes an appropriation of $40,000,000 so that emergency crop loans may be made in 1935, is, in my judgment, a matter of great importance.

The loans made last year were of great benefit to those farmers who were unable to secure credit elsewhere and enabled many small farmers to make a living from their crops who otherwise would have been unable to do so, and who would have been upon the relief rolls.

I have cooperated with my colleague from Texas [Mr. JONES], Chairman of the Committee on Agriculture, urging early consideration of this measure, and I congratulate him and the committee on their action in presenting it at this time, for heretofore the legislation authorizing such loans has been delayed until it was too late for some farmers to secure the necessary credit in making their crops.

The larger farmers are benefited by other legislation and are able to secure loans from the banks and other governmental agencies, but this measure is designed primarily to help the small farmer who cannot secure credit elsewhere.

Owing to the devastating drought last year, the need for these loans is even greater than in 1934, for many farmers were unable to make any feed whatever, and few, if any, in my section made sufficient feed with which to carry on their crop operations.

The report of the committee states that 65 percent of these loans heretofore made have been paid, and I doubt whether the percentage of repayment has been that high in any of the other loans made by the Government. This shows the great need for the loans, and the farmers have shown their appreciation by prompt repayment. Over 90 percent of these loans made in my district have been repaid.

Mr. Charles W. Sherrill, regional manager in charge of the organization making these loans in Texas, has done a splendid work, and he and his organization are to be congratulated thereon.

As in 1934, the crop loans will be made to the farmers without any security except a lien upon the crop to be grown, but loans for feed of cattle will require a lien upon the cattle to be fed.

The rate of interest to be charged for the loans will be 5½ percent per annum. The amount appropriated for these loans in 1934 was $35,000,000. The present bill carries an authorization of $40,000,000.

A large number of letters have been received by me from farmers urging the passage of this legislation, and the letters are not inspired but come from individual farmers who deeply realize the need thereof.

Today I received a letter from a farmer in Limestone County advising that he had started preparing his land for cultivating a crop but was unable to go any farther until he could get a crop loan, and that he had a large family and needed help, but that unless he could get a loan such as he secured last year he would be unable to make a crop and would have no means whatever for the support of himself and his family. Thousands of other farmers in my district are in the same condition.

Surely the Government can render no finer service than to extend this aid to finance worthy and deserving farmers who are trying so hard to make a living, and no one who understands the agricultural conditions would for one moment think of opposing a measure like this.

Other relief legislation which we have passed and will pass at this session may be experimental, but the relief afforded by this bill has already been demonstrated to be practical, effective, and indispensable for the small farmers in the United States. It is imperative that this bill become a law at the earliest possible moment.

Mr. JONES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONES. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, during the dry spell last year I had occasion to travel some 7,000 miles in 7 weeks within the borders of my State. I could travel 250 miles a day and not see any more grass than may be seen on the floor of this Chamber today. Because the farmer had no feed and in many cases no water, I saw the cattle and the hogs taken off the farms and shipped to the city for slaughter. This included their milk cows. Even the chickens were sent to market. My friends, it is beyond me to picture in words the conditions that really existed in rural Missouri.

God only knows how those farmers are existing today. They had no gardens, no fruit, and existed upon canned goods during the summer. Think of farmers buying canned goods in June, July, and August and you have some little idea of conditions. They have absolutely nothing to start on this year, and the Congress must come to their assistance. I contend that until the farmer has his buying power restored we in the cities cannot expect to sell what our factories turn out.

My only regret is that this bill does not carry a larger amount. The farmers in the dry territory are starting all over. They must get cattle, hogs, and even chickens. If they have been able to save their work stock, they must be existing upon straw as they had no money to buy oats or hay.

If the farmers would have had their normal yield of corn this year, they would be richer in my State by $150,000,000. Think of the sum the farmers of Missouri alone lost by this unprecedented dry spell.

I commend the chairman of the committee and the committee for bringing in this bill and passing it at the present time, and I know that the appropriation authorized by the measure will be speedily provided for, so that the loans may be made in plenty of time for the farmers to buy feed for what little cattle they have left and also plan next year's crop. This is an emergency greater, I think, than any we have faced in recent years. Let there be no time lost in assisting those who need our help at the moment.

[Here the gavel fell.]

Mr. JONES. Mr. Speaker, I yield the gentleman from Texas [Mr. KLEBERG] such time as he may desire.

Mr. KLEBERG. Mr. Speaker, in my opinion this bill is possibly as important a piece of legislation from the standpoint of real benefit as any that will come before this House. It furnishes an opportunity and an avenue of credit to a class of people that otherwise could not be reached save through the relief roll and permits them to stay off the relief roll.

This measure calls upon the borrower to establish only one qualification, and I refer particularly to a question presented by the distinguished gentleman from New York [Mr. WADSWORTH] with reference to the fact that he claimed this bill provided that no man could receive credit without putting his head in a noose, and referred particularly to the cattlemen. As one of that group, I favor for real consideration merely a careful reading of the language of the bill.

Under the present emergency legislation, adopted by this Congress and presented to the President, there have been in all agricultural lines certain very definite evidences of a need for control. The only thing that is asked is that a borrower under this bill will not take advantage of his neighbor. If he is not cooperating in the crop-reduction plan, all he must show is that he does not by borrowing this money intend to increase his production of any controlled commodity.

Mr. MICHENER. Will the gentleman yield?

Mr. KLEBERG. I yield to the gentleman from Michigan.

Mr. MICHENER. Does not the bill give the authority making the loan the right to make such regulations as he sees fit? And at the present time are not all of these loans made on a contract which provides just as suggested by the gentleman from New York, namely, the man submits not only to control this year but to such rules and regulations as shall be made in the future by the department controlling and regulating not only the cattle but the dairy industry?

Mr. KLEBERG. May I say to the gentleman from Michigan that in my district where the loans were made last year that was not the case. All the borrower had to do was to establish the fact, if he was not cooperating under actual acreage or crop reduction, that he did not propose to increase his production.

Mr. MICHENER. They brought me some of the contracts at home, and I read them. There is a provision in fine print that the borrower of the money agrees in the future to such rules and regulations as shall be made by the Department of Agriculture controlling the thing covered by the mortgage.

Mr. KLEBERG. I do not desire to take much time. I interrupt only for the purpose of asking the gentleman to read carefully the regulation referred to, and he will find in the last analysis that the only reservation is there shall be no increase of production by the party applying for the loan.

Mr. MICHENER. I refer to the contract which is out at the present time.

Mr. HOPE. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Speaker, nearly every day since Congress convened I have received letters from farmers of my district stating that they had no money with which to purchase seed; that neither the banks nor the Farm Credit Administration will loan them money; and that unless some provision is made for seed loans the crops cannot be planted.

I am tempted to observe in passing that the existence of a condition of this kind, especially in districts like my own which are not in the drought area, does not tend to confirm the boast of the Agricultural Adjustment Administration that its crop-curtailment program has restored the purchasing power of the farmer. Nothing could more effectively demonstrate that the farmer still has no purchasing power than the fact that hundreds of thousands of them are unable, after 3 years of A. A. A. administration, even to purchase seed with which to plant their crops.

I appreciate the prompt action of the committee in recognizing this situation and in reporting out this bill making available $40,000,000 for seed loans; but I want to state to the committee what it undoubtedly knows if it has made a real investigation of the matter, and that is that the bill is not adequate to meet this emergency.

Also, while I approve of the prompt action of the committee on getting a seed-loan bill before us, I do not at all approve of some of the provisions and restrictions that have been put in this bill, and I object most emphatically to the bill's being brought up under suspension of the rules, which prevents any amendment to it here and which, consequently, precludes the House from giving these farmers any further relief than that decided upon by the committee.

I shall be obliged to vote for this bill, of course, because I know it is the only bill on this subject we will have a chance to vote on at this session, and not because I think it meets the legitimate needs of the farmers who are faced with the necessity of either borrowing money to buy seed or of going out of business, which in turn means going on the relief rolls. I shall vote for the bill, therefore, in spite of the fact that, in my opinion, it is both inadequate and in some respects discriminatory.

In the first place, $40,000,000 will not furnish the money necessary for this seed-purchase financing, and, in the second place, there is no necessity for making these loans carry an interest rate of 5½ percent, which the bill provides.

The experience of the Government in making seed loans to farmers has been highly satisfactory. They have proved to be among the very best loans the Government has made. The money has invariably been repaid. Why, then, limit the amount to $40,000,000 when we all know that amount will not be sufficient and when we know that it is safely possible to make a sufficient amount available?

Again, why charge the farmer 5½ percent on these loans, when a less burdensome rate would suffice to pay the cost of financing? It cannot be urged that a lower rate of interest would be detrimental to banks and other loaning agencies. Banks and other loaning agencies are not making such loans to any extent. Besides, under this, as well as other seed-loan laws, the loans are limited to those particular farmers who have been unable to secure seed loans from banks or other lenders. Loans under this bill cannot compete with private business. It is my contention, therefore, that the bill could safely and properly provide, and should provide, more money for this admittedly necessary purpose and that it should be provided at a lower rate of interest.

Another objection to the committee bill is the dictatorial and discriminatory provision under subsection 2 of paragraph C of section 2, which limits these seed loans to those farmers, and those only, who will agree to sign the A. A. A. crop-reduction contracts, who, in event it should become necessary to increase agricultural production next year, will agree to increase it only to the extent the Secretary of Agriculture wants it to be increased. That these are the plain provisions of this subsection no one can possibly deny. The language precludes entirely any other construction.

Why such a restriction and limitation in a relief bill which is supposed to help all farmers who are in financial distress? Why this discrimination? Why include as eligible for this relief only those farmers whose political and economic views on agricultural control meet with the approval of the Secretary of Agriculture? Are the only worthy farmers in this country those who adhere 100 percent to the crop-reduction program of the A. A. A.? Are the only farmers deserving of aid those who are willing in writing to put themselves under the dominance of the Agricultural Department?

Please understand that I am not arguing here that the A. A. A. program is wrong. That is beside the point I am endeavoring to make. I am aware that some persons who are supposed to be experts in agriculture are of the opinion that the A. A. A. program is the proper solution to our farm difficulties. I am also aware, on the other hand, that there are just as many experts who are opposed to it, and that the latter, incidentally, include many very high authorities in the field of agriculture.

But whether right or wrong, the A. A. A. crop-curtailment program has heretofore been at least a voluntary program; one which the farmer has been entirely free either to accept or to reject. That was one of the principal arguments made for it when the act was passed. In cotton only has the administration's crop-control plan been made compulsory by law. But this bill, so far as applicants for seed loans are concerned, makes the administration's crop-control plan compulsory in the production of every farm commodity because it denies financial relief in the way of seed loans to all farmers who refuse to adhere to that plan and to cooperate with it.

Since hundreds of thousands of farmers, including those who believe that compulsory crop production is wrong, must now either get these loans or go on the relief rolls, and since the only way they can get a seed loan is to agree in writing to allow the A. A. A. to control the amount of their production, it will be readily seen that, as to farmers in actual need and who cannot obtain seed-loan money from private sources, this bill virtually repeals the voluntary provisions of the Government's crop-control program and makes adherence to it compulsory.

Now let me say, Mr. Speaker, that there was no need whatever for this bill to be brought in under suspension of the rules. There is no reason in the world, even now, why it cannot be considered under an open rule that will allow us to offer amendments to it. The element of time cannot be properly pleaded by the majority organization for it so happens that on this day the House has absolutely nothing of importance on its calendar. Such amendments as Members desire to offer, including those I have here suggested, could be offered under the usual 5-minute rule and this bill, with such amendments as might be adopted, could easily reach a vote before adjournment today.

We could, if the majority organization would allow us, make this relief bill an adequate bill, a fair bill, and a bill treating all deserving farmers alike, regardless of whether or not they see eye to eye with the Secretary of Agriculture on the question of crop control.

Now, why are we prevented from doing this? We are prevented from doing this solely because the Agriculture Department does not want the bill amended. The Agriculture Department does not want the bill amended because it wants to continue and to increase its power and its domination over our whole farm population. It wants compulsory crop control in every branch of farm production, just as it now has it in cotton. It has taken the first step toward this goal in the pending bill by the simple and cunning device of withholding necessary seed loans from farmers until they agree to raise their crops and operate their farms in accordance with the administration's curtailment plan.

I stated at the outset that in view of the emergency confronting the farmers I would vote for this bill in spite of its defects and even in spite of its discriminatory provisions, because it is the only bill on this subject which the majority organzation will permit the House to vote on. The Agricul-

tural Adjustment Administration, which seems to dominate every action of the Agriculture Committee of the House, has said, in effect, that the farmer can have this particular seed-loan bill just as it is written, or nothing.

The committee, with its proxy from the A. A. A., in turn dominates the House majority on agricultural legislation, and it says to the majority party here, "The farmer can have this bill or nothing." The majority party in its turn says to the minority, "The farmer can have this or nothing." Therefore this or nothing is what the farmer will get. This, of course, is gag-rule legislation carried to the *n*th degree; but that is a thing which invariably happens whenever one party has a 3-to-1 majority in the House of Representatives.

Well, Mr. Speaker, inadequate as this bill is and dictatorial as it is, it is admittedly better than nothing, and as between this and nothing there is obviously no room for choice. The farmers should know, however, why a better bill has not been permitted to pass the House, and it is to this end chiefly that I have addressed myself.

[Here the gavel fell.]

Mr. HOPE. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. CHRISTIANSON].

Mr. CHRISTIANSON. Mr. Speaker, I rise primarily for the purpose of directing one or two questions to the Chairman of the Committee on Agriculture.

I see that the appropriation made in this bill is $40,000,000. Will the chairman please tell the House how much money was made available for seed loans under legislation enacted last year?

Mr. JONES. Forty million dollars was made available and $38,000,000 was used under that bill.

Mr. CHRISTIANSON. Does not the chairman of the committee believe, in view of the unprecedented drought that has existed during the past year in the Middle West and the country generally, that a much larger sum will be needed to meet the requirements this year than a year ago?

Mr. JONES. The gentleman understands that a good many funds were used under the relief provisions of other measures. The Department estimates that this will cover all of the applications for loans of this particular type.

Mr. CHRISTIANSON. Mr. Speaker, I am glad the committee has acted with promptness in bringing this bill before the House for consideration, but I regret that the measure comes up under suspension of the rules and is therefore not subject to amendment. It is my conviction that the sum made available by a bill pending in another body—$100,000,000—is not excessive. It should be borne in mind that the greatest drought in the history of the country has so taxed the resources and the credit of many farmers, who a year ago could obtain money through the regular channels, that they cannot hope this year to borrow from the banks. There is only one place these farmers can go, and that is to the United States Government. If we fail to provide enough, there may be hundreds of thousands of acres left fallow, whose owners, instead of being self-supporting citizens, will have to ask for relief.

I am not one of those who are willing to throw public funds around with reckless abandon; but I submit that it is not economy to be niggardly with money for seed loans, to be secured by a first lien on crops, at a time when we allow the public credit to be used by relief agencies to raise funds for laying out golf courses and building ski runways. I submit that it is better to provide farmers with seed for growing crops than to give them employment next fall for frivolous and fruitless made-work projects.

The trouble with so many of the appropriations we make in the name of relief is that the funds do not reach the people who need help. So much of the money sticks to the fingers of those who get the fat contracts, to the owners of labor-saving, job-killing machines, to those who manufacture or haul materials, that only a little is left for the people who really need relief. Here is an opportunity to do something for men in distress, to provide a sum every cent of which will actually relieve. While throwing billions into a fatuous P. W. A. program, the futility of which as a reemployment device was demonstrated in Great Britain years ago, we skimp and trim in order to save a paltry $60,000,000. Why do we do it? To save more money for courthouses, post offices, town halls, and Roman baths?

Tomorrow we shall be asked for $4,000,000,000, to be expended without restrictions or reservations, to continue the farce. We spent $2,000,000,000 last year and gave 475,000 men work, if we may believe the figures of the Department of Labor. Presumably, with $4,000,000,000 we shall be able, if we succeed to the same degree, to employ 950,000—less than one-tenth of the Nation's unemployed.

I tell you that if large areas go unseeded next year—as they will if the funds we vote fail to meet the needs—the luckless farmers who are victims of our thrift may add as many to the ranks of those who need jobs as the $4,000,000,000 will put to work.

Mr. HOPE. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I rise simply to call the attention of the chairman of the committee to this important bill. It is now 2:20 in the afternoon. The House has no other business for the afternoon. This is one of the most important matters that will come before the Congress. It is brought up without any notice and under suspension of the rules, where the only thing anybody can do is to make a speech for back home. He cannot offer an amendment. I am therefore going to ask the splendid chairman of the committee, who always has been interested in the farmer at heart, in view of these circumstances and under these conditions, that he be generous and permit, by unanimous consent the reading of this bill in the usual way for amendment to the end that the House may be permitted to offer such amendments as in the judgment of the House are for the best interests of the farmer.

[Here he gavel fell.]

Mr. MICHENER. Will the gentleman grant the request?

Mr. JONES. If the gentleman will give me time, I will give him my position.

Mr. MICHENER. I do not want the position, I want the privilege to amend.

Mr. JONES. Then the gentleman does not want me to reply.

Mr. BLANTON. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. KERR].

Mr. KERR. Mr. Speaker, I indulge the hope that this Congress will unanimously pass this measure. I represent one of the great agricultural districts of this Nation, and I know how essential these loans have been to the people in my district and in my State. This is the only way we have been able to take care of the small farmer who for 5 years has had no other possible way of getting capital to continue his business and take care of his family. The merit of this loan and the objection to same have been time and again discussed before this House, and the objection to the passage of this bill today is without merit; it is purely political in its nature and should have no place in the discussion of a measure so vital to the welfare of the American farmer.

These loans have been most successful in North Carolina, and I am pleased to say to the Congress today that my State has paid back about 99 percent of the loans that have been made there. Our farmers want them again. It makes them feel secure. They do not have to go and beg people or banks for money to make their crops to take care of their families. They feel they can go to the Government and on easy terms obtain money, and they have heretofore been fortunate enough to pay back these loans. These loans have stimulated the pride of the American farmer and done much to convince him of the honest endeavor of Congress to help him as he struggles to bring back prosperity to this country.

I know of no privilege or no power extended to the farmer in this country that has aided him or helped him more than these crop loans and the other loans described in this bill.

I hope the Congress will unanimously extend this right to the poor small farmer, who is the real farmer that produces

a large percentage of the wealth of this Nation, in order that he may again get this loan and take care of his crop and of his industry.

[Here the gavel fell.]

Mr. BLANTON. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. HULL].

Mr. HULL. Mr. Speaker, I appreciate the courtesy of the gentleman from Texas in yielding me this time. I also appreciate the circumstances under which the committee and its chairman have brought in this bill in its present form. I believe further that it is utterly inadequate, in view of the conditions that prevail throughout the Northwest. It carries $1,000,000 for feed for livestock, and yet in my own district and the other Wisconsin districts in the drought section there are over 1,000,000 dairy cows for which the farmers are unable to provide feed.

Farmers are selling valuable dairy cows as low as $8 and $10 a head, because they have nothing to feed them. More than a million cows in Minnesota and the Dakotas are without a sufficient supply of feedstuffs. This bill provides only $1,000,000 to take care of two millions or two and one-half millions of dairy cows, not to mention many thousands of other livestock.

The regulations governing feed loans also serve to prevent the farmers from obtaining necessary feed for their dairy herds.

I hope the committee will bring in another bill providing a larger fund, and also providing new regulations, which will enable the dairy farmers to obtain feed for their stock without so much redtape and so many restrictions. [Applause.]

Mr. BLANTON. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. FERGUSON].

Mr. FERGUSON. Mr. Speaker, we have heard a great deal of talk about the money for feed included in this bill. This is not the major purpose of this bill. Its purpose is not to provide feed for distressed livestock. That work is carried on under the direction of the F. E. R. A. I am in the cattle and stock business myself, and a million dollars would not be a drop in the bucket if that was undertaken in this bill.

You will notice that the bill says that the lien will be a first lien on the cattle. It will constitute the first lien on this cattle, and anyone that owns cattle and owns them clear can go to any private institution—any bank—and borrow money to feed his stock. There are some private banking institutions that still function. The Government has not entirely taken over the financial structure of the Nation.

The real purpose of this bill is to provide seed loans for people who cannot get seed in any other manner. The seed-loan set-up has been in existence for several years, and has functioned very well. Many farmers who otherwise would have had to let their land lie idle, sell their stock, and move to town to be on charity have been able to stay on the farm because of crops raised from loans in previous years.

I urge the immediate passage of this bill, because in my State the time to plant oats is near at hand, and this need for seed oats must be met in the next 30 or 40 days, or many farmers will not be able to plant this important crop. [Applause.]

Mr. HULL. Will the gentleman yield?

Mr. FERGUSON. I yield.

Mr. HULL. I call the gentleman's attention to line 9, "One million dollars for feed for livestock." I also would like to ask the gentleman where these banks are situated that will loan money for feed on livestock?

Mr. FERGUSON. The Government has set up all over the United States financial structures for loaning money on cattle. First, the Regional Agricultural Credit Corporation loaned several hundred million. They are being succeeded now by the Production Credit Corporation, which will loan money to any man on his cattle under the same provisions as required under this act.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

Mr. HOPE. Mr. Speaker, I yield 5 minutes to myself. There appears to be some confusion about the purpose of this bill, especially as it relates to feed loans, and I am glad that the gentleman from Oklahoma [Mr. FERGUSON] made the explanation he did, which is entirely correct, in that this bill is not primarily supposed to make provision for feed loans. All of the feed loans and cattle loans made last year, with the exception of about half a million dollars, were made under the provisions of other relief acts. This is primarily a crop-loan bill, to provide funds for buying seed, fertilizer, gasoline for tractors, and feed for work stock. It, of course, must be regarded as a relief measure, as an emergency measure, and I do not believe that any of the relief measures which have been passed during the period of this depression have resulted in as much real benefit and in as little cost to the Government as these seed loans. If gentlemen will refer to the table which is contained in the report on the bill, they will find that of all the seed loans that have been made since 1921 down to date 65.8 percent have been repaid. I venture to say that when the Reconstruction Finance Corporation winds up its business, and when some of these other Government lending agencies wind up their business, the percentage will not be any larger than that. There is a greater need this year for these loans than has existed at any time before, especially in the Middle West, because the most devastating drought in all the history of the Mississippi Valley occurred last year, and, as has been related here by those who have preceded me, an entire stretch of country, hundreds of miles in either direction, was laid waste and became as desolate as if a prairie fire had burned across it.

It is to the farmers in that section who mainly, because of the drought, have not the wherewithal to go ahead and put in a crop, but who have the land and the machinery and the knowledge of farming, that it is proposed to lend this money. If they do not receive these loans to enable them to go ahead with their farming operations they will undoubtedly become subjects for relief, and it will cost this Government many times the amount which will be consumed in these loans even if we were to assume that not a penny is going to be repaid.

I am not one of those who objects to the provision in this bill that a farmer who secures one of these loans must cooperate with the crop-adjustment program of the Government. I think I would be opposed to the bill if it did not contain that provision, because it is not fair to the farmers who are voluntarily cooperating in the adjustment program for another department of the Government to lend money to those who will not lend them cooperation and who by their failure to do so wreck and ruin the efforts of those farmers who are willing to work together in a general program.

Criticism has been made here this afternoon that under this bill we are encouraging farmers to grow crops whereas, under other legislation, we are paying farmers to destroy crops or to reduce them. Superficially it might seem this was inconsistent. Actually, however, it is not. The present crop-production-control program is not necessarily a reduction program. Rather it is a plan to adjust production and demand. This may involve decreased production in some years and increased production in others. Certainly it is not contemplated at any time that there should be a reduction by forcing thousands of farmers entirely out of business, and yet that is just what will happen in the drought area this year if these loans are not available. If the loans were not made it might conceivably happen that there would develop an actual shortage of food products. These loans furnish insurance against that contingency and at the same time will enable thousands of farmers to remain on their land as producers instead of going on relief.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. BLANTON. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. PIERCE].

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Oregon also.

Mr. PIERCE. Mr. Speaker, if there ever was an emergency bill demanding immediate enactment, this is it. I should like to change some things in the bill myself. When

it was considered before the Agricultural Committee I suggested changes. I should like to see them made now, but the necessity of the hour demands quick action upon the bill.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. PIERCE. Yes.

Mr. MICHENER. We have plenty of time and we can open the bill up if the chairman will permit and make the amendments the gentleman desires here now. The bill will become a law as quickly as if it is rushed through without an opportunity for amendment.

Mr. PIERCE. I am not managing the passage of the bill. That is the business of the chairman. I refuse to yield further. We are justified in passing this under any sort of rule, because there are literally thousands of farmers throughout this Nation who are depending upon the enactment of this legislation before they can plant their fields. The crop season is on now. Here it is nearly the last of January. The bill has to go through the Senate. It should be passed at this time, right now. That is why I justify the action of the House in passing the bill at this time without amendment and under the conditions as it is brought up. It is absolutely necessary that it be enacted at once. The amount of money that has been lost in these loans is infinitesimal, as compared with the amount of good the seed-loan legislation has done, as anyone can see by looking at the report.

The SPEAKER. Is there objection?

There was no objection.

Mr. JONES. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska [Mr. COFFEE].

Mr. BLANTON. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska.

Mr. COFFEE. Mr. Speaker, I rise to call the attention of the House to the necessity for speed in enacting this legislation. Unless we can provide these loans soon, the farmers will have no use for the money. I know on previous occasions when legislation of this kind was enacted at such a late date the farmers were penalized because it was impossible for them to reap the benefit from the loans that they should have had they been made available to them sooner.

I simply want to stress to the members of the House the fact that I am receiving many letters every day urging that some action be taken immediately to provide seed loans because in my own State of Nebraska, where the drought was especially severe this past year, in many cases 90 percent of the farmers are going to be in need of these loans. It is impossible for them to finance their requirements through any other governmental agency or through private banks.

I hope the House will see that this bill is enacted quickly to relieve the distress that is bound to result from any unnecessary delay in putting through this very important relief measure.

Mr. BLANTON. Mr. Speaker, I yield myself the remaining 2 minutes of my time.

I am for every provision of this bill except section 4. As it is before us, we cannot change the dotting of an "i" or the crossing of a "t." It cannot be amended and has to be passed as it is, but I have raised this question about section 4 with the hope that when this bill goes to the Senate of the United States the Senate will properly amend section 4, safeguarding it with limitations and restrictions.

It is our duty to fix salaries. It is our duty to say how many employees may be selected and put on the pay roll. It is not the duty of some bureau chief, like Governor Myers. He may not fix them as we would want them fixed.

I can remember when this House passed the bill that created the Farm Board and permitted the Board members to draw $12,000. Mr. Legge was chairman of the Board, and while he drew $12,000 himself, he approved salaries up to $50,000 and $75,000.

He approved arrangements that permitted Mr. Creekmore to draw from the farmers of the United States a salary of $75,000, the same salary that your President in the White House draws. He approved, permitting another man, Mr. Milnor, to draw a $50,000 salary. That kind of a salary is unearned, and we ought not to stand for it. We are delegating the power of Congress whenever we give a board member like Governor Myers the authority to select personnel without limit and carte-blanche authority to fix salaries without limit. It is not good legislation. It is not good statesmanship to do it. I am against it.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. BLANTON] has expired.

Mr. JONES. Mr. Speaker, the gentleman from Texas [Mr. BLANTON] seems to be excited about section 4. I wish to call his attention to the fact that this provision is in all similar bills.

Mr. BLANTON. And we ought to stop it. We ought not to allow the provisions of section 4 to be placed in any more bills. I am going to try to stop it.

Mr. JONES. The House passed the Classification Act. The Committee on Agriculture does not have jurisdiction of those acts. Possibly some changes should be made, but certainly it is not the province of the Committee on Agriculture, in a bill like this, to undertake to correct any defects that may exist in the Classification Act, of which the committee has no jurisdiction.

The gentleman knows that under the Classification Act no large salaries can be paid.

Mr. BLANTON. Yes; but if Governor Myers deems it impracticable he can ignore the Classification Act and fix the salaries just as he chooses.

Mr. JONES. Now, the gentleman refers to some salaries which he alleges were paid under the old Farm Board. I helped bury the old Farm Board and do not have any apologies for it, and I do not see why that has any bearing on the thing we have before us today. There will be no such salaries paid under this bill. They are going to be paid in accordance with the Classification Act, which sets limits on these salaries.

Besides, this is to be handled by the Farm Credit Administration. This has been one of the best managed of all the Government agencies. It has done magnificent work. Its salaries probably average less than any other activity. Not even the gentleman from Texas would say it has been guilty of abuses in this regard.

Some discussion has developed as to this $1,000,000. I do not know that it was necessary to have that in this bill at all. It does not apply to the type of loans which the gentlemen have been discussing. There was this same provision for $1,000,000 for feed loans last year in this bill, and only about half of it was used.

There were some applications, and those administering the act felt that they should be in a position to take care of those; but the type of loans discussed here today has been loans that do not require a first lien on the livestock. They have been relief loans, handled under a separate provision altogether. So that should not have any particular application here.

Some reference was made to the primary drought area. The primary drought area was designated not for the operation of this bill but for the operation of the relief fund.

This bill is according to the routine of all other bills along similar lines, although I think it is improved. The gentleman referred a while ago to an opportunity for amendment. The gentleman's party passed the first crop-loan bill that was ever passed by this Congress, under suspension of the rules, so he has not any right to complain. The point is that we have a lot of appropriation bills that must be disposed of, and if this bill is to accomplish its best purposes, it must be passed early. If we do not pass it now, it will probably be delayed for some time. There is no other opportunity for legislation of this sort to come up.

Mr. MICHENER. Will the gentleman yield?

Mr. JONES. I yield.

Mr. MICHENER. It seems clear from the sentiment of the House and the testimonial meeting here this afternoon that everybody wants to amend this bill and add a little more money. If that is the spirit of the House, we have the time and the gentleman has it within his control to give us an opportunity to vote on that.

Mr. JONES. I will answer the question by asking the gentleman, Does he think that we just ought to open the Treasury of the United States and authorize unlimited loans? Is that the gentleman's position?

Mr. MICHENER. No; but I am opposed to the bill that is coming up tomorrow under a rule.

Mr. JONES. Now, the gentleman is roaring about the fact that we are doing one thing and he is complaining because we are going to do something else tomorrow. He has not been pleased since the days when his party made such a wreck of things. It seems impossible to please him.

Mr. MICHENER. No; I want the same rules today as tomorrow; that the House be given an opportunity to read carefully, to amend, and to express in a bill its wishes.

Mr. JONES. I would suggest that the gentleman read his own remarks under discussion of bills that were passed when his party was in power. I think it will prove a very valuable lesson to him.

Mr. MICHENER. I think not.

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. JONES. I yield.

Mr. MOTT. Is this bill confined in extent to the drought area or will its provisions be applicable to drought sections all over the country?

Mr. JONES. The provisions of this bill will apply to all parts of the United States, regardless of whether there is a drought area or not, but probably there will be more loans in the drought area than in others, because there is where the greater need will be.

[Here the gavel fell.]

The SPEAKER. The question is, Shall the rules be suspended and the bill be passed?

The question was taken; and two-thirds having voted in favor thereof, the rules were suspended and the bill was passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS—SEED LOANS

Mr. CARLSON. Mr. Speaker, under leave of extending my remarks in the RECORD on the seed-loan bill (H. R. 3247) will state that I regret the bill was brought in under a suspension of the rules and therefore no amendments were permissible, as I think an appropriation of $40,000,000 for this most necessary relief of the farmers of especially the drought-stricken area of our country is wholly inadequate and should have been at least $80,000,000. Last year under much more favorable circumstances and lower prices for field seeds we used $38,000,000; therefore my contention for a greater appropriation.

It is necessary that the farmers in a large portion of my district be given Government assistance in securing seed loans, as they are using the proceeds of their allotment checks for feed for livestock and for necessary living expenses following the worst drought in our history.

The seriousness of this drought in Kansas can be realized when you analyze our seed and feed loans for last year. Kansas farmers in 1934 secured from the Government seed loans totaling $2,329,180, giving as security the first lien on the growing crop. Had these same farmers harvested a crop, practically every cent of these loans would have been paid; but because of a complete failure in this area, there remains unpaid on the 1934 seed loans in our State $2,309,284. Our farmers have secured $1,181,038 in feed loans up until December 31, which is but the beginning of our winter feeding season. This illustrates the seriousness of our situation and, despite our inability to pay these loans when due, the Government must furnish these same farmers, and many others in our State, with seed and feed loans for 1935 in order that they will not have to place them on direct relief. I am going to insist that additional funds be made available for what I believe to be the greatest emergency facing the American farmers of today.

Mr. FARLEY. Mr. Speaker, the purpose of this bill is good. If the bill contained provision for a larger sum than $40,000,000, it would be better. I am earnestly for the enactment of this measure. It designs relief for farmers in many parts of our country who were stricken by the drought of last year. That drought was wide-spread, and in some areas the damage caused and the hardships inflicted were without precedent. Certain it is that in the extent of territory involved and in the total of losses entailed the history of American agriculture can furnish no parallel of such disaster from such cause.

Whether or not the amount of money this bill provides will be equal to the measure of relief needed is, to my mind, a serious question. Since, however, we are not permitted under the circumstances to consider amendment of the bill, we must make the best of an imperative condition and trust that what we are doing will prove ample to carry the relief we intend to all farmers who may be in need of it. It is not probable that we shall have a similar catastrophe this year. We must hope, all of us, that it will be many years before the like may come again; must hope, indeed, that never more will the farmers of America be afflicted by drought as they have been this past year.

Let us bear in mind that this is a purpose to relieve a terrible disaster, to deal with a dire emergency. Let us insist that in the administration of this purpose it constantly be borne in mind just what the character and intent of this relief is to be. Let it be understood that it is meant to help farmers and to help them at once. Let it be clear to all who may be concerned in giving effect to this act that it is to aid those farmers who cannot at this time look to any other source for relief. By that I do not mean there should be carelessness, or extravagance, or inefficiency in dispensing this relief. I do mean that the act should be liberally construed and generously applied where need is shown and help is deserved. We are attempting to master a crisis that spreads over immense territory through many States. There is not merely an emergency; there are thousands of emergencies.

The plight of every stricken farmer, for whom the benefits of this act are intended, is his own individual and critical emergency. We of the House are putting this bill through under the circumstances that attend our action to save time and render the means we are furnishing available at the earliest possible day to the farmers who need the help. It is my hope, as I know it must be yours, that in the administration of this act the time we save here may not elsewhere be lost. The sooner this help gets to the farmers who are to be relieved, the better it will be for them and for the country.

Under the leadership of President Roosevelt the Government is making courageous and effectual assault on the depression, which for a dozen years has been so heavily bearing down upon American agriculture. His plans have been bold. His initiative has been aggressive. His vision has been far-seeing. President Roosevelt has had, as I hope most of us now have, an objective that lifts above and goes beyond mere relief of agriculture. In a variety of ways and to an extent not in the ken of the wildest dreamer a decade ago, this Government is trying to effect the financial reconstruction of American agriculture.

The President wants and we want to effect that reconstruction in such wise as that it shall remain the community of independent farmers it has been since the United States became a Nation. We are trying and hope to accomplish a return of the great agricultural industry to a degree of prosperity that in due time and course will permit it to go along upon its own and enable those engaged in it to wipe out their mortgages, pay their other debts, and obtain fair returns upon their investments in lands, buildings, and equipment, as well as to procure decent income from their toil. It is my belief that we shall succeed finally in achieving this great purpose. We must hope so, and we must strive on to work out the complete solution of this difficult problem.

If we succeed in what we are attempting to do and already have made good progress in the doing, we may all of us together claim the honest merit of having wrought as great a triumph over stubborn difficulty as the history of our Government can show. And we must succeed in this vast undertaking; for, if we do not, we can cherish small hope that we

shall be able to do for other industry and business of every kind what we are making prodigious effort to bring about. We shall not recapture the prosperity we once had and give it firm establishment until we have restored the American farmer to the plane upon which he once stood and where he again should be.

No longer than 2 years ago the conditions by which the American farmer was borne down upon and hedged about appeared to have come to the worst pass it was possible to conceive. The new policies and the boldness with which those conditions were attacked in this present regime of the Government wrought a great change. Conditions became better; farmers began to see light through the enveloping gloom; there was more than the bare promise of happier times; there was the dawning prospect of ultimate triumph over their misfortunes. Then what was expected to be and should have been a favoring season of growth and harvest became a period of drought that in some great areas of our country made literally a desolation of thousands of farms that needed only the blessing of rain to make them yield.

These desolated farmers must have this help if they are to go on. They must be helped to the means of procuring seed for the current year's crops. They must be aided to take the crops off and to get them to market. In the case of those farmers whose flocks and herds have not been entirely taken, there must be feed to last them until the pastures are green again. Those who have nothing of their livestock left to them should be put in the way of reviving that branch of their business. Not long ago I read newspaper accounts of this drought in which it was asserted that in many instances in some regions farmers did not even have poultry left on their farms. That is a sorry and most unusual state of affairs on any farm. In view of all this I am led to question that the provision made in this bill for feeding will be found equal to the need and demand for help of that kind.

In my own part of Indiana we felt last summer's drought variously. There were limited areas, not widely separated, in some of which rain fell and others in which the drought was severe. Some farmers suffered much and others little. But in no case that I know of were there the extreme conditions and the terrible consequences that made the drought a calamitous visitation in parts of the country to the west and northwest of my State. Where we have had damage, other parts were distant and have had ruin. Yet, Mr. Speaker, there will be occasion for some distribution of this relief among farmers of my own district.

This measure, if I do not misconceive its intent, is our declaration that the farmer who has been broken and ground down by a long train of misfortunes is not beyond the pale of relief; that he is worth helping and should be helped; that he is worth saving and should be saved. We are trying to reach down and get hold of the farmer who has been submerged by this final stroke of calamity which has almost finished him. We want to help him to his feet and aid him to come back. If we do not assist him to continue taking his living from the soil, he must seek livelihood in other industry. And other industry is still unable to provide work for several millions who were brought up to it, who are skilled in it. We do not want to drive any more farmers from their soil to the industrial cities and towns. The unemployed already mobilized in those centers make great armies that for a long time will remain much too large. Nor does the farmer want to quit the soil. He wants to remain on the land so long as it will yield him even a meager living. But he does not want to be forever oppressed by debts he cannot meet and harried by taxes he cannot pay. We have high purpose to reconstruct his industry that it may do something better than give him a bare living. We want, I repeat, to give the farmer his own just share of prosperity. But what we are directly trying to do by means of this bill is to give to those farmers who are now worst off what to them will be literally salvation.

I hope to see this bill on the books a completed law within a few days, and then to learn at an early time that the law is functioning where needed. I hope also to know that it is being administered with all the generosity and promptitude that may be thought consistent with prudence. And, in the presence of the critical individual emergencies we are trying to meet, let us trust that even so precious a virtue as prudence may not be too much overdone.

PERMISSION TO ADDRESS THE HOUSE

Mr. CARPENTER. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARPENTER. Mr. Speaker, ladies and gentlemen of the House, the institution of government in this country is fast becoming so cumbersome and complicated that it is bound to fall of its own weight. We can see that the economic crash was principally caused by holding companies and the pyramiding of stock companies one upon another without any firm foundation for any of them. This is nothing to compare with the pyramiding of our bureaus and commissions, one on top of another. We have 48 States that are creating boards and commissions to regulate everything under the sun and all the Federal and State agencies are now exercising legislative functions. Take any merchant, grocer, or druggist for instance, and contemplate the army of inspectors, both State and Federal, with whom he must contend. All these agencies are created under the guise of protecting the people, and various helpless individuals, when as a matter of fact they are the means of taking the control of the Government farther and farther away from the people. The grocer, the druggist, the merchant, the cleaner, the baker must not only go to their State capital, disburse all kinds of fees, and run the gantlet of the various licensing commissions in order to sell beans, dispense castor oil, sell overalls, press pants, or bake a loaf of bread but must then come on to Washington and wait in outer offices and further comply with all kinds of rules and regulations, some of which he will discover have not yet been written out by the department clerk and other regulations unknown to the administrator have been annulled or superseded. All this I say, they must do, before they can conduct their business.

This was not so bad and seemed a sort of practical joke on the middleman until we now discover that the farmers, who make up the big end of the population in this country, and who, up to 1920, had been the freest and the most independent individuals in the country are now immersed in all sorts of forms and book work, and who, if they comply with the forms and regulations set up by the Department of Agriculture, would not have any time left for farming. The majority of farmers are appreciative of what the Government has been doing for them and are for the program, but what they object to is so much governmental redtape and bureaucratic control. A busy farmer some years ago might find it necessary to hire a farmhand; now, if he has any funds to do so, it is necessary for him to hire a secretary instead. Before he can breed his sow he must come to Washington and get a license. He, of course, does not have the funds to come here himself, or to hire a lawyer or a representative to come for him, but he has a bright idea: He has a Representative in Congress, whom the people are hiring; he will take the matter up with his Congressman. The Congressman is only too glad to represent him before the bureaus, and when Mr. Congressman appears before the department or bureau on behalf of his farmer constituent he is given to understand that he is a mere politician and that his action in taking the matter up before the department is politics, and in these busy days the department has no time for politics, and the only representative that Mr. Farmer can afford to have is discredited at the very outset. Congress in attempting to help the distressed farmers passed the Federal Farm Loan Act to authorize the making of loans to farmers to enable them to save their farms and homes. It was not intended by Congress in this law that the Federal land bank should be a money-making institution but one to meet an emergency. Because of the petty politics within the various departments, Congress provided that most of these new set-ups should not come within the Civil Service Act.

Naturally land-bank appraisers had to be appointed, and they for the most part did fairly well, and a certain amount of relief has been given to the farmer through the Federal land-bank loans to enable them to save their homes. Recently it has been ordered that all these land-bank appraisers should be appointed through the Civil Service Commission after taking such examinations as shall be prescribed. Of course, the best and most competent appraisers are the county-commissioner or county-clerk type, who have had a great deal of experience when it comes to appraising real estate. Very few of them will be able to qualify under this new regulation. The civil-service appraiser will realize the permanency of his position, and will therefore have little consideration or sympathy for the farmer who is about to lose his farm. A good example of what may be expected is the action of the postal inspectors—who are under the civil service—inspecting the rural routes in regard to consolidations and extensions. I dare say there is not a Congressman here, outside of the city districts, who has not had considerable difficulty because of the manner in which these inspectors have treated these rural-route matters. We realize that, owing to improved road conditions and modern means of travel, it is practical and economical to make certain consolidations, but never in my experience have I known an inspector to go out and get the farmers together and consult with them in trying to satisfy their needs.

Who is it that has more power when it comes to legislation than Congress, the President, and the Supreme Court all combined? Who is it that has a greater veto power than the President? It is the various bureaucrats here in Washington. Let a Congressman introduce a bill, and it is referred to a committee and immediately a copy is sent to some department. The chances are 99 out of 100, especially if they did not draw the bill or previously agreed to it, they will notify the committee that they disapprove of the bill, and that, for all practical purposes, kills the bill. Go down and take up a ruling with some of the department chiefs, they will tell you very politely that they are helpless, that they are compelled to comply with the laws as Congress passed them, and inform you if you are not satisfied that that matter is up to you as a Congressman, when as a matter of fact the very official wrote the law and Congress no doubt passed it as he wrote it if recommended to do so by the committee in charge, not knowing what it was doing.

Now there is before the United States Supreme Court a momentous question of deciding upon the validity and constitutionality of the act prohibiting the payment of obligations in gold. I read from the Associated Press report in the Washington Star of Saturday, January 12, as follows:

Plans discussed to meet the adverse decision on gold. Move to increase the Supreme Court membership considered among Senators.

And from the body of the article:

THOMAS told newspapermen that one idea under tentative discussion, of which he was not the author, would provide for increasing the membership of the Supreme Court by two or three to make more certain the recovery program would get a new deal.

I voted for this act, and I am hoping that the Supreme Court can find a way to hold it constitutional, for to do otherwise would, I am afraid, create considerable confusion and hardship. For instance, all those obligated on mortgages containing the gold clause would have to pay more than half as much again as the face amount due on the mortgage. There was more fiction than anything else in these gold clauses, for there never was enough gold to pay all these obligations or even the interest on the same, and such agreement is more or less a fraud in itself. To say the least, those assuming such obligations probably did not receive gold in the first instance, and some were speculating upon the possibility that payment would not be demanded in gold and if it was that it would not all be demanded at the same time. Nevertheless, the Court may be justified and compelled according to law and the Constitution to hold otherwise:

I quote again from the Washington Star of Sunday, January 20, 1935, page 2–D, under an article entitled "The Supreme Court Holds the Scales in the Issue of Validity of Contracts", by Owen L. Scott, as follows:

Another suggestion has been made in new-deal quarters. It is that the Court might be "packed" in order to obtain a desired decision. Could something of that kind be done? It might be done if Congress wished. But, again, such action would be flying in the face of precedent and defying the tenets of the American Government as they have come to be accepted.

The Supreme Court constitutes the judicial branch of the Government, and has its responsibility under the Constitution the same as the legislative and executive branches of the Government. Daniel Webster, in a speech delivered in the Senate of the United States on the 11th day of July 1832, spoke thus in regard to the judiciary:

The judiciary is the constitutional tribunal of appeal for the citizens, against both Congress and the Executive, in regard to the constitutionality of laws. It has this jurisdiction expressly conferred upon it, and when it has decided the question, its judgment must, from the very nature of all judgments that are final, and from which there is no appeal, be conclusive. Hitherto, this opinion, and a correspondent practice, have prevailed in America with all wise and considerate men. If it were otherwise, there would be no government of laws; but we should all live under the government, the rule, the caprices of individuals. If we depart from the observance of these salutary principles, the executive power becomes at once purely despotic; for the President, if the principle and the reasoning of the message be sound, may either execute or not execute the laws of the land, according to his sovereign pleasure. He may refuse to put into execution one law, pronounced valid by all branches of the Government, and yet execute another, which may have been by constitutional authority pronounced void.

Furthermore, I trust that the other worth-while emergency legislation passed during this administration will be held constitutional, and the Court in its various decisions has indicated that it will go as far as it can in doing so. However, I never could conceive of the National Industrial Recovery Act being constitutional, and for that reason, among others, I was compelled to vote against it.

To have a majority leader of the Supreme Court and attempt to whip the judges into line with their votes and decisions is repugnant to any judicial system of government and can only be the brain product of bureaucrats, who have no conception of the rights of the people or our form of government. If the Court points out flaws in the laws that we have passed, we have Members of Congress wise enough to correct the same without having to disrupt the courts in this fashion.

This administration cannot permit these bureaucrats and "brain trusters" to injure it and its accomplishments in this manner, or countenance such reflections on its integrity by those who have so little respect for the rights of the people and our Constitution as might make such suggestions, for if we are to permit the bureaus to coerce and prostitute our courts in this fashion and punish them for their decisions, which we must assume are honest and conscientious, then I say, "God help us."

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LUCAS, indefinitely, on account of illness.

To Mr. WEAVER, for 4 days, on account of illness and death in family.

To Mr. BERLIN (at the request of Mr. HAINES), for 4 days, on account of official business.

### JUST TO KEEP THE RECORD STRAIGHT

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert therein three letters I have written.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. McFARLANE. Mr. Speaker, during the last week of the second primary in August 1934 there was circulated throughout my district a letter signed by Mr. H. H. Price, of Graham, Tex., a pharmacist working in the Ramsey drug store at Graham, Tex.—Mr. J. R. Ramsey being appointed postmaster at Graham, Tex., by the Republicans in 1931. This letter was sent out at a time when it was known I would

not have time to answer same and show its falsity. The letter is as follows:

GRAHAM, TEX.

GENTLEMEN: I am writing you in behalf of Mr. Sam Spence, who is a candidate for Congress from the Thirteenth Congressional District. Mr. Spence has served as district attorney of the thirtieth judicial district for the past 6 years and has shown himself to be a man of good character and high integrity, and I think will be a friend in Congress to the druggist.

As you probably already know, in 1929 Hon. W. D. MCFARLANE opposed in the State legislature house bill no. 29, which sought to prohibit the selling of medicine for human consumption by all grocery stores and other agencies except regular pharmacies. In the National Congress, February 1934, when the Copeland-Tugwell bill, No. 52800, was before Congress, which bill sought to amend the Pure Food and Drug Act that was passed in 1906, the Congressman opposed this legislation. All this legislation had the sanction and endorsement of the druggists of the Thirteenth Congressional District, but in spite of that Mr. MCFARLANE saw fit to oppose such legislation.

Therefore, I respectfully solicit your vote and active support of Mr. Sam Spence in the coming primary.

Yours very truly,

H. H. PRICE.

SUPPORTED PHARMACIST BILL

The statement made in the second paragraph concerning my record in the State senate in Texas in 1929, regarding my vote on the pharmacist bill, senate bill no. 49—the only senate bill on this subject considered by the senate in the forty-first legislature—is wholly and totally false, which is verified by the senate journal, as well as the following letter from Senator W. A. Williamson, of San Antonio, Tex, who introduced and sponsored this legislation in the senate:

SAN ANTONIO, TEX., *December 22, 1934.*

Hon. W. D. MCFARLANE,
*Graham, Tex.*

DEAR MR. MCFARLANE: I was very much surprised to learn that a letter was circulated in your campaign last summer wherein it was stated that you opposed senate bill no. 49, which I sponsored at the regular session of the forty-first legislature; therefore, in order to keep the records straight, I volunteer the following statement:

"The bill was prepared rather hurriedly; therefore was by no means perfect, and required several amendments to put it in proper form. You not only supported the amendments but voted for the conference report, which was final passage of the bill on February 21, 1929." As stated above, I am simply calling this matter to your attention to keep the records straight.

Sincerely yours,

W. A. WILLIAMSON.

COPELAND-TUGWELL BILL (S. 2800, 73D CONG.)

In regard to my vote in the Seventy-third Congress on the Copeland-Tugwell bill, No. 52800, the statement made in Mr. Price's letter is false and misleading. This measure was never brought before the House or Senate during the Seventy-third Congress for a vote, as is shown by the CONGRESSIONAL RECORD. There was never any such measure as S. 52800 before the Seventy-third Congress. S. 2800 evidently is the bill referred to, introduced by Senator COPELAND, which was never voted upon by either the House or Senate in the Seventy-third Congress, as verified by the CONGRESSIONAL RECORD and a letter from Senator ROYAL S. COPELAND, as follows:

JANUARY 21, 1935.

MY DEAR CONGRESSMAN: In accordance with your request, I shall briefly outline the history of the bills that I have introduced in the Senate that have to do with the regulation of commerce in foods, drugs, and cosmetics.

S. 1944 was introduced at the close of the first session of the Seventy-third Congress, on June 12, 1933. Hearings were held on this bill in Washington during the month of December 1933, and a large amount of material was collected at this time that was used in drawing up a revised food, drug, and cosmetic bill that was introduced on January 4, 1934, and numbered S. 2000. Subsequent revisions of this bill necessitated the renumbering of it, and on February 19, 1934, the revised bill was known as S. 2800. Again hearings were held, and again a large amount of information was submitted for use in revising and editing the bill. On March 15 the bill was reported to the Senate by the Commerce Committee, and on May 16 the measure came up for debate on the floor. It should be noted, however, that the bill was never voted upon at the last session of the Congress. A final edition of the bill was printed on June 6, 1934, before the end of the session.

My new bill, S. 5, is, in many respects, similar to the last edition of S. 2800. This bill is now before the Committee on Commerce and will, I trust, be reported to the Senate shortly.

Cordially yours,

ROYAL S. COPELAND.

Hon. W. D. MCFARLANE,
*House of Representatives, Washington D. C.*

COOPERATES WITH STATE HEALTH DEPARTMENT

My record made in the House and Senate of Texas for 8 years on public-health questions has been intentionally misrepresented by certain medical doctors who have tried to promote their own selfish desires. The following letters will show that I have cooperated with the State health department as well as with the program of the State medical association. At my own expense I returned to Washington during the fall of 1933 and assisted in working out the program that permitted Texas—the only State whose births and deaths were not recognized—to be recognized on vital statistics, as shown by letter from Dr. W. A. Davis, registrar bureau of vital statistics:

AUSTIN, TEX., *October 30, 1933.*

Hon. W. D. MCFARLANE,
*United States Congressman, Graham, Tex.*

MY DEAR MR. MCFARLANE: I have received your letter of October 7, and should have written you again, after my letter of the 9th, but the announcement that the Census Bureau had admitted Texas to the registration area, not only of deaths but of births, placed an unusual burden on the State registrar.

I want to thank you personally for your efforts to secure what was thought to be the necessary $15,000, but since the Bureau of the Census has admitted Texas I presume that by some arrangement the $15,000 has been made available inside the Department of Commerce, although I do not know this to be a fact.

I want you to remember, Mr. MCFARLANE, that both Dr. Brown, the State health officer, and myself appreciate personally your assistance in this matter, and that if at any time either of us can serve you, if you do not call upon us, we will feel that you have not treated us right.

Yours sincerely,

W. A. DAVIS,
*Registrar Bureau of Vital Statistics.*

A letter of Dr. Charles M. Rosser, president of the State Medical Association:

DALLAS, *January 8, 1934.*

Hon. W. D. MCFARLANE,
*United States Representative, Washington, D. C.*

MY DEAR MR. MCFARLANE: You will recall a letter from Dr. W. A. Davis, secretary of the State board of health, in which he very properly expressed his high appreciation of the services which you and other Members of the Texas delegation and our United States Senators rendered in the very important matter of securing for Texas its certification as being included in the registration area.

As chairman of the State board of health, I want to emphasize the value to be attributed to this service, and this I am to do upon the expressed desire accorded by the full board at its recent meeting.

It was an unmerited reflection upon the sanitary situation in our State not to be so recognized, and but for the assistance rendered by you and other loyal Representatives we might yet be suffering such unjustified reflection.

It is our purpose to communicate this view to the medical profession of Texas, through the medical journal of the State association, in some appropriate way during the interval, and I know that the fine men who compose the medical profession of our State will not be unmindful.

With all good wishes,

Sincerely,

C. M. ROSSER.

Mr. Price, as an employee of the Ramsey drug store, and under the influence of the Republican postmaster, Mr. J. R. Ramsey, bitterly opposed me all during my campaign and circulated false statements such as contained in his letter. Mr. J. R. Ramsey is a brother-in-law of Republican Wesley Johnson, who is Republican post-office distributor of north Texas, from whom Mr. Ramsey received his postmastership.

The post office at Graham is located in a building belonging to Republican Johnson, and naturally he wants to keep the post office in his building as long as possible. This same Republican, Wesley Johnson, succeeded in having himself appointed United States district attorney under President Hoover and retained this position almost a year before he was asked to resign on account of inefficiency, which resignation was filed promptly when requested.

This same Republican, Wesley Johnson, made false statements against me in my last race and in my preceding campaign, which statements he knew and which the political hypocrites who used them knew were wholly and totally false. Such campaign tactics have been overwhelmingly repudiated by the voters of my congressional district in the last two campaigns. I was reelected last year carrying 13 out of 15 counties in the district, and my majority in my

home county exceeded the combined majority of my opponent in the 2 counties I lost, and I carried my opponent's home town, Burkburnett.

My record of honestly and fairly representing the masses of the people has been overwhelmingly endorsed.

I make the above statement in the interest of keeping the record clear, and ask my friends to be on guard against such false rumors circulated by my political enemies for their own private gain.

HOME OWNERS' LOAN CORPORATION

Mr. IMHOFF. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. IMHOFF. Mr. Speaker, during the last week or two there has been a great deal of discussion concerning the operation of the Home Owners' Loan Corporation and the need of another appropriation to continue the relief to the hard-pressed home owners of our country. At this time I wish to give my impression of the administration of this corporation in my section of Ohio.

No more ideal and humanitarian legislation was ever passed by Congress than this attempt to lift the burden of foreclosure from the shoulders of the unfortunate people who are making Herculean efforts to preserve their homes and the savings of a lifetime for themselves and their children.

While many thousands of homes scattered throughout every State have been saved from foreclosure and loss, the administration of the Home Owners' Loan Corporation has been anything but a success. When the Seventy-third Congress passed the act creating this Corporation, hundreds of thousands of home owners throughout the length and breadth of our Nation were facing the loss of their most prized possession—their home. In this emergency Congress intended that this Corporation should be organized quickly, that it should act quickly and efficiently, and that the home owner should be given the benefit of any doubt.

What has been the result? Let us look at the record.

The intertangling redtape and inefficiency of the administration of this Corporation has shrieked to High Heaven.

Under the regulations of the Corporation each State is divided into districts, which districts are further subdivided into subdistricts, made up of so many counties. Each county has a fee appraiser and a flash appraiser. There are also district appraisers and State appraisers, with the last word being said at Washington. As a result of this imposing line-up of appraisers, after a property had run the gamut of appraisals the final value of the property was fixed by men who knew nothing of the peculiar conditions that govern the valuation of property in particular places. The outcome of such a condition of overlapping authority was that in some cases the final appraisal was outrageously high, and in others inexcusably low. There also enters into the matter the great waste of time and money to such an extent that it would be farcical if it were not so tragic.

Then, again, there was the constant change in the regulations governing the granting of loans. In thousands of cases the attorneys in charge of the legal work on the application for loans would work a file through the different offices under a certain set of regulations, when a new regulation would come from Washington and the file would be returned to be worked over under the new regulation and sent on another round of visits to the different offices to be reappraised and reviewed again and again. Days and weeks of useless and tedious toil of these attorneys thus went for naught, and for this extra work they received absolutely no compensation.

In the great emergency that existed when the Home Owners' Loan Act was passed by the Seventy-third Congress, it was expected by Congress that this Corporation would be formed in the shortest possible time and an organization set up that would function efficiently in giving relief to the distressed home owners of America. It was 6 months before the Corporation was formed and nearly a year before loans were being granted.

There is no doubt that many thousands of meritorious loans have been made to distressed home owners, but the maze of redtape, unjust discrimination, inefficiency, and delay in the administration of this act has in a large measure defeated the very purpose that Congress had in mind when the act was passed.

It has been pointed out heretofore upon the floor of the House that there has been a general air of inefficiency surrounding the Home Loan Administration. It is a matter of common knowledge that the offices of Members of the House have been besieged by home owners who, during the past year had made application for loans, but who could get no word as to the disposition of their application. Applications have been known to lie in the office where they were filed for a year without any action whatever, and no attention paid to letters of inquiry from the home owner.

It has come to my attention that employees of the Home Owners' Loan Corporation have gone for months at a time without being paid for their services; that in some cases the proper forms necessary for applications and appraisals were not provided the district office, and were finally secured only after repeated requests to those higher in authority; that the agent of the district offices in many cases had to plead with their superiors in order to secure the necessary equipment for their offices.

You have heard from other Members of the House of instances where banks in the process of liquidation were permitted to transfer their mortgages to the Home Owners' Loan Corporation, and also of other instances of individuals who were not in distress being advised and permitted to unload their mortgages upon the Government. Cases of this kind run into the thousands.

I submit, Mr. Speaker, that such inefficiency and discrimination is absolutely inexcusable and indefensible. As a result of such maladministration, there are hundreds of thousands of distressed and deserving home owners who have never gotten any result of their application and whom Congress intended to be taken care of.

I contend that the activities of this Corporation should be investigated. A resolution calling for such an investigation has been introduced by one of my colleagues from Ohio and I intend to support it. Those responsible for the abuses and injustices of the present administration of this Department of the Government should be replaced by those who are in sympathy with the needy and distressed home owner and who are fitted to do the job. All the unnecessary redtape should be cut out of the regulations governing the granting of loans and the provisions of this humanitarian legislation administered as was intended by Congress and the President of the United States.

Several bills have been introduced during this session calling for another appropriation to take care of the thousands of applications now on file. I have introduced a bill providing for an appropriation of $1,500,000,000. I sincerely hope that the Committee on Banking and Currency will in the near future give consideration to these measures to the end that legislation may be immediately enacted continuing the Home Owners' Loan Corporation, remedying the defects of its administration, and giving immediate relief to the most deserving people in America.

SEED LOANS

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, under leave of extending my remarks in the RECORD on the seed-loan bill (H. R. 3247), will state that I am mighty glad that we have been able to pass this most important piece of legislation. I remember when the first seed-loan bill was introduced by me for the relief of the Southeast, to take care of a serious situation which was brought about by a serious storm visiting that section of the United States in 1928. In calling upon Mr. Jardine, Secretary of Agriculture at that time, I stated that it was my belief that this type of loan to farmers in the

South would not only prove to be a real benefit to farmers, but that these loans would be paid practically 100 percent. I succeeded in having this bill passed by the Congress, with the assistance of the late Congressman Hogan, who was at that time Chairman of the Agricultural Committee. I am glad to state to you that these loans, and other loans made since that time, have been paid as indicated by me at the time of the passage of the bill. I am in receipt of a letter this morning from Mr. W. D. Coleman, State supervisor of seed loans in South Carolina, stating that out of loans amounting to a little over $2,700,000 in 1935, under his supervision, he has collected up to this time 94 percent. In addition to this, he states he has collected this year $75,000 on past-due obligations of prior years. Farmers of the South, and I imagine in every other agricultural section of this country, will be delighted to know that the Congress has acted promptly in passing this important bill. There are thousands of small farmers in the South, not being able to qualify for a loan through production-credit associations operating under the Production Credit Corporation, and not being able to secure loans from banks, will now be in a position to plan their farming operations, realizing that we have passed legislation to take care of their farming operations in the way of loans for 1935.

PERMISSION TO ADDRESS THE HOUSE

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that on next Thursday, after the reading of the Journal and the disposition of business on the Speaker's desk, I be permitted to address the House for 30 minutes.

Mr. JONES. Mr. Speaker, reserving the right to object, did the gentleman consult with the floor leader before making his request?

Mr. SWEENEY. No; I confess I have not.

Mr. JONES. I wish, Mr. Speaker, the gentleman would withhold his request until he confers with the floor leader, for there may be some plans with which the gentleman's request would interfere.

Mr. SWEENEY. Mr. Speaker, for the present I withdraw my request.

ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 22, 1935, at 12 o'clock noon.

## COMMITTEE HEARING

The House Naval Affairs Committee meets at 10:30 a. m., Tuesday, January 22, for consideration of progress of shipping construction.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

143. A letter from the Secretary of the Navy, transmitting draft of a proposed bill for the relief of Ciriaco Hernandez and others; to the Committee on Claims.

144. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931; to the Committee on Claims.

145. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain civilians employed at the naval operating base, Hampton Roads, Va., on May 4, 1930, for the value of tools lost in a fire on Pier 7, at the naval operating base, on that date; to the Committee on Claims.

146. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed in a fire at the naval radio station, Libugon, Guam, on April 15, 1932; to the Committee on Claims.

147. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval radio station, Eureka, Calif., on January 17, 1930; to the Committee on Claims.

148. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Marine Corps for the value of personal effects lost, damaged, or destroyed by fire at the Marine Barracks, Quantico, Va., on October 5, 1930; to the Committee on Claims.

149. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval training station, Hampton Roads, Va., on February 21, 1927; to the Committee on Claims.

150. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed during a hurricane in Samoa on January 15, 1931; to the Committee on Claims.

151. A letter from the Secretary of the Treasury, transmitting draft of a proposed bill to amend the Second Liberty Bond Act; to the Committee on Ways and Means.

152. A letter from the Postmaster General, transmitting a schedule of papers and documents not needed in the transaction of public business and which have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

153. A letter from the Secretary of War, transmitting draft of a proposed bill to authorize the Attorney General to settle outstanding claims against Chapman Field, Fla., and for other purposes; to the Committee on Military Affairs.

154. A letter from the Chairman of the Federal Communications Commission, transmitting recommendations of three proposed amendments to the Communications Act of 1934 (H. Doc. No. 83); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

155. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to authorize the Secretary of the Interior to accept from the State of Utah title to a certain State-owned section of land and to patent other land to the State in lieu thereof, and for other purposes; to the Committee on the Public Lands.

156. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to amend section 1383 of the Revised Statutes of the United States; to the Committee on Naval Affairs.

157. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.; to the Committee on Naval Affairs.

158. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to amend section 1 of the act of February 14, 1927, entitled "An act authorizing the Secretary of the Navy to accept on behalf of the United States title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek, in South Carolina; to the Committee on Naval Affairs.

159. A letter from the Acting Secretary of the Navy, transmitting draft of a proposed bill for the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, and for other purposes; to the Committee on Naval Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RANKIN: Committee on World War Veterans' Legislation. House Joint Resolution 112. Joint resolution to

clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended; with amendment (Rept. No. 11). Referred to the Committee of the Whole House on the state of the Union.

Mr. SMITH of West Virginia: Committee on Mines and Mining. H. R. 2077. A bill to amend section 5 of the act of March 2, 1919, generally known as the "War Minerals Relief Statutes"; without amendment (Rept. No. 12). Referred to the Committee of the Whole House on the state of the Union.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 1906) granting a pension to Lelia W. Church, and the same was referred to the Committee on Invalid Pensions.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CARTWRIGHT: A bill (H. R. 4301) to increase employment and reduce highway and railway intersection hazards by authorizing an appropriation to provide for emergency construction of public highways and related projects, and for other purposes; to the Committee on Roads.

By Mr. CLARK of North Carolina: A bill (H. R. 4302) granting the consent of Congress to the State Highway Commission of North Carolina to construct a bridge across Waccamaw River; to the Committee on Interstate and Foreign Commerce.

By Mr. COLDEN: A bill (H. R. 4303) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. DOUGHTON: A bill (H. R. 4304) to amend the Second Liberty Bond Act, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. DUNN of Pennsylvania: A bill (H. R. 4305) to provide a pension of $100 per month for all men and women in the United States and its possessions who have attained the age of 50 years and whose incomes are less than $2,400 per year; to the Committee on Labor.

Also, a bill (H. R. 4306) to abolish all chain-gang systems; to the Committee on the Judiciary.

By Mr. ENGLEBRIGHT: A bill (H. R. 4307) to provide for the exchange of privately owned lands within the Lassen Volcanic National Park for lands within the Lassen Volcanic National Forest, Calif.; to the Committee on the Public Lands.

By Mr. ELLENBOGEN: A bill (H. R. 4308) to further amend the Home Owners' Loan Act of 1933 by making eligible homes containing stores or shops, and for other purposes; to the Committee on Banking and Currency.

By Mrs. GREENWAY: A bill (H. R. 4309) to provide for the commemoration of the Battle of Big Dry Wash in the State of Arizona; to the Committee on Military Affairs.

Also, a bill (H. R. 4310) authorizing the Secretary of Commerce to establish a fish-cultural station in Arizona; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. HEALEY: A bill (H. R. 4311) to increase by $1,500,000,000 the aggregate amount of bonds which the Home Owners' Loan Corporation may issue; to the Committee on Banking and Currency.

By Mr. KEE: A bill (H. R. 4312) to promote the safety of employees and travelers upon railroads by compelling common carriers by railroad engaged in interstate and foreign commerce to man locomotives, trains, and other self-propelled engines or machines with competent employees, to provide the least number of men that may be employed on locomotives, trains, and other self-propelled engines or machines, to provide qualifications for certain employees, and providing a penalty for the violation thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. KRAMER: A bill (H. R. 4313) to make it a crime to advocate or promote the overthrow of the Government of the United States by force and violence, and for other purposes; to the Committee on the Judiciary.

By Mr. MAPES: A bill (H. R. 4314) to amend section 77B of the United States Bankruptcy Act; to the Committee on the Judiciary.

By Mr. REILLY: A bill (H. R. 4315) to regulate the importation of milk and cream and milk and cream products into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health; to the Committee on Agriculture.

By Mr. SPENCE: A bill (H. R. 4316) to divide the State of Kentucky into three judicial districts, and for other purposes; to the Committee on the Judiciary.

By Mr. ZIONCHECK: A bill (H. R. 4317) incorporating The American White Cross Association on Drug Addiction; to the Committee on the Judiciary.

By Mr. RAYBURN: A bill (H. R. 4318) to amend section 202 of the Communications Act of 1934 with respect to exclusive contracts; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4319) to amend section 210 of the Communications Act of 1934 with respect to the issuing of franks and rendering of free service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DISNEY: A bill (H. R. 4320) to provide old-age compensation for the citizens of the United States; to the Committee on Labor.

Also, a bill (H. R. 4321) authorizing the Secretary of the Interior to purchase certain lands in Ottawa County, Okla.; to the Committee on Indian Affairs.

Also, a bill (H. R. 4322) authorizing an appropriation for payment to the Osage Tribe of Indians, on account of their lands sold by the United States; to the Committee on Indian Affairs.

Also, a bill (H. R. 4323) relating to the tribal and individual affairs of the Osage Indians of Oklahoma; to the Committee on Indian Affairs.

Also, a bill (H. R. 4324) to carry out certain obligations under certain tribal agreements; to the Committee on Indian Affairs.

Also, a bill (H. R. 4325) providing for flood control of certain sections of the Arkansas River by a diversion canal between Kaw City, Okla., and Fairfax, Okla., and for other purposes; to the Committee on Flood Control.

Also, a bill (H. R. 4326) to facilitate poor plaintiffs having meritorious causes to sue in the courts of the United States without depositing moneys or security for cost and relieving their attorneys of any liability for costs; to the Committee on the Judiciary.

Also, a bill (H. R. 4327) granting a pension to the regularly commissioned United States deputy marshals of the United States court in the Indian Territory or the United States District Court for the Western District of Arkansas, including the Indian Territory, now the State of Oklahoma, and to their widows and dependent children; to the Committee on the Judiciary.

By Mr. GASSAWAY: A bill (H. R. 4328) relative to instructions to jury in the trial of cases in any district or Federal court authorized by law to try cases before a jury; to the Committee on the Judiciary.

By Mr. McSWAIN: A bill (H. R. 4329) providing for the purchase of a suitable site and the erection of a public building at Inman, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4330) providing for the purchase of a suitable site and the erection of a public building at Jonesville, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4331) to provide for the commemoration of the Battle of Musgrove's Mill; to the Committee on Military Affairs.

Also, a bill (H. R. 4332) to provide for the commemoration of the Battle of Blackstock; to the Committee on Military Affairs.

Also, a bill (H. R. 4333) providing for the purchase of a suitable site and the erection of a public building at Woodruff, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4334) providing for the purchase of a suitable site and the erection of a public building at Fountain Inn, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4335) to further provide for the national defense; to the Committee on Military Affairs.

Also, a bill (H. R. 4336) to promote national defense by organizing the Junior Air Reserve as a civilian component of the Army of the United States; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 4337) to authorize the acquisition of a site and the erection thereon of a Federal building at Freeport, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. ROBINSON of Utah: A bill (H. R. 4338) to restore to the public domain portions of the Jordan Narrows, Utah, Military Reservation; to the Committee on Military Affairs.

Also, a bill (H. R. 4339) to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah; to the Committee on Agriculture.

By Mr. SADOWSKI: A bill (H. R. 4340) to restrict habitual commuting of aliens from foreign contiguous territory to engage in skilled or unskilled labor or employment in continental United States; to the Committee on Immigration and Naturalization.

By Mr. VINSON of Georgia: A bill (H. R. 4341) to authorize the Secretary of the Navy to relinquish an easement for a water main at Pearl Harbor, Hawaii; to the Committee on Naval Affairs.

Also, a bill (H. R. 4342) to authorize the Secretary of the Navy to dispose of a Government-owned right-of-way and electric power transmission line in Anne Arundel County, Md.; to the Committee on Naval Affairs.

By Mr. KEE: A bill (H. R. 4343) to provide for cooperation with the States and Territories in providing and administering old-age pensions; to the Committee on Labor.

By Mr. LORD: A bill (H. R. 4344) authorizing conveyance to the city of Binghamton, N. Y., of title to site and building of the present Federal building in that city located on Wall Street; to the Committee on Public Buildings and Grounds.

By Mr. McLEOD: A bill (H. R. 4345) to authorize disposition of surplus revenue funds of the District of Columbia by the Board of Commissioners of the District of Columbia for necessary public projects; to the Committee on the District of Columbia.

Also, a bill (H. R. 4346) to provide for the election of a Delegate in Congress from the District of Columbia; to the Committee on the Judiciary.

Also, a bill (H. R. 4347) to extend and broaden the powers of local administration of the Commissioners of the District of Columbia, promote the efficiency of the local government therein, and assist the Congress in dispatch of its business; to the Committee on the District of Columbia.

By Mr. McSWAIN: A bill (H. R. 4348) to promote the national air defense; to establish and reorganize within the Army of the United States an Air Reserve; to provide for the supply, equipment, and training of an Air Reserve, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 4349) to regulate commerce among the States, to promote the general welfare by strengthening confidence in life insurance, and by protecting the policyholders of life insurance; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4350) to authorize the correction of military records; to the Committee on Military Affairs.

Also, a bill (H. R. 4351) to increase the efficiency of the Air Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 4352) to require the Secretary of War to mark the places where military organizations trained for the World War; to the Committee on Military Affairs.

By Mr. MORITZ: A bill (H. R. 4353) to provide each Congressman with $1,000,000 to be spent in his congressional district to build homes which will not rent for more than $20 per month; to the Committee on Ways and Means.

By Mr. PALMISANO: A bill (H. R. 4354) to repatriate native-born women who have heretofore lost their citizenship by marriage to an alien, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. PIERCE: A bill (H. R. 4355) for the relief of agriculture, the producers of livestock, and the producers of raw materials generally, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. STACK: A bill (H. R. 4356) to retain the basic status and salary classification of surplused motor-vehicle employees; to the Committee on the Post Office and Post Roads.

By Mr. WHITE: A bill (H. R. 4357) to establish a bimetallic system of currency employing both gold and silver, and to provide for the use of silver as well as gold in the national monetary reserve for the purpose of securing a sound, controlled increase of the monetary units in circulation through the unlimited use of silver as money and as the base for the issuance of money; to the Committee on Coinage, Weights, and Measures.

By Mr. VINSON of Georgia: A bill (H. R. 4358) authorizing the transfer of certain lands near Vallejo, Calif., from the United States Housing Corporation to the Navy Department for naval purposes; to the Committee on Naval Affairs.

By Mr. BUCHANAN: Joint resolution (H. J. Res. 117) making appropriations for relief purposes; to the Committee on Appropriations.

By Mr. FISH: Joint resolution (H. J. Res. 120) to provide for the erection of a suitable memorial to the Fourth Division, American Expeditionary Forces; to the Committee on the Library.

By Mr. LEMKE: Joint resolution (H. J. Res. 121) for the adjustment and settlement of losses sustained by the cooperative marketing associations; to the Committee on Agriculture.

By Mr. REILLY: Joint resolution (H. J. Res. 122) requesting the President to proclaim October 9 as Leif Ericson Day; to the Committee on the Judiciary.

By Mr. DISNEY: Joint resolution (H. J. Res. 124) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. McSWAIN: Joint resolution (H. J. Res. 125) proposing a new interest rate on bonds and bills of credit; to the Committee on Ways and Means.

By Mr. BIERMAN: Joint resolution (H. J. Res. 126) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

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PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 4359) granting a pension to Alice Richards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4360) for the relief of W. C. Garber; to the Committee on Claims.

By Mr. BROOKS: A bill (H. R. 4361) granting an increase of pension to Leah Jones; to the Committee on Invalid Pensions.

By Mr. BUCK: A bill (H. R. 4362) for the relief of Patrick J. Leahy; to the Committee on Claims.

Also, a bill (H. R. 4363) granting a pension to Hale W. Abbott; to the Committee on Pensions.

Also, a bill (H. R. 4364) for the relief of Andrew Johnson; to the Committee on Claims.

By Mr. CANNON of Wisconsin: A bill (H. R. 4365) for the relief of Anna Lilly; to the Committee on Naval Affairs.

By Mr. CARLSON: A bill (H. R. 4366) granting a pension to Estella May Duckworth; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 4367) granting a pension to Laura C. Clarke; to the Committee on Invalid Pensions.

By Mr. CLARK of North Carolina: A bill (H. R. 4368) for the relief of E. C. West; to the Committee on Claims.

By Mr. CROSS of Texas: A bill (H. R. 4369) for the relief of James M. Kendrick; to the Committee on Military Affairs.

By Mr. CROSSER of Ohio: A bill (H. R. 4370) for the relief of Louis Finger and Elsie Finger; to the Committee on Claims.

By Mr. DARDEN: A bill (H. R. 4371) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on certain claims of Norfolk Southern Railroad Co.; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 4372) for the relief of Charles L. Graves; to the Committee on Indian Affairs.

Also, a bill (H. R. 4373) for the relief of Albert Gonzales; to the Committee on Claims.

By Mr. DIETRICH: A bill (H. R. 4374) granting a pension to Emile Gardner Van Luvender; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4375), granting a pension to Angeline Davis; to the Committee on Invalid Pensions.

By Mr. DISNEY: A bill (H. R. 4376) for the relief of the Pawnee Tribe of Indians of Oklahoma; to the Committee on Indian Affairs.

Also, a bill (H. R. 4377) for the relief of Orvin Gerald Hodge; to the Committee on Military Affairs.

Also, a bill (H. R. 4378) for the relief of Frank S. Nipper; to the Committee on Claims.

Also, a bill (H. R. 4379) granting a pension to Sarah Hammons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4380) granting a pension to Elizabeth Jane Catron Mills Young; to the Committee on Pensions.

Also, a bill (H. R. 4381) for the relief of Walter P. Hagan; to the Committee on Military Affairs.

Also, a bill (H. R. 4382) for the relief of T. L. Rippey, who suffered loss by fire in Josephine County, State of Oregon, during September 1924; to the Committee on Claims.

Also, a bill (H. R. 4383) for the relief of James C. Bearskin; to the Committee on Claims.

Also, a bill (H. R. 4384) for the relief of Charles E. Dagenett; to the Committee on Indian Affairs.

Also, a bill (H. R. 4385) for the relief of Jim German; to the Committee on Military Affairs.

Also, a bill (H. R. 4386) for the relief of Thomas F. Harvey; to the Committee on Military Affairs.

By Mr. ENGEL: A bill (H. R. 4387) for the relief of Barbara Backstrom; to the Committee on Claims.

By Mr. FULMER: A bill (H. R. 4388) granting a pension to James M. Wilson; to the Committee on Pensions.

By Mr. GAMBRILL: A bill (H. R. 4389) to authorize the Commissioners of the District of Columbia to reappoint Clifford J. Garry in the police department of said District; to the Committee on the District of Columbia.

Also, a bill (H. R. 4390) to authorize the Commissioners of the District of Columbia to reappoint David R. Thompson in the police department of said District; to the Committee on the District of Columbia.

By Mr. GRAY of Indiana: A bill (H. R. 4391) granting a pension to Zack Pool; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4392) granting a pension to Elmer S. Laymon; to the Committee on Pensions.

Also, a bill (H. R. 4393) granting a pension to Hester Matilda Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4394) granting an increase of pension to Roy Smith; to the Committee on Invalid Pensions.

By Mrs. GREENWAY: A bill (H. R. 4395) granting an increase of pension to Lorenzo D. Walters; to the Committee on Pensions.

Also, a bill (H. R. 4396) for the relief of James P. Liakopulos; to the Committee on Military Affairs.

Also, a bill (H. R. 4397) for the relief of John Mulhern; to the Committee on Claims.

Also, a bill (H. R. 4398) for the relief of Julius McKindry Henderson; to the Committee on Military Affairs.

Also, a bill (H. R. 4399) granting a pension to Lewis G. Simpson; to the Committee on Pensions.

Also, a bill (H. R. 4400) granting a pension to Rafael Lugo; to the Committee on Pensions.

Also, a bill (H. R. 4401) for the relief of Jessie Blout; to the Committee on Claims.

Also, a bill (H. R. 4402) for the relief of Harry H. A. Ludwig; to the Committee on the Civil Service.

Also, a bill (H. R. 4403) for the relief of W. I. Johnson; to the Committee on the Public Lands.

Also, a bill (H. R. 4404) for the relief of George Stoll and the heirs of Charles P. Regan, Marshall Turley, Edward Lannigan, James Manley, and John Hunter; to the Committee on Claims.

By Mrs. KAHN: A bill (H. R. 4405) for the relief of James J. Donoghue; to the Committee on Military Affairs.

Also, a bill (H. R. 4406) for the relief of Anna F. Arruggia; to the Committee on Claims.

By Mr. KELLY: A bill (H. R. 4407) for the relief of Earl Thomas; to the Committee on Military Affairs.

By Mr. KENNEDY of Maryland: A bill (H. R. 4408) for the relief of the Southern Overall Co.; to the Committee on War Claims.

By Mr. KRAMER: A bill (H. R. 4409) for the relief of Bessie M. Gwin; to the Committee on Military Affairs.

Also, a bill (H. R. 4410) granting a renewal of patent no. 54296 relating to the badge of the American Legion; to the Committee on Patents.

Also, a bill (H. R. 4411) for the relief of Mary L. Munro; to the Committee on Claims.

Also, a bill (H. R. 4412) granting a pension to Anthony Briggs; to the Committee on Pensions.

Also, a bill (H. R. 4413) granting a renewal of patent no. 55398 relating to the badge of the American Legion Auxiliary; to the Committee on Patents.

By Mr. LUCKEY: A bill (H. R. 4414) for the relief of the estate of George Evert Wever; to the Committee on Ways and Means.

By Mr. MARSHALL: A bill (H. R. 4415) granting a pension to Mary Odor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4416) granting an increase of pension to Sarah E. Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4417) granting a pension to Jessie Bell McElroy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4418) granting a pension to Mary E. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4419) granting a pension to Rosetta M. Ringer; to the Committee on Invalid Pensions.

By Mr. MILLER: A bill (H. R. 4420) granting an increase of pension to Celia A. Chappelle; to the Committee on Pensions.

By Mr. O'BRIEN: A bill (H. R. 4421) granting a pension to Sophie M. Peterson; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 4422) granting a pension to Thomas Grimsley; to the Committee on Pensions.

By Mr. REILLY: A bill (H. R. 4423) for the relief of Leon N. Richter, trustee of the Commercial Co., of Fond du Lac, Wis.; to the Committee on Claims.

By Mr. ROBINSON of Utah: A bill (H. R. 4424) authorizing the Secretary of War to adjudicate claims caused by flooding of warehouse at Fort Myer, Va., August 18, 1931; to the Committee on Military Affairs.

Also, a bill (H. R. 4425) for the relief of Ralph Darrington Harris, known as William B. Clayton; to the Committee on Military Affairs.

By Mr. SADOWSKI: A bill (H. R. 4426) to authorize the award of the Congressional Medal of Honor to Allan Joseph Chamblin; to the Committee on Naval Affairs.

By Mr. SCHAEFER: A bill (H. R. 4427) for the relief of George A. Hearth; to the Committee on Military Affairs.

By Mr. SCRUGHAM: A bill (H. R. 4428) for the relief of Caroline (Stever) Dykstra; to the Committee on Claims.

By Mr. SPENCE: A bill (H. R. 4429) for the relief of Fred Barnett; to the Committee on Military Affairs.

By Mr. STACK: A bill (H. R. 4430) for the relief of the heirs of the late George L. Lawrence; to the Committee on Claims.

By Mr. THOMAS: A bill (H. R. 4431) granting a pension to Bessie S. Bragg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4432) granting a pension to Margaret M. Crane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4433) granting an increase of pension to Minnie Holleran; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 4434) granting a pension to Cordie Brandenburg; to the Committee on Invalid Pensions.

By Mr. WALTER: A bill (H. R. 4435) for the relief of John J. Foley; to the Committee on Military Affairs.

By Mr. ZIONCHECK: A bill (H. R. 4436) conferring jurisdiction upon the United States District Court for the Western District of Washington to hear, determine, and render judgment upon the claims of Alta Melvin and Tommy Melvin; to the Committee on Claims.

Also, a bill (H. R. 4437) for the relief of the estate of Regnor Dahl; to the Committee on Claims.

Also, a bill (H. R. 4438) for the relief of George W. Newman; to the Committee on Military Affairs.

Also, a bill (H. R. 4439) for the relief of John T. Clark, of Seattle, Wash.; to the Committee on Claims.

By Mr. IGLESIAS: Joint resolution (H. J. Res. 119) granting an increase of pension to Maria Ashford; to the Committee on Pensions.

By Mr. TOLAN: Joint resolution (H. J. Res. 123) to provide for the coinage of a medal in commemoration of the achievements of Amelia Earhart Putnam; to the Committee on Coinage, Weights, and Measures.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

280. By Mr. BROOKS: Petition of Rose D. Keaney and a number of other residents of the Thirtieth Congressional District of Pennsylvania in regard to the conditions existing in Mexico; to the Committee on Foreign Affairs.

281. Also, petition of H. D. Russell and a number of other residents of the Thirtieth Congressional District of Pennsylvania, in regard to the Townsend plan for the relief of the aged; to the Committee on Labor.

282. By Mr. CANNON of Missouri: Petition of Mattie Haden and other citizens of Ralls County, Mo., favoring old-age pension legislation; to the Committee on Labor.

283. By Mr. DOBBINS: Petition of the Chamber of Commerce of Champaign, Ill., advocating the strengthening of national defense through improvement of the air forces, and the proper equipment and development of the Air Corps Technical School at Chanute Field, Rantoul, Ill.; to the Committee on Military Affairs.

284. By Mr. FULMER: Concurrent resolution of the South Carolina State Legislature, memorializing the Congress of the United States to provide for the continuation of the activities of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

285. Also, resolution of the order of Benefit Association of the Railway Employees, Columbia Division, No. 102, that the Honorable HAMPTON P. FULMER, Member of Congress from the State of South Carolina, be requested by this body, consisting of 216 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100), introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

286. By Mr. GOODWIN: Petition of the Legislature of the State of New York, urging Congress to take appropriate action in condemning the tactics of such officials of the Mexican Government tending to interfere with the religious beliefs and education of the residents and citizens of Mexico; to the Committee on Foreign Affairs.

287. Also, petition of Ellenville, Ulster County (N. Y.) Farmers' and Hotelkeepers' Association, Inc., embodying resolution requesting Congress to introduce legislation to reduce the legal rate of interest on all loans and mortgages to 5 percent or less; to the Committee on Banking and Currency.

288. Also, petition of residents of Jefferson, Schoharie County, N. Y., and others, relating to the publication of and submission to the petitioners of all the testimony and report of the Commission of Federal Communications relating to the broadcasting of programs of public interest; to the Committee on Interstate Commerce.

289. By Mr. KIMBALL: Petition favoring passage of legislation providing old-age pensions as embodied in petition and legislation for a Federal transaction sales tax calculated to produce revenue necessary to meet requirements of said old-age pension; to the Committee on Pensions.

290. By Mr. KRAMER: Petition of the Los Angeles County District Council of Carpenters, with respect to the Federal Emergency Relief Administration employing qualified building-trades workers on various projects; to the Committee on Labor.

291. By Mr. LAMNECK: Petition of J. B. Jackson, of 805 Berkeley Road, and a number of other citizens of Columbus, Ohio, urging the continuance of the Nye munitions investigation; to the Committee on Military Affairs.

292. By Mr. LUCKEY: Resolution passed by the county commissioners of Saunders County, Nebr., memoralizing the Congress of the United States to pass some adequate old-age pension plan; to the Committee on Ways and Means.

293. Also, resolution passed by the House of Representatives of the State of Nebraska, memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the soldiers' bonus bill now pending in Congress; to the Committee on Ways and Means.

294. Also, resolution passed by the House of Representatives of the State of Nebraska, memorializing the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government; to the Committee on Ways and Means.

295. Also, resolution of the House of Representatives of the State of Nebraska, memorializing the Congress of the United States favoring the speedy passage of a bill providing for Federal old-age pension; to the Committee on Ways and Means.

296. Also, resolution passed by the Senate of the State of Nebraska on the 14th day of January 1935, regarding the payment of the adjusted-service certificates held by the veterans of the World War; to the Committee on Ways and Means.

297. By Mr. MEAD: Petition of the board of directors of the American Institute of Mining and Metallurgical Engineers, regarding the establishment of adequate legislation to support those two bureaus; to the Committee on Mines and Mining.

298. Also, petition of the people of the city of Buffalo, regarding the persecution of religion in Mexico; to the Committee on Foreign Affairs.

299. Also, petition of the National Sulphur Co., Inc., New York, N. Y., regarding opposition to allowing a cut to be made in the match import tariff; to the Committee on Ways and Means.

300. Also, petition of the board of directors of the Franklin Society, New York, regarding present unfair discrimination against State-chartered savings and loan associations; to the Committee on Banking and Currency.

301. Also, petition of the members of Jan Amos Komensky Lodge, No. 105, of the Czechoslovak Society of America, Buffalo, N. Y., regarding the establishment of legislation in support of unemployment and social insurance; to the Committee on Labor.

302. Also, petition of the State Council of Pennsylvania, Junior Order United American Mechanics requesting that Congress demand all aliens that are on relief rolls to declare their intention of citizenship; to the Committee on Immigration and Naturalization.

303. Also, petition of the State Council of Pennsylvania, Junior Order United American Mechanics, opposing the attitude of the Secretary of Labor in the handling of deportation cases; to the Committee on Immigration and Naturalization.

304. By Mr. MERRITT of New York: Resolution of the United Brotherhood of Carpenters and Joiners of America,

Local Union 298, Long Island City, Long Island, N. Y., urging Congress to enact into the laws of the United States of America old-age pensions, unemployment insurance, also compensation to dependent widows and children; to the Committee on Labor.

305. By Mr. RUDD: Petition of residents of the Ninth Congressional District, New York, favoring compulsory health insurance and the Roosevelt social-security program; to the Committee on the Judiciary.

306. By Mr. SCHAEFER: Petition of the Knights of Columbus, Supreme Council, protesting against religious persecutions in Mexico; to the Committee on Foreign Affairs.

307. Also, petition of residents of Belleville, Ill., protesting against religious persecution in Mexico and censuring American Ambassador to Mexico for misrepresenting sympathies of American people; to the Committee on Foreign Affairs.

308. By Mr. SCOTT: Petition of Thomas Beesley and 9 others, of Washington, D. C.; D. N. Fox and 19 others, of Long Beach; Susan E. Shipp and 9 others, of Long Beach; Agnes Rugg and 8 others, of Compton, and Mrs. G. H. Corbett and 56 others, of Long Beach, Calif.; and many others, expressing themselves as favoring the Townsend old-age pension plan; to the Committee on Ways and Means.

309. By Mr. SUTPHIN: Memorial of the supreme board of directors of the Knights of Columbus held on January 13, 1935, denouncing the atheistic principles that actuate those in control of the Mexican Government as opposed to religion, etc.; to the Committee on Foreign Affairs.

310. Also, memorial of the national council, Sons and Daughters of Liberty, opposing the existing decrease in alien deportations and urging the Congress to defeat the un-American bills and legislative proposals; to the Committee on Immigration and Naturalization.

311. By Mr. TREADWAY: Petition of employees of the Rugg Manufacturing Co., Greenfield, Mass., protesting against the enactment of 30-hour labor legislation; to the Committee on Labor.

312. By Mr. TRUAX: Petition of the Earl Foust Post, No. 73, American Legion, Fostoria, Ohio, by their commander, Harry E. Burkett, urging the payment of veterans' adjusted-service certificates, House bill 1; to the Committee on Ways and Means.

313. Also, petition of the order of Benefit Association of Railway Employees, Conneaut Division, No. 126, requesting Hon. CHARLES V. TRUAX, Member of Congress from the State of Ohio, by their body of 144 railway employees, exclusive of their families, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100), introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

314. Also, petition of the order of Benefit Association of Railway Employees, Bellevue Division, No. 182, requesting by their body, consisting of 264 railway employees, exclusive of their families, that Hon. CHARLES V. TRUAX, Member of Congress from the State of Ohio, support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation, as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100), introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

315. Also, petition of Local Union No. 495 of the United Brick and Clay Workers, Uhrichsville, Ohio, by their secretary, Herbert M. Welch, requesting the Honorable ROBERT F. WAGNER, of the State of New York, to again introduce his labor disputes bill in its original form at the convening session of Congress; to the Committee on Labor.

316. By the SPEAKER: Petition of the city of Chicago, regarding a Federal agency to control closed banks; to the Committee on Banking and Currency.

317. Also, petition of the city and county of Denver, Colo.; to the Committee on Ways and Means.

318. Also, petition of the city and county of Denver, Colo.; to the Committee on Banking and Currency.

# SENATE

## TUESDAY, JANUARY 22, 1935

*(Legislative day of Monday, Jan. 21, 1935)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Monday, January 21, 1935, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Clark | Hayden | Pittman |
| Ashurst | Connally | Johnson | Pope |
| Austin | Coolidge | Keyes | Radcliffe |
| Bachman | Copeland | King | Reynolds |
| Bailey | Costigan | La Follette | Robinson |
| Bankhead | Couzens | Lewis | Russell |
| Barbour | Cutting | Logan | Schall |
| Barkley | Davis | Lonergan | Schwellenbach |
| Bilbo | Dickinson | McCarran | Sheppard |
| Black | Dieterich | McGill | Shipstead |
| Bone | Duffy | McNary | Smith |
| Borah | Fletcher | Maloney | Steiwer |
| Brown | Frazier | Metcalf | Thomas, Okla. |
| Bulkley | Gerry | Minton | Thomas, Utah |
| Bulow | Glass | Moore | Townsend |
| Burke | Gore | Murphy | Trammell |
| Byrd | Guffey | Murray | Truman |
| Byrnes | Hale | Neely | Vandenberg |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Carey | Hatch | O'Mahoney | Wheeler |

Mr. MINTON. I desire to announce that my colleague the senior Senator from Indiana [Mr. VAN NUYS] is detained from the Senate on account of a slight illness.

Mr. AUSTIN. I wish to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on business of the Senate.

I wish also to announce that the Senator from Maine [Mr. WHITE] is necessarily absent.

Mr. BULKLEY. I regret to announce that my colleague [Mr. DONAHEY] is detained from the Senate on account of a slight illness.

Mr. LEWIS. I announce the absence of the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness.

I wish further to announce that the Senator from Louisiana [Mr. LONG] is necessarily detained from the Senate.

I also desire to announce that the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] are absent on business of the Senate in connection with the Philippine Commission.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 3247. An act to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas, and for other purposes;

H. J. Res. 112. Joint resolution to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended; and

H. J. Res. 118. Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings.

WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Interior, transmitting, pursuant to law, a report of withdrawals and restorations under the act of June 25, 1910 (36 Stat. 847), during the period from January 1 to December 31, 1934, inclusive, which, with the accompanying report, was referred to the Committee on Public Lands and Surveys.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Finance:

Assembly Joint Resolution 4

Adopted in assembly January 9, 1935.

ARTHUR A. OHNIMUS,
*Chief Clerk of the Assembly.*

Adopted in senate January 10, 1935.

J. A. BEEK, *Secretary of the Senate.*

This resolution was received by the Governor this 15th day of January, A. D. 1935, at 3:45 o'clock p. m.

MARK LEE MEGLADDERY, Jr.,
*Private Secretary of the Governor.*

CHAPTER 5

Relative to memorializing the President and Congress to enact old-age-pension legislation

Whereas the United States has, for the past few years, passed through a most severe period of depression, hardship, and destitution; and

Whereas as a result of said depression many aged persons have seen their savings wiped away after a lifetime of service to our society; and

Whereas many such unfortunate citizens now find themselves destitute and with no hope of supporting themselves or recouping their fortunes because of advanced age; and

Whereas the establishment of a system of old-age security by the payment of pensions to worthy citizens would obviate the need for public charity in this direction, and restore self-respect to the persons receiving such assistance, increase purchasing power and economic revival, and carry out the principles of humanitarian social justice upon which our country was founded: Now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the President and the Congress of the United States are hereby respectfully urged to enact as quickly as possible such suitable legislation as will provide such a national system of old-age pensions and old-age security as will accomplish the purposes above set forth and which will be adequate for a respectable existence; and be it further

*Resolved,* That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Representatives from California are hereby respectfully urged to support such legislation.

EDWARD CRAIG,
*Speaker of the Assembly.*
G. J. HATFIELD,
*President of the Senate.*

Attest:
[SEAL]

FRANK C. JORDAN,
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Education and Labor:

Assembly Joint Resolution 9

Adopted in assembly January 11, 1935.

ARTHUR A. OHNIMUS,
*Chief Clerk of the Assembly.*

Adopted in Senate January 14, 1935.

J. A. BEEK,
*Secretary of the Senate.*

This resolution was received by the Governor, this 17th day of January, A. D. 1935, at 11 o'clock a. m.

MARK LEE MEGLADDERY, Jr.,
*Private Secretary of the Governor.*

CHAPTER 11

Assembly Joint Resolution 9, relative to memorializing the President and Congress to carefully consider and enact legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary

Whereas there exists not only in our own State of California but also in every State of this great Nation, a condition of unemployment, which is depriving millions of our citizens of an opportunity to engage in productive effort; and

Whereas this condition, by destroying the purchasing power of so many citizens hurts them economically, physically, and morally, and will tend to harm, in the same way, the Nation of which they are a component part; and

Whereas those citizens who are working, by sharing the benefits of steady employment could aid those citizens less fortunate and at the same time enhance their own prosperity and the prosperity of our country: Now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the President and the Congress of the United States are hereby respectfully urged to carefully consider and enact legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary; and be it further

*Resolved,* That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California are hereby respectfully urged to support such legislation.

EDWARD CRAIG,
*Speaker of the Assembly.*
G. J. HATFIELD,
*President of the Senate.*

Attest:
[SEAL]

FRANK C. JORDAN,
*Secretary of State.*

The VICE PRESIDENT also laid before the Senate a resolution of the House of Representatives of the State of Nebraska, memorializing Congress to provide Federal participation and aid in interstate bridge projects across the Missouri River, which was referred to the Committee on Commerce.

(See resolution printed in full when presented today by Mr. NORRIS, p. 745.)

The VICE PRESIDENT also laid before the Senate a resolution of the House of Representatives of the State of Nebraska, favoring the enactment of legislation to provide for the immediate cash payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

(See resolution printed in full when presented today by Mr. NORRIS, p. 745.)

The VICE PRESIDENT also laid before the Senate a resolution of the House of Representatives of the State of Nebraska, memorializing Congress to promptly enact a Federal old-age-pension law, which was referred to the Committee on Finance.

(See resolution printed in full when presented on yesterday by Mr. NORRIS, pp. 680–681, CONGRESSIONAL RECORD.)

The VICE PRESIDENT also laid before the Senate a resolution adopted by the city council of Portland, Oreg., favoring the prompt enactment of legislation providing immediate cash payment of adjusted-service certificates of World War veterans, which was referred to the Committee on Finance.

Mr. ROBINSON (for Mr. TYDINGS) presented petitions numerously signed by sundry citizens of the State of Maryland, the Canal Zone, and the Territories of Alaska and Hawaii, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcasting Division, in relation to the broadcasting of programs of interest, convenience, and necessity, which were referred to the Committee on Interstate Commerce.

Mr. HALE presented petitions numerously signed by sundry citizens of the State of Maine, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcasting Division, in relation to the broadcasting of programs of interest, convenience, and necessity, which were referred to the Committee on Interstate Commerce.

Mr. FLETCHER presented petitions numerously signed by sundry citizens of the State of Florida, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcast Division, in relation to the broadcasting of programs of interest, convenience, and necessity, which were referred to the Committee on Interstate Commerce.

Mr. ASHURST presented a resolution unanimously adopted by the Townsend Old Age Pension Club, of Prescott, Ariz., and signed by S. E. Kent, its president, and E. C. Whitesitt,

its secretary, favoring the enactment of legislation known as the "Townsend old-age revolving pension bill", which was referred to the Committee on Finance.

Mr. CAPPER presented the petition of members of the Women's Council of the Church of the Brethren, of McPherson, Kans., praying for the prompt ratification of the World Court protocols, which was ordered to lie on the table.

He also presented a resolution adopted by student bodies of the Kansas Wesleyan University, of Salina; McPherson College, of McPherson, and Washburn College, of Topeka, all in the State of Kansas, favoring the ratification of the World Court protocols, which was ordered to lie on the table.

Mr. NORRIS presented the following resolution of the House of Representatives of the State of Nebraska, which was referred to the Committee on Appropriations:

RESOLUTION MEMORIALIZING THE CONGRESS AND THE PRESIDENT OF THE UNITED STATES TO CARE FOR NEBRASKA UNEMPLOYABLES

Whereas the Congress and the President of the United States did initiate and carry out a public-works and relief program caring for the needs of many people otherwise destitute; and

Whereas, due to this fact, the State of Nebraska did not make provision to care for these people; and

Whereas, due to drought and the unparalleled and prolonged depression, tax payments to the State of Nebraska and its governmental subdivisions are in many cases delinquent and are causing financial embarrassment; and

Whereas it is proposed by the Congress and the President to turn the charge and care of so-called "unemployable people" now cared for by Federal relief agencies over to the State and its subdivisions at this time: Now, therefore, be it

*Resolved by the House of Representatives of the State of Nebraska, in fiftieth session assembled,*

1. That this house does most earnestly petition and memorialize the Congress and the President of the United States that proper appropriations be made to care for these needy people in the State of Nebraska for a period of at least 3 months, or until such time as the State of Nebraska and its subdivisions may be able to assume this burden.

2. That the chief clerk of this house be instructed and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States and to each of the Senators and Representatives representing the State of Nebraska in a National Congress, so that they, and each of them, may be fully advised as to the situation of the State of Nebraska with respect to the conditions of its unemployables.

Mr. NORRIS also presented the following resolution of the House of Representatives of the State of Nebraska, which was referred to the Committee on Commerce:

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO INCLUDE BUILDING OF FREE INTERSTATE BRIDGES ACROSS THE MISSOURI RIVER AS PUBLIC WORKS ADMINISTRATION PROJECTS

Whereas in many instances the United States of America, through its Public Works Administration, has considered Federal aid in whole or in part on interstate bridges within the State of Nebraska feasible projects to alleviate distress of the inhabitants of this State accented by the 1934 destructive drought; and

Whereas the effect of the withering drought still pinches our people, and work relief is imperative if our State is effectively to carry on until private industry can absorb our employables now out of jobs: Now, therefore, be it

*Resolved by the House of Representatives of the State of Nebraska in fiftieth session assembled—*

1. That this house hereby respectfully petitions and memorializes the Congress of the United States to provide further assistance through its Public Works Administration to consider the immediate public necessity of 100-percent Federal participation in free interstate bridge projects across the Missouri River, at such locations across said river as good engineering and public necessity requires.

2. That the clerk of this house is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to the United States Senators representing the State of Nebraska, and to the Congressmen in the House of Representatives of the United States representing the State of Nebraska, to take such steps as may be necessary to provide for free interstate bridges across the Missouri River and thus afford the citizens of our State immediate relief, which is desperately needed.

Mr. NORRIS also presented the following resolution of the House of Representatives of the State of Nebraska, which was referred to the Committee on Finance:

RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO PASS, AND THE PRESIDENT OF THE UNITED STATES TO APPROVE, IF PASSED, THE SOLDIERS' BONUS BILL NOW PENDING IN CONGRESS

Whereas a bill providing for the payment of the soldier's bonus is now pending in the present session of the National Congress; and

Whereas the Federal Government has determined upon a policy of spending additional billions to hasten recovery, and World War veterans, speaking through the American Legion, have recommended the immediate payment of the adjusted-service certificates, commonly called the "bonus", as the most effective means to that end; and

Whereas such immediate payment would mean the distribution of $21,802,190.95 in the State of Nebraska, spread uniformly throughout every county, town, and hamlet in the State and finding its way into every conceivable channel of trade; and

Whereas other recovery measures, such as a Public Works program, do not so distribute their funds uniformly throughout the State, nor even leave a major portion of the moneys allocated within the State, because in Nebraska, as in other agricultural States, steel, building materials, and machinery are mainly imported; and

Whereas World War veterans were discharged 16 years ago and any unearned interest against said 20-year adjusted-service certificates comes within the same category as a 30-percent grant on Public Works projects; and

Whereas the payment of these certificates would retire and discharge a contractual obligation of the Government which must soon be met instead of creating a new debt: Now, therefore, be it

*Resolved by the House of Representatives of the State of Nebraska in fiftieth session assembled—*

SECTION 1. That we hereby memorialize and petition the Congress of the United States to pass, and the President of the United States to approve, if passed, the soldiers' bonus bill now pending in the National Congress.

SEC. 2. That certified copies of this resolution, properly authenticated, be sent forthwith to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, and each of the United States Senators and Representatives from Nebraska.

PETITIONS RELATIVE TO RADIO HEARINGS BEFORE FEDERAL COMMUNICATIONS COMMISSION

Mr. COPELAND. I have received, I think, at least 50 or 60 pounds of large packages consisting of petitions from my State relating to the printing of the testimony before the Federal Communications Commission. I ask that one brief petition be printed in the RECORD and that the RECORD indicate that the petitions have been received and that I have asked unanimous consent that they be referred to the Committee on Interstate Commerce.

The VICE PRESIDENT. Without objection, it is so ordered.

One of the numerous petitions above referred to, presented by Mr. COPELAND from sundry citizens of the State of New York, is as follows:

*To the Congress of the United States of America, greeting:*

In obedience to the mandate of the Seventy-third Congress, second session, the Federal Communications Commission, Broadcast Division, has taken the testimony of many witnesses in relation to the broadcasting of programs of public interest, convenience, and necessity. We are deeply interested in these facts and therefore petition Congress to publish all the testimony and the report of the Commission, at Government expense, and mail to each of us, the undersigned, a copy thereof.

REPORT OF THE COMMITTEE ON NAVAL AFFAIRS

Mr. TRAMMELL, from the Committee on Naval Affairs, to which was referred the bill (S. 92) to prohibit the making of photographs, sketches, or maps of vital military and naval defensive installations and equipment, and for other purposes, reported it, without amendment, and submitted a report (No. 20) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NORRIS:

A bill (S. 1307) to establish a national park on the Daniel Freeman Homestead, in Gage County, Nebr.; to the Committee on Public Lands and Surveys.

By Mr. DIETERICH:

A bill (S. 1308) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Cairo, Ill.; to the Committee on Commerce.

By Mr. DUFFY:

A bill (S. 1309) to amend section 114 of the Judicial Code to provide for terms of District Court for the Western District of Wisconsin to be held at Wausau, Wis., and for other purposes; to the Committee on the Judiciary.

By Mr. McNARY:

A bill (S. 1310) to amend the Emergency Relief and Construction Act of 1932; to the Committee on Finance.

A bill (S. 1311) granting a pension to Jennie Alexander (with accompanying papers); and

A bill (S. 1312) granting an increase of pension to Francis H. Kearney (with accompanying papers); to the Committee on Pensions.

By Mr. ASHURST (by request):

A bill (S. 1313) providing for waiver of prosecution by indictment in certain criminal proceedings;

A bill (S. 1314) to make the husband or wife of accused a competent witness in all criminal prosecutions; and

A bill (S. 1315) relating to the powers and duties of United States marshals; to the Committee on the Judiciary.

By Mr. STEIWER:

A bill (S. 1316) to amend section 724 of the Revised Statutes; to the Committee on the Judiciary.

A bill (S. 1317) authorizing a preliminary examination of the Nehalem, Miami, Kilchis, Wilson, Trask, and Tillamook Rivers, in Tillamook County, Oreg., with a view to controlling of floods; to the Committee on Commerce.

By Mr. CAREY:

A bill (S. 1318) to authorize the Secretary of the Interior to adjust irrigation charges on projects on Indian reservations, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 1319) to provide for the storage for diversion of the waters of the North Platte River and construction of the Saratoga reclamation project; to the Committee on Irrigation and Reclamation.

A bill (S. 1320) granting an honorable discharge to Edward Barrett; to the Committee on Military Affairs.

A bill (S. 1321) authorizing the conveyance of the old post-office building in Casper, Wyo., to the county commissioners of Natrona County, Wyo.; to the Committee on Public Buildings and Grounds.

A bill (S. 1322) granting an honorable discharge to Willard Heath Mitchell; to the Committee on Naval Affairs.

By Mr. NEELY:

A bill (S. 1323) to authorize the appointment of First Sgt. Lyle E. White as a warrant officer, United States Army; to the Committee on Military Affairs.

A bill (S. 1324) granting a pension to Roy Wilcox; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 1325) for the relief of Dino Carbonell;

A bill (S. 1326) for the relief of Robert A. Dunham;

A bill (S. 1327) for the relief of William Ropes; and

A bill (S. 1328) for the relief of the Snare & Triest Co., now Frederick Snare Corporation; to the Committee on Claims.

By Mr. BYRD:

A bill (S. 1329) to provide for the addition or additions of certain lands to the Colonial National Monument in the State of Virginia; to the Committee on Public Lands and Surveys.

By Mr. VANDENBERG:

A bill (S. 1330) to further amend the act approved July 1, 1898, entitled "An act to establish a uniform system of bankruptcy throughout the United States" (with accompanying papers); to the Committee on the Judiciary.

By Mr. NYE:

A bill (S. 1331) for the relief of Burt E. Stewart; to the Committee on Claims.

By Mr. McCARRAN:

A bill (S. 1332) to provide for the promotion, regulation, and control by a Federal commission of all phases of civil aeronautics, and for other purposes; to the Committee on Interstate Commerce.

By Mr. BULKLEY:

A bill (S. 1333) permitting the deduction for income-tax purposes of certain deposits in closed banks on December 31, 1934; to the Committee on Finance.

By Mr. CAPPER:

A bill (S. 1334) to amend the Grain Futures Act to prevent and remove obstructions and burdens upon interstate commerce in grains and other commodities by regulating transactions therein on commodity futures exchanges, by providing means for limiting short selling and speculation in such commodities on such exchanges, by licensing commission merchants dealing in such commodities for future delivery on such exchanges, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. WHEELER:

A bill (S. 1335) to amend section 202 of the Communications Act of 1934; and

A bill (S. 1336) to amend paragraph (f) of section 4 of the Communications Act of 1934; to the Committee on Interstate Commerce.

By Mr. KING:

A bill (S. 1337) granting a pension to Mary R. Gardner; to the Committee on Pensions.

By Mr. SHIPSTEAD:

A bill (S. 1338) extending the obligation of bonds of contractors for public buildings to include premiums for insurance; to the Committee on Education and Labor.

A bill (S. 1339) to establish the Pipestone Indian Shrine in the State of Minnesota; to the Committee on Public Lands and Surveys.

A bill (S. 1340) to regulate barbers in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 1341) to authorize the transfer of certain real estate by the Secretary of the Treasury to C. F. Colvin in settlement of the Northfield (Minn.) post-office site litigation, and for other purposes; to the Committee on Public Buildings and Grounds.

A bill (S. 1342) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near the road between the villages of Cohasset and Deer River, Minn.; to the Committee on Commerce.

A bill (S. 1343) providing for payment of $50 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

A bill (S. 1344) to amend the Agricultural Adjustment Act, as amended, with respect to farm prices; to the Committee on Agriculture and Forestry.

A bill (S. 1345) for the relief of Lawrence P. Morris;

A bill (S. 1346) for the relief of Arthur P. Foster;

A bill (S. 1347) for the relief of Robert J. Smith; and

A bill (S. 1348) for the relief of James Darcy; to the Committee on Military Affairs.

A bill (S. 1349) granting a pension to Matilda Davison;

A bill (S. 1350) granting a pension to Iva B. Erickson;

A bill (S. 1351) granting a pension to Mabel Kenney; and

A bill (S. 1352) granting an increase of pension to Adaline A. Allen; to the Committee on Pensions.

A bill (S. 1353) for the relief of Oscar W. Behrens;

A bill (S. 1354) to correct the naval record of Keith Eugene Robbins; and

A bill (S. 1355) granting an increase in retired pay to George Occhionero, first lieutenant, United States Marine Corps, retired; to the Committee on Naval Affairs.

A bill (S. 1356) for the relief of Earl W. Thomas;

A bill (S. 1357) for the relief of John W. Sweger;

A bill (S. 1358) for the relief of Irene Magnuson and Oscar L. Magnuson, her husband;

A bill (S. 1359) for the relief of A. N. Ross;

A bill (S. 1360) for the relief of Teresa de Prevost;

A bill (S. 1361) for the relief of the Dalton Grain & Lumber Co.;

A bill (S. 1362) for the relief of the Hancock-Nelson Mercantile Co.;

A bill (S. 1363) for the relief of John A. Jumer;

A bill (S. 1364) for the relief of Howland & Waltz Co., Ltd.;

A bill (S. 1365) for the relief of Robert W. Krieger;

A bill (S. 1366) for the relief of Arthur K. Marvin;

A bill (S. 1367) for the relief of Kildall Fish Co.;

A bill (S. 1368) for the relief of L. Elbert Van Buren;

A bill (S. 1369) for the relief of Joseph Watkins;

A bill (S. 1370) for the relief of George O. Wills;

A bill (S. 1371) for the relief of the Waterous Co.;

A bill (S. 1372) for the relief of Gustave C. Wetterlind; and

A bill (S. 1373) for the relief of the heirs of John Booren, deceased; to the Committee on Claims.

HOUSE BILL AND JOINT RESOLUTIONS REFERRED

The following bill and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 3247. An act to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas, and for other purposes; to the Committee on Agriculture and Forestry.

H. J. Res. 112. Joint resolution to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended; to the Committee on Finance.

H. J. Res. 118. Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings; to the Committee on Appropriations.

ADMINISTRATION POLICIES AND PROGRAMS—ADDRESS BY POSTMASTER GENERAL FARLEY

Mr. HAYDEN. Mr. President, I ask to have printed in the CONGRESSIONAL RECORD an address recently delivered by the Postmaster General, Hon. James A. Farley, before the Anthracite Club dinner, New York City, January 17, 1935.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

There is a lot of satisfaction in talking things over with men of substance, men accustomed to the conduct of large affairs and those who have made a success in their own particular lines of endeavor. There has been a good deal of confusion created in the public mind either by misrepresentations or misinterpretations of your Government's policies and programs. I know of no better way of clearing these up than to discuss them frankly before such a distinguished body as is represented here today.

I do not pretend to any great knowledge of the anthracite coal business, but like every other citizen who has followed the course of events in recent years I realize that your industry has been almost unique in preserving its equilibrium in times of stress, for it seems to me that in the midst of a turbulent ocean of industrial and economic unrest yours has remained a pretty solid and unshaken island. We all know that such a situation is not automatic, but reflects the good sense and good judgment of the people who direct the activities of industry. With this in mind, I regard the opportunity to talk over with you the problems that beset our country as a very happy circumstance.

In paying tribute to your efficiency, however, I am not blind to the fact that like every other business in this country you have had your troubles. The advent of oil and other new competition made inroads in your business. In direct contrast to what happened in other industries, the statisticians tell me that your troubles began long before the depression. For example, I am advised that 10 years ago you were getting out 90,000,000 tons of anthracite a year, but that from this high mark during the boom times your production went down 16,000,000 tons, so that in 1929, when we were in the midst of our tremendous speculation spree and nearly everybody thought that the sky was the limit in prosperity, you were only getting out 74,000,000 tons. Naturally with the closing down of factories, the curtailment of heating plants in great hotels and business blocks, consequent on vacant rooms and vacant offices, you slipped still further like all the rest of us during the panic period.

And now you are again on the upgrade. For according to the Government figures, up to the first of the year you increased your output over 1933 by about 8,000,000 tons, which is a pretty good start in the progress back to normalcy. Incidentally, I note from the last figures available, those for November, that your pay rolls are something more than 7 percent over the total of wages paid a year ago.

I am also advised that your technical laboratories have been and are developing new types of furnaces, new methods of utility, and other devices that are bound to keep you abreast of your competitors. So, if I may borrow one of the favorite terms employed by those who criticize the present administration in Washington, let me say that it has been represented to me that your own private "brain trust" is having a lot to do with pulling you up where you belong. More and more the technical expert is becoming a great, if not the greatest, factor in accomplishing success. After all, government is a business, the greatest business of all, inasmuch as it has in its care the welfare and prosperity of 120,000,000 people as against the relatively small populations affected by private enterprise. There is this difference, of course—the success of your industry, and practically every other industry, is represented by dividends that represent money. The Government's dividends are measurable only in contentment of the whole people. To earn these dividends, the Government must be as fair to employers as to employees, as just to producers as it is to consumers. It could no more venture to take the profit motive out of industry and commerce, as some of the wildest of the assailants of the administration have suggested is its intent, than it could attempt to establish deliberately a wage scale below that which would afford a decent standard of living to the toiling population. It could no more crucify industry than it could permit agriculture to go into Nation-wide bankruptcy. If it did either of these things, the administration would be a failure. The Government has got to earn its own particular type of dividends or go out of business.

Now, when you hear that the Government is dominated by a harum-scarum lot of visionary economists, that young men from the colleges are being permitted to perform all kinds of wild experiments—socialistic, communistic, or dictatorial—I wish you would cast your eyes on your own laboratories and figure out how much the chemists and engineers busy with their test tubes and retorts, and blue prints, have to do with the policies of the anthracite industry. In this way you can get an accurate picture of the part the so-called "brain trust" is performing in our Government. If one of your laboratory experts came to you with a suggestion that because the carbon content of your product corresponded to a dietary need of the same element and that therefore you should make food for human and animal consumption out of coal, do you think that the men directing your affairs would go in competition with the meat packers and the flour-mill people? Naturally, you would not. What you want from them are practical suggestions and not lurid dreams. Well, it is the same way with the Government. The professors, to whom all of you have been willing to intrust the education of your sons and daughters, are all experts in their own lines. Most, if not all of them, have been called in by the various big industries at one time or another to aid in working out their problems. When their suggestions are sane and workable, you have made use of them. Any suggestions that have been impracticable, costly beyond the economic value of the suggested improvement, are rejected. It is exactly the same way with the Government.

There is not a man among you who is any more level-headed, any more practical than Franklin D. Roosevelt. There is not a man among you who would any more go off on a lunatic tangent because one of his experts suggested it than would the President of the United States. He is as well versed in the problems of government as you are in the mining and marketing of hard coal. He took hold of this Government of ours at a time of unprecedented distress. Not only was business all shot to pieces, but the morale of our whole population—capitalists and charity wards, merchants and mechanics, bankers and beggars—was at the lowest ebb of any period in our history. He has stemmed that tide of hopelessness. He has made banking safe for stockholders as well as depositors. Under his administration millions of men and women who were on the verge of desperation have secured jobs. Since he has been in office, bankruptcies of great institutions have been so rare that I doubt if any of you can recall an important instance, whereas during the period before President Roosevelt's advent to the White House there was hardly a day in which some commercial earthquake shock was not reported in the newspapers.

Of course, the job is anything but complete. There are still millions of men and women out of work, eager though they may be to find employment. Until most of these do find employment in industry, the Government has to take care of them. There may be honest differences of opinion as to the best way of doing this, but there can be none as to the necessity that it be done.

There are two ways of meeting the inescapable problem—by direct relief, that is the dole, or by putting them to work on public jobs. The first course would probably be the cheaper, in terms of what it takes to provide a living for an individual. The work system, however, takes into consideration not only the circumstance but that the country gets something back in the form of public improvements, greater security against such calamities as floods and fires, cross-road collisions, and so forth. Of still more importance is the value of preserving in the American people a spirit of self-reliance and self-respect. No man who is worth saving could indefinitely eat the bread of charity if he had the alternative of earning his living.

It is very much like some questions you must have had to answer in your own business when weighing the relative advantages of the cheapest way of meeting a production of a distributing emergency, or a dearer method that promises a deferred but permanent asset.

There is another impressive parallel in the conduct of the Government's business and private business. It concerns the simple fact that its problems are not solved by miracles but by hard, intelligent work by those in control. I know that many of you have had to take hold of enterprises that have been in a bad way—outfits that were deeply in the red either because of bad management or by reason of circumstances beyond the control of management. It has fallen to the lot of many to have such a task of rehabilitation thrust upon them. How have you gone about that sort of job? Obviously, the first step is economy. You cut the overhead expenses. But there is a point beyond which you cannot go in simple economy, for you reach a situation in which further reduction means crippling your service. Such economy will not regain lost markets or reestablish the efficiency or processes or methods that have failed to keep pace with the progress of new inventions or discoveries. So you have to reorganize your ailing company. Perhaps you must scrap a lot of obsolete or defective machinery; you may have to rebuild your whole plant in order to meet the competition that has to be met if our hypothetical sick company is to regain its commercial health.

I suppose the use of the word "competition" suggests that the parallel of government and business falls down, because the Government has no competitors. That hardly follows. The Government must constantly meet the competition of famine and the other forces of unrest and disaster. Moreover, even if you think this matching of obligations is more hypothetical than real, let me point out as a counterbalancing circumstance a resort you as business men have that the Government lacks. If the worst comes to the worst, you can drift and let your sick enterprise die. You can liquidate the whole enterprise and let your shareholders shoulder their loss while you go on to some other venture. The Government cannot do anything of that sort. It must go on making the best of whatever situation arises. Otherwise, the country would go into the ghastly receivership of revolution and anarchy and involve us all in a chaos of destruction.

I did not come here, however, to lead you into a chamber of horrors or to parade before you any nightmare of demons, phantoms, and specters. The precipice is there, as several great countries have demonstrated by falling over it, but America is on a safe, if difficult, road, and we will negotiate the steep grades and sharp turns until we come again to the happy level country of content and prosperity.

Incidentally our progress to that destination is not going to be expedited by pelting the engineer in charge of the train. It may be a bumpy road, but it is the only one, and while the discomfort of the journey may be complained of, it would help some if the alarmed and impatient among the passengers would suggest some available detour instead of grumbling.

But to get back from the highway to the plain facts of our country's plight. Like any intelligent business management, the administration, when it took over direction of the distressed country's affairs, began by inaugurating a regime of strict economy. The only thing before that was to get the banking situation in shape and stop the collapse of our whole financial structure. You know that story as well as I do, so there is no use reviewing it.

You may look askance at the claim to economy in the face of the huge expenditures for relief. Let us, however, separate for the moment the ordinary Government expense account from the emergency expenditures. The first item is always with us; the other is only with us to such a time as industry can reemploy those out of work. I can assure you that the most disturbed individual among your membership is not more anxious for the termination of the relief period than is your Government. All that can be done about it just now is to insure that the amount of relief is held to the lowest possible figure consistent with the obligation and to pave the way for its gradual decrease as people get on to a self-sustaining basis.

With the regular expenses of government it is very different. There it was possible to take up a lot of slack. This overhead has been reduced by approximately a billion dollars a year. That flat statement is proved by the actual figures. The end of the last fiscal year showed that the Government had spent in its departments a billion dollars less than it spent during the previous year for the same services. Those who are bent on finding fault with the Government may, perhaps, challenge these figures, insisting on taking the Federal expenditures as a whole and making no distinction between the costs of routine administration and the extraordinary disbursements compelled by the army of unemployed.

Perhaps I may be pardoned if, to illustrate this point, I refer to the affairs of my own branch, the Post Office Department. Recently I reported to the President that whereas the Post Office Department had in the year preceding the advent of the present administration showed a large deficit, last year's balance sheet presented a surplus of $12,000,000. I was immediately assailed and accused of falsifying the record inasmuch as I had excluded from the account various subsidies to ships and aircraft, and the free transmission of Government mail—services that do not appertain to the Post Office Department except that we happen to be the Government's agent for the disbursement of subsidies intended for the upbuilding of the merchant marine and the aviation industry. Under a law enacted in 1930—during the administration of President Hoover—these matters were authorized to be separately classified by the Treasury Department and the General Accounting Office, in stating the expenditures made from the Post Office Department appropriations. Postmaster General Brown, accordingly, drew his balance sheet for the fiscal year 1931–32 in agreement with this law.

That report showed the Post Office Department $153,000,000 in the red, exclusive of the nonpostal expenditures referred to. The report for the fiscal year 1932–33, during which the administrations overlapped—8 months under President Hoover and 4 months under President Roosevelt—gave the loss figure at approximately $50,000,000, under the identical bookkeeping method of the preceding year. The year that ended last July was the surplus year, and, of course, the same process of striking a balance was followed. Indeed, under the law, and under the supervision of the Comptroller General of the United States, no other process could have been employed.

I only cite this matter to illustrate to you that you cannot always accept at face value charges made against a Federal administration by its opponents.

Of course, the Government is spending a lot of money, but I ask you what other course is possible? With millions of people without the means of support, aid must be provided somehow. Inevitably the burden must fall on the community at large and that burden would be no less if it were borne by private charity than it is when appropriated by the Government and collected in turn by the Government from the whole community.

Despite the gloomy views of people who for one reason or another are uncomfortable under present conditions, or who feel bound to find fault with whatever is done by the administration, this country is getting along pretty well. Business is improving. That improvement is indicated by the circumstance that the aggregate of incomes on which taxes were paid were something like $2,000,000,000 more for the fiscal year 1933–34 than they were during the previous fiscal year. The railroads, the department stores, in fact every considerable industry, reflect the advance. The job, of course, is not half done; but it will be done in a shorter time than most of you anticipate if the country does not listen to the voices of the alarmists, who seem to think that they are performing a service to themselves and to the Nation generally by scaring people, without regard to the plain and available facts of the situation.

I think you will all agree that a contrast between today and the day President Roosevelt came to the White House is cheering and not at all doleful. That the people generally appreciate this was pretty definitely demonstrated at the congressional elections last November. On that occasion the President's policies, which were the only issues insisted upon by the opposition political party, received an endorsement unprecedented under any administration since the infancy of the Republic.

It ought not be necessary for me to tell you that Franklin D. Roosevelt is a practical, sensible citizen, who chases no rainbows, but brings to the performance of this tremendous task a splendid energy, a ripe experience in government, and a true patriotic desire for the welfare of every element in our great commonwealth. He rides no hobbies; he plays no favorites. He has been a great President throughout a period of untold anxiety and complexity. With him at the head of affairs there certainly is no reason why any business man should lie awake nights worrying about what is going to happen.

### OLD-AGE PENSIONS—STATEMENT BY SENATOR HASTINGS

Mr. McNARY. Mr. President, on yesterday the able Senator from Delaware [Mr. HASTINGS] made a brief statement touching certain proposals of the President's plan regarding old-age pensions. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The report of the Committee on Economic Security was submitted to the President in a letter signed by Frances E. Perkins, Secretary of Labor (chairman); H. Morgenthau, Jr., Secretary of the Treasury; Homer Cummings, Attorney General; H. A. Wallace, Secretary of Agriculture; Harry Hopkins, Federal Emergency Relief Administrator.

In that report it is stated that "at this time a conservative estimate is that at least one-half of the approximately seven and one-half million people over 65 years now living are dependent."

If each were paid $30 per month, it would require an annual expenditure of a total of $1,125,000,000.

The bill presented to the Senate provides that the tax of one-half percent upon every person employed and one-half percent on every employer upon the amount of wages paid shall begin January 1, 1937. The report says this date is fixed because of the large number of people involved and the other duties imposed upon the Social Insurance Board. This is the excuse given for postponing the date to January 1, 1937.

It is estimated that without this compulsory contributory annuity system that the Federal share of the cost may in the first year reach a total of $136,600,000; in the second year $199,000,000, and would increase steadily thereafter until it reaches a maximum of $1,294,300,000 by 1980. These figures are based upon reports of actuaries, but the committee believes, in view of the fact that only $40,000,000 per year is now being used for old-age pensions by the various States, that $50,000,000 would be sufficient for the first year.

It will be observed that the bill provides for $50,000,000 for the year ending June 30, 1936, and that thereafter it shall be $125,000,000 annually.

The Congress is urged to pass the bill quickly, because the legislatures of 44 States are meeting at this time, and it is hoped to have the legislatures follow the recommendations of the Federal Government. If the legislatures should act as they have been requested, there would only be $50,000,000 of Federal money applicable for this purpose between July 1 of this year and June 30 of next year.

Section 6 of title 1 seems to imply that the Federal Government will match the State contributions up to $15 per month; but it expressly provides, "If the sum of all allotments be in excess of the appropriations for the purpose, then the allotment to each State shall be diminished to that percentage which the appropriations bear to the sum of all allotments."

I think in considering this legislation it is important that we should not fool ourselves or fool the country. Fifteen dollars per month contributed by the Federal Government will permit payments to be made only to 694,444 people even when the larger appropriation of $125,000,000 is available. If the committee is correct in saying that 3,750,000 people are in need of assistance in the way of old-age pensions, and the State should make provision for all of them, it will be observed that this 3,750,000 would not get $15 per month, but would only receive $33.33 per year from the Federal Government, or about $2.78 per month.

Nowhere in the report can I find an estimate that $125,000,000 per year will even approach the amount that is adequate. I sup-

pose the hope is that between January 1, 1937, and the fiscal year ending June 30, 1937, there would be something added to this fund from the tax imposed. This tax, however, under the plan, takes the form of an annuity; and if it be expended in current and monthly distributions, it would defeat all the purposes of an annuity.

REGULATION OF INTERSTATE AND FOREIGN COMMERCE IN PETROLEUM

Mr. ROBINSON. I move that the Senate proceed to the consideration of Senate bill 1190, to regulate interstate and foreign commerce in petroleum, and so forth.

The VICE PRESIDENT. The question is on the motion of the Senator from Arkansas.

The motion was agreed to; and the Senate resumed the consideration of the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

Mr. CONNALLY obtained the floor.

PRINTING OF SPEECHES AND ARTICLES IN THE RECORD

Mr. McNARY. Mr. President, the Senator from Minnesota [Mr. SCHALL] desires to secure recognition for a moment. Will the Senator from Texas yield to him?

Mr. CONNALLY. Does the Senator from Minnesota desire recognition in regard to the same matter which came up yesterday?

Mr. SCHALL. Yes.

Mr. CONNALLY. If there is to be any argument or controversy about it, I prefer not to yield. Has the matter been adjusted with the leader of the majority?

Mr. McNARY. The Senator from Minnesota desires first to submit a resolution and have it referred to the Committee on Rules, and then, I think, he wishes to offer for the RECORD the matter which was objected to yesterday.

Mr. CONNALLY. I yield.

Mr. SCHALL. I offer a resolution, which I ask to have read.

The VICE PRESIDENT. The resolution will be read.

The legislative clerk read the resolution (S. Res. 59), as follows:

*Resolved*, That rule XI of the Standing Rules of the Senate, relating to reading of papers, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That when a Senator is physically unable to read his own speech, the clerk shall, upon the request of such Senator, read such speech and it shall be printed in the RECORD as if it had been spoken by such Senator."

The VICE PRESIDENT. The resolution will be referred to the Committee on Rules.

Mr. SCHALL. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield further?

Mr. CONNALLY. I yield.

Mr. SCHALL. Yesterday I attempted to put into the RECORD some articles written on the condition of the people of Russia under the communistic regime. This is especially interesting to me because I come from the State of Minnesota, and in Minnesota there was recently elected a Governor who ran on a communistic platform. He has been a very popular man, and this is his third term. His vote was greatly reduced from a sizable majority in 1930 and 1932 to a minority in 1934; but, thank God, the Legislature of the State of Minnesota is still American.

During the teamsters' strike last summer, he, like Hitler, Mussolini, and Stalin, used his military strong arm to enforce his edicts; converted the State fairgrounds into a barbed-wire stockade for the imprisonment of citizens attempting to deliver groceries, milk, fruit, meat, ice, and coal without a military license; he had on his publicity staff the two famous Communist editors of the publications known as the "Militant" and the "New International"; Minnesota became the Mecca for the underworld—bank robbers, kidnapers, Dillingers, and assassins of editors; he built a political platform demanding State ownership of all factories, newspapers, railways, mines, utilities, elevators, stockyards, and packing houses; he placed the civil power under the military; he destroyed $100,000,000 worth of mercantile, manufacturing, and farm marketing business in 100 days, jumped the State tax levy from 5 mills up to 11 mills, and converted a treasury surplus into a record debt and deficit.

These articles give a living picture of what we can expect in the Minnesota Russian-Hitler-Mussolini program. In order to put over his program of converting Minnesota into a Socialist-Communist State, Governor Olson needed first a State legislature to pass his measures. Both the State senate and the house stand about 2 to 1 against the Olson program. Many level-headed Farmer-Laborites have joined the Republican-anti-Roosevelt-Democratic union to bar the administration program. The regular Democratic candidate for Governor of Minnesota complained to the Roosevelt administration that the $250,000,000 of Federal money being expended through Olson was being spent for the benefit of Olson's communistic program instead of for relief and in the interest of the Democratic ticket on which Mr. Roosevelt was elected.

Governor Olson was appointed by the administration to head the N. R. A. in Minnesota, and promptly named himself the "codefish" of Minnesota and proceeded to draw up a Minnesota ruin act with himself as dictator to parallel the dictatorship of the "National Racketeer's Association," commonly known as the "N. R. A.", but which the Supreme Court has recently worked on with annihilating effect. He called a special session to pass this act, but the legislature turned him down.

Due to the Minnesota communistic platform and due to many other circumstances, it seems to me that these articles would be especially of interest to my State, and I asked yesterday to have them printed. My good friend from Arkansas [Mr. ROBINSON] objected. He had rather been pilloried by the World Court speech of the Senator from Idaho [Mr. BORAH], and I know he was not feeling just exactly right, and I do not hold his objection against him; but it seems to me, Mr. President, that a blind man should have the same privilege in the Senate as the Senator from Arkansas [Mr. ROBINSON] has. He has his eyes and can see to read what he wants. Why should not someone who is physically unable to read have the services of the clerk? Why should what he presents not be read? Why should some Senator be able to get up and say, "I object." I ought to have, and every other man disabled as I am ought to have, the privilege of using the eyes of the clerk in this House without anyone saying him nay for any remarks that he wishes to make.

It is said that reading maketh a full man, conference a ready man, and writing an exact one. In these strenuous days of changing government and revolution I want to be exact and I may want my speech written. If I had my sight, I could rise in my place and read it, and it would appear in the RECORD as if spoken originally hot from the heart.

It seems to me that the amendment to the rule which I have introduced ought to be adopted in all fairness. I make no objection to the President of the United States coming here and having a platform built to enable him to get into the Capitol to talk to us. There is a condition existing which makes it necessary. But it seems to me in all fairness to me and to another on the floor of the Senate that I and the other Member of whom I speak, the Senator from Oklahoma [Mr. GORE], should have, if we so desire, the right to have anything that we back and anything that is our own read in this Chamber without asking the privilege even of the genial Senator from Arkansas, who seems to be much irritated at what I have to say. He has said that I have assailed a Senator in a letter from a veteran, Archie Johnson, of Mound, Minn., which I had published in the RECORD on the 17th instant. I should like to have that letter read. It is in the RECORD, and if there is no objection on the part of the Senator from Arkansas I will have it read. That is the best way to get at the truth or falsity of the charges made by the Senator from Arkansas yesterday in reference to this same article.

Mr. ROBINSON. Let me see it first.

Mr. SCHALL. It was published in the RECORD on the 17th instant and the Senator from Arkansas said yesterday he saw it.

Mr. ROBINSON. The Senator knows, and he must know, that I have never made any objection to him having his speeches read.

Mr. SCHALL. Yes; the Senator objected when I was on the floor just before adjournment. The Senator objected because I was accusing the administration of fixing itself for a *dictatorship*.

Mr. ROBINSON. Oh, no, Mr. President!

Mr. SCHALL. I said it was censorship upon the press of the country, and the Senator from Arkansas objected.

Mr. ROBINSON. I shall wait until the Senator from Minnesota concludes.

Mr. SCHALL. The Senator from Arkansas further put in the RECORD a tirade against me which was entirely uncalled for; and when I tried to secure recognition of the Chair, he refused to recognize me to answer the Senator. I have always appreciated the Senator from Arkansas; but just because I do not agree with this Machiavellian administration and prefer to have somebody at its head who does not speak in the voice of Jacob with the hand of Esau to run the thing, I ought to be able to say so here without so much protest on the part of the Senator from Arkansas.

The letter was put in the RECORD at the request of a veteran of my State. I was asked to place it in the RECORD. It is merely the expression of a veteran from my State and does not mention any Senator in derogatory fashion. It tells what he thinks about the administration, and I think it would do no harm to have it read, and I so request.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON. I object.

The VICE PRESIDENT. Objection is heard.

Mr. SCHALL. It is in the RECORD, and certainly if I had my sight I would read it. May I not call upon someone to read it? I want to bring to the attention of the Senate by the reading of the letter upon which the Senator from Arkansas based his complaint yesterday that there were no grounds for his objection.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Oregon?

Mr. CONNALLY. I yield.

Mr. McNARY. I have always tried to respect the rule of the Senate that no remarks shall be made or article read reflecting upon the Members of the House or of the Senate. The article in question which the Senator from Minnesota is now seeking to have read does not touch upon the character of a Senator or a Representative. As I remember, having read it, it is an assault upon some phases of the administration by a veteran of the State of Minnesota. It has been published in the CONGRESSIONAL RECORD. It has been circulated. I think as a matter of courtesy the Senator from Minnesota should have permission to have it read without question.

I appeal to the Senator from Arkansas, inasmuch as the letter has been published in the RECORD and circulated, that the request be granted. The Senator from Minnesota requests that the letter be read.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON. I object.

The VICE PRESIDENT. Objection is heard.

Mr. ROBINSON. If the Senator from Minnesota has concluded, I should like to state the ground of my objection.

Mr. SCHALL. No; I have not finished.

The VICE PRESIDENT. Does the Senator from Texas further yield?

Mr. CONNALLY. I desire to be tolerant and lenient about this matter; but, since it affects a rule and therefore has to go over under the rule, I hope the Senator from Minnesota will be brief, if he has anything further to say.

Mr. McNARY. Mr. President, that is hardly the rule. We have not any established rule regarding the printing of articles. The practice and precedents are based upon the theory that when anything is offered for the RECORD it must be accepted by unanimous consent. If the request is not granted by unanimous consent or if consent is withheld, then at an appropriate time a motion can be made. I recognize such a motion is not in order at this time, because there is unfinished business before the Senate. If objection is made, that takes the Senator from Minnesota off his feet.

I appeal to the Senator from Texas and the Senator from Arkansas that the article in question be read, and then we may proceed.

Mr. ROBINSON. Mr. President, if I may be afforded an opportunity to explain the reason for my objection, in view of the statement made by the Senator from Oregon that the article referred to does not contain slanderous, libelous, or other improper allusions to Senators, I shall make no objection to the incorporation in the RECORD of the article; but I shall object to the reading in the Senate of the letter which was, I must say, clandestinely inserted in the RECORD by the Senator from Minnesota a few days ago and which prompted the objection I made yesterday. I shall give my reasons for it when the opportunity arises.

Mr. SCHALL. Mr. President, I have written a few remarks specifically that I wish to be made preceding the offering of the article upon Russia. If I may have the privilege of the clerk's eyes, I will ask him to read these remarks which contain the request for having the article printed.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read.

The legislative clerk read as follows:

Mr. SCHALL. Mr. President, I ask leave to print in the RECORD the articles on communism in Russia that appeared in the Washington Herald recently. They have a singular appeal to my State, where the Governor advanced a platform in behalf of his party last spring so communistic that he himself shied away from it in the campaign for fear of defeat, and which platform was not obtainable in the party's own headquarters, but only interpretations of it.

It is unfortunate that every citizen of Minnesota cannot have access to these articles that they might reach a better understanding of a totalitarian state such as was proposed by Governor Olson in the last campaign.

The stream of false doctrine in radio speech, in magazines, by paid newspaper scribes pounds and pounds on the national nerve until it is becoming deadened to the old reactions. Love of country, patriotism, frugality, the old-fashioned virtues are belittled and derided. The masses of the people having first endured, perhaps pitied, are almost in the state of inertia to embrace this dangerous doctrine if only it is befogged with the mad Machiavellian-like promises of this administration.

Pleadings for money, food, and clothing for the 140,000,000 inhabitants of Russia, beset by the tyranny and want of communism, are reaching us every day. The people of this country must soon answer these cries for bread and save the people of that nation from the starvation resulting from what they believed was to be for them a new deal.

In view of these facts, it is difficult for most of us to understand by what mental process Gov. Floyd B. Olson, of Minnesota, has been brought to believe that such a system should be imposed on the United States. Mr. Olson is a brilliant man who rose from humble circumstances to the high esteem of the State. His success was based on the system of democracy which made this country the land of opportunity. Mr. Olson is a product of this opportunity for all. Why should he now believe, since he has met with such success, that our system should be changed so that those who come after him will not have the chances which the country afforded him. A critical person might call his position selfish; that having achieved great success, he now would deny those chances to the children of the present and coming generations by advocating and heading a movement to Russianize the United States and drag its citizens down to where they soon must demand bread for their very existence from countries not foolish enough to accept the new deal.

Under the leadership of this self-made Governor, Minnesota is now known throughout the Nation as the seat of Communist agitation in the United States. Governor Olson is

advocating the Russian system; and, because of the fact that he is the official patronage dispenser for the Roosevelt administration in Minnesota, he is in position to give Government employment to Russian sympathizers. President Roosevelt made him head of the N. R. A., the C. W. A., and the F. E. R. A. in Minnesota, and with the funds and influence at his command Governor Olson has brought to Minnesota a majority of the Russian agitators who formerly were distributed throughout the country. With this aid and votes of people who did not know the direction his plans were taking, Mr. Olson elected himself Governor on a strictly Russian platform. Fortunately for the people of Minnesota, while Mr. Olson was electing himself Governor by a greatly reduced vote, the legislature was carried by the Americans; and while Mr. Olson is still demanding the communization of Minnesota, he is unable to carry out his plans. The legislature, composed of Americans, refuses to accept the Russian new deal.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Montana?

Mr. WHEELER. I simply desire to make a statement with reference to the article placed in the RECORD.

Mr. CONNALLY. Very well.

Mr. WHEELER. Mr. President, I hesitate to make a statement with reference to something that is put in the RECORD by the Senator from Minnesota, but I happen to know something of Governor Olson and something of the fight he has made in the State of Minnesota, and I unhesitatingly say that the charges which were made by the Senator from Minnesota with reference to Governor Olson's appointments and with reference to his bringing in Communists in his administration are utterly untrue.

Governor Olson won in the State of Minnesota by a large majority at the last election. He had against him all the power interests, all the great banking interests, and all the railroads; and, of course, Mr. President, when the power interests, the railroads, and the banking interests fight a man, the one thing that they always charge him with is being an extreme radical. The best evidence of what the people of the State of Minnesota think of him, however, is their action in electing him. I say the majority of the people of Minnesota are as high-class, honorable, decent American citizens as there are in the United States of America, and it is unjust and unfair for the Senator from Minnesota to stand on the floor of the Senate and make a charge against the Governor of his State, who has been elected by an overwhelming majority, when the Governor is not here and able to answer the malicious charges which have been made against him.

Mr. President, I resent statements being made against Governor Olson, because I know him to be honest; and so far as the statements are concerned that Governor Olson is distributing the patronage for the Roosevelt administration, there is not any truth in that, either. The Democratic national committeeman, I think, to a large extent controls the patronage of Minnesota; and surely it cannot be said that the Democratic national committeeman of the State of Minnesota is either a Communist or leans toward communism.

The statement put into the RECORD by the Senator from Minnesota, in my opinion, is made up largely of statements that have been handed to him by someone who is bitterly antagonistic to the Governor of that State, and probably for the reason that the Senator fears Governor Olson may be a candidate against him 2 years from now.

Mr. ROBINSON. Mr. President——

Mr. CONNALLY. I yield to the Senator from Arkansas.

Mr. ROBINSON. I think all Senators will understand that in objecting to the article to which the Senator from Montana [Mr. WHEELER] has just made appropriate reference I had no thought of depriving the Senator from Minnesota of any right or privilege that a Senator or a gentleman should have and exercise.

It is desirable that the right of petition, and all that that carries with it, shall be preserved and perpetuated; but it is not right, and no one who hears me who has a fair conception of the standards of American justice will think it is right, that a Senator, whether he be afflicted or otherwise, shall abuse the privileges and the confidence which he enjoys by reason of being a Senator to insert in the RECORD of this body charges against Members of the Senate, innuendoes against the honor and the integrity of Members of the body, which he dare not stand upon the floor of the Senate himself and make.

Mr. SCHALL. Oh, yes, yes; I want to say——

Mr. ROBINSON. I decline to yield to the Senator from Minnesota.

The VICE PRESIDENT. The Senator declines to yield.

Mr. ROBINSON. Any courageous man who is right-minded, before inserting in the CONGRESSIONAL RECORD a statement which reflects on the integrity or good faith of a colleague, will call his attention to it. He will give that colleague the opportunity to protest against the insertion of the statement.

During the past session of the Congress the Senator from Minnesota [Mr. SCHALL] day after day rose in this body and had unanimous consent to insert in the RECORD statements which should not properly have gone into the RECORD. No objection was made to his action save on a single occasion. A few days ago, under the liberal practice that prevails here, he asked the insertion in the RECORD of a letter from one of his constituents which reflected on the honor, the integrity, and the good faith of two Members of this body. He deleted the names from the letter, which he had no right to do. He had no right to insert in the RECORD a statement which reflected upon two Members, and then refuse to give the names of the Members upon whom he was reflecting.

Considering the manner in which the insinuation was made, the fact that it was printed by unanimous consent, I say it is fair and proper that if the Senator from Minnesota wishes to have such matter inserted in the RECORD, he should give the Senate the opportunity of passing upon the question as to whether it will prostitute its RECORD to such purposes as he has in mind.

Mr. SCHALL. Mr. President——

Mr. ROBINSON. To have the audacity now to ask that the letter which was inserted in the way I have stated, by unanimous consent, shall be read again, and again make a record, condemns the merit of the suggestion.

The Senate has the power, if it chooses, if it wishes to set such a precedent, to permit everyone who has any insinuation or reflection to make against the Members of this body to have, through the medium of the Senator from Minnesota, the opportunity to make the charges clandestinely; and I am perfectly willing that the Senator shall move that the letter be read at the desk. If he does so, and if the Senate votes to incorporate it in the RECORD, I shall have no further complaint. What I am insisting on is that neither the Senator from Minnesota, nor any other Member of this body, shall abuse his prerogative and his privilege by, unknowingly to the other Members, incorporating in the RECORD matter that reflects on Senators.

I wish to assert again that I have no objection to any criticism that the Senator may make of the administration, or that he may make of a Member of this body, if it is couched in parliamentary language. Criticism is essential to the proper conduct of our affairs and to the proper conduct of the Government; but neither the Senator from Minnesota nor any other Senator ought to abuse debate by incorporating in the RECORD scandalous and objectionable matter which the Senate would not permit to be incorporated if it knew it was being offered for the RECORD.

Mr. CONNALLY. Mr. President——

Mr. SCHALL. Mr. President——

The VICE PRESIDENT. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. CONNALLY. The Senator from Texas wishes to be indulgent, but he refuses to yield for a speech, Mr. President. If the Senator desires to make a request, he may go ahead; but I am not going to yield further.

Mr. SCHALL. Mr. President, I desire to state that I have never placed in the RECORD anything reflecting upon any Senator. All I have attempted to do is to try, in my humble

way, to get before the people of the country what is happening to their Government. I have tried to put things into the RECORD that might wake them up. I have tried to show upon some occasions—and that was what the Senator from Arkansas particularly objected to when I made the statement here in a recent speech that I had read—that 25 days after our President had raised his hand and sworn to maintain and defend the Constitution, a bill was sent to the House and shoved through the House that would have put a publisher in jail for 10 years, with a fine of $10,000, for daring to publish anything that the administration did not approve. And to say nothing about the dictatorship usurped under the communications bill. Further, he is now demanding under his $4,000,000,000 relief bill the right to send to jail for 2 years and fine $5,000 by edict any publisher who dares to criticize his acts in expending this tremendous fund.

It seems to me that somebody, even though he may be blind, should say these things that the country ought to know. Perhaps no one reads the RECORD; but, so far as accusing me of sneaking something into the RECORD is concerned, it is not true. What I am attempting to do now is to have it so that it can be read, and that the Senator from Arkansas or any other Senator can know what it is. I want him to know what it is. I want him to reply to it. I want to hear why this country is being driven into a communistic government. Somebody should protest.

I believe in the Constitution; and it seems to me that the Constitution is pretty well gone through the tactics of this administration.

Mr. CONNALLY. Mr. President——

Mr. SCHALL. Free speech is gone in these United States, except here in the Senate; and I am praying God now that somebody, somewhere, will come to the rescue before it is too late. So I used the means of a humble veteran to say what he thinks. Tomorrow I may want to use a carpenter to say what he thinks. The next day perhaps I will want to use something else; but at all times I will stand back of anything I say. I want the privilege of rising in this body and having the benefit of reading what I may say, that I may get it exact, without its being objected to by the Senator from Arkansas.

How come that our majority leader has grown so great that he attempts a censorship of the Senate? Upon what meat has this our Caesar fed that he has suddenly grown so great that we poor, petty Senators must creep beneath his huge legs and peep around to find ourselves dishonorable graves? [Laughter.]

As to the Senator from Montana [Mr. WHEELER], he is entirely misinformed. Governor Olson was not elected by a great majority. He was elected by a minority of 44 percent of the votes.

Mr. CONNALLY. Mr. President, I do not want to be discourteous to the Senator, and I want to be indulgent; but I have declined to yield to a long debate here. This is an oil bill, not a gas bill. [Laughter.]

Mr. SCHALL. Just a word. May I have just a word, Mr. President?

The PRESIDING OFFICER (Mr. HARRISON in the chair). Does the Senator from Texas yield to the Senator from Minnesota?

Mr. CONNALLY. I yielded to the Senator——

Mr. SCHALL. I want to say——

Mr. CONNALLY. Just a moment; I have the floor, Mr. President. I yielded to the Senator to make his request, and I indicated that I did not yield for a speech. The Senator, wholly disregarding what I thought was my courtesy, proceeded to make a new speech against the Senator from Montana and against the Senator from Arkansas.

Mr. SCHALL. No; they made speeches against me. The Senator from Arkansas and the Senator from Montana were not limited by you. Why limit me in my reply?

Mr. CONNALLY. I cannot yield further.

The PRESIDING OFFICER. The Senator from Texas declines to yield further. The Senator from Texas is recognized.

Mr. CONNALLY. If the Senator desires to make his request and get through with it, I will yield for that purpose.

Mr. SCHALL. I just want to say that I——

Mr. CONNALLY. I do not yield for anything except a request.

Mr. SCHALL. I should like at this time to ask consent to have printed in the RECORD the communistic planks of the platform upon which the Governor of Minnesota was elected. The reading of it will be a complete answer to any man believing in our republican institutions.

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. CONNALLY. I yield for that purpose without debate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota? No objection is heard.

The matter referred to is as follows:

We therefore declare that capitalism has failed and immediate steps must be taken by the people to abolish capitalism in a peaceful and lawful manner, and that a new, sane, and just society must be established; a system where all the natural resources, machinery of production, transportation, and communication shall be owned by the Government and operated democratically for the benefit of all the people and not for the benefit of the few.

INDUSTRIAL PROGRAM

To protect our citizens from exploitation through industrial profits, we demand public ownership of all mines, water power, transportation, and communication, banks, packing plants, factories, and all public utilities: *Provided*, That this shall not apply to bona fide cooperatively owned and operated enterprises.

EMPLOYMENT

The State to take over sufficient idle industrial plants to furnish employment for idle citizens and to distribute the products to the needy.

Mr. SCHALL. Further, I wish to ask unanimous consent to print an article from a newspaper published in my State with reference to the drought situation of Minnesota and have it referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The article was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

[From the Independent Press, Madison, Minn., Jan. 18, 1935]

FEED SITUATION SERIOUS

Slight demonstrations of what can be expected on a larger scale, unless a change is made in the feed-distribution system, occurred in this county last week. Farmers entered the villages of Boyd and Marietta and helped themselves to hay that was stored there for the purpose of relief distribution. On the face of it, that looks like a mighty desperate act, and it was. But these farmers are desperate.

Last Saturday there were more than 1,752 tons of hay, straw, and corn fodder stored in the various cities and villages throughout the county. This could not be distributed because the county relief administrator had received an order not to distribute anything after December 31, 1934, until the new feed relief set-up was completed at St. Paul.

That was more than 2 weeks ago, and yet the livestock was expected to wait until the changes had been made. Were the cattle and horses supposed to eat theories and sleep on a bedding of statistics?

At the fair grounds in this city there are several hundred tons of hay baled and piled waiting for distribution. One small boy and a cigarette or match could wipe out this entire stock in a few minutes. Would that be better than to distribute it to needy farmers? Would the loss be less than it would if these farmers came in and took that hay and straw? We are not encouraging the people of this community to break the law, but we can hardly condemn them for using such ways and means in an effort to stave off almost certain starvation for their livestock.

This is no longer a small-grain country, and that fact should be considered in the formulating of relief plans. Our farmers have spent their time and resources to build up dairy and beef herds, flocks of sheep, and poultry, as well as herds of swine. Instead of a 1-crop year they have changed their system of farming so that they had a salable commodity every month of the year.

The new feed regulations wipe out all that these farmers have struggled to attain. If they are put on a budget system, such as is proposed, they will be forced to cut the size of their herds to 14½ units for a farm of 160 acres or more. The units are divided as follows: One horse or cow is classed as a unit; 5 hogs are a unit; 7 sheep are a unit; 100 poultry are a unit, and colts or cattle under 2 years are one-half a unit. One doesn't have to be a farmer to

realize what that means on a farm of 160 acres. There will not be enough cattle to keep the farmer through dairy products; there will not be enough hogs to support him, even if the prices do increase; nor will there be enough poultry to support the family by the sale of eggs. All of which means that Mr. Farmer is going to be forced upon relief until the next crop is harvested and then there will be a surplus of grain raised because the herds will have been diminished to such an extent that there will not be enough stock left to consume the feed the farmer raises.

These are the conditions as they exist in this drought-stricken area today. Yet the farmer is asked to be patient and wait until a new and more economical feed distribution plan can be worked out. When the financial interests of this country saw their houses tottering they received immediate and almost unlimited financial aid from the Federal Government. If this Government is really of, by, and for the people, then it is high time that agriculture be considered a part of the Government.

## REGULATION OF INTERSTATE AND FOREIGN COMMERCE IN PETROLEUM

The Senate resumed the consideration of the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

Mr. CONNALLY. Mr. President, on yesterday we were discussing somewhat briefly the measure known as "Senate bill 1190", regarding the prohibition of the interstate shipment of oil produced or refined in violation of State law.

Some Senators propounded questions which indicated that they were in some doubt as to the authority of the Congress to enact this particular legislation, in view of the recent decision of the Supreme Court in the Amazon and Panama cases, which held that section 9 (c) of title I of the Industrial Recovery Act was unconstitutional.

If those Senators will give heed, I shall undertake very briefly to point out the grounds upon which I contend that the Congress has authority to pass this particular legislation.

In this connection I call the attention of the Senate to the fact that section 9 (c) of title I of the Industrial Recovery Act, which was held unauthorized by the Supreme Court, provided in these words:

> The President is authorized to prohibit the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn—

And so forth.

In other words, the provision of that particular section which was found unauthorized by the Supreme Court did not lie in the fact that the Congress had prohibited interstate shipments, but that it had sought to delegate to the President the power either to prohibit or not to prohibit such interstate shipments, according to his own judgment and discretion, without the Congress having laid down a particular set of facts upon which he should act or a particular standard which would guide him in that determination.

On yesterday the Senator from Idaho [Mr. BORAH] suggested that there might be some doubt in his mind as to whether or not the Congress could prohibit the shipment in interstate commerce of an article which in itself was not harmful or deleterious. Is that the question the Senator suggested?

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Texas yield to the Senator from Idaho?

Mr. CONNALLY. I do.

Mr. BORAH. That was the point I had in view at the time.

Mr. CONNALLY. The Senator's question, no doubt, was prompted by some expressions of the Supreme Court in what are known as the "Child Labor cases", which came to the Supreme Court from North Carolina. In order, however, to indicate to Senators at the very beginning some of the cases in which the Supreme Court has exercised that power, I desire to point out that the Supreme Court has heretofore prohibited the interstate shipment of lottery tickets.

Of course, lottery tickets may be said to be harmful within themselves. It has upheld legislation prohibiting the interstate shipment of diseased cattle—livestock. That probably comes within the definition suggested by the Senator from Idaho [Mr. BORAH]. Under the Pure Foods Act the Supreme Court in a number of cases upheld the prohibition of interstate shipments without determining that the articles themselves were deleterious, such as the prohibition of the interstate shipment of articles which were merely misbranded and upheld an absolute bar.

The Supreme Court in Weeks against United States, Two Hundred and Forty-fifth United States Reports, page 619, goes into that particular question very thoroughly.

But more than these particular cases, all Senators are no doubt familiar with the Supreme Court's decisions in the whisky cases, the prohibition cases, in which the Court upheld first a statute which made intoxicating liquors subject to State laws when they reached the State line, and afterward an absolute prohibition by Congress of the interstate shipment of any kind of intoxicating liquors into a State which had by law prohibited the sale of such liquors.

Permit me to say to the Senator from Idaho that whatever his views about liquor being in itself harmful is concerned, the Congress did not prohibit the shipment in interstate commerce because it was harmful, because it would then have prohibited shipping it into any State; but it prohibited the shipment only into those States which by law had undertaken to control or prohibit the sale of intoxicating liquors.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Texas yield to the Senator from Idaho?

Mr. CONNALLY. I yield.

Mr. BORAH. My understanding is that the Supreme Court did say that it was the exceptional nature or harmful nature of liquor which placed it in a class by itself, and, therefore, it was subject to the exertion of this power.

Mr. CONNALLY. I do not think that that argument was contained in those decisions.

There is another suggestion in another case which I will advert to in a few minutes. The point I make, however, is that if the Congress had prohibited the interstate shipment of liquor because of its inherent harmfulness, it would have provided that the prohibition be effective everywhere, rather than to have made it depend upon the action of a particular State in prohibiting the sale and merchandising of intoxicating liquors within such State.

We shall take a still later case. In the case of *Weber* v. *Freed* (U. S. 239, p. 325), the Supreme Court upheld an act of Congress prohibiting the interstate shipment of prize-fight films. Of course, the Senator from Idaho might contend that such films were harmful. However, it did not go into that particular question.

The latest decision of the Supreme Court on that particular feature is in the case of Brook against the United States, Two Hundred and Sixty-seventh United States Reports. This is the case in which Congress prohibited the interstate shipment of automobiles which had theretofore been stolen. The case comes up from Oklahoma.

Mr. BORAH. From what volume is the Senator reading?

Mr. CONNALLY. Two Hundred and Sixty-seventh United States Reports, page 433; opinion by Chief Justice Taft. I shall not read all the facts and pleadings, but I do desire to quote briefly from the opinion of the Court. The chief assignment of error is the invalidity of the act. Then it recites the act which it is not necessary to read here. The Court said:

> The objection to the act cannot be sustained. Congress can certainly regulate interstate commerce to the extent of forbidding and punishing the use of such commerce as an agency to promote immorality, dishonesty, or the spread of any evil or harm to the people of other States from the State of origin. In doing this it is merely exercising the police power for the benefit of the public within the field of interstate commerce. *Gloucester Ferry Co.* v. *Pennsylvania* (114 U. S. 196, 215). In *Reid* v. *Colorado* (187 U. S. 137), it was held that Congress could pass a law excluding diseased stock.

Then it recites the pure-food decisions, the diseased-stock and the white-slave cases, and the liquor cases. It cites the

case of *Clark Distilling Co.* v. *Western Maryland Railway Co.* (242 U. S.).

It cites the prize-fight film decision. Then it averts to the child-labor cases. I desire the Senator from Montana [Mr. WHEELER] to pay heed to this. He raised the question about the applicability of the child-labor cases.

In *Hammer* v. *Dagenhart* (247 U. S. 251) it was held that a Federal law forbidding the transportation of articles manufactured by child labor in one State to another was invalid, because it was really not a regulation of interstate commerce but a congressional attempt to regulate labor in the State of origin by an embargo on its external trade. Articles made by child labor and transported into other States were harmless and could be properly transported without injuring any person who either bought or used them. In referring to the cases already cited, upon which the argument for the validity of the Child Labor Act was based, this Court pointed out that, in each of them, the use of interstate commerce had contributed to the accomplishment of harmful results to people of other States, and that the congressional power over interstate transportation in such cases could only be effectively exercised by prohibiting it. The clear distinction between authorities first cited and the child-labor case leaves no doubt where the right lies in this case.

Then it goes on to discuss the speed at which automobiles can be transported, and so on.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER (Mr. BLACK in the chair). Does the Senator from Texas yield to the Senator from Montana?

Mr. CONNALLY. I yield.

Mr. WHEELER. Assuming, for the sake of argument, that some State prohibits the manufacture of goods by children under 16 years of age; does the Senator from Texas contend that Congress could prohibit the shipment of goods which were made in another State by child labor into the State which had forbidden the manufacture of such goods?

Mr. CONNALLY. I do; because in these cases the suggestion is now and again made that the Federal Government, in the matter of the regulation of interstate commerce, should cooperate with the States instead of doing what the Court said it was trying to do in North Carolina; that instead of cooperating with North Carolina it was trying to undo the laws of North Carolina and superimpose on North Carolina a different child-labor law from the one that North Carolina already had in effect. That is pointed out in the decision in that case; that the Congress was seeking indirectly to do what it could not do directly, and was circumventing in a way the power of North Carolina to regulate its own manufacturing enterprise.

This is the automobile-theft case. The decision upholds the right of Congress absolutely to interdict the interstate shipment of automobiles, which in themselves are not harmful, which, so far as the Federal Government is concerned, were not produced or used in violation of any Federal law, but because through the violation of a State law their possession was transferred illegally from the owner to another they then became subject to a prohibition of shipment in interstate commerce.

I desire to suggest to the Senator from Idaho in this connection that there is a rather striking analogy between illegally produced oil, oil produced illegally as defined in this measure, and a stolen automobile or any other kind of stolen property. As the Senator from Idaho knows, oil is a fugitive element. It is not stable. The surface owners of oil property must capture the oil in order to secure the benefit of the oil which is supposed to be under their land. There is what is called a law of capture. If the owner does not capture that oil, someone else adjoining or in another portion of the same field may capture it, and when he does, it becomes his oil. So the State, in order to protect surface owners in their rights, has found it necessary to set up an elaborate system of drilling regulations, and they prescribe upon what size tract of land a well may be drilled, and they provide that the adjoining owner has to observe certain rules and regulations in his drilling to protect the oil under the adjoining owner's land. Where an offset well is drilled, where a well is drilled on adjoining property, the leaseholder must also drill or forfeit his lease in order to protect the owner of the soil.

One of the chief evils we are seeking to correct is the absolute theft of oil—theft of oil just like the theft of automobiles, theft of oil just like the theft of a horse or of a cow. On account of the flush productions in many of the great fields the oil which is being illegally produced is oil to which the man who produces it is not justly entitled. If he should observe his own proration, his own limitation, and thereby respect the rights of the adjoining owner, we should not have such a bill before us. But one lawless owner or driller, disregarding the State law, by devices, through underground passageways, through the employment of by-passes that dodge the point where the oil is measured, and all sorts of artifices, illegally produces not only his own oil but the adjoining owner's oil, and it is to prevent that sort of theft and that sort of misappropriation, in order to make effective the State laws in that regard, that we are asking the Federal Government to say that when the State does administer its oil law, when it does set up a system of protecting the owners of oil property, that the contraband oil, that the illegal oil, that the oil which has been misappropriated in violation of the law, stolen, if you care to use that term, from the adjoining owner, shall not be permitted free shipment in interstate and foreign commerce; that the Federal Government shall not afford the lawbreaker an avenue of escape from punishment, since the State cannot prevent interstate shipments. Without Federal prohibition or regulation of such shipments, the Federal Government permits the nullification of State law.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Oklahoma?

Mr. CONNALLY. I yield.

Mr. GORE. The producer in any State who obeys the laws of his State will not be affected by this legislation.

Mr. CONNALLY. Exactly. The Senator from Oklahoma has very pertinently suggested that the oil companies or owners of a lease or the owners of the fee who obey the State law never will feel the pinch of this legislation because it does not apply to them. It only applies to the man who defies the law, or the oil company which defies the law and for the sake of immediate gain is willing to ship illegal oil in interstate and foreign commerce and thereby not only reap some little reward for himself or itself but do an injury not alone to the industry itself but to the man from whom the oil was illegally appropriated.

Mr. GLASS. Mr. President——

Mr. CONNALLY. I yield.

Mr. GLASS. Reverting to the automobile decision, may I ask the Senator whether or not the automobiles involved in that case were used for criminal purposes?

Mr. CONNALLY. No; not necessarily at all; just so they had been stolen.

Mr. GLASS. To steal an automobile is a crime, is it not?

Mr. CONNALLY. I thought the Senator meant that the automobiles themselves had been employed in some criminal operation.

Mr. GLASS. Does the Senator contend——

Mr. CONNALLY. The Senator's own car, if stolen and transported to another State, would be within the inhibition.

Mr. GLASS. That involves a crime. What I wanted to ask the Senator was, would he contend that the Congress would be within the constitutional limitation if it prohibited the transportation in interstate commerce of automobiles simply because a State prohibited their use within its borders?

Mr. CONNALLY. Of course, the Senator is putting a very extreme and a very harsh case.

Mr. GLASS. Of course, nobody would prohibit the use of an automobile; it is a curse to the country now that some of them are not prohibited; but is not what I am suggesting an analogous case?

Mr. CONNALLY. I shall answer the Senator frankly. I shall say to the Senator that I cannot conceive of the Congress ever passing such an act, but under the decisions of the Supreme Court it seems to me to be absolutely clear that if the Congress, as the possessor of the absolute right to regu-

late and control interstate commerce, should see fit to do a thing of that kind it would have the power to do it.

Mr. GLASS. In other words, no matter how absurd a State law might be, just because it is a State law affecting interstate commerce, the Congress would have the right to prohibit interstate commerce so far as that State is concerned?

Mr. CONNALLY. I would say it would have the power; I do not know about the right.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ROBINSON. On January 19, 1929, there was approved a statute which the Senator may recall. It was entitled "An act to divest goods, wares, and merchandise, manufactured, produced, or mined by convicts or prisoners of their interstate character in certain cases."

The purpose of the act seems to be analogous to that which the Senator from Texas is discussing, although manifestly it is not identical with it. In that statute the Congress provided that all goods, wares, and merchandise manufactured in whole or in part by convict labor should upon arrival in any State be subject to the laws of that State to the same extent and in the same manner as though such goods, wares, and merchandise had been manufactured, and so forth, in such State.

Of course, there is nothing harmful to the public health or deleterious in convict manufactured or mined commodities; the fact is that they may be quite as wholesome as when manufactured by free labor; but many of the States had passed laws forbidding the employment of convict labor in manufacturing and mining, and, in order to aid the States in making their laws effective, Congress passed the statute to which I have referred.

So far as I am advised, the constitutionality of the act has not as yet been passed upon by the Supreme Court; it may have been but I am not informed as to that. The act was approved January 19, 1929, and did not take effect until 5 years later, which would be January 19, 1934; but it seems to me that Congress recognized a principle analogous to that which the Senator is discussing when it enacted the convict-goods act.

Mr. CONNALLY. Mr. President, I thank the Senator from Arkansas very much for his illuminating contribution.

Mr. GLASS. Mr. President, let me ask the Senator from Arkansas, Is there involved in that act of Congress a prohibition of interstate commerce?

Mr. CONNALLY. There is a prohibition of some of it, at least.

Mr. ROBINSON. Yes; the title of the act is "To divest goods, wares, and merchandise manufactured, produced, or mined by convicts or prisoners of their interstate character in certain cases."

Mr. GLASS. And yet they may be shipped in interstate commerce; they may be shipped from one State to another State.

Mr. ROBINSON. The act to which I have referred follows the language of the Webb-Kenyon Act, as suggested to me by the Senator from Oklahoma [Mr. GORE].

Mr. GLASS. That was the liquor act.

Mr. ROBINSON. Yes. Under the act cited by me if a State has not forbidden the employment of convict labor in the manufacture of goods, wares, and merchandise, such goods, wares, and merchandise might be shipped into that State, but they could not be shipped into a State where the laws forbade the use of convict labor.

Mr. GLASS. As I understand, they could be shipped into that State, but when they got there they would be subject to the laws of the State.

Mr. ROBINSON. Which would prevent their being sold.

Mr. GLASS. I grant that in effect it operates in that way, but it is not a prohibition.

Mr. CONNALLY. Mr. President, I have one other case here to which I wish to call the attention of the Senator from Virginia and the Senator from Idaho as well. This is a circuit court of appeals case; it does not seem that it reached the Supreme Court. This was a case in which the State of Oklahoma enacted a statute prohibiting the shipment out of the State of any kind of game. Congress subsequently passed an act prohibiting the interstate shipment of any game which had been secured or handled in violation of a State law. Here is what the Court says about it in the case of Rupert against the United States in One Hundred and Eighty-first Federal Reporter, page 87:

Paris N. Rupert was convicted on indictments for criminal offenses, and he brings error.

* * * * * * *

The local laws—

Quoting from the court:

The local laws of the Territory of Oklahoma allowed quail to be killed during certain months. * * * But the Oklahoma statutes prohibited the exportation of quail at any time.

* * * * * * *

The purpose of the Lacey Act—

That is an act of Congress—

The purpose of the Lacey Act as expressed in the statute (sec. 1) "is to aid in the restoration of such birds in those parts of the United States adapted thereto where the same have become scarce or extinct."

Section 4 of that statute provides that all packages * * * shall be plainly and clearly marked—

And so on.

I shall omit those portions of the opinion which are unnecessary to be read.

Quail belong to the State or Territory, or rather the people collectively thereof, and are subject to the local laws as to killing and the times therefor and the shipment. These propositions have been put at rest by the Supreme Court.

Citing decisions.

It is for the State legislature to say when quail may be killed. It may provide that they shall not be killed at any time. It may provide that they may be killed for use at the home only, and not killed for shipment out of the State, which if allowed would result in the extinguishment locally of such game. And no one doubts the validity of game laws which prohibit killing of game on the lands of another. It is quite likely that every State of the Union has such laws, and such was the common law—

And so on.

And as Congress is vested with the power under the commerce clause to regulate commerce between the States, it has the power to provide that there shall not be unrestrained commercial intercourse.

Thus, in *Cook* v. *Marshall County*, * * * it was held that a State law limiting the right to sell cigarettes would be upheld, even though brought in from another State. This was so held because the prohibition of the sale was a valid exercise of the police power of the State, and the commerce clause cannot be used to override that which is clearly within the police power of the State.

And so in *Manchester* v. *Massachusetts*, * * * a statute regulating the taking of fish was upheld and enforced, when it was sought to avoid the statute by showing that the fish were carried to the ports of other States on a vessel licensed under national authority. And a like holding was made as to oysters in *McCready* v. *Virginia* (94 U. S.). It is one thing to prohibit property from being carried out of the State, and another to prohibit property from being brought into the State. And yet, *In re Rahrer*, the Supreme Court upheld the act of Congress of August 8, 1900, commonly called the "Wilson bill", which makes intoxicating liquors, when brought into the State, subject to the local laws. Such being the holdings, it surely follows that a congressional enactment like the Lacey Act, which makes it a crime to carry out of the State that which can be and is lawfully prohibited by local or State laws, must be upheld.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER (Mr. MCGILL in the chair). Does the Senator from Texas yield to the Senator from Virginia?

Mr. CONNALLY. I yield.

Mr. GLASS. If I may be permitted, I may say to the Senator that I am not interested to controvert anything he is saying. I just want to say that, in my opinion, the most vicious thing the Supreme Court of the United States ever did since it was constituted was to interpret the language in the Constitution which authorizes Congress to regulate interstate commerce as meaning that Congress has a right to prohibit interstate commerce. Every time I have had an opportunity to vote against that interpretation of the constitutional provision I have done so.

Mr. CONNALLY. I respect the views of the Senator from Virginia and have high regard for his opinions on all

public questions, but, of course, when it comes to the particular legal proposition I am compelled to side, by force of circumstances, with the Supreme Court rather than with the Senator from Virginia.

Mr. GLASS. I realize that, but the Senator need not become sarcastic at my expense.

Mr. CONNALLY. The Senator from Texas has no such intention. I do not mean that I prefer to do it, but I have to do it.

Mr. GLASS. On questions of law, I do not assume to speak, but upon questions of common sense and the plain text of the Constitution anyone is privileged to speak.

Mr. CONNALLY. The Senator does me an injustice when he suggests that I intended to be sarcastic. Such was not my purpose. I simply meant that, however much I might prefer to side with the Senator from Virginia, since we are dealing with legal facts and situations, I cannot go with the Senator when the Supreme Court goes in the other direction, because it will not let us go with him, however attractive and delightful his society may be, intellectually and otherwise.

Mr. President, the power to regulate absolutely must include the power to prohibit not necessarily all commerce; but whenever Congress regulates, in most cases it prohibits some part of interstate commerce.

Mr. BORAH. But on a specific principle.

Mr. CONNALLY. To be sure; on whatever the principle is in the particular case. Of course, that is the principle upon which interstate commerce is regulated. Here we are contending that the principle upon which we ask the Congress to regulate in this instance is the principle of cooperation with the State when it is undertaking to enforce its own laws in order to protect its citizens in the enjoyment of their own property, and not, by refusing to regulate it, to permit the lawless elements of that State to rob their fellow citizens and disrupt the industry throughout the Union. Those are the considerations upon which we seek to undertake the exercise of this high and mighty power—and it is all that.

I agree with the Senator from Idaho that it is a tremendous power; I agree with the Senator from Virginia that it is a very transcendent power; but the fact that it is such a power is no reason why we should not exercise it at all.

Mr. BORAH. Mr. President, I quite agree with the Senator that if the power exists, there is no reason why we should not exercise it.

Mr. CONNALLY. I thank the Senator. We do not prohibit all interstate shipment of oil. If we were doing that, it would be a different situation. The Senator from Virginia seems to imply that we are not going to permit any oil to move in interstate commerce. The Senator from Idaho would seem to think that because we are prohibiting some oil we are not permitting any oil to flow. We are only prohibiting that portion of the oil which has been produced in violation of the law.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from Kentucky.

Mr. LOGAN. The Senator from Idaho has said if the power exists then perhaps we have the right to do that. I should like to ask the Senator if the power does not exist what became of it? When the States existed as independent States, before the adoption of the Constitution, the power did exist. The States had the right to prohibit the shipment of commodities from one State into another. When the Constitution was adopted, no power was lost. Every power the States had as individual States was continued. It was either delegated to the Congress or else it was retained by the States.

Every one of us will agree that the power to regulate interstate commerce exists. If it does not exist in the State and if it does not exist in the Federal Government, what became of the power that did exist in the beginning, when the Constitution was adopted? It must be with the Congress or else it has disappeared in thin air.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Kentucky?

Mr. CONNALLY. I yield.

Mr. BARKLEY. In line with the suggestion made by my colleague, not only did they possess the power but they exercised it. The legislatures of many of the States enacted laws absolutely prohibiting the importation of articles of commerce from other States into those Territories or States, so they did exercise it as well as possess it.

With respect to the prohibition of commerce being an abuse of the power to regulate, certainly no one would contend that Congress does not enjoy the power to prevent the shipment of a carload of rotten beef from one State into another, not only under the power to regulate commerce but under the power to protect the public health.

Mr. BORAH. Mr. President, may I suggest that while undoubtedly a State has the right to prohibit the shipment into the State of diseased beef or any other article that is deleterious, the question in which I am interested is this: If the article is in no sense objectionable, if its use is in no sense deleterious or harmful, if it is a legitimate subject of commerce, and if it is a benefit to the State into which it is going, may a State for some reason, for internal reasons, make a prohibition and then we take that prohibition and upon it base a law which prohibits its movement at all?

I am not discussing the matter now as it might relate to automobiles which are used to effectuate crime, which were stolen, and which may be used in the further promotion of crime. Here is an article which is a necessity in the commercial world today. For supposed conservation reasons the State adopts a policy and the question is, May we by reason of that policy come to the point of prohibiting its movement in interstate commerce? That is the question.

Mr. LOGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield further to the junior Senator from Kentucky?

Mr. CONNALLY. I yield.

Mr. LOGAN. I agree fully with what the Senator from Idaho says. The Supreme Court has held that we can prohibit the shipment of any commodity from one State into another if that commodity is in some way detrimental to the welfare of the State into which it is shipped. That has been held. It has been said by the Supreme Court in some seven or eight different groups of cases that if the commodity or article as shipped into another State is deleterious to the public welfare, it may be prohibited. But my opinion is that the power to prohibit the shipment of articles which are harmless and not detrimental to the public welfare from one State into another did exist at the time the Constitution was promulgated. If that power did exist and no power was destroyed, it must exist either in the States or in the Congress, one or the other.

Mr. CONNALLY. Right on that point I want to invite the attention of the Senator from Idaho and the Senator from Kentucky to the child-labor case. That was a 4-to-5 decision. Mr. Justice Holmes in the dissenting opinion, and this is general discussion rather than on the immediate point, said this at page 277 of the Two Hundred and Forty-seventh United States Supreme Court Reports:

> The first step in my argument is to make plain what no one is likely to dispute—that the statute in question is within the power expressly given to Congress if considered only as to its immediate effects and that if invalid it is so only upon some collateral ground.

I should like the Senator from Virginia to give heed to this, because it deals directly with his question. I read further:

> The statute confines itself to prohibiting—

> Not regulating, but to prohibiting!

> The statute confines itself to prohibiting the carriage of certain goods in interstate or foreign commerce. Congress is given power to regulate commerce in unqualified terms.

> There is no limitation on it, no qualifying terms.

> It would not be argued today that the power to regulate does not include the power to prohibit.

That answers the Senator from Idaho. That answers the Senator from Virginia.

Mr. ROBINSON. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Arkansas?

Mr. CONNALLY. I yield.

Mr. ROBINSON. I am compelled to be absent from the Chamber for a few moments. There are two amendments which I wish to propose at the request of the Attorney General and which I am sure the Senator from Texas will approve. The amendments merely strike out in two places in the bill the words "his duly designated agent or agency" and insert in lieu thereof the words "the Attorney General."

Mr. CONNALLY. The general direction of the act is under the Secretary of the Interior. Are these amendments such as to meet the approval of the Secretary of the Interior?

Mr. ROBINSON. The pending bill provides that "the President and his duly designated agent or agency" shall do certain things, and we wish to make it clear that the responsibility is on the Attorney General instead of his duly designated agent. I think there can be no objection to the amendments.

Mr. CONNALLY. I should like to examine the amendments just a little.

Mr. ROBINSON. Very well. The amendments, if the Senator will indulge me a moment, relate to those provisions of the bill which authorize the institution of suits and the prosecution of litigation. They contemplate that the duly authorized or designated agent of the Attorney General shall take the action. The suggestion is that the Attorney General himself be designated in the bill.

Mr. CONNALLY. I do not anticipate any opposition to it later, but I should like to have the amendment go over so I may examine it.

Mr. ROBINSON. I shall not ask a vote on it now, but merely bring it to the attention of the Senator.

The PRESIDING OFFICER. The amendments will be received, printed, and lie on the table.

Mr. CONNALLY. Mr. President, further I want to bring to the attention of the Senator from Idaho [Mr. BORAH] that Mr. Justice Holmes said:

> The statute confines itself to prohibiting the carriage of certain goods in interstate or foreign commerce. Congress is given power to regulate such commerce in unqualified terms. It would not be argued today that the power to regulate does not include the power to prohibit. Regulation means the prohibition of something, and when interstate commerce is the matter to be regulated I cannot doubt that the regulation may prohibit any part of such commerce that Congress sees fit to forbid.

We are not asking that Congress prohibit the interstate shipment of oil, but we are asking Congress to prohibit that portion of it which is illegal, which is contraband, which has been produced not only in defiance of State laws but in defiance of the property rights of the citizens of the State from which the oil came and in which it was produced.

Mr. BLACK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Alabama?

Mr. CONNALLY. Certainly.

Mr. BLACK. I desire to invite the Senator's attention to the fact that the Supreme Court has expressly said in its own opinion that the Federal Government has a right to enact laws regulating interstate commerce so as to carry out the policy of a State. Here is the expression of the Supreme Court in the case of *Champion* v. *Ames* (186 U. S.):

> Congress may exercise this authority in furtherance of the policy of the State if it sees fit to do so.

That is the expression of the Supreme Court. In addition to that the Senator from Idaho has again raised the question that the matter shipped must be harmful. The Supreme Court has expressly upheld numerous instances where the article was not harmful.

Mr. BORAH. Can the Senator give me the authority?

Mr. BLACK. I shall be delighted to do so. The Senator will recall I gave it to him in the discussion of the 30-hour-week case.

Mr. BORAH. Yes; I remember.

Mr. BLACK. The Senator will remember that a State enacted a law prohibiting the shipment of game killed in States in violation of law. A bird that is killed in the State of Idaho in violation of the law of the State of Idaho is no more harmful than a bird that is killed in obedience to the law. It is still a bird. But if that bird has been killed in the State of Idaho contrary to the law of the State and is shipped into the State of Illinois, the Federal laws make that a crime under the interstate commerce provision. That is one of the instances. No one can claim that that bird is harmful merely because it is killed in violation of the State law.

Mr. BORAH. I do not remember the volume in which the opinion appears. Has the Senator the volume?

Mr. BLACK. Yes; and I shall be glad to give it to the Senator in a moment.

Let us take two other cases. I do not think anyone will disclaim that the Sherman antitrust law has been the law of this land for a number of years. A combination may be formed to fix prices on the most healthful commodities, as is frequently done, and yet if a combination of individuals or business enterprises enter into a conspiracy to fix prices contrary to the Sherman antitrust law with reference to the best food that can be manufactured in the United States, it is a crime to ship that from one State into another, and that is made so under the interstate commerce clause.

Mr. BORAH. May I ask the Senator a question?

Mr. CONNALLY. I yield to the Senator from Idaho.

Mr. BORAH. I have great respect for the Senator's opinion, because I know he has given a great deal of thought to this matter. Is it the Senator's contention that the State and the National Governments combined may prohibit the shipment in interstate commerce of a perfectly legitimate and desirable commodity simply because they have come to the conclusion that it is in the interest of public policy to do so?

Mr. BLACK. Certainly; of course. They did that; they upheld the State of Oregon with reference to an hours-of-labor law, although they stated that they would not indicate that they thought that was to the best interests of the public.

Mr. BORAH. Regardless of whether there is any crime connected with the transaction, and regardless of whether the food or the commodity is in any way deleterious or injurious, the Senator is of the opinion that the Congress may absolutely prohibit the shipment in interstate commerce of any article which the Congress in its judgment thinks should not go in interstate commerce?

Mr. BLACK. I did not say that at all. I said it did not have to be harmful. I said the Supreme Court had never said it had to be harmful. I said that they certainly had the right to recognize the policy of a State. If the State adopts a policy, and, in accordance with the laws, as set out by the Court, reaches the conclusion that it is harmful, then the Supreme Court does not arbitrarily and capriciously set that aside.

Now let me state the third instance in which the goods need not be harmful.

Mr. SCHWELLENBACH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Washington?

Mr. CONNALLY. I do.

Mr. SCHWELLENBACH. Has the Supreme Court definitely overruled the case of Lochner against New York, holding that there must be some reasonable relationship? I am referring to the suggestion made by the Senator from Idaho [Mr. BORAH] that the Congress or a State may take some perfectly harmless food product, for example, and by legislative enactment declare it to be harmful. The case, as I remember it, is Lochner against New York, in which the

Supreme Court held that in order for either Congress or the State to exercise the police power there must be some reasonable relationship between the exercise of the police power and the purpose for which it is exercised.

Mr. BLACK. Oh, of course, there must be a reasonable relationship.

Mr. SCHWELLENBACH. Does not that answer the question submitted by the Senator from Idaho—that the Supreme Court has held that there must be some reasonable relationship, and we here, or some State legislature, could not just arbitrarily take some perfectly harmless commodity and by legislative fiat declare it to be harmful?

Mr. BLACK. The position I am taking is that it does not have to be harmful. If it did, the Supreme Court could not have upheld the law with reference to birds.

Now let us take another instance.

In the case of *Delaware & Lackawanna Railroad Co.* v. *United States* (231 U. S. 639) Congress said that it is unlawful for a railroad to transport goods manufactured, mined, or produced by it or under its control, or in which it has an interest, direct or indirect. It does not make any difference whether the goods so manufactured or produced are harmful or beneficial.

Mr. BORAH. The logic of the able Senator's position is, then, that the States may control interstate commerce, because they may say anything is harmful.

Mr. BLACK. No; I do not say that. This was a law passed by Congress, not by a State. They passed a law which said that a railroad could not be in certain business.

Mr. BORAH. Oh, yes; but that is upon a different principle.

Mr. BLACK. It could not mine coal. The coal is perfectly harmless. Certainly no one can claim that it is harmful.

Mr. BORAH. That is based on a wholly different proposition.

Mr. BLACK. It is based on the commerce clause. The position I am taking is that it has been held, in so many cases that it is useless to cite them, that the Congress does have the power to regulate commerce even though the commodity itself is not harmful.

The coal dug by a company owned by a railroad is just as good coal as though it had been mined by some other company, and yet the Supreme Court has upheld the right of Congress to prohibit the shipment of that coal in interstate commerce under the commerce clause, just as it did with reference to birds, and just as it has done with reference to numerous other things. So I take the position that it is not necessary that the commodity be harmful in itself, and that there is no case which has so held.

Mr. BORAH. Is there any limit whatever, then, to the power of Congress in this matter?

Mr. BLACK. Of course, it is for the Court to determine hereafter what the limits are. The Court decides on the particular cases as they arise. I set out in the argument which I made before a number of reasons that it had assigned, among which was action in aid of the policy of the State. That is one.

Another one: Gross misuse of interstate commerce.

Another one: Because of its harmful results. That is one of the reasons on which the Congress can act, but not an exclusive reason.

Another reason: Defeat of the property rights of those whose machines have been taken against their will. In the same case, harmful results to those of other States. In the same case, regulation may take the character of prohibition.

So the Court has not yet ruled, except in general terms, as to how far it can go, but it has expressly declined to take the position that the commodity itself must be harmful. The position I take is that the constitutionality of a law cannot be determined by the harmfulness of the product alone.

Mr. BORAH. Mr. President, may I ask the Senator if, in his judgment, there is any limit to the power of Congress in the matter of prohibiting interstate commerce?

Mr. BLACK. I agree fully with the statement made by the Senator from Kentucky, and which I have not time now to interrupt the Senator to state, but which I established, I think, in the previous argument by quotations from the Supreme Court, that the power of Congress to regulate interstate commerce is supreme, as it would be in any single State. That is exactly the language used by the Supreme Court in one of its cases from which I quoted. I think I have that expression right here. Here is what the Supreme Court said:

> The power of a sovereign State over commerce, therefore, amounts to nothing more than a power to limit and restrain at pleasure.

That is the expression of the Supreme Court of the United States.

Mr. LEWIS. Mr. President, may I take the liberty of interrupting the Senator?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Illinois?

Mr. BORAH. Before the Senator interrupts, may I, in that connection, read just a single line from the Supreme Court?

(At this point a message was received from the House of Representatives, which appears under its appropriate heading.)

Mr. BORAH. However, it may lead to argument, so I will not read the quotation at this time.

Mr. LEWIS. Mr. President——

Mr. CONNALLY. I yield to the Senator from Illinois.

Mr. LEWIS. I beg the liberty of making a suggestion to the Senator from Alabama, having heard the argument, which he has referred to, very ably presented by him. I ask both the Senator from Texas and the Senator from Alabama what distinction these eminent lawyers make as to the later ruling of the Supreme Court of the United States preventing the State of Oklahoma from having a business undertaking in an ice manufactory, despite the previous ruling which the Senator has referred to as to the coal transaction?

I do not know whether the Senators recall that the Supreme Court of the United States lately held invalid the act of Oklahoma which assumed, in behalf of the State as an institution, to create an ice factory, shipping ice from Oklahoma to the neighboring States.

Mr. BLACK. That was an intrastate commerce case. That was not an interstate commerce case.

Mr. LEWIS. But was not the shipment from Oklahoma to the other States the basis on which the Court took jurisdiction?

Mr. GORE rose.

Mr. BLACK. The Senator from Oklahoma [Mr. GORE] is here. He is thoroughly familiar with that case, and has risen.

Mr. LEWIS. I did not intend to interrupt the argument to such an extent as that.

Mr. GORE. The case referred to by the Senator from Illinois [Mr. LEWIS] is that of the *New State Ice Co.* v. *Leibmann* (285 U. S. 262). Mr. President, the question of interstate commerce was not involved in that case. The State of Oklahoma undertook to declare that an ice factory was affected with a public interest and undertook to regulate the price of ice upon that declaration. The Supreme Court of the United States held, as it had previously held, that the question as to whether or not a business or property is affected with a public interest is a question of fact and not a question of law. That is the point upon which the Oklahoma law or regulation involved in the ice company case was held unconstitutional.

While I am on my feet I wish to say, with the indulgence of the Senator from Texas, that in order to sustain the pending legislation I do not think it is necessary to go so far as to answer either of the questions propounded by the Senator from Idaho in the affirmative. I should hesitate to do that myself. I should hesitate to make the word "regulation" synonymous with "prohibition" without any reservations whatever.

I should hesitate to sanction the doctrine that Congress can declare that cotton could not be transported out of Texas into Louisiana or to England, or that Congress could prohibit the shipment of wheat from Kansas to Missouri, or prohibit the shipment of corn from Iowa to Illinois, a perfectly innocent article of commerce, without any question involving that of police power or any other collateral question.

It is not necessary to go farther than this, and I will give a concrete illustration which will point out the foundation upon which the pending bill is based.

The Senator from Texas and I, we will assume, have adjoining oil leases in the east Texas oil field. We have offset wells. That means wells within 200 feet of the line offsetting each other. The State of Texas has declared that the Senator from Texas and I cannot produce more than a thousand barrels of oil per day on our respective leases. That is the law in Texas.

The Senator from Texas obeys that law and limits his production to 1,000 barrels a day.

I disobey the law of Texas. I produce more than 1,000 barrels a day. I produce 2,000 barrels of oil per day. Those who are familiar with the oil industry and the fugitive character of oil itself know that this excess thousand barrels that I have produced each day drains the lease of the Senator from Texas, and I am taking out of his land a part of his oil in violation of the law of the State of Texas. I am taking oil from under his land which he would get if I were not disobeying the law.

The pending bill undertakes to say to me that when I violate the law of Texas, and when I undertake to appropriate the oil that belongs to the Senator from Texas, I am violating the law of the land; and Congress forbids me to do that and forbids my contraband oil the privilege of interstate commerce. That is the ground upon which this legislation is sought to be justified. If this legislation can be sustained at all, it can be sustained upon that ground. If it cannot be sustained upon that ground, I doubt if it can be sustained at all.

Mr. CONNALLY. Mr. President, it seems to me it is probably unnecessary to pursue this constitutional argument with the Senator from Idaho [Mr. BORAH] or other Senators. I simply desire to make the observation that this bill does not prohibit interstate shipments of oil. It regulates interstate commerce by prohibiting the shipment of a part of that oil—only that part which is contraband, and which has been illegally produced.

The laws of a State are laws which it has the power to pass under its police power and under its other sovereign powers to control and conserve natural resources. If those laws go beyond that proper function or scope, the courts strike them down. Here is a State, however, which has passed laws which the supreme court of the State has approved, laws which the Supreme Court of the United States has approved and said are within the proper function of the State.

So far as intrastate transactions are concerned, the State laws are obeyed. Here, however, is a violator; here is a man who illegally produces oil that does not belong to him, that belongs to his neighbor. He cannot sell it in intrastate transactions, but he defies the State government by saying: "I will not deal with it within the State. I will ship it in interstate commerce; and, since the State has no control over interstate commerce, I will employ the facilities that are permitted to me by the Federal Government not to cooperate with the State, not to uphold the law, but to defy the law."

So here the failure of the Government of the United States to exercise its power to regulate interstate commerce in illegal oil aids those who are violating the State law and affords them a haven and a refuge for their crime.

If this were an entire prohibition of all shipments of oil, the Senator from Idaho might have some ground for his objections.

But it is not. And as it is suggested by the Senator from Alabama, there is no requirement in any of these decisions that in order to prohibit an interstate shipment it must in itself be harmful or deleterious. Of course, in many cases the articles prohibited were harmful or deleterious. We contend that these articles are harmful or deleterious in that they are contraband, in that they are the fruits of crime, in that they are stolen property, on a parallel with the automobile theft case in which the Federal Government exercised the power to prohibit the shipment of stolen automobiles in interstate commerce.

The automobile is not harmful in itself. It is a useful article contributing to the pleasure, to the well-being and business and industrial life of the Nation. There is no harm in driving across the river between two States in an automobile. But the moment that automobile is stolen and lands in another State the Federal Government contends that a crime has been committed in that there has been an interstate shipment. Why? Not because the car in its essence is harmful, but because that automobile was stolen, its owner was deprived of its use illegally in another State.

So here oil in itself is not harmful, but when it is the product of theft, when it is the product of a violated law and is being shipped in interstate commerce, why has not the Federal Government just as much power to restrain the shipment of that illegal oil as it has to prevent the shipment of a model T 1901 automobile?

Mr. LEWIS. The Senator means shipment across State lines.

Mr. CONNALLY. Yes; shipment across State lines. Of course, interstate shipment.

Mr. President, we talk a great deal about conservation of natural resources. The great oil resources of nature are peculiar unto themselves. Oil is a fugitive element. It is not like producing tangible things that each man can have in his own possession, but oil must be captured, it must be subjected to control before it can become property and be utilized. So, in endeavoring to conserve this great resource, not for ourselves but for the whole Nation, in order to keep it all from being squandered in the flush production and low prices of a few months, followed by the accumulation of great stocks and then the later appreciating of the price at the expense of the public, three States in the Union are undertaking to conserve the oil by regulating its production and by protecting that production so as to be equitable and fair to all the others in the fields; and the Federal Government ought to be interested in helping the States, in cooperating with the States, instead of furnishing an avenue whereby the States may have their laws violated and transgressed because a producer may utilize the opportunity to ship it in interstate commerce without the control of anyone on earth.

In conclusion, Mr. President——

Mr. McCARRAN. Mr. President——

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from Texas yield to the Senator from Nevada?

Mr. CONNALLY. I yield.

Mr. McCARRAN. Before the Senator concludes I wonder if the Senator would mind stating what is contraband oil under the statute of Texas?

Mr. CONNALLY. I shall say to the Senator from Nevada that Texas and the other States I referred to all have what they call "proration" laws. In other words the amount of oil that may be produced from any single well is limited and fixed upon a different series of bases. One standard is the potentiality of a well. In other words each well is given what is called a certain "allowable." The Federal Government suggests to the States what its "allowable" ought to be in view of the current demand. When the State receives that gross allowable it then prorates that amount out through the oil fields. A well may have a potential production of 2,000 barrels. It may not produce over 40 or 50 or 200 barrels per day. Of course, there are a number of factors, but that in general is the method by which the States regulate production. After the State has fixed the amount a well should produce, any production in excess of that is illegal oil, because otherwise the proration statute in our State could not be maintained.

Mr. McCARRAN. On that basis am I correct in concluding, then, that it is not really a question of the statute of Texas, but it is a question of the allocation of production made under the N. R. A.?

Mr. CONNALLY. That is not quite the case.

Mr. McCARRAN. So that we are not dealing with the statute of Texas now but dealing with an actual prohibition coming from a Federal authority.

Mr. CONNALLY. In a sense that is true and in a sense it is not. The State laws are the ones that are immediately concerned here, because we make no reference to any Federal regulation.

Mr. McCARRAN. I know; but in reality the Federal regulation is basic?

Mr. CONNALLY. For the time being the States have been following the suggestion of the Federal authority. I do not know that they are under any compulsion to do that. They might disregard it, but, as a matter of fact, they are following the suggestions as to the allowable amount which has been proposed by the Federal authorities.

Mr. McCARRAN. So that if I follow out, which I hope I do, the legislation now pending would seek to enforce not a State regulation or a State statute, but an enforcement of a code established by the N. R. A. Am I correct in that?

Mr. CONNALLY. No; I would not go that far.

Mr. McCARRAN. How near would the Senator come to that?

Mr. CONNALLY. I would not say that it is an attempt to enforce the code, because it does not in anywise relate to the code. But under the code the Federal Government has been making these suggestions as to the amount which each State ought to produce. In my State the State authorities have been in general following that suggestion, and to that extent, and to that extent only, is the Federal power concerned.

Mr. McCARRAN. Just one question then. Does it follow that by the enactment of a statute of the State of Texas? In other words, was there a statute of the State of Texas enacted to carry out the code regulations of the N. R. A.?

Mr. CONNALLY. No. In Texas we had the statute long before there was any N. R. A. We have had for many years before the Federal Government undertook any regulation whatever, statutes relating to the production of oil, and so there was nothing necessary for our State to do further than to follow the suggestions as to the total amount to be produced.

Mr. President, this act was drawn in collaboration with the Chairman of the Oil Production Board of the Department of the Interior and with the counsel of that administration and they advised me in a letter of date January 17, 1935:

> It is my opinion that this bill would prove an effective measure in supplementing State conservation laws, but I continue in my belief that it is advisable that the bill cover interstate shipments of petroleum illegally produced, refined, processed, and so forth, under Federal as well as State law.

Then I skip other parts of the letter. The Chairman of the Petroleum Administration Board says further:

> I should also like to restate my opinion that although the bill serves as a substitute for and a very great improvement over section 9 (c), it is very desirable to adopt far more comprehensive legislation.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Illinois?

Mr. CONNALLY. I yield.

Mr. LEWIS. I take the liberty to call a matter to the attention of the able Senator from Texas. He did not mean some moments past in discussing decisions and citing authorities to indicate that the Supreme Court of the United States had ever held invalid for Congress to pass such actions and such acts as he is insisting upon here. The decision of the Court was not that Congress could not pass such legislation as the Senator has presented, but it could not transfer to the President to do so by regulation. But there is no decision of the Court that the act could not legally be passed by Congress.

Mr. CONNALLY. I thank the Senator from Illinois for that suggestion. Earlier in my remarks I pointed out that the vice which the Supreme Court suggested in 9 (c) was not that Congress did not have the power itself, but that in undertaking to delegate it to the President, to leave it to the Executive as to whether he would prohibit or not prohibit—therein and therein only was the act held invalid, and there was no suggestion anywhere that the Congress itself did not possess the power to enact this prohibition. I again read the concluding portion of this letter.

> I should also like to restate my opinion that although the bill serves as a substitute for and a very great improvement over section 9 (c), it is very desirable to adopt far more comprehensive legislation.
>
> Yours sincerely,
>
> CHARLES FAHY, *Chairman.*

I read that letter in order to indicate that the Interior Department, which has jurisdiction of the oil enforcement, is supporting and in favor of this measure as far as it goes, but in justice to that administration I desire to say that it really favors a more comprehensive piece of legislation—that is, Federal control and regulation, perhaps, in all of its phases. This act, however, is intended simply to supply the gap in the law which the Supreme Court decision has made. There is no effort on my part to foreclose any future action that might be suggested in either House of the Congress with respect to more comprehensive legislation. But it does seem to me highly desirable, and it also seemed highly desirable to the Federal authorities concerned with the oil administration, that the pending bill be enacted now so as to restore and to reconvey to the Secretary of the Interior, or other agency under the President, the power to prohibit these illegal shipments of oil—illegal in the sense that they have been produced in violation of a valid State law—illegal in the sense that they have been produced often as the fruit of crime and of theft, and in order to have the Federal Government cooperate with the States in carrying out their conservation policy.

The PRESIDING OFFICER. The bill is now open to amendment.

Mr. GORE. Mr. President, I do not intend to discuss the pending bill. I merely wish to state one or two facts with reference to its origin and history.

Section 9 (c) of the National Recovery Act was the section held unconstitutional by the Supreme Court in its recent decision. That was the "hot oil", the contraband section of the N. R. A. measure.

When the decision of the Supreme Court came down the Senator from Texas [Mr. CONNALLY] introduced a bill, a sort of stop-gap measure, as we call it, to meet the exigency resulting from the decision of the Supreme Court and in order to avoid demoralization in the oil business in his State, in my State, and in other States. I introduced Senate Joint Resolution No. 26, covering the same points, and designed to meet the same exigency. There was only one material difference between his proposal and mine, which I shall not now discuss. Both measures undertook to prohibit the shipment in interstate commerce of contraband oil—of oil produced in contravention of a State statute or of a valid order or regulation—made in pursuance of a State statute. The two measures were referred to the Committee on Mines and Mining. The Senator and I appeared before the committees and collaborated in the preparation of the pending bill. It embodied many of the points suggested in both measures. The Senator from Texas, having been the author and proponent of the original legislation, naturally took the lead with respect to the emergency that resulted from the Supreme Court decision.

The only object which this measure is designed to accomplish is to meet the exigency resulting from the Supreme Court decision. There are one or two sentences in the decision of the Supreme Court which indicate the serious doubt and difficulty of legislation of this sort, but if Congress can meet that exigency by legislation at all the pending measure meets that situation and takes care of that exigency. That is all that is claimed for it. It does not undertake the establishment of a general petroleum conservation code.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOODRUM, Mr. BOYLAN, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the conference.

RECOMMENDATION FOR AMENDMENTS TO COMMUNICATIONS ACT

The PRESIDING OFFICER (Mr. DUFFY in the chair) laid before the Senate a letter from the Chairman of the Federal Communications Commission, submitting, pursuant to law, recommendations of the Commission for five proposed amendments to the Communications Act of 1934, which, with the accompanying paper, was referred to the Committee on Interstate Commerce.

ALLOCATION OF BROADCASTING FACILITIES TO NONPROFIT RADIO ACTIVITIES

The PRESIDING OFFICER also laid before the Senate a letter from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, a report containing certain recommendations, together with its reasons therefor, concerning the proposal that Congress, by statute, allocate fixed percentages of radiobroadcasting facilities to particular types or kinds of nonprofit radio programs or to persons identified with particular types or kinds of nonprofit activities, and also transmitting a digest of hearings, etc., held by the Commission, which, with the accompanying papers, was referred to the Committee on Interstate Commerce.

INDEPENDENT OFFICES APPROPRIATIONS

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GLASS. Mr. President, I move that the Senate insist on its amendments, accept the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. GLASS, Mr. BYRNES, and Mr. HALE conferees on the part of the Senate.

REGULATION OF INTERSTATE AND FOREIGN COMMERCE IN PETROLEUM

The Senate resumed the consideration of the bill (S. 1190) to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

Mr. KING. Mr. President, I have been compelled to attend committee meetings for a number of hours today and, therefore, have been denied the opportunity of hearing all of the discussion concerning the bill under consideration. I have read the measure before us, however, and have listened to fragmentary portions of the arguments in its support. I have also read the opinion of the Supreme Court of the United States in the case of Panama Refining Co. et al. against Ryan et al., and the Amazon Petroleum Corporation et al., petitioners, against Ryan et al. In the cases referred to the Court held that provisions of an act of Congress and certain Executive orders and rules and regulations issued by the Secretary of the Interior thereunder were without constitutional authority. The pending measure is intended to meet the objections of the Court and to make enforceable rules and regulations to be promulgated dealing with the production and shipment of oil from a number of States.

The Court declared that the Congress "manifestly is not permitted to abdicate or transfer authority or essential legislative functions with which it is thus vested." And the Court further declared that—

> In every case in which the question has been raised the Court has recognized that there are limits of delegation which there is no constitutional authority to transcend. * * * We think that section 9 (c) goes beyond those limits. As to the transportation of oil production in excess of State permission, the Congress has declared no policy, has established no standard, has laid down no rule. There is no requirement, no definition of circumstances and conditions in which the transportation is to be allowed or prohibited. * * *

The Court further declared that—

> If section 9 (c) were held valid, it would be idle to pretend that anything would be left of limitations upon the power of Congress to delegate its lawmaking function * * * instead of performing its lawmaking function the Congress could at will and as to such subjects as it chooses transfer that function to the President or other officer or to an administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation which are an essential part of our system of government.

The opinion of the Court points out the infirmity of the statute referred to and the illegality of the proceedings thereunder. May I state that there has been too much of a disposition to delegate the functions of the national legislature to executive agencies; and in a number of statutes no definite rules or standards have been established or set up to determine what facts must be found or what procedure taken in order to call into operation the attempted delegated authority.

In my opinion, the measure before us does not meet the objections urged in the opinion of the Chief Justice to which I have referred. The wisdom of this proposed legislation certainly is subject to challenge, and its constitutionality may properly be called into question. I cannot bring myself to vote for this measure and shall, when the vote is taken, cast my vote against it.

I regard the measure as unwarranted by any facts brought to my attention, and it is a further effort to extend the authority of the Federal Government to deal with matters of a purely domestic and State concern.

It has been suggested by the Senator from Texas [Mr. CONNALLY] that the Department of the Interior approves the bill and would go much further and support a measure far more comprehensive and one which would grant to the Department greater authority than that provided in the pending bill.

Mr. President, our attention is not infrequently challenged to the demands by executive organizations to increase their authority and power. Many of these demands are urged with vigor. I had hoped that under Democratic administrations there would be a recrudescence of the spirit of local self-government and a determination to preserve the autonomy, and indeed the sovereign rights of the States.

Reference has been made to the interstate-commerce clause of the Constitution, and to the supposed grant of power therein to the Federal Government, to not only regulate interstate commerce but to prohibit the same. I cannot believe that the fathers of the Republic intended to confer upon the National Government unlimited authority to determine what commodities should be carried in interstate commerce or to prohibit the transportation from one State to another of commodities wholesome and beneficial to individuals and communities. Regulation of interstate commerce does not justify prohibition of interstate commerce.

I know it has been argued today by the Senator from Kentucky that power must be lodged somewhere to prohibit shipments from one State to another, and he assumes therefore that because the States may not prohibit, the power must rest in the Federal Government.

It is not my purpose to discuss this question, but I cannot refrain from stating that in my opinion the interstate-commerce clause of the Constitution has been misinterpreted and, if I may use the expression, it has been abused to the injury of the people of the United States. It is too often invoked in support of the restriction of individual liberty and of the authority of sovereign States.

In listening to the discussion I have wondered what would be the attitude of the Senate if a measure were before us to prohibit the shipment from States where there were submarginal lands of wheat or other agricultural crops raised upon such lands. There is a movement, as Senators know, to withdraw large areas of land from cultivation upon the ground that they are submarginal.

It may be that if we are to have legislation of the character of the bill before us, that the States in which lands alleged to be submarginal have been designated, that measures will be enacted to prohibit the shipment of agricultural crops grown upon such lands from the States in which they are found. It may be that we will soon have before us legislation to prohibit the shipment in interstate commerce of cotton because the legislatures of one or more States may contend that that course is necessary to effectuate the policy of crop reduction. It is not difficult to perceive the extent to which State and Federal legislation may be demanded if measures such as the one under consideration find support in the National Legislature and in the Federal courts.

Mr. President, I regret that there is so much legislation based upon expediency and so much defended and justified by alleged extraordinary economic and industrial conditions.

Of course, this measure will pass, but I am sure it will find its way into the Federal courts, and I cannot help but believe the challenge which was interposed to the former measures and regulations and orders which have been held to be unconstitutional, will be interposed when rules and regulations that are to be promulgated by executive agencies under the pending bill are put into operation.

I shall not take the time to analyze the bill. I do, however, wish to point out one or two provisions which I think are wholly unwarranted. I call attention to section 3, which attempts to confer legislative authority upon the President, or his duly designated agent or agency. There is no provision in this section, or in the bill, fixing the standards under which action is to be taken by the agencies of the President. Obviously the bill attempts to delegate legislative authority, but does not provide standards and means of determining the facts upon which the authority granted or delegated may be exercised. This bill has some of the provisions found in other laws, namely, provisions which grant authority to prescribe rules and regulations and to fix penalties for violations of the same. There are now thousands, if not tens of thousands, of rules and regulations and other prohibitions, formulated and promulgated by executive agencies and individuals for the failure of which heavy penalties may be inflicted.

It is a serious thing for Congress to confer upon the great army of Federal agencies and organizations authority to devise and promulgate rules and regulations defining what acts or omissions are crimes and providing heavy penalties for infractions of the same.

In my opinion the time will come when there will be a revolt against the delegation of so much authority and power to executive agencies, including the authority to define what acts and omissions constitute crimes and to prescribe penalties for violations of such rules and regulations.

Mr. President, as indicated, I cannot support the bill under consideration.

Mr. BORAH. Mr. President, I ask the clerk to read sections 3 and 4 of the pending bill.

The PRESIDING OFFICER. The clerk will read as requested.

The legislative clerk read as follows:

SEC. 3. The President or his duly designated agent or agency shall prescribe and promulgate such rules and regulations as may be found necessary or appropriate to effectuate the purposes of this act, including but not limited to suitable rules and regulations prescribed by any duly constituted State authority, and he may require reports, maps, affidavits, and other documents relating to the production, refining, processing, transporting, or handling of petroleum or liquid petroleum products, derivatives, and blends and may provide for inspection of properties and facilities and may require books and records to be kept available for inspection. The President or his duly designated agent or agency may require certificates of clearance for petroleum and liquid petroleum products, derivatives, and blends moving or intended to be moved in interstate or foreign commerce in areas where it may be found necessary or appropriate to effectuate the purposes of this act; and the President or his duly designated agent or agency may establish boards for any such area or areas to issue certificates of clearance. Such board or boards, under rules and regulations prescribed and promulgated by the President or his duly designated agent or agency, shall, upon application duly presented, make independent determinations of fact whether the petroleum and liquid petroleum products, derivatives, or blends for which a certificate is applied do or do not constitute contraband oil. The members of any board authorized by the provisions of this section shall have the power to administer oaths or affirmations. Whenever such certificates of clearance are required in any area or areas, no person shall engage in interstate or foreign commerce in petroleum or liquid petroleum products, derivatives, or blends from such area or areas without first obtaining such certificates of clearance in accordance with the applicable rules and regulations.

SEC. 4. (a) Any person violating any provision of this act, or of any valid order, rule, or regulation prescribed thereunder, shall be deemed guilty of a crime, and upon conviction, shall be punished by fine of not to exceed $5,000 or by imprisonment of not to exceed 6 months, or both, and each act or omission in violation thereof and each day of any such act or omission shall constitute a separate offense: *Provided*, That upon the second or any subsequent conviction hereunder, such person, if an individual, shall be imprisoned as herein provided.

Mr. BORAH. There is nothing to be gained by delay in the passing of a bill which is going to pass. However, I wish in the RECORD to express some views on the measure. Sections 3 and 4 (a) ought to have the attention of the able Senator from Texas [Mr. CONNALLY]. I think they embody provisions which might render the law void if the constitutionality of the measure should be questioned. Section 3 authorizes the President or his duly designated agent or agency to make rules and regulations such as may be found necessary or appropriate to effectuate the purposes of this act.

Under the section the President may make, as it were, laws the violation of which constitutes a crime. What is the standard; what is the rule laid down to guide the President in the making of rules and regulations the violation of which constitutes a crime?

In this bill, if I may so suggest, there is embodied one of the defects to which the Court referred in its opinion, and, in my judgment, the bill is vulnerable just as was the previous legislation which was declared to be unconstitutional.

These rules and regulations, referring to an entire field of legislation, are then made punitive in their terms, so that a person violating any provision of this bill or any valid rule or regulation prescribed thereunder shall be deemed guilty of a crime. The violation of any rule or regulation, any order made by the President or his agents or his agencies, may constitute a crime. The provision unquestionably delegates legislative power. These rules become laws binding upon a citizen and stamping him as a criminal if he should transgress them or any one of them.

As I understand the decision of the Court, if Congress is going to make such a delegation of power, it must prescribe definitely the standard or guide and terms under which the delegated authority may make the rules and regulations. In this bill the entire field is open; there is no limit to the rules and regulations which the President may make.

That is the vice of the provision. The objection would not be so serious if the rules and regulations for carrying into effect the purposes of the bill stopped there; but when the bill proposes to make a criminal offense the violation of an ordinary order, an ordinary regulation, an ordinary rule, which may exist at night and be abrogated in the morning, which may be repealed by the making authority at any hour, it seems to me the measure goes beyond anything we have authority to do or anything, in justice to the citizen, that we should do.

I call the Senator's attention to the suggestion for his consideration. I have no desire to delay the bill. If there were any possible chance to change the measure, I would seek to do so. As it is, I can do no more than make the record clear.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. CONNALLY. As I understand, the Senator just stated that he does not mind giving the power to make the

rules and regulations, but does object to making their violation an offense. What good would it be to make the rules and regulations under those circumstances?

Mr. BORAH. There is no presumption that a citizen is going to violate a rule or regulation, and, even if he does violate it, there is civil authority by which he can be restrained from doing it; but when we have completed the record by making a violation of a rule or order prescribed by the President or his agents a crime, we then have a completed legislative act in the form of a law made by the Executive or his agencies. I do not want the record to be silent upon this question. Mr. President, the Constitution was designed to limit the power of the lawmakers, and therein lies the safety and security of the people.

Referring to the other question, which the Senator presented with a great deal of ability, I call attention to a quotation from one of the cases cited which seems to me to answer much of the argument made by the able Senator from Texas and also by the able Senator from Alabama [Mr. BLACK]. In the case of the Distilling Co. against the Western Maryland Railroad Co., to which reference was made, and in which the question of the power to prohibit arose, the court said:

> The power conferred by the Constitution is to regulate; and the very terms of the grant would seem to repel the contention that only prohibition of movement in interstate commerce was embraced. And the cogency of this is manifest, since, if the doctrine were applied to those manifold and important subjects of interstate commerce which Congress from the beginning has regulated, not prohibited, the existence of government under the Constitution would no longer be possible.

I know of no instance in which the Supreme Court has modified that rule. I hope it may never do so.

Mr. CONNALLY. Mr. President, what case was the Senator reading?

Mr. BORAH. From Two Hundred and Forty-second United States Reports, page 311. In other words, the power to regulate is distinct from the power to prohibit, and the power to regulate must be based upon some consideration either as to the deleterious or harmful effect of the article or commodity or that its use constitutes a crime or an injury to society.

We cannot prohibit as a mere matter of policy. The Congress could not conclude that corn should not be shipped from one State to another even if the State should agree and legislate upon the subject and should say that it was in the interest of the State that its corn should not go out of the State. We could not prohibit the shipment of cotton from one State to another even if the State should desire to manufacture its cotton within the State and prohibit its shipment into another State. Congress could not join in the proposal and say, because the State had concluded that it was a wise policy to prevent it being shipped, the Congress of the United States would aid it and prohibit it being shipped.

Mr. CONNALLY. The Congress could say that corn stolen in one State could not be shipped into another State, could it not?

Mr. BORAH. I would have to modify that. If it was purely an internal transaction, purely a matter of theft within the State, I would have some doubt about it.

Mr. President, as I understand, the State of Texas has adopted what it calls a "conservation policy." It undertakes to protect against certain doings upon the part of oil producers; that is to say, it undertakes to say that oil secured under certain conditions is contraband oil and should not, therefore, enter into commerce—either intrastate commerce or interstate commerce. That oil, when it reaches the adjoining State, is just as desirable, just as beneficial, just as useful, and just as necessary as the oil which is permitted by authority of law to go within the other State. There is nothing in the substance itself, nothing in the commodity itself, to distinguish it in any way from oil which under the law is permitted to go into the State.

Is it within the power of Congress to prohibit the shipment in interstate commerce of any commodity, however desirable, however necessary in commerce, upon which the State for a domestic reason and for a policy of its own sees fit to put the brand of contraband?

We come back to the same proposition which I suggested a few moments ago and that is that as a mere matter of political policy the two sovereigns combining could shut any commodity out of interstate commerce that we saw fit to shut out.

The able Senator from Alabama [Mr. BLACK] referred to the bird law. I see in that a distinction. I have not been able to read the decision since the Senator spoke of it, but the State treated the bird as property belonging to the State and therefore, the property belonging to the State, the State had the right to say what should be done with its own property. That seems to me to rest upon a wholly different proposition and I think it does rest upon a different proposition because in deciding the bird case the Court did not undertake to distinguish and certainly did not undertake to overrule such decisions as those to which I have referred here. For that reason it would seem to me it is not to be regarded as controlling here.

I know of no opinion of the Supreme Court of the United States which modifies the principle which I read a few moments ago from that decision. I know of no instance in which the Supreme Court of the United States prohibited the shipment in interstate commerce except where the article or commodity was deleterious or harmful, harmful in the State in which it was shipped, harmful to the community and to the public, or where the commodity was used in effectuating a crime.

I am perfectly willing to admit, in discussing the question of the regulation of commerce, that no well-defined rule has been laid down by which we can with any degree of certainty say that it applies to this or that situation. It is a great deal like the question of the delegation of power on which the Court passed a few days ago. There is no rule announced by the Court. Perhaps there could not be because they decide each case upon its peculiar facts presented.

I will only state in conclusion my own view, for whatever it is worth, and I recognize that it is not of great moment, that I think the Supreme Court in the paragraph which I have read announced the rule—and I know of no modification of it. When the Court said that the existence of Government under the Constitution would be no longer possible if it were within the power of the Congress of the United States, even in cooperation with the States, to prohibit the shipment of perfectly desirable and perfectly acceptable commodities, the Court clearly announced a vital principle.

Mr. President, that is all I care to say upon the matter. I regret to see such principles or theories embodied in our laws.

Mr. CONNALLY. Mr. President, in reply to the suggestions which have been made as to the right to make and enforce rules and regulations, the Senator from Idaho is no doubt aware that those rights have been contained in all legislation enacted by the Congress. In the case of *United States* v. *Cremo* (220 U. S. 506), the Secretary of Agriculture had been given very broad power to make rules and regulations with respect to the forest reserve. The breach of such regulation was declared to be criminally punishable. The Supreme Court upheld that sort of thing, and it has been upheld in a number of cases, as the Senator is no doubt aware.

Mr. BORAH. Yes; I know the Supreme Court has upheld in some instances these regulations, under certain circumstances, but I invite the Senator's attention to the fact that when these cases were first presented to the Supreme Court of the United States, rules and regulations, the violation of which constituted a crime, were held invalid. The Court modified its position upon the question. I venture to say that if we continue to make these rules and regulations by the thousands and thousands, the violations of which constitute a crime, the Supreme Court will go back some of these days to the very sound and safe rule which it

announced in the beginning when it first dealt with the question. There may come a time, as in the decision in the oil case, when the Court will conclude a danger point has been reached.

Mr. CONNALLY. In a large measure I agree with the Senator in the idea that it is rather drastic to authorize any department to make rules and regulations punishable by fine or imprisonment, but the principle has been established and followed over and over again. Under this particular measure, of course, the Department cannot prescribe any rule beyond the scope of the direct authority which the Congress grants.

The PRESIDING OFFICER. Does the Senator from Texas desire to offer an amendment?

Mr. CONNALLY. The Senator from Arkansas [Mr. ROBINSON] has two amendments pending.

The PRESIDING OFFICER. They have not as yet been offered. The bill is still open to amendment.

Mr. CONNALLY. On behalf of the Senator from Arkansas, I offer the two amendments. I have no objection to them.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. It is proposed, on page 5, lines 14 and 15, to strike out the words "his duly designated agent or agency" and to insert in lieu thereof the words "the Attorney General", so as to make the paragraph read:

(b) The several district courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of this act, or of any order, rule, or regulation prescribed thereunder, and suits may be brought in any district wherein the defendant is a resident or is doing business. If any person fails or neglects to obey any provision of this act, or order, rule, or regulation prescribed and promulgated thereunder, the President or the Attorney General may apply to an appropriate district court of the United States for the enforcement of such provision of this act or order, rule, or regulation. The court shall enforce obedience to this act, or such order, rule, or regulation, by a writ of injunction or other process, mandatory or otherwise.

The amendment was agreed to.

The LEGISLATIVE CLERK. It is proposed, on page 5, in lines 21 and 22, to strike out the words "his duly designated agent or agency" and to insert the words "the Attorney General", so as to make the paragraph read:

(c) It shall be the duty of the President or the Attorney General or the several district attorneys of the United States to bring or cause to be instituted such actions at law or in equity in the name of the United States as may be necessary for the enforcement of the provisions of this act.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to amendment. Are there any further amendments? If not, the question is, Shall the bill be engrossed and read a third time?

The bill was ordered to be engrossed for a third reading and to be read a third time.

The bill was read the third time and passed.

### EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

### EXECUTIVE REPORTS OF COMMITTEES

Mr. TRAMMELL, from the Committee on Naval Affairs, reported favorably the nominations of sundry officers in the Navy and the Marine Corps.

Mr. WALSH, from the Committee on Education and Labor, reported favorably the nomination of Katharine F. Lenroot, of Wisconsin, to be Chief of the Children's Bureau in the Department of Labor.

Mr. FLETCHER, from the Committee on Banking and Currency, reported favorably the nomination of Adolph C. Miller, of the District of Columbia, to be a member of the Federal Reserve Board, for a term of 12 years from August 10, 1934. (Reappointment.)

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported the nominations of sundry postmasters.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

### RESERVATION TO WORLD COURT RESOLUTION OF ADHERENCE

Mr. DAVIS submitted a reservation intended to be proposed by him to the resolution of adherence on the part of the United States to the World Court protocols, which was ordered to lie on the table and to be printed.

### THE CALENDAR

Mr. ROBINSON. I ask that the Senate proceed to the consideration of business on the Executive Calendar.

The PRESIDING OFFICER (Mr. DUFFY in the chair). Without objection, it is so ordered, and the clerk will state the first order of business on the Executive Calendar.

### TREASURY DEPARTMENT

The legislative clerk read the nomination of Josephine A. Roche, of Colorado, to be Assistant Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. COSTIGAN. Mr. President, the Senator from Missouri [Mr. CLARK] voluntarily informed me this morning that his suggestion yesterday, which continued consideration of the nomination of Miss Josephine A. Roche until today, was merely a routine request without any express or implied significance whatever; and that he has no reservations or objections with respect to the confirmation of this noted, thoroughly qualified, and able Coloradan.

### THE JUDICIARY

The legislative clerk read the nomination of Arthur Roe to be United States attorney, eastern district of Illinois.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

### DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of C. Porter Kuykendall to be secretary in the Diplomatic and Foreign Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Dorsey Gassaway Fisher to be secretary in the Diplomatic and Foreign Service.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. ROBINSON. Mr. President, there are numerous nominations of postmasters on the calendar. I ask unanimous consent that they be confirmed en bloc.

The PRESIDING OFFICER. Without objection, nominations of postmasters are confirmed en bloc. That concludes the Executive Calendar.

### UNITED STATES ATTORNEY, EASTERN DISTRICT OF ILLINOIS

Mr. LEWIS. Mr. President, the Senate has confirmed the nomination of the speaker of the house of the Illinois Legislature to be United States attorney in the eastern district of Illinois, wherein his immediate predecessor had resigned, leaving the office vacant. The one who resigned was a candidate for Congress. May I ask that the President be notified at once of the confirmation of the nomination of Arthur Roe, so that he may take the oath of office tomorrow? I ask unanimous consent that that be done.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

Mr. McNARY. Mr. President, I do not understand the nature of the request.

Mr. LEWIS. It is with reference to the nominee for the office of United States attorney for the eastern district of Illinois, extending from the town of Danville to East St. Louis. The Senate has confirmed the nomination, the previous incumbent having resigned office, and there being a vacancy. My request is that the President be informed at once of the confirmation of the nomination so that the

newly confirmed nominee may take the oath of office in the morning when court opens.

Mr. McNARY. Has the nomination been confirmed?

Mr. LEWIS. Yes.

Mr. McNARY. It has been the practice on either side of the aisle, especially since the Smith controversy arose, to let such matters as these take the usual course. I would prefer that we do so in this instance.

Mr. LEWIS. If the Senator from Oregon has reasons for not consenting to the request, I accept whatever reasons he has and shall not press the matter over his objection.

Mr. McNARY. If there is an emergency, an unusual situation, I shall be glad to consider it, but generally I take it the Senate should follow the course outlined by the rules of the Senate.

Mr. LEWIS. All I am able to say to the eminent Senator is that I am informed that the office is vacant; that since the nominee is not yet in office there is no officer to perform the necessary functions, and so I ask that notification be given the President immediately in order that the nominee may take the oath of office immediately upon opening of court tomorrow.

Mr. McNARY. I think that might go over to executive session tomorrow.

Mr. LEWIS. With that statement, I shall not press the matter further.

THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence as reported by the Committee on Foreign Relations.

Mr. THOMAS of Utah obtained the floor.

Mr. ROBINSON. Mr. President, would the Senator from Utah like me to suggest the absence of a quorum?

Mr. THOMAS of Utah. No, Mr. President.

Mr. ROBINSON. If the Senator prefers to proceed without it, very well.

Mr. BONE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Clark | Hayden | Pittman |
| Ashurst | Connally | Johnson | Pope |
| Austin | Coolidge | Keyes | Radcliffe |
| Bachman | Copeland | King | Reynolds |
| Bailey | Costigan | La Follette | Robinson |
| Bankhead | Couzens | Lewis | Russell |
| Barbour | Cutting | Logan | Schall |
| Barkley | Davis | Lonergan | Schwellenbach |
| Bilbo | Dickinson | Maloney | Sheppard |
| Black | Dieterich | McCarran | Shipstead |
| Bone | Duffy | McGill | Smith |
| Borah | Fletcher | McNary | Steiwer |
| Brown | Frazier | Metcalf | Thomas, Okla. |
| Bulkley | Gerry | Minton | Thomas, Utah |
| Bulow | Glass | Moore | Townsend |
| Burke | Gore | Murphy | Trammell |
| Byrd | Guffey | Murray | Truman |
| Byrnes | Hale | Neely | Vandenberg |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Carey | Hatch | O'Mahoney | Wheeler |

Mr. LEWIS. I repeat the announcement heretofore made by me as to the absence of certain Senators.

Mr. BULKLEY. My colleague [Mr. DONAHEY] is absent on account of a slight illness.

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. THOMAS of Utah. Mr. President, I find myself projected into the discussion of the World Court as a result of an accident. The accident came about quite innocently, and in my innocence I stepped into it.

During the discussion by the learned and great Senator from California [Mr. JOHNSON] regarding the World Court, there seemed to be an implication that the reservations adopted by the Senate in 1926 were not fully and completely accepted by the signatory states. I was so surprised at this implication that I threw myself into the debate for just a moment. Not only was I surprised that there should be any doubt at all about the acceptance of the five reservations, but I was more than ever surprised to think there should be any doubt at all about the acceptance of the first four reservations, concerning which there has been hardly any discussion at all since they were first presented to the signatory states.

I went to the trouble, Mr. President, of going over all the communications and all the drafts of the protocols of accession, signatures, and so forth, all those things which had to do with the consideration of the Court since the Senate decided to adhere to the Court with the five reservations; and I am able to say that if anyone will conscientiously read through these communications, he will find that every reservation has been protected in its fullness.

He will find also that progress has been made to such an extent concerning that part of the fifth reservation—the only part, by the way, which caused any discussion either here or in Europe, the part referring to the advisory opinions—that it has been expanded and enlarged and made stronger from our standpoint than it had ever been before.

In order to make this point it will be necessary for me rather tediously to call the attention of the Senate to a few historical facts.

In the first place, we came into a discussion of the World Court quite a bit later than most of those who now oppose our adherence seem to realize. Time and time again the Court is called "the League Court." Time and time again we are referred to the fact that the Court is an outgrowth of an article of the League of Nations Covenant. To this extent, and only to this extent, that is true:

The League of Nations Covenant, in article 14, provides for the coming into existence of an international court of justice, and in that article certain jurisdiction is given.

In the light of that article, back in 1920, after the League was set up, a suggestion was made and a motion was actually made in the Assembly of the League of Nations that a World Court be created. This proposition was voted down on the ground that the Assembly of the League of Nations or the Council of the League of Nations had no authority to create the Court.

The Court came into existence as the result of a multilateral treaty, brought about as the result of a conference among representatives from many States; and in that conference of many States, members of the League and nonmembers of the League took part.

Article 14 of the League of Nations Covenant has now become spent. Its effect is past. It stands in the League of Nations Covenant exactly in the same position that article VII stands in the Constitution of the United States. That article provided for setting up three great institutions which constitute the Government of the United States. It prescribed how those institutions should come into being under the Constitution. When those institutions were set up under the Constitution, the purpose of the article was spent; and while it remains in our Constitution, we know that it is not used further.

On February 4, 1921, we were given our first signal as far as the World Court is concerned in a letter from the Secretary General of the League of Nations to the Secretary of State of the United States, enclosing a certified copy of the protocol of signature and the statute of the Court. This certified copy was later signed on the part of the United States, on December 9, 1929, after all the communications back and forth had been finished and after a declaration had been made on the part of our Secretary of State that all the requirements which we had asked for under the reservations had been met, and that the President of the United States was satisfied that since those requirements had been met it was now time to ask the Senate for its advice and consent; and that was done.

On August 13, 1921, the receipt of this communication was acknowledged by our Secretary of State.

On February 17, 1923, Secretary Hughes recommended adhesion by the United States to the protocol of signature of the Court of December 16, 1920. In his recommendation Secretary Hughes suggested that we go into the Court with

four reservations. These reservations became almost word for word the first four reservations which later were adopted by the Senate of the United States.

The House of Representatives, by a vote of 302 to 28, on the 3d of March 1925 urged the Senate to adhere to the World Court, to give its advice and consent in conformity with the recommendations of the Secretary of State and also in conformity with the message of the President of the United States.

Mr. O'MAHONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Wyoming?

Mr. THOMAS of Utah. I do.

Mr. O'MAHONEY. May I suggest to the Senator that he have incorporated in his remarks at this point the four reservations, as suggested by Secretary Hughes, for the convenience of Members in reading his remarks?

Mr. THOMAS of Utah. If that is satisfactory to the Senate, I have no objection to it in the least. The four reservations are as follows:

I. That such adherence shall not be taken to involve any legal relation on the part of the United States to the League of Nations or the assumption of any obligations by the United States under the Treaty of Versailles.

II. That the United States shall be permitted to participate through representatives designated for the purpose and upon an equality with the other states, members, respectively, of the Council and Assembly of the League of Nations, in any and all proceedings of either the Council or the Assembly for the election of judges or deputy judges of the Permanent Court of International Justice or for the filling of vacancies.

III. That the United States will pay a fair share of the expenses of the Court as determined and appropriated from time to time by the Congress of the United States.

IV. That the United States may at any time withdraw its adherence to the said protocol and that the statute for the Permanent Court of International Justice adjoined to the protocol shall not be amended without the consent of the United States.

I think everyone is familiar with the four reservations, and that I should not repeat them; but in the beginning I hope to make two points by going through this correspondence:

First, that we satisfied, by the various communications that have gone back and forth, all the requirements of all five reservations made by the Senate.

Second, that there can be no question at all about the first four reservations, because from the very beginning, after the discussion in the first conference of the delegates from the signatory states in Geneva, it was taken for granted in all the communications.

Mr. President, here I must project myself personally a little bit farther. I was present in Geneva at the meeting of the delegates in September 1926. I talked with many of them, and I enjoyed the conversations with them. We will find as we go on through these communications that the League of Nations Council did not like completely all of our five reservations—in fact, they took exception to our reservation in regard to advisory opinions and took rather strong exception to it also. The discussion in this conference hinged upon the meaning of that reservation, because the first four were practically taken for granted. It was in this discussion that I tried to explain once in a while that I did not think that the United States was asking for something that it would not grant to other peoples; that I thought that all we were interested in was that we should come in on an equality.

It was here where amusing incidents occurred. It was necessary for the different members in order to find out what we meant by reservations, to refer to the discussion in the Senate of the United States. I do not want to be light-minded, but I was told time and again that they could not understand our processes here. They could not see why all the poetry about the sun, moon, and stars should find place in our discussion about this reservation about our adherence to the World Court. They could not understand why statistics should be put in—statistics concerning our national parks and so on. I replied that of course if they understood what an American senatorial or congressional filibuster was they would understand it. But that led to more confusion than ever. "What was a filibuster?" And then I tried to explain. I attempted to explain by suggesting that a filibuster was something that was full of bluster.

I found myself in more difficulty than ever. I gave up; and I realized it right then, as everyone is realizing who has spent some time in foreign countries and with foreign languages, that when the Lord confused the tongues at the time of the building of the Tower of Babel, he started something.

Now, as we run through these various communications, I desire to read those parts which refer to the acceptance of the five reservations and showing that there could be no doubt. In the Senate resolution of January 27, 1926, giving advice and consent to the adhesion by the United States we find this one sentence, which is a sentence we must accept, which is the sentence in its spirit we must follow in all communications. On March 2, 1926, the Secretary of State sent forth the first communication to the Secretary General of the League of Nations, and in that he said:

I have the honor, therefore, to inform you that the signature of the United States will not be affixed to the said protocol until the governments of the powers signatory thereto shall have signified in writing to the Government of the United States their acceptance of the foregoing conditions, reservations, and understandings as a part and a condition to the adherence of the United States to the said protocol and statute.

Then, in answer to that we received from Geneva, dated March 29, 1926, a communication from the secretary-general of the League to the Secretary of State of the United States, and in this communication we realize that we break away from the easy-going arrangement which we thought we had provided for. The secretary-general said, in part:

I now take pleasure in informing you that at a meeting of the Council of the League of Nations held on March 18, 1926, the British representative put before the Council, in regard to the subject dealt with in your letter, a statement and proposals, which were adopted by the Council.

Then he goes on and says this:

* * * A decision that invitations shall be issued to the governments of the states actually signatories to the protocol and to the Government of the United States to appoint delegations to meet in Geneva on September 1 of the current year for the purpose of discussing any questions which it may be proper for them to discuss in this connection, and for the purpose of framing any new agreement which may be found necessary to give effect to the special conditions on which the United States are prepared to adhere to the protocol.

Then attached to that communication was a copy of the minutes wherein Sir Austen Chamberlain called attention to the fact that there was objection in the fifth reservation to the advisory opinion, and that as European states found the advisory-opinion type of adjudication serviceable, they did not want to give it up.

As we go on, we find that we refused to send a delegate to that conference, asserting that it was not necessary. While we did refuse to send a delegate and made that pronouncement in this same communication, we did accept the proposition that it was all right for signatory states to meet together.

If the states signatory to the statute of the Permanent Court desired to confer among themselves, the United States would have no objection whatever to such a procedure.

This I think is essential because someone may suggest that we went out of our way. That is over the signature of our Secretary of State, Mr. Kellogg.

As the result of the first conference of the signatories in Geneva held in September 1926, we find that so far as the first, the second, the third, and the fourth reservations are concerned, each one of these reservations is accepted with the words "it may be agreed to." In the fourth reservation a very, very essential thing takes place, which says that on the part of our country and on the part of the other countries there was an acceptance of these four reservations, because we find later when the Root protocol is being discussed or when the amended draft is being discussed, that Mr. Root takes from the fourth reservation, which he assumes has already been accepted, the beginning of his stand for making it possible to bring about a complete acceptance of the fifth reservation. Thus we see that there can be no doubt about the acceptance of the first four.

One would have to read very much more than I desire to read today to carry through this type of argument to show that in the next documents that are connected with our adhesion to the World Court we have of course informal and formal acceptance of these things.

Finally, by leaving out the matter of the advisory opinion concerning which there was some dispute, may I call your attention to the fact that it was the second part of the fifth reservation which remained for discussion after February 19, 1929.

Then in a resolution adopted by the Council of the League of Nations on March 9, 1929, we find the Council requests the committee appointed by its resolution of December 14, 1928, to see if there could not be brought together a further meeting to work out the differences which seemed to exist, and as a result of that meeting we have the draft protocol concerning the adhesion of the United States drawn up by the committee of jurists, and in this draft protocol we find a reiteration of what I stated time and time again.

> The states signatories of the said protocol accept the special conditions attached by the United States in the five reservations mentioned above to its adherence to the said protocol upon the terms and the conditions set out in the following articles.

Then in the actual protocol itself, which was signed under the instructions of the President of the United States, the protocol of accession, we find article 1.

> The States signatories of the said protocol accept the special conditions attached by the United States in the five reservations mentioned above to its adherence to the said protocol upon terms and conditions set out in the following articles.

Then to put this into effect, as we said the other day, actual amendments to the statute were brought into being, and the spirit—the very purposes of the five reservations—were inserted in the amended statute governing the League of Nations.

That brings us practically down to the present time, when we are asked to accept the three protocols, and the question comes up, Have we by review of these various communications back and forth settled the question as to whether we have in every way taken care of the interests of the United States?

Let us now sum up the purposes of the five reservations and see if the purposes in the minds of the Senators when those reservations were adopted have been accomplished. These purposes I have divided into three parts.

First, judicial, that is to say that the Court remains strictly a judicial body; second, to see that the United States has equality with all other states in relation to the Court; equality with the members of the League and the nonmembers of the League; and, third, to safeguard our American interests in relation to the advisory opinion.

First, the five reservations were designed to safeguard the judicial character of the Court and to make sure that in no time and under no circumstances would the Court become subservient to any political agency.

By referring to the practice of the Court, this is being accepted as a guiding principle of the Court. But the Senate resolution sought to have that statute written into that statute of the Court. The accession protocol of 1929 accomplishes that result.

The reservation's second objective was to bring about, without question of a doubt, the United States' position of equality with the states which are members of the League of Nations in respect to the Court. This is logical; since the United States is not a member of the League of Nations, it was so written that we should place ourselves in a position in which we might have influence with the development of the Court comparable with that of other states. The accession protocol without question accomplishes this. It gives the United States a position of equality with all states. But with the ratification of the protocol of accession it becomes a legally accomplished fact.

The third objective is an implied one. It seeks protection for the United States against any indirect or advisory adjudication of a dispute to which the United States is a party without the consent of the United States. If the matter is of direct adjudication, the Court has no jurisdiction without the consent of the parties concerned. But if the matter is of advisory nature, there are no parties, as the opinion is not a judgment, and, therefore, it cannot be, strictly speaking, for or against anyone, but it is merely an interpretation.

Advisory opinions are in no sense legally binding. The theory behind advisory opinions is that they would be respected because of the high authority of the Court. A government taking an inconsistent position would have great difficulty in defending itself against public opinion. If we do not adhere to the protocol of accession, and this is the position we are in today, the Council of the League of Nations might request an advisory opinion concerning a dispute wherein the United States is a party. It is most improbable that the Council would do that, but it is legally possible. But, with the protocol of accession ratified, the Court could not, over objection of the United States, even entertain a request for an advisory opinion touching any dispute or any question in which the United States has or claims to have an interest.

Thus with the ratification of the protocol, our legal status is incomparably enhanced. The accession protocol of 1929 completely protects the United States. The Court has handed down about 25 advisory opinions. The usefulness, in the face of these opinions, of this type of jurisdiction cannot be questioned.

Our weakness in not being a member of the Court or our weakness if we refuse to accept and do not accept the accession protocol is pointed out to us very plainly in a case which was before the Court last summer. It is the case of Oscar Chinn. This case dealt with the interpretation of a convention to which the United States is a party. We were not present at the proceedings. We might have intervened, of course, because we could have claimed an interest, and the Court would have recognized our intervention, but the machinery was not prepared for such intervention. It is not probable that our interests have been hurt as the result of the decision of the Court, but, at the same time, we were a party to a convention concerning the interpretation of which the Court acted. The Court had been asked for an opinion, and we were not in a position to protect our interests.

To repeat, a request for an advisory opinion will not be entertained by the Council or the Assembly of the League without consultation with the United States. The United States will, therefore, always have a timely opportunity to say whether it wishes to claim an interest, and, what is more, under the accession protocol, the duty is definitely placed on the Court to make sure that such an opportunity has been afforded the United States. This is an advance over the original reservation. If the United States should decide to claim an interest, we could object to any request being made for an advisory opinion, but even if we should fail to object, before the Court would entertain the request it would be in duty bound to ascertain whether the United States has had an opportunity to object. While it is inconceivable that any conflict might arise between the United States and the Council, the protocol further provides that if no agreement can be reached, the United States may at any time withdraw and denounce the protocol of accession and of signature. The 1929 protocol thus completely protects the United States. Indeed, it gives us even greater protection than did the reservation of 1926, for it enables us not only to oppose the giving of an advisory opinion by the Court, but it even stops a request for such an opinion on the part of the Council. Thus we are doubly protected. It actually places us in a favored position not enjoyed by any other state, not enjoyed by even a member of the League of Nations. And, what is more, we have restated our right of withdrawing at will. We have much to gain by ratifying the accession protocol and nothing to lose.

Mr. President, after this rather tedious review, if the logic which we use in summing up what has gone before us, historically, is correct, actually before the Senate of the United States today is not the question of adhesion to the World Court. That was decided in 1926. Legally, I realize

that until advice and consent is given it is perfectly proper for us to discuss this question as if it were entirely new to us and start from the beginning; but actually the question is, Did we accept the historical fact; have the signatory States done so; have the modifications of the rules of the Court been made to such an extent that we are satisfied in regard to our reservations; and, is it true, as our Secretary of State in the Hoover administration said was true, that all the objectives we had have been reached by the legal changes which have been made in regard to the organization of the Court?

If this be true, there, of course, should be no delay about our voting upon this question; and I urge that there be no more delay, but that the Senate of the United States vote as soon as is practically possible concerning this question, and that we put ourselves on record in regard to the question before us as to whether our interests have been protected or not, because the question of adherence to the World Court was decided some little time ago.

Mr. President, I am not one of those who in the least are apologetic regarding the judicial theory of an advisory opinion. I respect greatly the mature judgment and the dignity of the Senator from Idaho, and I, as the other Members of the Senate, listened spellbound yesterday to his address; but at the same time I think that he does not and cannot give full credit to the reasons for an advisory opinion. In fact, I am sure that if we will use his own illustration concerning the advisory opinion which he stressed yesterday so greatly, we will find that there is more reason for the Court of Justice than he maintains there is, and that there is real reason for our supporting this great Court as a medium of promoting peace in the world.

The rendering of advisory opinions is one of the most important functions of the World Court. Except in the debates carried on in the Senate of the United States, the advisory-opinion theory has never been attacked anywhere else in the world as a proper judicial process.

In the debate of the Committee of the Jurists in 1929 the provisions for an advisory opinion, which had previously depended solely upon the rules of the Court, were embodied in the statutes, because, after several years of experience, it was possible to form an accurate idea of the working of the procedure in respect to advisory opinions.

In some of the cases it has been shown that an advisory opinion is probably more important than an ordinary judicial opinion so far as the maintenance of the peace of the world is concerned. Three great advisory opinions give us exactly the same background as the Senator from Idaho painted for us yesterday concerning the opinion in regard to the customs union between Germany and Austria.

Advisory opinion no. 12 concerned the Mosul case. The case between Great Britain and Turkey, concerning Iraq's frontier, was submitted to the Council by Great Britain August 6, 1924. Great Britain and Turkey were almost at the point of war concerning boundaries. Great Britain submitted the case to the Council. Turkey claimed the Council had no jurisdiction. The Council, however, asked the Court to give an opinion.

Mr. President, wars have been caused over boundaries. Here we have a typical case where the advisory opinion is used to slow up nations in their anger. We have a case where one side refuses to pay attention to the advisory opinion. We have a case where they say they will not pay attention to an opinion if it is given. We have a case where one side says the League of Nations Council has no authority to ask for an advisory opinion. We have a case where one nation is determined to fight and to use its troops and other resources against any opinion which might run counter to their judgment of what they considered to be justice in a boundary case. Here we have all the elements that go into the making and the consummating of war. Here we have a case which is critical, which is essentially politically critical, and where war is imminent. What happened? In spite of all that Turkey said, the opinion was handed down; and as a result, perhaps, of the slowing-up process incident to the giving of the advisory opinion, in spite of the braggadocio of the Turkish Government, in spite of the movement of troops, the opinion was respected; the boundary line was corrected; and the peace of the world was maintained.

We may go on and cite other cases like it. Before we do go on, and I am going on because I want to cite two more of the advisory cases much in the same spirit in which the great Senator from Idaho cited them yesterday, let me ask what is meant by the "judicial function"?

Provisions are made for advisory opinions in several of the States of the Union. The Massachusetts constitution of 1790 provides for advisory opinions. Colorado, Florida, Maine, New Hampshire, Rhode Island, and South Dakota use the advisory judicial opinion system. The supreme courts of the Dominion of Canada and the seven Provinces of Canada accept the theory in judicial cases of the advisory opinion. The judicial committee of the Privy Council of Great Britain, under the judicial committee act of 1833, accepts the judicial advisory opinion. Under the English common law for years advisory opinions were given to the Crown.

It is difficult to state what is the judicial function apart from the actual history of the Court, and this is a part of the history of the Court. In the actual discharge of its advisory function the Court has always kept within the limits which characterize a judicial function.

Let us turn now for a moment to the great case which the Senator from Idaho brought up yesterday and consider that just a little bit more fully and in a little different way. Let me paint, before I do this, the fact that all that the Senator from Idaho said concerning unsettled conditions in Europe at the time the opinion was sought is true. Europe was on the verge of a war. There was reason for Europe's being on the verge of war. The customs-union suggestion hit at the very heart and very soul of what was the primary purpose of the Treaty of St. Germain. That purpose was to keep the unification of middle Europe from being an accomplished fact. The purpose, so far as the treaty was concerned, was political.

I invite attention to the fact that all during the World War Germany and Austria were trying to bring about exactly the same kind of customs union, bringing it about for military purposes as well as for economic purposes. The only reason why they were unsuccessful in this effort was because the little country of Hungary, which was a part of the Austro-Hungarian Empire, said that such a union would destroy the independent integrity of Hungary, and they fought that proposition during the whole course of the war.

That was a feeling apart from what was then an allied group of nations fighting another group of nations. Hungary felt that her independent integrity was of great importance and she objected to Germany and Austria bringing those two nations into more of a bond than existed during the war time, and this on a strictly constitutional basis.

The opinion, when it was put to the Council of the League of Nations and from the Council to the Court, was a legal question though it did have political implications as the Senator from Idaho pointed out. It did come at a time when actually there were marching feet in Europe because, as I said before, it hit at the very heart and soul of what was the real objective and the motive power behind the Treaty of St. Germain. The Senator from Idaho merely disagrees in his argument with the majority opinion. There were grudges on both sides.

I am not going into the question which was before the Court because that has been discussed; but I do want to point out one thing which the Senator from Idaho failed to mention yesterday, and that is concerning the request of Austria for an ad hoc judge. He implied that Austria was denied this privilege. Both sides requested an ad hoc judge, and the Court handed down the decision that both sides were represented by judges who were already on the Court, one by a judge who was of German extraction and who so far as this case was concerned was on the side of Austria, the other by a judge of French extraction and who so far as this case was concerned was on the side of Czechoslovakia.

So both requests were denied. Each had the opportunity to make the request, but the Court decided against each of them.

I invite attention to this fact because I have incorrectly referred to the Court and its judges as if they represented nationalities. Yesterday the Senator from Idaho read the names of the seven dissenting judges and he did something that made me very, very happy. As a man who has had occasion to defend the poor yellow man on the other side of the world time and time again, I was greatly pleased to have him list the Chinese justice and the Japanese justice as Teutons. I realize it was a slip of the tongue, but his idea was that it was the Teuton influence that brought about the decision of the minority judges.

Historically I would say to the Senator from Idaho that the great justice from China, if he could accidentally assume that he was in any way related to the Teutons, would feel grieved. The Kaiser, in sending his troops to China, at the time of the Boxer Rebellion, told his generals to fight in such a way that the Chinese would know what the word "Hun" meant. For 2,500 years of Chinese literature and Chinese history, the bogeyman, the thing that has frightened the Chinese more than anything else, the thing against which they built their great wall, was the people who were called and held as related to the Huns who later overran Europe.

The Senator from Idaho, too, forgot to mention that there was a Belgian judge among the minority. If his contention were true, this judge should have voted with the majority, because Belgium is definitely pro-French.

To continue, there was a politically tense situation. It was most important for the Court to be able to keep the legal question in its discussion. The Senator from Idaho explained the German-Austrian protocol as a reciprocity treaty. It was not a reciprocity treaty. It was in fact a customs union and there is a tremendous difference between a reciprocity treaty and a customs union.

Historically it can be shown that such a union was contrary to the maintenance of the independence of Austria. Throughout the war negotiations were in progress to try to bring about a similar union between Germany and the Austro-Hungarian Empire. Hungary refused to consider this union because it would impair her independence. Finally, just before the end of the war an agreement was reached, but this agreement was upon a customs union in the sense of the 1931 agreement, because certain tariffs were maintained between the two nations. Germany conceded almost free trade, but the Austro-Hungarian delegation established a very considerable number of intermediary duties on the German exports. The formula was always free duties, partly from the one side, partly on both sides, intermediary duties equal to the difference between the external duties. Using this formula the treaty was signed October 11, 1918, but never went into effect.

If such formula had been included in the 1931 union the Senator from Idaho might be justified in calling it a reciprocal agreement, but no such safeguard formula for the independence of Austria was included.

In 1919 the Allied Powers, with the United States cooperating, just to show how completely the fear of a union of middle Europe is inherent in the world, urged omission from the German constitution of reference to any union at all with Austria. Thus we see this case reaches right at the very heart and soul of the political desires of the Allies. No wonder they were, as the Senator from Idaho pointed out yesterday, ready to march. No wonder they were with armies ready to act if this should become an accomplished fact.

It did not become an accomplished fact. The advisory opinion worked satisfactorily. It is true when the opinion was first handed down the editorial pronouncements throughout the world seemed to give vent to the notion that it was a politically influenced opinion. The editorials which were quoted yesterday were valid editorials. But if it is right to bring in an argument today concerning the editorial opinion of certain papers concerning an advisory opinion, I say it is extremely valid for me to throw into the argument at this time the result of the editorial opinion of more than 2,000 papers in the United States concerning the adherence of the United States to the protocol.

Questionnaires were sent to more than 2,000 papers in the United States, asking them whether they favor the adherence of the United States to the protocols. Out of the 2,000 some 400 failed to reply, but of the 1,600 left, 1,200 of the total were in favor of the Senate accepting the protocols and adhering to the World Court.

Now we must go one step farther in regard to this opinion handed down concerning the customs union case—the advisory opinion of the World War.

In spite of the fact, as the Senator from Idaho pointed out, that the opinion seemed to be politically influenced, everyone knows that in the light of past history, of the type which I cited here today and which I am going to cite, through this opinion the independent integrity of Austria was maintained, and that in the opinion of practically every student of international relations in the world today that is one of the most vital and one of the most important factors having to do with the peace of Europe today.

I was in Germany last summer; and I wonder what might have happened at the time Dollfuss was assassinated if those who shot Dollfuss had been successful in their political aims, if this customs union had been effected. If that event, under the present circumstances, was enough to cause the mobilization of troops on the border, if it was enough to bring nations together protesting that which was being done, how much greater would have been the movement of troops if there had been brought about an actual union between these two countries in middle Europe!

That, however, is not the only reason why the judgment of the majority of these judges was right, and why the opinion of the minority was wrong.

We find that in 1932, in Geneva, Austria entered into another multilateral agreement with many states, reiterating and making over again the legal effects in accordance with the opinion which was handed down. In other words, Austria herself today has given evidence of showing that she accepted the opinion, and wants that interpretation concerning her own national integrity understood to be her will.

Back again to the picture: Where can we find, in the history of peace-making institutions, any more splendid case of preventing a war than we have in this case which was cited by the Senator from Idaho yesterday?

Here we have nations with troops ready to march. Here we have nations worked up, ready to strike at each other; and something happens. What happens? The ordinary processes of international institutions which have been established, functioning, working in the ordinary way. The answer to the whole proposition is that while soldiers were ready to march, they did not march; that while troops were ready to strike, they did not strike; while nations were ready to rush at each other, they did not rush at each other; and what stopped them was an advisory opinion of an International Court of Justice.

I hardly know where we can find a better illustration; yet I believe I do know one, because there is another advisory case of the same sort. This is a case which is extremely vital. I am not going into the law of the thing, because it takes us into the law of citizenship, and it takes us into the law of nationality, and those laws are extremely involved. There is a conflict between municipal law and international law, and the International Court of Justice was asked to rule concerning these conflicts. The facts of the case are these:

Down in Africa, France and England got into a dispute with one another over the right of France to give to nationals who had formerly been British nationals a French nationality. That in itself was not so bad; but it meant exactly what England did to our nationals before the War of 1812. It meant that France wanted to make these former

British nationals eligible for military service. England said France had no right to treat her nationals in that way. France maintained that she did. Here, Senators, we find a battle of the giants. Here are England and France, probably the strongest and greatest of all the nations in the League of Nations now, ready to go to war for such a principle as nations have gone to war in the past. There was the same tense political situation that the Senator from Idaho pointed out in the Middle Europe case. There were the charges back and forth; there was the opinion expressed that France would not hold itself subject to a decision, because the principle was a domestic one, and so forth. Both nations were aroused, ready to fight over exactly the same kind of cause that nations heretofore in history have been ready to fight for; and what happened?

England asked the Council of the League of Nations to ask the International Court of Justice for an advisory opinion concerning the legality of what was being done; asked them to take jurisdiction of the question as to whether domestic law and international law might be brought into an international court. There was a conflict between the two. We do not care about the legal phases. What we know is that as a result of the request to the Council of the League of Nations, as a result of the advisory opinion handed down by the International Court of Justice, France and England did not go to war. France and England did settle their difficulties in a peaceful way. France and England did negotiate a treaty which they had refused to negotiate before. This was put through the Council before an advisory opinion was asked in the Permanent Court of International Justice.

I do not know where we can find, in the whole history of the world, any finer example of the effectiveness of a medium of keeping peace in the world than this advisory opinion has been as it has operated under the administration of the Permanent Court of International Justice as it is at present constituted. Remember, Senators, that in each of these cases which I have cited—one a boundary-line case, and boundaries have caused war; another an alliance case, and alliances have caused war, and unions have caused war; another a nationality case, and nationalities have caused war—remember this: In answer to one of the arguments put forth by the Senator from Idaho yesterday that the justices were influenced by their nationality, let me point out the fact that the judge who was elected to the Permanent Court of International Justice from France voted in this opinion against his own country.

Here let me say that there seems to be a great deal of misgiving and misunderstanding about how the justices of the Court are elected. I cannot go into that question here; but the way in which it was stated yesterday shows that if we call these justices French judges, German judges, British judges, we fail to understand not only the method of election but also the spirit of the whole Court itself. We have in the United States somewhat the same kind of situation. When our Senate was organized, was a Senator an ambassador from a sovereign State? That question was settled by making him a Senator of the United States; and he was paid and has been paid since the setting up of our Federal Government by Federal taxation and Federal money.

The justices of the Court are not paid by their individual countries. The justices are paid in Dutch money—money which is collected from all members of the League of Nations; money which is collected from very many nations for the benefit of 15 justices—and these justices stand in the world upon their own individual merits. They are elected because of their qualifications. They are elected because they are eminent in questions of international law; and in passing judgment we have no more right to criticize them on the basis of nationality than we have to criticize the justices of our own Supreme Court on the basis of the States from which they happen to come. We have no more right to assume that in the case of this decision, which the Senator from Idaho stressed so much yesterday, there was even a leak about how the judges were going to vote than we have today to assume that already there is a leak in the Supreme Court of the United States concerning its decision in regard to the gold clause, and so forth.

But even if there had been a leak, it is not the first time in the history of great and mighty courts that there have been leaks. All of you are familiar with the Dred Scott decision, and the leak which occurred at that time.

I desire now to turn the Senate's attention for just a moment or two to another consideration, and this I shall do quite briefly. It comes about as the result of a statement made by the great Senator from California [Mr. JOHNSON] in relation to sanctions.

The Senator implied, if I understood him correctly, that under the ruling of the World Court the Court might take unto itself the right of sanctions which was given to the winning nation, and which is outlined in article 16 of the League of Nations covenant. The sanctions there were provided for in the treaties entered into at the end of the war. A sanction in that sense is merely the right of a nation to use force in enforcing the rights which it has under a given treaty. No one is going to defend the idea of sanctions in practical international relations. I am as heartily opposed to them as anyone; but I desire to call attention to the fact that in the four great treaties that were drawn up after the war—the Treaty of Versailles, which was between Germany and the associated powers; the Treaty of St. Germain, between Austria and these same parties; the Treaty of Neuilly, which was between Bulgaria and these parties; and the Treaty of Trianon, which was between Hungary and these parties.

In these four treaties there was incorporated the Covenant of the League of Nations. The four treaties to which we were a party in the negotiations carry the Covenant of the League of Nations as part of those treaties. Primarily, because of this the United States refused to ratify these treaties, and on the 2d of July 1921 we made peace with Germany, we made peace with Austria, we made peace with Hungary, by joint resolutions of both Houses of Congress.

The point I desire to make is that in our treaties with Germany, with Austria, and with Hungary the United States of America maintained its right to use force to see that its rights under the treaty were observed. We took unto ourselves the sanction. God forbid that we ever use it. I do not think we ever will. No one here thinks we ever will. But legally we could take that right, in spite of the fact that we rejected the Treaty of Versailles as it was presented and the Treaty of St. Germain as it was presented, and the Treaty of Trianon as it was presented.

There are two kinds of sanctions. There is the sanction under a treaty where we have a right to use force, and there is the sanction which an international court might be accused of having, but which the Permanent Court of International Justice does not have. It has no power at all to enforce its will, its judgment, or its opinion upon any nation or upon any group of nations. When the question of sanction was put before the Court, the Court itself decided that it could not discuss and would not discuss the matter of sanctions; that it would not even assume that its will would not receive respect by all parties who were parties to the arrangement to bring the matter before them.

I have talked in exactly the spirit which the Senator from California [Mr. JOHNSON] displayed when he said he was happy that I happened to project myself into the argument when he spoke, because he wanted information. Of course I cannot give him information, but I do call attention to the fact that if he was referring to sanctions under the treaty the United States still has the right and we do not reject that right. But I repeat that I would stand with him with all the force I have to see that we never use that right. However, when it comes to the sanctions which the Court may express as a court attempting to enforce its will, as a court attempting to enforce its judgment, or as a court attempting to enforce its opinion, the Court has no authority to use a single sanction, it has no power on which it can call to enforce its will, and what is more the Court has said it never would attempt to assume a sanction. It would

leave its decision entirely to the question of the public opinion in the lands where its decision would have effect.

Mr. REYNOLDS obtained the floor.

Mr. JOHNSON. Mr. President——

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from North Carolina yield to the Senator from California?

Mr. REYNOLDS. I yield.

Mr. JOHNSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Clark | Hayden | Pittman |
| Ashurst | Connally | Johnson | Pope |
| Austin | Coolidge | Keyes | Radcliffe |
| Bachman | Copeland | King | Reynolds |
| Bailey | Costigan | La Follette | Robinson |
| Bankhead | Couzens | Lewis | Russell |
| Barbour | Cutting | Logan | Schall |
| Barkley | Davis | Lonergan | Schwellenbach |
| Bilbo | Dickinson | McCarran | Sheppard |
| Black | Dieterich | McGill | Shipstead |
| Bone | Duffy | McNary | Smith |
| Borah | Fletcher | Maloney | Steiwer |
| Brown | Frazier | Metcalf | Thomas, Okla. |
| Bulkley | Gerry | Minton | Thomas, Utah |
| Bulow | Glass | Moore | Townsend |
| Burke | Gore | Murphy | Trammell |
| Byrd | Guffey | Murray | Truman |
| Byrnes | Hale | Neely | Vandenberg |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Carey | Hatch | O'Mahoney | Wheeler |

Mr. LEWIS. I reannounce the absence of the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness, and the absence of the members of the Philippine Commission on governmental duty, who have not returned.

I also beg to announce the absence of the Senator from Louisiana [Mr. LONG], who is necessarily detained from the Senate.

Mr. BULKLEY. I announce the absence of the junior Senator from Ohio [Mr. DONAHEY], who is detained from the Senate by a slight illness.

The PRESIDING OFFICER. Eighty-four Senators having answered to their names, a quorum is present.

Mr. REYNOLDS. Mr. President, the question before us today has been before the Senate for 12 years or more, and if an additional 12 years' discussion of this all-important subject will prevent our entering the World Court, then I for one shall gladly welcome a continuation of the debate on this subject for the next 12 years. [Manifestations of applause in the galleries.]

The PRESIDING OFFICER. The Chair will admonish the occupants of the galleries that no demonstrations of any kind are permitted under the rules of the Senate.

Mr. REYNOLDS. I say that for the reason that I am thoroughly convinced of the fact that if our great country shall enter the "court of intrigue" which we refer to as the World Court, it will unquestionably involve us detrimentally in the affairs of the world to the benefit of those materially interested nations that have so willingly made themselves a part of the League of Nations.

I listened with unusual interest to the remarks which so fluently were made by my colleague from the State of Utah [Mr. THOMAS]. I was happy, indeed, that he took upon himself the responsibility of outlining so clearly and so delightfully the history of the creation, the birth, of the League of Nations, because I am anxious that the people of this great country—and by that I particularly mean the masses of this land—be advised honestly as to how the League of Nations came into existence.

Was the League of Nations a creation of the thought of the people of America? It was not. Why? Because, Mr. President, the United States of America has nothing at issue now, nor will it have anything at issue in the future which will cause us to be at odds with other nations of the world. We have no territorial lines to be adjusted; we have no fight to pick with our neighbors; we are a great continent unto ourselves; and if the world will leave us alone we shall not put hand upon, nor worry about, any other peoples on the face of this globe.

I heard my colleague from the great Commonwealth of Utah say a moment ago that not so many years past he visited the city of Geneva, the seat of the League of Nations, nestling so snugly between the towering mountains of the Alps and gazing, as it were, upon the serene, peaceful waters of a lovely lake below. No doubt he likewise observed the dove of peace sitting upon every single one of those massive buildings; and while there he saw, too, the flags of the nations affiliated with the League floating side by side. Then, lo and behold, says he, "I became engaged in conversation with those of foreign lands who were interested at that particular time in the methods by which the League was functioning." During the course of those conversations the Senator from Utah learned from the lips of one from shores beyond that neither he nor his friends in that country across the sea could understand the attitude assumed by the people of America. I am glad that statement was made by him; I am glad that he told us of that experience in Switzerland, because the experience he had there he would have in every other single country of the world; he would learn of the viewpoint of those who reside not only in continental Europe but in every other country on this globe which has become a member of the League of Nations. Why? They have been reared, Mr. President, in an atmosphere quite different from that in which we have been born and brought up. I am not surprised, because those with whom he talked were not natives of our own America; those with whom he talked have been brought up under conditions quite different from the conditions under which we have been reared in this country of ours, and never so long as this world shall last will the people of the continent beyond the turbulent waters of the Atlantic or will the people of the Orient agree with the attitude of these United States of America.

My friend says the time has come when the Members of this body should deliberately place themselves upon record. Insofar as I myself am concerned I shall say now, without a moment's hesitation, that the time when the Senate shall come to vote upon the question in which we are now interested can arrive not too soon for me, because I for one, as a Member of the Senate, am desirous of placing myself on record with and before the American people in order that they may know, and well and plainly understand, that I am endeavoring to represent my clients, to represent the interests of the people of the State of North Carolina and the interests of the people of the United States by endeavoring by my voice and vote to see to it that this country, our beloved fatherland of America, shall never again place itself in a position where it will become involved in a world-wide war as once it did a few years ago.

O Mr. President, I recognize well and true that throughout the length and breadth of this great land of ours, extending from the blue waters of our own Atlantic to the Golden Gate of the Pacific and from the heavily timbered forests of Michigan to the pine-clad slopes of Florida, there are thousands upon thousands of good mothers, God-fearing women, some of whom today are in the Capital City of the world—Washington—who advocate our entrance into the World Court. But if those good mothers of our native land realized, as many of us do realize, that entry into the World Court means entrance into the League of Nations, and that entrance into the League of Nations means nothing more nor less than that we are to interest ourselves in settling matters far withdrawn from our shores, which unquestionably will eventually involve us in war and difficulties with one country or another, they would not be so eager that we should enter the World Court.

It has been said that we of all nations should interest ourselves to the extent of becoming members of the World Court because sooner or later we are going to find ourselves locking horns with the master of the Orient. We are told that we should seek universal peace, that we should join this great body of Christian nations in an endeavor to

stamp out the sore spot of mankind—we of all nations, because, say they, the time will come when we shall have to face that enemy of the Orient over which the war clouds are now hanging—Japan.

Never should you say, Mr. President, never should anyone say that we are going to have any trouble with Japan. In my opinion, Japan is the greatest overrated nation on earth. Japan in mortal combat would have just about as much chance with the great, powerful States of our Nation as would an undernourished mouse in the paws of a well-fed and active cat. [Laughter.]

Oh, this bugaboo about Japan! We should join the World Court in order that the World Court might make decisions bearing upon questions at issue between the power of the Orient and the power of the western world. A few years ago Japan had "bulled" and bluffed and "buffaloed" everybody in the world. They even had at that time the Russian bear in line. For months, even unto the end of the world, we were watching the morning papers, thinking there might be some notice of difficulty between Russia and Japan. But within those years intervening Japan has changed her attitude. Japan has about-faced; Japan changed her attitude when the Russians mobilized, as they have now mobilized, hundreds upon hundreds of thousands of troops not far withdrawn from Manchuria, not far withdrawn from Vladivostok, to strike at a moment's notice should Japan by such act occasion an advance on the part of Russia.

We should join the League of Nations because we want the World Court to say that there shall be no controversy between Japan and the United States—Japan, a nation of only 69,000,000 people; Japan preparing for war all the time, buying millions of pounds of scrap iron in this country for the purpose of building ships.

I say to the Members of this honorable body that to enter the World Court is to enter the League of Nations. It does not make any difference to me whether we enter the World Court by the side door or by the back door or by the basement door. Regardless of how we get into it, we will be in the Court, and when we are in the Court we are in the League of Nations, because the World Court is an offspring of the League of Nations. No one can deny that fact for the reason that if the League of Nations had never been created, the World Court never would have seen the light of day.

Mr. President, the subject before this body is truly an important one. The subject before this body is one which should command the attention of every living, breathing person within the confines of these United States, because it not only involves the future of the people who breathe the breath of life now but it involves the future of oncoming generations who will soon be called upon to fill those places made vacant by our respective passings.

Mr. President, I observe that there are many who sit within the sound of my voice who have but recently visited various political sections of the world. I recognize the fact that there are many who have but recently secured information at first hand, particularly in continental Europe, the seat of all this intrigue.

I assume to say that none who has visited Europe within the summers past or within the time of the years before, who has not observed on every hand the fact that every single nation constituting what is known as "continental Europe" was then and is now preparing for war. Yet we are told that if we of America cast our lot with them across the seas it will bring about international peace. Let us see!

Has any single nation, has any single country, kingdom, republic, or otherwise, a member of the League of Nations, come forward with lifted hands and said in all frankness, candor, and honesty, "If America will enter the World Court, the League of Nations, we are confident that war forever will be wiped out"? No! Why? Because, Mr. President, no one of that body, no single person in the whole world, is sufficiently convinced of the benefits to be derived by way of or from the League of Nations to assert boldly that the League of Nations will forever smother out the thought of war.

Therefore, Mr. President, I say if we are all so sure-fired, if we are so certain that our entrance into this league of intrigue is going forever to cast aside war and live only with the dove of peace, why do not those countries disarm?

Let us find out something about this thing. I am interested in this subject because I know that mothers and fathers who are living today and whose sons' warm, red blood of courage was spilled upon the fields of France are interested. I am interested in this subject myself because I know that the people of America are interested in it; and I assert without hesitation that if the American people as a whole, every single voter in this country, were afforded at this hour an opportunity to cast a vote in favor of or against our entering the World Court, eight out of every ten of the votes cast on this subject would be cast against our entrance into the World Court.

If this League is such a wonderful thing—if it is going forever to destroy the thought of war, prevent the maintenance of great armies, the building up of armaments, battleships, airplanes, cruisers, submarines—then it is a good thing; but who will undertake to say that the League of Nations can do that, with us or without us?

Let us find out something about it.

We are talking peace all the time. We all want peace. There is not a living, breathing soul in these States of ours who does not want peace, eternal peace, universal peace; but we do not want to tie ourselves up in any arrangement which is going to involve our Nation in another war. Let us look at it as a layman looks at it. Let us look at it as the everyday fellow looks at it. Why should we stick our noses into, why should we meddle with, the business of foreign nations? Of what concern is it to us? If we are to judge the future by the past, we shall write this now, as it were, in our thoughts; and this thought I beg permission to leave with this most honorable body:

It is said that if we shall go into the League we shall be fairly treated. Like many of my colleagues, I have been engaged all my life in the practice of law. I interested myself particularly in the practice of criminal law; and I well knew that if my evidence did not bear out my contentions what I had to do was to select the right kind of jury. When I began the selection of a jury in defense of my client, what did I do? I tried my best to get, as members of the panel, jurymen whom I knew. I wanted to get on the jury men whom I knew. When John Splinters would come from a point near Leicester, and John and I had 'possum hunted together, I got John on the jury if I could, because John spoke my language. Then when my friend Charlie Case was brought up, I tried to get Charlie on the jury, because Charlie and I had been friends. I wanted to get men on the jury whom I knew, who were my neighbors, who were my friends, and, if possible, to whom I had loaned money [laughter], because I not only know the frailties of human nature but because, my friends, I recognize and appreciate those who are grateful for acts kindly done. Say not to the contrary; it is the truth.

We enter the World Court. There arises a question, of what sort I do not know, placed within the hands of the members of that jury, a jury of the World Court in the form of 11 judges and 4 deputies, who are to pass upon my case. Am I to permit to sit there men who are interested in those to whom they are indebted? Is America accorded, in the trial of a case of that sort, the same privilege that a defense counsel is entitled to when he challenges the qualifications of a certain juror to sit upon his case? It is my understanding that we are not accorded that privilege. Would we be permitted to inquire of those several judges and deputies as to whether or not their respective countries were indebted to the nation over which the controversy arose?

We all know that human nature is the same the world over; and what is a nation? It is nothing more than an aggregation of individuals. Strip Australia of every single human being living thereupon and no viewpoint is reflected or projected; but populate that continent with living, breathing individuals, and that continent is nothing more or less than the expression of the reflection of the people living thereon.

Enter the World Court? No; never!—because to enter the World Court means entering the court of intrigue; and entering the court of intrigue, I assert, means entering the League of Nations. Protocols or no protocols, reservations or no reservations, it is a question of whether or not we want to affiliate ourselves with our enemies; and the question has been asked by many, "Can we trust them?"

Are we going into any business of any sort with any man in whom we have not implicit confidence? Why, of course not. Are we going to subject ourselves to the will of those who have betrayed us? Are we going to do business with or affiliate with those who have robbed us, those who have deceived us, those whose words we cannot depend upon? Of course we are not. Is this not a parallel case? We shall see.

During the World War, the greatest war that the world has ever known, the greatest since time first was recorded through the pages of history, the history of this earth whose surface has been soaked in the blood of over 900 wars—of all the wars on the earth since the beginning of history and the recording thereof, the last war was the greatest war of all time, more momentous than all the wars of the world combined.

Then when the allied nations of continental Europe were on their respective knees, when the blood of the sons of all the several nations of the Allies had been spilt upon the fields of battle, with drooped heads and with uplifted hands and with prayerful faces and meek entreating cries, they said to our Uncle Sam: "Come help us or else we are lost, we are crushed, we are forever doomed; come and fight for democracy and for the world's deliverance." Then America entered the war. The sound of the trumpet, the march of the soldiers, the throbbing of the great engines of the ships carrying us to shores 3,000 miles beyond the border lines of our America were heard! Had it not been for our country, had it not been for our manhood, had it not been for our mothers, had it not been for our sons of America, the efforts of America, the Allies would have been defeated, and they knew it.

Then again there was the sound of a trumpet, and the great heavy overhanging clouds of war and despair and destruction lifted, and there came the warm mellow golden sunshine so long desired, and the dove of peace hovered over the fields of the murdered. No sooner had that conflict ended than we found those who would have us enter the League of Nations and the World Court by way of the cellar door were assuming an attitude quite different and distinct.

What was that attitude, Mr. President, I respectfully inquire? It was the attitude of the ingrate; it was the attitude of one who does not appreciate the friendly act of a foreign nation, because no sooner had those nations gathered limb together than they said: "You did not win the war; you did not do us any good; you came over here after we had already won the war."

What about the $11,000,000,000? What about it, Mr. Frenchman? What about it, Mr. Englishman? What about it, Mr. Belgian? What about all that money? They virtually say that it was our duty as citizens of the world to have financed them in the hour of despair. We loaned them $11,000,000,000. The World War cost the taxpayer, the citizen of this country, approximately $43,000,000,000—forty-three thousand millions of dollars, including, I shall grant, the $11,000,000,000 that we loaned them with which to finance their respective interests as best they saw—and now, after having borrowed that money from the taxpayers of this country, after having spilled the blood of the sons of the mothers of this country, after having accepted aid at the hands of this great America, those who would have us enter this Court say, "We will not pay $11,000,000,000." Of all times in the history of our great country now is the time that we want those beyond the seas to repay us, to refill our coffers, to stack up our Treasury in order that we may withdraw ourselves from the depression in which we find ourselves at this time.

They will not pay. They are not paying us. They are not paying the interest, much less the principal. I stand here stating without a moment's hesitation that I am thoroughly of the opinion that if we get into the World Court the question of the payment of the debts of these various and sundry countries is certainly to be one of the subjects to be considered by the World Court.

Let us see something about this. World peace? They say we ought to make friends with them. Some advance the argument that we ought to go into the World Court because we will make friends of them. Then they mention world commerce; they claim our exports will increase and that our business will prosper. "Let us settle the thing so that the commerce of the world may be stimulated."

The commerce of the world be stimulated! The big business that we have heretofore done with the countries of continental Europe, in my opinion, Mr. President, is a thing of the past. You can talk all you want from one day to the other and unto doomsday about the great trade that we are going to get from continental Europe; you may discuss various and sundry means by which our exports may be increased; but I desire to say to Senators that I believe the day of our biggest trade with the countries of continental Europe has passed. So what have we to gain there?

It is said we should join up with them because it might help us in the Orient. Help us in the Orient? Let us see about that. Japan is a country of a hundred or more islands. Japan is a country which is adding to its population a million people yearly. Japan, which is finding its way toward the great continent of Australia, has just about tied up the trade in the Orient. Great Britain is desirous of getting the United States into the controversy, of course, and why? Because India, stretching from Bombay to Calcutta and from the seas below to Nepal and Afghanistan above, feeding its 350,000,000 souls; England, from its great textile plants in Manchester, has provided them with the cloth with which to make their garments, has provided them with all their textiles; but Japan, with its cheap labor—one-half of 1 cent or a cent or more an hour—Japan, in its desperation, is manufacturing goods cheaper than any other country on earth can manufacture them; and what is Japan doing?

Japan is finding an outlet for her products by peace or by force. Japan is digging into the English trade from Manchester, England, by the production of goods the quality of which is peculiarly adapted for wearing apparel in that oriental country.

Japan has gone further. Japan by peace or by force has disregarded everything in regard to the League of Nations. She is a member of the League of Nations, but she gave notice some time ago that she wanted to withdraw. When she gave notice to the effect that she was desirous of withdrawing she withdrew and, according to my recollection, not a single country or nation on earth lifted a hand or pointed a finger denying her right to leave the League of Nations.

Japan went into Manchuria. It was said that the League of Nations was going to stop all war and bring peace and good will to and among men. We can only judge of the future by the history of the past or the events of the hour.

Japan took an armed force to Manchuria. Why did she want Manchuria? She wanted Manchuria for three reasons. She wanted Manchuria because she has to have some place for her excess population, which is increasing at the rate of a million a year. She has to have some place to get iron with which to build her battleships. She has to have some place from which to get the oil with which steam might be produced to run the propellers of those battleships. She wanted Manchuria because soldiers' arms are of no value unless the stomachs of the warring men are filled; and there in the broad, fertile valleys of Manchuria, not far withdrawn from the Russian border, she seized lands producing soybeans by the hundreds of thousands of tons annually.

Did the League of Nations do anything to stop the war there? It did not. Japan is fighting her way throughout the Orient and is digging into and consuming the trade of the British and those of the British Isles. England does not like it. England wants to get us into the World Court because if any question arises between nations the United States would probably be a little bit inclined to be with her in particular view of the fact that we of America have sense enough to know that if another war ever comes in this

country we have 3,000 miles of border line extending from Montreal on the east to the city of Vancouver in British Columbia on the west which must be guarded, and the British have sense enough to know that. Why are we to become involved in this matter when we are not to benefit therefrom? Who can say that peace will come and be everlasting if we enter the Court? If those who give consideration to that thought are sincere in it, then why do they not now and here make the assertion that the entrance of the United States into the League will everlastingly bring peace to America and to the world? If we knew that all the nations of the world were to be disarmed, and knew that without having to take the word of those who have deceived us, those who have lied to us, those who have cheated us, and those who have deprived us of the just loans we made to them, we might do it, but not otherwise.

If this League business—and when I speak of the League, of course, I embody in my thought the World Court, because the World Court is nothing more nor less than the right arm of the League of Nations, and the people of the United States know it. The people of the United States—and when I mention them I am talking about the rank and file of the people of the country—are set against entering the World Court because they are against affiliation with those who have already deceived us, those who have taken the lives of our sons, of those who have taken our money without even paying the interest; and our people, if they are given any opportunity to express their views about the matter, are not going to permit us to enter either the League of Nations or the World Court.

I listened with much interest to the speech of my friend from the State of Utah [Mr. THOMAS]. He attempted to make explanation of this matter. The judges are selected impartially, he said. Let us see about that. Let us learn a little something about those with whom we are called upon to enter into business, with whom we are to sit on the bench of justice. The people of America are entitled to know. Let us know with whom we are proposing alliance and affiliation, and let us see whether or not they can be trusted.

There are today actually participating in the League, I believe, some 57 nations of the world. Some have since their entrance made the statement that they desire to withdraw, and some have said that they are desirous of going in. Let us see who are the members of the League, and let us see whether or not we should join with them.

Albania, Argentina, Australia, Belgium, Bolivia, Bulgaria—by the way, if the League of Nations is such a fine thing, if the League of Nations is that instrument which will keep us out of war, we naturally should assume that it is the implement which will keep other members of the organization out of war. I respectfully bring to the attention of the President of the Senate, I respectfully bring to the attention of the Members of this body, that Bolivia and Paraguay in South America are now engaged in mortal combat and have been for a long time past. We find from the reports which are printed almost daily in the columns of the press of the country that thousands upon thousands of men are being slaughtered. War, war, war everywhere, my friends, and not a single hand lifted to prevent the war. If we are to judge the future by the past, let us judge it likewise by the present, because down in South America there is war waging between Bolivia and Paraguay, and both of them are members of the League of Nations. Stop it? How are we going to do it?

Let us go further right here, while we are on this point. We are told that the League will stop war, that it will bring about universal peace, that it will spare the sons of the mothers of this land and conserve the wealth of our Nation.

I read several days ago that Italian troops were warring with the soldiers of Abyssinia. Abyssinia is a little bit closer to all these countries that want us to join them than is the United States. There was war, actual war, between the troops of the Kingdom of Abyssinia and the troops of the dictator of Italy, Mussolini.

What good did the League of Nations do then? It did not do any good. I wish to say, gentlemen of the Senate, that we may argue all we want to about the League of Nations stopping war in the world, and the League of Nations may legislate against it; and the World Court, the legal tribunal of the League of Nations, may render all the decisions and all the opinions that it wants to render, but it will not have a bit in the world to do with stopping war.

Only yesterday I picked up a paper, and I saw where a horde of Abyssinians had descended a mountainside and trooped their way into the seaport town of Djibouti, the capital of French Somaliland, and killed 18 French soldiers and about 85 African natives of that land; and then we are told that the League of Nations will bring about universal peace when there is war everywhere; and not one single effect has it had upon providing more methods of insuring peace to the dove about which we hear so much.

Let us see who the other members of the League of Nations are. Bulgaria, Canada, Chile, China. Let us stop right there at China.

China, a country providing life for 450,000,000 souls, almost four times the population of the United States, which, by right of age and partial training, should be one of the most powerful nations on earth—China! Is not that laughable? China, with its 450,000,000 of souls, a member of the League of Nations! What good has it done China? China, with its Shanghai, Hong Kong, Canton, and Suchau, has been raped by Japan—raped by Japan I say without the fear of contradiction, because Japan ran rough-shod over the foreign quarters of Shanghai, and on up the valley to the fertile fields and lowlands of Manchuria, and murdered outright thousands upon thousands of innocent Chinese countrymen, and took by force and brawn and muscle and manhood that which belonged to another country, and was not satisfied with that. I picked up a paper of this afternoon, in the lounge a moment ago, in which I saw Japan is not satisfied. Japan wants a part of Mongolia, claiming that in the first instance the portion now desired should have been a part of Manchuria, which they are pleased to term "Manchukuo." They say it belongs to them, and they are going to have it, and if they do not have it by peace they will have it by war; and gentlemen tell us, without the shadow of a blush running through their brows, or a moment's hesitation, that the League of Nations will stop murder and war in the world!

Mr. President, we can only judge the future by the history of the past and the events of the present.

Getting back again to Japan, let us see something about that. I want to say a few more words, Mr. President, because my constituents in North Carolina are interested, as are the constituents of the other Senators representing the 48 States of the Union. The American people are interested—interested in seeing that no more blood of the innocent, courageous sons of America is spilled uselessly to soak the fields of another country; interested, Mr. President, because at this time we realize that last year the Congress of this country was called upon to make appropriations in the sum of something like $8,000,000,000 to feed the hungry, to clothe the cold, to minister to the ill, the feeble, and the maimed. This is the time of all times in the history of the Nation when we need friendly help, when we want those who pretended to be our friends to pay us; and they will not do it. They think a lot of us! They are using honeyed words. The American people are sick and tired of that.

Go out into the highways and the hedges of this country if you want to find out the sentiment of the American people. Do not go into the great melting pots of the cities to ask the opinion of those who are there; but go out in the highways and hedges and along the creek banks and into the farms and small towns, and ask your constituents there what they say about the World Court, and they will say, "I am against now, once and for all and forever, entering into the World Court, because it means entering the cellar door of the League of Nations. I am against it", they will well say to you, because they have been tricked, because they have been deceived, because they have been robbed, because no appreciation or gratitude has been shown to them; and they will tell you, "I am against getting entangled with those foreigners."

The League of Nations did not stop war in Bolivia. It did not stop war in Paraguay. It did not stop Japan from taking Manchuria. It is not stopping Japan now from taking a part of Mongolia, and adding it to Manchuria, and putting it under the Manchukuan Government. Japan is going further, Mr. President.

By mandate there are 1,400 islands over which Japan has control and possession and supervision. Where do those islands lie? Part of them, I understand, are called the Caroline Islands. They lie between Honolulu in the Hawaiian Islands and Manila in the Philippines, right in our steamship-line courses; and it is interesting to note by the map of the world that those 1,400 islands surround almost bodily our base of Guam, of which we hear so much.

That only means, Mr. President, that Japan is wending her way Australiaward, because she recognizes the fact that all the land in Australia is owned by a very small percentage, about one-fifth or one-sixth of the people therein, and therein lies virgin territory, a country which some day Japan will attempt by force of arms to acquire, because she must expand. She is preparing for that now. She is taking England's trade away from her in the Orient. She has a great portion of the trade in the Philippines. She has a great portion of the trade even in the property of the Netherlands—Java. She is doing a big trade in Borneo and Sumatra. It has been said that she is even digging into Hong Kong, the city island owned by the British Government.

Great Britain would like us to get into this League. Why? Great Britain is more interested in getting us into it than any other nation on earth, for this reason: Now, let us see about it. Let us see whether or not that statement is a fact.

Great Britain has control of more of the earth's surface than any other nation upon the top side of this hemisphere. Great Britain commands India, with its 350,000,000 souls. Great Britain has in her possession not only northern Africa along the Mediterranean from Port Said, but she has her possessions in southern Africa from Capetown a thousand miles and more into the interior, reaching where? Reaching to Johannesburg and the gold and diamond fields. England is interested in far-away Australia and in New Zealand. England is interested in the Dominion of Canada. England is interested and has its interest all over the world.

And last but not least, Mr. President, England has her possessions within a stone's throw of our own shore, in the form of 1,500 islands coraled over, the largest of which we find to be Bahama and Bermuda. She has her interests all over the world, and she knows that the time will come when there will be rebellion throughout the world, rebellion against the yoke placed around the necks of those people under her dominion, and England wants to get into the League of Nations so that if any trouble shall ever befall Australia, that they might share that; or Canada, India, or Egypt, or any other place where she may call upon the League of Nations to settle it in a friendly fashion, because we all know that if there were trouble in Australia, if there were trouble in Canada, if there were trouble in Africa, or trouble in any other territory over which she has a protectorate or a guardian hand, that she could never emerge from the heap that would be piled upon her head.

Mr. President, England recognizes the fact, as we do, that the day will come when they will have trouble in India. They have had trouble there since the episode of the Black Hole, and they are having trouble even now, and yet they tell us the League of Nations is a good thing.

I believe that Afghanistan is on this list. Let me see. No; Afghanistan is not a member, but Afghanistan requested admission to the League on September 26, 1934. Afghanistan is now having troops on the border in northern India; the soldiers of the British Government are there—war is there—and yet they say that the League of Nations will guarantee universal peace.

Let us see further, Mr. President. Let us go into this thing. Here are Chile, China—I discussed China—Colombia, Cuba, Czechoslovakia, Denmark, the Dominican Republic, Estonia, Ethiopia, Finland, France, Germany, Great Britain, Greece, Guatemala, Haiti, Honduras, Hungary, India, Iraq, Irish Free State, Italy, Japan, Latvia, Liberia, Lithuania, Luxemberg, Mexico, the Netherlands (that is Holland), New Zealand, Nicaragua, Norway, Panama, Paraguay, Persia, Peru, Poland, Portugal, Rumania, El Salvador, Siam, South Africa, Spain, Sweden, Switzerland, Turkey, Uruguay, Venezuela, Yugoslavia.

I wonder if my friends down in Avery County, I wonder if my friends over in Beaufort County, I wonder if my constituents living on the highways and the byways all over North Carolina, from the majestic hills of the west, so frequently looked upon by my friend the senior Senator from Illinois, and through the Piedmont section and the fertile lands of the east to the lovely shores of the east—if they are interested in preserving the peace of Ethiopia. I wonder if they are interested in preserving the peace of some countries of which the great majority of the people in this country have never heard. Let us see. What do my constituents and what do your constituents—what do the constituents of any Member of this great body care about spending money and time and energy and life and blood for the interest of Estonia, Ethiopia, Iraq, Latvia, Liberia? They have all these little bits of countries in there so they can influence them. Take that list right there and check upon it, and it will be found that three-fourths of them have borrowed money from the big powers; and if they have borrowed money from the big powers, you know they are going to listen to them with open ears. Everyone knows that. They are going to listen with open ears.

There is the little country of Liberia. Years upon years ago, Mr. President, those of a nobler caste of the colored race in this country—if I recall correctly, my dear Senator from Illinois—emigrated back to the shores from which they first came and set up there a Republic of their own. They called it Liberia—and by the way, if my memory serves me correctly, the capital is called "Monroe."

Mr. LEWIS. Monrovia.

Mr. REYNOLDS. Monrovia—named after the great President Monroe. Why, down there in Liberia they are practicing slavery today. Of course, a lot of them will deny it, but go and see for yourselves. Send your emissaries, your investigators, there. They are practicing slavery down there in Liberia; practicing it right there among themselves—those people who left our shores to establish a nation of their own. And little Liberia is brought into the League. There is not a thing in the world to Liberia except several hundred thousand acres of plantations owned by the Firestone Rubber Co. That is all there is to it. But they get in the League. I do not know whether Mr. Firestone is for the League of Nations or against it, but they are having an awful trouble with their internal debt and the paying of their debts to other countries in the world. By the way, if I recall correctly, they either borrowed or were trying to borrow some money from France. I know they had a representative over there last year endeavoring to get some more money from France, and she is unquestionably obligated to France.

Let us see what else do we find? Latvia. Latvia is up near Russia. By the way, they say the League is going to stop war. Let us see about that. Senators who have visited the Continent recently, and particularly Senators who have visited Germany, know that on every boulevard, on every highway, on every street are heard the sounds that come as the result of the goose step, which is being practiced far and wide, not only in Berlin on state occasions, but in Hamburg and Dresden and Heidelberg, and all along the line and all over that country.

By the way, speaking of Germany reminds me, Mr. President, that Italy but recently made some sort of treaty or pact or entered into negotiation with France; and England is flirting with Germany right now. If the League is going to bring about universal peace, why all over Germany, Mr. President, do we find great regiments, thousands upon thousands of duly constituted militaristic men, practicing for the fray that may come? If it is going to bring about universal peace, why inject the United States of America into it? If it is bringing about universal peace and in the future

there will be no wasting of lives as the result of war, why is the dictator, the high almighty of Italy, Mussolini, training now the children and the youth of the land from 4 years and over, and having those from 8 on wear the black shirts? Why? Because he is developing the trigger eye for the rifle; because he is developing the strong arm for the saber; because he is developing those muscular limbs so that his soldiers may climb from the valley to the highlands of the other parts of the Continent, over the Alps and elsewhere.

If the World Court and the League of Nations are going to bring about peace, why have they not done it among the nations of the world which I have mentioned?

Mr. President, there are others. Here is Paraguay, which is at war with Bolivia; Persia and Peru; Poland and Portugal; Rumania and El Salvador; Siam, South Africa, Spain, and Sweden. There was a terrible revolution in Spain last year, and they are having trouble now. Hundreds upon hundreds were killed in internal war there. Nothing has been done about it. I ask again if we are to be led into this in the belief that it is going to spare the lives of our sons and not empty the Treasury of the land, why is not something done?

Then we have Switzerland, Turkey, Uruguay, Venezuela, Yugoslavia, also members of the League and the Court.

Japan announced her resignation from the League of Nations in 1933. Japan will not abide by anything the League of Nations does because Japan has said so. A big ranch in Japan comprises hardly any larger portion of land than might be enclosed within the walls of the Senate Chamber. Japan has to have more room for her population, and she is going to get it regardless of what the League of Nations or the World Court tell her by decision or by advice. She is going right ahead. But there is no use worrying about Japan jumping on the United States. She would not have a bit of show against us. Once upon a time she could have whipped Russia, but she has waited too long. If Russia ever sends 50 bombers or a hundred planes over to Yokohama, or Tokyo, or any of the other 25 cities in Japan, it will be all over with Japan. Japan needs a spanking badly.

Next we have Afghanistan. She made request to come into the League, but, according to my understanding, she has not yet entered.

Germany resigned from the League on October 21. Germany is going to say, "If we come into the League and participate again"—mark you this, Mr. President—"If we come into the League it has to be distinctly understood that we can manufacture and hold and have in the grasp of our citizens arms equivalent to those of the other nations of the world, according to our population and standing." If this is going to bring about universal peace, why should Germany say, "We will only come in with the understanding that we may increase our armament, that we may manufacture more poisonous gases, more rifles to place upon the shoulders of our men, more cannon for the enemy's breast", if she really thought her entrance into the League or the activities of the League are going to bring about universal peace?

If we go into the World Court or the League of Nations it will cost us more lives and more money and more grief. We have not a thing in the world to gain by going into it.

Russia was admitted to the League on September 18, 1934. Russia covers a big part of the earth. Russia is three times the size of the United States. It is difficult to picture a country so large. She has 175,000,000 of people. She says she wants peace. The record from the State Department reveals to me that she was admitted to the League on September 18, 1934. As to the part she has played, I am in ignorance.

But I ask, Mr. President, when these nations aline themselves and sign on the dotted lines as members of the World Court and affiliate with other countries in the League of Nations and the World Court, why do they continue to war? Russia is a member of the League of Nations. Russia a number of years ago under the Czar constructed a railroad from Moscow to the coast, thousands of miles away, along the Manchurian border. But Russia has done more since then. Russia has just completed another railroad which parallels the Trans-Siberian Railroad from Moscow to the Pacific.

We find all over the world, in countries great and countries small, throughout the nations of half a hundred or more speaking in languages different from the others, that those who are affiliated with the League have said, "Come in and there will be world peace." But we find likewise that they are constantly increasing their armies and increasing their navies. I have but recently observed in the columns of the press that some are advocating the construction of a hundred thousand airplanes for America. What is that for? Surely not for the purpose of carrying passengers, surely not for the purpose of transporting the mail, but, according to their own admissions, 100,000 planes are to be built with the money of the people of this country to protect 3,000 miles of border to the north of us, to patrol that border line for the safety of the inhabitants of this country, that lengthy strip from the Atlantic to the Pacific dividing the two great Republics of North America, the United States and Mexico. People are advocating increasing the Navy of this country and the building of all sorts of vessels, and yet cry "Peace!"

Mr. President, may I bring this to your attention? The other night I attended a moving picture, and I saw in one of the newsreels the Queen of England smashing a bottle of champagne upon the nose of the largest passenger ship in the world. I saw the Queen of the great British Empire dedicating to posterity and happiness and success the queen of the seas, the largest passenger ship afloat, costing $50,000,000 and more—$50,000,000 for a passenger ship! Does anyone have so little sense as to think that they spent $50,000,000 in building that ship at one of the docks in Scotland for the purpose of transporting passengers with a view to making money? Why, of course not, Mr. President.

Anybody who knows anything about the shipping business knows that the day of the immense, mammoth passenger ship is past. It does not pay. But England has put $50,000,000 into one steamship and heralds to the world that she will build a sister to that ship costing an equal sum, $50,000,000—for the purpose of making money out of the passenger business? No. What is the purpose of it? For the purpose of having ready transports that will carry thousands upon thousands of soldiers from the British Isles to India, when there is no longer passive resistance by Gandhi; of carrying thousands upon thousands of soldiers to Australia, when Japan tries to take charge of that continent, and to other sections of the world. Almost every other country on earth is doing the same thing, and the record will reveal that I speak facts.

What about the *Rex*, which belongs to Italy? Why did the Italian Government subsidize the concern which built that ship and put so many millions of dollars into building the largest steamer plying between the ports of Italy and those of the United States? To make money? No; to have that vessel ready when she had to send her troops to war.

Why is Russia, in the harbor of Leningrad, training thousands of men in the construction of passenger ships now plying, some of them, between Leningrad and Southampton? So that she will have those ships ready when the time comes.

Why has Russia paralleled the Trans-Siberian Railway between Moscow and the Pacific at the north? So that she will have a medium through and over which she may move her troops when war comes.

So, Mr. President, disregarding these honeyed words, these words which are music to the ears of a great many people, let us simply look underneath all that and ask the question: If the League of Nations is such a good thing, why are the countries of the world paralleling their railroads? Why are the countries of the world building these big transport ships, said to be passenger ships? Why is the world all the time preparing for war?

Mr. President, do not let the mothers, do not let the fathers, do not let the great masses of this country be deceived by the request made of us to enter the World Court, which will be nothing more or less than an entrance into the League of Nations.

Is that true? Let us see. If the League of Nations were destroyed tomorrow, how long would the World Court stand up? It would not stand up at all.

I am glad I have been permitted the opportunity of giving expression to my sincere thoughts upon this subject. I am glad I shall soon likewise be permitted an opportunity to give expression to my real thoughts by recording myself as being against our entrance into the World Court, so that when the time comes that I go back to my beloved Commonwealth of North Carolina—a great State, made up of a great people who were interested from the very first conception of independence in this country by way of the Mecklenburg declaration of independence, a State which gave liberally of her sons and her money that we might have everlasting peace—those people in North Carolina may know where I voted on this question, may know that I stood with the American people, its sons and its finances, against those abroad who hate us and despise us; and to make this matter sure I ask but this:

A while ago, when I stepped out into the lounge, I read in the paper that a statement had been issued by one of the departments of the Government saying that last year, during the year 1934, 186,000 Americans had crossed the seas for the purpose of touring Europe. I venture unhesitatingly to state that if every one of those 186,000 people who visited over there were called upon to vote his or her convictions as to whether or not we should enter that "court of intrigue," ninety-nine out of one hundred would say "No", because they realize that while abroad they were held in utter contempt and despised by those whom we befriended.

### TENTH CONFERENCE ON THE CAUSE AND CURE OF WAR

Mr. ROBINSON. Mr. President, this afternoon at 3 o'clock, in the absence of the Senator from Nevada [Mr. PITTMAN], Chairman of the Committee on Foreign Relations, there was presented to me a brief resolution which I desire to have read. The resolution was presented by a committee of American women representing, as I am informed, 47 States, and serving as delegates to the Tenth Conference on the Cause and Cure of War.

The resolution was unanimously adopted. It relates to the adherence of the United States to the World Court protocols, a subject which is very near to the hearts of the committee referred to and of the members of the conference mentioned.

I ask that the Secretary read the resolution, and that it be printed and lie upon the table.

Mr. JOHNSON. Mr. President, if the Senator will pardon me, do I understand correctly that the resolution is one of some organization that is meeting here?

Mr. ROBINSON. Eleven organizations.

Mr. JOHNSON. Well, let us say 40; I do not care about the number. I do not inquire as to that.

Mr. ROBINSON. Eleven organizations comprising the Tenth Conference on the Cause and Cure of War. That is the title of the general organization.

Mr. JOHNSON. But that is not an appropriate resolution to be printed and lie upon the table of the Senate, is it? It may be appropriate for reading for propaganda purposes and printing in the RECORD. I have no objection to that.

Mr. ROBINSON. That is all I am asking for.

Mr. JOHNSON. No; I understood the Senator to ask that the resolution be printed and lie upon the table.

Mr. ROBINSON. I have no idea of asking for the adoption of the resolution by the Senate, if that is what the Senator has in mind. I did not ask to have it referred to the Committee on Foreign Relations, because the committee has already acted. I ask that the resolution be read and printed in the RECORD.

Mr. JOHNSON. I have no objection at all to that, any more than to any other propaganda.

The PRESIDING OFFICER (Mr. BURKE in the chair). Without objection, the resolution will be read.

The legislative clerk read as follows:

NATIONAL COMMITTEE ON THE CAUSE AND CURE OF WAR.

Whereas each one of the 11 national organizations comprising the National Committee on the Cause and Cure of War has supported the proposal of American membership in the Permanent Court of International Justice; and

Whereas both dominant political parties have endorsed this action and a wide expression of popular opinion has indicated general advocacy by the people of the United States: Therefore be it

*Resolved*, That the delegates to the Tenth Conference on the Cause and Cure of War urge that the Senate without further delay advise and consent to the adherence by the United States to the protocols of the Permanent Court of International Justice.

CARRIE CHAPMAN CATT,
*Honorary Chairman.*

JANUARY 22, 1935.

Mr. ROBINSON. Mr. President, I have observed that when a resolution expressing the sentiment of a large number of citizens of this country is presented to the Senate, as in the present instance, the Senator from California refers to it as "propaganda." The Senator from California has availed himself of the privilege of submitting recommendations, resolutions, and statements adverse to the proposal to adhere to the World Court. I assume he will admit that such resolutions are just as much propaganda and just as much entitled to be so classified as is the resolution which I have submitted.

Mr. JOHNSON. Of course, Mr. President, it is all propaganda. None of it influences me, and, of course, none of it influences the Senator from Arkansas. It is all of like character. There is no question on that score at all. The only reason why I spoke in reference to the matter is because I thought, through a misapprehension or a misunderstanding, the Senator from Arkansas had suggested a course in reference to it which was utterly different from the course that otherwise would have been pursued.

Mr. ROBINSON. No; I explained to the Senate that, the subject matter being before the Senate, I did not seek to refer the resolution to a committee.

Mr. JOHNSON. Yes; that is all right.

Mr. ROBINSON. I did want the Senate to have the advantage of the information which the resolution contained, and I am happy to have had the privilege of presenting it.

Mr. JOHNSON. I am delighted by it, too.

Mr. ROBINSON. I think we are both delighted, and everything is harmonious.

Mr. JOHNSON. It is always so with me.

### RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 33 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Wednesday, January 23, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate Tuesday, January 22 (legislative day, Jan. 21), 1935*

### TREASURY DEPARTMENT

Josephine A. Roche to be Assistant Secretary of the Treasury.

### THE JUDICIARY

Arthur Roe to be United States attorney, eastern district of Illinois.

### DIPLOMATIC AND FOREIGN SERVICE

C. Porter Kuykendall to be secretary in the Diplomatic Service.

Dorsey Gassaway Fisher to be secretary in the Diplomatic Service.

### POSTMASTERS

#### ALABAMA

Sidney B. Hooper, Albertville.
Felton Collier, Bessemer.
Daniel H. Byrd, Boligee.
Mabel C. Leigh, Brewton.

James B. White, Jr., Centerville.
Bertha M. Beck, Chapman.
Charles E. Niven, Columbiana.
Edmon R. Todd, Courtland.
Thomas A. Smith, Cullman.
Bessie L. Butler, Double Springs.
Maxwell L. Warren, Enterprise.
Clayton C. Baldwin, Fairhope.
Leila P. Adair, Geneva.
Vera G. Howell, Greensboro.
Lelia C. Williamson, Gurley.
George W. Burkart, Hanceville.
Mary F. Ward, Hartford.
Nora B. Wells, Jemison.
Tom Dorroh, Kennedy.
John M. Spruiell, Leeds.
Nathaniel J. Davis, Marion.
Dewey D. Prater, Millport.
Charles R. Cain, Oakman.
William W. Wilson, Oneonta.
Walter H. Wilson, Opelika.
Walter A. Blount, Slocomb.
Ellalee M. Setzer, Uniontown.
Robert C. Montgomery, Warrior.

ARIZONA

Hubert P. Williams, Miami.
William D. Boardman, Payson.

GEORGIA

David F. Bruton, Adel.
Nora L. Smith, Ashburn.
John G. Butler, Blakely.
Norma W. Hawes, Elberton.
John W. Hammond, Griffin.
Morgan Thompson, Hawkinsville.
Rosa L. Lindsey, Irwinton.
Emmie J. Newton, Nahunta.
Lyte R. Tucker (Mrs.), Ocilla.
Thornwell Jacobs, Oglethorpe University.
Otis A. King, Perry.
Mamie E. Fountain, Ray City.
Clyde S. Young, Rebecca.
Gertie B. Gibbs, Ty Ty.
Daniel M. Proctor, Woodbine.

ILLINOIS

Frank J. Zipprich, Kampsville.
Maxime Loy, Maquon.
John T. Donahoe, Morris.
Edward M. Dieter, Naperville.

MAINE

Charles H. Cahill, Bath.

NEW YORK

Anna M. West, Argyle.
Arthur J. Lee, Bellmore.
Mabel L. Cleveland, Bloomville.
Leroy A. Timmerman, Cairo.
George C. Gumaer, Cato.
Alphonzo E. Fitch, Cazenovia.
Harry A. Stolz, Central Park.
Henry N. Prentice, Chenango Forks.
George M. Lamb, Coxsackie.
George H. Lewis, De Ruyter.
Willard S. Brown, Fair Haven.
Frank J. Talbot, Farmingdale.
Euphemia M. Fitter, Far Rockaway.
Joseph A. Doyle, Flushing.
Erma S. Finch, Franklin.
J. Edward Moore, Grand Gorge.
William P. Stevens, Greenville.
Clifford W. Sampson, Harpursville.
W. Armand Downes, Hilton.
Robert A. Dolan, Hunter.
Gilbert W. Rosenquest, Jamaica.
Harry J. Grogan, Luzerne.
Leon B. Wright, Lyndonville.
Charles L. Kelley, Marathon.
Katherine H. Nevil, Marion.
John G. Funch, Merrick.
Claude B. Isbell, Mount Upton.
William E. Merrill, Nichols.
Anna W. Wohlgemuth, Palatine Bridge.
J. Herbert Hutchinson, Pittsford.
Alvah P. Saulpaugh, Red Hook.
William J. Hunt, Rochester.
Anthony J. Radell, Sauquoit.
Perry E. Taylor, Schoharie.
Julian E. McVean, Scottsville.
Franklin L. Sweet, Symrna.
Edward J. Hally, Sonyea.
Carrie B. Baldwin, South Otselic.
J. Lester Kincaid, Spencerport.
Mahlon M. Bomstad, Springwater.
Lewis S. Filkins, Staatsburg.
Mark A. Sweeney, Valley Falls.
Stewart A. Farrar, Warrensburg.
Martin J. Kimmell, Wayland.
Herbert D. Carlton, West Chazy.
James W. Hodge, Wingdale.

NORTH DAKOTA

Mary A. Leavy, Granville.
Carl Solberg, Hatton.
Eivind L. Semling, Hazelton.
Frank S. Hudson, Mandan.

RHODE ISLAND

James V. O'Connell, Washington.

TENNESSEE

Sarah E. Dickey, Mulberry.

## HOUSE OF REPRESENTATIVES

### TUESDAY, JANUARY 22, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, Thou art a Being of Light, Love, and Truth, whose footstool is the whole earth and whose sphere is the infinite universe. In these moments of separation from the tasks that await us, refresh us in the higher joys of a spirit made free. Bestow upon us a blessing that shall be a treasured memory, like the unfaded flower with its unwasted bloom. Heavenly Father, as the National Congress of our fair land, we are bound by the solidarity of duty. Lead us to spread our influence to life and humanity, until our fellow men shall turn sunward faces with happiness and with the comforts of success. Blessed Lord, do Thou most graciously remember the despised and the dejected; quicken every fiber of our being that we may heed the injunction, "Whatsoever ye would that men should do to you, do ye even so to them, for this is the law and the prophets." Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 267. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature; and

S. 859. An act to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes.

The message also announced that the Vice President had appointed Mr. TRAMMELL and Mr. SCHALL members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the

act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments", for the disposition of useless papers in the Post Office Department.

SWEARING IN OF MEMBER

Mr. SEGER appeared at the bar of the House and took the oath of office.

REAR ADMIRAL SAMUEL M'GOWAN

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD concerning the public service of Rear Admiral Samuel McGowan, deceased.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I offer a few remarks concerning the late Rear Admiral Samuel McGowan (retired), of the United States Navy.

Our subject, son of Capt. Homer L. McGowan, who served as captain of the Confederate Army, and Julia Farrow McGowan, was born September 1, 1870, at Laurens, S. C. He attended the public schools of his native community, and later the University of South Carolina, from which institution he was graduated in 1889 with the degree of A. B., and thereafter in 1891 received the degree of LL. B. from said institution, being admitted to the bar in the same year. Subsequently he was engaged in the practice of law, and later joined the reportorial staff of the State, a leading South Carolina newspaper.

On March 15, 1894, he was appointed assistant paymaster of the United States Navy, and his career was marked by efficient service. In 1903 he was promoted to Assistant Paymaster General of the Navy; in 1910, to rear admiral; and in 1914 he was appointed Paymaster General of the Navy. It was in the latter capacity that his services to the Nation were conspicuously valuable. In recognition of such services during the World War, he was retired in 1920 by a special act of Congress.

In 1925 he accepted the position of chief highway commissioner of South Carolina, which position he admirably filled until 1926, when he resigned. Thereafter until his death he was a resident of New York City, manifesting great and active interest in affairs of public nature, and especially in his native city of Laurens, S. C.

On November 11, 1934, while on a visit to Laurens, S. C., his native city, always so dear to him, Admiral McGowan was fatally stricken with a heart attack. His body was interred in the Laurens City Cemetery, alongside the graves of his father and mother, on November 13, 1934.

Admiral McGowan was a man of marked ability, integrity, and dynamic force and possessed great simplicity, that rare attribute which always characterizes the truly great. He acquitted himself from every station in life with honor. Among the decorations conferred upon him were the Distinguished Service Medal of the Navy and the cross of a commander in the French Legion of Honor and the degree of doctor of laws of the University of South Carolina.

No words can more fittingly pay tribute to the character of Admiral McGowan than those offered at his funeral by the Reverend Walter Carl Subke, of the Greenwich Presbyterian Church, New York City, of which he was a regular and devoted attendant, from which I quote as follows:

OUR TRIBUTE TO THE MEMORY OF REAR ADMIRAL SAMUEL M'GOWAN

Here we have gathered a large company of people representing all walks and conditions of life. Distinguished officers from the great Navy of our country are here. Professional men, lawyers, doctors, clergymen, and others are here. Officials of this community, State, and from other parts of our country are among us. The Governor of New York was on the same train bringing our little party here. He had served under our friend during the World War. Though unable to be present, a generous token of his love and esteem is part of this gorgeous floral tribute before us. The President of our country is likewise represented here. Also here are the wives, mothers, husbands, fathers, and children representing all stations of life.

What is the most significant reason for our being here? Is it not that a great man of unusual qualities and of exemplary integrity has traveled over the roads in our hearts? Is that not why all the roads in our hearts have been cleared today so as to be highways of devotion? These highways, these roads, all of them, have led us to the Rome of this great and good man's life.

Are you expecting to hear a eulogy generously employing the rich adjectives descriptive of a great character? Many could be used without violence to sincerity. But he would not have it so. He was a man of deeds more than a man of words. His achievements humble us, for they speak more eloquently of him than any words of ours could do. The most eloquent accounts of them are recorded in our souls. In the solemn silences of our souls we are reverently aware of him who has a glorious immortality there, who is with us there, who will always be with us there. In days ahead there will be times during the rush of life when we will enter those solemn silences of our souls and commune with our friend who has won his right to be there.

How did he win that right? Why have the portals of our souls gladly opened to the strength and power of his rugged personality? Is it because he was glorious in achieving unusual successes in life? Indeed, they are unusual. They are great. Those closest to his life know that. His achievements are among this grateful Nation's records of exemplary services to our country. During the last few days in particular, the newspapers of this State and in many other parts of our country, have listed his many striking achievements of full-souled service. I doubt that there is a man or woman among us who has not eagerly and reverently read these accounts of his great successes. But are we here because of them alone? We are grateful for them, but primarily we are here because of the personality of sound integrity that was expressed through them. In all that he did, this was his motto, "A thing must not only be right, it must look right."

Here, during this hour, at one insistence, the dictates of our grateful hearts have made us ideally democratic. All the differences represented here in social standing and of personal merits have been hushed into the silence of reverence, leaving us just a company of sincerely devoted human beings. All differences in religious convictions represented here have been eclipsed. The memory of his sound religion of practice, the only kind that really matters, has obscured all theological and philosophical differences among us. We are here today in the spiritual fellowship of united and devoted men and women.

Looking into our hearts we know why we are here. I know why I am here. It is why most, if not all, of you are here. One grand word spelled with a capital "F" is why we are here. That word is "friend." Can anything be more eloquent than the word "friend" when one has filled it as full of meaning as this man's life has done? Above everything else, the memory of our friend fills us with gratitude overflowing into one grand chorus of solemn praise for this good man. Many of us know that he lifted the word out of its usage in everyday parlance and placed it into the noble realm where but comparatively few have lifted it.

Jesus found in the word "friend" all of the time-enduring virtues designating the most sacred things of life. When Jesus came to the time to give more of Himself and of His service to those loyal to Him, He said, "I have called you friends." The great Eternal Father of us all conferred the highest honor upon an ancient character when, through an inspired writer, He said, "Abraham, the friend of God." So was our friend in his own rugged way. He was not perfect but he exceeded the perfections of many of the best in the things that really matter. One of his most intimate friends paid him this tribute: "If Jesus had come in the flesh during our friend's lifetime, He would have been welcome in his home."

Many here have had written into their hearts rich treasures of thought from our friend. One of these is simple, yet greater than all the others: "If you want a friend, be one." He was one. That, above every other reason, is why we are here. Ex-President Theodore Roosevelt once wrote to him and said, "How I wish you could be multiplied a few dozen times and scattered impartially throughout both the War and Navy Departments."

Those of us who have known him intimately wish we could have multiplied this man, this soul of sound integrity, into all the departments of our National Government and country. What he has done for his country, was done because he was a great friend to his country. What is a great patriot if not a great friend to his country? What he has done for his kinsfolk was done because he was a great friend to them. Of what significance is a blood relationship if the evidences of a true friend's heart are not present? What he has done for many of us as individuals was done because this friend called us his friends. As a friend he was never superficial or sentimental. He was a sincerely frank friend who could hurt us for our good while yearning to heal us of our weaknesses. When he gave anything, and he gave much, he gave himself with it and that was the greatest thing he has given to us, the thing calling us together, the thing that will remain with us when we leave here. He was a great friend because he was a generous friend. He withheld nothing from his friends save that which was out of accord with the dignity of a man whose integrity was the hard bones of justice made mobile by the surrounding warm flesh and blood of love and affection.

While he was yet with us, could any one of his friends recompense him for what he had done for them? You could never have done it. I know I could never have done it. Jesus once appealed to His followers that their generosity be expressed to those who could never repay the giver. We are among those who could never repay our friend for what he has given to us and to our country. What Jesus said of those who are generous in this way is that in which we all

concur when we think of our friend, Rear Admiral Samuel McGowan. "Thou shalt be blessed; for they cannot recompense thee." Our friend, "Thou shalt be blessed", for we, your friends, "cannot recompense thee."

INDEPENDENT OFFICES APPROPRIATION BILL, 1936

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none and appoints the following conferees: Mr. WOODRUM, Mr. BOYLAN, and Mr. WIGGLESWORTH.

OLD-AGE PENSIONS—5-DAY WEEK, 6-HOUR DAY BILL

Mr. STUBBS. Mr. Speaker, I ask unanimous consent to insert in the Record a couple of brief resolutions passed by the Assembly and the Senate of the State of California relative to old-age pensions and the 5 days of 6 hours each bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STUBBS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following resolutions passed by the Assembly and the Senate of the State of California relative to old-age-pension and the 5 days of 6 hours each bills:

OLD-AGE PENSIONS

STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the transcript, to which this certificate is attached, with the record on file in my office of which it purports to be a copy, and that the same is a full, true, and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 16th day of January 1935.

FRANK C. JORDAN,
*Secretary of State.*
By CHAS. J. HAGERTY,
*Deputy.*

Assembly Joint Resolution 4

Adopted in assembly, January 9, 1935.

ARTHUR A. OHNIMUS,
*Chief Clerk of the Assembly.*

Adopted in Senate January 10, 1935.

J. A. BEEK,
*Secretary of the Senate.*

This resolution was received by the Governor this 15th day of January, A. D. 1935, at 3:45 o'clock p. m.

MARK LEE MEGLADDERY, Jr.,
*Private Secretary of the Governor.*

Chapter 5, relative to memorializing the President and Congress to enact old-age-pension legislation

Whereas the United States has, for the past few years, passed through a most severe period of depression, hardship, and destitution; and

Whereas as a result of said depression many aged persons have seen their savings wiped away after a lifetime of service to our society; and

Whereas many such unfortunate citizens now find themselves destitute and with no hope of supporting themselves or recouping their fortunes because of advanced age; and

Whereas the establishment of a system of old-age security by the payment of pensions to worthy citizens would obviate the need for public charity in this direction and restore self-respect to the persons receiving such assistance, increase purchasing power and economic revival, and carry out the principles of humanitarian social justice upon which our country was founded: Now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California jointly,* That the President and the Congress of the United States are hereby respectfully urged to enact as quickly as possible such suitable legislation as will provide such a national system of old-age pensions and old-age security as will accomplish the purposes above set forth and which will be adequate for a respectable existence; and be it further

*Resolved,* That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Representatives from California are hereby respectfully urged to support such legislation.

EDWARD CRAIG,
*Speaker of the Assembly.*
G. J. HATFIELD,
*President of the Senate.*

Attest:
[SEAL]
FRANK C. JORDAN,
*Secretary of State.*

(Endorsed:) Filed in the office of the secretary of state of the State of California, January 16, 1935, at 10 o'clock a. m.

FRANK C. JORDAN,
*Secretary of State.*
By CHAS. J. HAGERTY,
*Deputy.*

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LABOR

STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the transcript, to which this certificate is attached, with the record on file in my office of which it purports to be a copy, and that the same is a full, true, and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 17th day of January 1935.

[SEAL]
FRANK C. JORDAN,
*Secretary of State.*
By CHAS. J. HAGERTY,
*Deputy.*

Assembly Joint Resolution 9

Adopted in assembly January 11, 1935.

ARTHUR A. OHNIMUS,
*Chief Clerk of the Assembly.*

Adopted in senate January 14, 1935.

J. A. BEEK,
*Secretary of the Senate.*

This resolution was received by the Governor this 17th day of January, A. D. 1935, at 11 o'clock a. m.

MARK LEE MEGLADDERY, Jr.,
*Private Secretary of the Governor.*

Chapter 11: Assembly Joint Resolution 9, relative to memorializing the President and Congress to carefully consider and enact legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary

Whereas there exists not only in our own State of California but also in every State of this great Nation a condition of unemployment, which is depriving millions of our citizens of an opportunity to engage in productive effort; and

Whereas this condition, by destroying the purchasing power of so many citizens, hurts them economically, physically, and morally, and will tend to harm, in the same way, the Nation of which they are a component part; and

Whereas those citizens who are working, by sharing the benefits of steady employment, could aid those citizens less fortunate and, at the same time, enhance their own prosperity and the prosperity of our country: Now, therefore, be it

*Resolved by the Assembly and the Senate of the State of California, jointly,* That the President and the Congress of the United States is hereby respectfully urged to carefully consider and enact legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary; and be it further

*Resolved,* That the Governor of the State of California is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California are hereby respectfully urged to support such legislation.

EDWARD CRAIG,
*Speaker of the Assembly.*
G. J. HATFIELD,
*President of the Senate.*

Attest:
[SEAL]
FRANK C. JORDAN,
*Secretary of State.*

(Endorsed:) Filed in the office of the secretary of state of the State of California, January 17, 1935, at 5 o'clock p. m.

[SEAL]
FRANK C. JORDAN,
*Secretary of State.*
By CHAS. J. HAGERTY,
*Deputy.*

APPROPRIATIONS FOR RELIEF PURPOSES

Mr. O'CONNOR, from the Committee on Rules, submitted the following privileged report (No. 13) for printing in the RECORD:

House Resolution 65

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 117, a joint resolution making appropriations for relief purposes, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be considered as having been read for amendment. No amendment shall be in order to said joint resolution except amendments offered by direction of the Committee on Appropriations, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Appropriations may be offered to any section of the joint resolution at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the joint resolution for amendment the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SNELL. Will the gentleman from New York inform the House when this rule will be presented to the House and what the program will be tomorrow?

Mr. O'CONNOR. It is expected to take up the resolution tomorrow.

Mr. SNELL. The first thing?

Mr. O'CONNOR. That is my understanding.

Mr. SNELL. Then immediately following we will take up consideration of the bill?

Mr. O'CONNOR. We will take up consideration of the House joint resolution making the appropriation.

Mr. SNELL. May we depend on that as being fairly final?

Mr. O'CONNOR. Well, it is at least tentative.

Mr. SNELL. It will depend on how well you can bind them this afternoon.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, FISCAL YEAR 1936

Mr. ARNOLD, from the Committee on Appropriations, reported the bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes, which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. TABER reserved all points of order on the bill.

EXTENSION OF REMARKS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an editorial on Boulder Dam, which appeared in the Washington Herald this morning, written by Arthur Brisbane. I know this is an unusual request, but may I say to the gentleman from Pennsylvania [Mr. RICH], who is on his feet, that I do not often put extraneous matter in the RECORD. However, this is one of the most elucidating and informing discussions of one of the world's greatest projects I have ever read.

Of course, if the gentleman from Pennsylvania wants to do so, he may object; but I certainly hope he and every other Member will read this article if he does object.

Mr. RICH. Mr. Speaker, reserving the right to object, may I say to the gentleman from Mississippi that he has made requests heretofore for matter to be inserted in the RECORD that I believe could be read in the newspapers and not make the CONGRESSIONAL RECORD a newspaper. I can see no reason why the editorial should be inserted in the RECORD, because every Member of Congress who wants to insert extraneous matter in the RECORD does so because of the fact it is important to him. This is only going to fill the RECORD with a lot of newspaper articles. Therefore, Mr. Speaker, I object.

Mr. RANKIN. Will the gentleman withhold that a minute?

Mr. PARKS. Mr. Speaker, I demand the regular order.

Mr. RANKIN. May I say to the distinguished gentleman from Pennsylvania that this editorial is in line with a great national movement by which we are attempting to release the American people from the implacable clutches of the Power Trust that is robbing the people of every State in the Union, including the State of Pennsylvania. The Representatives from the State of Pennsylvania certainly need to read this article. If I cannot get it in the RECORD here, I think I can get it inserted over in the Senate.

Mr. RICH. May I say that Pennsylvania is no worse than Mississippi or any other State in having the Power Trust take away from the people the things that are due them? Pennsylvania people are just as honorable as those from any other State.

Mr. RANKIN. Oh, yes; the people of Pennsylvania are just as honorable as the people of any other State. But that is no excuse for letting the Power Trust plunder them, as is now being done. The people of Pennsylvania are paying, on an average, five times as much per kilowatt-hour for electric lights and power as the people of northeastern Mississippi are paying under the T. V. A. rates.

The SPEAKER. The gentleman from Pennsylvania objects.

PERMISSION TO ADDRESS THE HOUSE

Mr. SHORT. Mr. Speaker, I ask unanimous consent to proceed for 15 minutes.

Mr. COCHRAN. Reserving the right to object, upon what subject?

Mr. SHORT. I desire to address the House on the state of the Union and on the general subject of preserving the situation in general.

Mr. COCHRAN. I am not going to object.

Mr. TAYLOR of Colorado. Mr. Speaker, the Appropriations Committee is ready now to report to the House the annual appropriation bill for the Post Office and Treasury Departments. We have been very liberal up to the present time in allowing a great many speeches, and some of them have been as long as 30 minutes. The patience of the House is becoming strained almost to the breaking point with these speeches, especially the long ones.

Mr. SHORT. Will the gentleman yield?

Mr. TAYLOR of Colorado. Not for the present. I am only announcing and following the course that has been followed by the majority leaders on both that side of the House and this side of the House for many years objecting to long speeches when appropriation bills are before the House and requiring speeches of more than 5 minutes to come in under general debate. Moreover, I feel that gentlemen desiring to make extended speeches should consult the members in charge of the bill on both sides of the aisle and arrange as to the time when they can be recognized for that purpose.

In the consideration of the large annual appropriation bills we are going to have plenty of time for general debate. There is no intention to cut off Members from making speeches, provided they make them during general debate on some 1 of these 10 appropriation bills that are coming along. All Members have such an enormous amount of mail and so much department work heaped up on them that they cannot stay on the floor and listen to long-winded speeches. [Applause.] There is no disposition to be discourteous. But for the purpose of preserving orderly conduct and expediting business on the floor of the House, we must require these long speeches to be delivered under general debate.

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question?

Mr. TAYLOR of Colorado. Yes.

Mr. SNELL. I appreciate the fact that it has been the custom of the House, when we have had appropriation bills pending, to have general debate at that time, but as I understand from the gentleman's former statement this afternoon he proposes to adjourn the House immediately and bring no other business before the House. Under such circumstances, when there is no business before the House, I do not know that it has ever been the policy on this side to cut off any Member who desired a few minutes to make a statement.

Mr. SHORT. I will make it 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. O'CONNOR. I object.

Mr. SNELL. Very well, remember that.

Mr. SHORT. I will remember it as long as I am here.

UNITED STATES LEGATION, HELSINGFORS, FINLAND

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with regard to a bill introduced for an appropriation for the erection of a Legation building at Helsingfors, Finland.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, I am introducing a bill and asking for an appropriation of money for the building of a United States Legation at Helsingfors, Finland, for two principal reasons:

First, because the United States does not have at the present time a legation home in Finland. I am told that the American Minister to Finland has, today, to maintain his official headquarters in Helsingfors on the top floor of a department store. More than once objection has been voiced that the housing facilities in Helsingfors were not only hopelessly inadequate and dissatisfactory but that this very condition was something of a disgrace to the United States. There should be complete agreement with the point that it does not fit well with the dignity, power, and respect of the United States, for that Nation to maintain its representatives abroad in establishments that are devoid of any semblance of comfort and convenience. No one will argue that our foreign representatives should make a show of ostentation or that they should try to impress unduly, or to overawe the nations to which they are accredited, but we will agree that the United States not only should, but must maintain itself with dignity and propriety in all matters. I have information to the effect that at present at least seven nations own their legations in Finland, among them Great Britain, Italy, Russia, Germany, Norway, and Sweden. Surely the United States wishes to maintain itself with the same respect as these.

I have said that our present facilities are not in keeping with the dignity of the United States. More than this, I believe it is something of a mark of disrespect toward Finland for our Nation to maintain its diplomats to Finland in quarters such as we now have. Our representatives to Finland, their deportment, and their establishments are to the people and Government of Finland indicative of the attitude of the United States toward that people and Government.

If we house our diplomats shabbily, it is more difficult than it should be for our representatives to continue the friendly feelings and cooperative spirit that now exist between Finland and the United States.

Relations between the United States and Finland are friendly and cooperative, and this raises the second principal point of my argument.

Of all the nations who were indebted to the United States as a result of conditions growing out of the late war, only one—Finland—has met her payments with promptness and regularity. On May 1, 1923, a funding agreement was negotiated between the United States and Finland setting Finland's indebtedness to the United States at $9,000,000. This was to be paid off in annual installments. It was the same kind of an arrangement worked out with Great Britain and other European countries who were indebted to us, and last December Finland was the only nation to meet the installment on her debt.

This speaks emphatically as to the honor, integrity, and friendship of the nation of Finland. Finland is a small country, so far as territory goes, but the nation is one of the largest in the world when we consider the matter of respect for international obligations.

In spite of all the adversities of the post-war period, and Finland has suffered as have the other nations of the world, she has consistently kept faith with the United States and lived up to her agreement with our Nation. We in the United States appreciate these facts and the building of a respectable legation at Helsingfors would be a tangible expression of good will to a sister republic.

The people of Finland would appreciate this friendly act, for after all it is the people of Finland who have made the payment of her debts possible. Undoubtedly the people of Finland have submitted to heavy taxation and to privation in order that their nation might maintain its integrity inviolate. The people of Finland have the qualities of loyalty, honesty, and consistency of purpose necessary to achieve this end. These qualities are the very essence of good citizenship.

I speak of the Finnish people from a very real acquaintance with them. In the district that I have the honor to represent a large proportion of the population are of this nationality. Finland has sent many of her sons and daughters to the United States. They have made their homes in North Dakota and in Minnesota, where they have become industrious, intelligent, and honest farmers. As I have said, they have come to Michigan, where they have helped to convert wilderness into civilization. They have worked in mines, they have cleared the land of its forests, and farmed. Always they have been pioneers in the true spirit of the American. They have been loyal citizens to our Nation.

Naturally they still remember their homeland. They rejoice at the friendly relations that exist between their new nation and the nation which once they called home. It would be a mark of respect for these people of Finnish nationality in our country as well as a mark of respect for the people and Government of Finland to build a legation to house our diplomats and consular officials at Helsingfors.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MANSFIELD, indefinitely, on account of illness.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I desire to announce to the members of the majority that there will be a caucus at 4 o'clock today in this Chamber.

With this announcement, Mr. Speaker, I move that the House do now adjourn.

The question was taken; and the Speaker announced that the ayes seemed to have it.

Mr. FISH and Mr. SHORT rose.

The SPEAKER. For what purpose does the gentleman from New York rise?

Mr. FISH. Mr. Speaker, I demand the yeas and nays on the motion to adjourn.

The yeas and nays were ordered.

The question was taken; and there were—yeas 280, nays, 108, not voting 42, as follows:

[Roll No. 5]

YEAS—280

| | | | |
|---|---|---|---|
| Adair | Chapman | Dockweiler | Goldsborough |
| Arnold | Citron | Dorsey | Granfield |
| Ashbrook | Claiborne | Doughton | Gray, Ind. |
| Ayers | Clark, N. C. | Doxey | Gray, Pa. |
| Barden | Cochran | Drewry | Green |
| Beam | Coffee | Driscoll | Greenway |
| Beiter | Colden | Driver | Greenwood |
| Bell | Cole, Md. | Duffey, Ohio | Greever |
| Biermann | Colmer | Duffy, N. Y. | Gregory |
| Bland | Connery | Duncan | Griswold |
| Blanton | Cooper, Tenn. | Eagle | Haines |
| Bloom | Corning | Eckert | Hamlin |
| Boland | Costello | Edmiston | Hancock, N. C. |
| Boylan | Cox | Eicher | Harlan |
| Brennan | Cravens | Ellenbogen | Hart |
| Brooks | Crosby | Evans | Healey |
| Brown, Ga. | Cross, Tex. | Faddis | Higgins, Mass. |
| Brunner | Crosser, Ohio | Farley | Hildebrandt |
| Buchanan | Crowe | Ferguson | Hill, Ala. |
| Buck | Cullen | Fernandez | Hill, Knute |
| Buckley, N. Y. | Cummings | Fitzpatrick | Hill, Samuel B. |
| Bulwinkle | Daly | Flannagan | Hobbs |
| Caldwell | Dear | Fletcher | Hoeppel |
| Cannon, Mo. | Deen | Ford, Calif. | Hook |
| Carden | Delaney | Ford, Miss. | Houston |
| Carmichael | Dempsey | Frey | Huddleston |
| Carpenter | DeRouen | Fuller | Igoe |
| Cartwright | Dickstein | Fulmer | Imhoff |
| Casey | Dies | Gassaway | Jacobsen |
| Castellow | Dingell | Gavagan | Jenckes, Ind. |
| Celler | Disney | Gildea | Johnson, Okla. |
| Chandler | Dobbins | Gingery | Johnson, Tex. |

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|---|---|---|---|
| Johnson, W. Va. | Mahon | Quinn | Spence |
| Jones | Maloney | Rabaut | Stack |
| Kee | Martin, Colo. | Ramsay | Starnes |
| Keller | Mason | Ramspeck | Steagall |
| Kelly | Massingale | Randolph | Stubbs |
| Kennedy, Md. | Maverick | Rankin | Sullivan |
| Kennedy, N. Y. | Mead | Rayburn | Sumners, Tex. |
| Kenney | Meeks | Reilly | Sutphin |
| Kerr | Merritt, N. Y. | Richardson | Tarver |
| Kleberg | Miller | Robertson | Taylor, Colo. |
| Kloeb | Mitchell, Ill. | Robinson, Utah | Terry |
| Kniffin | Mitchell, Tenn. | Rogers, N. H. | Thom |
| Kocialkowski | Monaghan | Rogers, Okla. | Thomason |
| Kopplemann | Montet | Rudd | Thompson |
| Kramer | Moran | Russell | Tolan |
| Lambeth | Moritz | Ryan | Tonry |
| Lamneck | Nichols | Sabath | Truax |
| Lanham | O'Brien | Sadowski | Turner |
| Larrabee | O'Connell | Sanders, La. | Umstead |
| Lea, Calif. | O'Connor | Sanders, Tex. | Utterback |
| Lee, Okla. | O'Day | Sandlin | Vinson, Ga. |
| Lesinski | O'Leary | Schaefer | Vinson, Ky. |
| Lewis, Colo. | Oliver | Schuetz | Wallgren |
| Lewis, Md. | O'Malley | Schulte | Walter |
| Luckey | O'Neal | Scott | Warren |
| Ludlow | Owen | Scrugham | Wearin |
| McAndrews | Palmisano | Sears | Werner |
| McClellan | Parks | Secrest | West |
| McCormack | Parsons | Shannon | Whelchel |
| McFarlane | Patman | Sirovich | Whittington |
| McGehee | Patterson | Sisson | Wilcox |
| McGrath | Patton | Smith, Conn. | Williams |
| McGroarty | Pearson | Smith, Va. | Wilson, La. |
| McKeough | Peterson, Fla. | Smith, Wash. | Wood |
| McLaughlin | Peterson, Ga. | Smith, W. Va. | Woodrum |
| McMillan | Pfeifer | Snyder | Young |
| McReynolds | Pierce | Somers, N. Y. | Zimmerman |
| McSwain | Polk | South | Zioncheck |

NAYS—108

| | | | |
|---|---|---|---|
| Allen | Dirksen | Jenkins, Ohio | Reed, N. Y. |
| Amlie | Ditter | Kahn | Rich |
| Andresen | Dondero | Kimball | Robsion, Ky. |
| Andrew, Mass. | Dunn, Pa. | Kinzer | Rogers, Mass. |
| Andrews, N. Y. | Eaton | Knutson | Sauthoff |
| Arends | Ekwall | Kvale | Schneider |
| Bacharach | Engel | Lambertson | Seger |
| Bacon | Englebright | Lehlbach | Short |
| Blackney | Fenerty | Lemke | Snell |
| Boileau | Fish | Lord | Stefan |
| Bolton | Focht | Lundeen | Stewart |
| Brewster | Gearhart | McLean | Taber |
| Buckbee | Gehrmann | McLeod | Taylor, Tenn. |
| Buckler, Minn. | Gifford | Maas | Thomas |
| Burdick | Gilchrist | Mapes | Thurston |
| Burnham | Goodwin | Marcantonio | Tobey |
| Carlson | Guyer | Marshall | Treadway |
| Carter | Gwynne | Martin, Mass. | Turpin |
| Cavicchia | Hancock, N. Y. | Michener | Wadsworth |
| Christianson | Hartley | Millard | Welch |
| Church | Hess | Mott | Wigglesworth |
| Cole, N. Y. | Higgins, Conn. | Perkins | Wilson, Pa. |
| Collins | Hoffman | Pittenger | Withrow |
| Cooper, Ohio | Hollister | Plumley | Wolcott |
| Crawford | Holmes | Powers | Wolfenden |
| Crowther | Hope | Ransley | Wolverton |
| Darrow | Hull | Reed, Ill. | Woodruff |

NOT VOTING—42

| | | | |
|---|---|---|---|
| Berlin | Dietrich | McDuffie | Richards |
| Binderup | Doutrich | Mansfield | Romjue |
| Boehne | Dunn, Miss. | May | Shanley |
| Brown, Mich. | Fiesinger | Merritt, Conn. | Sweeney |
| Burch | Gambrill | Montague | Taylor, S. C. |
| Cannon, Wis. | Gasque | Murdock | Tinkham |
| Cary | Gillette | Nelson | Underwood |
| Clark, Idaho | Harter | Norton | Weaver |
| Cooley | Hennings | Pettengill | White |
| Culkin | Lloyd | Peyser | |
| Darden | Lucas | Reece | |

The Clerk announced the following pairs:

On this vote:

Mr. Mansfield (for) with Mr. Reece (against).
Mr. Romjue (for) with Mr. Doutrich (against).
Mr. McDuffie (for) with Mr. Culkin (against).
Mr. Boehne (for) with Mr. Merritt of Connecticut (against).
Mrs. Norton (for) with Mr. Tinkham (against).

Until further notice:

Mr. Montague with Mr. Shanley.
Mr. Peyser with Mr. Lloyd.
Mr. Gambrill with Mr. Brown of Michigan.
Mr. Fiesinger with Mr. Berlin.
Mr. Weaver with Mr. Gillette.
Mr. Taylor of South Carolina with Mr. Dietrich.
Mr. Sweeney with Mr. Harter.
Mr. Nelson with Mr. McClellan.
Mr. Richards with Mr. Lucas.
Mr. May with Mr. Cooley.
Mr. Darden with Mr. White.
Mr. Cary with Mr. Murdock.
Mr. Gasque with Mr. Cannon of Wisconsin.

So the House decided to adjourn.

Mr. McMILLAN. Mr. Speaker, I desire to announce the absence of my colleague, Mr. RICHARDS, on account of illness.

The result of the vote was announced as above recorded.

ADJOURNMENT

Accordingly (at 12 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Wednesday, January 23, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

160. A letter from the Secretary of War, transmitting draft of a proposed bill to amend the War Department appropriation act relative to the operation of motor-propelled vehicles; to the Committee on Military Affairs.

161. A letter from the Secretary of War, transmitting draft of a proposed bill to amend section 47c, National Defense Act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence; to the Committee on Military Affairs.

162. A letter from the Secretary of War, transmitting draft of a proposed bill to provide further for the maintenance of United States Soldiers' Home; to the Committee on Military Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. O'CONNOR: Committee on Rules. House Resolution 65. Resolution for the consideration of House Joint Resolution 117. A resolution making appropriations for relief purposes; with amendment (Rept. No. 13). Referred to the House Calendar.

Mr. ARNOLD: Committee on Appropriations. H. R. 4442. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes; without amendment (Rept. No. 14.) Referred to the Committee of the Whole House on the state of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GAMBRILL: A bill (H. R. 4440) to provide medical services after retirement on annuity to former employees of the United States disabled by injuries sustained in the performance of their duties; to the Committee on the Judiciary.

By Mr. IGLESIAS: A bill (H. R. 4441) to amend section 38 of the act of March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes"; to the Committee on Insular Affairs.

By Mr. ARNOLD: A bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes; to the Committee on Appropriations.

By Mr. BULWINKLE: A bill (H. R. 4443) to amend section 5e, chapter 8, act of January 22, 1932, as amended; to the Committee on Banking and Currency.

By Mr. FADDIS: A bill (H. R. 4444) to create the Reserve Division of the War Department, and for other purposes; to the Committee on Military Affairs.

By Mr. HILDEBRANDT: A bill (H. R. 4445) to provide for the appointment and promotion of substitute postal employees, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4446) granting to the State of South Dakota for institutional purposes the property known and designated as the "Canton Asylum", Canton, S. Dak.; to the Committee on Indian Affairs.

By Mr. KNUTE HILL: A bill (H. R. 4447) to exempt the mining claims of disabled veterans from the requirements that labor be performed or improvements made on them; to the Committee on Mines and Mining.

By Mr. HOOK: A bill (H. R. 4448) to provide funds for acquisition of a site, erection of buildings and the furnishings thereof, for the use of the diplomatic and consular establishments of the United States at Helsingfors, Finland; to the Committee on Foreign Affairs.

By Mr. LEMKE: A bill (H. R. 4449) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. McCORMACK: A bill (H. R. 4450) to provide for the purchase of the pneumatic mail-tube systems in New York and Boston; to the Committee on the Post Office and Post Roads.

By Mr. McSWAIN: A bill (H. R. 4451) to amend section 1044 of the Revised Statutes to provide a 10-year period of limitations on prosecutions for offenses involving frauds against the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 4452) to regulate the detailing of Army officers to duty in the District of Columbia, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 4453) to prohibit Army officers from rendering outside services for pay or reward in connection with Government contracts, property or business relations, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 4454) to amend the Articles of War to provide a 10-year period of limitations on prosecutions by court martial for offenses involving frauds against the United States; to the Committee on Military Affairs.

Also, a bill (H. R. 4455) to repeal provisions of law authorizing the exchange of Army airplanes and aerial material; to the Committee on Military Affairs.

Also, a bill (H. R. 4456) to provide that the property and accounts covered by property returns of officers of the Government shall be open to inspection by the Comptroller General, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. MITCHELL of Illinois: A bill (H. R. 4457) to assure to persons within the jurisdiction of every State the equal protection of the laws, and to punish the crime of lynching; to the Committee on the Judiciary.

By Mr. PIERCE: A bill (H. R. 4458) to extend the provisions of the Forest Exchange Act to public lands within 6 miles of the boundaries of the Whitman National Forest in the State of Oregon; to the Committee on the Public Lands.

Also, a bill (H. R. 4459) to include within the Deschutes National Forest, in the State of Oregon, certain public lands within the exchange boundaries thereof; to the Committee on the Public Lands.

Also, a bill (H. R. 4460) to add certain lands to the Ochoco National Forest in the State of Oregon; to the Committee on the Public Lands.

By Mr. COLLINS: A bill (H. R. 4461) to secure the payment of the claims of persons employed by contractors upon public works, and the claims of persons who furnished materials, supplies, teams, implements, or machinery used or consumed by such contractors in performance of such works, and for other purposes; to the Committee on the Judiciary.

By Mr. THOMASON: A bill (H. R. 4462) to increase the efficiency of the Veterinary Corps of the Regular Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4463) for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany; to the Committee on Military Affairs.

By Mr. McCORMACK: A bill (H. R. 4464) to amend the act entitled "An act to adjust the compensation of certain employees in the Customs Service", approved May 29, 1928, as amended by the act of December 12, 1930; to the Committee on Ways and Means.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 4465) to reserve certain lands on the public domain in California and Nevada for the use and benefit of Indians of the Fort Mohave Reservation; to the Committee on Indian Affairs.

By Mr. CHAPMAN: A bill (H. R. 4466) to amend the act entitled "An act to provide for the collection and publication of statistics of tobacco by the Department of Agriculture", approved January 14, 1929, as amended; to the Committee on Agriculture.

By Mr. O'CONNOR: Resolution (H. Res. 65) for the consideration of House Joint Resolution 117, a resolution making appropriation for relief purposes; to the Committee on Rules.

By Mr. RANDOLPH: Resolution (H. Res. 66) authorizing and directing the Committee on the District of Columbia of the House to investigate all forms of criminal activity in the District of Columbia; to the Committee on Rules.

By Mr. ELLENBOGEN: Resolution (H. Res. 67) to appoint a select committee of seven to investigate insurance companies and their financial, commercial, and other transactions, and for other purposes; to the Committee on Rules.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nebraska, memorializing Congress to abolish the Federal tax on gasoline; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 4467) granting a pension to Jacob Doup; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4468) granting an increase of pension to Ida M. Stough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4469) granting an increase of pension to Amelia Matheny; to the Committee on Invalid Pensions.

By Mr. ARNOLD: A bill (H. R. 4470) granting an increase of pension to Mary Warman; to the Committee on Invalid Pensions.

By Mr. ANDRESEN: A bill (H. R. 4471) for the relief of Rogowski Bros.; to the Committee on Claims.

By Mr. BULWINKLE: A bill (H. R. 4472) granting a pension to Mary E. Councill; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 4473) for the relief of T. C. Barton; to the Committee on Claims.

By Mr. MASON: A bill (H. R. 4474) to refer the claim of General Textile Corporation against the United States to the Court of Claims for a report on the facts relating to such claim, and for other purposes; to the Committee on the Judiciary.

By Mr. EVANS: A bill (H. R. 4475) for the relief of George S. Van Shaick, as superintendent of insurance of the State of New York, and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

Also, a bill (H. R. 4476) for the relief of George S. Van Shaick as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

Also, a bill (H. R. 4477) for the relief of George S. Van Shaick as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

Also, a bill (H. R. 4478) for the relief of George S. Van Shaick as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

Also, a bill (H. R. 4479) for the relief of George S. Van Shaick as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

Also, a bill (H. R. 4480) for the relief of George S. Van Shaick as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

Also, a bill (H. R. 4481) for the relief of George S. Van Shaick as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co., in liquidation; to the Committee on Claims.

By Mr. FERNANDEZ: A bill (H. R. 4482) granting an honorable discharge to Alex A. Hamrick; to the Committee on Naval Affairs.

By Mr. LEWIS of Maryland: A bill (H. R. 4483) for the relief of Emma G. Judd; to the Committee on Claims.

By Mr. McCORMACK: A bill (H. R. 4484) for the relief of Denis Healy; to the Committee on Naval Affairs.

Also, a bill (H. R. 4485) for the relief of John Patrick Godfrey; to the Committee on Naval Affairs.

By Mr. PEARSON: A bill (H. R. 4486) for the relief of Elmer Eugene Derryberry; to the Committee on Claims.

By Mr. RAMSPECK: A bill (H. R. 4487) granting a pension to Lilla Tarpley Bright; to the Committee on Pensions.

Also, a bill (H. R. 4488) for the relief of Raymond John Wrinn; to the Committee on Naval Affairs.

By Mr. RICH: A bill (H. R. 4489) granting an increase of pension to Martin V. Stanton; to the Committee on Pensions.

Also, a bill (H. R. 4490) granting an increase of pension to Mary A. Minihan; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 4491) granting an increase of pension to Maude Woods; to the Committee on Pensions.

Also, a bill (H. R. 4492) granting a pension to Phema Hubbard; to the Committee on Pensions.

Also, a bill (H. R. 4493) granting an increase of pension to Mary C. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4494) granting an increase of pension to Edward Hail; to the Committee on Pensions.

Also, a bill (H. R. 4495) granting a pension to Joseph Jones; to the Committee on Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 4496) granting a pension to Johnnie M. Mezzel; to the Committee on War Claims.

By Mr. SANDERS of Louisiana: A bill (H. R. 4497) for the relief of Cario Levy McDaniel; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4498) granting a pension to John B. Sewell; to the Committee on Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 4499) granting a pension to Mary J. Cooley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4500) for the relief of Frank Lee Borney; to the Committee on Claims.

By Mr. VINSON of Kentucky: A bill (H. R. 4501) granting a pension to Thomas McGuire; to the Committee on Invalid Pensions.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

319. By Mr. BEITER: Petition of the Senate of the State of New York, asking that the Secretary of Agriculture of the United States be requested to supplement the regulations made by that State pertaining to the production, handling, and marketing of milk within the State by making effective at the earliest possible date such Federal regulations as will place milk produced in other States and marketed within the State of New York under similar regulations to those applied by that State to milk produced within its borders; to the Committee on Agriculture.

320. Also, petition of the Senate of the State of New York, memorializing the United States Congress to consider legislation looking to either taking all profits out of war or putting the business of manufacturing munitions of war solely in the hands of the United States Government; to the Committee on Ways and Means.

321. Also, petition of the Senate of the State of New York, requesting that the Government of the United States, acting through the proper officials, take appropriate action in condemning the tactics of officials of the Mexican Government in carrying on a studied campaign against freedom of religion, the press, the right of assembly, and the freedom of education; to the Committee on Foreign Affairs.

322. Also, petition of the Assembly of the State of New York, respectfully memorializing the Congress of the United States and the Postmaster General of the United States to take appropriate action to the end that the Floyd Bennett Field Airport in the Borough of Brooklyn, State of New York, be designated as an air mail service station for the city of New York and the environs of such city; to the Committee on Military Affairs.

323. By Mr. BUCKLER of Minnesota: Petition of A. P. Schmitz and about 600 other citizens of Perham, Minn., requesting the support and the enactment of old-age-pension legislation; to the Committee on Ways and Means.

324. By Mr. EKWALL: Petition of the City Council of the city of Portland, Oreg., advocating legislation for the immediate payment of the adjusted-compensation certificates; to the Committee on Ways and Means.

325. Also, petition of the Portland Division, No. 201, of the Order of Benefit Association of Railway Employees, advocating enactment of legislation to modify section 4 of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation; to the Committee on Interstate and Foreign Commerce.

326. By Mr. LAMNECK: Petition of John A. McDonald and other citizens of Columbus, Ohio, urging that an adequate appropriation be made to continue the Nye munitions investigation; to the Committee on the Judiciary.

327. By Mr. MARTIN of Massachusetts: Petition of Albertus L. Snow and 39 other residents of Mansfield, Mass., advocating enactment of the Townsend plan of old-age revolving pensions; to the Committee on Labor.

328. By Mr. MASSINGALE: Petition of the Farmers Union of Oklahoma, requesting the Congress to enact into law bills to give farmers the cost of production, refinance farm loans, to establish a bank of the United States, and to revoke what is known as the "gag rule"; to the Committee on Rules.

329. By Mr. PFEIFER: Petition of the Senate of the State of New York, Albany, presenting Senate Resolution No. 22, urging that the Government of the United States take appropriate action in condemning the tactics of such officials of the Mexican Government; to the Committee on Foreign Affairs.

330. Also, petition of Brenner Bros., New York City, urging repeal of the 10-percent excise tax on furs wholesaling at $75; to the Committee on Ways and Means.

331. Also, resolution of supreme council, Knights of Columbus, at a meeting of its supreme board in New York City on January 13, 1935, denouncing the atheistic principles that actuate those in control of the Mexican Government as opposed to religion, morality, justice, and liberty as well as a menace and a peril to the well-being of the people of this Nation; and that unless the evils herein complained of are ended forthwith, diplomatic relations between United States and Mexico be severed; to the Committee on Foreign Affairs.

332. By Mr. RUDD: Petition of the Quad-City Reform Protective Association, Davenport, Iowa, favoring the recommendations of the congressional committee investigating real-estate bond frauds; to the Committee on the Judiciary.

333. Also, petition of Brooklyn Edison Local 102, Brotherhood of Utility Employees of America, Brooklyn, N. Y., favoring the passage of the workers' unemployment and social insurance; to the Committee on Labor.

334. Also, petition of the supreme board of directors of the Knights of Columbus, New York City, in meeting assembled January 13, 1935, regarding conditions in Mexico; to the Committee on Foreign Affairs.

335. Also, memorial of the Senate of the State of New York, memorializing Congress to take appropriate action in condemning the outrageous conduct of certain officials of the Mexican Government in carrying on a studied campaign against freedom of religion, the press, the right of assembly, and the freedom of education; to the Committee on Foreign Affairs.

336. Also, petition of the Woodhaven Democratic Club, Inc., Woodhaven, Long Island, N. Y., Frank A. Visone, secretary, favoring the appropriation of additional funds for the purpose of extending the activities of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

337. Also, petition of the Hollis Post, No. 2247, Veterans of Foreign Wars, concerning the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

338. By Mr. STEFAN: Resolution of the Nebraska House of Representatives, memorializing Congress to eliminate the taxation of gasoline by the Federal Government; to the Committee on Ways and Means.

339. Also, resolution of Nebraska House of Representatives, requesting Federal participation in interstate bridge projects across the Missouri River; to the Committee on Interstate and Foreign Commerce.

340. Also, resolution passed by the Nebraska House of Representatives, memorializing the Congress of the United States, favoring the speedy passage of a bill providing for a Federal old-age pension; to the Committee on Labor.

341. Also, resolution passed by the Nebraska State Senate, on January 14, 1935, regarding the payment of the adjusted-service certificates held by the veterans of the World War; to the Committee on Ways and Means.

342. Also, resolution of the Nebraska House of Representatives, relating to payment of adjusted compensation to veterans of the World War; to the Committee on Ways and Means.

343. Also, resolution adopted by the Farmers Holiday Association of Thurston County, Nebr., asking that with respect to crop-production loans, the cash payment for seed grain be superseded by payment in kind, bushel for bushel, with suitable number of bushels added to cover cost of handling; to the Committee on Agriculture.

344. Also, resolution of Nebraska House of Representatives, relating to a relief program for the State of Nebraska; to the Committee on Appropriations.

345. Also, resolution adopted by the Farmers Holiday Association of Thurston County, Nebr., asking Congress to enact legislation to insure farmers cost of production of major products of farms, plus reasonable profit on what is used for domestic consumption, and that exportable products be sold on the world's best market; to the Committee on Agriculture.

346. By Mr. TRUAX: Petition of General Edward Sigerfoos Post, No. 156, of the American Legion of America, and the Ladies Auxiliary of the General Edward Sigerfoos Post, No. 156, requesting Senator ROBERT J. BULKLEY, Senator VIC DONAHEY, Congressman FRANK L. KLOEB, Congressman-at-large CHARLES V. TRUAX, and Congressman-at-large STEPHEN M. YOUNG, and through them the entire Congress of the United States of America to appropriate the sum of $25,000 for the purpose of the erection of a building or some suitable memorial to the memory of Brig. Gen. Edward Sigerfoos within the limits of the village of Arcanum, Darke County, Ohio; to the Committee on Appropriations.

347. Also, petition of German-American Citizens League of Ohio, requesting Representatives in Congress to use their good office and influence with the immigration authorities in order that the immigration problem be handled less harshly, favoring economic security, out-of-work benefit, old-age pensions, and a 30-hour work week; to the Committee on Labor.

348. Also, petition of Freedom Lodge, No. 153 (Ohio), Iron, Steel, and Tin Workers of North America, by their corresponding representative, E. A. Luster, Zanesville, Ohio, requesting that 10-cent cigarettes be taxed $2.70 per thousand, while 15-cent and other higher priced cigarettes be taxed $3 per thousand; to the Committee on Ways and Means.

349. Also, petition of Order of Benefit Association of Railway Employees, Bellefontaine Division, No. 143, by their secretary, Edward Devine, requesting by their body consisting of 306 railway employees, exclusive of their families, Hon. CHARLES V. TRUAX, Member of Congress from the State of Ohio, to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100) introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

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# SENATE

## WEDNESDAY, JANUARY 23, 1935

*(Legislative day of Monday, Jan. 21, 1935)*

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, January 22, was dispensed with, and the Journal was approved.

### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Johnson | Radcliffe |
| Ashurst | Coolidge | Keyes | Reynolds |
| Austin | Copeland | King | Robinson |
| Bachman | Costigan | La Follette | Russell |
| Bailey | Couzens | Lewis | Schall |
| Bankhead | Cutting | Logan | Schwellenbach |
| Barbour | Davis | Lonergan | Sheppard |
| Barkley | Dickinson | McCarran | Shipstead |
| Bilbo | Dieterich | McGill | Smith |
| Black | Donahey | McNary | Steiwer |
| Bone | Duffy | Maloney | Thomas, Okla. |
| Borah | Fletcher | Metcalf | Thomas, Utah |
| Brown | Frazier | Minton | Townsend |
| Bulkley | Gerry | Moore | Trammell |
| Bulow | Glass | Murphy | Truman |
| Burke | Gore | Murray | Vandenberg |
| Byrd | Guffey | Neely | Van Nuys |
| Byrnes | Hale | Norris | Wagner |
| Capper | Harrison | Nye | Walsh |
| Caraway | Hastings | O'Mahoney | Wheeler |
| Carey | Hatch | Pittman | |
| Clark | Hayden | Pope | |

Mr. AUSTIN. I wish to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on business of the Senate and that the Senator from Maine [Mr. WHITE] and the Senator from South Dakota [Mr. NORBECK] are necessarily absent. I ask that this announcement stand for the day.

Mr. LEWIS. I advise the Senate of the absence of the Senator from Georgia [Mr. GEORGE] and the junior Senator from Louisiana [Mr. OVERTON], caused by illness; of the absence of the senior Senator from Louisiana [Mr. LONG], who is detained on official business in Louisiana; and of the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] in connection with the Philippine Commission, they not having as yet returned.

The VICE PRESIDENT. Eighty-six Senators having answered to their names, a quorum is present.

### EXECUTIVE REPORTS OF A COMMITTEE

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters, which were ordered to be placed on the Executive Calendar.

During the executive session the following legislative business was transacted by unanimous consent:

### BOARD OF REGENTS OF THE SMITHSONIAN INSTITUTION

The VICE PRESIDENT. In accordance with the provisions of title 20, chapter 3, section 43, United States Code, the Chair appoints the Senator from Oregon [Mr. MCNARY] a

Regent of the Smithsonian Institution, to fill the vacancy caused by the expiration of the term of service of Hon. David A. Reed.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Finance:

Assembly Joint Resolution 1, relative to memorializing Congress to enact proposed legislation directing immediate payment of the adjusted-service certificates of sailors and soldiers of the World War

Whereas a period of depression exists in the State of California, throughout the United States, and the world; and

Whereas the immediate cash payment of the adjusted-service certificates of the sailors and soldiers of the World War, some of whom are in dire need owing to the present economic conditions, will alleviate suffering and increase tremendously the purchasing power of millions of the consuming public, distributed uniformly throughout the Nation, and lighten immeasurably the burden which States, counties, and cities are now required to carry for relief; and

Whereas the payment of such certificates will not create any additional debt, but will discharge and retire an acknowledged contract obligation of the Government; and

Whereas the Government of the United States is now definitely committed to a policy of spending large sums of money for the purposes of hastening recovery from the present economic crisis: Now, therefore, be it

*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California most respectfully urges and petitions the President and the Congress of the United States to enact legislation for the immediate payment, at face value, of the adjusted-service certificates; and be it further

*Resolved,* That the chief clerk of the assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California be urged to support such legislation.

The VICE PRESIDENT also laid before the Senate resolutions adopted by a money institute, representing three cooperating churches of the community, held in Davison, Mich., under the auspices of the American Science Foundation, favoring enactment of legislation taking away from banks now organized and to be hereafter organized for private profit the privilege of issuing money, which were referred to the Committee on Banking and Currency.

He also laid before the Senate the memorial of Clair Pahl and several other members of the National Union for Social Justice, of Edgerton, Ohio, remonstrating against the ratification of the World Court protocols, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the United Irish Societies, an organization composed of officers of Irish Societies of Brooklyn and Long Island, N. Y., opposing the ratification of the World Court protocols, which was ordered to lie on the table.

Mr. CAPPER presented a resolution adopted by the Twentieth Kansas Infantry Association, assembled at Topeka, Kans., favoring the enactment of legislation providing for the deportation of aliens as a means of alleviating the unemployment situation, which was referred to the Committee on Immigration.

Mr. COPELAND presented a resolution adopted by members of the Caledonia-Mumford Lions Club, of Caledonia, N. Y., favoring prompt action by the Government to prevent the further spread of the Dutch elm disease as being a menace to the American elm, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Manufacturers Association, of Syracuse, N. Y., opposing the enactment of legislation providing a 6-hour day and a 5-day week for labor, with the same rate of pay per week as now obtains, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the National Institute of Arts and Letters, New York City, N. Y., favoring the prompt ratification of the pending copyright convention, so as to admit American producers of copyrightable property to the security of all the countries represented in the Berne Union, which was referred to the Committee on Foreign Relations.

He also presented resolutions adopted by A. A. Harris Council, No. 66, Junior Order United American Mechanics, of Amagansett, N. Y., favoring enactment of legislation requiring aliens seeking asylum in the United States to declare their intention of becoming citizens and to register with the proper Government official every 6 months, and at the end of 5 years and 6 months, if they have failed to become citizens, to be deported, which were referred to the Committee on Immigration.

He also presented resolutions adopted by Rochester (N. Y.) Division, No. 149, Order of Benefit Association of Railway Employees, favoring enactment of legislation to modify the fourth section of the Interstate Commerce Act so as to permit the railroads to compete with unregulated forms of transportation, which were referred to the Committee on Interstate Commerce.

He also presented a letter from Frank Cooper, judge of the United States District Court for the Northern District of New York, Albany, N. Y., relative to and favoring the ratification of the World Court protocols, which was ordered to lie on the table.

He also presented a newspaper article from the Block papers of Monday, January 21, 1935, entitled "Join the World Court—Another Experiment", opposing the ratification of the World Court protocols, which was ordered to lie on the table.

REPORTS OF COMMITTEES

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years; to authorize loans or renewals or extensions to mature not later than January 31, 1945; to empower the Corporation to buy railroad obligations, with the approval of the Interstate Commerce Commission, in aid of railroad reorganization and in certain other circumstances; to empower the Corporation (a) to aid the mortgage situation generally by the purchase of nonassessable stock in mortgage-loan companies and similar financial institutions, and to authorize the sale of stock, capital notes, or debentures purchased by the Corporation; and (b) to purchase any portion of the assets of closed banks under certain conditions; to increase the authorized investments in preferred stock and capital notes of insurance companies, or loans thereon, from $50,000,000 to $75,000,000; to continue the Commodity Credit Corporation and the Export-Import Banks of Washington, D. C., as agencies of the United States; and for other purposes, reported it with amendments and submitted a report (No. 21) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the joint resolution (H. J. Res. 112) to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended, reported it without amendment and submitted a report (No. 22) thereon.

SURVEY OF LAND AND WATER POLICIES AND PROJECTS

Mr. O'MAHONEY, from the Committee on Irrigation and Reclamation, to which was referred the resolution (S. Res. 58) authorizing a survey of all land and water policies and projects of the various executive agencies and establishments of the Government, reported it with amendments, submitted a report (No. 23) thereon, and moved that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate, which motion was agreed to.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 1374) authorizing the survey, location, and construction of a highway to connect the northwestern part of continental United States with British Columbia, Yukon Territory, and the Territory of Alaska; to the Committee on Foreign Relations.

By Mr. COPELAND:

A bill (S. 1375) to amend the penal laws of the United States; to the Committee on the Judiciary.

A bill (S. 1376) authorizing the Secretary of War to convey Miller Field, Staten Island, N. Y., to the city of New York; to the Committee on Military Affairs.

A bill (S. 1377) granting a pension to Maud King Priest; to the Committee on Pensions.

By Mr. ASHURST:

A bill (S. 1378) authorizing the construction of a dam on the San Pedro River, Ariz.; to the Committee on Irrigation and Reclamation.

(By request.) A bill (S. 1379) to amend section 103 of the Code of Criminal Procedure for the Canal Zone and section 542 of the Code of Civil Procedure for the Canal Zone;

(By request.) A bill (S. 1380) to regulate the defense of alibi in criminal cases;

(By request.) A bill (S. 1381) to amend the act approved February 13, 1925, entitled "An act to amend the Judicial Code and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes";

(By request.) (A bill (S. 1382) to provide for the taking of depositions in criminal proceedings, and for other purposes; and

(By request.) A bill (S. 1383) to amend an act entitled "An act to make persons charged with crimes and offenses competent witnesses in United States and Territorial courts", approved March 16, 1878; to the Committee on the Judiciary.

(Mr. FLETCHER introduced Senate bill 1384, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. REYNOLDS:

A bill (S. 1385) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Lindian J. Swaim; to the Committee on Claims.

By Mr. SCHWELLENBACH:

A bill (S. 1386) for the relief of Duke E. Stubbs and Elizabeth S. Stubbs, husband and wife, both of McKinley Park, Alaska; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 1387) granting compensation to Philip R. Roby; to the Committee on Finance.

A bill (S. 1388) to authorize the Secretary of the Treasury to purchase the building in Boston, Mass., under lease for garage purposes to the Post Office Department; to the Committee on Public Buildings and Grounds.

By Mr. BANKHEAD:

A bill (S. 1389) to amend section 7, title 1, of the Agricultural Adjustment Act (Public, No. 10, 73d Cong., 48 Stat. 31 (1933), 7 U. S. C., art. 601 et seq., as amended by sec. 221 of the National Industrial Recovery Act, Public, No. 67, 73d Cong., 48 Stat. 210, 15 U. S. C., art. 607), so as to eliminate from said section as amended the limitation of time allowed to the Secretary of Agriculture for disposing of all cotton held by him, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. NEELY:

A bill (S. 1390) for the relief of Harry L. Reaves; to the Committee on Military Affairs.

AMENDMENT OF EMERGENCY FARM MORTGAGE ACT, ETC.

Mr. FLETCHER. As in legislative session, and by unanimous consent, I introduce a bill to amend the Emergency Farm Mortgage Act of 1933, and so forth. I ask consent to have the bill, together with a brief digest of its provisions, printed in the RECORD and referred to the Committee on Banking and Currency.

There being no objection, the bill (S. 1384) to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes, was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

A bill to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes.

*Be it enacted, etc.*, That this act may be cited as the "Farm Credit Act of 1935."

SEC. 2. (a) Section 32 of the Emergency Farm Mortgage Act of 1933, as amended (U. S. C., Supp. VII, title 12, sec. 1016), is further amended by striking out of the third sentence the following: "and made for the purpose of reducing and refinancing an existing mortgage."

(b) Such section 32, as amended, is further amended by striking out the fifth sentence and inserting in lieu thereof the following: "Loans may be made under this section for any of the purposes for which Federal land banks are authorized by law to make loans, and for the following additional purpose, and none other: Refinancing, either in connection with proceedings under chapter 8 of the Bankruptcy Act of July 1, 1898, as amended, or otherwise, any indebtedness, secured or unsecured, of the farmer, or which is secured by a lien on all or any part of the farm property accepted as security for the loan."

(c) Such section 32, as amended, is further amended by striking out the seventh sentence and inserting in lieu thereof the following: "As used in this section, the term 'farmer' means any individual who is at the time, or shortly to become, bona fide engaged in farming operations, either personally or through an agent or tenant, or the principal part of whose income is derived from farming operations, and includes a personal representative of a deceased farmer."

(d) Such section 32, as amended, is further amended by striking out the eighth and ninth sentences and inserting in lieu thereof the following: "Until February 1, 1940, the Land Bank Commissioner shall, in his name, make loans under this section on behalf of the Federal Farm Mortgage Corporation, either in cash or in bonds of the Corporation at his election, or, at the option of the borrower, in consolidated farm-loan bonds; but no such loans shall be made by him after February 1, 1940, except for the purpose of refinancing loans previously made by him under this section. As much as may be necessary of the assets of the Corporation, including the bonds (and proceeds thereof) issued under section 4 of the Federal Farm Mortgage Corporation Act, may be used for the purposes of this section."

(e) Such section 32, as amended, is further amended by inserting at the end thereof the following: "Any Federal land bank, when duly authorized by the Land Bank Commissioner and the Federal Farm Mortgage Corporation, shall have the power to execute any instrument relating to any mortgage taken to secure a loan made or to be made under this section, or relating to any property included in any such mortgage, or relating to any property acquired by the Land Bank Commissioner and/or the Federal Farm Mortgage Corporation. Any such instrument heretofore or hereafter executed on behalf of the Land Bank Commissioner and/or the Federal Farm Mortgage Corporation by a Federal land bank, through its duly authorized officers, shall be conclusively presumed to have been duly authorized by the Land Bank Commissioner and the Federal Farm Mortgage Corporation."

SEC. 3. The third sentence of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 771), is amended by striking out that portion of the sentence following the semicolon and inserting in lieu thereof the following: "but in any case in which the Land Bank Commissioner finds that the amount of interest payable by such bank during any quarter subsequent to December 31, 1934, has been reduced by reason of the refinancing of bonds subsequent to June 30, 1934, the amount of the reduction so found shall be deducted from the amount payable to such bank for such quarter under this paragraph."

SEC. 4. The fourth sentence of section 24 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 913), is further amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: *"Provided,* That the declaration and payment of any such dividend shall be subject to the approval of the Land Bank Commissioner."

SEC. 5. (a) Paragraph (1) of subsection (a) of section 202 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 1031), is further amended by striking out that portion of the paragraph which follows the second semicolon and inserting in lieu thereof the following: "and to discount for, or purchase from, any production credit association or bank for cooperatives organized under the Farm Credit Act of 1933, or any production credit association in which a production credit corporation organized under such act holds stock, with its endorsement, any note, draft, bill of exchange, debenture, or other such obligation presented by such association or bank, and to make loans and advances direct to any such association or bank secured by such collateral as may be approved by the Governor of the Farm Credit Administration."

(b) Paragraph (3) of subsection (a) of such section 202, as amended, is further amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "at such rates of commission as may be approved by the Governor of the Farm Credit Administration."

(c) Subsection (d) of such section 202, as amended (U. S. C., Supp. VII, title 12, sec. 1034), is hereby repealed.

SEC. 6. (a) Subsection (a) of section 203 of the Federal Farm Loan Act (U. S. C., title 12, sec. 1041), is amended by striking out the proviso and inserting in lieu thereof the following:

"*Provided*, That the aggregate amount of the outstanding debentures and similar obligations issued individually by any Federal intermediate credit bank, together with the amount of outstanding consolidated debentures issued for its benefit and account, shall not exceed 10 times the surplus and paid-in capital of such bank."

(b) Such section 203 (U. S. C., title 12, secs. 1041–1043) is further amended by adding at the end thereof the following new subsections:

"(d) Whenever it shall appear desirable to issue consolidated debentures of the 12 Federal intermediate credit banks and to sell them through a common selling agency, and the Federal intermediate credit banks shall, by resolutions, consent to the same, the banks may issue and sell said debentures subject to the provisions of this section and the provisions of section 21 of title I of this act, insofar as applicable. As used in this act, the term 'debentures' includes such consolidated debentures."

"(e) All debentures issued by Federal intermediate credit banks shall be lawful investments and may be accepted as security, for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or of any officer or officers thereof."

SEC. 7. Subsection (a) of section 204 of the Federal Farm Loan Act, as amended (U. S. C., Supp. VII, title 12, sec. 1051), is further amended to read as follows:

"(a) Any Federal intermediate credit bank may, with the approval of the Intermediate Credit Commissioner, from time to time establish rates of discount and interest which, except with the approval of the Governor of the Farm Credit Administration, shall not exceed by more than 1 percent per annum the rate borne by the last preceding issue of debentures which it issued or in which it participated. Any Federal intermediate credit bank may be required by the Governor of the Farm Credit Administration to acquire, upon such terms as he may approve, loans and/or discounts of any other Federal intermediate credit bank."

SEC. 8. Section 208 of the Federal Farm Loan Act (U. S. C., title 12, secs. 1091–1094) is amended by adding at the end thereof the following new subsection:

"(e) The executive departments, boards, commissions, and independent establishments of the Government, the Reconstruction Finance Corporation, the Federal Deposit Insurance Corporation, the Federal Reserve Board, and the Federal Reserve banks are severally authorized, under such conditions as they may prescribe, to make available to any Federal intermediate credit bank, in confidence, upon the request of the Governor of the Farm Credit Administration, such reports, records, or other information as they may have available relating to the condition of any institution to which a Federal intermediate credit bank has made, or contemplates making, loans, or which it is using, or contemplates using, as a custodian of securities or other credit instruments or as a depositary."

SEC. 9. Paragraph (2) of subsection (a) of section 7 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141e), is further amended to read as follows:

"(2) The construction or acquisition by purchase or lease, or refinancing the cost of such construction or acquisition, of physical facilities."

SEC. 10. Paragraph (1) of subsection (c) of section 7 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141e), is further amended to read as follows:

"(1) No loan shall be made in an amount in excess of 60 percent of the appraised value of the security therefor."

SEC. 11. Subsection (a) of section 8 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141f), is further amended to read as follows:

"(a) Loans to any cooperative association shall bear such rates of interest as the Governor of the Farm Credit Administration shall from time to time determine to be necessary for the needs of the lending agencies and shall by regulation prescribe (but in no case shall the rate of interest exceed 6 percent per annum on the unpaid principal): *Provided, however*, That the rate of interest on any loan made under the provisions of section 7 (a) (1) hereof, other than upon the security of commodities, shall conform as nearly as may be practicable to a rate of 1 percent in excess of the prevailing interest rate paid by production credit associations to the Federal intermediate credit bank of the land-bank district in which the principal business office of the borrower is located; and that the rate of interest on any loan made under the provisions of section 7 (a) (2) hereof shall conform as nearly as may be practicable to the prevailing rate on mortgage loans made to members of national farm-loan associations."

SEC. 12. Subsection (a) of section 15 of the Agricultural Marketing Act, as amended (U. S. C., Supp. VII, title 12, sec. 1141j), is further amended to read as follows:

"(a) As used in this act, the term 'cooperative association' means any association in which farmers act together in processing, preparing for market, handling, and/or marketing the farm products of persons so engaged, and also means any association in which farmers act together in purchasing, testing, grading, processing, distributing and/or furnishing farm supplies and/or farm business services: *Provided, however*, That such associations are operated for the mutual benefit of the members thereof as such producers or purchasers and conform to one or both of the following requirements:

"First. That no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein; and

"Second. That the association does not pay dividends on stock or membership capital in excess of 8 percent per annum.

"And in any case to the following:

"Third. That the association shall not deal in farm products, farm supplies, and farm business services with or for nonmembers in an amount greater in value than the total amount of such business transacted by it with or for members. All business transacted by any cooperative association for or on behalf of the United States or any agency or instrumentality thereof shall be disregarded in determining the volume of member and nonmember business transacted by such association."

SEC. 13. Section 34 of the Farm Credit Act of 1933 is amended to read as follows:

"SEC. 34. Subject to such terms and conditions as may be prescribed by the chairman of its board of directors, the central bank is authorized: (a) To make loans to cooperative associations, as defined in the Agricultural Marketing Act, as amended, for any of the purposes and subject to the conditions and limitations set forth in such act, as amended; (b) to make loans (by way of discount or otherwise) to banks for cooperatives organized under section 2 of this act; (c) to buy from, and sell to, any such bank or any Federal intermediate credit bank any note, draft, bill of exchange, debenture, or other obligation; and (d) to borrow from, and discount or rediscount paper with, any and all such banks."

SEC. 14. Section 41 of the Farm Credit Act of 1933 (U. S. C., Supp. VII, title 12, sec. 1134c) is amended to read as follows:

"SEC. 41. Subject to such terms and conditions as may be prescribed by the Governor, the banks for cooperatives are authorized: (a) To make loans to cooperative associations as defined in the Agricultural Marketing Act, as amended, for any of the purposes and subject to the conditions and limitations set forth in such act, as amended; (b) to make loans (by way of discount or otherwise) to any bank organized under this act; (c) to buy from, and sell to, any such bank or any Federal intermediate credit bank any note, draft, bill of exchange, debenture, or other obligation; and (d) to borrow from, and discount or rediscount paper with, any and all such banks."

SEC. 15. (a) The first sentence of subsection (a) of section 35 of the Farm Credit Act of 1933 (U. S. C., Supp. VII, title 12, sec. 1134k) is amended by striking out the period at the end and inserting in lieu thereof a comma and the following: "except that, in connection with any loan made on the security of commodities, the borrower shall be required to own, at the time the loan is made, only such amount of stock as may be prescribed by rules and regulations of the Governor."

(b) Subsection (a) of such section 35 is further amended by striking out the second sentence and inserting in lieu thereof the following: "Upon discharge of the loan, stock held by the borrowing association may be, and upon the concurrent or subsequent request of the borrowing association shall be, retired and canceled, and the association shall be paid therefor an amount equal to the amount paid for such stock or loaned to subscriber therefor, as the case may be, minus the pro rata impairment, if any, of capital and guaranty fund of the central bank, as determined by the chairman of the board of the central bank."

(c) Such section 35 is further amended by adding at the end thereof the following new subsection:

"(c) In any case where the debt of a borrower to the central bank is in default, the bank may, in accordance with rules and regulations prescribed by the Governor, retire and cancel all or a part of the stock of the defaulting borrower at the fair book value thereof (not exceeding par), in total or partial liquidation of the debt, as the case may be."

SEC. 16. Section 66 of the Farm Credit Act of 1933 (U. S. C., Supp. VII, title 12, sec. 1138f) is amended by inserting after the word "paid" in the first sentence thereof the following: "by any such bank, corporation, or association."

SEC. 17. (a) The first sentence of subsection (a) of section 30 of the Emergency Farm Mortgage Act of 1933 is amended by striking out the words "2 years" and inserting in lieu thereof the words "4 years."

(b) The fourth sentence of subsection (b) of such section 30 is amended:

(1) By striking out the words "occurring more than 60 days after the date of enactment of this act"; and

(2) By striking out the words "a period of 2 years from the date of enactment of this act" and inserting in lieu thereof the following: "a period of 2 years from the date of the enactment of the Farm Credit Act of 1935."

SEC. 18. (a) The first sentence of subsection (a) of section 31 of the Emergency Farm Mortgage Act of 1933 is amended by striking out the words "for 2 years from the date of the enactment of this act" and inserting in lieu thereof a comma and the following: "until May 13, 1937."

(b) Subsection (b) of such section 31 is amended by striking out the words "such 2-year period" and inserting in lieu thereof the following: "the period of postponement."

SEC. 19. (a) If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

(b) The right to alter, amend, or repeal this act is hereby expressly reserved.

The accompanying digest of Senate bill 1384 was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

DIGEST OF AMENDMENTS CONTAINED IN PROPOSED FARM CREDIT ACT OF 1935

Section 1: Provides short title for the act.

Section 2: Amends section 32 of the Emergency Farm Mortgage Act.

Paragraph (a), by eliminating the phrase "and made for the purpose of reducing and refinancing an existing mortgage", will authorize the Commissioner to make loans with maturities exceeding 13 years, where secured wholly by first or second liens on real property.

Paragraph (b) will authorize the Land Bank Commissioner to make loans for the purpose of financing the purchase of farm property, and the construction, alteration, etc., of farm buildings and other improvements.

Paragraph (c) will make the definition of the term "farmer" in the Emergency Farm Mortgage Act of 1933 identical with the definition of that term in the Federal Farm Loan Act.

Paragraph (d) has three purposes: (1) To extend until February 1, 1940, the time within which loans can be made by the Land Bank Commissioner; (2) to remove the present $600,000,000 limitation on the amount of bonds of the Federal Farm Mortgage Corporation which may be used in making such loans; and (3) to permit such loans to be made, at the option of the borrower, in consolidated farm-loan bonds.

Paragraph (e) will facilitate execution, by the Federal land banks, of releases and similar instruments affecting Land Bank Commissioner mortgages.

Section 3: Amends section 12 of the Federal Farm Loan Act.

Will reduce the amount of interest reimbursement payments which the Secretary of the Treasury is directed by law to make to each Federal land bank, by the amount of savings in interest payable by the bank for any quarter after December 31, 1934, resulting through the refunding of outstanding bonds accomplished subsequent to June 30, 1934.

Section 4: Amends section 24 of the Federal Farm Loan Act.

Will subject the payment of dividends by national farm-loan associations to the approval of the Land Bank Commissioner.

Section 5: Amends section 202 of the Federal Farm Loan Act.

Paragraph (a) will enlarge the authority of the Federal intermediate credit banks to include the discounting of paper for banks for cooperatives and the making of loans to such banks.

Paragraph (b) will authorize Federal intermediate credit banks to charge commissions for accepting drafts and bills of exchange.

Paragraph (c) will repeal subsection (d) of section 202, substituted provisions being embodied in section 7 of this bill.

Section 6: Amends section 203 of the Federal Farm Loan Act.

Paragraphs (a) and (b) will authorize the issuance of consolidated debentures by the Federal intermediate credit banks, and will make all Federal intermediate credit bank debentures legally acceptable as lawful investments and security for all fiduciary, trust, and public funds held under the authority or control of officers of the United States.

Section 7: Amends section 204 of the Federal Farm Loan Act.

Provides that rates of discount and interest charged by any Federal intermediate credit bank shall be subject to approval by the Intermediate Credit Commissioner; and that, except with the approval of the Governor, the rates shall not exceed by more than 1 percent per annum the rate borne by the last preceding issue of debentures which the bank issued or in which it participated.

Section 8: Amends section 208 of the Federal Farm Loan Act.

Will authorize various Government departments, boards, commissions, independent establishments, the Reconstruction Finance Corporation, the Federal Reserve Board, and the Federal Reserve banks, upon request of the Governor, to furnish certain confidential information to any Federal intermediate credit bank.

Section 9: Amends section 7 of the Agricultural Marketing Act.

Will broaden the present authority of the Governor and the banks for cooperatives, with respect to the making of physical-facility loans to eligible farmers' cooperative associations, to include loans for physical facilities for all cooperative purposes.

Section 10: Amends section 7 of the Agricultural Marketing Act.

Will permit any physical-facility loan to be made in an amount not exceeding 60 percent of the appraised value of the security.

Section 11: Amends section 8 of the Agricultural Marketing Act.

Will enable the Governor to permit loans on the security of commodities to be made at rates of interest lower than 1 percent in excess of the discount rate of the Federal intermediate credit banks.

Section 12: Amends section 15 of the Agricultural Marketing Act.

Will clarify the definition of cooperative associations eligible to borrow from the Governor and from the banks for cooperatives; will broaden such definition to include cooperative associations in which farmers act together in furnishing farm business services; and will enable the Government and governmental agencies to use the facilities of large cooperative purchasing and marketing associations without jeopardizing their status under the Capper-Volstead Act and the Agricultural Marketing Act.

Sections 13 and 14: Amend sections 34 and 41 of the Farm Credit Act of 1933.

Will authorize each bank for cooperatives to borrow from and to buy, sell, or discount paper with any Federal intermediate credit bank and other banks for cooperatives.

Section 15: Amends sections 35 of the Farm Credit Act of 1933.

Paragraph (a) will authorize the Governor to except from the stock-ownership requirements of section 35 (a) borrowers from the banks for cooperatives whose loans are secured by commodities.

Paragraph (b) will authorize each bank for cooperatives to permit the retention of stock in the bank by borrowers who have discharged their loans.

Paragraph (c) will give each bank for cooperatives the authority to realize, in partial or total liquidation of indebtedness, upon the stock of such bank held by defaulting borrowers.

Section 16: Amends section 66 of the Farm Credit Act of 1933.

Will make the present limitation on compensation which may be received by any officer or employee of a production credit corporation or association or bank for cooperatives, applicable only to the compensation paid by him by such institution, and thus will permit any such institution to participate in the payment of a salary in excess of $10,000 per annum to the general agent, who serves as a coordinating officer and is the joint employee of the four major district institutions.

Section 17: Amends section 30 of the Emergency Farm Mortgage Act.

Will extend until May 12, 1937, the time within which the land bank commissioner may make loans to joint-stock land banks for their orderly liquidation; will provide that no such loan shall be made unless the bank agrees that the required reduction to 5 percent in the rate of interest to be paid by its borrowers shall be effective on the next regular installment dates; and will provide that the required forbearance from foreclosure of mortgages for default in the payment of interest or principal shall extend for a period of 2 years from the effective date of this amendment.

Section 18: Amends section 31 of the Emergency Farm Mortgage Act.

Will extend for 2 years the period within which the land bank commissioner may make loans to any joint-stock land bank for the purpose of securing the postponement of the foreclosure of first mortgages during that period, except with the specific approval of the commissioner, and except in cases where the property covered by the mortgage is abandoned.

Section 19:

Contains the usual constitutional saving clause, and expressly reserves to Congress the right to alter, amend, or repeal the act.

## WITHDRAWAL OF RECOGNITION OF THE GOVERNMENT OF SOVIET RUSSIA

Mr. BARBOUR submitted the following concurrent resolution (S. Con. Res. 7), which was referred to the Committee on Foreign Relations:

*Resolved by the Senate (the House of Representatives concurring)*, That it is the sense of the Senate and House of Representatives of the United States that the diplomatic recognition by the Government of the United States of America of the Union of Soviet Socialist Republics should be withdrawn.

## ECONOMIC CONDITIONS—ADDRESS BY SENATOR LONG

Mr. FRAZIER. Mr. President, I ask unanimous consent to have printed in the RECORD a radio address delivered by Senator HUEY P. LONG, of Louisiana, over the network of the National Broadcasting Co., of Washington, D. C., on January 19 last.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### OUR GROWING CALAMITY

Ladies and gentlemen, the only means by which any practical relief may be given to the people is in taking the money with which to give such relief from the big fortunes at the top. The common people haven't anything worth having; and when you put a tax that falls on them for the purpose of unemployment relief or for old-age pensions, or for anything else, you are giving nobody any relief, because you are taxing the same people who have nothing, on the pretense that you are going to give it back to them. And as a matter of fact, it all never does get back, but much of it would remain in the hands of these Washington bureaucrats and politicians.

Now, we have been clamoring for a number of relief measures. Among them was the old-age pension. We did not propose any unreasonably high old-age pension as some other plans have suggested, but we did propose that every person who reached the age of 60 should receive something around from $30 to $40 per month. We excluded from the list all people who owned $10,000 worth of property or who earned as much as $1,000 per year.

Now, along comes Mr. Roosevelt and says that he is for the old-age pension of $30 a month, but he says that it shall be paid by the States. And he says up until January 1, 1940, this $30 a month may be paid by the States to those who are over 70 years of age and after that time to those who are 65 years of age. Then he says that before they can get the $30 a month that the State government has got to put up one-half of the $30, and then it shall be paid only to those who are needy. And then he says that in order to get the money for the part the Federal Government is going to put up, that they will put a tax on all payrolls, so that the money would be taken from the very source and class to whom it is intended it would be paid.

What the Roosevelt pronouncement for old-age pensions means is that he would scuttle it inside and out. In other words, he will proceed to show how unreasonable, how impossible an old-age pension system can be, and how much harm can be done by trying to bring it about.

His plan contemplates that the Federal Government will contribute $125,000,000 for old-age pensions throughout the United States. That is not a drop in the bucket. It will take three and a half billion dollars to pay an old-age pension to all people who are 60 years of age; and unless the United States Government puts up all of the three and one-half billion dollars, you will not have any old age pension system that is worth anything.

Now, the only way you can get three and one-half billion dollars is by taxing the billionaires and multimillionaires, and nobody else, because if you tax the poor wage earner, who is barely making a living now, you will do more harm than good in trying to build up an old-age pension system. All the worthy movements that have been advocated throughout the United States are always praised by Mr. Roosevelt, who prescribes, in order to carry them into effect, a remedy that means you try to pull yourself up by your own bootstraps.

He admits that most of the people of America are impoverished because the rich people have all the money. He says they ought not allow them to have it all, but in the next breath he gives out a statement that the big rich must not be taxed very much, and that is as far as we ever get with him.

He rode into the President's office on the platform of redistributing wealth. He has done no such thing and has made no effort to do any such thing since he has been there. There is only one relief that can come to the American people that is of any value whatever, and that is to redistribute wealth by limiting the size of the big men's fortunes and guaranteeing that, beginning at the bottom, every family will have a living and the comforts of life. We can pass laws today providing for education, for old-age pensions, for unemployment insurance, for doles, public buildings, and anything else that we could think of, and still none of them would be worth anything unless we provided the money for them. And the money cannot be provided for them without these things doing twice as much harm as they do good unless that money is scraped off the big piles at the top and spread among the people at the bottom, who have nothing.

Any man with a thimbleful of sense who would be trying to help the poor people today by taxing the poor people so as to give the money back to them, ought to be bored for the hollow horn. Now, Mr. Roosevelt has better sense than that, but he is faced with a proposition. He has made the promise to the people that he will tear down these big fortunes by putting some reasonable limit on them, and he has further promised to build up the little man from the bottom. But he feels he doesn't dare keep that promise; he doesn't dare to keep that promise, and so, what is he doing? He makes every kind of move showing he is for this and for that; that he wants to appropriate a little money—so much for this and so much for that—but when you wind up, you find what he actually does is, that if there is any tax that can be levied on the poor people to give these things back to the poor people, that then he prescribes that kind of cure that never has cured or will cure.

The big interests realize Roosevelt's plan would not cost them anything, which is the same as saying it will be no relief to the poor. Here is the proof of that admission from the financial page of the New York Times of January 18, 1935:

"The action of the stock markets yesterday indicated that Wall Street was not alarmed by the President's message to Congress on social-security legislation. The financial community had been hopeful that the plan would not be so ambitious as to retard recovery. By its freedom from liquidation, when the message appeared on the news tickers, the market indicated that Wall Street did not feel that the plan would increase taxation unduly, since it would be largely self-sustaining."

What Wall Street is saying by this dispatch is that the big men of Wall Street were a little bit apprehensive for fear Roosevelt would provide some relief or social legislation that would cost them something, but they are glad to see whatever he does will be self-sustaining. That is, the poor people who get relief will pay for it. In other words, the poor people will be allowed to help the poor people, a poor wage-earner will be allowed to help his aged father or mother and take away a little more from his wife and children. "Ain't" that grand? Yet Wall Street says they are much pleased with it because it means they will not be touched for the necessary money to cure the ills of our people.

Now, our conditions today are much more deplorable than they were in Hoover's depression. The Roosevelt depression is just a double dose of the Hoover depression. In 1929 we started out with the public debt under Hoover of $16,931,000,000, and we wound up under Hoover with his depression showing a public debt of $19,487,000,000, or an increase of two and a half billion dollars, practically all of which increase under Hoover, however, was covered by loans made by the Reconstruction Finance Corporation, for which it had adequate security and collateral, and so, in fact, there was scarcely any such thing as an increase in the public debt under Hoover as compared to Roosevelt.

So we started in, in 1933, with the Roosevelt depression, starting from the Hoover national debt figure of $19,487,000,000. Now, when we got to December 31, 1934, the national deficit had been raised by the Roosevelt depression to $28,478,000,000, or an increase of approximately $9,000,000,000, and most of it is just that much more debt, good and simple.

Now, how much good has been done with it? Has it cured unemployment? Get ready to laugh, if crying will do it. I will give you some unemployment figures that will shed the light as it ought to be. Here they are as they exist today:

UNEMPLOYMENT FIGURES

Half the people in America are unemployed today.

| | |
|---|---|
| Industrial unemployment: | |
| American Federation of Labor—1934—November | 10,659,000 |
| Farm unemployment: | |
| Figure farm unemployment on the basis that 1929 was a normal year. That year the farm population was 30,257,000 and earned $11,941,000,000, or $394 to every farm person—that much in Hoover's first depression year. In 1933 the farm population increased by 2½ million to 32,509,000 persons who earned for the whole year $6,256,000,000 less $271,000,000 given by the Government, or the sum of $184 to the person, or 46 percent as much per farm person as under Hoover's first depression year. So the only thing that we can say is that the farm labor of 1933, as compared to the farm labor of 1929, was 54 percent unemployed so far as earnings go, and that is all that counts in unemployment figures. Figuring that 40 percent of the farm population does not work, that leaves us to figures that 19,620,000 persons are normally employed on the farm, and if we take 54 percent of them as unemployed, which they are on the basis of 1929 earnings compared to 1933 earnings, we add to the unemployed list farm laborers numbering | 10,594,800 |
| Making the unemployed total | 21,253,000 |

Knowing that one employed person may be the breadwinner of anywhere from 1½ to 5 persons, this figure of 21,253,000 unemployed persons presents a total unemployment picture of nearly half the American people. It is about equally balanced, one-half unemployed to industry and one-half to agriculture. This does not even include the professional man as unemployed. The lawyer, doctor, accountant, architect, dentist, grocer, baker, and candlestickmaker, who cannot make a living because the people have nothing to spend with them, are not even listed as unemployed, though if the proper thing were done they would increase the list another 2,000,000,000 unemployed.

The figure of 10,659,000 unemployed in the industrial class would be materially increased if we included as a percentage of unemployment those working part time, some down to as low as 1 day per week.

Note also that even those who are employed earn a wage which is 43 percent below a fair standard of living. (See American Federation of Labor bulletin of Jan. 12, 1935.)

So you see from the Government's own figures that the estimate of one-half of all our people as unemployed does not near tell the whole story.

It would be very interesting if you would just take a look to see how well the people who are employed are getting along. I have here the monthly survey of business of the American Federation of Labor dated January 12, 1935. It says this:

"Comparing 1934 with 1933, according to the records, we have—

"1. Average yearly wage: The worker's average yearly wage has increased 6.7 percent in these industries, while the price of food rose 11.3 percent and prices of clothing and house furnishings rose 15.3 percent. Clearly, the average employed worker's standard of living was lower in 1934 than 1933, although his average yearly income rose from $1,029 to $1,099 in 1934.

"2. The average worker's income of nearly $1,099 in 1934 is below the minimum necessary to support a family of five in health and decency by $813, or 43 percent."

In other words, according to these accredited figures, those so fortunate as to be employed are living 43 percent below a reasonable standard of living at the end of the year 1934 under Roosevelt's depression.

So we sum up our condition:

We compare the Roosevelt depression with the Hoover depression and we find the Roosevelt depression debt is $9,000,000,000 more than the Hoover depression debt; the unemployment under Roosevelt has eclipsed everything Hoover ever heard about, and approximates more than one-half the whole population of America; the wage earner of today is living further below the standard of a fair living than ever before in the history of the country; the wealth of the country is more in the hands of the big interests and the big men than it has ever been, and the common people and masses in general have less than they ever had; two-thirds of all of the money in the banks is owned by one-one hundred and fiftieth of the people, according to the figures furnished by the Government bureau itself; there are 5,000,000 more people on the dole than there were last year, and another 5,000,000 people trying to get on the dole.

We have the same promises from Mr. Roosevelt now that we had before he was elected, with the exception he says you must not pass any such law as will put them into effect in actual fact.

The only difference in Roosevelt before election and now is that Roosevelt now says he is still for them, but that you must not do anything about them. The only difference between Mr. Roosevelt and Mr. Hoover is that things are much worse in every degree under Mr. Roosevelt than ever under Mr. Hoover; and you could tell what Mr. Hoover meant to do, or rather meant not to do, whereas understanding what Mr. Roosevelt means to do compared to what he does do is difficult.

There is only one way to save our people; only one way to save America. How? Pull down wealth from the top and spread wealth at the bottom; free people of these debts they owe; God told just exactly how to do it all.

Many other countries have been in the shape that America is in now; many fell and vanished like Rome and Greece, but some cared for their people and were saved.

There was once a country in exactly the same shape as America is today. God's prophet was there and applied the laws as God had prescribed them. If you would just recognize that God is still alive, that His law still lives, America would not grope today. Here is the written record of that country that was in the same fix as America is today. Here is what they did under the command of God's prophet. Hear me, I read from the Bible, Nehemiah, chapter 5:

"And there was a great cry of the people and of their wives against their brethren the Jews.

"For there were that said, We, our sons, and our daughters, are many: therefore we take up corn for them, that we may eat, and live.'

"Some also there were that said, We have mortgaged our lands, vineyards, and houses, that we might buy corn, because of the dearth.

"There were also that said, We have borrowed money for the king's tribute, and that upon our lands and vineyards.

"Yet now our flesh is as the flesh of our brethren, our children as their children; and, lo, we bring into bondage our sons and our daughters to be servants, and some of our daughters are brought into bondage already: neither is it in our power to redeem them; for other men have our lands and vineyards.

"And I was very angry when I heard their cry and these words.

"Then I consulted with myself, and I rebuked the nobles, and the rulers, and said unto them, Ye exact usury, every one of his brother. And I set a great assembly against them.

"And I said unto them, We after our ability have redeemed our brethren the Jews, which were sold unto the heathen; and will ye even sell your brethren? or shall they be sold unto us? Then held they their peace, and found nothing to answer.

"Also, I said, it is not good that ye do: ought ye not to walk in the fear of our God because of the reproach of the heathen our enemies?

"I likewise, and my brethren, and my servants, might exact of them money and corn; I pray you, let us leave off this usury.

"Restore, I pray you, to them, even this day, their lands, their vineyards, their oliveyards, and their houses, also the hundredth part of the money, and of the corn, the wine, and the oil, that ye exact of them.

"Then said they, We will restore them, and will require nothing of them; so will we do as thou sayest. Then I called the priests, and took an oath of them, that they should do according to this promise.

"Also I shook my lap, and said, So God shake out every man from his house, and from his labor, that performeth not this promise, even thus be he shaken out, and emptied. And all the congregation said, Amen, and praised the Lord. And the people did according to this promise."

Hear me, people of America, God's laws live today. Keep them and none suffer; disregard them and we go the way of the missing. His word said that. Here is what He said:

"The profit of the earth is for all." Ecclesiastes: chapter 5, verse 9.

"And ye shall hallow the fiftieth year, and proclaim liberty throughout all the land unto all the inhabitants thereof; it shall be a jubile unto you; and ye shall return every man unto his possession, and ye shall return every man unto his family." Leviticus: chapter 25, verse 10.

"At the end of every 7 years thou shalt make a release. * * * Every creditor that lendeth ought unto his neighbor shall release it; he shall not exact it of his * * * brother; because it is called the Lord's release." Deuteronomy: Chapter 15, verses 1 and 2.

Maybe you do not believe the Bible; maybe you do not accept God as your Supreme Lawgiver. God help you if you do not; but if you do not, then all I ask of you is to believe the simple problems of arithmetic, the tables of addition, subtraction, multiplication, and division. If you believe them, you will know that we cannot tolerate this condition of a handful of people owning nearly all and all owning nearly nothing. In a land of plenty there is no need to starve unless we allow greed to starve us to please the vanity of someone else.

I can read you what Theodore Roosevelt, Daniel Webster, Thomas Jefferson, Abraham Lincoln, Ralph Waldo Emerson, all other great Americans said. Their beliefs might be stated in the following lines of Emerson:

"Give no bounties: make equal laws: secure life and prosperity and you need not give alms."

Or maybe these words of Theodore Roosevelt would be proof:

"We must pay equal attention to the distribution of prosperity. The only prosperity worth having is that which affects the mass of people."

It was the poet Horace who warned that Rome would fall in the days of Augustus Caesar. He expressed the line:

"Penniless and great plenty."

So are our American people today. Too much to eat, to wear, or to live in; too much, and yet we are penniless and starve.

Here are the words of Pope Pius in his encyclical letter of May 18, 1932, which I, a Baptist, caused to be placed in the CONGRESSIONAL RECORD. Hear these words:

"From greed arises mutual distrust that casts a blight on all human dealings; from greed arises hateful envy which makes a man consider the advantages of another as losses to himself; from greed arises narrow individualism which orders and subordinates everything to its own advantage without taking account of others, on the contrary, cruelly trampling under foot all rights of others. Hence the disorder and inequality from which arises the accumulation of the wealth of nations in the hands of a small group of individuals who manipulate the market of the world at their own caprice, to the immense harm of the masses, as we showed last year in our encyclical letter."

I call and ask you now to organize a share-our-wealth society in your community now. Don't delay. If you want to know more about it, write to me in Washington. If you want a copy of this speech, write to me for it. Help in our plan. What is it? I state it to you again:

We propose to limit the size of all big fortunes to not more than three to four million dollars and to throw the balance in the United States Treasury; we will impose taxes every year to keep down these fortunes and to also limit the amount which any one may earn to $1,000,000 per year, and to limit the amount any one can inherit to $1,000,000 in a lifetime, throwing all surpluses into the United States Treasury.

Then from the immense money thus acquired we will guarantee to every family a home and the comforts of a home, including such conveniences as automobile and radio; we will guarantee education to every child and youth through college and vocational training, based upon the ability of the student and not upon the ability of the child's parents to pay the costs; we would pay flat and outright to all people over 60 years of age, a pension sufficient for their life and comfort; we would shorten the hours of work to 30 hours per week, maybe less, and to 11 months per year, maybe less; and thus share our work at living wages and to those for whom we fail to find work we would pay insurance until we do find it; we would pay the soldiers' bonus and give a sufficient supply of money to carry on our work and business.

All this can be done with ease only if we will say to the rich, "None shall be too rich!"

Won't you help in this work? Is not humanity worth the effort? How much do we need it? I will tell you.

Hear me now read you a report from our newspapers. It reads:

"BABE DYING, MOTHER WALKS STREET IN HUNT FOR AID—BRAVES BITTER COLD WHEN CHILD GROWS WORSE; FINDS NO RELIEF AT WELFARE STATION, IS TOLD TO GO TO HOSPITAL, WALKS IN VAIN

"By United Press

"CHICAGO, January 16.—It was bitterly cold. Frail Mrs. Ella Martindale huddled with her four children close to an insufficient stove. The baby, 5 months old, wailed fitfully in fever under blankets on the floor.

"All awaited return of Murrian Martindale, the father, who promised when he left for his shift as a cab driver that 'I'll bring something to eat, some way.'

"The baby's cries grew more frequent but weaker. She refused the warm water offered as a substitute for milk. Paroxysms purpled her tiny face and the older children, from 3 to 12, whimpered in sympathy and fear. Mrs. Martindale paced the floor, wrung her hands.

"A strangling cough wrecked the infant girl. The mother acted in desperation. Whirling blankets around the baby and a ragged coat around her own shoulders, she ordered the oldest girl to watch the other children. She raced from the room, carrying the sick child.

"At an infant welfare station two blocks away she sobbed out her troubles. The women on duty were sorry, but no doctor would be present for hours. They advised her to go to St. Joseph's Hospital.

"Mrs. Martindale had no car fare but she went. She walked—six blocks—with the thermometer at 16 above zero. She stumbled on the steps into the hospital.

"'My baby,' she sobbed to a nurse, 'she's sick.' The nurse peered into the blankets, then took the little bundle.

"'She's dead', she said."

Good night, my friends. I thank you!

## SOME PROBLEMS BEFORE CONGRESS—ADDRESS BY SENATOR DUFFY

Mr. POPE. Mr. President, I ask leave to have printed in the RECORD a radio address delivered at Washington, D. C., January 18, 1935, by Senator F. RYAN DUFFY, of Wisconsin, on the subject Some Problems Before Congress. It is a very thoughtful address and I think will prove of interest to the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### SOME PROBLEMS BEFORE CONGRESS

I welcome the opportunity given by the Columbia Broadcasting System to discuss with the people of this country some problems that are up for decision before the Seventy-fourth Congress. I think the Columbia Broadcasting System is rendering a splendid service to our people by furnishing their facilities to representatives of both the Democratic and Republican Parties in the discussion of the important problems of the day.

Right now, perhaps the most important subject under discussion, certainly in the Senate, is the question of the World Court.

Many of our people do not have a clear idea of just what is involved in this question.

At the close of the World War, when the terrific cost of that war both in lives and in treasure had been seared deep into the souls of the people of the world, it became evident that some movement should be attempted that would lessen the probability of wars in the future; and so an international agreement was signed by practically all of the leading nations of the world, setting up a Permanent Court of International Justice. The fundamental idea seemed to be sound, that if some tribunal could be established whereby disputes between nations might be settled, it would make for peace in the world, because every dispute between nations—no matter how trivial it might seem to be—is a potential cause of war; and the countries of the world are now so close together—due to the development of transportation and communication in all their forms—that a war between two nations is very likely to involve many other nations in that dispute.

The treaty that is now before the Senate is really in three divisions, or protocols, but they are being discussed, and should be regarded, together. The question cannot be considered a partisan one. Republican Presidents Harding, Coolidge, and Hoover advocated our adherence to the Court, as does President Roosevelt. Both political parties in their national conventions in 1932 incorporated in their platforms, planks favoring adherence by the United States to the Court. The Democratic platform was brief. It said: "We advocate adherence to the World Court with the appending reservations." The Republican plank, which was more lengthy, was, however, very definite, and a part of same is as follows: "The acceptance by America of membership in the World Court has been approved by three Republican Presidents, and we commend this attitude of supporting in this form the settlement of international disputes by the rule of law."

There must be, of course, a two-thirds vote in the Senate in favor of the ratification of any treaty, and where there is determined opposition, a two-thirds vote is always somewhat difficult to obtain. Although a majority of the Senate at the last Congress favored the ratification of the St. Lawrence Seaway Treaty, yet it failed at that time because there was not a favorable vote of two-thirds. The World Court Treaty has vigorous opposition, and yet I believe from the present outlook that the treaty will pass the Senate. The original agreement for creating the Court was ratified by 49 countries. The second protocol contains amendments to the original agreement which was prepared largely so as to meet the conditions laid down by the United States Senate in its reservations and has been ratified by 46 of the principal nations of the world. I should perhaps at this point invite your attention to the fact that when the United States Senate gave its advice and consent to the original treaty on January 27, 1926, it incorporated certain reservations which, in turn had to be agreed to by the various other nations. Four of the reservations were agreed to outright, and it is really because of the fifth reservation that the matter now again comes before the Senate.

Let me read to you the resolution that now is before the Senate—"That the Senate advise and consent to the adherence by the United States to the said three protocols * * * with the clear understanding of the United States that the Permanent Court of International Justice shall not, over an objection by the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has, or claims, an interest."

There is no question in my mind that much of the opposition to the World Court today is due to the willingness with which European nations have repudiated their obligations to this country. Many of our people feel that, where solemn obligations seem to rest so lightly on the shoulders of nations owing us money, we should keep away from any agreement with them whatsoever.

While I recognize the force of the argument, and while I feel that in many cases the repudiation by European governments of their debts to this country are absolutely indefensible, yet I feel that this Government will be better protected, and in a better position, by agreeing to the ratification than if we refuse to do so. The only obligation that this Government is under if we ratify, is that we shall bear our proportionate share of the expense of operating the Court, and the few thousand dollars involved will be of no moment in a discussion of this question. The important point, as I see it, is if we ratify the treaty that the Court could not, over our objection, entertain any request for an advisory opinion upon any question the United States has, or claims, an interest; while if we are not a member of the Court such an advisory opinion could be rendered; and while there is always the question of how such an opinion could be enforced, yet it seems to me to be far better for us to be in a position to stop the Court from even entertaining such a dispute, rather than standing off on the sidelines, and perhaps have such an opinion crystallize the public sentiment of the world against us.

President Roosevelt sent a message to the Congress on last Wednesday, asking the Senate to ratify the treaty. I agree quite thoroughly with the statement of the President in that message, in which he says: "The sovereignty of the United States will be in no way diminished or jeopardized by such action. At this period in international relationships, when every act is of moment to the future of world peace, the United States has an opportunity once more to throw its weight into the scale in favor of peace."

Disputes between individuals can usually be settled by an appeal to the courts. Disputes between groups of individuals constituting our States in the Union can thus be settled. It should be recalled that in the early history of this country there were at times disputes between the States which became so severe there was possibility of a resort to force, and so it was very fortunate indeed that we had a tribunal in this country which could pass judgment impartially upon such disputes. Nations are only enlarged groups of people, and any means that can be devised whereby disputes between groups of individuals organized into separate nations may be settled, is certainly a long step toward peace.

I do not think that even the most enthusiastic advocates of the World Court believe that it will prevent all wars in the future, but many of us do believe that the Court already has, and in the future will be able to settle disputes between nations, which, if not so settled, might bring on an armed conflict.

If there is one proposition upon which practically all of our people are united, it is that our Nation may continue at peace with the world. The cost and the horrors of the last war have not been—and should not be—forgotten. We can no longer hide our heads in the sand and say that we will live only unto ourselves and will not be concerned with the rest of the world, because we know, if we are honest with ourselves, that any great conflagration between the larger nations of the world might easily involve us. The World Court, properly functioning, and having greater prestige in the eyes of the world by reason of our being a member thereof, will make possible a lessening of the armaments of the nations of the world, and thereby lift a very considerable burden from the backs of the overburdened taxpayers of the world.

I, personally, do not believe that the ratification of the World Court Treaty will be taking us into the League of Nations by the front door, or back door, or down the chimney. If I believed this to be the case I certainly would not vote for adherence to the Court. In addition, if after we make this sincere effort toward world peace, we should feel it advisable for us to withdraw from the Court, we can readily do so without delay. It does seem to me that a ratification of the treaty will not only be a sincere effort on our part to assist in bringing peace to the world, but it will, likewise, place us in a position to more adequately protect the interests of this country.

As my time is very limited this morning, let us discuss one or two of our domestic problems. The first bill that was introduced into the Senate at this session was a bill which I prepared to extend the operation of the Home Owners' Loan Corporation. It is now known as bill S. 57.

I regard the operation of the Home Owners' Loan Corporation as one of the most important and essential parts of the recovery program. Even in the days of the so-called "stock-market prosperity" near the latter part of the year 1929, the ranks of our unemployed were being rapidly augmented month after month, and of course after the October crash, the numbers of unemployed rapidly increased. One of the groups that suffered most is perhaps one of the most important elements that go to make up the citizenship of this country. I refer to the small home owners—those frugal, hard-working, American men and women—who laid aside a little of their income and pay checks each month so they could have a modest little home of their own. This class of people did not have the money to buy a home outright, and so they bought on time. They bought on land contracts or placed mortgages against their property. As long as their employment continued they were gradually paying up the debts on these homes, but when suddenly, without warning, they lost their jobs, they could no longer pay the taxes or the interest on their mortgages or land contracts. When President Roosevelt came into office he found a veritable avalanche of foreclosures in all parts of the country. And so the Home Owners' Loan Corporation law was passed to assist these good citizens in their distress, and I think they have done a wonderful job. We authorized them to issue bonds to the extent of $3,000,000,000, but we now find that the applications were so many that this sum was insufficient; and so my bill authorizes this corporation to issue an additional $1,000,000,000 in bonds, and this will enable the corporation to take care of the large number of people who have applied for help, but whose applications were delayed for one reason or another in reaching the legal department, or who may have struggled on until their small cash resources were gone—trying to avoid asking the Government for help, but finally found it was necessary to do so.

I am not one of those who likes to see the Government enter into competition with private business. If the private financial institutions of this country could or would take care of these people who have not yet received Government assistance in this respect, I would not ask for the extension, but I am advised by people in the mortgage-loan business from various parts of the country that at present there is practically no chance for such assistance. Let me call your attention to this fact—while the Government will become obligated for the additional billion dollars of bonds that are issued, on the other side of the ledger the Government will have first-mortgage security upon property valued greatly in excess of that amount. It is not like an outright expenditure because the Government will have excellent security for every dollar it has to put up in further carrying out this great humane program.

Several other bills similar to mine have been introduced, and I believe that there is an excellent chance for such proposed legislation to be enacted into law. I believe we have just time enough left to comment upon the message of the President, which he sent to the Congress yesterday. You perhaps have noted from the newspapers of last evening or this morning, that he recommends legislation for unemployment compensation, old-age benefits, Federal aid to dependent children, in support of existing mother-pension systems, and additional aid to public-health agencies. Bills have been and will be introduced to carry out

these recommendations. It seems almost certain that the President's recommendations will be carried out. The important point to mention in this respect is the statement of the President in his message, as follows: "It is overwhelmingly important to avoid any danger of permanently discrediting the sound and necessary policy of Federal legislation for economic security by attempting to apply it on too ambitious a scale before actual experience has provided guidance for the permanent discussion of such efforts." This shows that the President is pursuing a safe and sane course, and is not being influenced by either the ultra-conservatives or the ultraradicals.

THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence as reported by the Committee on Foreign Relations.

Mr. BAILEY. Mr. President, the distinguished senior Senator from Idaho [Mr. BORAH], in the course of his characteristically able argument on the subject of the accession of the United States to the Permanent Court of International Justice, remarked:

> Mr. President, the great achievement in government may be said to be the impartial administration of justice. Property rights and personal liberty alike wait upon the success of this achievement. Contentment among the people, the progress and prosperity of a people, are advanced and assured in proportion to the progress made in the full realization of this achievement.

Mr. President, no better words could be uttered on this subject, and they afford me a point of departure, if not a text. I think I might go further than the statement of the distinguished Senator, in that justice is the only justification of government; that justice is the reason for the existence of government; and that justice is the soul of the progress of civilization. We take pride in our governments only in the degree that we succeed by means of them in arriving at and executing justice. The proposition here, Mr. President, is to extend the great principles of adjudication by tribunals of justice beyond the borders of domestic life and national operations into the great, wide realm of international affairs. The same high motives that induce us to erect tribunals of domestic justice move us now to support the resolution of adherence by the United States to the first tribunal in history erected in the interest of international justice.

The Permanent Court of International Justice is proposed by the nations of the earth, I think not less now than 50 in number, and is maintained by them in the interest of extending to the nations of the earth, to their disputes and controversies, the great principles which have justified the existence of the governments themselves. It is a singular commentary, Mr. President, after ages of so-called "civilization" and the existence of almost innumerable governments, each of them dedicated to and existing by reason of their aspiration for and capacity for the administration of justice within themselves, that the world should have waited until the present age, the last 14 years, to devise and set forward a tribunal dedicated to precisely the same principle that has justified the existence of the governments themselves, the principle merely being extended to operate amongst the several nations.

We propose in international affairs to substitute, not by way of arbitration but by way of a court of justice, reason, and righteousness for force and willfulness and war. I am sure there is not a man within this Chamber and very few on the earth who would refuse favorable entertainment of a proposal so justified in the experience of nations within their own domain and so justified by the principles which are native to the breasts of all human beings, civilized and uncivilized. We propose that justice shall preside over the nations of civilization even as it presides over the peoples within those nations.

I take it, therefore, Mr. President, that we have no controversy here, nothing whatever to overcome by way of predilection or argument against the vital and dynamic principle underlying the proposition presented in the Permanent Court of International Justice and put forward in the resolution of our accession.

The Court has now been in existence nearly 14 years. It has succeeded in maintaining itself and commanding a certain degree of respect throughout the earth for these 14 years. Those years have been years of unusual trouble and almost, I sometimes fear, actual insuperable difficulty. So far from decreasing in respect or regard, year by year throughout the period, it has continued to operate and to command the respect of the world and the adherence of 50 nations of the earth, including all the greater nations.

Not only so, but in the progress of the Court in these 14 years, submitted as it has been to the trials of exceedingly troublous times, every President of the United States from the day of its institution to the present hour has commended it to the Senate of the United States and to the American people. Moreover, with the Court in operation, with the objections put forward as they have been put forward here, each of the great political parties—and our country is still governed by means of two great political parties—has proposed the adherence of the United States to the World Court and each has won elections with that proposal in its platform.

The party now in power won its election by a majority of 7,000,000 votes with the pledge of its faith in behalf of the adherence of the United States to the Permanent Court of International Justice. The Republican Party, under the leadership of President Hoover, at that time their candidate, pledged its faith likewise and won an election, as I recall, by a majority of about 8,000,000 votes. While I would not undertake to stress too much this particular point, I think I am safe in saying that the policy, the principle, and the great idea presented by the Permanent Court of International Justice has been approved as very few propositions have ever been approved in our land, not only by both parties, but by immense majorities of the American people.

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Montana?

Mr. BAILEY. I yield.

Mr. WHEELER. I wish to invite attention to the fact that in the last Democratic convention I was a member of the resolutions committee which drafted the resolution which was presented to the convention, but the resolution was presented because there was a fight over the World Court coming in the resolutions committee. It was expressly considered, and the only way we could get the resolution adopted was to have it embrace the appending reservations. What were those appending reservations? The appending reservations are not in the resolution as reported by the Foreign Relations Committee.

Mr. BAILEY. I shall come to that, but I remind the Senator that at this stage of my remarks I was speaking of the approval of the principles and the ideas and the consummation rather than the details. However, I promise the Senator that before I shall take my seat I shall undertake to go into those details.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. BAILEY. Certainly.

Mr. ROBINSON. In connection with the remarks just made by the Senator from Montana, I think it is easily demonstrable that the reservations referred to by the Senator from Montana are the five reservations to which the signatories have agreed.

Mr. BAILEY. Yes.

I may observe, in passing from these introductory remarks, just the one fact that President Woodrow Wilson did more than any other President of our country to bring forth this noble conception; that President Harding approved it in specific language; that President Coolidge approved it; that President Hoover approved it; that President Franklin D. Roosevelt approves it. I may go further and say that in principle, by definite statements, President McKinley approved it as far back as 35 years ago. After him, President Theodore Roosevelt approved the principle. I add to that the statement that the political parties of the United States, the two greater parties, have approved it, and, rather remarkable to say, each of them has been placed in power upon platforms approving it.

I add to that that practically 50 nations of the earth have approved it, and continued to approve it after giving their adherence to the Court itself. Strange to say, however, the one country whose President brought the conception into definite form, the one country whose political parties have submitted the question to the people, the one country in which the proposal has received, so far as it can receive, the approval of the people in at least two great elections, the one country in which this great principle and consummation of extending the domestic standards of justice to the nations of the earth, and substituting the reason and the righteousness of tribunals for force and willfulness and war, should make the greatest appeal—the one great country that remains aloof is, strange to say, the United States of America.

Only the Senate of the United States has stood between our country and this great consummation. If there has been delay, and if there is delay, if there has been apparent defeat—not ultimate defeat—it is due to the fact that this Chamber has stood in the way of the consummation.

Now we come once again to consider it, no longer an experiment, tried by 14 troubled years, approved by 50 nations of the earth, with a line of its decisions and its actions and some conception of its character before us. I think, Mr. President, it is time that the Senate of the United States, which has delayed this consummation so long, should take very grave thought as to its attitude.

I propose now to go into some rather elementary considerations, because I have observed from the press and from some portions of the discussion here that there is somewhat of misapprehension and misunderstanding of the character of this tribunal.

What is this Permanent Court of International Justice? It is nothing more nor less than a tribunal of judges dedicated to truth and to justice. The very statement of that fact should disarm all reasonable men. Here we in the United States are used to courts. We rely upon the courts. They are, in a very great sense, the source of the life of the American people. They mean more to commerce than any legislation of which we can conceive. They mean more to order than all the armies we could employ. Courts of justice, at any rate, are not strange and new things in America, that Americans should recoil from the prospect of erecting one that will extend the great principle of national life and domestic well-being to the great realm of international relationships.

This Court consists of 11 judges and 4 deputy judges, and they are chosen by the nations that adhere to the Court and its jurisdiction. The Court is supported by those nations.

What is the jurisdiction of the Permanent Court of International Justice? The jurisdiction is set out in article 36 of the statute of the Court, and I propose to read it into the RECORD.

The jurisdiction of the Court comprises all cases which the parties refer to it—

There is mutuality—

which the parties refer to it—

That is, the parties to the cases—

and all matters specially provided for in treaties and conventions in force.

The members of the League of Nations and the states mentioned in the annex to the Covenant may, either when signing or ratifying the protocol to which the present statute is adjoined, or at a later moment, declare that they recognize as compulsory ipso facto and without special agreement, in relation to any other member or state accepting the same obligation, the jurisdiction of the Court in all or any of the classes of legal disputes concerning—

(a) The interpretation of a treaty.

(b) Any question of international law.

(c) The existence of any fact which, if established, would constitute a breach of an international obligation.

(d) The nature or extent of the reparation to be made for the breach of an international obligation.

The declaration referred to above may be made unconditionally—

That is, the declaration as to recognizing as compulsory the jurisdiction—

The declaration referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain members or States, or for a certain time.

In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

There is the statement in the unchangeable statute—for the statute is unchangeable under the special protocol which is proposed here, save by the consent of all the nations adhering to the Court. So here is the statement of the jurisdiction; and on the very face of it the jurisdiction relates wholly and exclusively, specially and particularly, to international controversies and questions; and insofar as it might relate to other questions in the general statement of the first paragraph of article 36, it cannot possibly take jurisdiction save by the reference to it of the parties in interest. That is voluntary; and as for the compulsory features of the jurisdiction, it is specifically provided with reference to the particular items of the jurisdiction that no nation may be compelled to the jurisdiction save by means of a specific stipulation voluntarily entered into by the nation itself.

What could be fairer than that? What could be more prudent than that? Are we to argue here that there is something special about the United States of America that we cannot afford to adhere to a court which will take no jurisdiction save by and with our consent? If we take that position, Mr. President, we shall be simply taking the position that there are no circumstances under which we are willing to submit our cause in a controversy to a tribunal of justice.

I have heard a good deal said here about Americanism. If that attitude be Americanism, then it might be pleaded in the courts of the world as evidence that we are not a civilized people. The only alternative to accepting that voluntary jurisdiction is the alternative of sitting back here upon our shores with a strange conceit that we alone are capable of deciding disputes between ourselves and others and that the other nations must either whip us in battle or we whip them.

To reject the character of jurisdiction outlined here is to reject the principle of justice in international relations; and to reject the principle of justice in international relations is to reject the principle of justice altogether, because justice is not a national affair.

Justice is universal. It rests in the heart of every man. The prophet of the nineteenth century, Thomas Carlyle, remarked as far back as 1835 that justice was the one universal instinct that could surely be found in the heart of every man; that even though one should go to the heart of the wilderness of Africa, and find himself in the midst of a benighted tribe, there would be no difficulty there in discovering the universal instinct for justice.

So I make my argument here that justice is a universal aspiration; it is a universal necessity; and the nation that undertakes to defeat justice in the universe, or in the international realm, fights against the stars that fought against Sisera.

Mr. President, so much for the jurisdiction. Now, with respect to the advisory opinions, I wish to get that into the RECORD.

Mr. President, it is contended in the Senate that the advisory opinions open up the doors to doubt, in that they probably enlarge the jurisdiction of the Court.

I read the new article 65, chapter IV:

Questions upon which the advisory opinion of the Court is asked shall be laid before the Court by means of a written request, signed either by the president of the Assembly or the president of the Council of the League of Nations, or by the secretary-general of the League under instructions from the Assembly of, or, the Council.

The request shall contain an exact statement of the question upon which an opinion is required, and shall be accompanied by all documents likely to throw light upon the question.

I concede that the article is general and is in no aspect of it specific. I concede that there is possibility—I believe I would go so far for the purposes of the argument as to agree that economic and political questions might be presented under article 65 touching the advisory opinion. But, Mr. President, what is an advisory opinion? It is without force, save the force of advice, which one may accept or reject as he will upon its value. There is a very great distance between

an opinion of a court or a decree of a court or a judgment of a court and an advisory opinion of a court. It could have in the mind of the nations involved nothing more nor less than the quality of light, and not remotely the quality of force.

On that point, however, Mr. President, I believe I will digress just a little, returning to the resolution which is proposed in the Senate, in order to show that even with respect to advisory opinions not one of them may be entertained touching any questions in which we are involved or have an interest over the objection of the United States of America.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. LOGAN in the chair). Does the Senator from North Carolina yield to the Senator from Idaho?

Mr. BAILEY. I yield.

Mr. BORAH. The Senator would not say "involved"?

Mr. BAILEY. I should like to read the resolution itself, and I will let it stand, and then we can undertake to interpret it:

*Resolved (two-thirds of the Senators present concurring)*, That the Senate advise and consent to the adherence by the United States to the said three protocols, the one of date December 16, 1920, and the other two each of date September 14, 1929 (without accepting or agreeing to the optional clause for compulsory jurisdiction), with the clear understanding of the United States that the Permanent Court of International Justice shall not, over an objection by the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

The distinguished Senator from Idaho raised an objection to my use of the word "involved." The resolution speaks for itself. If we object on the ground that we have or claim an interest, that ends the matter; and if it is our view that we are involved, our objection will be an estoppel under this resolution, and we would be the judges of that; and if we were not the judges of that, our doors are wide open under two sections, one the right of absolute withdrawal and the other the right of withdrawal without prejudice.

So, Mr. President, with a great deal of respect for my distinguished friend from Idaho, whose judgment and eloquence and nobility of character I honor as highly as any human being could, I think I am justified, in the light of the resolution and the exposition that I have given, in the statement that our resolution of accession, upon which we are to pass, gives us the power of preventing action upon an advisory opinion on any matter in which we have or claim to have an interest, in using the word "involved" as I have; and, to be sure, if we have an interest, we would be involved, or if we should be involved within our conception, we would interpret that as interest, and that would be our interest and justify the objection, which would be an absolute estoppel upon the action of the Court.

Mr. President, again, What is the power of this Court? I believe that question would go almost to the heart of a good deal of the argument I have heard in the Senate. I have heard Senators speak here as if this Court would be some sort of supreme power over the United States of America; that this Court could interfere with our affairs; that this Court could determine our foreign policy; that this would be a supercourt imposed upon the great fabric of the American Government. There is nothing in that. This Court has only the power of jurisdiction which we may choose to give it to start with. And it has also only the power to enforce its judgment that lies within the moral realm of truth.

To put the matter in perfectly plain language—there are no marshals in this Court; there are no sheriffs in this Court; there is no power of execution of judgment in this Court. The controversy is voluntarily submitted to it. It resolves the controversy as only the Court may. The opinion is stated to the world, and its validity and its force rest only upon the moral power of truth. I do not minimize that power. That is a greater power than the sheriffs have, and that is a greater power than our domestic courts have. Probably the supreme power in the world is the power of truth.

Is the United States of America afraid of the power of truth? Are Senators of the United States disposed to cringe before the prospect of the moral power of the universe? I cannot believe it. I cannot entertain the thought.

I think I shall make a little departure here to say that the Man of Galilee, to whom the ages have looked and ever will look, upon being questioned by the presiding officer of the Roman court, Pontius Pilate—"Are you a King?" said, "My kingdom is the kingdom of truth." And that was the only kingdom existing then that exists today. It is the only kingdom that mortal men cannot resist. It is the only kingdom that armies cannot cope with. It is the only kingdom that survives all the vicissitudes of life, that resists the puny attacks of mortal men. So I do not intend to minimize this great moral power of the Court, but on the other hand I rejoice that we are reaching a stage in the progress of man when that moral power may be invoked in definite form, and may preside over the nations of the earth and the multitudes of their populations.

It was Matthew Arnold who said years ago on the question of the Deity and of his faith that—

There is an eternal making for righteousness.

There is an eternal making for righteousness. It cannot make for righteousness by means of force and of war. Certainly not save at the cost of the destruction of men and of civilizations, as all of us can bear witness from recent experience. But it does make for righteousness by means of the reason in the brain of men and the instinct in their hearts for justice.

That is the only power the Court has—that is all the power the Court has. So far as I am concerned, I would be ashamed before the people who sent me here and of the civilization which I represent in the Commonwealth of North Carolina if ever I should give to any man the slightest intimation that I had reason to recoil from or to seek to evade the force of the moral power of the kingdom of truth. So much for that phase of the matter.

I am coming now to the objections that have been put forward in particular with regard to the adoption of this resolution at the present time.

The first objection of which I will speak is the objection that our adherence to the World Court will affect or in some degree impair the historic American policy, especially with reference to other nations. I shall overlook the statements made here on the floor about oil companies running the courts, running that Court. I think men who put forward arguments of that sort get credit for only one thing, and that is the capacity to portray themselves in perfect character, from which nothing can be taken and to which nothing can be added, and I give them credit for perfection in self-portraiture.

But what is the historic American policy with regard to other nations? I realize, Mr. President, that to answer that question would invite me to go into a long discussion, but I am going to resolve it into a brief generality. We have faithfully sought to avoid responsibilities in the Old World, though not absolutely. We have entered into the nine-power pact and five-power treaty, and I raise no quarrel about that, and I think with fair accuracy I may say that we have undertaken to avoid responsibilities among the nations of the Old World and all manner of their controversies.

Over here we have assumed a larger responsibility, especially with respect to Central and South America, than any nation on the earth ever undertook to assume with respect to other nations, save perhaps the recent policy of the kingdom of Japan with respect to the Far East. If I had anything to say on that subject I would say that Japan in the Far East is emulating the example of the United States in the southern half of the New World.

If I have stated, Mr. President, fairly well in general terms what our foreign policy has been, I wish to raise the question, How could our adherence to this Court affect that foreign policy? There are those who say that the adherence to the Court would immediately involve us in the political questions that arise continuously in Europe.

Mr. President, how would our adherence to a tribunal of justice involve us in any question whatsoever save the question to which we are a party and to which we submit? Do we assume because we agree to help maintain an international court, because we agree that we may accept its jurisdiction at

our will, that, therefore, we participate in its decisions and are responsible for its policies? I cannot see how it follows. The Court, in my conception, will be a thing apart, as courts must be. The fact that we have a vote in the election of judges or that an American may sit on the bench of the Court, as two Americans have sat, cannot affect the United States in the remotest degree in respect to the opinions or the decisions of the Court.

I make an analogy which, I will agree, is not perfect. I vote for the judges of the supreme court in the State of North Carolina, but I am not responsible for their decisions. North Carolina assists in the election of a President and participates in the election of Senators who have their respective shares in the appointment of judges of the Supreme Court of the United States, but the people of North Carolina are not involved and cannot be involved by way of any responsibility whatsoever for the actions of the judges of the Supreme Court of the United States. I fear that the impression has gotten abroad that by some means when we adhere to the jurisdiction of the Court under the reservations, the voluntary aspect of which I have described, we become responsible for its decisions. We do not even have to accept its decisions with respect to ourselves, and certainly we are obligated to give to its decisions with respect to other nations only that support which the moral law demands in the hearts of men.

So I see nothing in the argument that adherence to the Court, even in contemplation that it may pass upon economic and political questions, would tend in the remotest degree to involve us or make us in any degree responsible for advisory opinions or actions or decisions of a great court of international justice passing upon controversies which probably could not be settled otherwise save by willfulness or might or force. The idea that that adherence would involve us is not supported by any conception of courts of justice in any nation. It is not supported by any facts or any statute or any action of the Permanent Court of International Justice itself. So I think, Mr. President, we may dispose of that. I will, however, add one more word.

I hear the general talk of Americanism. We have a favorite way in America of using a word or slogan without rhyme or reason, and Americanism is one of those words. What is Americanism? It would be a subject of discussion all to itself; but Americanism never has been the rejection of justice.

Woodrow Wilson was an American, and out of his brain sprang this great conception. Theodore Roosevelt was an American, and probably a more typical American than any of the modern famous men; and yet he put forward this conception. Warren Harding was an American; the American people made him President, and he supported the World Court. Calvin Coolidge was an American, and he supported the World Court. Herbert Hoover is an American, and he supported the World Court in his Presidency. And Franklin Roosevelt is an American. The man who takes it upon himself to draw the line of Americanism in this controversy likewise takes upon himself the burden of showing wherein he is an American and all the Presidents of the United States from 1899 to the present hour are not such Americans as he is. I mention that just in passing.

Now, Mr. President, I come next to the argument that to adhere to the World Court is to join or to become a member or to become involved with the League of Nations. I think that is put forward with the utmost seriousness and commands our most respectful and grave consideration. No one could have put it forward better than the distinguished senior Senator from Idaho, and I am going to read a little of his language:

> Here is a tribunal of which we are a member—

I disagree with the Senator from Idaho; we are not a member of it; but—

> Here is a tribunal of which we are a member—a tribunal having advisory jurisdiction upon which the League may call when it chooses for an opinion. Where does this power of advisory jurisdiction come from? Does it come from the statute of the Court? Certainly not. It comes from the League of Nations.

Insofar as the United States of America is concerned, insofar as the Court takes jurisdiction with reference to us, its power comes from us. We are not in the League of Nations. It gets no power save that which we give it. I think that clears it of any suspicion or imputation that the jurisdiction of the Court relative to us could possibly associate us with the League of Nations. The League of Nations is in the nature of a collection of other nations under a covenant which we have not signed, to which we are not a party. There is a definite way to become a member of it. If they create a court and we give accession to the jurisdiction of the Court, the League of Nations has no power over the decisions of the Court. So far as the jurisdiction is concerned only we ourselves can accept or reject the jurisdiction respecting us at our will and not the will of any other nation whatsoever.

Again the Senator from Idaho said:

> This tribunal was created by the League, its members are elected by the League, paid by the League, and pensioned by the League.

We will pay our part in the maintenance of the Court. I do not get the word "pensioned." As I understand the expenses of the Court, the maintenance is drawn from the nations which adhere, and if it happens that 50 of the nations are in the League of Nations, one may argue that that means the League is paying the expenses, but it is getting the expenses from the respective countries.

> It is a tribunal designed in the first instance to be and actually has been created as a department of the League.

Mr. President, that is an interpretation put upon it by the distinguished Senator from Idaho. I will agree that it is called forth in the Covenant of the League, but I deny that it is a part of or is dependent upon the League. It is not a part of anything, no more than the Supreme Court of the United States is a part of the Congress which wrote the Constitution. The Court proceeds out of the matrix in which it is conceived and molded. It takes its character as a court, and maintaining that character it must forever stand apart from all else. Where could we find a better illustration than this which we have here? Here is the great Supreme Court of the United States, no part of the Congress, no part of the States, no part of the Presidency, separate and alone, guarding peace and justice in America. It would do justly by an alien as readily as by a citizen.

The Permanent Court of International Justice is intended precisely and has so far conducted itself regardless of its origin—it had to originate somewhere—as an independent judicial tribunal dedicated to the settlement of controversies between contending nations under the standards, not of accommodation or of politics but of justice. That is why it makes its great appeal to me.

I read on:

> It is a tribunal dependent for its continued existence upon the continued existence of the League.

I am sure the Senator from Idaho believes that, but I believe quite differently. The League might dissolve tomorrow, but the aspiration of mankind, the desire of enlightened nations to avoid the rule of force and willfulness of war, to find the rule of truth and righteousness and peace, would disturb the heart of man until he found another international tribunal. I think, Mr. President, that the League may go, and I hold no brief for the League, but mankind will never let go its hopes of justice duly administered in international affairs. Once now that 50 nations of the earth have seized upon the achievement, mankind will never again let go its hopes of guiding nations and civilizations under the judicial process and take the unspeakable risk of the sword and the cannon and the gas and all the inconceivably horrible things by means of which stupid governments have for ages sought so vainly to settle the disputes and controversies between contending nations.

If I may say so, nothing is better established on the earth today than that nations are incapable, of their own will, of settling their disputes. War is no remedy. I question

whether in all the history of men there has ever been a settlement by means of war in which the price paid for the war was not a thousand times more than the value of the cause that was won.

Mr. President, I think this great conception came forth from the brain of Woodrow Wilson as he, with that historian-statesman's eye, beheld the wreck and ruin of settlement by war—came forth in order that mankind might at last realize, upon the ruins wrought by the rule of nations red in tooth and claw, the ancient way established by the God of Hosts when He set up for mankind the standards of righteousness.

Again the Senator from Idaho said:

> Is it fair to say to the American people that in becoming a member of this important department of the League we are not in the League and a part of the League—a part of the machinery of the entire organization?

I assert to my distinguished and honest friend the senior Senator from Idaho it is perfectly fair. I say it with utmost respect. I would say it to my little 6-year-old girl, and fathers do not deceive their little children. I would say it to my constituents. I say it here. I would not say to the American people that in becoming a member of the Court we become a member of the League of Nations.

We do not become a member of the Court in the first place. By adherence to its jurisdiction we do not become a member of the Court. I take it that the members of the Court in the ordinary conception are the judges. They are the members of the Supreme Court of the United States. I have heard lawyers described in the United States as "members of the court", and they are officers of the court. As such officers their foremost duty is to minister to the demands of justice.

How do we make ourselves or conceive ourselves as members of the Court merely because we agree at our own will to submit a controversy to it? I do not think it follows. I cannot make the connection.

> If we desire to maintain the Court of this tribunal after we have joined it, must we not maintain the League in order to maintain the Court?

I quote that from the distinguished Senator from Idaho. I do not think it follows. I just now said that the League might disappear, but never I hope will the tribunal of international justice disappear. I can conceive of a time when such tribunal may be rejected and denounced by reason of national feeling. But even so, if we should strike one down, the Senator from Idaho himself would be the first to lead the way to create another to take its place. He has said no less in his address here. If he had not said it, I would have known it anyway. I would not hear his foremost enemy say to the contrary.

So much, Mr. President, for that objection. The other objection is that by adhering to the Court we may become involved in European questions.

I quote again from the distinguished Senator's address:

> Again, Mr. President, let us suppose that when the German-Austrian Treaty came before it we were a member of the Court; suppose that we had become a member in 1926, what would have been the situation? Here was a tribunal of which we were a member which was dealing with a question which was purely European in character, which did not concern us in the slightest, which was purely European in its import and in its effect; we would not have entered into a discussion of the matter of our own voluntary action; but as a member of the Court, a member of the tribunal, the League calls upon us for an advisory opinion.

Imagine that—the League calling upon the United States for an advisory opinion!

> And we join with the other members of the Court in passing upon a purely political European question. If we would not be acting under the auspices, under the direction, and under the influence of the League, I do not know what would bring us under the influence of the League.

There was the Senator's conception. I differ utterly from him in my conception. He speaks of us as a member of the Court and a member of the tribunal. We are not members. He speaks of the League calling upon us for an advisory opinion. It calls upon the Court, not upon us. He speaks of our joining with the other members of the Court. We do not join.

Assume that there is a member from the United States of America, as there is now a member. Are we responsible for his decisions? Assume that this resolution of adherence shall pass, and we have a vote, and we cast that vote, and the man for whom we cast it is elected. Do we join the Court? Do we join the League? Why, no. We vote for a judge. And it is of the very essence of jurisprudence and of justice that the judge, when elected, must be indifferent to his electors. He ministers in the temple of justice. His attachment would not be to the United States. He would not be a representative of the United States. His attachment is to justice and to truth.

The Great Word said to all men—said most of all to judges, by the Almighty—

> What doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God?

That is all that we can require, all that any nation can require, all that the mighty Father Himself could require of any judge anywhere, international or local.

So, Mr. President, I cannot see wherein our adherence under this resolution could possibly make us in any degree responsible for the adjudications or actions or advices of the Court. We help maintain it, and we help maintain the Supreme Court of the United States. We help elect its judges, and we help elect judges throughout America. But courts are courts, and they serve but one master; they have but one source of validity; they have but one justification for their existence; and that is truth—in other words, justice.

I will pass by the remark made here, speaking of Earl Grey, that he went home after he had visited America and wrote a letter to the London Times, saying, "Let them"—that means America—"come in with their reservations; we will construe their reservations." That was a strange thing for Lord Grey to say. He was a very noble man. He enjoyed the love and esteem of the British people as few of its statesmen have ever enjoyed the love and esteem of a great people. I cannot account for it. When the Senator from Idaho [Mr. BORAH] says that Lord Grey said it, I am sure that he did say it. I raise no question about that; and, accepting the statement that he did say that they would construe our reservations, very well. We also would construe them. Upon any act that would seem to us unjust or unfair we have the right, inherent and of our own will and arbitrarily, to withdraw from the Court. I do not hesitate to say that should the Permanent Court of International Justice undertake to tell us what we meant, we would still have the capacity to tell them what we meant, and our word would be the last word. So that gives me no trouble.

There was an objection on the ground that the Court cannot be trusted; that it is human. It is true that it is human, and that is true of the Supreme Court of the United States; but it can be trusted. The argument of the fallibility of men gets us nowhere. The whole treasure of government is in earthen vessels. We are not going to turn from the adherence to a great tribunal of international justice simply because men elect it and men preside over it. That is the best we can do. We cannot call gods or demigods to help us on earth; and men have done quite well, Mr. President.

We stand here under the shadow of a great court, on whose altar fires have burned the lamps of justice for nearly a century and a half. Cynical men have said about the Supreme Court that it was made up of mortal men. I saw a statement the other day that one of the Justices had said that the members of the Court were human, but some were more human than others; and, you know, Mr. Dooley said, away back yonder in the last 5 years of the nineteenth century, that he did not know whether or not the Constitution followed the flag, but he understood that the Supreme Court followed the election returns.

Mr. President, I want to dwell on that. That statement found lodgment in the brain of practically all the American reading public. We rolled it under our tongues as a sweet and humorous morsel; but it did not impair in one one-

hundredth of 1 degree the universal respect in which the Supreme Court of the United States is held.

I am glad courts are human. If they were not human, I do not know from what source I would obtain justice, for they judge me remembering that they are as I am; and I do not care that they are fallible. I question whether life itself would be very greatly worth while in an infallible universe.

So, Mr. President, I conclude this portion of my argument with the simple statement that there is nothing whatever in the argument that the Court is made up of men, is human, and is therefore fallible. On that argument we would never have anything. We would not even have a Congress of the United States or a President.

I come now to my conclusion, Mr. President. I have presented no arguments for the Court except by way of answering other arguments, but the argument may be very simply stated.

In the world, as it is now constituted and has been constituted ever since record was made of the activities of men, there are controversies between kingdoms and peoples and tribes. These controversies must be settled in one of two ways—either by willfulness and force or by reason and righteousness.

Choose ye this day whom ye will serve.

As for the constitution of the Court, it must be international in character. We cannot constitute it. No man, no nation, ought to be judge in its own cause. We have a concert of 50 nations which has constituted it. We cannot build another. We cannot destroy it. If we are actuated by the reason and the righteousness which prompts us to set up indifferent tribunals for the trial of controversies between our nationals at home, then why should we hesitate to give adherence to an international tribunal indifferent in character, so far as the nations are concerned, for the settlement of international controversies and questions?

Mr. President, I began my remarks with a word or two on the subject of justice. I think I may safely say that the distinction between the natural creation of the brutes and the beasts and the civilized creation of human beings lies in that one word "justice."

Out yonder in the winter day the sparrow has no law and no court. If the hawk is stronger that he, the hawk prevails. The sparrow becomes a meal for the hawk.

Yonder in the wilderness the rabbit has nothing to protect him save his cunning; no army and no power, no court of justice, and no refuge save his speed and the instinctive capacity for deceit. If they fail him when he is young, he is food for the hound; and when they inevitably fail him in his age he is food for the fox.

So all the way through the whole realm of nature we have the rule of force and the consequence of blood and of suffering.

They call that the "survival of the fittest." The great German philosopher, Nietzsche, put forward that doctrine for men and nations in his philosophy in the early years of the present century, proclaiming to the German people the exaltation of the superman and telling them to be hard and to be strong and to rely upon hardness and to rely upon their strongness. If I had to explain the plunging of a noble people into a great war, if I had to explain many things going on over there of which I would prefer not to speak, if I should have to explain the substitution of persecution for a great and noble culture which produced the noblest literature and most perfect music of the generation that lies behind us; if I should have to explain those things, I would explain them in the fact that Nietzsche succeeded in injecting the virus of the barbaric spirit of nature in the blood of a great and noble people, with consequences which horrify mankind—which I often fear will wreck civilization.

But the instinct for justice in the breasts of men creates governments, protects the weak, takes care of the children, lays a helpful hand upon the stooping shoulder of the aged. It negatives the ruthless rule of nature.

I speak not only of justice in commerce, justice in courts between men and the law, between men and men, but of this modern aspiration for social justice. They are all one. It is that justice which lies at the root of the tree of civilization itself.

Shall we deny it here? Why is it that we who abhor the cruelty of nature in the wilderness do not abhor it between nation and nation? Why is it that we denounce the brute who beats the woman and sustain an international situation in which the greatest brute can destroy the humblest nation? Why is it that we exalt justice here as the soul of our civilization and deny justice in all the vast international relations? It cannot be answered.

So, Mr. President, I shall cast my vote for this resolution, and in casting it shall remember in the years that remain that when an opportunity was presented I sought to make one contribution to the moral structure of civilization.

During the course of Mr. BAILEY'S speech,

Mr. LOGAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. BAILEY. I yield.

Mr. LOGAN. In line with what the Senator is now suggesting, I desire to call attention to a statement made by the senior Senator from Louisiana [Mr. LONG] the other day when he undertook to say that the Court was controlled by the political interests of the judges. To quote him exactly, he said:

I just know politics that well that I can tell the Senator now how they voted, and if I make a mistake I would almost be willing to say I am making a very serious blunder.

Then he undertook to mention how each judge voted, by reason of his nationality, and he mentioned Great Britain and Czechoslovakia and Russia as having voted for the majority opinion. Czechoslovakia had no judge in the Court at the time; neither did Russia—that was mentioned by the Senator from Utah [Mr. THOMAS]—and Great Britain voted for the minority opinion. So the Senator from Louisiana not only made a blunder but, indeed, according to his own admission, a very serious blunder.

I desire now to put in the RECORD how the judges voted, so far as their nationality is concerned, on the customs-union advisory opinion involving Germany and Austria. The judges who voted for the minority opinion were from Japan, Holland, Great Britain, United States, Belgium, Germany, and China; those who voted for the majority opinion were from Spain, Italy, Cuba, France, Salvador, Rumania, Poland, and Colombia.

I wanted to make that correction and call the attention of the Senator from Louisiana to the fact that he did make a serious blunder in his guess, in the event he ever comes back to get the information.

Mr. BAILEY. Mr. President, let that come in at the conclusion of my speech, if it is agreeable to the Senator; and I think it also should go in the RECORD that if the Senator from Kentucky thinks he can correct the blunders of the Senator from Louisiana, I quickly confess that I am quite incapable of it. [Laughter.]

After the conclusion of Mr. BAILEY'S speech,

Mr. MCNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Burke | Dieterich | Keyes |
| Ashurst | Byrd | Donahey | King |
| Austin | Byrnes | Duffy | La Follette |
| Bachman | Capper | Fletcher | Lewis |
| Bailey | Caraway | Frazier | Logan |
| Bankhead | Carey | Gerry | Lonergan |
| Barbour | Clark | Glass | McCarran |
| Barkley | Connally | Gore | McGill |
| Bilbo | Coolidge | Guffey | McNary |
| Black | Copeland | Hale | Maloney |
| Bone | Costigan | Harrison | Metcalf |
| Borah | Couzens | Hastings | Minton |
| Brown | Cutting | Hatch | Moore |
| Bulkley | Davis | Hayden | Murphy |
| Bulow | Dickinson | Johnson | Murray |

| | | | |
|---|---|---|---|
| Neely | Reynolds | Smith | Vandenberg |
| Norris | Robinson | Steiwer | Van Nuys |
| Nye | Russell | Thomas, Okla. | Wagner |
| O'Mahoney | Schall | Thomas, Utah | Walsh |
| Pittman | Schwellenbach | Townsend | Wheeler |
| Pope | Sheppard | Trammell | |
| Radcliffe | Shipstead | Truman | |

Mr. LEWIS. I beg to reannounce the reasons for the absence of the Senators whose names I gave this morning as being absent from the Senate, and ask that the announcement I then made stand for the day.

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

THE TENNESSEE VALLEY AUTHORITY

Mr. DICKINSON. Mr. President, as in legislative session, I desire to call the attention of the Senate to a matter that I think is of public interest in view of the fact that it involves the public-school system of our country.

I think it was in August of 1933 that an effort was made by the authority of the National Industrial Recovery Board to put a text on N. R. A. in the public schools. That met with very serious opposition. Only a few days since I found that an effort is being made, in my judgment, to interest the National Education Association in another type of political propaganda which I believe should be frowned upon.

I have a letter from the National Education Association of the United States, 1201 Sixteenth Street, Washington, D. C., dated December 18, 1934, as follows:

Hon. L. J. DICKINSON,
*Algona, Iowa.*

DEAR SENATOR DICKINSON: You will be interested in the attached study of the Tennessee Valley project which is reprinted from the Journal of the National Education Association for December. This will be used in thousands of schools. If you wish additional copies we will be glad to supply them.

Very cordially yours,

JOY ELMER MORGAN, *Editor.*

Upon examination of this article, I find that it is an article written by Walter E. Myer, editor of the American Observer, under title "The Tennessee Valley Looks to the Future." This article is written, of course, purely from the standpoint of the interest of those wanting to make everything look rosy in behalf of the Tennessee Valley Authority.

When the appropriation for T. V. A. comes before this body for approval I shall bend every effort to obtain adoption of a special prohibition that no moneys expended by T. V. A., either out of its borrowed funds or from direct apropriation, shall be used in secret propaganda either in the American school system or in any other manner.

Recently I was astounded to discover the broadcast manner by which the doctrines proposed by this association are being spread in this underhanded manner, the same as we found the public utilities were doing only a few years since.

I feel sure that the Senator from Nebraska [Mr. NORRIS], who does not happen to be in the Chamber just now, and who, more than any other person, is responsible for the existence of the Tennessee Valley Authority, will join me in the suppression of such a pernicious practice. Certainly he will object to practices by the Tennessee Valley Authority which he has so vehemently denounced when carried on by utilities. I am sure he will agree with me that the commission of a sin by the utilities cannot justify the same sort of activities by a Federal agency.

I am sure that none of those in this Chamber who, like myself, voted for T. V. A. contemplated such activities by that corporation any more than we realized the threat toward socialistic activities and competition with business which the administration of T. V. A. has manifested.

Every American school teacher, every American parent, every American taxpayer, will be gravely concerned to learn the latest attempt to prostitute our public-school system for the purpose of spreading the propaganda of a public-ownership doctrine by writers secretly subsidized out of Federal moneys to prepare public-ownership "study units" published by the Journal of the National Education Association and distributed to the school teachers of the country.

We have in this article by Mr. Myer a detailed description of what it is expected will be done under the Tennessee Valley Authority, but we find that this article was prepared by Mr. Myer at the instance and request of those in the Authority. We have this on the admission of Dr. Joy Elmer Morgan, editor of the Journal. Dr. Morgan was asked, before publication, according to Herbert Corey, in the current issue of the New Outlook: "How much are you going to pay the correspondent for writing it?" "I do not know", Dr. Morgan replied, "the T. V. A. is taking care of that. It will be a matter of bargaining between the correspondent and the Authority."

Thus is revealed an agency of the Federal Government engaging in a propaganda trick that amounts to a public fraud—a deception as black as any charged against its public-utility opponents. T. V. A. has employed a writer of reputation to prepare an article purely for propaganda purposes, pleasingly painting its arguments, and has paid this man to place the article within the covers of the Journal of the National Education Association as a bona fide, unbiased study of a great Federal experiment. The deception lies in the fact that the readers of this article—and it has been reprinted for classroom use, large quantities having been purchased for free distribution by T. V. A.—are forced to assume that the writer has written freely from his own observations. It is my understanding that over 50,000 copies of this article have already been printed and that the Tennessee Valley Authority has purchased 25,000 of them. The guileless reader never suspects that he is a victim of a public-ownership propaganda scheme.

I do not want to commit myself as a public-ownership advocate or as a private-ownership advocate; what I am trying to touch upon is the fact that the public-school systems of the United States ought not to be used to spread propaganda for or against either type of ownership of public utilities.

Equally culpable is the management of the Journal of the National Education Association, which would submit supinely to such a prostitution of the name and prestige of its organization to further the cause of an alien political doctrine.

One wonders what official pressures were brought to bear upon Dr. Morgan that he was willing to participate in a governmentally financed conspiracy to proselyte the Nation's school children.

Other pertinent questions include:

How much money did Walter E. Myer receive from T. V. A. for writing this article?

With whom did he collaborate on the propaganda staff of T. V. A. and to what extent was his copy censored and rewritten by the propagandists for this Government agency?

Let us turn to the article itself.

We read:

"They (utility companies) seek to influence public opinion insofar as it relates to the regulation of utility rates. * * * They carry their influence to the schools and secure the adoption of textbooks which are favorable to utility companies and the elimination from other textbooks of statements they consider harmful." This from a piece of propaganda performing the same kind of mendacious dissembling!

I hold no brief for the utilities companies. Unquestionably some of them may have been mismanaged, and some of them well deserve the castigations that they have received. My own record is clear on that point. But this statement implies that each and every public utility commonly engages in the most pernicious types of propaganda—a statement that cannot be demonstrated and that is obviously false.

The irony is, of course, that such a self-righteous accusation should be contained in a similar attempt to influence the schools.

Such, however, is a minor issue. I take more serious objection to the whole fatuous tone of utopian star-gazing, with which the impressionable youth of this country is given this story in a magazine whose supposed purpose is to mold the child mind. To have been fair, the views of realists on public ownership should have had equal space.

Such an activity on the part of an agency of the Federal Government would be reprehensible and against public policy, even if the statements contained therein were wholly true and undebatable facts. Inasmuch as the real sponsors for this article remain hidden, and accept no responsibility for the

opinions expressed therein, it must be assumed that the officials responsible for it did not dare openly to espouse the opinions set forth.

Our children are told how opposition to T. V. A. is to be anticipated and discounted in advance as a natural reaction, not of patriots but of exploiters of the masses, of selfish and disgruntled business interests:

The T. V. A. must expect active hostility at times from business groups who feel themselves adversely affected by its operations. If, as is clearly possible, the dominance of the private power companies in the utility field is seriously challenged by the T. V. A., the companies may throw their great influence into the scales against the practice of governmental competition. Other industrial interests will have their grievances. If the T. V. A. maintains its purpose to encourage industries which contribute to the public good and to discourage those which do not, it would be fatuous to suppose that it will not step on the toes of a good many very powerful business men. It would be equally fatuous to suppose that they will not strike back.

Mark how the propagandists have anticipated the time when T. V. A.'s failures begin to arouse inevitable skepticism:

The test (of T. V. A.) will come when the novelty of the idea wears off and when the absence of quick and tangible results of T. V. A. efforts may try the public patience. It is not enough that the people tolerate the Authority. They must follow its guidance actively if its purposes are to be achieved. Are we on the verge of an "authoritarian state"?

The so-called "yardstick" idea again is used without qualification, with no explanation of how Federal taxpayers' moneys contribute to T. V. A. low rates. In fact, the entire article is a biased hypocritical statement of T. V. A. views offering no opportunity to consider the problem with the critical detachment necessary to true scholarship.

In a personal message to the school teachers of the country, Dr. Joy Elmer Morgan "explains", without explaining, this remarkable document. On the last page of this article I find this statement from Dr. Morgan, editor of this journal:

Cannot the curriculum be so arranged that every student will be studying some current activity, so that his powers of observance and analysis will be trained to look upon the passing scene? Such questions as these were in the editor's mind, when the plan was made to work out in cooperation with the Tennessee Valley Authority, the story of what is being done in that great watershed. By a piece of good fortune, arrangement was made for Walter E. Myer, editor of the American Observer, and a gifted writer and student, to prepare the story. Try it on your classes. Perhaps it will help young people to realize that America has a great future if it wills to have such a future.

I am curious to know if this is just the beginning of such propaganda activities by T. V. A., or how long has this sort of thing been going on?

This special feature in the 15 pages preceding provides specific and abundant teaching material for a study unit based on one of the most significant developments now taking place in the United States. It can be used to vitalize the teaching of many school subjects. It will turn teachers' attention to a study of their own communities—their resources and needs. Perhaps most important is the emphasis this special feature makes on the idea of planning and that a new and better civilization can and is being created in the Tennessee Valley, which is possible in other sections of our country. The potential public usefulness of the entire Tennessee Valley "enters the wide fields of flood control, soil erosion, afforestation, elimination from agricultural use of marginal lands, and distribution and diversification of industry." The implications of all this for education and classroom teachers are far-reaching.

Mr. President, as a matter of fact, there is a noble purpose in the Tennesse Valley Authority. No one objects to having those beautiful hills manicured and the valleys landscaped; the only question is, How far is it the responsibility of the Federal Government or the American taxpayer to foot the bill?

I also find that they have extended their activities into other avenues. Only last night I was looking through the Public Works Administration allocations. I find that they have allocated to the Tennessee Valley Authority $1,000,000, which is being used as capital stock for an equipment corporation, and that equipment corporation is selling to the inhabitants of certain areas electrical appliances on the installment plan, to be paid for at their will.

There are other phases of that development down there which I think ought to have the attention of the country. They are calling in people from all over the area, largely women, who are supposed to be students. They are to take instruction from teachers in the use of electrical equipment for a certain number of weeks or months and then they are to go out and spread the gospel as to the additional uses that people can make of electric appliances. So the Government furnishes the teachers to instruct others how to use the appliances, sells them the appliances on time, and trusts to the Lord that they will be able to pay for them some time; but I do not know how they are going to increase their income. Of course, if they can get enough income from relief allowances, and so forth, so as to pay for this equipment, the Tennessee Valley Authority will not lose any money.

I am not interested, Mr. President, in whether or not we continue only private ownership of public utilities or private and public ownership of public utilities, but I am interested in seeing that the public-school system of this country shall not be subjected to undue influence on the part of either side by means of the type of propaganda they want put out in order to further their own interests.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Johnson | Radcliffe |
| Ashurst | Coolidge | Keyes | Reynolds |
| Austin | Copeland | King | Robinson |
| Bachman | Costigan | La Follette | Russell |
| Bailey | Couzens | Lewis | Schall |
| Bankhead | Cutting | Logan | Schwellenbach |
| Barbour | Davis | Lonergan | Sheppard |
| Barkley | Dickinson | McCarran | Shipstead |
| Bilbo | Dieterich | McGill | Smith |
| Black | Donahey | McNary | Steiwer |
| Bone | Duffy | Maloney | Thomas, Okla. |
| Borah | Fletcher | Metcalf | Thomas, Utah |
| Brown | Frazier | Minton | Townsend |
| Bulkley | Gerry | Moore | Trammell |
| Bulow | Glass | Murphy | Truman |
| Burke | Gore | Murray | Vandenberg |
| Byrd | Guffey | Neely | Van Nuys |
| Byrnes | Hale | Norris | Wagner |
| Capper | Harrison | Nye | Walsh |
| Caraway | Hastings | O'Mahoney | Wheeler |
| Carey | Hatch | Pittman | |
| Clark | Hayden | Pope | |

Mr. LEWIS. I reannounce the absences, for the reasons then stated, of certain Senators as announced by me this morning.

The PRESIDING OFFICER. Eighty-six Senators have answered to their names. A quorum is present.

### THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Permanent Court of International Justice, the pending question being the amendment of Mr. VANDENBERG to the resolution of adherence as reported by the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, it is manifest that the Senate is approaching the time when debate upon the general proposition will be exhausted. I have spent most of the day going about the Senate Chamber trying to ascertain who desires to speak and who is ready to speak. When the Senator from Iowa [Mr. DICKINSON] concluded his remarks a few moments ago it appeared there was no one who desires to address the Senate.

In view of the situation, I wish to address to my friends of the opposition to the pending resolution a suggestion that they give consideration to a proposal, which I shall not undertake to make definite at this time, for the Senate to proceed to vote on the issues which are before the Senate. I realize that this is a very stormy day and that a number of Senators, who were anxious to be present before the proposed resolution and reservations are disposed of, are necessarily absent. Senators will all agree that the debate has proceeded in a somewhat leisurely fashion. There has been no effort on the part of anyone to block a conclusion

nor delay it. On the other hand, there has been no attempt to press to a conclusion.

In view of all the circumstances, it is my feeling that the Senate should proceed to vote tomorrow or at least the day after tomorrow. I merely make this statement now in the hope that Senators who are interested in the subject may give it consideration.

Mr. JOHNSON. Mr. President, the Senator from Arkansas is quite right. The debate has proceeded in regular and fairly leisurely fashion. It ought to continue, if it is to be continued, as a debate. There is no question on that score at all. I could not at the moment agree, and the Senator will pardon me for the suggestion, to fixing a specific time to vote tomorrow or the following day. I know there are several Senators who desire to speak, and, as usual in cases of this kind, generally they want to speak "tomorrow." They are not prepared at the moment to proceed, and the difficulty arises from that as much as from any other reason.

There are some things that can be said this afternoon and some things that perhaps ought to be said. I am ready to present a particular article or brief which was furnished me this morning by a very learned gentleman and which under the rule I cannot insert in the RECORD because of its length. It is not lengthy in fact, but it exceeds what the rule will permit to be inserted in the RECORD. I was not aware of that rule until it was called to my attention this morning.

If there is no objection upon the part of the Senator from Arkansas, I shall endeavor to take up with him tomorrow what may be possible in reference to an agreement upon a vote, but saying to him now that I am hoping that on mature consideration by him he may not endeavor definitely to fix that vote until some time in the following week. However, I shall be glad to talk with the Senator.

Mr. ROBINSON. I appreciate the spirit in which the Senator approaches the question, but I should like to point out to him that since the debate began we have had the habit of adjourning very early in the day in order to get some Senator ready to proceed "tomorrow." Now we find ourselves at an impasse. I know of only two or three Senators who have indicated that they might speak. The subject has been before the Senate for so long a time that it seems to me the Senator from California should go with me in an effort to bring it to a conclusion. Of course, I am not insisting now upon a vote.

Mr. JOHNSON. I quite agree with the Senator. This matter ought to be voted up or voted down. The only problem is to give fair opportunity to all those who wish to speak upon the subject and not unduly delay it.

Mr. ROBINSON. We have been doing that, and we are doing it again today, with no one ready to speak.

Mr. JOHNSON. The Senator knows the Senate far better than I do, and he realizes the difficulties we are encountering whenever the debate is in progress here.

Mr. ROBINSON. Yes; but I wish to say to the Senator from California, in view of the statement I made in the beginning, that I have been busying myself today trying to find out who wants to speak and who is going to speak, that I do not propose to proceed in that way any further. Senators who wish to discuss the subject ought to come here and be ready to take part in the discussion. Otherwise it will be necessary for the Senate to attempt to reach a conclusion without the assistance of their suggestions.

Mr. JOHNSON. Mr. President, a gentleman who is very learned in the law, who has had not only some personal experience at Geneva but a great deal of personal experience at home, this morning sent me a manuscript upon the subject of whether or not we should join the World Court.

I may say in explanation of his position that he was a very strong advocate of a world court, not this one, perhaps, but that he was in thorough accord with those Americans who during the long years have sought by judicial interpretation and judicial decision to solve controversies which might exist among the nations of the earth. That will be observed from the beginning of what he has to say.

I read this for the reason I indicated a moment ago, that under the interpretation of the rule, as I understand it, a document of this length, perhaps a few pages in length, would not be permitted insertion in the RECORD.

This article is by Mr. Herbert Wright. Mr. Wright is in the department of politics and government, international law and relations in the Catholic University of America, in this city. Here he presents his views.

Mr. ROBINSON. Mr. President, will the Senator from California yield to me?

Mr. JOHNSON. Certainly.

Mr. ROBINSON. Appreciating the statement the Senator has made that he is reading it because it cannot be printed in the RECORD, if the Senator would like to have it printed in the RECORD, I should be glad to ask unanimous consent that the rules be suspended and that the matter to which he refers be printed in the RECORD.

Mr. JOHNSON. I quite appreciate that suggestion, and I should avail myself of it, if it were not for the fear on my part that few of our Senators would look at it unless it is thus presented.

Mr. ROBINSON. If the Senator desires to read it, of course, he has a perfect right to do so.

The PRESIDING OFFICER. The Chair will state for the benefit of Senators that the rule to which reference has been made is one enunciated by the Joint Committee on Printing and cannot be abrogated by any action of the Senate.

Mr. JOHNSON. It is the absolute rule?

The PRESIDING OFFICER. It is the absolute rule.

Mr. JOHNSON. That is what I was told this morning.

Mr. ROBINSON. I do not concede that at all.

Mr. JOHNSON. I should think the Senate could abrogate its own rule.

Mr. ROBINSON. The Senate is the creator of the Committee on Printing, and, having complete authority over the Committee on Printing, it can suspend its rules or suspend any rule and print anything it wishes to print. I do not wish to subscribe to the legal doctrine that a committee can, for its own procedure, adopt a rule by which the Senate is unalterably bound.

The PRESIDING OFFICER. The Chair wishes to state further that this matter has been called to his attention by the parliamentary clerk. The statute authorizes the Joint Committee on Printing to make such rules, and abrogation of the rule is not a matter of unanimous consent by the Senate.

Mr. ROBINSON. I think the Senate has complete control of its records. But if the rule is authorized by statute, it would be controlling.

Mr. JOHNSON. The only question in that regard might be because it is a joint committee.

Mr. ROBINSON. Yes.

Mr. JOHNSON. Any question regarding it will be solved by reading the article.

Mr. ROBINSON. The Senator stated in the beginning the position or employment of Mr. Wright, the author of the article he is about to read. Will he state it again for my benefit?

Mr. JOHNSON. He is in the department of politics and government, international law and relations of the Catholic University of America, Washington, D. C.

Mr. ROBINSON. I thank the Senator.

Mr. JOHNSON. I read:

The suggestion of a permanent court of international justice is not new.

I may not agree with all that is said here, but I am delighted always to have the considered conclusions of any gentleman of standing and repute and anyone learned in the law. The Senator from Arkansas may not agree with some of the conclusions he has reached.

Mr. ROBINSON. I probably shall not.

Mr. JOHNSON. I read:

SHALL THE UNITED STATES JOIN THE WORLD COURT?

By Herbert Wright

The suggestion of a permanent court of international justice is not new. It originated in the proposal of the United States to the First Hague Conference of 1899. In the Second Hague Con-

ference of 1907, at the insistence of the United States, the project was worked out and agreed upon in its essential features, except the method of selecting the judges. A solution of the latter question seemed impossible because of an apparent irreconcilability of the political doctrine of the equality of states with that of the hegemony of the more powerful states. This practical difficulty was overcome by the advisory committee of jurists, which met at The Hague in the summer of 1920 at the invitation of the League of Nations, and it was their plan that formed the basis of the statute of the Court finally adopted by the League. Manifestly, then, the presumption is in favor of the United States supporting the Court, for both self-respect and self-interest require that the United States should stand by its own policy. We cannot decently urge the creation of such a court as this upon the rest of the world through a long series of years and then repudiate the Court when they consent to it, unless we offer some adequate reason for apparently such an absolute change of front.

Moreover, since the project for a permanent court of international justice drafted by the advisory committee of jurists and their accompanying recommendations represents the combined thought of the best legal minds of the world as applied to the problem of world peace, to a consideration of which many of them have given a lifetime, it would seem that no more practical way to peace between nations could humanly be devised.

It must be remembered, however, that the Advisory Committee did not consider the establishment of a World Court as an independent proposition, but as an instrument of the League of Nations, by whose invitation they met. Consequently the project which they elaborated was naturally linked up with the League. It must also be borne in mind that the original project of this Advisory Committee and their recommendations were not adopted verbatim by the League, which, on the contrary, made substantial changes and additions to the project and paid but scant attention to the accompanying recommendations. The present Court, therefore, is not precisely the court proposed by the Advisory Committee, a fortiori, not the court envisaged by the Hague Conferences. Hence there are fundamental objections to the very nature of the Court.

There are now before the Senate, awaiting its advice and consent, three instruments concerning the Permanent Court of International Justice:

1. The protocol of signature of the statute of December 16, 1920.
2. The protocol of accession of the United States of September 14, 1929.
3. The protocol of revision of the statute of September 14, 1929.

Let us examine these, objectively, to see if there are any fundamental reasons why the United States Senate should not advise and consent to these three instruments.

### 1. THE PROTOCOL OF SIGNATURE

The United States should not adhere to the protocol of signature of the statute if the United States is opposed to entering the League of Nations, and the Court is an integral part of the League.

That the Court is an integral part of the League seems evident from a number of considerations. In the first place, it is a fact that the protocol of signature of its statute was framed under the direction of the League, for members of the League, is signed only by members of the League, and is open for signature by nonmembers of the League only on terms approved by the Council of the League.

Most of these facts require no proof. They need only to be stated to be admitted. The protocol itself admits that it "has been drawn up in accordance with the decision taken by the Assembly of the League of Nations on December 13, 1920." And the decision referred to was taken after the Assembly had deliberated on the report and recommendations of the Advisory Committee of Jurists established by the Council. Moreover, the protocol specifically states that "The members of the League of Nations, through the undersigned, duly authorized, declare their acceptance of the adjoined statute." It is true that it also declares that the protocol "shall remain open for signature by the members of the League of Nations and by the states mentioned in the annex to the Covenant of the League." But that the latter are referred to only as prospective members of the League and not at all as nonmembers is evidenced by the fact that the annex to the Covenant does not include Afghanistan, Albania, Austria, Bulgaria, Costa Rica, Dominican Republic, Egypt, Estonia, Ethiopia, Finland, Germany, Hungary, Iceland, Irish Free State, Latvia, Lithuania, Mexico, Turkey, and the Union of Soviet Socialist Republics, and a few Arabian and Indian states, although a number of these were subsequently admitted to the League. Article 35 of the statute provides that the Council shall lay down "the conditions under which the Court shall be open to other states." This the Council did in a resolution of May 17, 1922, which provides "that such state shall previously have deposited with the registrar of the Court a declaration by which it accepts the jurisdiction of the Court, in accordance with the Covenant of the League of Nations", and with the terms provided for in the rules of procedure of the Court, and "undertakes * * * not to resort to war against a state complying" with the decisions of the Court. By this same resolution the Council "reserves the right to rescind or amend this resolution."

But the allegation is made that these facts relate simply to the historical genesis of the Court and not to the juridical relationship between the Court and the League. Let us therefore examine the statute itself.

The statute provides (art. 1) that the Court is established "in accordance with article 14 of the Covenant." Article 14 of the Covenant provides that—

The Council shall formulate and submit to the members of the League for adoption plans for the establishment of a Permanent Court of International Justice. The Court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it. The Court may also give an advisory opinion upon any dispute or question referred to it by the Council or by the Assembly."

This is the only juridical basis for the advisory jurisdiction of the Court. The judges, therefore, sit and render decisions by the authority of the Covenant. They are, moreover, bound to expound and defend the Covenant as the fundamental law of the society of nations, above all other international law, customary or written, for by article 20 of the Covenant—

"The members of the League severally agree that this Covenant is accepted as abrogating all obligations or understandings inter se which are inconsistent with the terms thereof."

The statute provides (art. 4) that "the members of the Court shall be elected by the Assembly and by the Council." Articles 5 to 12 and 14 give the details of this electoral procedure.

The statute provides (art. 26) that the technical assessors in labor cases shall be chosen from a list "composed of two persons nominated by each member of the League of Nations and an equivalent number nominated by the governing body of the Labor Office."

The statute provides (art. 27) that the technical assessors in transit and communications cases shall be chosen from a list "composed of two persons nominated by each member of the League of Nations."

The statute provides (art. 32) that the salaries, allowances, and indemnities of judges shall "be determined by the Assembly of the League of Nations upon the proposal of the Council." The same article also provides that the Council shall decide the salary of the registrar and that the Assembly on the proposal of the Council decides "the conditions under which retiring pensions may be given to the personnel of the Court."

The statute provides (art. 33) that "the expenses of the Court shall be borne by the League of Nations" as "decided by the Assembly upon the proposal of the Council."

The statute provides (art. 34) that "only states or members of the League of Nations can be parties in cases before the Court."

The statute provides (art. 35) that "the conditions under which the Court shall be open to other states shall * * * be laid down by the Council, but in no case shall such provisions place the parties in a position of inequality before the Court." These conditions, as a matter of fact, have been laid down by the Council resolution of May 17, 1922, the principal provisions of which have been set forth above.

The statute provides (art. 36) by implication that only "members of the League of Nations and the states mentioned in the annex to the Covenant" may sign the optional clause for compulsory jurisdiction, for it makes no reference to any procedure whatsoever for signature of this optional clause by nonmember states, even upon conditions laid down by the Council.

The statute provides (art. 37) that when a treaty refers to "a tribunal to be instituted by the League of Nations the Court will be such tribunal."

The statute provides (art. 40) that the registrar shall "also notify the members of the League of Nations" of the application of a state to bring a case before the Court. The purpose of this provision appears to be to give such members of the League of Nations which are not actual parties to the case an opportunity to intervene if they consider themselves interested parties. But why should such notification be limited exclusively to the members of the League if the Court is not an integral part of the League?

These provisions of the statute itself seem to show conclusively that the Court is not only an integral part of the League but a very important part. And this nexus, as proclaimed in the very terms of the statute itself, could be corroborated further by the statements of many distinguished individuals engaged in League activities. If it had been intended to have the Court absolutely independent of the League, the term "adherents to this statute" could very easily have been substituted for the term "members of the League" and similar adjustments and substitutions made in other relevant portions of the statute.

"Joining the Court" therefore would be but a step into the League itself. It should not be necessary here to give reasons why the United States should not join the League. The United States Senate has placed itself unmistakably on record against such a step, both by rejecting the Treaty of Versailles and by consenting to the ratification of separate treaties of peace with the Central Powers. Moreover, the political conventions of both major parties in the United States since that time have consistently maintained the same attitude.

But let us examine the text of the Covenant itself for the fundamental reasons for this attitude. The treaties of Paris, of which the Covenant is part I, were essentially treaties of peace forced upon defeated nations by victorious nations, based upon Germany's sole responsibility for the World War and not based upon broad principles of justice. The arbitrary dismemberment of Germany, Austria, and Hungary, the unjust seizure of their colonies, and the exacting of intolerable and impossible reparations could only be executed by the establishment of an armed alliance to maintain the status quo of the peace treaties.

Such an armed alliance is provided by the Covenant. In the first place, the defeated nations were debarred from original membership, which was limited (art. 1) to those signatories mentioned in the first part of the annex to the Covenant. Secondly, it was to be a closed alliance. Although a second group of nations, mentioned in the second part of the annex, were to be allowed to become members of the League, admission to the score or more not there mentioned was to be only upon the agreement of two-thirds of the Assembly, provided that each such prospective member "give effective guaranties of its sincere intention to observe its international obligations and shall accept such regulations as may prescribed by the League in regard to its military, naval, and air forces and armaments." No such conditions are exacted of the original members or of any states mentioned in the annex.

This closed alliance was intended to control the world, for article 3 provides that "the Assembly may deal at its meetings with any matter * * * affecting the peace of the world", and article 4 gives the same power to the Council, a small group controlled by the principal Allied and Associated Powers. Moreover, this control of the world is to be on the basis of the status quo of the peace terms, for by article 10 "the members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League", and by article 11 "any war or threat of war, whether immediately affecting any of the members of the League or not, is hereby declared a matter of concern to the whole League, and the League shall take any action that may be deemed wise and effectual to safeguard the peace of nations." Should a member of the League violate the Covenant, the other members, by article 16, "undertake immediately to subject it to * * * the prevention of all financial, commercial, of personal intercourse between the nationals of the Covenant-breaking state and the nationals of any other state, whether a member of the League or not." The same article also provides for military and economic sanctions against a Covenant-breaking state. In the event of a dispute between a member of the League and a nonmember, the latter is invited by article 17 to accept the obligations of the League for the purposes of such dispute, with such modifications as may be deemed necessary by the Council. If it refuses the invitation and resorts to war, the sanctions of article 16 will apply.

Under article 22, the seizure of the colonies of the defeated nations in the World War is cloaked under a system of "mandates", allegedly "a sacred trust of civilization"—

Just recall those words in the light of what we have seen of late—the "mandates" given as "a sacred trust of civilization." Then says this author—

but realistically interpreted by most of the mandatory states as outright acquisitions, to be exploited for their exclusive benefit.

Let me digress for just an instant concerning the mandated islands in the Pacific Ocean. This sacrosanct organization at Geneva, which means "the peace of the world", gave as a sacred trust for civilization the Marshall and the Caroline and the adjoining islands in the Pacific under a mandate to Japan. Japan stands now facing the world, saying she intends to hold those mandated islands in perpetuity; and the League of Nations, investigating, hints and insinuates that Japan has fortified those islands so that she might use them for warlike instead of for peaceful purposes; and all the world apparently, and particularly the League of Nations, accepts practically without demur Japan's attitude in regard to the mandated islands in the Pacific. "A sacred trust of civilization" they constitute now!

The articles of the Covenant quoted above prove conclusively that the League is a closed and armed alliance to maintain the status quo of the so-called "peace" treaties, the joining of which by the United States would mean that the United States would be obliged to assist in perpetuating the iniquities and injustices of those treaties and thus become embroiled in every quarrel of Europe.

2. THE PROTOCOL OF ACCESSION

The United States should not adhere to the protocol of accession because it does not comply entirely with the terms of Senate Resolution 5 of January 27, 1926, advising and consenting to the adherence of the United States to the protocol of signature. This resolution contains certain reservations and understandings which are "made a part and condition of this resolution." The protocol of accession of 1929, however, does not include these as a part of the instrument, but accepts the adherence of the United States "subject to the five reservations formulated by the United States in the resolution" of 1926, without including the text even of these reservations, much less that of the understandings which also formed a part of the Senate resolution. Article 1 of the Protocol of Accession declares that the signatories "accept the special conditions attached by the United States in the five reservations mentioned above", but only "upon the terms and conditions set out in the following articles."

But the following articles make no specific mention of reservations 1 and 3. It may be alleged, however, that they are included by implication from the passage quoted above. Let us see how far this is true. Reservation 1 provides that the adherence of the United States "shall not be taken to involve any legal relation on the part of the United States to the League of Nations or the assumption of any obligations by the United States under the Treaty of Versailles." From what has been said above concerning the juridical relation between the Court and the League, it is difficult to see how the adherence of the United States to the Court could fail to involve a "legal relation to the League or the assumption" of obligations under the Treaty of Versailles, unless the other signatories of the protocol of signatures divorced the Court from the League, which they failed to do. Reservation 3 provides that "the United States will pay a fair share of the expenses of the Court as determined and appropriated from time to time by the Congress of the United States." In the absence of any specific mention of the terms upon which this is accepted, it may be presumed that the apportionment of the expenses of the Court, including the share of the United States, will be decided by the Assembly in accordance with article 33 of the statute.

The protocol of accession in article 2 accepts almost verbatim reservation 2, concerning the participation of the United States in the election of the judges.

The protocol of accession in article 8 accepts the first part of reservation 4, concerning the power of withdrawal of the United States at any time, but adds that if two-thirds of the other signatories desire to withdraw their acceptance of the protocol of accession, it "shall be considered as ceasing to be in force." In other words, the protocol of accession is to be regarded as a treaty between the United States on the one side and all the other signatories on the other, instead of being regarded as an individual accession like those of the other signatories. If two-thirds of the other signatories desire to kick the United States out of the Court, they may do so, but no other signatory may be kicked out of the Court with the United States vote or without.

The protocol of accession in article 3 accepts almost verbatim the second part of reservation 4, concerning the amending of the statute, and in article 4 accepts the first part of reservation 5, concerning publicity and hearings for advisory opinions.

The protocol of accession does not comply with the second part of reservation 5, which provides that the Court shall not, "without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest." Article 5 of the protocol of accession provides that "with regard to requesting an advisory opinion * * * there shall be attributed to an objection of the United States the same force and effect as attaches to a vote against asking for the opinion given by a member of the League of Nations in the Council or in the Assembly." If the members of the League desire an advisory opinion and the United States is not prepared to forego its objection, the exercise of the powers of withdrawal * * * will follow naturally. In other words, Senate reservation 5 asks for an absolute veto on advisory opinions, while article 5 of the protocol of accession provides for a veto or withdrawal. The signatories misconstrued this reservation of the Senate to be merely a request for equality with the members of the League, but the terms of the Senate reservation are unmistakably clear. The Senate wished an absolute veto on advisory opinions. There are a number of questions which the United States does not desire to have submitted to the Court for advisory opinion without its consent. It is impossible to enumerate all, but mention might be made of immigration, tariffs, relations between debtor and creditor, relation between reparations and war debts, and other political, domestic, or purely American questions. Hence it is not sufficient to allow the United States to object and, if overruled, to withdraw. Withdrawal under such circumstances is bound to injure the reputation and prestige of the United States in spite of the fact that by article 5 it is to follow "without any imputation of unfriendliness or unwillingness to cooperate generally for peace and good will." Simply saying so does not make it so.

Moreover, who is to decide whether the United States has or claims an interest in a proposed advisory opinion? Is it the Executive alone? This question was put to Prof. Philip C. Jessup, who accompanied Mr. Root to Geneva when the Root-Hurst formula was adopted, at the annual meeting of the American Society of International Law on April 24, 1931, to which he replied by making a distinction between disputes to which the United States is a party and disputes to which the United States is not a party. In the former case, "arrangements for that submission must be by and with the advice and consent of the Senate", he admits. In the second case, "if the United States is not a party to a dispute, but there is a question in which we have an interest, and it is proposed to request an advisory opinion regarding that question, I should think it might be quite possible to say that that was within the discretion of the Executive." It is precisely this second group of questions, in which the United States has an interest but is not a party, that Senate reservation 5 was designed to cover. By new article 68 of the protocol of revision the Court will apply to advisory opinions the same provisions of the statute as those which apply to contentious cases to the extent to which it recognizes them to be applicable. This certainly means that advisory opinions will very closely approximate judgments in contentious cases and that their effect upon the United States as precedents will be just as potent and far-reaching as that of judgments. Is the Senate prepared to delegate this power of control to the Executive?

The protocol of accession does not comply with the first paragraph after Senate reservation 5, providing that the signature of the United States to the protocol of signature will not be affixed until the other signatories shall have indicated, through an exchange of notes, their acceptance of the foregoing reservations and understandings as a part and a condition of adherence by the

United States. The protocol of accession is virtually a treaty between the United States on the one side and all the signatories on the other, and not an acceptance by bilateral exchange of notes.

The protocol of accession makes no reference to the second resolution of the Senate resolution of 1926, providing that recourse to the Court for the settlement of differences between the United States and any other State or States can be had only by agreement thereto through general and special treaties concluded between the parties in dispute. This is the resolution by which the Senate retains control of the cases to be submitted to the Court by the United States. Does the Senate wish to relinquish this control?

The protocol of accession makes no mention of the third resolution of the Senate resolution of 1926, providing that adherence is not to be so construed as to require the United States to depart from its traditional policy of * * * entangling itself in the political questions of policy or internal administration of any foreign state nor to imply a relinquishment by the United States of its traditional attitude toward purely American questions. This is evidently aimed at insuring the judicial character of the Court and preventing it from exercising political functions. Does the Senate wish to abandon this part of its original resolution of 1926?

3. THE PROTOCOL OF REVISION

The United States should not adhere to the protocol of revision of the statute for the following reasons:

The new text of article 4 of the statute adds a provision to the effect that—

"The conditions under which a state which has accepted the statute of the Court but is not a member of the League of Nations may participate in electing the members of the Court shall, in the absence of a special agreement, be laid down by the Assembly on the proposal of the Council."

Why should the Assembly have the power to decide how states accepting the statute of the Court without membership in the League should participate in the election of the judges? There are many members of the League who have not accepted the statute of the Court. On the other hand, there may conceivably be states accepting the statute of the Court without wishing to be members of the League, who would be debarred from participation in deciding the conditions for others such. If the United States should, by accepting the three instruments now before the Senate, enter such category, it would not thereafter have the right to participate in deciding the conditions for others such.

The new text of article 32 of the statute repeats the provision of the old text that "salaries, allowances, and indemnities [of judges] shall be fixed by the Assembly of the League of Nations on the proposal of the Council." Why shouldn't they be fixed by the signatories of the statute alone? Why shouldn't the United States, if the present protocols are accepted, have the right to participate in such matters?

The new text of article 35 of the statute repeats the provision of the old text that the Court shall be open "also to states mentioned in the annex to the Covenant" and that "the conditions under which the Court shall be open to other states shall * * * be laid down by the Council." This has already been commented on above.

The new text of article 40 of the statute repeats the provision of the old text that the registrar shall notify "the members of the League of Nations" of the application of a state to bring a case before the Court. This likewise has been commented on above.

The new articles 65–68 refer to procedure in advisory opinions and are designed, first, to include in the statute provisions for jurisdiction in advisory opinions, which is now based exclusively upon article 14 of the Covenant, and secondly, to make the procedure in advisory opinions approximate as far as possible that in contentious cases. The substance of these articles, so far as they may be applicable to the United States under Senate Resolution 5, has been commented on above and requires no further comment here.

THE MORAL ARGUMENT

The arguments thus far advanced have been based upon an examination of the three documents now before the Senate. Advocates of the acceptance of these three instruments, as reported by David Lawrence in the Washington Evening Star of January 17, 1935, are wont to minimize the effect of such acceptance by saying that "the United States does not have to submit a case to the World Court, if it is disinclined to do so" and that "the principal value of American membership in the World Court is the moral support given by the United States to a movement to settle disputes by judicial means, instead of by violence." These two contentions involve peculiar, not to mention naive, if not downright hypocritical and absolutely untrue, inferences. If the United States does not intend to submit cases which may arise to the Court, what need is there to join? What need to stultify ourselves by saying, in effect: "This is an innocuous and meaningless step, but nevertheless we take it." Ah, but it is necessary in order to show our moral support of a movement to settle disputes by judicial means, instead of by violence. In other words, the implication is that by failing to take the step, the United States disapproves of the peaceful method of settling disputes and approves of violence.

But let us look at the record. The United States is a signatory of convention I, for the pacific settlement of international disputes, of the First Hague Conference (1899) and the Second Hague Conference (1907). It had the first case before a tribunal operating under that convention, the case of the Pious Fund of the Californians against Mexico, and it had the last case to be decided by a tribunal under that convention, the case of the Island of Palmas or Miangas against the Netherlands, besides several cases in between these (the North Atlantic Coast Fisheries Case against Great Britain, the Orinoco Steamship Co. Case against Venezuela, and the Norwegian Shipping Claims Case).

Furthermore, the United States has, by treaties for the advancement of peace and treaties of conciliation with the following 38 nations, provided permanent commissions of inquiry: Albania, Austria, Belgium, Bolivia, Brazil, Bulgaria, Chile, China, Czechoslovakia, Denmark, Ecuador, Egypt, Estonia, Ethiopia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Luxemburg, Netherlands, Norway, Paraguay, Peru, Poland, Portugal, Rumania, Russia, Spain, Sweden, Switzerland, Uruguay, Venezuela, and Yugoslavia. These commissions of inquiry at the present time are available and ready to investigate any fact which may be a source of belligerent activity between any of these nations and the United States.

Moreover, the United States is in the process of concluding or has concluded successful arbitrations with Germany on mixed claims, with Panama on claims, with Spain on claims, with Mexico on claims, with Sweden on claims, and with Canada within the past month on the *I'm Alone* claims.

Here is an enviable record which challenges comparison with that of any State. Will the addition of the contemplated step, which is alleged to be otherwise meaningless, add anything material to this record?

CONCLUSION

The arguments given above have demonstrated the following points:

1. That the United States should not join the League of Nations.
2. That the United States should not join the Court if it is an integral part of the League of Nations.
3. That the Court is an integral part of the League of Nations.
4. That the three protocols now before the Senate do not satisfactorily comply with the Senate resolution of 1926.
5. That the Senate cannot accept the three protocols without repudiating its resolution of 1926 or reversing its position on the League of Nations.

Why not recognize the issue for what it really is, a step into the League of Nations itself, and settle it squarely on that basis? If the people of the United States wish to join the League, let us join the League and also its Court by a forthright action. Otherwise, let us refrain from accepting these three protocols until their terms are modified to make the Permanent Court of International Justice a real world court and independent of that closed, armed alliance of the League of Nations in fact as well as fancy.

NOMINATIONS ON THE EXECUTIVE CALENDAR

Mr. ROBINSON. I move that the Senate proceed to the consideration of nominations on the Executive Calendar.

The motion was agreed to.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The Clerk will state the first nomination in order.

FEDERAL RESERVE BOARD

The legislative clerk read the nomination of Adolph C. Miller, of the District of Columbia, to be a member of the Federal Reserve Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of Katharine F. Lenroot, of Wisconsin, to be Chief of the Children's Bureau, Department of Labor.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. HAYDEN. I ask unanimous consent that the nominations of postmasters may be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

The PRESIDING OFFICER. Is there objection to confirming the naval nominations en bloc? The Chair hears none, and they are confirmed en bloc.

IN THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. ROBINSON. I make the same request with respect to nominations in the Marine Corps.

Mr. BLACK. Mr. President, I will not object if the name of Gen. John H. Russell is not included in the list of nominations to be confirmed.

Mr. ROBINSON. At the suggestion of the Senator from Alabama, I ask that the nomination of John H. Russell, to be a major general, be passed over.

The PRESIDING OFFICER. Without objection, the nomination of John H. Russell, to be major general, will be passed over, and the remainder of the nominations in the Marine Corps will be confirmed en bloc.

Mr. BLACK. I do not see the Chairman of the Naval Affairs Committee here at the present time, but I desired to request that this nomination go back to the committee. I did not know that it was to be reported; I did not know that it was coming out of the committee, and there are some matters that I desire to have investigated by the committee with reference to General Russell. I have talked with the Chairman of the Naval Affairs Committee and told him I would make that request.

Mr. ROBINSON. I do not desire to interpose an objection to the request of the Senator from Alabama. While I have no express authority to speak for the Senator from Florida [Mr. TRAMMELL], the Chairman of the Committee on Naval Affairs, I assume that he would not object to the nomination going back to the committee.

Mr. BLACK. He did not state as to that. I merely told him that I would make that request. He said he did not know, and the committee did not know, of any objection, and, if they had known, the nomination probably would not have been reported, as another one was not reported.

The PRESIDING OFFICER. The Senator from Alabama asks unanimous consent that the nomination referred to be recommitted to the Committee on Naval Affairs. Is there objection? The Chair hears none, and it is so ordered. That completes the calendar.

### PRINTING OF EXTRANEOUS MATTER IN THE RECORD

Mr. ROBINSON. Mr. President, while the Senator from California [Mr. JOHNSON] was addressing the Senate the question arose as to his right to have printed in the RECORD the statement by Mr. Wright, which he afterward read. The Joint Committee on Printing, under the authority of a general statute, has adopted a rule which provides that—

> No extraneous matter in excess of two pages in any one instance may be printed in the CONGRESSIONAL RECORD by a Member under leave to print or to extend his remarks unless the same is accompanied by an estimate from the Public Printer of the probable cost thereof.

The Senator from California had a complete right, as I think he understands, to present the matter to be printed, and to procure and submit to the committee, or cause to be submitted to it, an estimate from the Public Printer of the cost of the printing.

Of course, the object of this rule is to dispense with a practice to which there is much sound objection. The custom has prevailed, I think in both Houses of Congress of making the CONGRESSIONAL RECORD a kind of warehouse, and in some instances a sewer, for disposition or deposit of political waste matter. I do not mean to imply that there is not much information supplied under leave to print that is of great value to Members of the Congress, but I do mean to make clear that the privilege of printing in the RECORD has been abused to the extent that it was desirable and proper that the Joint Committee on Printing exercise the authority conferred on it by statute, which appears to be to take all needed action for the reduction of unnecessary bulk.

Being in hearty sympathy with the program of the Joint Committee on Printing, but not for one instant intimating that the matter which the Senator from California sought to have published in the RECORD was in any way related to unnecessary bulk, I desire to say that I think the rule is a wholesome one, even though it does occasion sometimes delay and inconvenience. The Senator unquestionably could have had the matter printed, but it probably could not have been printed in time for study or use in accordance with the convenience of the Senator from California.

Mr. JOHNSON. Mr. President, I think the rule referred to by the Senator from Arkansas a very salutary one. I think if a Senator presents here anything that he thinks of importance that his fellows should know, it is just as well that he should stand here upon his feet and read it and present it in that fashion so that they should all know of it. That is one reason. The other reason is one of economy concerning printing, because, as the Senator from Arkansas has said, the RECORD has been unquestionably stuffed, and frequently with matter that has been very little looked at except by the individual offering it. So I did not want to be the first one to violate the rule that had just been called to my attention, and that is the reason I was perfectly willing to read the matter in question.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Oregon?

Mr. ROBINSON. I yield.

Mr. McNARY. Does the Senator from Arkansas now hold that the rule can be abrogated by unanimous consent of the Senate?

Mr. ROBINSON. I think if the rule is made under authority of statute neither of the two Houses alone could abrogate it, because if the rule is a valid exercise of the power granted the committee by statute—and I believe that it is—neither the House nor the Senate alone, by any action that either could take, could abrogate the rule.

Mr. McNARY. That is the view I entertained this morning; but I thought the able leader had intimated that the rule could be abrogated by consent. If so, it will be nullified every day, because consent will always be given.

Mr. ROBINSON. Oh, yes; that is undoubtedly true. When the rule was mentioned, I assumed the Chair had reference to some mere rule of the Committee on Printing of the Senate. But this is a rule of the Joint Committee on Printing, promulgated under the provisions of a statute, which gives them general authority to make rules to restrict the bulk of the CONGRESSIONAL RECORD. I overlooked that fact when I first spoke. I think the matter is now sufficiently clear that I need not proceed with it further.

### LAND VALUES AND HOUSING PROJECTS—ADDRESS BY IRVING BRANT

Mr. CLARK. Mr. President, I ask unanimous consent to insert in the RECORD an address by Mr. Irving Brant, editor of the editorial page of the St. Louis Star-Times on the subject of racketeering land values in connection with housing projects.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

#### THE GREAT AMERICAN DELUSION

Like Mark Hopkins' college, which consisted of Mark on one end of a log and you on the other, the housing program needs to be brought down to essential matters. It should be discussed and decisions made by men straddling a carpenter's horse.

This national housing conference has nothing to do with decisions, which must be made by Congress and the President, but we can see to it that the discussion is conducted from opposite ends of the carpenter's horse. Across this let us place a plank to represent the low-cost housing program. The carpenter's horse now becomes a fulcrum, the housing program balanced across it. At one end of that plank place a weight representing the houses to be built. At the other end place a weight representing the cost of building those houses. Now we have a teeter-totter. And what happens? As costs go down houses go up. As costs go up houses go down.

Slum clearance must be kept on a low-cost basis because the purpose is to furnish decent housing for the people now living in these districts, and rents are determined by what they can afford to pay. Most slum dwellers, when able to pay anything, can pay $5 per room per month. Very few can pay $7. Keep the rentals at $5 and you will rehouse the people now living in the slums. Raise the rents to $7 and a new class of higher-paying tenants will move in, while the old tenants will go to the vacated district and blight it with their poverty.

For a vivid illustration of what determines housing costs, I want you to compare New York's most famous slums, the lower East Side, with any of the slums that made St. Louis famous. My city of St. Louis leads in many lines. In beer we have outmilled Milwaukee, in smoke we have outpitied Pittsburgh, and in slums we have outblighted Blighty.

Start rebuilding the blighted districts of St. Louis and New York's lower East Side and what do you find? Construction costs are slightly higher in New York, a little more for labor, a little more for materials. A few cents additional per room per month will cover the difference. But what about land? Land costs $1 per square foot in the slums of St. Louis, $12 to $14 per square foot in New York's lower East Side. You can build low-cost housing on land at $1 a foot. You can't do it at $12 a foot.

When slum-clearance engineers held a meeting not long ago with the bankers and insurance executives who hold the $71,000,000 in mortgages on New York's lower East Side, and told them land prices must come down, these financial gentlemen threw up their hands. Land prices already had come down. They had come down to bedrock. They had dropped from $20 a foot, or thereabouts, to $12. Owners had been forced to reduce their mortgages to the bare value of the land. To go lower meant confiscation.

Confiscation of what? Confiscation of money invested at speculative prices in the hope of a speculative profit. At this meeting I have been telling you about, in lower New York, one of the bankers made this remark: "After all", he said, "what is this land? It is just Peter Stuyvesant's cow pasture. It was a cow pasture once, and maybe it will be one again."

Ladies and gentlemen, if we are going to get anywhere with slum clearance in America, we have got to recognize that we are dealing with cow pastures. The main difference between land in New York and St. Louis is one of nationality—Peter Stuyvesant's cows fed in one pasture, Pierre Chouteau's in the other.

But no, it is said, think of the industrial difference. These slum districts, bordering the great business areas, will be absorbed for commercial purposes. They are future industrial areas. Their sale price is a capitalization of future demand for commerce and industry. Aye, so it is. And the price of a ticket in the Irish hospital sweepstakes is a capitalization of future lottery prizes. How many will win? What are the tickets worth when the lottery is over? I say to you that the price of $12 a square foot for land on the lower East Side of New York, and likewise in every typical American slum where prices are fixed by the hope of industrialization, this, I say, is a price on lottery tickets, most of them past due, canceled, the prices already paid or never to be paid.

Washington is not a commercial city, nor an industrial city. When it was surveyed a few years ago by Harland Bartholomew, following a demand for a more extensive business zoning in the northwest, it was found that 2½ percent of the developed area was used for commercial purposes, a fraction under 10 percent for industry, leaving almost 90 percent for residential and public use. How do you suppose that compares with the average for the Nation? The average for self-contained American cities is 2½ percent for commercial development, the same as Washington, and 11 percent for industry. The range for industrial purposes in self-contained cities is from 10 to 12 percent. In other words, the great industrial cities of the Nation use almost as large a percentage of their areas for housing as the residential city of Washington. There is a definite, universal, almost unchanging ratio between business areas and housing areas, with no possibility of enlarging the business and industrial percentages.

Now, what does this signify for landowners who hold on to vacant or poorly improved property, year after year or even decade after decade, adding each year's taxes and interest to a theoretical investment which is to be returned, plus a fabulous profit, when the commercial or industrial development takes place? It means that with rare exceptions, their profit will remain fabulous. It never will come. They would have done better to bet on the ponies, or buy lottery tickets. Sooner or later, moved by financial stringency or plain disgust and exasperation, they will give up this dream of unearned wealth and sell their land at a loss, or write off their loss and capitalize the land for housing at a figure based on its residence value to the people who live in that district.

For a century and a half wealth through land speculation has been the great American dream. European visitors who came to the United States in the years following the Revolution called this a land of speculation. The Duc de la Rochefoucauld-Liancourt, following a visit at the home of John Marshall in Virginia in 1795, jotted down in his notebook the statement that the people of Virginia were so addicted to gaming, and it made them so irresponsible in the payment of their debts, that Virginia lawyers always collected their fees in advance. "Speculation", Le Rochefoucauld wrote, "is the favorite passion of the people of New England." He visited Boston in 1796 when the great Yazoo land grants—35,000,000 acres obtained through bribery of the Georgia Legislature—were being unloaded on the people of Boston. The Yazoo agents "opened a kind of office", wrote the Frenchman, "to which purchasers flocked in such crowds that those gentlemen, taking advantage of this inconceivable infatuation, raised the price each day, often twice in the day, for the purpose of more strongly exciting the general eagerness and taking away all time for reflection. Every class of men, even watchmakers, hairdressers, and mechanics ran eagerly after this deception, in which Boston has sunk about $2,000,000."

That was in 1796. The same speculative principle still rules American thought. The farmer signs a note for land which he expects to sell at a profit. The city mechanic or clerk thinks that if he can buy and pay for a vacant lot it will open the way to riches. All this is a bitter delusion, and it fixes a train of thought in the American mind which immeasurably heightens the difficulties of slum clearance.

The Public Works Administration, if it would make its low-cost-housing program a success, must beat down and explode the great American delusion of wealth through land speculation. It cannot in morals sanction a price for land based on the dream of commercial or industrial expansion. Nor can it do so in practice, because the people who are to live in these houses cannot pay interest on swollen land values. How can this problem be handled? Some will say by a national land tax, levied on land but not on improvements. That is politically impossible at this time. It is made impossible by that century and a half of dreaming I have been talking about. It would start a political battle on the subject of rural land taxation, which has nothing to do with the slum problem.

Brought down to the cities alone, there is no way by which the Federal Government could enforce a policy of land taxation because Federal land taxes must be laid according to the census. Nor will the cities voluntarily adopt a taxation policy, even where they can do so under State law, which will deflate land values outside the slum areas. What remains then?

I would suggest three approaches:

First, a campaign of education among the owners of land in blighted districts, to show them the folly of expecting industrial and commercial expansion beyond the normal experience level. Almost 0.9 of the developed area of self-contained cities is and will continue to be used for shelter. The future of the typical slum is in rebuilding for residence purposes or utter ruin.

Second, use of the Federal Government's power of eminent domain, where it can be constitutionally employed, to acquire land at a price based on its genuine value for low-rent housing, with present normal rents as a guide. There are great difficulties in the way of this procedure, and it has been ruled unconstitutional in a United States district court at Louisville; but constitutionality in such a case depends to a great extent upon what is considered to be for the general welfare, and that varies from time to time, in accordance with the development of public opinion. In the Constitutional Convention, for instance, a proposal that Congress be given a power to cut canals was rejected on the ground that canals were not for the general welfare of the Union. "The cost", Roger Sherman of Connecticut said, "will fall on the general Government, but the benefit will be to the local community." As years passed and the Nation spread westward, new avenues of communication were needed. The time came when Daniel Webster could arise in the Senate and say:

"I look upon a road over the Alleghenies, a canal around the falls of the Ohio, or a canal or railway from the Atlantic to the western waters, as being an object large and extensive enough to be fairly said to be for the common benefit."

So too with slum clearance. In the past it has been a local problem, for the cities and private interests to deal with, and consequently for nobody to deal with. Today it is a theme for Federal initiative, through Federal aid, but for local decision. How soon will a challenging public opinion declare that the decent housing of the American people, the elimination of festering centers of disease, crime, and degeneration, is as much a matter for national decision as cutting a canal around the falls of the Ohio?

The full extent to which Federal power shall or can be used is still to be determined. For the present, reliance must be placed upon a combination of Federal initiative, State authorization, and private agreement. That brings us to the third approach I would offer to the problem of speculative land values in slum clearance, through the terms of Federal aid.

It has been suggested that neighborhood taxing authorities might be created in the blighted districts of cities, similar to drainage districts, giving a majority of property owners legal authority to impose a general tax for the purpose of improving the region. I wish to propose a different use of the same plan of organization.

Let Congress, in appropriating funds for a national housing campaign, grant Federal aid for slum clearance on the following general terms:

That States, to share in the housing fund, authorize the creation of improvement districts in cities, these districts to have the following power:

To impose a special tax upon the value of land, not including improvements, which tax shall be abated upon any land improved or offered for improvement under terms and specifications approved by the national housing authority.

For succesful operation, this would need the active suport of a majority of property owners. Their votes would have the same legal standing as if cast by a majority in an entire city, for the district would be a governmental unit. Would a majority support such a proposition? That would depend, undoubtedly, upon the extent of Federal aid, which might be reinforced by a further tax-exemption of slum-clearance projects after completion. For the coming attitude of property owners, look toward Louisville, where 90 percent of the property owners in a blighted district joined in a slum-clearance program, and were blocked by 10 percent and a Federal court decision which prevented consolidation of the improvement area through condemnation proceedings. How long would this 10 percent hold out against a land tax from which the 90 percent were exempt?

Of course, this would not immediately dispose of the delusion that land in the lower East Side of New York is worth $12 a foot, but such delusions are rapidly being destroyed. In every large city, old buildings are being torn down to reduce tax charges. In St. Louis one group of 14 buildings has just been razed. The Chicago Tribune not long ago published two pages of photographs,

pictures of bare land, parking lots, etc., with the ghostly outlines of hotels, apartment houses, etc., destroyed to escape taxes.

Tearing down a city residential building usually reduces the taxes 75 percent. It eliminates a large annual loss, theoretically a temporary one, because it is a loss caused by vacancies in tenantry, but in place of it a smaller permanent annual loss is established. When landowners tear down habitable buildings to escape taxation they are just on the verge of recognizing that the whole speculative jig is up.

That is coming to be recognized in St. Louis. That is why land in the slum areas can be bought for $1 a square foot. It is coming to be recognized in Chicago, where land is being offered for slum-clearance at one-half of the assessed valuation. It will be recognized before long in New York. The lower East Side of New York lost exactly 53 percent of its population between 1910 and 1930, a conclusive answer to those who think American city populations enjoy living in slums, and an ultimate deathblow to the speculative price level of land. Loss of population is the royal disease of the slums—a hæmophilia from which the great families who have inherited these areas can never recover without a revolutionary change in their attitude toward the value and use of land.

Pressure of present taxes, as indicated in this tearing down of buildings, is destroying the great American delusion. Slum landowners are being educated through their pocketbooks, though they still do not know exactly what it is they are learning. Some of them will need a great deal of help in learning. The special, abatable land tax I have suggested for use in the blighted districts of great cities will assist the educational process among those who are slowest to learn. It will force the minority of selfish or short-sighted obstructors to fall in with a policy dictated by good sense and decency. Behind this there must be the stimulus of liberal Federal aid. Even with fictitious values knocked out of these blighted land areas, it will take some governmental benevolence to insure a proper land use, especially the necessary 75 percent of open land spaces. Federal aid must be the prod to action, an aid to those who cooperate, a burden to those who resist.

That, however, is the limit of Federal subsidization. The Government cannot pay off on the lottery tickets of urban-land speculation. The country at large, the Federal and State Governments, and the real-estate owners must recognize this truth, or there will be no Federal housing program. We have reached the end of the great American delusion of speculative wealth for all in city real estate. We have our choice of liquidating our folly through slum clearance or through municipal decay.

### RECESS

Mr. ROBINSON. Mr. President, there appears to be no other Senator who wishes to address the Senate at this time. I am assured that there is a probability that an arrangement looking toward a vote on the resolution relating to the World Court, now before the Senate, may be entered into on the assembling of the Senate tomorrow. Therefore I now move the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 15 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Thursday, January 24, 1935, at 12 o'clock meridian.

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## CONFIRMATIONS

*Executive nominations confirmed by the Senate Wednesday, January 23 (legislative day of Jan. 21), 1935*

### MEMBER OF FEDERAL RESERVE BOARD

Adolph C. Miller to be a member of the Federal Reserve Board.

### CHIEF OF THE CHILDREN'S BUREAU, DEPARTMENT OF LABOR

Katharine F. Lenroot to be Chief of the Children's Bureau, Department of Labor.

### APPOINTMENTS AND PROMOTIONS IN THE NAVY

*To be Chief of the Bureau of Ordnance*

Capt. Harold R. Stark to be Chief of the Bureau of Ordnance with the rank of rear admiral.

*To be rear admirals*

Arthur P. Fairfield
William H. Allen
Walter N. Vernou
James O. Richardson
George F. Neal

*To be captains*

Louis F. Thibault
Clarence N. Hinkamp
John B. Earle
Riley F. McConnell
Harold V. McKittrick
Ezra G. Allen
Thomas A. Symington
Emanuel A. Lofquist
Robert C. Giffen
Henry C. Gearing, Jr.
Richard E. Cassidy

*To be commanders*

William H. P. Blandy
John H. Buchanan
Laurance T. DuBose
Herman A. Spanagel
Arthur G. Robinson
Paul A. Stevens
Walter E. Doyle
Laurence Wild
William W. Meek
Hartwell C. Davis
Charles J. Parrish
Robert H. Grayson
Oliver L. Downes
William G. B. Hatch
Paulus P. Powell
Alfred P. H. Tawresey
Samuel N. Moore
Joseph R. Redman
Leo H. Thebaud
Frank L. Lowe
Henry A. Seiller
Theo D. Westfall
Alfred H. Donahue
Theodore D. Ruddock, Jr.
Gordon Hutchins
Andrew H. Addoms
Henry F. Floyd
George B. Wilson
Robert D. Kirkpatrick
William K. Harrill
Carl H. Jones
Alfred H. Balsley
Carleton F. Bryant
William E. Malloy
William J. Larson
Charles D. Swain

*To be lieutenant commanders*

Allen D. Brown
Robert H. Harrell
William C. Vose
Emil B. Perry
Harry B. Slocum
John J. Fitzgerald
Harry R. Thurber
Stewart S. Reynolds
James B. Sykes
Donald McA. Mackey
Cuthbert A. Griffiths
Barrett Studley
Franz O. Willenbucher
Thomas J. Bay
Ernest H. von Heimburg
John D. Murphy
John O. Huse
Thomas H. Robbins, Jr.
William D. Sample
William Moultrie Moses
Alfred P. Moran, Jr.
William Sinton
William E. Clayton
Abel C. J. Sabalot
Richard B. Tuggle
William B. Goggins
John H. Cassady
Kendall S. Reed
Lewis H. C. Johnson
Felix L. Johnson
Scott E. Peck
Sam L. LaHache
George A. Ott
Donald R. Osburn, Jr.

*To be lieutenants*

Charles A. Legg
Paul S. Crandall
Roy D. Williams
Harry E. Hubbard
Arthur M. Townsend
William H. Benson
James R. Topper
John H. Sides
Raymond R. Waller
Charles H. Anderson, Jr.
George Edmund Peterson
William J. Marshall
Burton L. Doggett
Henry Crommelin
Harrell W. Hall
Redfield Mason
Joseph W. Adams, Jr.
Dundas P. Tucker
Henry T. Read
Thomas B. McMurtrey
Samuel G. Kelly
John W. Murphy, Jr.
Hampton M. Ericsson
Martin R. Peterson
Clarence L. Winecoff
Robert L. Adams
Charles J. Stuart
Edward N. Parker
Bernard T. Zelenka
Ernest M. Eller
Bromfield B. Nichol
Lewis Wallace
Henry C. Doan
Richard G. Voge
Walter C. Dey
William P. McGirr
John T. Warren
Willis H. Pickton
Francis H. Gardner
Austin W. Wheelock
Edward F. Gallagher
Edward K. Walker
Joseph M. Worthington
Richard A. Larkin
Robley W. Clark
Edmund B. Taylor
William A. Kanakanui
Robert E. Cronin
Noble W. Abrahams
John L. Melgaard
Robert W. Larson
James S. Smith, Jr.
Arthur C. Wood
William G. H. Lind
Theodoric C. Linthicum
Cecil B. Gill
James F. McDonough
Richard E. Elliott
Wilfred G. Lebegue
Morton C. Mumma, Jr.
James J. Cunningham

*To be lieutenants (junior grade)*

Frank M. Adamson
Paul L. deVos
Francis R. Duborg
Henry G. Clark
Donald W. Gladney, Jr.
Thomas D. Tyra

Alexander C. Veasey
Horacio Rivero, Jr.
Richard K. Anderson
Allan L. Reed
John B. Colwell
John G. F. Prescott
Thomas W. Rogers
Ernest C. Holtsworth
Jesse S. McAfee
Albert K. Romberg
George M. Greene
Winsor C. Gale
James T. Lay
Robert E. Gadrow
Joseph B. H. Young
David D. Hawkins
Thomas B. Hutchins, 3d
John O. F. Dorsett
Ransom A. Pierce
Horace D. Moulton
George A. Hatton
Gordon A. Uehling
Arthur I. Flaherty
John A. Webster
Edward H. Guilbert
Joseph F. Foley
Francis A. McKee
Thomas Ashworth, Jr.
Berton A. Robbins, Jr.
Wayne F. Gibson
Charles R. Almgren
Ralph N. Ernest
William W. Hollister
Francis J. Foley
James M. Wood
Hazlett P. Weatherwax
Ralph W. Elden
John L. Chew
George F. Schultz
Ashton B. Jones, Jr.
Vernon R. Hain
Merrill S. Holmes
Robert E. Lockwood
Ralph Cullinan, Jr.
George K. MacKenzie, Jr.
Maxim W. Firth
George K. Williams
James O. Biglow
John T. Wulff
Donald J. MacDonald
Robert B. Heilig
George R. Stone
Rudolph J. Fabian
William R. Lefavour
Frank G. Raysbrook
Lucian F. Dodson
Oscar E. Hagberg
Norman M. Miller
Edward M. Blessman
Henry A. Renken
Lawson P. Ramage
Louis F. Volk
Byron L. Gurnette
James R. Z. Reynolds
Frederick U. Weir
Donald V. Daniels
Howard J. Abbott
Archie D. Fraser
George E. Peckham
Robert A. Theobald, Jr.
Edward L. Robertson, Jr.
Claude V. Hawk
Albert D. Gray
Schermerhorn Van Mater
Raymond P. Hunter
James M. Peters
Bruce L. Carr
Russell C. Williams
Charles B. Brooks, Jr.
Victor H. Soucek
Orrin F. Black
John F. Castree
Peter M. Gaviglio
Lowell W. Williams
Robert E. Hudson
Curtis E. Smith
Reid P. Fiala
Richard H. Crane
Richard C. Steere
William B. Sieglaff
Donald T. Wilber
Charles L. Crommelin
Anthony C. Roessler
Lion T. Miles
John F. Harper, Jr.
Jay S. Anderson
Karl R. Wheland
Frank R. Putnam
Harry M. S. Gimber, Jr.
Philip H. Ashworth
George B. Madden
Robert P. Beebe
John H. Brockway
John A. Fitzgerald
Lorenz Q. Forbes
Edward F. Ferguson
Seymour D. Owens
John N. Hughes
Bernard F. McMahon
Philip W. Mothersill, Jr.
Bryant A. Chandler
James T. Smith
Benjamin Ghetzler
Robert S. Fahle
Vincent J. Meola
Clarence L. Gasterland
Harlan T. Johnson
George S. Wilson
Joseph T. Thornton, Jr.
Lee S. Pancake
Charles K. Palmer
Charles M. Howe, III
Alden H. Irons
Henry Williams, Jr.
Arthur A. Cumberledge
Wilmer E. Gallaher
Charles S. Vaughn
William W. Fitts
Edward S. Burns
Charles M. Jett
Robbins W. Allen
Ward T. Shields
Albert H. Wilson, Jr.
William R. McCuddy
William C. Hughes, Jr.
James M. O'Toole
John D. Huntley
Alfred B. Tucker, III
Roy O. Gilbert, Jr.
Henry R. Wier
Charles L. Werts
John W. Gannon
James I. Cone
Arnold H. Holtz
Baxter M. McKay
Louis J. Bellis
Edward L. Foster
Joseph W. Leverton, Jr.
Warren R. Thompson
Kinloch C. Walpole
John E. Kirkpatrick
Charles W. Aldrich
Mann Hamm
Prentis K. Will
Warren G. Corliss
Thomas H. Copeman
Peyton L. Wirtz
John W. Crumpacker
James B. Weiler
Ford L. Wallace
Norman Hall
Charles T. Straub
Leland G. Shaffer
John C. Parham, Jr.
William J. Giles, Jr.
David L. Roscoe, Jr.
John S. Reese
John W. Byng
Lester O. Wood
John C. Hollingsworth
Ernest E. Evans
Clifton Iverson
Joseph D. Black
Andrew J. Hill, Jr.
Andrew J. Smith
Frank G. Gould
Francis M. Peters, Jr.
Robert F. Jones
Burton C. Lillis, Jr.
William M. Freshour
Thomas B. Payne
William A. Dunn
Joseph E. O'Brien
Edward J. O'Neill
Hiram Cassedy
Alcorn G. Beckmann
Edward M. Bingham
Thomas E. Gillespie
Paul W. Clarke
George P. Huff
Jerry C. South, Jr.
Robert M. Bowstrom
Evan W. Yancey
Richard W. Peterson
Noah Adair, Jr.
Carleton E. Mott
Floyd B. T. Myhre
Jesse H. Motes, Jr.
Donald W. Todd
Raymond H. Nelson
Reginald R. McCracken
Forsyth Massey
Eugene S. Lytle, Jr.
Henry H. Hale
Robert W. Mackert
Frederick J. Becton
Francis T. Williamson
Robert R. Sampson
Carson Hawkins
Justin A. Miller
Rathel L. Nolan, Jr.
Marshall T. Martin
James A. Murphy
Horace Myers
Willis O. Johnson
Nathaniel C. Copeland
Clark A. Ritchie
William V. McKaig
Elwin L. Farrington
William P. Woods
Julius E. Smith, Jr.
George C. Molumphy
William C. Norvell
John S. McCain, Jr.
Harry E. Seidel, Jr.
Josef M. Gardiner
James H. Davis
Joseph C. Toth

*To be medical directors*

John B. Dennis
George W. Calver

*To be medical inspectors*

Franklin F. Murdoch
Harold L. Jensen
Ogden D. King
Irving W. Jacobs
Robert L. Nattkemper
John P. Owen
Thomas C. Anderson
Melville J. Aston
Leo C. Thyson
Alma C. Smith
John T. Bennett
Paul W. Wilson
William J. C. Agnew
Jesse W. Allen
Ross T. McIntire
John R. White

*To be surgeons*

David B. Peters
Charles F. Behrens
Albert J. Desautels
Robert M. Cochrane
Ben Hollander
Navy F. X. Banvard
James J. O'Connor
Loyd Lewis Edmisten
Robert E. Duncan
Fred M. Rohow

*To be passed assistant surgeons*

Clarence C. Myers
Irwin L. Norman
Emmett D. Hightower
Harold G. Young
Hubert H. Carroll
Courtney G. Clegg
David J. Cracovaner
Joseph E. Evans
Jesse W. Miller
John H. Korb
Claude R. Ball
Robert S. Simpson
Cecil C. Welch
Julian Love
Carl K. Youngkin
Rupert H. Draeger
Douglas T. Prehn
Joseph G. Schnebly
Jay F. Miller
Gordon B. Tayloe
Dirk M. te Groen
Clyde L. Bozarth
Jesse G. Wright
Charles W. Shilling
Farra L. Read
Clark W. Virtue
Charles W. Stelle
Thomas J. Carter
William E. Walsh
DeCoy Marchand
Clifford W. Moore

*To be dental surgeons*

George M. Frazier
Frank S. Tichy
Alfred W. Chandler
Albert Knox
Everett K. Patton
Ray E. Farnsworth
Raymond D. Reid

*To be passed assistant dental surgeons*

Louis D. Mitchell, Jr.
Robert P. Irons
Edwin D. Foulk
Edward O. Andersen
Walter P. Caruthers

*To be assistant dental surgeons*

James A. Morton
Wilbur N. Van Zile

*To be paymasters*

Harry E. Stengele
Jonas F. Rupert
Robert G. Robeson
Isaac W. Thompson
Harold R. Lehmann
Myron W. Willard
Archie A. Antrim
Samuel L. Bates
Harry F. Hake
Grandison J. Tyler
William Elliott
James E. Hunt
Hugh J. McManus
William E. Woods
Leo A. Ketterer
Nicholas A. Brown
John W. Overand
Howard N. Hill
Leo V. Flavell
Cornelius A. Brinkmann
Joseph E. Ford
Albert W. Eldred
Jacob H. Kyger
Joseph T. Lareau
Marvin McCray
Paul K. Coons
Roy L. Koester
James H. Stevens
George Scratchley
Ellsworth F. Sparks
Charles B. Forrest
John P. Killeen
William G. Conrad
Karl S. Farnum
Orville F. Byrd
Louis A. Puckett
Ellory F. Carr
James D. G. Wognum
Charles H. Gillilan
Charles H. Ritt
Harry A. Miller
Harvey R. Dye
Verny Carroll
Charles Schaaf
Forrest Ivanhoe
Ray E. Snedaker
Ray W. Byrns
George W. Davis
William W. Wise
Robert H. Lenson
Robert R. Blaisdell
Edward F. Ney
Walter E. Scott
Walter Guerry
George F. Yoran
Webster Gross
William R. Calvert
Herman F. Gingrich
James M. McComb
Frank P. Delahanty
Worth B. Beacham
Carl J. Buck
John M. Speissegger
Hunter J. Norton
Harry R. Hubbard
Charles M. Garrison
John H. Skillman

*To be passed assistant paymaster*

John E. Wymond

*To be chaplain*

Emmet O'Neill

*To be naval constructors*

Edward L. Cochrane
Robert W. Ferrell
Donald Royce
Adrian R. Marron
Gordon W. Nelson
John B. Pearson, Jr.
Henry A. Schade
George A. Holderness, Jr.
Robert C. Bell, Jr.
William S. Kurtz
Emmett E. Sprung

*To be civil engineer*

John R. Perry

*To be chief radio electrician*

Nelson M. Cooke

*To be chief machinist*

Albert F. O'Meara

*To be chief pay clerks*

Robert W. Underwood
John H. Hampshire
George A. Mullen
Charles J. Forquer

*To be commander*

Roy Pfaff

*To be lieutenant commanders*

Ernest W. Litch
Benjamin S. Brown
Marion E. Crist

*To be lieutenants*

Forrest R. Bunker
Dennis L. Francis
Arthur A. Griese
Eugene T. Seaward
Robert H. G. Johnson
Franklin D. Karns

*To be lieutenants (junior grade)*

Carl A. Lizberg
Douglas T. Hammond

*To be paymasters*

Benjamin O. Kilroy
Archie B. McKay
Harry H. Hines
Everett W. Brown
Charles S. Bailey

*To be chief gunner*

Bryan C. Clark

*To be chief machinists*

Carl Mills
William Smith
Richard G. Sly
John T. Staley

MARINE CORPS

Harry Lee to be major general.

David D. Porter to be the adjutant and inspector with the rank of brigadier general.

Bennett Puryear, Jr., to be assistant quartermaster with the rank of colonel.

*To be colonels*

Emile P. Moses
Clayton B. Vogel
Henry N. Manney, Jr.
Calvin B. Matthews
Andrew B. Drum
Holland M. Smith
Ralph S. Keyser
Philip H. Torrey
Robert L. Denig

*To be lieutenant colonels*

Alley D. Rorex
Samuel M. Harrington
Harold L. Parsons
Thomas E. Thrasher, Jr.
Julian C. Smith
Charles J. Miller
Leander A. Clapp
Thomas S. Clarke
Joseph C. Fegan
Francis T. Evans
Alexander A. Vandegrift
Roy S. Geiger
Charles D. Barrett
Oliver Floyd
Harry Schmidt
Earl C. Long
Harry L. Smith
Selden B. Kennedy
Miles R. Thacher
Marion B. Humphrey
William B. Sullivan
Lowry B. Stephenson
Harold C. Pierce
Harry K. Pickett
John B. Sebree
Henry L. Larsen
William H. Rupertus
James L. Underhill
Keller E. Rockey
Allen H. Turnage
Matthew H. Kingman
Alphonse DeCarre
Samuel L. Howard
Lyle H. Miller
Ralph J. Mitchell
DeWitt Peck
Archie F. Howard
Raymond R. Wright
Pedro A. del Valle
Walter H. Sitz
William G. Hawthorne
Oscar R. Cauldwell
Arnold W. Jacobsen
Earl H. Jenkins
Thomas E. Watson
Walter G. Sheard
James E. Davis
Lloyd L. Leech
Raphael Griffin

*To be majors*

Francis P. Mulcahy
Dean Kalbfleisch
Robert M. Montague
Daniel E. Campbell
Maurice G. Holmes
James E. Betts
James W. Webb
John M. Tildsley
Louis E. Woods
Evans O. Ames
Franklin A. Hart
George F. Adams
Emmett W. Skinner
Thomas B. Gale
Field Harris
Roy C. Swink
Leon L. Dye
Francis E. Pierce
Maurice C. Gregory
Andrew E. Cressy
Donald Curtis
Ery M. Spencer
Martin J. Kelleher
Franklin T. Steele
William N. Best
William A. Worton

John W. Thomason, Jr.
Merritt B. Curtis
Charles T. Brooks
Herbert Hardy
Charles N. Muldrow
John T. Walker
Joseph G. Ward
Robert C. Anthony
James D. McLean
Henry D. Linscott
William T. Clement
Ralph E. West
Frank D. Strong
Lyman Passmore
Clifford O. Henry
Joseph T. Smith
Raymond E. Knapp
Edward L. Burwell, Jr.
Omar T. Pfeiffer
Campbell H. Brown
Lewie G. Merritt
Claude A. Larkin
Lucian W. Burnham
Shaler Ladd
John C. Wood
Richard H. Jeschke
Joseph I. Nettekoven
William P. T. Hill
William E. Riley
Ray A. Robinson
Robert L. Montague
Jacob Lienhard
Victor F. Bleasdale
Merwin H. Silverthorn
John Groff
Leonard E. Rea
William W. Rogers
Curtis T. Beecher
George F. Stockes
William K. MacNulty
Jacob M. Pearce
William P. Richards
Edgar S. Tuttle
Bert A. Bone
Robert C. Thaxton
Harold D. Campbell
William H. Harrison
John P. Adams
Gilbert D. Hatfield
George H. Morse, Jr.
William T. Evans
Benjamin W. Gally

*To be captains*

William L. McKittrick
Charles W. Pohl
Stanley E. Ridderhof
Morris L. Shively
Max D. Smith
David A. Stafford
Chesley G. Stevens
Walter W. Wensinger
Lawson H. M. Sanderson
Jacob F. Plachta
Harold E. Rosecrans
Leo Sullivan
Hayne D. Boyden
Franklin G. Cowie
Christian F. Schilt
Stuart W. King
Walter A. Wachtler
William E. Maxwell
Clarence R. Wallace
Ronald A. Boone
Paul B. Watson
William B. Onley
James H. Strother
Ivan W. Miller
Joe N. Smith
Louis E. Marie, Jr.
Thomas M. Ryan
James S. Monahan
John A. Bemis
John C. McQueen
Howard N. Kenyon
William N. McKelvy, Jr.
William W. Davies
Vernon E. Megee
Augustus W. Cockrell
James M. Smith
William H. Doyle
Ernest E. Linsert
Orin H. Wheeler
Lewis A. Hohn
William O. Brice
Francis M. Wulbern
Edwin A. Pollock
Randolph McC. Pate
Cornelius J. Eldridge
Lucian C. Whitaker
John C. Donehoo, Jr.
Raymond P. Coffman
James M. McHugh
Rupert R. Deese
James P. Riseley
Harry E. Dunkelberger
Clayton C. Jerome
Emery E. Larson
John M. Greer
George J. O'Shea
Charles C. Brown
Eugene H. Price
Lyman G. Miller
Ralph E. Forsyth
William M. Mitchell
James A. Stuart
Pierson E. Conradt
Howard R. Huff
William W. Orr
Gregon A. Williams
Evans F. Carlson
John W. Lakso
Monroe S. Swanson
Will H. Lee

*To be first lieutenants*

Robert B. Luckey
Karl K. Louther
Richard P. Ross, Jr.
Paul Drake
Clinton E. Fox
Harold R. Lee
George O. Van Orden
Walker A. Reaves
Robert L. Peterson
George E. Williams
Kenneth H. Weir
Arthur F. Binney
Clovis C. Coffman
Perry O. Parmelee
John J. Heil
Thomas G. Ennis
Ernest E. Pollock
Max W. Schaeffer
Wilson T. Dodge
Boeker C. Batterton
Frank C. Croft
Saville T. Clark
John V. Rosewaine
Hewin O. Hammond
Lester S. Hamel
Joseph J. Tavern
Joe A. Smoak
Louis M. Heinrichs
Alva B. Lasswell
William I. Phipps
William F. Coleman
Homer C. Murray
Frank H. Schwable
Edward C. Dyer
Melvin G. Brown
Manly L. Curry
Samuel B. Griffith, 2d
Raymond F. Crist, Jr.
Otho C. Ledbetter
Harry C. Lang
James B. Lake, Jr.
Dean C. Roberts
Albert F. Moe
James V. Bradley, Jr.
Keith R. Willard
Joseph H. Berry
Zebulon C. Hopkins
Wilfred J. Huffman
Orin K. Pressley
Robert H. Williams
Randall M. Victory
Joseph P. McCaffery
Carson A. Roberts
Richard J. McPherson
John B. Hill
James R. Hester
William F. Parks
Chandler W. Johnson
William A. Willis
John S. Holmberg
Clarence J. O'Donnell
Paul D. Sherman
John F. Stamm
George R. Weeks
John Wehle
James P. Berkeley
William P. Battell
Cornelius P. Van Ness
Edson L. Lyman
Lewis R. Tyler
Archibald D. Abel
George H. Cloud
Charles E. Shepard, Jr.
Peter A. McDonald
Michael M. Mahoney
Thomas B. Hughes
Frank G. Wagner, Jr.
Paul Moret
Harold W. Bauer
William B. McKean
Fred D. Beans
Glen G. Herndon
Wallace M. Greene, Jr.
Francis H. Williams
Paul W. Russell
William B. Steiner
Frank M. Reinecke
John M. Davis
Walfried H. Fromhold
James T. Wilbur
Charles H. Hayes
Donald M. Weller
Samuel S. Yeaton
Edward A. Montgomery
Edgar O. Price
Robert E. Hill
James M. Daly
Nicholas J. Pusel
Ronald D. Salmon
Russell Lloyd
Ernest W. Fry, Jr.
Wright C. Taylor
Marcellus J. Howard
August Larson
Donovan D. Sult
Richard W. Hayward
Norman Hussa
Henry T. Elrod
Robert L. McKee
Edward B. Carney
Austin R. Brunelli
Lewis C. Hudson, Jr.
Edmund B. Games
Albert J. Keller
Luther S. Moore
Harry S. Leon
Nelson K. Brown
Charles R. Jones
Clifford H. Shuey
Wayne H. Adams
John H. Cook, Jr.
Edward H. Forney, Jr.
John A. White
Samuel G. Taxis
Edward J. Dillon
Harold I. Larson
Clifton R. Moss
Bankson T. Holcomb, Jr.
Frederick L. Wieseman
Robert S. Brown
Harlan C. Cooper
Robert E. Fojt
William K. Pottinger
Billy W. King
George R. E. Shell
James H. Brower

*To be chief quartermaster clerk*

Landreville Ledoux

## POSTMASTERS

### ALABAMA

Nora M. Wallace, Clayton.
Mary L. Malone, Dothan.
Julia J. Harkness, Eutaw.
Daisy Buice, Good Water.

### CONNECTICUT

Ethyl O. Engisch, Cornwall Bridge.
Harry L. Lyman, New Preston.
John F. Connerty, Washington Depot.

### MASSACHUSETTS

George W. Seymour, Ashby.
Michael T. Cavanaugh, Ashland.
William E. Hallahan, Charlemont.
Charles J. Dacey, Conway.
George J. Newitt, Duxbury.
Harold J. McCormick, Gardner.
Joseph G. Woodbury, Oxford.

WASHINGTON

James H. Callison, Palouse.

WYOMING

Albert H. Linford, Afton.
Thomas P. Hill, Jr., Buffalo.
John G. Kelly, Hanna.
Robert B. Landfair, Jackson.
Percy D. Sims, Lovell.

# HOUSE OF REPRESENTATIVES

## WEDNESDAY, JANUARY 23, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Dear Lord and Father of mankind, in Thee we live and move and have our being. Unite us this day in the spirit of brotherhood, sincerity, and thoroughness of life. These virtues shall fill many a long day with satisfaction and arrest the wandering mind from the fields of regret. We pray that Thou wouldst chasten the pride of our understanding and of our will, and reveal in us a diviner strength and wisdom. Forbid that our usefulness should ever be disfigured or vitiated by indifference or unreality. O God, spread the olive branch over the nations, ere they grasp the red hand of war. O Prince of Peace, come to the peoples of all the earth, we beseech Thee. We wait in prayer for him who, through the years, has rendered sacred the obligations of a public servant. Our truest sympathy and the tenderness of our spirit are with him. Father of Mercy, make him strong and well again, we pray Thee. In the name of our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1190. An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill H. R. 3410, entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon; and appoints Mr. GLASS, Mr. BYRNES, and Mr. HALE to be the conferees on the part of the Senate.

### CALENDAR WEDNESDAY BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the business in order today on Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

### WORK RELIEF APPROPRIATIONS

Mr. O'CONNOR. Mr. Speaker, I call up House Resolution 65, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 65

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 117, a joint resolution making appropriations for relief purposes, and all points of order against said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 3 hours, to be equally divided and controlled by the Chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be considered as having been read for amendment. No amendment shall be in order to said joint resolution except amendments offered by direction of the Committee on Appropriations, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Appropriations may be offered to any section of the joint resolution at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the joint resolution for amendment the Committee shall rise and report the joint resolution to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. O'CONNOR. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. RANSLEY]. I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR: Page 1, line 11, strike out, after the word "be", the remainder of the line; and in line 12, strike out the word "been"; and in line 13, after the word "to", insert "sections 1, 2, and 3 of", so that the resolution will read:

"The joint resolution shall be read for amendment. No amendment shall be in order to sections 1, 2, and 3 of said joint resolution except amendments offered by direction of the Committee on Appropriations", etc.

Mr. O'CONNOR. Mr. Speaker, this is the rule providing for the consideration of what has been called the "work-relief bill", House Joint Resolution 117. It has been much discussed. It is one of the most important measures that has ever come before any Congress and, as is well known, involves an appropriation of $4,800,000,000, four billion of which is to be placed at the disposal of the President in order to relieve the distress throughout the country and place three and a half million unemployed back to work. It is not my purpose to discuss the merits of House Joint Resolution 117, but to call attention to the rule which, as originally offered as House Resolution 65, provided for 3 hours of general debate, but afforded no opportunity for amendments except those offered by the Committee on Appropriations. The amendments which I have just offered by direction of the Committee on Rules, and which have been read at the Clerk's desk, permits the offering of amendments by any Member of the House to sections 4, 5, and 6 of the joint resolution. About these sections there has been some dispute. Some Members have expressed a desire to have an opportunity to offer amendments to these sections. The purpose of my amendment is to afford the Membership that opportunity by opening up the last three sections of the bill to the consideration of the Committees of the Whole and the House. The rule is also changed in the minor aspect that the House joint resolution will be read for amendment.

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. SNELL. I am entirely in accord with the amendment suggested by the Chairman of the Rules Committee, because that goes a long way to help us in the contention that we have made against consideration as originally proposed. Will the gentleman kindly state to the House why, if it is necessary to open up these sections, he will not give us an opportunity to discuss freely and amend all of the sections of the joint resolution?

Mr. O'CONNOR. Of course, by providing 3 hours of general debate we have afforded opportunity for discussion, but section 1 is the meat of the joint resolution in my opinion. It provides for the appropriation of $4,000,000,000 and permits its allocation to project, State, or locality as the President shall see fit. It was thought by the Committee on Appropriations and by the Rules Committee that sections of such a nature should not be opened up for "logrolling" by way of earmarking either the amounts or the nature of the projects upon which this huge sum should be expended. That is why it is thought best in considering this measure that only committee amendments be permitted to be offered to that particular section.

I personally do not believe sections 2 and 3 are of such great importance that they should be closed also, but the fact is that desired amendments to them have not been suggested to any extent.

Mr. SNELL. Then I understand it is the policy of the majority that so far as the meat of this whole proposition

is concerned, the House shall not have opportunity to express itself; but so far as the trimmings, which do not amount to anything, are concerned, they may be discussed and amendments offered as to them. Is that the policy of the majority?

Mr. O'CONNOR. I do not believe that is a policy as much as it is a legislative necessity.

Mr. SNELL. That is the statement the gentleman made.

Mr. O'CONNOR. It sounds strange to me to hear criticism come from the gentleman from New York [Mr. SNELL], the leader of the minority, which, when they were in power, when they were a majority, brought in many tariff bills and many tax bills and many another bill under the same kind of a so-called "gag rule" which prevented any amendments whatsoever except those suggested by their own Republican-controlled committee. It depends on who is "in" and who is "out."

Mr. SNELL. The gentleman will admit that we never brought in any bill of this character under such a rule, and I challenge the gentleman to name one bill similar to this that we have brought in here.

Mr. O'CONNOR. I admit no such thing. If the gentleman's party had brought in a similar bill in those dark days of depression between October 1929 and March 1933, we would not be compelled now to go to such an extreme to save our people from further distress and privation. The gentleman and his side of the House will have plenty of opportunity to discuss the joint resolution under general debate, and to oppose it if they dare. I reserve the remainder of my time.

Mr. RANSLEY. Mr. Speaker, I yield 15 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, I shall be glad to yield to answer questions after I have completed my main statement, and I wish it understood now that I shall not yield until such time.

Mr. Speaker, we are considering a rule for the consideration of a joint resolution purporting to appropriate money for a public-works project, for the purpose of putting to work the unemployed by such means. If there were such a proposition to be considered in this House, the Republican Party would support it. The Republican Party stands for a full measure of relief for unemployment and the distress resultant from it. It stands for every measure that can be proposed that will promise real recovery. The Republican Party further stands, with respect to relief for unemployment, for relief by work rather than by dole; and if the majority of this House should propose, if the administration would send down a measure for such purpose, and for such purpose alone, it could be passed by acclamation, because there would not be a Republican vote against it. [Applause.] But what is the resolution sought to be made in order by this rule? Let us consider the circumstances under which this appropriation resolution and the power it confers upon the President comes to us. We know that the new deal has two major purposes. We know that one of its purposes, and the one continuously publicized, is to bring about speedy recovery from the economic disaster in which we are and, in the meantime, to provide for relief to alleviate the distress and want and the suffering resultant from the depression. The other purpose, which is not generally discussed publicly, is to take advantage of the condition of depression and its resultant distress and almost despair among the people, to entirely revise and reconstruct the economic and social structure of the American people. Those two purposes have many times been in conflict with one another, and example after example can be cited whereby the second purpose, and attempts to bring it about in these last 2 years, have measurably retarded recovery and nullified the measures that have been taken to speed it up.

Generally speaking, those in the new deal who are known to favor recovery immediately, before anything else, are known as the "right wing." Those who seek rather to take advantage of the depression and who are not concerned about its continuance until what they conceive fundamental reforms in our American Commonwealth can be brought about are known as the "left wing."

Now, what does this resolution that is sought to be made in order provide? It appropriates money for this purpose, and to appropriate money for the purposes enumerated is to give the administration authority to put into effect those purposes, an authority which otherwise it would not have, because it is delegation of the authority vested by the Constitution in the Congress. This is the authority that is vested in the President:

That in order to protect and to promote the general welfare by (1) providing relief from the hardships attributable to wide-spread unemployment and conditions resulting therefrom.

We will vote for any bill, on the Republican side, having that purpose, and with any reasonable expectation of bringing about that result.

(2) Relieving economic maladjustments.

This is left-wing stuff, which has nothing to do with the employment of those who are now out of work, for the purpose of bringing about speedy recovery. That is permanent, all-time reformation of the economic and social set-up of the American people.

(3) Alleviating distress.

Certainly we are for it. That is right-wing stuff. We have no objection to the right-wing program of the new deal. We are for it.

(4) Improving living and working conditions.

Thus the President can do anything with respect to living conditions and working conditions of the American people that he deems in the general welfare, without any let or hindrance except the say-so of the Supreme Court.

What, for example, can the President do under such powers, entirely unnecessary for any public-works project at all? The President, under the power of this joint resolution, can use the money appropriated to condemn and buy every coal mine in the country, and run it as a Government owned and operated industry. He can do the same thing to piano factories, if he wants to. He can prescribe regulation working relations between the Government and those employees who are intended to be put on those building projects, and he can also regulate the relationship between employees and employers in any and all private industries. Under section 6 he can make rules and regulations that will enable him to throw into jail any labor leader who seeks to modify the regulations concerning the relationship between labor and employer that he may have made. There is not any power not granted in this joint resolution that is not, or cannot be, exercised by Stalin, Mussolini, or Hitler. There is no power that any of those three dictators have exercised that is not contained in that resolution.

It gives the President the right to deem what he considers best for the general welfare as described in the preamble of our Constitution, and then gives him $4,000,000,000 with which to do anything he pleases to bring about what he deems for the general welfare.

Under section 2 and section 4, which have nothing to do with public-works projects, he is authorized to deal with relationships of the economics of our social structure, the relationships between employer and employee. He can even regulate where people may choose to live and can put them in jail if they do not follow his wishes in that direction. He can buy up vast tracts running into a number of States, like the Tennessee Valley project, declare them to be submarginal, move the population off and herd them elsewhere on Government land and in Government built and owned houses; can direct them to till Government-owned fields, to work in Government-owned factories; and if they do not do it, they can be put in jail. There is not any act of tyranny that is not possible under this joint resolution.

The answer of the proponents of this legislation is that the President has no intention of using this power in any such fashion at all. If that is the answer they give, then why put such power in this resolution? Why, when this resolution was written in the administration's chambers, were the left-wingers allowed to put this kind of stuff in this resolution that is entirely aside from the proclaimed purpose of the resolution? Why was it permitted? They hope sometime,

under some circumstances, to push the President somewhat along the road which these powers open; and this is more to be considered seriously now than it would be under some other circumstances because of the fact that the President since the 4th of March 1933 has not yet laid down a major policy with respect to any activity, either concerning the depression or concerning the carrying on of the Government generally. He has frankly said that it was trial-and-error experiment that he was using. He said he would frankly acknowledge the failure of such experiments and abandon them. Well, failure after failure has been abandoned. The C. W. A. has been abandoned, the N. R. A. as it used to function has been abandoned, but never a word of acknowledgment of error. The people do not know where the President stands. Otherwise it would not be a common occurrence that in places where gamblers meet bets are made as to whether the next utterance of the President of the United States is going to be toward the right or toward the left. Everybody knows that that is the case, that the newspapers, the publicists, and those who lay bets on uncertain events discuss for weeks or for days, when it is known that the President is going to take the air, what he is going to say and which way he is going to turn.

Now, in such circumstances and with a determined group at his elbow which seeks to push us into State socialism completely, which seeks to prescribe labor conditions and strip the workingman of his liberty to choose means for bettering his condition through his organization, which seeks to take away the real and personal property of any industry and run it as a governmental concern, we are asked to legislate to make such aims possible. Are you going to vote for any such delegation of power? If you want relief, bring in a bill that gives relief; if you want work, bring in a bill that gives work; but do not bring in a left-wing measure of this sort. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, whenever there is brought onto the floor of the House a bill in the interest of the American people we can be sure that the Republican leaders will oppose it. I am, indeed, gratified that today they cannot and do not find fault with the rule. The rule has been explained. It is a liberal rule. [Laughter.] It permits amendment. It is a much more liberal rule than Republicans ever brought in when they were in power. [Applause.] Of course, my Republican friends enjoyed working under Cannon rules, which gave the Speaker the full and complete power over the House and to name the committees and dictate what legislation should be considered, but which gave the Membership of the House no right or privilege.

The gentleman from New York [Mr. SNELL], the leader of the Republican Party, stated that bills of this character were never brought in by the Republicans, and I agree with him. The Republican Party never did bring in any legislation that was beneficial to the masses or to the country. [Applause.] As a rule the legislation in which the gentleman from New York and the Republican leaders are interested is legislation in favor of the special and vested interests of the United States.

The pending joint resolution is in the right direction. The Nation has the utmost confidence in the President of the United States, and I am satisfied that every dollar appropriated will be expended honestly and wisely for the best interests of the Nation. Why, the gentleman from New Jersey [Mr. LEHLBACH] said a moment ago that the policy of the President and the new-deal legislation has retarded the recovery of the country. The gentleman himself, as well as the country, knows that even in 1930–31, when the Republicans were in power under the leadership of Hoover, with a Republican Congress and a Republican Senate, they were sitting here in a complete daze and trance without doing a thing, hypnotized by Wall Street, but absolutely ignoring the pleas of the "Main Streets" of the Nation.

President Hoover and your Republican leadership were immune and cold to the appeals for relief legislation, and conditions continued to become worse and worse during 1930, 1931, and 1932.

It was not until the election of President Roosevelt that there were any indications of a change for the better. On March 4, 1933, President Roosevelt took the oath of office and inherited the wreckage of the previous administrations; 16,000,000 people out of work and millions in dire want and despair, and nearly all of the plants, factories, and banks closed in the Nation. These were only a few of the problems confronting him.

Under his leadership we have put at least five to six million men at work. Contrary to your policy of do-nothing-for-relief, we have taken care of unfortunates all over the United States, and the President proposes to continue to do so. His aim is to find employment for all men who are capable of working, thereby taking them off the relief rolls. You pretend you are in favor of relief, but under various pretenses vote against it.

During the entire Seventy-third Congress you Republicans have assailed us because we adopted some special rules to prevent you from delaying legislation recommended by President Roosevelt to save the Nation from complete ruin, despair, and starvation. You tried to mislead the new Members in making them believe that your vote for these rules would mean your downfall and bring about your defeat. And you are pursuing the same tactics today. But what are the actual facts? The first time in the history of our Nation, the Democratic Party in off-election did not reduce its membership, but has made gains in every section of our country, where the Democratic Party and the Democratic candidates stood by the record of the President and the Democratic Congress, and thereby given approval to our action and the now, by you, despised rule, which secretly you admit is necessary for expeditious legislation.

May I say one or two words to the new Members who feel that the Rules Committee can amend the bills that are submitted or recommended to the committee? The Rules Committee has no such power. All the Rules Committee can do is to grant a rule on a bill recommended by committee, which is your committee, after the committee has given consideration to such legislation and requests such rule.

So do not be misled by the despairing Republicans, who have not yours or the country's interests at heart, but are only trying vainly to create political capital. [Applause.]

[Here the gavel fell.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. DRIVER].

Mr. DRIVER. Mr. Speaker, the gentleman from Oregon seems seriously disturbed because there is in progress a very considerable transformation in the affairs of our Nation covering the past 2 years. The Democratic Party and its administration is to be congratulated that such is the fact and now admitted by our friends the enemy.

The argument directed to this rule is against section 1, which carries the authority to the administrative leader of this Nation, by virtue of an expression from its electorate, to allocate $4,000,000,000 to continue the very wonderful recovery work which he has performed during the last 2 years. The minority objects and says that this section of the bill should be thrown open to amendment and that the great power should not be vested in any one man, though he be the Executive. [Applause.]

I want to call the attention of the House to the fact that this section cannot possibly be amended and yet accomplish the purpose that is in the mind of the Executive. It is impossible for us to earmark any portion of this money and enable the Executive to accomplish the purposes he desires. His announced policy is to employ 3,500,000 idle employables in our Nation on projects that will leave in the various communities values which can be appreciated and which inure by reason of the expenditure of this Federal fund. It is his further purpose to prosecute this work only until industry may absorb this number of idle people. May I ask how it is possible under the circumstances to earmark one special fund which every Member of this House is interested in—namely, the road fund—or the funds that will be provided for slum

clearance and the various other activities that will be engaged in with the fund made available to the Chief Executive?

These projects may cover only a very limited area. It is hoped that that will be done. We are not in a position to apologize to any one person for the very wonderful progress that we have made in the way of restoring favorable economic conditions in the Nation. It is true, and we must admit, that the improvement is not spread over the country to a like extent. There are sore spots yet that we must give attention to. There are in some places many unemployed people. There are other places, it is my pleasure to say, where that condition has been practically eliminated.

May I point to the great improvement in the agricultural regions where for the first time in the past 4 years people engaged in such pursuits were able to handle some real dollars flowing from the operation of their industry. The same thing is true in many of the industrial sections of our country. There has been great recovery, but there are spots, we must admit, where the recovery is not spread in equal proportion; therefore, it will be necessary in the proper administration of this fund for the application of so much of it as may be necessary to such particular places and only to the extent that it may be used until further recovery in such particular areas may be accomplished.

So far as the administrative features of this bill are concerned, no one will have reason to complain. We throw that wide open to the Members of the House to make such amendments as in their wisdom and judgment they may deem proper to make. [Applause.]

[Here the gavel fell.]

Mr. RANSLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker, this rule has a little more sugar coating than it originally had, but it is still a gag rule, and the three most important sections of the bill are not open to amendment.

I do not object to the President's having the power to expend these funds. I think, perhaps, that the President should have this power, but I do say that this resolution should be left open to amendment so that the Members of this House who believe that an adequate amount of money should be appropriated for public works, may have the power to offer amendments and express their views by their recorded votes.

I also protest against the provisions of the rule that do not permit us to strike out the paragraphs of the resolution that nullify the civil-service law and the Classification Act.

I also wish to say that we will not have an opportunity, under the provisions of this rule, to offer an amendment which will guarantee to those who are placed in employment, as a result of this resolution, a wage equal at least to the prevailing wage in their respective communities, because by the time we reach the place where this resolution is opened for amendment we will have passed the place where such an amendment, in my opinion, is germane and in order. If this resolution were broad enough to employ the 11,000,000 people who are out of employment, then there would not be such great necessity for making provision that the wages should be at least equal to the prevailing wage but because it anticipates employing only about three and a half million of the more than eleven million unemployed, we should have a provision in the resolution to the effect that the wages paid employees under this resolution shall be at least equal to the prevailing wage in such communities.

This is a gag rule. I compliment and commend the members of the Democratic Party who forced at least some concessions, but you have not gone far enough and in the name of true democracy we ought to open these bills and resolutions hereafter for amendment in order to give the people of the country an opportunity to be heard. [Applause.]

Mr. RANSLEY. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, I want to remind the Members of the House that in the first session of the Seventy-third Congress, in 1933, we passed another important measure under a gag rule similar to this one. That measure was the so-called "economy bill", which is now conceded to have been unjust and ill-advised. The majority of the Members who voted for a gag rule at that time have either been apologizing or explaining their vote ever since.

I am strongly in favor of adequate relief legislation, but I am unalterably opposed to the enactment of legislation delegating broad powers and appropriating billions of dollars under rules which practically prohibit all debate and prevent the discussion of questions which are vitally important to the welfare of our people. This measure should have deliberate and mature consideration by this legislative body, and such consideration is impossible under the gag rule proposed. [Applause.]

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Speaker——

Mr. O'MALLEY. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I have only 5 minutes, and I should like to use that time in making my statement and do not desire to yield.

This is going to be one of the most important measures that is to come before the Congress. It is continuing the program of relief which has been undertaken by legislation of a former Congress.

The emergency of unemployment still exists. One of those who spoke against the rule said that the rule should now be changed because the emergency "should be over", but the emergency is not over, and it will take the efforts of the President in the expenditure of these relief funds to help sweep aside this emergency and bring us back to where employment can be had.

This situation was inherited by this administration from a former administration——

Mr. MOTT. Mr. Speaker, will the gentleman yield?

Mr. GREENWOOD. I said I did not intend to yield, because I have only 5 minutes.

Mr. MOTT. I beg the gentleman's pardon. I did not hear him say that.

Mr. GREENWOOD. And we are continuing a program which has been begun. A lump-sum appropriation is desired because the unemployment is not uniformly scattered geographically or as between classes of industry.

The President feels, and I think he is justified in the feeling, he should have this fund so that he can shift it from one class of projects to another or from one section to another to relieve the unemployment as he finds such a situation needs solution. Could you or I undertake to earmark any particular portion of this fund so it would take care of the unemployment in the most adequate manner? We might satisfy our constituents concerning some project that we hold dear to our hearts, but in the final analysis, in the use of these funds, it might be found that this money should be used in another section or for another class of projects in order to relieve unemployment and satisfy the emergency in the best possible manner.

My friend the gentleman from New Jersey [Mr. LEHLBACH] seemed to be greatly alarmed that there would be an economic readjustment. God knows the time has come in this country when there should be some readjustment.

Industry had the opportunity to provide reserves and funds to take care of the unemployed—in their particular class—but they saw fit rather to declare unusual stock dividends and distribute excessive profits.

When the depression came, was there an industrial leader from New Jersey or any other section that came forward to plan a relief situation? No; they closed the factories and took to the storm cellar; and when the man in the White House proposes a plan to bring relief, they are against any new methods or formulas; they are opposed to it. I am one who believes that there should be new methods and new formulas—that we are not going back to the old system of profit taking that existed in the previous administration.

I am willing to follow the President. I am willing to follow him in continuance of the work to bring about relief for the unemployed.

Mr. SHANNON. Mr. Speaker, I make the point of order that the gentleman from Indiana is not talking to the rule. We who are opposed have been denied an opportunity to present our objections to the rule, and the gentleman from Indiana has been given time and he is discussing the merits of the proposed legislation and not the rule.

The SPEAKER. The gentleman from Indiana will proceed in order.

Mr. SHANNON. I want a ruling by the Chair as to whether he is in order.

The SPEAKER. The gentleman will proceed in order.

Mr. GREENWOOD. I appreciate the fact that I was proceeding in order as much as every other man who has spoken on the other side.

Mr. O'MALLEY. Will the gentleman yield? What I want to ask is when are those who are opposed to the gag rule going to get any time?

Mr. GREENWOOD. The gentleman can go to the committee and get time.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. O'CONNOR. Mr. Speaker, will the gentleman from Pennsylvania use his time now?

Mr. RANSLEY. Mr. Speaker, I yield the remainder of my time to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I find it very difficult to speak in a calm and temperate manner upon this most intemperate measure. During the many years that I have been in Congress this is the worst piece of legislation that has ever come before the House. It is an abomination of desolation. What I want to know at the outset of my remarks is this: Who sponsored this legislation?

Mr. SABATH. The gentleman wants to know?

Mr. FISH. Who is the author of this legislation?

Mr. SABATH. The President of the United States.

Mr. FISH. Does the gentleman speak with authority?

Mr. SABATH. Yes.

Mr. FISH. Does the gentleman say that the President of the United States approves everything that was in this original joint resolution? I wait for an answer.

Mr. SABATH. The principle of the resolution has been recommended, as the gentleman knows, and requested, in the message of the President to the Congress.

Mr. FISH. Then I ask the gentleman who recommended this resolution to the President for his approval?

Mr. SABATH. The people, because of the conditions in the Nation.

Mr. FISH. Mr. Speaker, the American people are entitled to know who sponsored this vicious and un-American resolution, who wrote it, and who was behind it before it reached the President of the United States. I have too high a regard for the Membership of the House, particularly the Democratic side, to think for one moment that any Democrat in Congress had anything to do with writing this resolution and thereby helping to betray a constitutional trust and violate his oath of office. This proposed legislation has not been before the House 48 hours. No Member of Congress on either side had anything to do with preparing it, and yet we are told under this gag rule to take this resolution, written by unknown authors, whether the "brain trust" or not I do not know, and rush it through, practically without a hearing, and abdicate 90 percent of the remaining legislative powers of the Congress. The resolution should read:

Making appropriations to destroy representative government, to establish a dictatorial government similar to fascism, Hitlerism, communism, and every other "ism" except Americanism.

You have been elected Members of this House, and you know that I am apt to criticize measures emanating from the majority party when I believe they are unsound, unworkable, and socialistic. At the Republican caucus the other night, conferring on this joint resolution, some Member said, "Oh, you cannot depend upon the Democrats, only 40 or 50 will vote against the bill." I said that I believe there will be twice that number of liberty-loving, Jeffersonian Democrats who have no patronage collar around their necks who will vote against it without fear or favor unless substantially amended. They were not sent here to vote away all of their legislative power at the request of the "brain trust" or the President. It is not a question of the $4,000,000,000. I do not believe in quibbling over sums. I am for the four billion and I would be for five billion if necessary, although I think provision for raising revenue should be included. That is not the real question. The question is the maintenance of representative government and the constitutional powers of the House. You propose to strip yourselves naked, to abdicate the control of the purse and to leave the Members of Congress without any more legislative clothes than Gandhi. The passage of this will make the Members who vote for it a laughing-stock, not only as rubber stamps in Congress, but a laughing-stock as legislators in their own districts. If you persist in voting for this resolution to deprive the House of the only real power it has, the control over appropriations, you stultify yourself and impair the dignity, prestige, and authority of the House of Representatives and might just as well vote to abolish the Committee on Appropriations, if not the House itself. That was the main reason for its existence, its very lifeblood, and now, because some people, we do not know who, have recommended this resolution to the President—and we are unable to find out who they are—the Democratic leaders are ordered to jam the resolution through regardless of the Constitution or our representative form of government. There is no emergency which warrants such action. If there were a war and a foreign army were invading our shores and we had to act in 24 hours, it might present a different situation, but that is not the situation we are confronted with. There are ample funds available in the Treasury to carry on the relief work for several months. There is plenty of time for hearings.

Let me tell you—because your own leaders, who are leading you astray, will not tell you—this resolution, if you pass it, will make a joke and a travesty of the House of Representatives, and it will be kicked full of holes by the Senate of the United States. We will not be able to even recognize it when it comes back and you Members of the House will be left holding the bag. You will be responsible not only for taking away your own legislative powers but for destroying representative government and the liberties of the people—the constitutional liberties of the people given to this House by the founders and framers of the Federal Constitution—and leave the House of Representatives nothing but a shadow and a name.

Mr. ELLENBOGEN. Mr. Speaker, will the gentleman yield?

Mr. FISH. I cannot yield. Let us forget completely about the question of the $4,000,000,000. I have voted for every appropration for relief, but nothing in the world could make me vote for this resolution as it is, and probably even if it is amended. I refuse to be a party to destroying the constitutional powers of the House and impairing its constitutional functions and capacity to legislate by taking away the paramount power that is left to it, the control of the purse strings.

The shades of the great men who have served in this House, of Clay, Calhoun, and Webster, the shades of the men who fought for this identical principle of parliamentary control over the purse strings—of John Hampden in England, Mirabeau in France, and James Otis in our own country! Now, when there is no emergency, you Democrats are going to be driven in like a lot of sheep and compelled to destroy the fundamental principles of the Government, the foundation stones of the separate powers of the Government, and help set up some new form of government, whether fascism or Hitlerism of the right, or socialism or communism of the left. One thing we know for certain, and that is, it is not Americanism. That is the vote that you are called upon to cast; and if you put it through for political reasons, it will be the most evil and the darkest day that the House of Representatives has ever seen. Has the flame of liberty burned so low that Members of this House will sacrifice and betray their own constitutional rights at the bidding of the White House? If this legisla-

tion did not mean sacrificing the rights of the American people, the country, and the House of Representatives we of the minority would say, "More power to you." Rush into this disaster, put it through, and assume the responsibility before the people for deliberately changing our form of government and giving this uncontrolled power into the hands of a superman, a benevolent despot, if you will, and certify by your vote your incapacity, your incompetence to legislate intelligently and within the bounds of reason and moderation. The matter is in your hands. It is for you to decide whether our free institutions have failed and that we must set up an autocratic and dictatorial government; and if you decide wrongly, it will be an evil day for America. [Applause on the Republican side.]

Mr. O'CONNOR. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the gentleman from New York [Mr. FISH] asked, "Who recommended this to the President?" Nobody. He asked, "Who suggested it to him?" Nobody. The President of the United States does his own suggesting; he does his own recommending; he does his own thinking; he does his own initiating; he charts out his own program; and the gentleman from New York is not used to that kind of procedure.

After the President determines his program, he has ways and means of putting it into execution. Naturally, he disclosed and evolved his plans to Democratic leaders. Very naturally, he called down to the White House our colleague from Texas [Mr. BUCHANAN], Chairman of the Committee on Appropriations, and told him in detail just what kind of bill he would like for Congress to pass—that with which he could put his plans into execution and carry out his program, but without which his program would be impossible.

After learning the President's desires, and being willing to follow the wishes and mandate of the American people, who want the President to be given what he requires, it was an easy matter to have the legislative drafting service translate into this bill the exact provisions wanted by the President. If the Democrats in this House had not had confidence in the President, and had not been willing to trust him, and had not realized that the people back home whom we serve here want us to back the President, there would be no bill such as the one now before us for passage.

The people of the United States did not select the gentleman from New York [Mr. FISH] or the gentleman from Texas, who now addresses you, to lead them. We were selected from one district only. They selected Franklin D. Roosevelt [applause] as the Moses to lead them from bondage and out of the wilderness. Oh, we had grumblings back in the days of Moses. There were some who did not like his leadership. But those who followed Moses got out of the wilderness, and they had plenty of milk and honey as their reward. Here and there and from across the aisle we hear grumblings now. We have here some of those who want to do the leading. They do not like to follow. They want their own way. They are stubborn and perverse.

I have some very definite ideas of my own. I might espouse an entirely different kind of measure. I might have a different kind of program. I might be in favor of this and against that. But I am not in the White House. The 125,000,000 Americans did not elect me as their leader. But when my constituents elected me, they understood that I was backing their President on his economic policies. I would be an embezzler of power if I came here now and refused or failed to back the President.

Every Democrat whose constituents elected him to back the present administration now has a chance to fulfill that duty; now has a chance to carry out the mandate of the people back home. I should hate for the President's recovery program to fail because I had voted against and thereby denied him essential and necessary means he had requested. Regardless of how I think, regardless of my own program, regardless of my own definite ideas, I feel that it is my duty to carry out the wish and will of the people and to give to the President the means to execute his plans. I am backing the policy of my President at this time and I am going to vote for this rule. [Applause.]

The SPEAKER. The time of the gentleman from Texas [Mr. BLANTON] has expired.

Mr. O'CONNOR. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Speaker, I was very much interested in the remarks of the gentleman from New York [Mr. FISH] on the question of who recommended this measure. For 12 years prior to the election of President Roosevelt there was never any question in the mind of anyone as to who were the advisers of the President. It was a group of men interested either in some tariff proposal or some special concession made to the capitalistic group of the country, and this advice has resulted in our present panic conditions.

This proposal is the result of the composite advice of the men who are standing back of the President of the United States with the interest of the people of the United States in their hearts. In the last 2 years those same advisers have raised this country from the depths of the abyss, from the maelstrom which we were in, to the present condition in which the gentleman from New York said there was no emergency. If that remark of the gentleman is true—that there is no emergency now—what a difference it is to the condition which obtained 2 years ago. If that condition does exist, it is due to those advisers who are so diametrically opposed to the advisers of the predecessor of President Roosevelt.

But, gentlemen, there is an emergency. We are not out of the woods yet. This measure calls for the appropriation of $4,000,000,000, not for 1 year but for 2 years. It is a less appropriation than we have been called upon in the past to vote for in carrying out these relief measures. There is no comprehensive building program that can be completed in 1 year. Therefore, we have to provide for 2 years. The departments must know how much they will have, and this is the way it must be done. It is far less than you gentlemen have appropriated before; and if we stand back of the President for the next 2 years, as we have stood in the past, by 1936 the President, with his advisers, will, I believe, have taken this country to a place where there is no emergency. [Applause.]

Gentlemen have spoken about Congress losing its liberty. Well, gentlemen, I was in this Congress during the last Hoover administration session, when we had all the liberty that we could have. We had so much liberty that we went all directions at once. They talk about losing Congressional prestige. Congressional prestige went to the lowest ebb, at the close of the Seventy-second Congress, that it has been to for many years, because we exercised so much liberty. You men who were here when Judge Crisp was trying to pass the revenue measure know that we all turned it into a log-rolling on both sides. It was not all on one side. We all went in to get our districts taken care of. The result was that we had a conglomerate measure that nobody wanted to sponsor after the hearing. If we adopt any measure that will permit the emasculation of this bill——

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. HARLAN. I refuse to yield. I only have a few minutes.

Mr. MARTIN of Massachusetts. I only wanted to ask the gentleman if the low-ebb Congress he was speaking of was not in the control of the Democratic Party and Mr. John N. Garner was Speaker?

Mr. HARLAN. I will say that Mr. Garner was Speaker and that some days we had a majority of one, and part of the time you would have a majority. We had no leadership; no party had any control. [Laughter.] We had a President in the White House who did not have the nerve to come before this Congress and make any suggestion on a revenue measure. [Applause.] He only made a suggestion on the last day that that bill was before the Senate; but that is not in issue. We have before us today, gentlemen, only one question. If recovery is desirable, this is the only way we can have it. The single question is, Do

you want recovery or not? These dollars are the soldiers that we are to use in this war on depression.

The President, who is our commander in chief, must be allowed to send those soldiers at the time they are needed, at the place they are needed, and not be hampered by a body of men sitting here 2 years before they will have to be sent. It is humanly impossible for us to adopt now any regulation that will be effective.

The gentleman from New York is disturbed because he believes that this bill will lead us into communism. He has been chasing Communists out of every bush for the last 4 years. The one and only way that these hobgoblins of his imagination will materialize is for capitalism to fail to supply human beings with food, clothing, and shelter. If capitalism fails in this respect, communism will come regardless of anything we do or do not do. If we do not pass the present bill, there is no other measure offered to supply the needy with necessaries. The failure of this bill, and not its passage, will bring us much nearer to communism than the most nervous dreams of the gentleman from New York have ever conjured.

The SPEAKER. The time of the gentleman from Ohio [Mr. HARLAN] has expired.

Mr. O'CONNOR. Mr. Speaker, feeling that the Republican minority has shed a sufficient volume of crocodile tears over the fear of "the destruction of our Government" by putting our people back to work, I move the previous question on the resolution and the amendments to final passage.

The SPEAKER. The question is, Shall the previous question be ordered?

Mr. SNELL. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 257, nays 142, not voting 31, as follows:

[Roll No. 6]

YEAS—257

| | | | |
|---|---|---|---|
| Adair | Daly | Hamlin | Maloney |
| Arnold | Darden | Harlan | Martin, Colo. |
| Ashbrook | Dear | Hart | Mason |
| Ayers | Deen | Harter | Massingale |
| Barden | Delaney | Healey | Maverick |
| Beam | Dempsey | Hennings | May |
| Beiter | DeRouen | Higgins, Mass. | Mead |
| Bell | Dickstein | Hill, Ala. | Meeks |
| Biermann | Dies | Hill, Samuel B. | Merritt, N. Y. |
| Bland | Dingell | Hobbs | Miller |
| Blanton | Disney | Hook | Mitchell, Ill. |
| Bloom | Dobbins | Houston | Montet |
| Boehne | Dockweiler | Huddleston | Murdock |
| Boland | Dorsey | Igoe | Nelson |
| Boylan | Doughton | Imhoff | Nichols |
| Brennan | Doxey | Jenckes, Ind. | O'Brien |
| Brooks | Drewry | Johnson, Okla. | O'Connell |
| Brown, Ga. | Driscoll | Johnson, Tex. | O'Connor |
| Brunner | Driver | Johnson, W. Va. | O'Day |
| Buchanan | Duffey, Ohio | Jones | O'Leary |
| Buck | Duffy, N. Y. | Kee | Oliver |
| Buckley, N. Y. | Duncan | Kelly | O'Neal |
| Bulwinkle | Eagle | Kennedy, N. Y. | Owen |
| Caldwell | Eckert | Kenney | Palmisano |
| Cannon, Mo. | Edmiston | Kerr | Parks |
| Carden | Ellenbogen | Kleberg | Parsons |
| Carmichael | Evans | Kloeb | Patman |
| Carpenter | Faddis | Kniffin | Patterson |
| Cartwright | Farley | Kocialkowski | Patton |
| Casey | Fernandez | Kopplemann | Pearson |
| Celler | Fiesinger | Kramer | Peterson, Fla. |
| Chandler | Fitzpatrick | Lamneck | Peterson, Ga. |
| Chapman | Flannagan | Lanham | Peyser |
| Citron | Fletcher | Larrabee | Pfeifer |
| Claiborne | Ford, Calif. | Lea, Calif. | Pierce |
| Clark, Idaho | Ford, Miss. | Lee, Okla. | Polk |
| Clark, N. C. | Frey | Lewis, Colo. | Quinn |
| Cochran | Fuller | Lewis, Md. | Rabaut |
| Coffee | Fulmer | Lloyd | Randolph |
| Colden | Gasque | Lucas | Rankin |
| Colmer | Gassaway | Luckey | Rayburn |
| Cooley | Gavagan | McAndrews | Reilly |
| Cooper, Tenn. | Gildea | McClellan | Richards |
| Corning | Gingery | McCormack | Richardson |
| Costello | Goldsborough | McGehee | Robertson |
| Cox | Granfield | McGrath | Robinson, Utah |
| Cravens | Gray, Pa. | McGroarty | Rogers, N. H. |
| Crosby | Green | McKeough | Rudd |
| Cross, Tex. | Greenwood | McLaughlin | Russell |
| Crowe | Greever | McMillan | Sabath |
| Cullen | Gregory | McReynolds | Sadowski |
| Cummings | Haines | Mahon | Sanders, La. |
| Sanders, Tex. | Smith, Wash. | Terry | Warren |
| Sandlin | Smith, W. Va. | Thom | Werner |
| Schaefer | Snyder | Thomason | West |
| Schuetz | South | Thompson | Whelchel |
| Schulte | Spence | Tolan | Whittington |
| Scott | Stack | Tonry | Wilcox |
| Scrugham | Starnes | Turner | Williams |
| Sears | Steagall | Umstead | Wilson, La. |
| Secrest | Stubbs | Utterback | Woodrum |
| Shanley | Sullivan | Vinson, Ga. | Zimmerman |
| Sisson | Sumners, Tex | Vinson, Ky. | |
| Smith, Conn. | Sutphin | Wallgren | |
| Smith, Va. | Taylor, Colo. | Walter | |

NAYS—142

| | | | |
|---|---|---|---|
| Allen | Eicher | Knutson | Rogers, Okla. |
| Amlie | Ekwall | Kvale | Ryan |
| Andresen | Engel | Lambertson | Sauthoff |
| Andrew, Mass. | Englebright | Lambeth | Schneider |
| Andrews, N. Y. | Fenerty | Lehlbach | Seger |
| Arends | Ferguson | Lemke | Shannon |
| Bacon | Fish | Lord | Short |
| Blackney | Focht | Ludlow | Sirovich |
| Boileau | Gearhart | Lundeen | Snell |
| Bolton | Gehrmann | McFarlane | Stefan |
| Brewster | Gifford | McLean | Stewart |
| Buckbee | Gilchrist | McLeod | Sweeney |
| Buckler, Minn. | Goodwin | Maas | Taber |
| Burdick | Gray, Ind. | Mapes | Tarver |
| Burnham | Greenway | Marcantonio | Taylor, Tenn. |
| Carlson | Griswold | Marshall | Thomas |
| Carter | Guyer | Martin, Mass. | Thurston |
| Castellow | Gwynne | Michener | Tobey |
| Cavicchia | Hancock, N. Y. | Millard | Treadway |
| Christianson | Hancock, N. C. | Monaghan | Truax |
| Church | Hartley | Moran | Turpin |
| Cole, N. Y. | Hess | Moritz | Wadsworth |
| Collins | Higgins, Conn. | Mott | Wearin |
| Connery | Hildebrandt | O'Malley | Welch |
| Cooper, Ohio | Hill, Knute | Perkins | Wigglesworth |
| Crawford | Hoeppel | Pettengill | Wilson, Pa. |
| Crosser, Ohio | Hoffman | Pittenger | Withrow |
| Crowther | Hollister | Plumley | Wolcott |
| Culkin | Hope | Powers | Wolfenden |
| Darrow | Hull | Ramspeck | Wolverton |
| Dirksen | Jacobsen | Ransley | Wood |
| Ditter | Jenkins, Ohio | Reed, Ill. | Woodruff |
| Dondero | Kahn | Reed, N. Y. | Young |
| Doutrich | Keller | Rich | Zioncheck |
| Dunn, Pa. | Kimball | Robsion, Ky. | |
| Eaton | Kinzer | Rogers, Mass. | |

NOT VOTING—31

| | | | |
|---|---|---|---|
| Bacharach | Dietrich | McSwain | Romjue |
| Berlin | Dunn, Miss. | Mansfield | Somers, N. Y. |
| Binderup | Gambrill | Merritt, Conn. | Taylor, S. C. |
| Brown, Mich. | Gillette | Mitchell, Tenn. | Tinkham |
| Burch | Holmes | Montague | Underwood |
| Cannon, Wis. | Kennedy, Md. | Norton | Weaver |
| Cary | Lesinski | Ramsay | White |
| Cole, Md. | McDuffie | Reece | |

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Berlin (for) with Mr. Merritt of Connecticut (against).
Mr. Cole of Maryland (for) with Mr. Holmes (against).
Mr. Dietrich (for) with Mr. Reece (against).
Mr. Romjue (for) with Mr. Bacharach (against).
Mr. Cary (for) with Mr. Cannon of Wisconsin (against).
Mr. Somers of New York (for) with Mr. Tinkham (against).

Until further notice:

Mr. Burch with Mr. Mitchell of Tennessee.
Mr. Gambrill with Mr. Dunn of Mississippi.
Mr. McDuffie with Mr. White.
Mrs. Norton with Mr. Montague.
Mr. Mansfield with Mr. Ramsay.
Mr. Underwood with Mr. Lesinski.
Mr. McSwain with Mr. Brown of Michigan.
Mr. Kennedy of Maryland with Mr. Robinson of Utah.
Mr. Taylor of South Carolina with Mr. Gillette.
Mr. Weaver with Mr. Binderup.

Mr. GRAY of Indiana, Mr. LUDLOW, and Mr. WEARIN changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is upon agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question recurs upon the resolution as amended.

Mr. SNELL. Mr. Speaker, on the adoption of the resolution I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 249, nays 147, not voting 35, as follows:

[Roll No. 7]

YEAS—249

| | | | |
|---|---|---|---|
| Adair | Dockweiler | Kloeb | Reilly |
| Arnold | Dorsey | Kniffin | Richardson |
| Ashbrook | Doughton | Kocialkowski | Robertson |
| Ayers | Doxey | Kopplemann | Robinson, Utah |
| Barden | Drewry | Kramer | Rogers, N. H. |
| Beam | Driscoll | Lamneck | Rudd |
| Beiter | Driver | Lanham | Russell |
| Bell | Duffey, Ohio | Larrabee | Sabath |
| Biermann | Duffy, N. Y. | Lee, Okla. | Sadowski |
| Bland | Duncan | Lewis, Colo. | Sanders, La. |
| Blanton | Eagle | Lloyd | Sanders, Tex. |
| Bloom | Eckert | Lucas | Sandlin |
| Boehne | Edmiston | Luckey | Schaefer |
| Boland | Ellenbogen | McAndrews | Schuetz |
| Boylan | Evans | McClellan | Schulte |
| Brennan | Faddis | McCormack | Scott |
| Brooks | Farley | McGehee | Scrugham |
| Brown, Ga. | Fernandez | McGrath | Sears |
| Brunner | Fiesinger | McGroarty | Secrest |
| Buchanan | Fitzpatrick | McKeough | Shanley |
| Buck | Flannagan | McLaughlin | Sisson |
| Buckley, N. Y. | Fletcher | McReynolds | Smith, Conn. |
| Bulwinkle | Ford, Calif. | Mahon | Smith, Va. |
| Caldwell | Ford, Miss. | Maloney | Smith, Wash. |
| Cannon, Mo. | Frey | Mansfield | Smith, W. Va. |
| Carden | Fuller | Martin, Colo. | Snyder |
| Carmichael | Gasque | Mason | Somers, N. Y. |
| Carpenter | Gavagan | Massingale | South |
| Cartwright | Gildea | Maverick | Spence |
| Casey | Gingery | Mead | Stack |
| Celler | Goldsborough | Meeks | Starnes |
| Chandler | Granfield | Merritt, N. Y. | Steagall |
| Chapman | Gray, Pa. | Miller | Stubbs |
| Citron | Green | Mitchell, Ill. | Sullivan |
| Claiborne | Greenwood | Montet | Sumners, Tex. |
| Clark, Idaho | Greever | Murdock | Sutphin |
| Clark, N. C. | Gregory | Nelson | Taylor, Colo. |
| Cochran | Haines | Nichols | Terry |
| Coffee | Hamlin | O'Brien | Thom |
| Colden | Harlan | O'Connell | Thomason |
| Colmer | Hart | O'Connor | Thompson |
| Cooley | Harter | O'Day | Tolan |
| Cooper, Tenn. | Healey | O'Leary | Tonry |
| Corning | Hennings | Oliver | Turner |
| Costello | Higgins, Mass. | O'Neal | Umstead |
| Cox | Hill, Ala. | Owen | Utterback |
| Cravens | Hill, Samuel B. | Palmisano | Vinson, Ga. |
| Crosby | Hobbs | Parks | Vinson, Ky. |
| Cross, Tex. | Hook | Parsons | Walter |
| Crowe | Houston | Patman | Warren |
| Cullen | Huddleston | Patterson | Werner |
| Cummings | Igoe | Patton | West |
| Daly | Imhoff | Pearson | Whelchel |
| Darden | Jenckes, Ind. | Peterson, Fla. | Whittington |
| Dear | Johnson, Okla. | Peyser | Wilcox |
| Delaney | Johnson, Tex. | Pfeifer | Williams |
| Dempsey | Johnson, W. Va. | Pierce | Wilson, La. |
| DeRouen | Jones | Polk | Woodrum |
| Dickstein | Kee | Quinn | Zimmerman |
| Dies | Kelly | Rabaut | The Speaker |
| Dingell | Kennedy, N. Y. | Randolph | |
| Disney | Kenney | Rankin | |
| Dobbins | Kleberg | Rayburn | |

NAYS—147

| | | | |
|---|---|---|---|
| Allen | Eicher | Knutson | Robsion, Ky. |
| Amlie | Ekwall | Kvale | Rogers, Mass. |
| Andresen | Engel | Lambertson | Rogers, Okla. |
| Andrew, Mass. | Englebright | Lambeth | Ryan |
| Andrews, N. Y. | Fenerty | Lehlbach | Sauthoff |
| Arends | Ferguson | Lemke | Schneider |
| Bacon | Fish | Lord | Seger |
| Blackney | Focht | Ludlow | Shannon |
| Boileau | Fulmer | Lundeen | Short |
| Bolton | Gassaway | McFarlane | Sirovich |
| Brewster | Gearhart | McLean | Snell |
| Buckbee | Gehrmann | McLeod | Stefan |
| Buckler, Minn. | Gifford | Maas | Stewart |
| Burdick | Gilchrist | Mapes | Sweeney |
| Burnham | Goodwin | Marcantonio | Taber |
| Carlson | Gray, Ind. | Marshall | Tarver |
| Carter | Greenway | Martin, Mass. | Taylor, Tenn. |
| Castellow | Griswold | May | Thomas |
| Cavicchia | Guyer | Michener | Thurston |
| Christianson | Gwynne | Millard | Tobey |
| Church | Hancock, N. Y. | Monaghan | Treadway |
| Cole, N. Y. | Hancock, N. C. | Moran | Truax |
| Collins | Hartley | Moritz | Turpin |
| Connery | Hess | Mott | Wadsworth |
| Cooper, Ohio | Higgins, Conn. | O'Malley | Waligren |
| Crawford | Hildebrandt | Perkins | Wearin |
| Crosser, Ohio | Hoeppel | Peterson, Ga. | Wigglesworth |
| Crowther | Hoffman | Pettengill | Wilson, Pa. |
| Culkin | Hollister | Pittenger | Withrow |
| Darrow | Hope | Plumley | Wolcott |
| Deen | Hull | Powers | Wolfenden |
| Dirksen | Jacobsen | Ramspeck | Wolverton |
| Ditter | Jenkins, Ohio | Ransley | Wood |
| Dondero | Kahn | Reed, Ill. | Woodruff |
| Doutrich | Keller | Reed, N. Y. | Young |
| Dunn, Pa. | Kimball | Rich | Zioncheck |
| Eaton | Kinzer | Richards | |

NOT VOTING—35

| | | | |
|---|---|---|---|
| Bacharach | Dunn, Miss. | Lesinski | Reece |
| Berlin | Gambrill | McDuffie | Romjue |
| Binderup | Gillette | McMillan | Taylor, S. C. |
| Brown, Mich. | Hill, Knute | McSwain | Tinkham |
| Burch | Holmes | Merritt, Conn. | Underwood |
| Cannon, Wis. | Kennedy, Md. | Mitchell, Tenn. | Weaver |
| Cary | Kerr | Montague | Welch |
| Cole, Md. | Lea, Calif. | Norton | White |
| Dietrich | Lewis, Md. | Ramsay | |

So the resolution was adopted.

The Clerk announced the following additional pairs:

On this vote:

Mr. Berlin (for) with Mr. Merritt of Connecticut (against).
Mr. Cole of Maryland (for) with Mr. Holmes (against).
Mr. Dietrich (for) with Mr. Reece (against).
Mr. Romjue (for) with Mr. Bacharach (against).
Mr. Cary (for) with Mr. Cannon of Wisconsin (against).
Mrs. Norton (for) with Mr. Tinkham (against).
Mr. Burch (for) with Mr. Gillette (against).

Until further notice:

Mr. McDuffie with Mr. Welch.
Mr. Underwood with Mr. Lesinski.
Mr. McSwain with Mr. Brown of Michigan.
Mr. Weaver with Mr. Binderup.
Mr. Mitchell of Tennessee with Mr. Knute Hill.
Mr. Lea of California with Mr. Dunn of Mississippi.
Mr. McMillan with Mr. Ramsay.
Mr. Kerr with Mr. Gambrill.
Mr. Montague with Mr. Taylor of South Carolina.
Mr. Walter with Mr. White.

Mr. BUCKLER of Minnesota changed his vote from "yea" to "nay."

The SPEAKER. The Clerk will call my name.

The Clerk called Mr. BYRNS' name, and he voted "yea."

The result of the vote was announced as above recorded.

Mr. GREGORY. Mr. Speaker, my colleague, Mr. CARY, is unavoidably absent today and has requested me to announce that if he had been present he would have voted "yea" on the matter just presented.

Mr. HESS. Mr. Speaker, for the past 2 years I have consistently voted for all appropriations of moneys for relief purposes, including those for public works and direct relief. I am today, however, voting against this measure before the House which comes to us under the misnomer of "making appropriations for relief purposes."

I will go as far as the President says is necessary in making appropriations to care for the unemployed and needy, but I will refuse to vote for any more measures that take from Congress the powers granted to it under the Constitution and rest them in the President and permit him to delegate the powers conferred on him under this joint resolution to any governmental agency, including a corporation, as provided for in section 4 thereof.

Let us analyze this legislation in a sane and sensible manner and not act too hastily on it. The resolution was introduced but 2 days ago. Brief and secret hearings of but 2 hours' duration were had on it. The witnesses who appeared before the committee were the Secretary of the Treasury, the Acting Budget Director, and the Chief of the Treasury's Procurement Division. No comprehensive plan for the spending of this huge sum to relieve unemployment was presented by any of these men. I recall that we were asked in June 1933 to appropriate $3,300,000,000 for a Public Works program under similar conditions. The wastes and delays that resulted from the uncoordinated and hastily planned projects of the C. W. A. have most certainly demonstrated the need for a carefully prepared plan on which to use the huge sum requested in the resolution. When the C. W. A. program was being carried on Mr. Hopkins, the Federal Emergency Relief Administrator, is quoted as saying:

Some of our directors are incompetent, some of our projects are lousy, the whole thing is a flop, and I know it.

With that experience, are we going to rush into the appropriating of even more money without first planning its expenditure?

The first three sections of the resolution, with some minor changes, are acceptable to me, but I cannot and will not, as a representative of more than 290,000 people, who sent me here to legislate for them, vote for sections 4, 5, and 6,

and further delegate my constitutional duties and responsibilities as a Representative to an appointive public official.

Under section 4, paragraph (d), which reads as follows:

The President is authorized to postpone, but not beyond June 30, 1937, the termination of the existence of any existing governmental agency, including a corporation—

The Congress would delegate to the President the legislative power of continuing the operation of emergency set-ups in the Government, including the N. R. A., without any further action upon the part of either the House or the Senate. Rubber stamps, you say—why, it is far worse than that; it is a violation of our oath of office. If this measure passes in its present form, Congress may as well adjourn.

Under paragraph (e) of the same section, Congress proposes to authorize the President, in turn, to delegate the powers conferred upon him to any governmental agency, including a corporation, and, under section 6, it authorizes the President, or any governmental agency named by him, to prescribe such rules and regulations as may be necessary to carry out the resolution, and any violation of such rules and regulations shall be punishable by a fine of not to exceed $5,000, or imprisonment for not to exceed 2 years, or both. We would thus have a situation whereby an appointive governmental officer would be given a power vested in Congress under the Constitution, to prescribe rules and regulations which, in effect, would be laws, and under those rules and regulations to fine and sentence to the penitentiary any citizen who violated them, and this without even a trial.

We talk of Mussolini, Hitler, or Stalin as being dictators and having dictatorial powers. If this resolution becomes a law, Congress will have granted to the President, and his appointees, during the past 2 years, practically all of its constitutional powers, and may as well adjourn and go home.

Again I repeat that I will go as far as may be necessary in the appropriation of Federal moneys for relief purposes, but I refuse to violate my oath of office, and cravenly surrender the obligations imposed upon me by the Constitution as a Member of Congress.

Mr. CULKIN. Mr. Speaker, this resolution (H. J. Res. 117) will turn over nominally to the President, but admittedly to Secretary Ickes, the Public Works Administrator, the sum of $4,000,000,000 to be disbursed in such manner as seems to him most desirable. It will, of course, be an abdication of the legislative power of Congress and in violation of the Constitution. Not a Member of this House will have any voice or influence as to where this money goes or as to how it is expended. The combined experience of the Members of the House is thrown into the discard and a political marplot will be in the driver's seat. Congress will again become the laughing-stock of the country and Honest Harold will continue to give Members of Congress the toe of his boot when they attempt to obtain public improvements for their sections.

Ickes has wasted several billions of the people's money. He has tied up a vast sum in projects which in their very nature defeat unemployment relief. To hear him tell it, he is the only honest man in the history of the American Government. He writes off Congress in the public press, charging it with being a pork-seeking group. In one year he has allocated more to rivers and harbors than Congress did in a hundred years. In one year he has done more to destroy the American farmer by unsound reclamation projects, which Congress has repeatedly turned down, than Congress has allowed for that purpose in a hundred years. He says without qualification that honesty in the Government service began when he entered public life. In the same breath he perpetrates a deliberate fraud on the Congress and the country when he writes down the Grand Coulee project as power when in fact it is reclamation. This project was rejected by Congress or its committees on several occasions, and was then placed in work by Honest Harold. While the country is plowing crops under, this gentleman is bringing 1,200,000 new acres into production at a cost of $100,000,000. This against the protest of the National Grange and the technicians of the Agricultural Department. Congress repeatedly turned down Casper Alcova, a Wyoming reclamation project, but Honest Harold at one fell stroke of the pen put this project into work.

Honest Harold will spend $50,000,000 at Fort Peck Reservoir in Montana. I am creditably advised that it will take 7 years to fill this reservoir. Few Members of Congress ever heard of it. Honest Harold says that he is as "pure as the driven snow", and to demonstrate that and the imperfections of others, he maintains an elaborate espionage system on Cabinet officers and Members of Congress. The distinguished gentleman from Georgia [Mr. Cox] stated the other day that Honest Harold is the most hated and despised man connected with the Government at the present time. I agree with the gentleman and desire to add that Honest Harold has fully demonstrated that he is entirely without the necessary training and experience to erect a sizable gasoline filling station.

"Whom the gods would destroy they first make mad." No more perfect evidence of this could be found than in Honest Harold's attempt to dictate to the people of the city of New York how they should run their affairs. Recently an order was entered which forbade any man in the municipal service from being connected with any part of the Public Works program. This is, of course, a definite invasion of local government. It throws into the discard the technicians and engineers who have studied local problems through the years.

However, the sole purpose of this order was to drive Park Commissioner Robert Moses off the Tri-Borough Bridge Commission where $42,000,000 are being expended for a bridge at New York City. Honest Harold has done many stupid things. Time will tell whether or not some of them are venal and whether he deserves the self-inflicted appellation of Honest Harold. But nothing he has done is so thoroughly contemptible as his invasion of the autonomy of New York City.

Who is Robert Moses? He is a career man, who has devoted his entire life to the public service. When Governor Smith reorganized the government of New York and established the budget system his right arm was this same Robert Moses. He wrote the statutes that made for efficient government. He then came into charge of the park system of New York State. His achievements in that field were epoch making. When Mayor LaGuardia appointed his cabinet he made Robert Moses park commissioner. The construction of a great metropolitan bridge such as the Tri-Borough involves the coordination of parkways and avenues. Robert Moses was appointed to the Tri-Borough Bridge authority and has served there with distinction and ability. He has created parks and bathing pools in the congested sections of New York. He beautified the existing parks, and his work in this respect was recognized as being most extraordinary. It was all done without additional expense to the taxpayer.

Last fall he was nominated for Governor on the Republican ticket. Millions of the people's money were poured into New York to defeat him. In the campaign his spear knew no brother. One of his targets was Jim Farley. Candidate Moses had no illusions about "Big Jim." On Saturday, November 3, at the city of New York, he made the following statement concerning him:

For some reason I always think of geology when I think of Jim Farley. You begin with rock or granite. That's the basic thing his head is made of. The granite breaks up and forms sand or gravel. This, in turn, is glued together to make sandstone, bricks, and other materials, and, lo and behold! you have Sandbag Jim Farley of the Builders Supply Corporation and National and State Democratic Committees, and last, and by all means least, the United States Postoffice Department.

What a lad! He arrives here, like John the Baptist, in a camel's-hair overcoat, announcing the coming of the political savior from Washington—a voice crying out in the wilderness of the Hudson River brick sheds and echoing through the valleys and up the hills of the State.

And, still speaking of geology, he reminds me of those glacial streams which meander, in a tortuous course, through the valleys and cover all the plains with the wreckage, the muck, and filth of dirty politics, patronage, and graft.

On October 19, in an interview published in the New York Times, emphasizing a former statement that Farley was the "bag man" of the administration, Moses stated:

It is no answer to my statements to say that Jim Farley's firm only got a fraction of the building contracts. Everyone knows that the General Builders Supply people control most of the building materials in this community outside of gravel, sand, and trap rock, and that they have intimate relations with the people who control that branch. The General Builders Supply is a good deal of a racket. If you plan to build anything, you play with them, or you don't build.

Robert Moses served as secretary of state, by appointment of Governor Smith. Speaking on that subject, Candidate Moses said among other things:

I had him (Farley) on the athletic commission when I was secretary of state and I had so little confidence in him that I sent for the three commissioners and said that any question on which they are not unanimous would be decided by me. That's what I thought of Jim Farley. Farley must be describing himself when he talks about ghouls in American politics, because if there ever was a figure to be associated with the decay and death of the principles upon which this Government rests, it is James A. Farley.

It is clear that these references to the Postmaster General stung him deeply. It is equally clear that the present order which Honest Harold issued in regard to Robert Moses was issued at the behest, and perhaps the command, of Farley. At the beginning of this administration, the underground was that Farley and Ickes did not hit it off. This rift between these two formidable characters has completely disappeared and we now find Ickes, who maligns the men who shed their blood on the battlefields of the Revolutionary and Civil Wars by stating that patriotism in America began with him, in the camp of genial Jim. What a spectacle! May I state in addition, that this type of technique is thoroughly "Farleyan." Through the now submissive Ickes, Farley is driving Robert Moses out of public life so far as he can accomplish it. He is doing this against the united protests of 147 civic and business organizations in the city of New York who have protested in thunder tones against this invasion of local self-government. Irrespective of party and without regard to station, from the newsboy to the magnate, the citizens of New York are up in arms against this outrageous performance.

Hand this $4,000,000,000 to Honest Harold and every section of the country will be subject to the coercion of the mugwumpian Ickes and the nimble Farley. Incidentally, and repeating what I said before on the floor of the House, in doing this you are laying the foundation of a fascism where there will be no personal liberty and no Congressmen. In the beginning, this was the way Mussolini and Hitler wrote off popular government. In Italy and Germany today there is neither parliamentary body nor free press.

Mr. SMITH of Washington. Mr. Speaker, I voted for the rule and will vote for House Joint Resolution 117 because I am convinced that great good will result to the American people, including the citizens of my district, from the expenditure of the funds thereby provided—$4,880,000,000—to enable President Roosevelt to carry forward his work relief program.

I am particularly gratified that Rear Admiral Christian J. Peoples, director, Procurement Division, United States Treasury Department, in his testimony at the hearing before the subcommittee of the Committee on Appropriations, emphasized the fact that probably no other type of necessary Public Works expenditures will show a greater proportion for labor than that embraced in Rivers and Harbors and Flood Control Works, of which there are a number of very worthy and meritorious projects pending and contemplated in southwest Washington.

Mr. Speaker, the problem of flood control, which has heretofore been confined principally to the Mississippi and Sacramento Valleys, has become Nation-wide. During the past 2 years very disastrous floods resulting in vast loss of property running into many millions of dollars and some loss of life have occurred in almost every State. In order that we may realize more fully the scope and magnitude of the problem we have to deal with, I am going to call attention to the following list of flood disasters compiled from United States Army Engineer and Red Cross sources:

*Floods in United States, 1932–34*

| Date | Place | Buildings destroyed or damaged | Persons— | | |
|---|---|---|---|---|---|
| | | | Killed | Injured | Assisted |
| 1932 | | | | | |
| July 1–6 | Southwest Texas | 712 | 6 | 2 | 2,428 |
| July 3 | Coleman County, Tex | 106 | 1 | | 900 |
| July 4–11 | Clay, Fayette, Kanawha Counties, W. Va. | 1,564 | 18 | 5 | 2,835 |
| July 5 | Coffee, Lyon Counties, Kans | | | | 315 |
| July 6 | Nogales, Ariz | 66 | | 1 | 181 |
| July 8 | Alcorn County, Miss | | | | 738 |
| August 3 | Fayette, Jessamine Counties, Ky. | 119 | 6 | | 1,535 |
| August 15–16 | Cherokee, Okla | 530 | 2 | 8 | 666 |
| September–October. | Rio Grande River, Tex | 816 | 32 | 6 | 5,263 |
| November 6–7 | Everglades, Fla | | | | 6,669 |
| December 17–26 | Pearl River, Miss | 20 | | | 994 |
| December 27 | Rome, Ga | | | | 200 |
| December 30 | North Montgomery, Ala | | | | 375 |
| 1933 | | | | | |
| January 27 | Port Norris, N. J | | | | 600 |
| March 3 | Mayaguez, P. R | 144 | 19 | 3 | 7,372 |
| March–April | Ohio River Valley | 5,588 | 4 | 16 | 25,800 |
| Do | Cedar River, Iowa | 165 | | | 650 |
| April–May | Tallahatchie River, Miss | 476 | | | 3,270 |
| Do | Arkansas–Illinois | | | | 3,580 |
| May–June | Ohio River Valley | 370 | | | 2,202 |
| June 13 | Kelso, Cowlitz County, Wash | | | | 1,060 |
| June 25 | Bonner's Ferry, Boundary County, Idaho. | 50 | | | 300 |
| July 7 | Bear Creek Canyon, Colo | 90 | 3 | 15 | 290 |
| July 27–30 | Northwest Louisiana | 835 | | | 7,170 |
| August 23–24 | Delaware, Lehigh, Montgomery, and Philadelphia Counties, Pa. | 83 | | | 940 |
| August 23 | York County, Pa | 754 | | | 1,600 |
| September 16 | Westfield, Mass | | | | 44 |
| September 16–17 | Luzerne County, Pa | | 2 | | 89 |
| December 16–31 | Pacific Northwest | 2,445 | 9 | 5 | 10,600 |
| December 31 | Los Angeles County, Calif | 886 | 44 | 150 | 3,300 |
| 1934 | | | | | |
| April 4–5 | Western Oklahoma | 153 | 17 | | 250 |
| April 19 | Northwest Wisconsin | | | | |
| June 3 | Heppner, Oreg | | | | 370 |
| December 7–8 | Sioux City, Woodbury County, Iowa. | 293 | | | 2,065 |

SOUTHWEST WASHINGTON FLOOD, DECEMBER 1933

According to official advices from Brig. Gen. George B. Pillsbury, Assistant Chief of United States Army Engineers, under date of November 28, 1934, the damages caused by the floods of December 1933 were as follows:

| | |
|---|---|
| Cowlitz River Basin | $3,340,000 |
| Lewis River Basin | 645,000 |
| Lower Columbia River | 450,000 |
| Chehalis River | 300,000 |
| Crooked, Grays, and Deep Rivers | 31,000 |
| Deschutes River | 9,000 |
| Humptulips River | 7,000 |

FEDERAL AID SECURED

We succeeded in obtaining through Harry L. Hopkins, Administrator of the Federal Emergency Relief Administration, funds for repair work, which was the first aid ever extended to our district by the Federal Government, as follows:

*Clark County*

| | |
|---|---|
| Expended for labor | $13,857.55 |
| Expended for material | 51.15 |
| Expended for equipment | 564.60 |
| Total C. W. A. expenditures | 14,473.30 |
| Total expended on project | 14,773.30 |

Number of men employed, 200.

*Cowlitz County*

| | |
|---|---|
| Expended for labor | $63,193.05 |
| Expended for material | 55,005.36 |
| Expended for equipment | 3,197.68 |
| Total C. W. A. expenditures | 121,396.09 |
| Total expended on project | 121,396.09 |

Number of men employed, 1,833.

*Grays Harbor County*

| | |
|---|---|
| Expended for labor | $19,851.80 |
| Expended for material | 4,650.00 |
| Total C. W. A. expenditures | 24,501.80 |
| Total expended on project | 24,501.80 |

Number of men employed, 482.

*Lewis County*

| | |
|---|---|
| Expended for labor | $31,088.80 |
| Expended for material | 1,485.36 |
| Total C. W. A. expenditures | 32,574.16 |
| Total expended on project | 33,124.02 |

Number of men employed, 775.

*Mason County*

| | |
|---|---|
| Expended for labor | $14,782.65 |
| Expended for material | 556.40 |
| Total C. W. A. expenditures | 15,339.05 |
| Total expended on project | 15,625.65 |

Number of men employed, 218.

*Pacific County*

| | |
|---|---|
| Expended for labor | $11,910.57 |
| Total C. W. A. expenditures | 11,910.57 |
| Total expended on project | 11,910.57 |

Number of men employed, 267.

*Skamania County*

| | |
|---|---|
| Expended for labor | $10,991.18 |
| Expended for material | 181.60 |
| Expended for equipment | 22.50 |
| Total C. W. A. expenditures | 11,195.28 |
| Total expended on project | 11,360.28 |

Number of men employed, 350.

*Thurston County*

| | |
|---|---|
| Expended for labor | $16,564.55 |
| Expended for material | 1,494.94 |
| Total C. W. A. expenditures | 18,059.49 |
| Total expended on project | 19,415.39 |

Number of men employed, 427.

*Wahkiakum County*

| | |
|---|---|
| Expended for labor | $5,550.00 |
| Expended for material | 1,000.05 |
| Total C. W. A. expenditures | 6,550.05 |
| Total expended on project | 6,550.05 |

Number of men employed, 215.

*Recapitulation*

| | |
|---|---|
| Expended for labor | $187,790.15 |
| Expended for material | 64,424.89 |
| Expended for equipment | 3,784.78 |
| Total C. W. A. expenditures | 255,999.82 |
| Total expended on projects | 255,657.15 |

Number of men employed, 4,777.

LEGISLATION FOR SURVEYS PASSED

We also succeeded in securing the passage through Congress of Public Laws Nos. 336, 337, 338, and 339, to provide preliminary examinations of the Cowlitz, Chehalis, Lewis, and Columbia Rivers and their tributaries with a view to the control of their floods, which is the first legislation of this character affecting the rivers of southwest Washington which has ever been enacted. These preliminary examinations are now being made by the United States Army Engineers, and under date of December 22, 1934, I was notified by Maj. Gen. E. M. Markham, Chief of Engineers, United States Army Engineers, in regard to their present status as follows:

The district engineer at Seattle, Wash., has reported that his report on preliminary examination of Chehalis River will be ready for submission to the division engineer at Portland, Oreg., about April 1, 1935. The district engineer at Portland will submit his reports on investigations of the Lewis, Cowlitz, and Columbia Rivers, to the division engineer at Portland, about February 25. The reports of the district and division engineers, when received in this office, must be reviewed by the Board of Engineers for Rivers and Harbors, prior to their transmission to Congress by the Secretary of War, with my recommendations. I may assure you that the reports will be expedited in every way consistent with their proper study.

FLOODS DURING PAST 30 YEARS

Floods have occurred recurrently in southwest Washington every few years during the past 30 years. The reports of the United States Army Engineers show the following flood records:

COWLITZ RIVER

During the past 25 years eight floods of a damaging nature have occurred in the Cowlitz Basin.

Under date of November 16, 1906, the Portland Oregonian stated that the flood at that time was the highest known, the river at Kelso reaching a stage of 20.5 feet above low water. This account undoubtedly had reference to the highest known Cowlitz River flood, as the Columbia River flood of 1894 probably exceeded this height at Kelso.

Cowlitz River floods of a damaging nature occurred in 1906, 1909, 1911, 1912, 1918, 1923—when Longview Bridge was washed out—1927, 1928.

The flood of 1906 was very destructive. In the Kelso vicinity it caused damages to an estimated extent of $50,000, including the loss of the drawspan of the highway bridge over the river at that locality. At Castle Rock the same flood cut a new channel through the low peninsula upon which a portion of the town is situated, destroying a number of residences on the lowlands of the town, and also washed away about 150 acres of land bordering the stream above. The total amount of damages in the vicinity was $60,000. Floods of other years have caused loss of land from erosion at a number of localities, loss of fences bordering the stream, carrying away of log booms, and so forth. The yearly losses have never been less than $5,000.

Three means might be made available for protecting Cowlitz Valley lands from loss from Cowlitz River floods. These are: First, detention reservoirs; second, reservoirs for power and flood control combined; third, levees, bank protection, and channel clearing, straightening, and deepening.

As organizations within counties for protective purposes are practicable, there appears to be no reasons for removing the solution of problems of Cowlitz River flood control from local hands. The Federal Government is not considered justified in bearing a part of the cost of such works (Dec. 11, 1930).

LEWIS RIVER

The Lewis River floods, of a more or less damaging nature, occur practically every winter; during some years two or more damaging floods have occurred.

Flood conditions on the bottom lands along Lewis River below Woodland have resulted in damages to crops and farm property by submergence, to business by interruption of traffic, and to the public well-being by closing of schools and discomfort in living conditions.

Levees at higher grade and storage dams recommended as protective measures.

Bearing of any part of the cost of works for flood control on Lewis River, either storage or levees, by the Federal Government is not considered justified (Dec. 13, 1930).

COLUMBIA RIVER

The flood of 1894 was one of the greatest on record, severe floods occurring every 3 to 4 years.

1923: Higher levees considered as most suitable method for protection of lands in flooded areas.

While flood protection of the lowlands along the tidal section of Columbia River is a matter of concern to the owners and cultivators of the land and of importance to the States of Oregon and Washington through affording means of augmenting the assets of those States, national interest justifying expenditure of funds of the general public in works for flood control or protection of these lands is not present. This case is unlike that of the lower Mississippi Valley, where the area of land subject to overflow is enormous, occurring in many States, and where works of flood protection in one State have adversely affected the conditions in another.

In the lower Columbia case both Oregon and Washington and their citizens can proceed with flood-control plans without fear of adverse effects produced by or in the other State. Nor does the fact that the waters of the lower Columbia come from several States constitute a reason why the general Government should participate in the cost of flood control in the tidal section of the river. No upstream State or agency will, in connection with river flow or works, take action adversely affecting the right of the lowlands in the lower river. On the other hand, some benefits, as stated, may flow from power development and irrigation in the upper river (Mar. 29, 1932).

CHEHALIS RIVER

The most severe flood of record occurred in November 1909. Other floods came in December 1891, 1892, 1897, 1903, March 21, 1908, January 1914, December 21, 1915, 1917, and January 1923. In other words, floods have occurred at the rate of one every 4 years.

The flood of 1897 cut a channel through a farm between Oakville and Porter, and made travel by road difficult for almost 2 months. The flood of November 1909 washed out a 90-foot section of the right-of-way of the Northern Pacific

Railroad between Montesano and Cosmopolis and submerged the rails in other places by 2½ feet.

The area now submerged at high stages of the river could be protected by levees and dredging.

Protection of land by diking is possible but is of purely local interest and Federal participation is not warranted (Dec. 9, 1931).

PROPOSED FEDERAL WATERWAYS PROGRAM

Secretary of War George H. Dern has recently announced a huge waterways program for future work calling for the expenditure of $8,000,000,000 on 1,600 projects, "if and when approved", to carry out "navigation and flood-control improvements which will be of continuing benefit to the economic life of the Nation." Three flood-control projects in southwest Washington are listed as meritorious, to wit:

Lewis River, north fork of Lewis River above Woodland, $240,000 for 4 miles of bank protection and channel clearing for flood control and prevention of erosion, 3,000 acres.

Cowlitz River, Cowlitz River from Kelso to Toledo, $120,000 for reconstruction of damaged bank-protection works for immediate flood relief in Castle Rock section, if the combined system of five reservoirs is not built.

Cowlitz River, Big Bottom area, $869,000 for channel improvement to protect 8,900 acres.

VIEWPOINT OF THE FEDERAL GOVERNMENT

In a discussion of the subject of economic justification for Federal participation in flood control, Lt. Col. Thomas M. Robins, division engineer Pacific coast division, United States Board of Army Engineers, before the Northwest Rivers and Harbors Congress at Seattle, Wash., on October 12, 1934, said:

In the case of flood control it is well recognized by the Government generally that the special interest of the locality in its own protection is fundamental, and there can be no general benefit unless a national concern has been brought about through interruption of mail and interruption of trade and commerce generally, great loss of life, or some other situation which affects the prosperity of the whole Nation. In general it might be said that the amount of general benefit in flood control in any one case depends to a large extent on the damage done. Colonel Hanson touched a little bit on what has been done for the Mississippi Valley and the Sacramento Valley, and I should like to add just a word. I know you folks think they have gotten a lot of money, but the Mississippi Valley is one-third of the United States, and the Sacramento and San Joaquin are just as long as the Mississippi Valley from Cairo to the Gulf. So you have got to have pretty wide-spread flood-control problems before you begin to talk in figures the same as the Mississippi Valley.

Colonel Robins, in an address delivered a month previous at a meeting of the Lower Columbia Chambers of Commerce, held at Clatskanie, Oreg., pointed out that the Federal Government was absolutely opposed to assuming the burden of both construction and maintenance of dikes. Such a policy would necessitate the expenditure of $5,000,000,000 solely for the tributaries of the Mississippi, it has been shown by requests made from these tributaries.

He held out the possibility that the Federal Government might agree to repair and build dikes, providing local communities cooperated in the original cost and agreed to bear the full burden of maintenance. The present policy of the Federal Government, as exemplified in such projects as the Sacramento River project, has been to make local communities bear a good proportion of the original cost and all the cost of maintenance, Colonel Robins said. Local communities are also required to furnish the rights to land needed for the dike construction, he added.

The matter of local cooperation in financing dike and flood-control work should be considered now while the preliminary report of flood-control needs is being assembled, Colonel Robins pointed out. He also pointed out the vital importance of making the preliminary report as complete and as accurate as possible so that there might be no delay in getting the project before Congress.

One of the things to be considered in assembling information for the preliminary flood-control report and in seeking the project's approval is the necessity of proving that the average annual damages resulting from floods will exceed the average annual cost of protection. Once that is proved, the problem of determining who will pay for that protection can be argued. The preliminary examination of the need for flood control is under way at present and is really a local responsibility, Colonel Robins told his audience.

Mr. Speaker, I have endeavored to sketch in concrete form an outline of the history of flood control in southwest Washington and its status at the present time. I will conclude my remarks by repeating substantially what I stated in my address delivered before the Northwest Rivers and Harbors Congress at Seattle, Wash., on October 12, 1934.

The Federal Government in the past has taken the position that as far as our flood-control problem in the State of Washington was concerned, it was a local problem for local communities. The Federal Government has always refused to render any aid. In December 1933, when we had the flood, it was the first time we ever succeeded in obtaining any financial aid from the Federal Government, and it was important, of course, because it resulted in a lot of repair work being done that was valuable and gave employment. But, in my opinion, it was more important because of the precedent it established. For the first time the Federal Government recognized that we have a flood-control problem in the State of Washington as well as along the Mississippi and Sacramento Rivers. As a result, as we have already noted, we were able to secure the passage through Congress of bills for preliminary surveys of the main rivers and their tributaries in the States of Washington and Oregon. I introduced a bill relating to the Columbia River which was amended to include Oregon. That survey is now being conducted. Similar bills were passed, favored by the Flood Control Committee of the House, signed by the President and became the law of the land, for preliminary examinations of the Lewis, Cowlitz, and Chehalis Rivers, which will soon be completed. These are the first bills for preliminary examinations in regard to flood control that have ever been passed by the United States Congress affecting the rivers in the State of Washington and in the State of Oregon; so, I feel, we are making real progress. Now we are in the picture; and when this national program is carried out, which it will be in the very near future, as that legislation will come before Congress early in the present session, it is going to result in our obtaining protective measures in the Pacific Northwest against floods in the future and against soil erosion. However, we cannot expect the Federal Government to assume the entire cost, as it has not done that along the Mississippi or Sacramento Rivers, as Colonel Robins declared, but I think we will find in many communities that by constructing the dykes, by constructing tide boxes, by building roads and bridges, and making other improvements, we have already made a valuable contribution and the Federal Government will more than match our expenditures, in order that after a delay of 30 years without any action being taken, the property and lives of our citizens will be protected.

Mr. FORD of California. Mr. Speaker, I am wondering if the gentlemen on the other side of the House are not straining at a gnat and swallowing a camel.

They all proclaim most fiercely that they are in favor of spending the four billion called for in the resolution, or even a greater amount, if by so doing they can aid in pulling the Nation out of the morass of depression into which they, when in power, permitted it to sink.

How many of these copious weepers of crocodile tears will vote for this joint resolution in the end I do not know; but I do know that, whether they vote "yes" or "no", the Democratic majority is going to pass this measure and give to President Roosevelt the authority to take three or four millions of able-bodied Americans off the relief rolls and put them on pay rolls in the doing of useful work on wealth-creating projects.

The gnat these gentlemen are straining at is the method we are employing to bring about this highly desirable end. The camel they are willing to swallow is the $4,000,000,000 sum.

The Democratic majority is in sympathy with President Roosevelt's objective. Because of their unbounded confidence in him, they are willing—he being the Executive charged with the doing of this great job—to trust him to

do it in the most expeditious manner and without the red-tape and other time-wasting restrictions that the earmarking of the funds would entail.

For that reason, gentlemen, and because I am convinced that the people of this great Nation have full confidence in their President, I am going to vote for House Joint Resolution 117, and I hope that every good Democrat and every fair-minded member of the minority will do likewise and thus tell the people throughout the land in clear and unmistakable terms that we have confidence in their judgment in selecting President Roosevelt to lead them out of this morass of depression, back to a saner and safer way of life in America.

Mr. CRAWFORD. Mr. Speaker, with great interest I have listened to the arguments presented for and against House Joint Resolution 117, and at the beginning of my remarks I wish to emphatically state that I am in favor of relief measures; that I prefer to have all relief extended by the Federal Government to flow to the recipients thereof through the payment for work which they perform rather than through some kind of a dole, and, that insofar as is possible, this assistance be given to our people quickly so as to bring into constructive work as far as is possible the millions of idle people scattered throughout the land today. At the same time, however, as a practical operator who understands what is involved in the operation of farms, mines, factories, banks, and transportation lines, both rail and highway, I have some comprehension of the difficulty there will be in placing two or three or four or five millions of workers in productive activity within a few months or even within 2 or 3 or 4 years.

No one man living is powerful enough, without staggering waste and inefficiency and graft and racketeering, to go out and plan and put into operation the works necessary for the consumption of four and one-half to five billions of dollars. Do the proponents of this legislation now come to us and recommend that we attempt to change the laws of economics, defy the sound and fundamental forces of natural law, and reverse the procedure followed by all sound economics through having us appropriate in one lump sum almost $5,000,000,000 of the future earning power of this country and all without a plan of procedure or a single project being proposed other than that four or five billion dollars be handed over to the Chief Executive without check or balance, without any plan, without any appropriation of Congress being made for any specific job, without the people of our country, who must provide this money, having any right to say, through their chosen Representatives, one single thing about what job and where the money shall be spent? That appears to me to be the situation. Furthermore, it would appear to me that through this bill it is being proposed to draw away from those of our people who are unable to secure work in any form that subsistence which has been heretofore provided by the Federal Government for their food and clothing and shelter during this time of need. Let me emphasize again that I prefer that all Federal assistance be given to our needy through work rather than through dole, but when Federal Government, through its many bureaus, so interferes with private industry that people cannot secure work, then I do not propose to add my vote to the passing of a bill which will take the food out of the mouths of our hungry people and let them starve when they cannot secure work and while bureaucrats sit up nights trying to devise more and more plans for the further interference by centralized Government with private initiative and enterprises and while those same bureau administrators design hour by hour and day by day more and more legislation, which, when passed into law, further convinces our people that there will be more and more Government competition with private enterprises in all the industrial and economic walks of life.

I ask, What are the unemployed to do while the process of closing private industry takes place through the fear of Government competition and the swinging into line of all the Government action which will be necessary to take over and provide work for the millions of workers now out of work and who will yet be thrown out of work as private industry closes shop? Shall we let those unfortunate people starve, as is proposed in this bill, through the taking away of the direct relief which this administration has heretofore led the people to expect and take for granted? I submit to you, Mr. Speaker and Members of the House, that Government is not big and powerful enough, even if we appropriated 10 times the amount called for by this bill, to replace the private and individual enterprise of our people and thus provide work for their daily activities. There is no bureau or combination of bureaus that can be created by this House. There is no sum of money within the realms of reason that can be voted by this House. There is no plan of action that can be designed by the administrators of an act of this nature that can be comprehensive enough to care for the needs of our people. This country has not developed in a manner which will permit centralized government to replace private industry to the extent here proposed when we take into consideration the destructive influences which must necessarily follow the putting into operation of this kind of an act.

On the introduction of this bill the industries of our country have been served notice that they may expect any kind and every kind of Government competition that can be devised by bureaus and commissions and agencies. The skilled laborers of this country have had notice served on them that a precedent is being established through governmental procedure to reduce their wages to around $50 per month, and this because it is always the custom of private enterprise to bargain for labor as it bargains for any other commodity that is offered on the market, and this I do not agree with at all, but that does not alter the fact. Emphatically I wish to state that I have preached in public and in private life and practiced in private life that labor should be paid on the basis of production and not on the basis of mere subsistence merely because the laborer could not help himself in time of dire distress. I wish to ask how governmental planning commissions expect to go out and spend within a year or 2 years $4,000,000,000 on public works, road construction, and other activities mentioned so briefly in this bill without at the same time setting the wage scale for all industry in that line of work at or about the scale paid for by governmental activity? Who will answer to labor for the destructive influences the administration of this bill will undoubtedly put into operation? To merely say that this bill, providing $50 per month for labor, is better than nothing or better than a dole, is beside the question. That answer does not suffice. So long as Government carries on a program of this kind, just so long our people with money to invest will sit back and watch governmental performance and thus let centralized government carry the load and ultimately fail in its undertakings.

Therefore, it is not reasonable for us to assume that these people are in position to legislate in the interest of the people with whom they have no direct contact such as is maintained by the Members of this House with the people who sent them here.

In conclusion let me make the observation that if you desire to carry on a war of destruction on the battlefield you need powder and bullets and gas and then you need men to use these destructive agencies through and against. If you desire to carry on an economic war you need goods to hurl into the camp of your enemy at a price to the consumer which he cannot afford to hesitate in accepting to the end that you drive your opponent out of the field. In a political war it has been found that dollars are pretty good bullets and I am not unmindful of the way public funds were used in the last election and I shall not overlook, in the consideration of this bill, the power these "dollar-bullets" provided for may have in the 1936 election, for certainly it is not proposed to have this spending spree under way to any great extent before that time. There can be no justification on any ground for this amount of money to be appropriated by this Congress to any department of the Government without specific checks and balances. Four or five billions of dollars will not put five to ten millions of

workers back to work and it is reasonable to assume this vast sum of money will not meet the issue that is before our people today—that issue is to find a remunerative job for the 11 millions of workers who walk the streets today looking for the right to earn a decent living and thus create a market for the labor of more than 30 millions of farm folks who are entitled to fair wages for the work they sell in the form of the farm crops placed on the American market.

Furthermore, I am opposed to this bill because I believe it is unconstitutional for Congress to delegate such sweeping and unquestioned and unchecked powers to the Chief Executive. No man is a god and no mortal man has the power to carry on with equity the far-reaching duties delegated under this act. The responsibility goes far beyond that any man should be permitted to assume in the administration of the affairs of a race of people carrying the intelligence, resourcefulness, and private initiative such as that possessed by the people of this great country of ours. It is morally wrong and legally unconstitutional for us to rob our people of their rights in this matter and I for one am willing to stake my support for this statement on the answer which time will give. The vote of the people of my district (the eighth) of Michigan did not give me the authority to vote in favor of such a bill and I am willing to go back to them for their answer as to whether or not they intended that I come here and give away the power of this body, to come here and vote for the entry of Government into competition with their individual enterprises back home, to come here and vote away the relief direct or indirect which they have been led by this administration to take for granted, to come here and set up a scale for skilled laborers of no more than $50 per month, to come here and by my vote in favor of this bill say that I desire wages to be set on a mere subsistence basis to the end that the farmers of my district will not be able to sell their labor in the form of farm goods for more than a pittance and to come here and vote for a bill which will call for a further reduction in the farm crops of my district because private industry is interfered with and industrial workers are set a wage scale which will not permit them to buy and consume the goods from American farms.

Again, I cannot favor a bill which creates bureaus and gives them the power to make rules and regulations which have for the average citizen, the force of law. To me this is something more than the mere shift of legislative duties from where they belong to the executive branch of the Government. I do not believe that is right. It is my understanding that the executive branch of our Government has more than 700,000 employees and that of this staggering number only one—the President—is elected by the people.

Mr. SHANNON. Mr. Speaker, during my service in Congress I have never knowingly voted for a gag rule of any kind whatsoever.

The leaders of the Democratic Party in my section of the country have preached for more than a third of a century the iniquity of Republican gag rules. To me the iniquity of these rules becomes more iniquitous, if that is possible, when practiced by Democrats.

Mr. KNUTE HILL, a Democrat from the State of Washington, put into the CONGRESSIONAL RECORD of January 11, 1934, the following quotation from a speech of Franklin D. Roosevelt made while he was Governor of New York State:

> There are three ways of defeating proposed legislation. One is the method followed in the early days of our Republic, and which most truly conforms to the correct practice of a democracy. This is consideration of each proposal in open session and serious debate, in an open-minded and nonpartisan spirit and with a sincere desire to weigh its merits. If it is found inadvisable or unwise, it is then slain after a fair and open battle, and the reasons for such action are open for all the voters to examine and judge for themselves. This is the way in which all bills of real importance which have been shown any considerable approval and support by the voters of the State should be treated.
>
> The second method is by the lash of the party whip, the demand on the legislators by their party leaders that they divide according to their political affiliations and leave to the master minds of their organizations the responsibility as to whether such action is justified or not. In this procedure the bill, when brought up for discussion, is foredoomed to failure, and all debates thereon are of a purely perfunctory nature; nor can any argument of reasoning change the final vote. There is no possible justification for the adoption of this course on bills which are avowedly nonpartisan in character.

The third method, as given by Mr. Roosevelt in the same speech, is:

> Then, there is the third method of killing legislation by secret strangulation, known more politely as "killing a bill in committee." If it is a measure that commands considerable support, or if it is a measure the principle of which no party would dare openly oppose, it is given a mock hearing or no hearing at all. The committee which holds the power of life or death over the measure solemnly meets and behind closed doors and for reasons best known to themselves proceeds, by a vote of its majority * * * to refuse to report the measure for open discussion and debate. * * * This is the most objectionable and least defensible method of defeating legislation of any importance that could well be conceived.

Now let me quote from the founder of the Democratic Party, Thomas Jefferson:

> If Members of Congress are to know nothing but what is important enough to be put into a public message, and indifferent enough to be made known to all the world; if the Executive is to keep all other information to himself and the House to plunge on in the dark, it becomes a government of chance and not of design.

From my observations, I have reached the conclusion that this evil of "gag" rules is being made use of in recent Congresses because the so-called "leaders" lack the intestinal fortitude required to bring their measures out in "a fair and open battle", as suggested by Mr. Roosevelt. Hence, they resort to the despicable rules of former Republican Congresses, the rules which have brought the Republican Party into disrepute all over the United States. We hear it said by every weak leader of the majority, to the minority, "You did this." The inference is that, the Republican Party having done a wrong, we are justified in continuing that wrong. Let me say to these benighted pretended followers of Jefferson what he said on the subject:

> It is more honorable to repair a wrong than to persist in it.

I urge that we cease persisting in Republican wrongs.

Mr. LUDLOW. Mr. Speaker, humane considerations alone prompt me to vote for this combined relief and public-works bill. I am for relief for those in distress, and I am against great outlays for public works. I shall vote for this bill because if I were to vote against it I would be voting to cut off relief from the hungry, cold, and naked, thousands upon thousands of whom would be subjected to untold suffering in the dead of winter if this bill should fail. I am looking to our unfortunate fellow citizens who are on the verge of starvation and who have to have temporary assistance when I vote "aye" on the passage of this bill. If they were out of the picture, if their interests were not on my heart, paramount to all things else, I would vote "no."

This bill has two distinct provisions. One provision appropriates $880,000,000 to continue the relief to distressed humanity that is immediately and imperatively necessary. The other provision appropriates $4,000,000,000 for a vast new program of public works. I am for the first provision and I am against the latter. I want to vote to accept one and to reject the other. The gag rule prevents me from doing this. The gag rule ties the two propositions together inseparably. I must vote to accept both or to reject both, such being the peculiar pernicious effect of the gag rule. I opposed the gag rule in caucus and in the House in order that we might be able to divide the bill into its substantive parts and vote on them separately, but in common with others who thought as I do I was voted down and my hands were tied.

I am required, therefore, to decide on one of two alternatives. Either I must vote to let thousands of our people suffer from starvation, nakedness, and lack of fuel in midwinter, or I must vote for the bill as a whole, and I shall do the latter, because humane considerations will not allow me to do anything else.

In my opinion we should have been allowed separate votes, at least on these two propositions—immediate relief and public works. I think we also should have had a bill of particulars showing what the $4,000,000,000 fund is to be used for, so that as Representatives, coming direct from the people, we might have had a chance to vote on the

merits of the various items that will enter into the expenditure of that stupendous sum. With all good wishes for our great Executive, I believe that Congress, in order to promote the national weal, should do its own legislating and should not "pass the buck" to the President, as it has so often done. I believe that, with the worst of the emergency over, it should begin to recapture the powers it has abdicated. I do not believe that the branch of the Congress that is charged with responsibility of controlling the purse strings should vote colossal sums en bloc without having some chart or explanation showing what the money is to be spent for.

I supported the various parliamentary moves which, if they had succeeded, would have separated the fund for direct relief from the public works appropriation, because I wanted to vote for the former and against the latter. To break off Federal relief in the dead of winter would be dreadful and unthinkable. It would mean that thousands upon thousands of our fellow citizens would die of starvation, cold, and nakedness, and that there would be widespread suffering on a national scale, because local relief agencies would not be organized or able to take over the load on sudden notice. At the same time I do not think the proposed vast public works program should be adopted.

When I asked recently how many persons had been put to work as a result of the $3,300,000,000 former public-works program, the personnel director of the Public Works Administration gave the number as less than 900,000. At this rate it would require an expenditure of about $44,000,000,000 to give temporary synthetic employment to the 11,000,000 persons now out of work. This, in my judgment, shows the absolute futility and utter hopelessness of the public-works program as a means of solid national recovery.

Mr. Speaker, in this great Republic of ours one of the privileges inherited by every citizen, however humble in the walks of life, is the privilege of writing, as the spirit moves him, to the President of the United States on the state of the Union.

Exercising this cherished right of the common man I have recently sent two communications to President Roosevelt setting forth my idea of how the country, under his leadership, may be led rapidly through what remains of the depression to a solid and permanent recovery.

I believe I am stating a solemn truth when I say that in these days of dire distress nearly all men who feel the weight of responsibility are actuated by the common purpose of trying to serve humanity. We have the same objectives, but differ only as to methods. The Nation's peril is realized by all. Selfishness is content for the time, at least, to slink far back among the shadows and men are united by a nobility of effort for the common good. We have in the White House a leader whose name is synonymous with nobility, whose sympathies are as far-reaching as the human race.

The purpose of my letters to the President was to convey my belief that the time has come to call business and industry to the colors and to make use of business and industry to provide the capsheaf of recovery. Donald Richberg has wisely said, in substance, in recent speeches, that there are two courses open for the future. One course is to return the load of employment to private industry, and the other course is to provide a large program of public works, at the expense of the taxpayers, to further carry that inescapable load. I prefer to return the load to business and industry, where it normally belongs.

Nor do I believe that this purpose is impossible of achievement. I believe that the foremost problem before the new deal now is to bring about the transition from governmental activity to private activity—how to get business to take up the burden of spending and employing the idle—and I believe as implicitly as I ever believed anything in my life that if the President were now to place his powerful support under the business and industrial structure of the country, with a pledge of suitable governmental approval and aid for suitable performance, business and industry would come running to his call.

What the country yearns for is normal employment, not synthetic employment. What the workingman wants more than anything else in the world is the good old job he used to have. I should like to hear factory furnaces roaring. That would be real music. I should like to see smoke pouring out of factory chimneys. That would be a sight worth seeing. Even if it should be black, dirty, grimy smoke of the kind that used to arouse the ire of the smoke abatement leagues. Our millions upon millions of workmen would be happy if they had regular jobs. They do not want to be idle and they do not want relief, except as they are compelled to take it. They want to hear the whistle blow, and they do not see any prospect of the whistle calling them back to normal employment if vast public-works programs are to continue indefinitely, for there are half a million more workmen unemployed in America now than there were a year ago, and they can only see private industry growing more weak and impotent as public works add billions to the Nation's debt burden and throw the Budget further out of gear.

So it was with the thought of contributing at least a little impetus to the idea that the time is at hand to begin making the transition of employment from public-works rolls to the rolls of private business and industry that I wrote to the President, and I can only add that in presenting these letters to the reading public in the columns of the CONGRESSIONAL RECORD I do so for the purpose, which I believe to be permissible and partiotic, of stimulating thought along that line.

My first letter to the President was as follows:

NOVEMBER 19, 1934.

Hon. FRANKLIN D. ROOSEVELT,
*President of the United States, Washington, D. C.*

MY DEAR MR. PRESIDENT: I know you will not regard me as presumptuous if I address you on the state of the Union, for our long and friendly acquaintanceship, dating back to your service as Assistant Secretary of the Navy, has taught me that you are ever ready to welcome well-meant, constructive suggestions and to weigh and analyze them fairly and impartially, whether in the final outcome you agree with the proponent or otherwise.

Your administration is already secure in history. In my judgment, you have made a name as a humanitarian second only to Jefferson and Lincoln. No President since Jefferson has done more for the laborer and the common man than you have done. You have written into the social structure certain great and salutary reforms and practices and there they will remain forever. The abolishment of child labor and sweat shops, the guaranty of bank deposits, the establishment of order and security in the banking system, the protection of innocent investors from the rapacity of "blue sky" vendors, the spread of employment and resultant happiness through the shorter work week, these and other great triumphs of social regeneration make up an imperishable record of achievements. While these mighty changes were being wrought the hungry have been fed and the naked have been clothed.

With these things accomplished and the worst of the depression over, I believe the direct way to prosperity is by a cessation of extraordinary expenditures and by such encouragement as the national administration—and it alone—is capable of giving to honest business. We need to instill confidence in business in place of the abysmal dejection that now exists. We need to do something to supplant in place of the gloom and paralysis that now engulf business the old fighting spirit and a willingness among business men to cooperate more freely and actively in bringing the country out of the rut. I believe that you, Mr. President, with such safe and sound advisers as Donald Richberg, have the power to put the business of the country on its feet and make it an important, willing, and militant factor toward bringing about early recovery and reemployment along normal lines.

In my talks with business men I have found that in a vast majority of instances uncertainty is the cause of their halting attitude. They do not know what to expect next, and not knowing what to look for they are not willing to risk anything. This has caused a business stalemate on a national scale, with lethal ramifications into every walk of life. Let me stress what I believe to be the importance of completing your program at the earliest possible moment and announcing it forthwith. Business can adjust itself to almost any program if only it knows what that program is. I hope the time will come real soon when you will be able to announce through the newspapers, over the radio, and from the housetops, figuratively speaking: "This is my program. It is my entire program, and it is going to remain stabilized just as I have given it to you. There will be no further changes in the currency and no additional legislation will be proposed. I have shown you my entire hand."

There must be no lessening of restraints over evil practices in business, but honest business should have encouragement to get on its feet. There cannot be employment unless there is money to meet pay rolls. If honest business could have the benefit of loans—not gifts—from the Federal Government, it would be a

great incentive to a rational revival. The law we passed at the last session of Congress providing loans to industry needs liberalization. It has been weakened by administrative restrictions and the loans that are being made under it are so few and inconsequential that they constitute a negligible factor in recovery. The policy of not making loans to any business concerns that have been "in the red" in recent years makes the law virtually a nullity. The concerns that have not been "in the red" are few and far between. It seems to me the character of the borrower would figure in these loans quite as much as the collateral offered, but character counts for nothing under existing administrative policy.

As a Member of Congress with a voting responsibility, and with a little added responsibility due to the fact that I am a member of the Appropriations Committee, I am anxious that the future expenditures of the Government shall be kept within limitations. We must continue to care for the hungry and naked and acutely distressed, never for a moment neglecting them, but in my opinion it would be a collossal mistake to embark upon another enormous program of uneconomic public works, thus adding to the debt burden and bringing us a step nearer to the danger of uncontrolled inflation, for when inflation gets under way the possibility of controlling it is about equal to that of stemming the waters of an impounded stream, once the dam has broken. My anxiety on this score has been intensified by a startling proposal by a Cabinet official which appears in the newspapers under the glaring headline "Secretary Forecasts Spending of Billions." The article goes on to outline an enormous proposed program of national spending, one feature of which is to be "a four-lane transcontinental highway avoiding all cities, with no grade crossings, over a 1,000-foot right-of-way, landscaped to make it the most beautiful road in the world."

Can it be possible that at a time like this, when retrenchment is clearly indicated as the proper national policy, such a proposal is seriously advanced? I cannot imagine that with the country deeper in debt than ever before in its history, with interest and taxes mounting to unprecedented proportions, we will pour out untold millions for such an iridescent dream. More than any other country in the world, America already is spanned with hard-surfaced roads. There is no demand for this glorified Appian Way from the standpoint of economic necessity and the project would not be justified as an employment measure because the employment created would not be commensurate with the vast outlay. In the last analysis, such projects must be paid for by taxes, and taxes are paid by the sweat and toil of the masses. We cannot pull money like rabbits out of a hat to pay these enormous construction costs. In my opinion, the entire proposed public-works program should be scrapped and the country should be spared the great burden of having these additional billions piled on top of our staggering national debt.

I sincerely believe that if business is given the benefit of a definite, stabilized program so that it will have a chart to go by, and if in addition it can have the assurance from the administration and Congress that temporary emergency measures that have served their purpose will be repealed and that every reasonable effort will be made to bring about retrenchment in governmental expenditures so that ultimately tongue and buckle will meet and the Budget will be balanced, an accelerated business momentum will be the turning point of the recovery program, and the result will be a new era of abundant prosperity with jobs for all.

No one is more sincere in wishing you well than I am. That is my excuse for bothering you with this long letter. I believe that your superb leadership in the direction I have indicated would definitely end the depression and bring about a glorious future for America.

Very sincerely yours,

LOUIS LUDLOW.

On November 27 the President sent me a reply which I do not feel at liberty to quote, and I answered his communication with the following letter:

DECEMBER 3, 1934.

Hon. FRANKLIN D. ROOSEVELT,
*President of the United States, Warm Springs, Ga.*

DEAR MR. PRESIDENT: I thank you for your courteous reply and I appreciate your gracious invitation to discuss current problems with you at the White House, but I really have but little more to say, and with your indulgence, I shall put these additional thoughts in writing, so that if they are of any value you may have them before you at Warm Springs while you are engaged in the formulation of your program to be placed before the approaching Congress.

So if you will bear with me, I will amplify somewhat my former letter, hoping and believing that whether you can agree with me or not you at least will credit me with an honest and forthright effort to be of some assistance to you in this critical period, when momentous decisions involving the future welfare of the Nation, if not the character of its government, have to be made. To my mind, no less important than that is the issue involved.

Permit me to say that in my opinion it is not an alternative between the cash dole on the one hand and public works on the other hand, but the alternative is between Government relief on the one hand and a return to normal employment on the other hand. I am one of those who believe that prosperity is really near at hand, and that it is actually attainable by cooperation of government and honest business, not by large additional governmental expenditures for public works. In other words, I sincerely, truly believe the time has come to make a start toward transferring the relief load from government to business. I hold no brief for business, and when I take this view I believe I am taking the view of labor as well as business, for the welfare of both is inseparable. I would not for one moment relax the Government's hold on crooked business. If the laws against monopolies and financial pirates are not strong enough, I would enact more laws with more teeth in them, but I would give more freedom to honest business, which is now prostrate, but which wants to do its patriotic part—freedom from governmental restrictions, freedom for creative enterprise, freedom as far as posible from tax burdens.

I should like to see you, as the President of our great country, call the business men of America to the colors. President Harriman, of the United States Chamber of Commerce, who speaks in a large way for business and industry, has said that "business is rarin' to go." I should like to see you call these gentleman to the colors and give them a chance to make good.

Now for a concrete suggestion: I believe, speaking by and large, the way out of the depression from this time on is by adopting a policy of lending, instead of spending. If one-half, or less, of the nine billions proposed by Mr. Hopkins for public works could be loaned to manufacturers and business men under liberal terms, I believe the result would be not only a general reabsorption of the unemployed into regular employment but in the end practically all of the amount would be returned to the United States Treasury as the obligations fall due.

A plan of loaning this money might be devised whereby the granting of a loan would be contingent upon a pledge to employ a certain number of men for 1 year or 2 years. I believe, Mr. President, that if you would call the leaders of the business and industrial world into conference, a system could be devised, based on loans and pledges as stated above, that would wipe out unemployment in record time and make a real start toward a quick national recovery. I firmly believe that under the inspiration and incentive of your call and with the assistance of Government loans apportioned on a basis of employment possibilities business would respond and would, as it should, take over the burden of the relief load by opening the way to reemployment on a large scale.

Let me offer an illustration in point: Some gentlemen from Connersville, Ind., were here the other day to make an appeal for a Government loan for a manufacturing plant there. The visitors were among the best citizens of the community. They have been trying for a year or longer to borrow $150,000 from the Reconstruction Finance Corporation for working capital. Their plant is worth half a million dollars. They have actual, bona fide orders already on hand that would enable them to repay the loan with a nice profit, yet they have not been able to get a dime. The tragic part of it, from the standpoint of the public welfare, is that if they can get the loan they pledge themselves to give work to 1,400 men. The question occurs to me: Would it not be much better for the Government to grant that loan and thus give normal employment to 1,400 men who will be happy if they can get work than it is to maintain these good workmen and their families on relief rolls?

Exactly that situation exists over and over again, times almost without number, in the various States of the Union, and I only cite it as an incident which I believe is in point illustrating how business, with the aid of Government, might function to hasten normal recovery. If, on the other hand, billions are added to the Government debt, I fear that next year will find no decrease of unemployment, just as this year finds no decrease of unemployment over last, and the Nation's relief burdens will grow heavier as debt and taxes weaken carrying power and destroy business confidence.

Of course, I realize that the goal of complete business and industrial recovery is not attainable at a single stroke, and until there is full recovery the hungry must be fed and the naked must be clothed. There must not be, and there will not be, any neglect of our humanitarian responsibilities. I believe that when impartial history is written recording your epochal achievements and the conditions under which you wrought, you will be given a place along with the outstanding commoners of all time—Thomas Jefferson, Andrew Jackson, Abraham Lincoln. I am just one Member of the House of Representatives out of 435 whose views as to trends and policies may be unimportant, but I thank you for this opportunity to express myself, and I close by saying, "Lord bless you in your sincere, devoted, and courageous efforts to serve this Nation."

LOUIS LUDLOW.

Mr. BLACKNEY. Mr. Speaker, under leave of extending my remarks in the RECORD on House Joint Resolution 117, I desire to submit the following statement of facts and principles upon which I stand.

When our forefathers drafted the Constitution of the United States, they very wisely inserted as one of the provisions of that great document, the division of Government into three departments, the legislative, the executive, and the judicial, each having certain duties and functions to perform and yet all correlating to the working of a harmonious Government.

Article I, section 1, of this Constitution provides for a Congress of the United States consisting of a Senate and a House of Representatives.

When I was elected as Congressman from the Sixth District of Michigan the motivating factor in my thought was the support of the Constitution of the United States and the defense of constitutional government.

When House Joint Resolutilon 117 was introduced I was amazed at the unprecedented dictatorial power which would be given the President of the United States under that $4,880,000,000 public-works bill. From a reading of this resolution I became convinced that the delegation of power to the Chief Executive provided for in said resolution was really a surrender of the rights and privileges of Congress and that the conferring of such power upon one single individual or group was adverse to the principles of American government. I am in favor of worthy relief from the hardships attributable to wide-spread unemployment and conditions resulting therefrom, but when that relief is coupled with principles absolutely reprehensible to American government, then I am opposed to such legislation.

Under the provisions of this resolution, the President of the United States, provided that his actions were motivated by the broad purposes of the act, could:

First. Issue edicts, violation of which would amount practically to felonies punishable with $5,000 fine or 2 years' penitentiary sentence, or both; the provision with reference to the 2-year penitentiary sentence, however, was stricken out by amendment.

Second. Consolidate, change, or abolish existing governmental departments, establishing such new ones as he might desire; which provision, however, was amended by the insertion of the word "emergency" before the words "governmental department"; and continue the provisions of the N. R. A. or other emergency agencies until June 30, 1937.

Third. Acquire by eminent domain any real or personal property which he might consider necessary to carry out the provisions of such resolution, but by amendment the words "or personal" were stricken out.

Fourth. Between now and June 30, 1937, spend $4,880,000,000 not only for public works but in any manner he might claim necessary to accomplish the purposes of the act.

While in my judgment these amendments may have slightly improved the resolution, yet the resolution still stands as an unprecedented delegation of power to the President, and is adverse to American principles.

My first act in coming to Washington was to take the oath of office in which I agreed to support and defend the Constitution of the United States against all enemies, foreign and domestic, and to discharge well and faithfully the duties of the office to which I was elected. This oath I intend to keep inviolate.

In my judgment the power conferred by said joint resolution is unconstitutional, is dangerous, and is un-American, and for that reason I am opposed to this resolution and shall vote against the same.

Mr. DITTER. Mr. Speaker, "The voice is Jacob's voice, but the hands are the hands of Esau." An aged father, whose eyes are dim, is anxious to give a blessing to a worthy son, one whose birthright has been bartered away. With the cunning connivance of the mother, a savory dish is prepared to satisfy the father's longing. The garments of his brother are put on Jacob, and to make the deception more complete he covers his smooth skin with the hair of a goat. Under the cover of Esau's garment and the masquerade of an animal's skin, Jacob depends upon the blindness of his father to stealthily secure the blessing intended for his brother. With the kiss of a Judas the treachery is complete and a father's blessing debauched. It is an intensely dramatic story, a recital of mockery, an episode of trickery, a narration of craftiness. "The voice is Jacob's voice, but the hands are the hands of Esau" has become the legend, the title, the name by which we characterize masquerades of artifice and programs of deception.

No other story quite so accurately describes the circumstances attending the resolution before the House today as this recital of how an old parent was played upon by an artful son.

It is unfortunate that the efforts of the present administration have not been effective enough to relieve the distress of unemployment. In spite of the expenditures of vast sums of money and the imposition of extraordinary exactions upon industry, we are faced today with a most acute and serious unemployment problem, a problem which demands sympathetic, constructive, and capable consideration and action on the part of all who are able to aid in its solution. I do not yield to any man in my conscientious endeavor to find a solution for this problem, or in my willingness to approve the use of every legitimate and sound means for the relief of those upon whom misfortune has come as a result of the world cataclysm. Nor have I been content to still my conscience with the acquisition of political theories of the causes, and the charting of statistical records of the results of the depression, but on the contrary I have endeavored to sympathetically discharge my portion of the obligations of neighborliness and brotherhood. I crave the opportunity of supporting any sane measure, irrespective of party lines, which will insure the reemployment of idle wage earners in my district and bring to the homes of my people contentment and security.

It is my conviction that the resources and credit of the Nation should be utilized to the fullest possible extent to secure the speedy solution of our economic problem. Were the resolution before us today a measure of this character, I would give it my whole-souled and energetic support, but this is not the case; for while it is clothed in the raiment of relief and masks itself with the hairy skin of reemployment pretense, the strident tones of a political Jacob are the accents which reveal its true purpose. That purpose is to strengthen and develop the political fortunes of the majority Members of the House in the name and under the caption of relief and reemployment.

The resolution proposes to place at the disposal of the President $4,800,000,000 of taxpayers' money without any control of the Congress as to the projects upon which this enormous sum shall be spent. No justification has been presented to the Appropriations Committee of the House for this extraordinary grant nor has any adequate hearing been held to warrant the departure from constitutional and time-honored precedent of the proper methods to be pursued in spending public funds. The only excuse which has been offered for the contravention of safe and sound practice is the statement that it is an administration measure, but even the loudest proponents of the measure cannot produce any public utterance of the President of his approval or request for such legislation.

Certainly his laudable endeavor to restore to the unemployed workmen of the country a spirit of self-respect by opening avenues of gainful employment rather than continuing upon relief roles does not comprehend a program of the character now before the House. Under the grant as contained in the resolution, funds may be spent on almost any project which the administration may deem feasible without any limitation or specification as to the character, location, or purpose of the venture. The costly experiment at Reedsville entailing a loss of approximately $500,000 is mute but eloquent testimony of the dangers of spending taxpayers' money without proper investigation and deliberate determination.

My interest lies chiefly in the district which I represent. The needs of these people are my first concern. The advancement and protection of their rights is my obligation. This resolution gives me no assurance that the needs of my people will be ministered unto nor that the distress which prevails among them will be alleviated. Nowhere in the resolution can I find even a scintilla of promise that a small part of this fund will find its way into my county to provide gainful employment. Certainly my experience with the practices of the present administration in the distribution of Federal benefactions does not provide any assurance or even hope that an equitable proportion of these $4,800,000,000 will come to my district. Is it unreasonable for me to ask for assurance that a fair distribution of these public funds shall be

made for my district? The Southern States receive the premiums, the Northern States pay the price. To earmark and allocate this fund upon a justifiable and equitable basis is a reasonable and common-sense demand on the part of the representatives of the people.

The delegation of authority to the executive branch of the Government does not stop with the spending of the fund. The resolution provides for a complete abdication of power by the Congress to the President. Under its sweeping and all-inclusive terms the President may prescribe the duties and functions of governmental agencies, transfer and abolish such agencies, employ individuals at his pleasure, delegate authority vested in him to others, and promulgate rules and regulations for the conduct of all citizens. He may buy, sell, lease, improve, and develop property and exercise the right of eminent domain. And to make the investiture of authority complete and absolute the President may penalize a citizen in the sum of $5,000 for the breach of any of the decrees or regulations made by him. By one fell swoop this resolution turns over to the executive branch of the Government the right to legislate, appropriate, and penalize without let or hindrance. To this revolutionary course of procedure I cannot subscribe. It is not a question of the amount of money to be spent. It is not a question of alleviating distress. It is not a question of providing employment.

The issue far transcends such matters, as important as they are. The issue is whether our system of government is to be completely altered and changed. The tried and true system of checks and balances is at stake. No dexterously devised or cleverly crafted phrase of explanation on the part of any of the proponents of this measure can change to the satisfaction of any sensible person its true intent and purpose. It sacrifices on the altar of political power the sacred heritages of constitutional democracy. It makes inaudible the cry of distress as it bellows for political favor and preferment. It holds up to scorn and ridicule the Members of this House who but a few days ago assumed a solemn obligation to represent their people. It devises a mightier weapon of potential woe for this Nation and for all the people thereof than any implement of war ever wielded by the arm or ingenuity of man. Private rights, private property, private industry, personal liberty, personal immunity are left stark, impotent, unprotected, and defenseless before this grim monster.

The refusal of those of us who oppose the measure cannot be characterized as a policy of obstruction nor as an effort to deter the President in his efforts at recovery. It is obvious that the President cannot give his personal attention to the details of the allotment and expenditure of this enormous sum of money. He must of necessity commit the powers and duties to others who are in no way answerable to the people for their course of conduct or the methods adopted by them. We advocate the submission of projects to the Congress through the duly constituted channels of operation and the proper authorization for the allotment of funds on the basis of merit and justification.

Millions can justifiably be spent for relief, but not one penny should be wasted for political tribute. I stand ready to support a public-works program which will give honest employment to our people, but I will not espouse the cause of those who advocate a program of profligacy, waste, and dissipation. Let us provide the funds for a public-works program bringing to each of our districts a proper proportion of this fund for meritorious projects; let us bring to private enterprise the assurance that the Government does not propose to enter into fields of competition; let us impress upon the citizens our desire to advance their interests and safeguard their rights. Let us provide for the common welfare by practicing policies of proved worth. Let us demonstrate that representative democracy is virile and capable of meeting the problems with which we are faced. But above all, let us cast aside the garment of Esau and the masquerade of hairy skin and be honest in motive and purpose.

Mr. GRISWOLD. Mr. Speaker, this is a bill to give power—the greatest grant of power that Congress has ever given. Other bills did leave in the hands of the people some semblance of control. The purpose for which the money was to be spent was specified—there was some assurance as to how much was to be spent and who was to have the spending. There were arrangements for an accounting, subject to a check on it by the Comptroller General.

In this bill you take $4,000,000,000 and say to one man, "Here it is. Get rid of it! We do not care what you do with it; spend it as you please." Under this bill you would give the wealth of a Nation in a lump sum and then add to it double that amount for the benefit of the money kings in interest. You will relieve these money changers of all taxes. You lay down the principle in this bill that the money changers shall profit and the masses shall pay. By means of this obsolete system of paying interest on what already belongs to the Government—money—you pile suffering on top of misery and then call it relief.

Under this bill you give this vast sum and specifically provide that there will be no check on its spending or the purpose for which spent until after it is gone. Then after the money is used a statement must be made to Congress stating how it was spent. What good will it do to know who got the money after it is gone and no provision made to have it returned?

You curse Stalin, you execrate Hitler, you condemn Mussolini, and all the while you are seeing the mote in your brother's eye and leaving unnoticed the beam in your own. How can gentlemen stand before us in this House and condemn, as they do, the Nazi, the Fascist, or the Communist and vote a grant of one-man power such as this bill holds in its innocent-looking black print? The shades of every great American who ever had faith in representative government will rise to condemn your vote.

If you pass this bill, you are willing to trust Mr. Hopkins, who may be appointed under its terms, to spend this money. You are willing to trust Mr. Ickes, who may be selected, or Mr. Baruch, or Mr. Astor, or any one of a thousand men who might be in favor at the moment and of whom you nor I have ever heard. Whosoever he may be, he will have power to spend this four billion according to his own sweet will. You are not willing to trust the American veteran to spend only $2,000,000,000, which we owe him and which we could pay to him without paying at the same time tribute to the bankers. You are afraid that the veteran will spend his money unwisely, but the same fear does not actuate you in the case of an administrator, to you unnamed and as yet unknown, who will spend this four billion.

My colleagues, you are being so very inconsistent.

No one will contend that these bonds will not exist and bear interest for the next 30 years. Four percent will be a reasonable interest to expect on them. This means that to obtain four billion to give aid to the destitute and unemployed the taxpayer must pay back to the money changers $4,800,000,000 in interest, or a total of $8,800,000,000. France went into financial oblivion in 1925 because it was necessary to use 80 percent of its total income to pay the interest on the public debt. With all our interest burdens mounting, how long can we endure? This bill means a minimum tax burden of $73 on every man, woman, and child in the United States. This bill, if enacted into law, means a tax burden on the Fifth District of Indiana of $18,836,701.

So far as the provisions of this bill are concerned, all this money can go to such projects as the Reedsville Homestead venture. Certain it is that some of it will go there. Can you conscientiously vote to expend money wrung from taxes on prostrate business, bankrupt farmers, and destitute labor to be expended on a project born of someone's whim, conceded to be obsolete before its inception and now adjudged a failure, as is the Reedsville project, merely to endeavor to justify a judgment that was erroneous in the beginning? That project was repudiated twice by a vote of the Membership of this House and yet thousands of dollars have been spent, and under the terms of this bill thousands more will be spent before the caprice of its sponsors will be satisfied.

You are throwing money riotously into the capricious maw of such adventures in insane spending as are these

projects. Projects where with thousands of furniture workers unemployed you would train miners to make furniture, and other projects where with farmers receiving less than the cost of production you train miners and factory workers to produce more farm products. You gentlemen are trying to do the impossible. You are endeavoring to make a board with only one side—you are trying to make a rope from twisted sand.

We have drifted through a tragedy of errors. We have seen individuals who came from we know not where, given a place of great authority, make colossal mistakes, and drop out again from public sight leaving the public to hold the bag for their mistakes. The public did not elect these flashing great ones. Congress did not appoint, approve, or know them. But the whole Nation suffers because of them. For that reason I feel that the people should know whom they will have to spend this vast sum of money.

This is called a "Federal emergency relief measure." Is it to be like the present system with the administrators of it in the local communities required to possess a college degree as "case workers" so as to be able to determine whether or not starving children are hungry and freezing adults are cold? Some of them draw $200 a month and some more than that amount to sit in a warm office and decide whether a man without a job, without a coat to his back, or a crumb of bread to eat, and with a family, is entitled to work out in the cold with a shovel for $4.70 a week. To call the roll of our present relief personnel is to have pass in review the strutting mistakes of the army of errors.

The R. F. C., with its billions, aided the bankers and big business and forgot the small and independent manufacturer and businessman. In this bill before you now there is not one specific provision by which aid will be granted to this great class of people and those dependent on them. They helped pay the bill for relief of big business, but are denied relief for themselves. Their stores are still closed; their factory stacks are smokeless.

The C. W. A. as a relief measure was of benefit, but it was temporary in character and displeased even those that it was most intended to benefit. Its faults as well as the faults of the R. F. C. lay largely in its administration.

Almost every one of these ventures was a parallel to this present bill. In every one of them Congress flung money into the lap of some unknown and undetermined individual to spend. The Members of Congress saved themselves the necessity of mental effort and attempted to shift their responsibility by delegating the power they were elected to assume and which the Constitution vests in them. For the mistakes, the sins of omission and commission in the spending of these billions of dollars, Congress is responsible, not the man who accepted the front position in the sun and the newspaper headlines, as the chief spender of the bureaucracy created.

Under this bill, as drawn, section 6 would allow the President of the United States to determine and designate a felony. The President of the United States can establish a rule and give it all the force and effect of a criminal law. For the violation of that rule the offender can be imprisoned for 2 years and fined $5,000. If such a rule provides that a man with two children could only receive $4.70 per week and this destitute man accepted $5, he would be guilty of a felony and punished as indicated in the law. Even if the 2 years' penalty is stricken out of the law, still the punishment for such offense by such an amount is preposterous. Congress has no right, in my opinion, to delegate to anyone the authority to establish criminal laws and allow him to define what constitutes a felony.

And even a graver injustice than this is that such rules and regulations need not be published so that the general public may know of their existence. Under section 6 of this law it is not necessary even to prove that a man intended to violate the law or that he did it maliciously to make him subject to this punishment. He may have violated a regulation which he had not intended to violate and of which he had never heard and the general public had never heard and be punished for such violation. I was surprised, amazed, and astounded to think that a Congress composed of representatives of the people would defeat an amendment inserting the word "malicious" before the word "violation." I was amazed that an amendment was defeated requiring these rules and regulations to be printed and published.

Under this bill you would allow the President of the United States or someone designated by him to both establish corporations and subsidize private corporations for the purpose of entering into business in competition with other private corporations and business. Under this same bill it is provided that these corporations, being Government owned and Government subsidized, must employ cheap labor in competition with private concerns that, under the provisions of other laws, are required to pay standard rates to labor. What chance would the private concern have to operate under such competition or by virtue of what stretch of the imagination can it be said that this will raise either the morale or purchasing power of labor?

If this bill is enacted into law, you give to the President or to anyone to whom he may delegate the authority the same right that is given to commanders of armies in time of war—the right to commandeer private personal property. Not only does this bill confer on the President the right of eminent domain over real estate, it extends that right to your furniture, your piano, and your automobile.

I realize that a vote against this bill is unpopular, but the provisions of it violates all that I conceive to be the duty of a Member of Congress. It is contrary to all veneration for the Constitution that is mine by teaching and inheritance. It is contrary to all my conclusions reached in 20 years in the active practice and study of law. I hold my office by virtue of that Constitution which contemplates that I am to represent the people of my district in a legislative capacity. For me to vote for this bill would be for me to prostitute on the altar of political expediency all my convictions of duty to my constituents and to myself.

### SUPPORT OF THE PRESIDENT AND HIS POLICIES

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech I made on the radio yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BOLAND. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address which I made over the radio yesterday:

Last Tuesday on this program Mr. SNELL, minority leader of the House, made certain statements that appear to me to be misleading. Mr. SNELL quotes the old Latin proverb, "Lack of confidence is not the result of difficulties; difficulties come from lack of confidence."

Webster defines confidence as "act of confiding, trust, belief." There is no lack of confidence on the part of the American people in the present administration. This is quite evident from the recent State elections. Proponents of declared new-deal administrative policies were swept into office, showing conclusively no lack of trust or belief in what is being done in the light of bringing about economic security. No more striking example can be illustrated than the recent contest for votes in the great State of Pennsylvania, my home State, November last, when the people rose in their might and eliminated from control of the government of Pennsylvania the monopolies and special interests that had control for the past 50 years.

Completing a year and one-half of the 2-year span given N. R. A. by the National Industrial Recovery Act, the new year of 1935 finds the Recovery Administration making for the maximum efficiency of its widespread code structure.

Stock-taking indicates several definite accomplishments including:

1. Elimination of child labor and the curtailment of industrial home work.

2. Establishment of the principle of a limited work week and minimum rates of pay.

3. Decrease of industrial unemployment and augmented wage purchasing power. This information on the three above-enumerated points is readily available, collected through the medium of the Bureau of Labor Statistics, Department of Labor, one of the best known and recognized authorities on the collection of statistics.

The great advantage of using this medium is that it is the official administrative source of information. I should like to give at this time their index of factory employment taken a month

prior to the effective date of N. R. A. and bring it up to the last month recorded.

| | Percent |
|---|---|
| March 1933 | 58.8 |
| June 1933 | 66.9 |
| September 1933 | 80.0 |
| November 1933 | 76.2 |
| March 1934 | 80.8 |
| June 1934 | 81.1 |
| September 1934 | 75.8 |
| November 1934 | 76.8 |

These figures speak for themselves, and it is on such returns that the people predicate their confidence in the new deal.

4. Curtailment of cutthroat price competition by eliminating the possibility of sweatshop wages and the practice of wage cutting.

It is gratifying to note that the Bureau of Foreign and Domestic Commerce reports that factory pay rolls for 1934 were 32 percent higher than 1933.

Construction activity showed a 51-percent gain.

Freight-car loadings (sure-fire trade barometer) gained 8.6 percent.

Chain stores improved 8 percent.

Holiday sales were better by approximately 30 percent.

Combined figures of 290 national manufacturing companies showed increase of 11 percent for first 9 months of 1934.

Increase in farm income during year, more than $1,000,000,000, approximately 22 percent greater than 1933.

Virtual cessation of bank failures.

These figures depict the march of recovery in convincing terms.

Irrespective of people who feel that present conditions are not what they ought to be and find fault with whatever is done by the administration, this country is getting along pretty well, as the facts and figures show. Chronic critics will always be with us. There are still millions of wage earners, men and women, out of work. These must be taken care of until most of them find employment in industry.

There are two ways of meeting this inescapable problem—by direct relief, that is, the dole, or by putting them to work on public jobs. The first course would probably be the cheaper, in terms of what it takes to provide a living for an individual. The work system, however, takes into consideration not only the circumstances that the country gets back something in the form of public improvement, greater securities against such calamities as floods, fires, etc., but still more important is the value of preserving in the American people a spirit of self-respect. No self-respecting person wants charity where there is the alternative of earning a living.

Eighty-nine percent of the total households (families and single persons) receiving unemployment relief in five eastern cities of from 250,000 to 1,000,000 population is reemployable and willing to work. The Government should provide employment until private industry absorbs them.

President Roosevelt said in submitting the Budget: "The country will henceforth have the assurance that with the single exception of this item (unemployment relief) every current expenditure of whatever nature will be fully covered by our estimates of current receipts. Such deficit as occurs will be due solely to this cause and it may be expected to decline as rapidly as private industry is able to reemploy those who are now without work."

The Budget, which is for the fiscal year July 1, 1935, to June 30, 1936, shows total estimated receipts will be $59,000,000 in excess of regular expenditures.

The deficit, all caused by the relief program to June 30, 1936, in the form of emergency public-works projects, with the single exception of $575,000,000 for paying of debts, is estimated at $4,869,000,000. This, the President proposes to finance by drawing on the working balance of the Treasury for seven hundred and forty millions and borrowing three and three-quarter billions. This is a billion dollars under the borrowings for the current fiscal year.

Mr. SNELL stated that Mr. Ickes refuses to allocate funds to the city of New York until and unless Robert Moses, recently Republican candidate for Governor in New York, resigns from his position in the New York City administration if he is to direct the P. W. A. activities of New York as well.

Mr. SNELL has been grossly misinformed. The administrative order was not issued by Mr. Ickes to discriminate against Mr. Moses, but applies generally, and rightly so. Can any man serve two masters and do it well? Here we have a definite conflict of interest, Mr. Moses attempting to represent the Federal Government and the city of New York, and this the order is meant to correct, just that!

This demand has not emphatically been made to satisfy a personal political grudge as Mr. SNELL would have you believe.

Further, 12 requisitions from New York City for P. W. A. funds totaling $3,469,000 were honored in the last week.

In another portion of Mr. SNELL'S speech he severely criticizes the reciprocity treaties now being negotiated by the State Department. If this process was an approved Republican policy under President Howard Taft, what makes it an iniquitous thing under President Franklin D. Roosevelt.

Mr. SNELL states as his first demand that the Government "will immediately stabilize our currency at home and abroad." And the answer to that is that "The present purchasing power of our present gold dollar is still in excess of the purchasing power of the gold dollar at the dates Liberty bonds were sold." (From Robert H. Hemphill, financial authority of the Hearst newspapers, Friday, Jan. 18.)

And from the Wall Street Journal, January 18:

Mr. SNELL'S second demand that "It—the Government—will withdraw from the competitive field of honestly conducted private business and industry."

Answer. If by this Mr. SNELL means that the Government, through its advances by the R. F. C. has made it possible for solvent banks to be safe depositories of the people's money, the question might be asked of Mr. SNELL why he thinks it would be better if the R. F. S. recalled its loans to these institutions and so permitted a resumption of the runs which destroyed thousands of banks in the period antecedent to the advent of the present administration.

The R. F. C. lists actual disbursements as $2,027,064,236 in the Hoover administration and $4,821,008,987 since that time.

The capital structure of banks throughout the United States was strengthened by the releasing of the depositors' money in closed banks by the R. F. C. purchasing preferred stock, capital notes, or debentures of these institutions. Approximately 50 percent of the loans made to these institutions has been repaid.

If Mr. SNELL means that the Federal Housing Administration should let the foreclosure of homes go unchecked; if he means that the Farm Credit Administration should have permitted, and should now permit, the mortgaged farms of the country to be taken over by the banks, already overloaded with farm mortgages, what does he think the result would be of such procedure? If, on the other hand, he is referring to the N. R. A. codes, with their provisions for minimum wages and maximum hours, does he mean that he would reestablish the old order under which child labor disgraced certain branches of industry and made possible sweatshop competition which forced the selling of clothing and similar commodities at less than the cost of production? Moreover, does he not know that these codes for the major part were formulated by the industries themselves and are being administered by code authorities selected by these industries, with a nonvoting Government representative who is there solely to see that the code provisions are not nullified?

Mr. SNELL'S third proposal is that the Government "will reduce its bureaucratic expenditures and insist upon an honestly balanced Budget." The Treasury figures show that last year's expenditures for the normal processes of Government were a billion dollars below the figures for the previous year. As to the emergency expenditures to keep people from starvation and to preserve order in the country, which could not be done if millions of our population were left unaided, perhaps Mr. SNELL would be willing to suggest some program for doing this work that did not involve the spending of money. These millions could hardly be expected to starve peacefully. The so-called "bureaucratic expenditures" are constantly being decreased, but if this money is not to be wasted it requires a suitable personnel to administer it. As to whether they would have been under Hoover administration, that is solely a matter of opinion. Perhaps Mr. SNELL would like to make a comparison between the difference in policy of the last Republican administration and the policy and effort under the present administration and let the country decide again which of the two it prefers.

### ZACHARY TAYLOR

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the life and public service of Zachary Taylor.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

One hundred and forty-nine years ago Zachary Taylor, the twelfth President of the United States, was born. On November 24 last, over a National Broadcasting network, Hugh Gordon Miller, attorney and author, and my friend, under the auspices of the New York Southern Society, viewed the highlights of President Taylor's career. Mr. Miller was appointed by Governor Pollard, of Virginia, as chairman of the President Taylor One Hundred and Fiftieth Birthday Commission to inaugurate a program for the one hundred and fiftieth anniversary celebration of the birthday of President Taylor.

History indicates, as Mr. Miller so ably pointed out, that Zachary Taylor is one of the eight Presidential sons of old Virginia, being born in Orange County on November 24, 1784. Of seven Whigs nominated, he and Harrison were the only ones elected. He was the second President to die in office.

Many historians give Taylor's birth as September 24, but Abraham Lincoln, a contemporary statesman, at a contemporaneous date, gives it as November 2. Chambers' Encyclopedia, Appleton's, and the National Biography give his birthday as September 24. The New International Encyclopedia

gives the date as November 24. There is no record of his birth in Washington. That point will, by a commission, be definitely settled before next year, when we will appropriately celebrate the one hundred and fiftieth anniversary of the birth of the great President who was the outstanding hero of the Mexican War.

The New York Southern Society is now inaugurating a movement to so honor President Taylor, as a part of its 1934 program in reviving the history and traditions of the South. Governor Pollard of Virginia has recently appointed a commission for that purpose which will act in conjunction with the Southern Society.

In his infancy, Taylor's family took him to reside in Kentucky, where he grew up in a log cabin. He was the son of Col. Richard Taylor, a gallant Revolutionary officer. Like many other great men, he was self-educated. When his parents moved to Kentucky it was a part of Virginia. He lived on a frontier farm until he was 24 years of age. His elder brother, a lieutenant in the Regular Army, died and Zachary, then known as "Zachariah", was appointed in his place. His early military career was occupied in campaigning against savages.

Zachary Taylor was the first Regular Army man to be President, the only other being General Grant. Several other Presidents have seen war service but as citizen soldiers. Professional soldiers in this country are not usually promoted to high civil office. General Pershing, for instance, is not bothered with nominations for President.

At 23 Zachary Taylor was appointed by President Jefferson a lieutenant in the Regular Army. He remained in the Army until he was inaugurated President.

Taylor's part in the War of 1812 was not as spectacular as that of Andrew Jackson at New Orleans, or Admiral Perry on Lake Erie, but it was important. A great many Indian tribes allied themselves with the British. That presented a vital front for the new Nation. A special point of Indian attack centered on the Wabash River. Taylor was sent with a company of men to Fort Harrison. His little force was attacked by a large band under the great chief, Tecumseh. The Indians were beaten effectively. He was in active service against the Indian allies of the British until the close of the war.

He was colonel in command at Fort Crawford when the Black Hawk War began. He defeated and himself received the surrender of Black Hawk. In 1836 he defeated the Creeks and Seminole Indians in Florida at the Battle of Okeechobee, for which victory he received the rank of brigadier general.

In the Mexican War the United States had two commanders, Zachary Taylor, known as "Old Rough and Ready", and Winfield Scott. Scott's army landed on the coast at Vera Cruz and marched toward Mexico City. He had authority to take what troops he wanted from Taylor's army, which had been gathered together in the Southwest, where he was stationed.

Taylor, with mostly raw recruits, moved on toward the Rio Grande, which the United States now considered its southern border, and opened up his campaign with victorious battles, at Palo Alto and Resaca de la Palma. He was outnumbered 3 to 1. The Mexican general ordered him to retreat beyond what Mexico claimed was the boundary, but he refused and fought a half-dozen victorious engagements. The Mexicans attacked him first and thus started the conflict. In the victorious attack on Monterey, Col. Jefferson Davis, Taylor's son-in-law, took a gallant part. We are prone to forget this part of the record of the future President of the Confederacy. Nevertheless, it is a part of our inspiring American history and our great southern tradition.

At the Battle of Buena Vista, Scott had borrowed nearly all of Taylor's regular troops, and he was outnumbered more than 4 to 1. To the Mexicans it appeared at first like a holiday parade.

It was here that Taylor at the critical moment ordered Captain Bragg to give them the "little more grape" which ended that impressive parade of the brilliant looking army of General Santa Ana. The Mexicans were decisively defeated. The decisive defeat of General Santa Ana at Buena Vista probably decided the Mexican War. Brilliant and pivotal movements of the American troops in the battle were commanded by Col. Jefferson Davis and by Captain Bragg, later a general in the Confederate Army. Indeed, the Mexican War furnished the training for Civil War generals on both sides.

A captain serving with distinction in the Quartermasters Department was Ulysses S. Grant. Grant got no special glory or mention in that unglamorous branch of the service but did get an experience in provisioning an army under difficulties which later made him the outstanding figure of the Union Army in the Civil War. U. S. Grant learned in Mexico, under Taylor, how to provision an army on the march, far from base, and amid great difficulties.

Capt. Robert E. Lee, later the imperishable hero of the Army of Northern Virginia, was at the same time fighting gallantly in the Engineer Corps and winning high honors from his commander, General Scott, who at the outbreak of the Civil War was unsuccessfully to urge upon Lee the command of the Union Army.

The Mexican War grew out of the fact that Texas, which had revolted from Mexico because of persecution of American residents it had invited to settle there, and which section had been a separate republic for 8 years, was, on its application, taken into the Union as a State. Mexico considered that admittance a cause for war and undertook to reclaim Texas. Over Texas, as a wilderness, before its settlement by those Americans and the establishment of that independence, Mexico had maintained a shadowy sort of jurisdiction.

General Taylor was simple in his home life, also as an official. General Grant recites that the one time he saw General Taylor in Mexico, though in action, he was wearing plain civilian clothes. His wife lived with him in tent and stockade, sending her children back to the settlements to be raised, as they came along.

His second daughter ran away and married Lt. Jefferson Davis, afterward President of the Confederacy. Taylor was furious with his eloping daughter and scornful of Davis. In a few months she died, unforgiven. Years passed, and the disowned son-in-law, Davis, who had never been reconciled with his father-in-law, kept out of the old man's way, until his bravery and brilliant success at the Battle of Buena Vista brought tears to the eyes of the old general, and they were reconciled on the battlefield.

Like Washington, Taylor's "modesty was only exceeded by his gallantry." When an oratorical visitor to his tent ventured to toast him as the next President he exclaimed, "Stop your nonsense and drink your whisky." The idea grew upon him, however, as it usually does upon those so mentioned, and he yielded.

The Whigs nominated him without knowing where he stood on any political question; and to cap the climax they made no platform for him to run on. Great problems confronted the Nation, but what they wanted was the prestige of Taylor's brilliant military record. For a while the Whigs were frightened at what they had done. No word came from their nominee for days as to whether he would accept the nomination or not, and they took alarm. He had not received his letter of notification. They had forgotten to prepay the postage at a time when the post office carried letters collect, and Zachary Taylor, on his plantation in Louisiana, not knowing its contents, was refusing to receive that unpaid mail.

Webster, Clay, and General Scott had all three been candidates for the Whig nomination. Clay, when Taylor was nominated, being a sport, then made the historic remark, "I would rather be right than be President." But Webster showed great bitterness.

Taylor, as already indicated, was not sure to which party he belonged, but finally declared, to the amusement of the country, that "he was a Whig, but not an ultra-Whig." There are times when lots of us, being Americans first, are not ultrapartisan. Taylor was merely more honest than most political candidates in making his other admission that,

as to the campaign issues, he had "only the crudest impressions." We have seen many candidates in that state of mind, but not so candid.

As usually happens, however, with American Presidents, of which the present one is no exception, when faced with responsibility Taylor turned out to be a tower of strength. He showed an uncompromising determination to uphold the Union, though so much of a southerner that his daughter had married Jefferson Davis and his son became a general in the Confederate Army.

Prominent citizens told him some States would secede from the Union if California was admitted as a free State. He denounced their talk as treasonable and warned them that for any overt act they would be treated accordingly. The same interests claimed a large part of the State of Texas and threatened to drive out the Federal troops stationed there. President Taylor replied:

Then I will command the Army in person and hang any man taken in treason.

He kept himself fully informed, and, like Andrew Jackson, when South Carolina threatened to secede, he prepared the forces against a sudden outbreak regardless of the threats of southern extremists and thus avoided a break at that time and postponed the sectional conflict for more than 10 years. Had he lived out his first term and been reelected, the whole bloody climax might have been avoided.

The admission of California into the Union and the Clayton-Bulwer Treaty with Great Britain for a water route across the Isthmus of Panama, upon which is founded our title to the right-of-way of that international highway and the Panama Zone, were the most important achievements of the 16 months of the Zachary Taylor administration.

In 1849 Nicaragua had granted a concession to a company of United States capitalists to build such a canal, but Great Britain controlled one end of the route and the United States the other.

The Clayton-Bulwer Treaty and its successor, the Hay-Pauncefote Treaty, which succeeded it in 1905, reaffirming its "general principle" of "equal tolls for all nations", along with Washington's Farewell Address and the Monroe Doctrine as at present interpreted, in principle will no doubt permanently dominate our foreign policy. Those commitments certainly furnish a large part of the background of our permanent foreign policy.

Taken together with the Monroe Doctrine, the Canal-treaty arrangements, begun under President Taylor and completed under President Theodore Roosevelt, certainly tie the foreign policy and the fate of the English-speaking world together permanently for good or ill.

Upon the request of the United States, and on its basic commitments, which have been mentioned by Mr. Miller, Great Britain surrendered its Canal franchise and allowed the United States to assume the responsibility of building and operating the project alone.

Few people know that the father of President Franklin D. Roosevelt was deeply interested in the early Nicaraguan canal project. President Roosevelt's father was one of the pioneers of that isthmian canal enterprise. In that connection Mr. Miller quotes a paragraph from a letter from the President written to him in reference to the first edition of a volume he wrote relating the history of that great American adventure, under the title of the "Isthmian Highway." The then Governor Roosevelt wrote:

I am particularly glad to read it (the book) as it brings back many personal memories; in fact, I go back in my early memory to the days when my father was tremendously interested in the original Nicaraguan canal project. From then on I had had a deep interest in the whole question of the Isthmus. You have done a real service in telling the story of it.

Parenthetically, that comment illustrates how progressive and adventurous, even to the point of experiment, both branches of the Roosevelt family have always been. It shows also how our present President reads even the dryest books, if they might throw special light on the Government of the United States. That is why he has shown himself such a master of the workings of our Government and its necessities at this trying hour. The Roosevelt motto might well be "nothing ventured, nothing gained."

It was peculiarly fitting that Theodore Roosevelt should have been finally responsible for inaugurating the construction of that great adventure, the history of which began under President Taylor with the Clayton-Bulwer Treaty. Theodore Roosevelt was criticized for the Canal adventure even more severely than Franklin D. Roosevelt is criticized now for his recovery adventure. They said the Panama adventure was not constitutional. The spirit of adventure is truly the spirit of America.

Zachary Taylor was honest, independent and fearless, and devoted to the country which he served with distinction for more than 40 years. As a part of our birthday tribute we intend to nominate him, as one of our great Presidents, to the Hall of Fame.

### FEDERAL FEED AND SEED LOANS

Mr. LUCKEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUCKEY. Mr. Speaker, I am heartily in favor of H. R. 3247—a bill to meet the conditions created by the 1934 drought and to provide for loans for farmers in drought- and storm-stricken areas. I represent the First Congressional District of Nebraska, comprising 11 counties in the southeastern part of the State. In my campaign I traveled over 10,000 miles, visiting every hamlet and section of this part of the State. No one who has not seen these drought-stricken areas has any conception of what it means to these people and the far-reaching consequences it entails. Normally eastern Nebraska is one of the finest and most productive districts of the so-called "Corn Belt" section.

This drought was the most severe and most extensive that American agriculture has experienced. There were many fields where the seed did not have moisture enough to germinate and the fields were bare and dead. In other fields the corn plant had gained a growth of a few feet, and under the scorching heat and wind the white, withered leaves lay prostrate on the ground. The pastures were bare and not a spear of grass was to be seen. Cattle were mere skeletons and bawling from hunger. In some instances farmers shot cattle to put them out of their misery since these cattle were too emaciated to be marketed for food purposes. Feed was not obtainable, or only at exorbitant prices which made the feeding unprofitable.

This situation was made all the worse by the impoverished condition of our farmers. For years they had been operating at a tremendous financial loss. For years their fixed and overhead expenses, based on a high price level, had to be met by the sale of their products which were based on a low price level, so they were ever sinking deeper and deeper in the mire of financial ruin and despair by no reason of their own.

In this situation the farmers were overtaken by the most unprecedented drought in American history. Their situation is a national catastrophe of major proportion. These farmers need financial aid, and need it at once. Preparations for seeding must be made soon. Time is the essence in this case.

We must bear in mind that in aiding the farmers' recovery we are getting right at the root of the recovery problem. By restoring the farmer to his rightful economic position and by restoring his purchasing power we are opening our best market for American industrial products. The prosperity of America depends on the prosperity of American agriculture. There is nothing that this Congress can do at this time that will help more to enable the farmer to make a new start than to aid him in saving his stock and provide him with funds to buy seed to plant his fields.

I am sorry that this bill comes before us in this way, which makes it impossible to amend. I think $1,000,000 for feed is too small. It should be much more. I hope the Senate will see fit to double this amount.

The provision in the bill requiring that the applicant for a feed or seed loan shall comply with the crop production control program is a proper requirement. Private loan organizations and banks prescribe requirements before granting loans to applicants. There is nothing in this bill that is at cross purposes with the Agricultural Adjustment Act.

I demand that in the administration of this act red tape be cut down to the minimum. I hope it will be administered in a just and common-sense manner. Much criticism has been made, and justly so, as to the manner in which some of these governmental agencies have been conducted. It is deplorable that we cannot undertake any governmental activity without being tied hand and foot in a maze of red tape.

I want to register my protest here against the silly and childish way that some of our bureaucrats are conducting public business. I am also opposed to paying these bureaucrats exorbitantly high wages at a time when millions of people are out of employment and are dependent upon charity or Government relief.

I am in favor of this bill as a whole but wish that the defects in section 4 could be eliminated.

LEAVE OF ABSENCE

Mr. WEARIN. Mr. Speaker, my colleague Mr. GILLETTE, would like to be excused on account of illness.

The SPEAKER. Without objection, the request is granted.

There was no objection.

EXTENSION OF REMARKS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days in which to extend their own remarks on this bill which we have just had under consideration.

The SPEAKER. On the bill or resolution?

Mr. TAYLOR of Colorado. On the bill and resolution.

Mr. SNELL. Mr. Speaker, reserving the right to object, would it not be well to put in there that the gentlemen who spoke this afternoon may also be allowed to revise and extend their remarks?

Mr. TAYLOR of Colorado. That is included in my request.

Mr. SNELL. If that is included in the gentleman's request, all right.

Mr. RICH. Mr. Speaker, reserving the right to object—and I will not object—it seems to me that the Membership of this House should have at least 5 days to explain to their constituents back home why they voted for this gag rule and dictatorship. They should have a month to explain such action.

Mr. MEAD demanded the regular order.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

APPROPRIATION FOR RELIEF PURPOSES

Mr. BUCHANAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 117, making appropriations for relief purposes.

The resolution was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 117, with Mr. O'CONNOR in the chair.

The Clerk read the title of the joint resolution.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that the first reading of the joint resolution be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Under the rules, the gentleman from Texas [Mr. BUCHANAN] is recognized for an hour and a half, and the gentleman from New York [Mr. TABER] for an hour and a half.

Mr. BUCHANAN. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, the President in his message to us last Congress used this language:

> Among our objectives I place the security of the men, women, and children of the Nation first.

In his message to us this Congress he sets forth the method by which he thinks the welfare of the men, women, and children can be accomplished.

He stated three objectives that he hoped to obtain: First, the security of a livelihood through the better use of the national resources of the land in which we live; second, security against the major hazards and vicissitudes of life; and, third, the security of decent homes.

I submit that these objectives can never be obtained, or any one of them obtained, as long as we have some fifteen to twenty million people on the relief rolls in this country. Therefore, as a foundation, and as a starting point toward obtaining these great objectives which he named, we must first put the employables who are on the relief rolls to work. No nation can progress, no nation can ever retain its station, with one-fifteenth of its population on relief. In other words, any nation that has and maintains that percentage of its citizens on relief will have to go backward and not forward.

This appropriation and this resolution are fundamental necessities for the recovery and the progress of our country out of this depression.

Again the President used, in speaking of unemployment problems, the following language:

> The lessons of history, confirmed by the evidence immediately before me, shows conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimicable to the dictates of sound policy. It is in violation of the traditions of America. Work must be found for able-bodied destitute workers.

This sentence will stand out like a star throughout the world. I may state that his message was about eight pages long and about half of the message was taken up in dealing with the unemployment and relief situation.

He also stated in that message that since the adjournment of the last Congress he had devoted his time, his attention, and his research in an endeavor to work out a just and fair solution of the relief problem. He presents this solution to you as Members of Congress and asks for your cooperation in carrying it forward in the interest of our common country. He stated that he would later send his Budget; that he would request the amount that would be necessary to carry out the program of stopping the dole and putting the three and one-half million employable people now on the relief rolls to work. He stated that these figures would be well within the sound credit of the Government. He sent these figures, and here is what he said in his Budget message:

> I recommend that $4,000,000,000 be appropriated by the Congress in one sum, subject to allocation by the Executive, for giving work to these unemployed on the relief roll. An estimate of expenditure covering this amount is included in the Budget—

And it was included in the Budget, and it is $4,000,000,000.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. MOTT. Does the gentleman contend that the purpose stated in the President's message, for which he wants to use this four and a half billion dollars, is the same purpose stated in the bill with respect to the use of that amount?

Mr. BUCHANAN. Absolutely; the same purpose stated in the bill, and I state this, not only from a reading of the resolution but from several personal conversations with the President in which this subject was fully discussed, and from hearing his representatives disclose the purposes before my committee. The entire appropriation and the joint resolution is for the one purpose of taking three and a half million men off of the dole and relief and putting them to work.

Mr. MOTT. Then may I ask the gentleman what language contained in this joint resolution limits in any way the expenditure of any part of the four and a half billion dollars—what restrictions are put upon the President in the expenditure of this money and what purposes are stated?

Mr. BUCHANAN. The restrictions are placed upon him in the fourth provision at the beginning of the resolution.

I cannot yield further, because I have only 20 minutes. I wish I had more time, but the demand for time is such that I have had to cut my time short.

In this brief discussion I am going to call your attention to a few facts and figures which will demonstrate to you beyond question that we are making progress in reducing the appropriations and expenditures for relief and recovery—making great progress.

First, if your present system is continued, whereby the Federal Government furnishes 75 percent of the total amount for relief and local committees determine who shall be put on the relief roll and what amount shall be given them, God pity Uncle Sam and his Treasury. If you had started out in the beginning and required every county to furnish 25 percent, every State to furnish 25 percent, and the Federal Government 50 percent you would have at least 30 percent less on the relief rolls throughout the Nation, because when people are dishing out money which they personally contribute, they dish it out with more caution and economy.

Mr. COX. If the gentleman will permit, does that argue that 30 percent of the people on the relief rolls should not be there?

Mr. BUCHANAN. Absolutely and unquestionably.

Let me give you some figures. In 1934 we expended for relief and recovery $4,283,000,000. In 1935, this fiscal year, we have expended or will expend $5,260,000,000, making a total for the 2 years of $9,543,000,000.

What do we ask here? We ask $4,000,000,000 in this appropriation. Add to that the processing taxes that will be expended as a part of the recovery plan, add to that the $112,000,000 that is unexpended in past appropriations but obligated, and this will make a grand total for 1936 and 1937 of $4,582,000,000. In other words, for 2 years, 1936 and 1937, we are appropriating only $4,582,000,000, whereas for this year and the last year, 1934 and 1935, we appropriated and expended $9,543,000,000, or a retrenchment or reduction in relief and recovery of $4,961,000,000.

Some man may say, "They will spend all this money in the next fiscal year and come back to us at the next Congress for another relief appropriation." My Democratic colleagues, and I am talking to you now, it is confidently expected that this $4,582,000,000 will complete the job, and if we have any appropriation to make for relief at the next Congress, it will be infinitesimal compared with the amount we have spent in the past and the amounts we are carrying in this bill.

Mr. MOTT. Mr. Chairman, would the gentleman care to yield there? The gentleman has lots of time that he can get and I have a pertinent question I should like to ask. The gentleman has mentioned the expenditure of this large amount of money for direct relief and work relief.

Mr. BUCHANAN. Relief and recovery.

Mr. MOTT. At the last session. I simply want to suggest to the gentleman that if this bill simply provided four and a half billion dollars for direct relief and work relief there would not be a single objection on the Republican side of the House.

Mr. BUCHANAN. I know, but on the Democratic side there would be great objection, because we are determined to stop the dole in this country. Do you want to destroy the spirit, the initiative, and the enterprise of American citizens, and teach them to be dependent, and even demand of the Government that it support them in this Republic?

Mr. MOTT. Then I limit my statement to work relief alone—there would be no objection.

Mr. BUCHANAN. There is one other subject I want to call your attention to very briefly. I get this from the last report of the Emergency Relief Administration. Between August and September, just 1 month, 31 States of the Union increased their relief rolls 8 percent, and only 17 States decreased their relief rolls, and such decrease was 4 percent.

What is the cause of this increase when recovery and employment is progressing as we expected? Some of your local committees are putting hundreds of thousands of people on the rolls who have no business there.

In January 1933 the Federal Government furnished only 51 percent of the entire money for relief. The States and local districts furnished the balance—49 percent. In January 1934 the Federal Government furnished 53 percent, and in December 1934 the Federal Government is furnishing 75 percent.

Ah, gentlemen, if you let that system go on, your Relief Administration will become such that it will consume every dollar in the Federal Treasury.

It would consume one-third of the net income of the Nation. There is no check to it, no stop to it.

The President has wisely said that the dole must and shall be stopped. I say it must be stopped, if the financial standing and credit of the United States is to be preserved.

Mr. GRAY of Pennsylvania. Will the gentleman yield for a brief question?

Mr. BUCHANAN. Yes.

Mr. GRAY of Pennsylvania. What has the Federal Government done to stop the expenditure of these Federal funds in the States where they are being expended? What has it done to put a stop to the situation?

Mr. BUCHANAN. It has not done anything effective so far, but this resolution proposes to stop it once and for all.

As I stated, the Federal Government started out by the States contributing 14 percent, then they went up to 32 percent of the entire amount of relief, and now in December they drop down to 7 percent. The States and local communities are shifting the burden onto the shoulders of the Federal Government.

Now, gentlemen, I am going to conclude. I look upon the President's message as one of the greatest state papers ever filed in the history of the world. It sets him out as one of the outstanding philosophers and philanthropists of the world. I tell you that I firmly believe that when the great men of other nations are known only in story and song the name of Franklin D. Roosevelt will be remembered and revered as one of the greatest philosophers and philanthropists that the world has ever known. You will do well to follow his leadership. [Applause.]

Mr. TABER. Mr. Chairman, I yield myself 10 minutes. This legislation is neither alone relief legislation nor work relief legislation. I am going to give you the history of the legislation a little bit so that the Members of the House may know what they are voting on. I am going to describe this joint resolution to you so that you will know what it is, and some of the insidious things that it will lead to.

We started in on this program of the present administration when in the middle of June 1933 we appropriated $3,300,000,000 for relief. That money was turned over by the Executive to Messrs. Hopkins and Ickes to allocate and spend; and what has happened? They told us that we were to have work-relief programs, and that we were to have relief immediately. Out of the $3,300,000,000 that was appropriated at that time there still remains in the Treasury of the United States $1,700,000,000, or more than half of it, and it has not in a year and 8 months been spent for relief or relief work.

The only work-relief project that was undertaken by them—the C. W. A.—was pronounced by Mr. Hopkins, the man in charge of it, a complete flop. You are asked now to turn over to that same incompetence $4,000,000,000, to be monkeyed with in the same way. They have placed it upon projects which do not take care of the relief, on projects that are far away from the centers where great relief was required, far away from where employment could be provided for the people who needed it, and then just twiddled along without accomplishing anything except this. During that time we have increased the number of families on relief by 1,000,000. During that time we have established the C. C. C., and that means a half million more on relief.

During that time, with these projects which they have operated, we have provided a sort of employment for a half million to a million men. It is now proposed, they say, to place three and a half million men at work. Three and a half million men at $50 a month, as Admiral Peoples said

they would be placed for a year, would be $2,100,000,000, and the cost of keeping them at work would be double that. That means it would take $8,000,000,000 for 1 year. Just as they came to you before in June 1933, they come to you now, with no definite program of what they would do. They have things they imagine, things that they tell you they might do, but they have no definite program. Is the Congress of the United States going to be so supine, so foolish, and so ignorant that it will turn over to the same incompetence the authority to allot money without having definite proof of the projects before it? This is not legislation under which men can be put to work, and the Congress of the United States will never have a bill under which men can be put to work until it allots the projects and sets them up. Within 3 months' time they could set up these projects and could come before the Committee on Appropriations, and they could be established and the money appropriated, and not unconstitutionally attempt to turn the powers of Congress over to an incompetent authority as is done in this bill.

On top of this, this joint resolution does a lot of other things. Under section 1, the way it is worded, read in connection with section 4, it permits the Executive or those incompetents, Hopkins and Ickes, to whom he delegated authority, to put the Government into business directly or through agencies he may set up. During all this time, under their operations, we have increased the number of unemployed in America.

We have two courses open to us, one to provide for direct relief—and this bill does far more than that—the other to provide for work relief—and this does not do that. Will the credit of the United States stand the other thing? That is for you to say. But in saying so—and we must meet our problem of relief—do not turn over to the Executive the power and authority to regiment and socialize the United States. The people do not want that. That means the end of progress, the end of development. It means the breakdown of those institutions that we have fought and bled for for 150 years. I beseech you to cast politics aside and meet the problem that is before you and vote down this proposition, designed to destroy the institutions of America.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COX. What are the powers, if any, that are covered up in paragraph (d) of section 4 of the resolution?

Mr. TABER. I will be frank with the gentleman. The Committee on Appropriations this morning voted to offer an amendment as a committee amendment, behind which was supposed to be the support of the administration, to wipe out paragraph (d).

Mr. COX. All of paragraph (d), without substituting anything to effectuate the purpose that was evidently intended in the language of the clause?

Mr. TABER. That is correct?

Mr. COX. Will the gentleman yield further?

Mr. TABER. I yield for one more question.

Mr. COX. I wanted to ask the gentleman with respect to paragraph (a) of section 4.

Mr. TABER. That paragraph is the paragraph under which the socialization of industry can be set up. Under it people can be made to work or not to work.

Mr. COX. Does the gentleman construe that paragraph to delegate the power to charter corporations and to fix their duties?

Mr. TABER. Absolutely. There is no question about that. It seems to me that this legislation is the worst thing that has ever been brought before the House of Representatives. Not only is it the delegation of authority, but a delegation of authority to continue the incompetent method of handling the relief situation, which has gone on for a year and a half and has done nothing except to build up the number of unemployed, destroy the confidence of the people, and governmentally prevent private industry from putting people back to work.

A vote against this resolution is not a vote against relief. It is against throwing away a lot of money by turning it over to the people who will not spend it for what it was intended. If the Members of Congress will have the courage to vote this bill down, to study the situation, and provide definite projects that could provide work relief where the work relief is needed, there would be an argument in favor of a work-relief bill, if it would not cost so much that it ruined the credit of the Government. If no projects can be found which the Government can afford to put through, we cannot go on with the work-relief program.

Frankly, in my opinion, if it is going to cost between $12,000,000,000 and $15,000,000,000 a year, as I believe it is, to provide employment for all with work relief, I do not believe the credit of the Government can stand it. This bill does not provide work relief for the unemployed. It is a half-way measure. The $4,000,000,000 carried in this bill, I predict, will be handled in the same drag-out way that the previous appropriations have been handled and will not be spent within 18 months.

I want to see a course laid out which will restore confidence, which will stop this foolish, reckless proposition, tending to prevent everything that we in our own hearts want to see come back. I am going to offer some amendments as we read the bill, and I hope this House will, in no uncertain terms, go on record against putting the Government in business. [Applause.]

I hope the House will go on record, in no uncertain terms, against the incompetent method of handling this relief situation without knowing what it is doing and without seeming to care.

We must meet our responsibility here today. Let us do it. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. BUCHANAN. Mr. Chairman, I yield 10 minutes to my colleague on the committee [Mr. WOODRUM].

Mr. WOODRUM. Mr. Chairman, as my good friend and colleague on the committee [Mr. TABER] was inveighing so vehemently against this novel principle of government, introduced in this bill, my mind traveled back about 8 or 10 years ago when, as one of a very few Democrats on this side, I voted with the gentleman from New York and his party, when that identical principle was first introduced into our governmental system, as far as I know.

My friend knits his brow. He does not recall. We had for a number of years followed the detestable, illogical, and unworkable policy of trying to have the House of Representatives and the Senate write our public-buildings bill. It had always brought confusion, logrolling, trading, and the charge of pork-barrel legislation leveled against the legislative body. So the gentleman's party wisely, and we all occasionally have lucid intervals, wisely upon that occasion—

I yield to the gentleman from New York.

Mr. TABER. Will the gentleman also tell the House that when we passed that bill we had before us a definite allocation from the Supervising Architect as to what we were to build?

Mr. WOODRUM. No; I beg to differ with the gentleman. Wisely, the gentleman's party came to the Congress and in the interest of good sense and orderly legislation and economy, asked the Congress to appropriate $100,000,000 for public buildings, and give it to the President of the United States to allocate those projects upon the advice of the Postmaster General and the Secretary of the Treasury; absolutely identical with the principle involved in this bill except as to the amounts.

Mr. RANKIN. Will the gentleman yield? I just want to ask the gentleman from New York a question.

Mr. WOODRUM. I do not want the gentleman to take up my time arguing with the gentleman from New York.

Mr. RANKIN. I just wanted to ask the gentleman from New York if he had before him the plan of this Commerce Building down here that was built below sea level, at an expense of $16,000,000, and out of which they now have to pump the water?

Mr. TABER. We did not have the plan, but they had a set-up for it, and the amount of money.

Mr. WOODRUM. The gentleman said we had an allocation. We had a list of projects filed in the hearings, with

the definite, specific statement that they were in no way binding upon the Department; and hundreds of them never were built. I know because I served upon the Public Buildings Committee.

Mr. TABER. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. TABER. They could not be built until the specific appropriation had been made.

Mr. WOODRUM. And some of them never were built.

Now, what is the proposition here today? I believe it is the desire of the American people to see able-bodied American citizens, who are now being given bread baskets in front of relief stations, put to work to earn their salaries, earn their wages, and not to have it handed to them at relief agencies. That is what the President asks you to do. That is what we are fighting for. That is what the minority side of this House is opposing. They are opposing the effort of the President to take able-bodied people off of direct relief and give them honest employment in a work-relief program.

Now, if there is one fundamental principle involved in this recovery program to which the Congress ought to be willing to subscribe, it is the effort of the President to get off of relief and onto a work-relief program. Now, what has he done? Questions have been asked as to who prepared this bill; whose idea is it? Well, if the gentlemen had kept abreast of what was going on during the summer, they would know the President appointed an Emergency Advisory Council. For months they have been studying the situation, taking evidence, studying contracts, getting sample projects, figuring how best men can be immediately put to work at gainful employment at wages above relief doles and yet not high enough to attract them away from industry. The Secretary of the Treasury, Mr. Morgenthau, was a member of that council. Admiral Peoples, now head of the Procurement Division of the Treasury Department, was a member of that council. I should like to have you gentlemen between now and tomorrow get a copy of the hearings and read the splendid, admirable statement of Admiral Peoples, who has studied the bill and studied the plan and will give you a very convincing argument, I think, upon the merits of this bill.

Mr. FISH. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FISH. Who is the sponsor of this legislation?

Mr. WOODRUM. The President of the United States asked for this legislation. He has back of it a thorough survey and comprehensive study made by responsible officers of the Government.

Mr. FISH. Does the gentleman mean to tell this House that the President of the United States wrote this bill?

Mr. WOODRUM. He may have sat down to a typewriter and typed it off.

Mr. FISH. Well, did he? The gentleman is trying to be facetious. Who is the sponsor of the bill?

Mr. WOODRUM. It is an administration measure.

Mr. FISH. Well, who is the author of it? Does the gentleman maintain the President is the author of it?

Mr. WOODRUM. I maintain that the President asked for the provisions of this bill, and I imagine that he has the advice of legislative counsel and others.

Mr. FISH. Who recommended the bill to him? The gentleman knows the President did not write the bill. We are entitled to know who wrote the bill.

Mr. WOODRUM. I do not think the gentleman's question deserves the taking of time from a speech on the floor of the House.

If Congress undertook, as has been intimated, to handle this legislation by having the Members of the House sit down and try to allocate $4,000,000,000, or even $2,000,000,000 of work projects, we would never get it out. There is only one way under high heaven that it can be done and that is the very way it is being done here. And I want to say in reply to the arguments that have been made about the delegation of power and about dictatorship and all the other similar criticisms we have been hearing ever since Franklin D. Roosevelt went into the White House, that the people of the country last November answered just what they thought about it; and their answer was that they would rather live in America under the humane, beneficent dictatorship of Franklin D. Roosevelt than under the colorless, spineless, devastating leadership they had had for 12 years. [Applause.]

Of course, it is a broad delegation of power. Why, the President could wreck this Government with the power we have already delegated to him, if he wanted to; of course, he could do it. When we went into the World War, General Pershing was made the head of our troops. He could have given the order "about face" and turned his army so that the withering fire of the enemy would have gone into their backs, if he had wanted to. But is there any man who can think he wanted to? Is there any man who is idiot enough to stand up here and think that Franklin D. Roosevelt is any less interested in the permanent recovery of the Nation than we are? He has a plan, and under that plan recovery is going forward. During the 2 years he has been in office he has given us a good government. He has used wisely the powers that have been delegated to him. If he has made mistakes, God knows he has not made half as many mistakes as you or I would have made had we undertaken to do what he has done. [Applause.]

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MAY. I would suggest to my friend the gentleman from Virginia as an answer to the query of the gentleman on the other side that by reason of the fact the House of Representatives has a Membership of 435, we have some 25 or 30 committees to which we refer matters because we cannot settle them all ourselves.

Mr. WOODRUM. Certainly.

Mr. MAY. And each committee deals with a particular subject.

Mr. EATON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. EATON. In this delegation of power, how will it help afford relief to have the President take personal property by eminent domain?

Mr. WOODRUM. Of course, I would expect that kind of a question from my friend over there.

Mr. EATON. Sure; because it is a sensible question.

Mr. WOODRUM. If it comes to a question of condemning somebody's property when men are starving, I am ready to help commit the larceny. We are thinking about human life, and by February 1 the $880,000,000 carried in this joint resolution for direct relief must be available. If it is not then available, how will the gentleman explain to his constituents the delay? [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Chairman, before proceeding I ask unanimous consent to include in my remarks a bill which I have introduced dealing with a relief project.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Chairman and my colleagues, I rise in support of House Resolution 117, said resolution making appropriation for relief purposes.

This resolution has, after careful study, been prepared by the President and submitted to the Congress and represents his supreme effort toward recovery and the relief of unemployment and the care for the needy in our great Nation. He has called upon the Congress in his message for cooperation to provide employment for three and a half million people who are able to earn their living and who are now on the relief rolls. It represents his effort to pass from the dole to gainful employment and occupation. I do not admit any great degree of the delegation of legislative powers to the Executive, but if powers are delegated, I have no fear that the small powers delegated in this resolution to the Chief Executive will be abused by President Roosevelt. The public welfare is not at all in danger through the small delegation of power which this resolution may carry. On

the other hand, the public welfare and the best interest of the American people demand prompt and effective action, and this resolution and method has been selected by the President as the proper medium.

It is interesting to note the strong opposition to this resolution on the Republican side of the House. You, gentlemen, should be the last to resist an honest and earnest effort toward recovery in our country, and toward relief of destitution. Those of us who have served in the Congress for the past several years must be fully aware of the Republican policies and privileged legislation passed over Democratic opposition, which has largely brought about the chaotic conditions found in our country when the people delivered the Government to the Democratic Party. Instead of opposing, you should rise in unanimous support of the President's gigantic effort to correct mistakes made by your own administration.

It is obvious that the President may well be trusted to carry out the provisions of this resolution in every respect, as the best evidence of his ability to thus perform is the improvement in general of conditions in our country since he was inaugurated President. This improvement in industry, in business, in the price of farm produce, in the loosening up of credit, in the strengthening of financial institutions, has been brought about through the wisdom and action of the President and his administration. This is a huge appropriation, it is true, but the conditions demand it and the purposes are most laudable. It is believed that with the carrying out of the provisions of this resolution, recovery in our country will be assured. This huge public-works program will give employment to millions of our people and will reestablish in them hope, courage, and that individual responsibility which has always been conducive to the stability of our Government.

Practically all of us are interested in many projects which will be carried forth when this appropriation is made, and among those which I believe are outstanding I would list first the ship canal across northern Florida, connecting the waters of the Atlantic Ocean with those of the Gulf of Mexico. This project has been thought of and talked of for about a century, but of recent months has gained the ear of our leading advocates of waterway improvements and wisest industrialists. Under provisions of the bill which I introduced in 1925 preliminary examination of proposed routes was made. Under the provisions of H. R. 9650, which was introduced by me on February 7, 1930, actual physical surveys of several routes across northern Florida have now been completed. Standing out among preferred routes are the St. Marys-Okefenokee-Suwannee route, the Black Creek to Deadmans Bay route, the St. Johns-Santa Fe-Cedar Key route, and the St. Johns-Ocklawaha-Withlacoochee route. Surveys have been made by the Public Works engineers and by the Board of United States Army Engineers, and it has been agreed that the canal is an engineering possibility and will redound great benefits to the commercial life of America.

On January 3, 1935, I introduced H. R. 2785, which is as follows:

A bill to provide for the construction of a canal across northern Florida, connecting the waters of the Atlantic Ocean and the Gulf of Mexico

*Be it enacted, etc.*, That the President of the United States is hereby authorized to acquire, through purchase or otherwise, from the State of Florida, persons, individuals, firms and/or corporations, for and on behalf of the United States, upon such terms as he may deem reasonable, perpetual control of a strip of land not less than 7 miles in width, extending from the Atlantic Ocean across northern Florida to the Gulf of Mexico, and the right to use and dispose of the waters thereon, and to excavate, construct, and to perpetually maintain, operate, and protect thereon a canal of such depth and capacity as will afford convenient passage of ships of the greatest tonnage and draft now in use, from the Atlantic Ocean to the Gulf of Mexico, and also jurisdiction over said strip of land and the ports at the ends thereof.

That the President may acquire such additional territory and rights from the State of Florida, persons, individuals, firms and/or corporations as in his judgment will facilitate the general purpose hereof.

SEC. 2. The President shall have the right to rebuild and replace bridges on said lands and rights-of-way.

SEC. 3. That when the President shall have arranged title and control for the necessary territory from the State of Florida, persons, individuals, firms and/or corporations, he is authorized to pay not exceeding $2,535,000 for said lands and rights-of-way, and is authorized to rebuild and replace bridges over said canal at a cost of not to exceed $4,910,000, and a sum sufficient for both said purposes is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, to be paid on warrant or warrants drawn by the President.

The President shall then, through the Florida Roosevelt Canal Commission, hereinafter authorized, cause to be excavated, constructed, and completed a ship canal from the Atlantic Ocean across northern Florida to the Gulf of Mexico. Such canal shall be of sufficient capacity and depth as shall afford convenient passage for vessels of the largest tonnage and greatest draft now in use, and such as may be reasonably anticipated, and shall be supplied with all necessary locks and other appliances to meet the necessities of vessels passing through the same from ocean to gulf; and he shall also cause to be constructed such safe and commodious harbors at the termini of said canal, and make, in his discretion, such provisions for defense as may be necessary for the safety and protection of said canal and harbors. That the President is authorized for the purposes aforesaid to employ such persons as he may deem necessary, and to fix their compensation.

SEC. 4. That the President shall utilize any helpful information obtainable in surveys heretofore made by the Board of United States Army Engineers and the Public Works Administration engineers.

In the excavation and construction of said canal, rivers, lakes, and other natural waters, or such parts of each as may be made available, shall be used. The most feasible route across northern Florida shall be employed.

SEC. 5. That the sum of $25,000,000 is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, toward the project herein contemplated by such route across northern Florida as is selected.

And the President is hereby authorized to cause to be entered into such contract or contracts as may be deemed necessary for the proper excavation, construction, completion, and defense of said canal, harbors, and defenses, by the route finally determined upon under the provisions of this act. Appropriations therefor shall from time to time be hereafter made, not to exceed in the aggregate the additional sum of $200,000,000.

SEC. 6. That to enable the President to construct the canal and works appurtenant thereto as provided in this act, there is hereby created the Florida Roosevelt Canal Commission, the same to be composed of seven members, who shall be nominated and appointed by the President, by and with the advice and consent of the Senate, and who shall serve until the completion of said canal unless sooner removed by the President, and one of whom shall be named as the chairman of said commission. Of the 7 members of said commission at least 4 of them shall be persons learned and skilled in the science of engineering, and of the 4 at least 1 shall be an officer of the United States Army, and at least 1 other shall be an officer of the United States Navy, the said officers, respectively, being either upon the active or retired list of the Army or of the Navy. Said commissioners shall each receive such compensation as the President shall prescribe until the same shall have been otherwise fixed by the Congress. In addition to the members of the said Florida Roosevelt Canal Commission, the President is hereby authorized through said commission to employ in said service any of the engineers of the United States Army at his discretion, and likewise to employ any engineers in civil life, at his discretion, and any other persons necessary for the proper and expeditious prosecution of said work. The compensation of all such engineers and other persons employed under this act shall be fixed by said commission, subject to the approval of the President. The official salary of any officer appointed or employed under this act shall be deducted from the amount of salary or compensation provided by or which shall be fixed under the terms of this act. Said commission shall in all matters be subject to the direction and control of the President, and shall make to the President annually and at such other periods as may be required, either by law or by the order of the President, full and complete reports of all their actings and doings and of all moneys received and expended in the construction of said work and in the performance of their duties in connection therewith, which said reports shall be by the President transmitted to Congress. And the said commission shall furthermore give to Congress, or either House of Congress, such information as may at any time be required either by act of Congress or by the order of either House of Congress. The President shall cause to be provided and assigned for the use of the commission such offices as may, with the suitable equipment of the same, be necessary and proper, in his discretion, for the proper discharge of the duties thereof.

SEC. 7. That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States from time to time as the proceeds may be required to defray expenditures authorized by this act (such proceeds when received to be used only for the purpose of meeting such expenditures), the sum of $200,000,000, or so much thereof as may be necessary, and to prepare and issue therefor coupon or registered bonds of the United States in such form as he may prescribe, and in denominations of $20 or some multiple of that sum, redeemable in gold coin at the pleasure of the United States after 10 years from the date of their issue, and payable 30 years from such date, and bearing interest payable quarterly in gold at the rate of 2¼ percent per annum; and the bonds herein authorized shall be exempt from all taxes or duties of the United States, as well as from taxation in any form by or under the State, municipal, or local authority: *Provided*, That said

bonds may be disposed of by the Secretary of the Treasury at not less than par, under such regulations as he may prescribe, giving to all citizens of the United States an equal opportunity to subscribe therefor, but no commissions shall be allowed or paid thereon; and a sum not exceeding one-tenth of 1 percent of the amount of the bonds herein authorized is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to pay the expense of preparing, advertising, and issuing the same.

SEC. 8. That the President of the United States is hereby authorized to, in his discretion, employ any funds appropriated for the Public Works Administration, or general waterways development and improvement funds, in lieu of bond issuance as mentioned in section 7 hereof.

This bill is now before the Rivers and Harbors Committee and a large number of my colleagues have expressed a deep interest in its prompt report and passage. Practically all waterways-improvement organizations in the country have repeatedly endorsed the project and petitioned the Congress for its completion. High State officials from practically all States east of the Rocky Mountains have from time to time expressed a deep interest in this great project because it will bring to the American people, in general, a substantial reduction in transportation cost, and a huge saving to the shipping public, producers, and consumers.

On one of the routes surveyed, the canal would be 200 miles in length, including 27 miles in the shoal water of the Gulf of Mexico. The summit level would be 40 feet above sea level. The available water supply is adequate for the maximum development of traffic on this route. The final estimates, based on costs now anticipated, show a net construction cost to the United States of $199,481,000, not including the lands and rights-of-way with a value of $2,535,000, and bridges over existing waterways at a cost of $4,910,000.

The annual cost of operation and maintenance of this canal on the most advantageous route is estimated at $1,930,000. Adding the interest charges, the total annual cost becomes $11,439,000. These costs have been disputed by some of the best engineers in the country because it is believed that the canal can be constructed for about half the above figures, and we may be assured that if this canal is constructed under the provisions of House Joint Resolution 117, every possible economy will be observed and every possible waste eliminated.

The estimates hereinafter set forth are for a canal having a depth of 35 feet, a width in the contracted rock sections of 250 feet, and in the remainder of the land section of 400 feet. Locks are provided in duplicate with a clear length of 1,000 feet and width of 110 feet in one lock, a length of 610 feet and width of 110 feet in the second lock, and with 40 feet over the sills. The estimates include the provision of the necessary bridges over the land cut with a minimum vertical clearance of 135 feet. The dimensions of the canal and locks are considered necessary to realize the primary purpose of the canal, which is to reduce the time of voyages between the Gulf ports and Atlantic ports.

It is believed that a canal of these dimensions will be adequate to handle vessels which use the Gulf of Mexico and the Atlantic Ocean. A careful survey has been made as to the extent of use of this canal, and it has been conservatively estimated that about forty-five to sixty million tons will pass through it. Huge quantities of oil, pulpwood, turpentine, rosin, lumber, logs, fruits, vegetables, cotton, and other items of commerce will pass through it, and it will derive the benefit of approximately 25 hours' reduction in time from the place of its origin to port of destination. It is believed that the shipping concerns will rapidly utilize it when completed. It has been conservatively estimated that during the first year of operation 10,000 vessels will pass through it. This will be about 1 every 40 minutes, day and night.

Opponents of the canal, of course, minimize its future use by commercial interests, but it stands to reason that as soon as the canal is constructed commerce will find its way through it on account of the great saving in time and transportation cost. It will be a great asset to America in time of war. It will afford an inlet and outlet for fighting craft, troops, ammunition, and supplies. It will strengthen America's advantage in the Gulf of Mexico and make possible there in the Gulf of Mexico the supremacy of the United States and our Navy, even under the circumstances of great odds against us. It will be a great asset to commerce borne through the Panama Canal from either direction. In saving the 25 hours in time, naturally it will save the great cost incurred in making the extra ten or twelve hundred miles around the peninsula of Florida. It will also eliminate the storm hazard to commerce off of the south end of the peninsula of Florida. Practically all shipping craft will utilize this canal, if for no other reason than to avoid the hazard of storms. The Atlantic States from Maine to Florida and the Mississippi Valley States from the Lakes to the Gulf will be direct beneficiaries of this cut-off or connecting link in the chain of water-borne commerce. All other States of the Union will receive an indirect benefit. That which prospers one State or section of our great Nation benefits and prospers every State and nook in our great country. No chain is stronger than its weakest link. The entire chain is supported by its own strength. This canal is not a local project. It is not a project for the Southeast. It is a worth-while project for America and is an American project. It will develop new industries. Noteworthy among industries to be developed would be the pulpwood and paper industry, the iron industry in Alabama, and others.

At this particular time the relief of the unemployed is primary in our minds, but we must also consider the permanency of improvements and their benefit to the American people. From 70 to 75 percent of every dollar that is spent on this project will go to labor and to relieve the unemployed. In fact, even 90 percent could go to labor, if less-improved methods of construction and dredging should be resorted to. As to the permanency of the improvement and its benefits to the American people in the future, it has no peer or equal. Generation after generation our people will utilize this artery of commerce and time and time again will be repaid in benefits for the initial cost of construction. This was learned centuries ago, particularly by the countries in Europe. Every possible waterway was provided and improved. This was done in the interest of economy and in the best interest of the commerce and people of those old countries. Our Nation is in its infancy, so to speak, in the way of waterway developments. We must come to the utilization and development of all possible waterways. In this respect the shackles of the special interest must be stricken from the shipping and consuming public, and these natural resources developed for the benefit of the American people.

Our great President Roosevelt has manifested already his keen interest in developing American resources for the American people. This is well demonstrated in his Tennessee Valley project. No special interest is strong enough to divert him from pursuing the course which is for the best interest for the present and future America. When the Florida Canal is completed, it will be another step accomplished by him on his ladder for a greater America.

It is true that some engineers with short vision have failed to see the future benefits of this canal to American commerce and the American people, and have on this account or for some other reason failed to agree as to its feasibility. Such was also the case with the great Panama Canal. Engineers and more engineers reported against it, but the mind of a then President Roosevelt superseded, and riper wisdom dictated the feasibility and practicability of this great project. Now even those who are less informed wonder why we waited so long to construct the Panama Canal. The Florida Canal will be built at about one-third of the cost of the Panama Canal and will be built without the hazard of tropical disease and foreign claims. It will bear far more tonnage than is borne by the Panama Canal and will redound greater benefits to America than has been realized or ever will be realized from the Panama Canal.

The Panama Canal was constructed not as a partisan project. It was constructed for the benefit of our country. Likewise, the Florida Canal is not a partisan project. It is for the American people.

Therefore, I call upon all of my colleagues to lend their fullest cooperation for its prompt realization. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Chairman, I regret very much that I was not given the opportunity to address the House yesterday. It was the first time I have ever asked unanimous consent to proceed for even 15 minutes, and I would have been satisfied with 10. My only reason for making the request yesterday was that I wanted to call the attention of the Members of this House to House Joint Resolution 117, which is brought up for consideration today. The huge appropriation—almost $5,000,000,000—called for by the resolution, and the peculiar and unusual powers which are granted to the President in spending this sum warrant, in my judgment, a greater opportunity for discussion and debate than the Rules Committee has granted Members of the House.

Manifestly, the majority party, which outnumbers us 3 to 1, is afraid to listen for even 10 or 15 minutes to the views of the opposition. Perhaps this is due to the discord and dissension in their own ranks, and they did not want any more rancor in their caucus, held yesterday afternoon. In other words, the majority leaders wanted to bind and gag their own Members and rush this bill through with the least possible time for discussion or debate.

Should I wish to be mean and little, I would for the remainder of this session be flies in the soup and a thorn in the side of the acting majority floor leader and the astute Chairman of the Rules Committee. However, I shall try to follow the dictum of Holy Writ: "Bless those who persecute you, bless and curse not."

Mr. Chairman, I rise in opposition to this resolution, which is so momentous and far-reaching in its consequences that it transcends the level of party politics. I have no quarrel whatever with any Thomas Jefferson, constitutional Democrat, but this resolution was not drafted by a follower of Thomas Jefferson or by one who still believes in the Declaration of Independence and the Constitution of the United States. I do not think it is a Democratic resolution, and it most certainly is not a Republican resolution. This resolution bears all the earmarks and smell of the "brain trusters." Its author must be a megalomanic, and if this House votes this bill, we might as well adjourn and go home, for we will have become a hollow chamber full of hollow heads that but echo the orders coming from the bureaucrats at the other end of Pennsylvania Avenue. What sort of men are we? Do we have a bone or a rubber band up our backs? What Member of this House had anything whatever to do with the writing of this resolution? Mr. Morgenthau, Mr. Bell, and Rear Admiral Peoples are the only witnesses called before the Appropriations Committee, which listened to them for only 3 hours, behind closed doors, in a star-chamber session. No Member of this House had access to this resolution until night before last, and the hearings were not reported to us until this morning. Yet this House this afternoon, with its overwhelming Democratic majority, under a tyrannical and unprecedented gag rule, will cram down the throats of their own Members this monstrous measure, because of the club of patronage which is wielded over their heads.

Mr. Chairman, speaking from a political standpoint, I have never been so foolish as to give my enemy a pistol with which to shoot me; yet every Republican who may vote for this resolution is furnishing ammunition to the opposition to destroy him. This is a camouflage bill. Let us pierce its masquerade and tear the mask from its face. The enormous sum of $4,880,000,000 which we are asked to give over to the executive branch of Government to spend in any such manner, at any such time, and on any such project as he may deem advisable, is ostensibly for relief, but, sir, this resolution is not for relief; it is for a Democratic campaign fund for the election next year.

All of us know the experience we had in the election last fall. During the month of October it cost the Federal Government, in one county of my district, $1,000 to distribute $600 of relief money to the needy people of that county. The people who need relief most are not getting it, or only a small proportion of what goes to the white-collared tax-eating politician who does not need it. How is this relief money spent? Nothing is said in this resolution about old-age pensions; nothing is said in this resolution about the disabled veterans or paying their bonus. No; the old-age pensions and the soldiers' bonus have been pigeonholed and postponed until this vile and vicious resolution can be railroaded through the Congress.

Many of these ex-service men who had volunteered and gone through hell in France, who slept for days and nights in blood-soaked, rain-drenched trenches, who went over the top and crawled on their bellies like snakes through the mud and muck and mire under barbed-wire entanglements, breathing poisonous gas and baring their breasts to the fire of machine guns and artillery, having the brains of their comrades blown into their faces, discharged at the end of the war, mere shadows of the men they once were—these men who were promised, 3 years ago in the Democratic platform, full and exact justice, had their compensation cut or their pensions taken completely away from them by the iniquitous and infernal so-called "economy bill", passed shortly after the inauguration of the new deal.

This great Government cannot take care of the men who have fought, bled, and died in its defense, but it can spend relief money—and how has it spent it? In my home county last year the relief agency hired a little girl scarcely out of high school, young, single, with no dependents, from a comfortable home, and paid her $125 a month to ride over the hills of Stone County to teach the kids out in the sticks how to play.

They hired another fine little woman in my county, the wife of a professional man who needed not the position, and paid her $127.50 per month to teach the good old country housewives out in the hills how to make soap—and God knows she had never seen an ash hopper in her life. In two other counties in my district the "new dealers" have employed three men, Government agents at good salaries, to roam over the hills in Wright and Howell Counties hunting for Indian mounds. After several weeks' search I asked if any mounds had been found, and the answer was, "Nope; but we're still hunting for them." In another county of my district able-bodied men and women were hired at $2.10 per day to make rag dolls—in order to have industrial recovery. In another county a bedbug inspector was employed to inspect the mattresses which the relief agencies dealt out to those who would vote the straight Democratic ticket, while in another county the Government employed a bunch of old maids to teach the mothers of the Ozark Hills how to pin diapers on their babies. [Laughter and applause.]

Mr. Chairman, no Member of this House is against relief to those who are destitute and worthy of assistance. No American wants to see any of his fellow countrymen starve, or even suffer. The President has no copyright on this emotion. The Republicans gathered here are willing to vote the $880,000,000, or even $1,000,000,000 if necessary, for relief, but we are bitterly opposed to voting a $4,000,000,000 slush fund to this administration to be spent in the future as so much of this money has been spent in the past.

Mr. Chairman, I care not what other Members of this House might do here today, but I am unalterably and unequivocably opposed to this resolution, which is so filthy, foul, and rotten that it stinks to high heaven. My opposition is based wholly upon principle. In my humble judgment, this resolution is unwise, unsound, unconstitutional, and un-American.

A schoolboy with the most elementary knowledge of constitutional law knows that the Congress has no right or authority to delegate its legislative powers to the Chief Executive, and it is most amazing that this resolution should be offered so soon after the Supreme Court of the United States, in its recent decision in the oil case, gave Congress and the country to understand that under the Constitution the Congress cannot abdicate its powers, shun its responsibilities, transfer its duties, and grant blank-check authority to either of the other branches of this Government. And

we propose here today once more to make a jackass out of this body, to become the laughing-stock of the Nation, by doing these very things.

I deeply and sincerely regret that this body has degenerated into a supine, subservient, soporific, superfluous, supercilious, pusillanimous body of nitwits, the greatest ever gathered beneath the dome of our National Capitol, who cowardly abdicate their powers and, in violation of their oaths to protect and defend the Constitution against all of the Nation's enemies, both foreign and domestic, turn over these constitutional prerogatives, not only granted but imposed upon them, to a group of tax-eating, conceited, autocratic bureaucrats—a bunch of theoretical, intellectual, professional nincompoops out of Columbia University, at the other end of Pennsylvania Avenue—who were never elected by the American people to any office and who are responsible to no constituency. These brain trusters and "new dealers" are the ones who wrote this resolution, instead of the Members of this House whose duty it is, and whose sole duty it is, to draft legislation. [Applause.]

My friends, there is only one conflict in America today, and that is a conflict between two diametrically opposed fundamental political philosophies. There is only one issue at the present, and that issue is between two opposing and irreconciliable theories of government. The question for us to decide here and now is whether we are going to continue to live under the Constitution and believe in our American institutions under which we have lived for a century and a half and grown to be the greatest nation on earth and the happiest and freest people under the shining sun, despite all the vicissitudes of fortune through which we have passed, or whether we shall abruptly depart from the historical precepts and sacred tenets of our forefathers who wrote the Declaration of Independence and the Constitution of the United States to follow a new-deal philosophy, unknown, untried, which is put forth by a group of impractical, inexperienced visionaries whose political philosophy rests upon the economic teachings of Marx and Lenin, and whose communistic doctrines would set up a Bolshevist state with a collectivistic society.

I want to know what you believe in, my fellow Americans. Do you want to follow the Constitution or do you want to follow the code? Do you want to live under the Stars and Stripes or do you prefer to live under the outstretched wings of the blue buzzard? Do you stand for U. S. A. or for N. R. A.? Are you going to follow history or are you going to follow hysteria? Are you going to base your life upon facts or are you going to flee after flitting fancy? Are you going to base your future and that of your children upon experience or are you going to follow every unknown, unsolved, unworkable, unconstitutional, dangerous, and destructive economic experiment of this small group of willful, autocratic, egotistical, tax-eating bureaucrats? Will you follow George Washington or Prof. Raymond Moley, Thomas Jefferson or Rexford Guy Tugwell? And I should like to know if we still believe in the genius, courage, and patriotism of Andrew Jackson and Abraham Lincoln or whether we want to overthrow their philosophy to follow the strange and insidious doctrines of Mordecai Ezekiel, Felix Frankfurter, and his "hot-dog" boys?

Mr. Chairman, you have asked for constructive criticism: Carry out the planks written into your platform 3 years ago. Really balance the Budget. Maintain a sound currency at all hazards. Reduce the public debt instead of increasing it to the point of bankruptcy. Abolish all unnecessary bureaus and cut the cost of government instead of increasing it. Restore once more the antitrust laws which will protect the little-business men of this country. Stop giving the American people shots in the arm and artificial respiration, which continues their illness. Let this sick Nation, in its convalescent stage, remain quiet, free from the meddlesome interference of quack doctors, and America once more, because of the genius, courage, and resourcefulness of her people, will emerge from this depression triumphantly. Once again the bright sunshine of prosperity will break through the black clouds of depression, driving despair out of the souls of men and restoring faith and hope once more to their eyes, until they can again truly sing "happy days are here again." [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 3 minutes to my colleague the gentleman from Pennsylvania [Mr. ELLENBOGEN].

Mr. ELLENBOGEN. Mr. Chairman, the bill before us today is an important part of the President's program of economic security. This program, Mr. Chairman, consists of two parts, one part is to end relief and to give employment to all those who are unemployed, who are on relief, and who are able to work; and the second part of the program is to care for those who are unemployed, but unable to work, through the bill for social security introduced last week and now before the Committee on Ways and Means for hearings.

This bill means a fundamental departure in our methods of dealing with the problem of unemployment.

In his message delivered on January 4 before a joint session of Congress, President Roosevelt promised to terminate relief payments to unemployed and to substitute jobs for relief. This bill carries out that promise. For that reason it is one of the most important that ever came before Congress. It blazes a new trail. It means salvation to millions of unemployed who are at present ekeing out a bare existence on the dole which they are receiving, but who are in danger of becoming mentally and physically unable ever again to perform useful work.

Let me briefly sketch the policies pursued by the Federal Government in dealing with the problem of relief for the unemployed:

First. At the beginning of the depression, President Hoover took the position that distress and economic want brought about by enforced unemployment should be cared for by the usual charitable organizations. With the deepening of the depression and the ever increasing number of unemployed, it was but to be expected that charitable organizations and special welfare drives carried on in all communities throughout the United States would be inadequate to raise the enormous funds which were required to care for the unemployed. This leads us to the next phase:

Second. The raising of funds for unemployment relief by local and State government.

Soon municipal governmental units and State governments began to show the results of financial strain and quickly approached a condition where they were unable to raise sufficiently large sums for the care of the unemployed. It became apparent to students of conditions that the depression would last for some time and that only the financial resources of the Federal Government would be sufficient to raise the sums necessary for the care of the unemployed. The demand for Federal contributions toward unemployment relief became more and more persistent. President Hoover was strongly opposed to it, and determined to resist it, without regard to the immense amount of suffering which it brought to hundreds of thousands throughout the land.

Third. Immediately upon his induction into office, President Franklin D. Roosevelt recognized the responsibility of the Federal Government to cope with catastrophe which was not local or State-wide, but national in scope. President Roosevelt immediately announced that it was the duty of the Federal Government to see that no man, woman, or child should go hungry in the United States. He immediately recognized the responsibility of the Federal Government to raise the necessary funds and to contribute whatever was required to the States and localities for unemployment relief.

Let me call attention to the fact that in all these three phases the method of caring for the unemployed was to give them the minimum requirements for physical existence in the form of cash relief, or else in orders for food, clothing, and other necessities of life. To put it succinctly, the care of the unemployed consisted in giving them relief.

This method was proper in the beginning. It was proper for a depression of short duration, but in the fifth or sixth year of unemployment, in the fifth or sixth year of the deepest depression of our time it is a method which has gradually

become destructive of the morale of the unemployed and detrimental to the welfare of society. After 5 years of suffering, deprivation, and want there is only one way of dealing with the unemployed—and that is to give them jobs.

The time has come when we must understand that unemployment as it has existed until now must end in the United States. When I say it must end, I mean that when industry fails to provide the opportunity for work, the Government must step in and provide a job for everyone who is willing and able to work. This is the next step in the development of our method of unemployment relief.

Fourth. Now the President seems to have come definitely to the realization that unemployment relief should stop and that in its stead employment must be given. In the message of January 4, 1935, President Roosevelt said that:

> The Federal Government must and shall quit this business of relief.
>
> I am not willing that the vitality of our people be further sapped by the giving of cash, of market baskets, of a few hours of weekly work cutting grass, raking leaves, or picking up papers in the public parks. We must preserve not only the bodies of the unemployed from destitution, but also their self-respect, their self-reliance, and courage and determination.

The President has determined to take the most forward-looking step that he could by saying that this business of relief must end, and that those who have suffered for 4 or 5 years patiently and who have eked out a bare existence on a few dollars of relief money will hereafter be given employment, so that they can maintain their families in some degree of comfort and keep their self-respect.

The President has definitely committed his administration to the fact that he will provide 3,500,000 public jobs, which means jobs for every employable person now on relief. Those who are unemployable are to be taken care of by a social-security program now pending in the Congress.

The funds to provide jobs for the 3,500,000 employables are to be provided in this bill. For that purpose the President has asked Congress to appropriate $4,000,000,000, and I sincerely hope that this bill will be passed so that the program of the President will be carried out and every employable person who is on relief may at last be able to obtain a job.

The American way of dealing with the problem of unemployment created by a depression which is national in scope is not through relief, not through the dole, but through the creation of useful work—work which is socially and economically desirable in the community for which it is provided. The dole may be the European method of providing for the care of the unemployed. A public-works program is the American method.

I believe that my friends on the Republican side are opposed to this bill, not because it gives away any of the powers of Congress, because it does not—they are opposed to it because work relief costs more than direct relief. The Republicans want to continue the dole in America. They are against the American system of unemployment relief, and this is the true reason for their opposition—not the fact that it gives away power to the President.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. ELLENBOGEN. I am sorry, but my time is too limited.

They are opposed to it not because it gives the President $4,000,000,000 with which to give employment to the employables, but because it means the expenditure of more money than the retention of the dole.

This bill embodies the American way of dealing with the unemployment problem, and therefore it is the most forward-looking step we can take.

Insofar as this bill appropriates the sum of $4,880,000,000 for the care and relief of the unemployed and for providing jobs, it is not amendable. The bill makes this appropriation in a lump sum; the specific projects and the localities where the money is to be spent are to be determined by the President. That is as it should be, because otherwise there would be no end to logrolling. In all other respects the bill is wide open to amendment. There are many provisions in the bill not devoted to the appropriation of the money for the unemployed which should be amended, and I hope will be amended.

And after we have passed this bill, Mr. Chairman, I, for one, and I hope I speak for everyone in this House who wants to see these black days gone forever, shall not feel that we have solved everything. To take all the employables off relief rolls and give them work is a portion—and it is in truth the smaller portion—of the task to be done.

For our task is twofold. There is that vast army of unemployed who are not on relief rolls but whose condition is just as precarious and just as desperate. These come next. To some extent they will be helped by the removal from the field of unemployment of people on relief, and therefore will have a better chance to be called to private industry.

But the same principle which is good and true and just for one group is just as just and true for the other, and until private industry is ready to give them employment the Government must and shall. We should not—and shall not—make a distinction between those who are on relief rolls and those who are not. The relief roll is no criterion of need. There are between five and six million employables in this country today who are not on relief rolls, but shall we therefore say that their need is not real and their plight no concern of ours?

It is our concern, and we must attend to it at once.

Mr. Chairman, if the Members of this House are in favor of an advanced method for the caring of the unemployed, if they desire to terminate unemployment relief with its devastating influence upon the morale of the unemployed, if they desire to give the country the benefit of the energy, of the skill, and of the knowledge of those who are unemployed and are on relief, then, Mr. Speaker, each and every Member will vote for this bill as I shall.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Chairman, I am now and always have been, like every other Member of this House, for relief of our unemployed people to the utmost limit of the powers and resources of our Federal and State Governments.

But this bill is not a relief bill, although it is decked out with that name. It is a cruel mockery of the distress of our people and offers the hungry a stone when they ask for bread.

I believe it my duty and the duty of every Member in this House, regardless of party, to vote against this bill in its present form for the following reasons:

First. It cannot and will not give the employment it promises to 3,500,000 unemployed. The daily statement of the United States Treasury sets forth that out of some thirteen billions appropriated by Congress to emergency organizations in 22 months of the new deal, more than five billion seven hundred millions are still unexpended, which proves what everyone of experience knows, that it will be a physical impossibility for the Federal Government to properly expend these five billions and four billions more asked for in this bill in the next year or two by furnishing employment on public works.

Second. To vote for this bill in its present form and under the limitations of this gag rule constitutes the most cowardly betrayal of public trust on the part of this House in 150 years. Not a Member of this House, Democrat or Republican, high or low, old or new, knows who wrote this bill, who will administer it, where or how the four billions will be spent, who will be employed under its provisions, where they will be employed, what projects will be started, and how and where.

The only hearings on this bill were a mere travesty held for an hour or two behind closed doors with two or three witnesses from the bureaucracy testifying mainly to the effect that they, like the rest of us, know practically nothing about it. In its whole history this bill, in its present form, is a denial and betrayal of the sworn duty of the Appropriations Committee, the Rivers and Harbors Committee, the Public Buildings and Grounds Committee, the Public Lands Committee, the Ways and Means Committee, and of every individual in the entire Membership of this House. It is a prostitution of the Rules Committee, because its unknown author, or authors, have forced that committee to

attempt to gag and bully this House in a fashion so shameful as to make the House a laughing-stock.

In the consideration of this bill, who is it, in the opinion of the Rules Committee, ostensibly acting for the President, that needs to be gagged? Certainly not the Republican minority. We could not by our vote defeat this measure. Oh, no! It is the sane, American-minded Members of this House in the Democratic majority whom the President apparently does not trust, and who, therefore, had to be gagged before they could be forced to lay aside their reason and sense of duty and support this vicious resolution in its present form.

This situation involves much more than a question of loyalty to the President, or of the keeping of individual campaign promises. The brilliant gentleman from Texas [Mr. BLANTON] told us this morning that he had promised his constituents to support the President. But I hope he did not by that promise announce himself as a mere rubber stamp; nor, if he was in his right mind, would he promise to violate his oath of office or side-step his duties as a Member of this House. At least I have never known him to behave in that irrational and unmoral manner.

The Democratic Party in its Chicago platform of 1932, which was the best platform that party ever wrote, made many promises to the American people, but since the election of 1932 neither the President, his Cabinet, nor his great majorities in both branches of Congress have more than once or twice been within a million miles of keeping those promises. So, in determining his duty with reference to this iniquitous measure, why should any individual Democratic Member of this House side-step his duty by taking refuge behind his campaign promises? What is involved here today is our solemn oath of office and our duty thereunder.

Third. This bill in its present form carries the most dangerous, complete, and unqualified delegation of powers to the Chief Executive in our entire history, in either peace or war. Under sections 4, 5, and 6 it authorizes the President, at his discretion, to make over, continue, postpone, suspend, abolish, utilize, or prescribe practically every branch of our governmental organization, including the House of Representatives itself. These sections empower the President to seize the personal property of any citizen by eminent domain and to do anything with this property that he sees fit.

And last, but by no means least, these sections 4, 5, and 6 authorize the President directly or through some delegate or subordinate to make rules and regulations with the full force and authority of laws passed by Congress and if any unfortunate citizen disobeys one of these rules, he shall be fined $5,000, or sent to prison for 2 years, or both. And this House is now by authority of this gag rule expected to pass such a law as this without fundamental amendment, without adequate debate, and under the pretense of relieving unemployment.

Fourth, instead of this bill in its present form increasing employment, it will decrease employment by slowing down normal business recovery through putting the Government, on a tremendous scale, into competition with private business thus increasing fear and uncertainty.

This bill in its present form is saturated with hypocrisy. While it purports to relieve unemployment, which every Member of this House is anxious to do, this bill empowers the President to take away most of the liberties guaranteed our citizens under the Constitution. He can do anything, anywhere, to anyone. And to achieve this purpose it is proposed to use the Members of this House.

Our duty, regardless of party or personal consideration, is to turn this un-American vicious and dangerous bill back to our Appropriations Committee. I believe that our Appropriations Committee, after full consultation with the administration and full public hearings, can and will bring back to this House a relief bill that will really give employment to millions of our people and which will not jeopardize a single right or liberty of our citizens by provisions such as sections 4, 5, and 6 of the present bill.

Such a bill presented by our Appropriations Committee would unite all the resources of private industry and of our Federal and State Governments in the task of finding employment, not only for three millions but for the ten millions yet unemployed. By restoring public confidence it would start the whole country on the way to prosperity. It would save the President from the addlepated, unofficial advisers who are luring him to the failure of his plans.

It would save the Democratic Party from self-destruction at the height of its power. It would save the Members of this House from violating their oath of office and their sacred trust as representatives of the public.

It would save our beloved country from taking one more step toward an economic and social crash which no sane man can contemplate without sorrow and shame. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, I intend to offer two amendments later when we come to the reading of the bill, and I rise now to call the attention of the House to these amendments.

On page 6, line 9, after the word "contract", to insert:

But all such grants and/or loans to finance construction projects and/or contracts let for construction projects shall contain such provisions as are necessary to insure that all employees employed on such projects shall be paid not less than the rate of wage prevailing in the locality in which the project is prosecuted.

That is one amendment, and later I shall offer an amendment, as follows:

On page 6, line 23, after the comma, strike out the balance of line 23, all of lines 24 and 25, and insert in lieu thereof the following:

"*Provided*, That the President or any governmental agency, including any corporation or any individual to which or to whom may be delegated any powers under this joint resolution, shall not issue any rules and regulations which change existing law."

The purpose of the first amendment is this: In the N. R. A. law, section 206, title II, we find the following language:

All contracts let for construction projects and all loans and grants pursuant to this title shall contain such provisions as is necessary to insure (1) that no convict labor shall be employed on any such project; (2) that except in executive, administrative, and advisory positions, so far as practicable and feasible, no individual directly employed on any such project shall be permitted to work more than 30 hours in any one week; (3) that all employees shall be paid just and reasonable wages, which shall be compensation sufficient to provide, for the hours of labor as limited, a standard of living in decency and comfort.

There is more to the section, which I shall not read now, such as veterans' preference, et cetera.

I am in favor of section 206 of the N. R. A. law and its provisions as they exist in the law today. I do not want to have the House get the impression that this is a 30-hour-week amendment. I am offering this because it is in the law today, calling for the payment of reasonable and just wages.

What I am trying to do in this first amendment is simply to demand that the prevailing rate of wage shall be paid on these projects which are let out under contract, as is provided for in the law today. Admiral Peoples, in the hearings which you have, said that if this bill goes through what they intend to pay on these jobs is $50 a month. I do not think that $50 a month comes anywhere near being a reasonable living wage for anybody, let alone any skilled workman working on a construction job. I rose to call the attention of the House to this at this time in order to protect the rights of workers who are going to work on these construction jobs.

The other amendment, providing that no changes shall be made in existing law, of course, will take care of the provisions of the Davis-Bacon law, which provides that the prevailing rate of wage shall be paid in the building program. This amendment will take care of everything that is in existing law. In other words, I do not believe that that section 206 of the N. R. A. law, which passed the House and the Senate and was signed by the President, should be thrown out now. It has been working well. There are men in your district working on these construction projects getting the prevailing rate of wage, and I do not think they should be cut down from $1.20 an hour for skilled workers to 90 cents or 80 cents for unskilled workers to $50 a month; and that is what

will happen, according to the testimony of Admiral Peoples before the committee, if my amendment is not agreed to.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. Yes.

Mr. COOPER of Ohio. We all know what a champion of the labor class the gentleman from Massachusetts has been in the past and is today. There are some things in the first section of this bill which I am concerned about. I read here the words:

(2) Relieving economic maladjustment, * * * (4) improving living and working conditions.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CONNERY. I am very sorry that my time has expired. Otherwise I would be glad to answer any questions of my good friend from Ohio [Mr. COOPER].

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, ladies and gentlemen of the Committee, under the present rule by which this joint resolution comes before us today I am reminded of the statement made by Mr. O'CONNOR, Chairman of the Rules Committee, speaking in reference to another rule, which is in the RECORD of January 3, as follows:

Mr. O'CONNOR. Mr. Speaker, I can assure the House this is not the most pleasant duty which could devolve upon me on the opening day of the Seventy-fourth Congress, but by reason of my membership on the Rules Committee it is a duty I have to perform, and I do it with reluctance.

To some of you new Members I might state in advance that the Rules Committee is an arm of the leadership of this House. It is sometimes called an "arm" of the administration in power in the Nation. Some people have also referred to it as the "political committee" or the committee which shapes or brings before the House the policies of the leadership of the House and the administration.

I expect before this Congress is over we will hear a lot of talk about gag rules alleged to have been brought in by the Rules Committee. Of course, this particular resolution is not in that category. This is not a gag rule of any kind.

I say this rule today is a gag rule. As was stated this afternoon on the floor of the House by Mr. SABATH, this is a bill sent to the House of Representatives by the President of the United States, and he respectfully requested that it be enacted into law. In this bill the President of the United States requests—yea, demands!—of the House of Representatives that we turn over to him the power delegated to us by the Constitution of the United States. We who have sworn to uphold the Constitution of the United States, if we enact this legislation, are nothing but a bunch of jellyfish or as spineless as a sailfish—drifting, drifting, drifting away from the Constitution to a great unknown dictatorship, carrying this beloved country of ours into a communistic government or probably a soviet union, or who knows but what we may ruin the country entirely.

It required 150 years to build this Nation, the strongest Nation in the world, and are we going to permit it to be torn down in 6 or 8 years? That is the great question before us this afternoon. If I were to have asked the Membership of this House 3 years ago whether they would approve a dictatorship the same as Mussolini then had in Italy, you would have said, "No; never!"; if I were to ask you whether you would want a dictatorship such as the Hitler reign now in Germany, you would say, "No; never!"; if I were to ask you if you wanted a dictatorship such as administered by the "Kingfish" over the State of Louisiana at the last two sessions of the legislature in that State the past year, you would say "No! No!" And, gentlemen, if I can see the trend of the times, we are setting up such a dictatorship over this land of the free and the home of the brave—a country that has stood for 150 years. But we are tearing our Constitution asunder, and if our forefathers were to see us today we certainly would never have them approve of the action that we are now taking. What would Thomas Jefferson think of us?

As for me, I believe in relief and am willing to go the limit to assist in relief by proper procedure under the Constitution, but I will never submit to the course we are pursuing under this bill. I could never relieve my conscience of voting for a bill such as this. It will only lead to greater chaos to the American people rather than to benefit. It is only prolonging the day for greater agony for the American people.

Who is going to spend this great sum of four and one-half billion dollars—a sum so large that there is not a Member of the House of Representatives who knows what it all means. Yet we are going to put that great sum of money in the control of one individual. Who will that individual be? It certainly will not be the President of the United States. He must delegate this to others. The one who is administering the P. W. A. funds at the present time is Secretary Ickes. He has under his jurisdiction now the Department of the Interior; he also has no less than 8 or 10 alphabetical organizations which he is supervising. Any one of them is sufficient for all the time of any one individual. Yet he is going to be given the work of allocating this great fund of four and one-half billion dollars.

I take from the RECORD of January 9 the statements made by Mr. Cox and Mr. BLANTON when speaking on the H. O. L. C.—remarks in reference to Mr. Ickes and what they think of him.

Mr. BLANTON. I yield to the distinguished gentleman from Georgia.

Mr. COX. I should like to cite a parallel to the Board to which the gentleman refers. In the Budget message provision is made for giving the Secretary of the Interior an under secretary. Can the gentleman imagine any reason in the world for the Secretary of the Interior wanting to name an under secretary other than it gives him the further opportunity to insult Members of Congress in rejecting recommendations that they offer? He has done this to the extent that he is the most thoroughly hated and despised man connected with the Government at the present time.

Mr. BLANTON. If there is a Member on this floor, either Democrat or Republican, who wants to get up here and defend that particular official, the present Secretary of the Interior, I will yield him the balance of my time. I want to hear some defense of him, if there is anything that can be said in his favor.

Are you Members of the House of Representatives going to turn over this unprecedented sum of money to him to be expended? Let the party in power carry out the pledges made in the platform of 1932; let them give us sound money; let them balance the Budget; let them give industry an opportunity, and it will not be long until men will have jobs. There are more men out of employment today, according to the statements of the Department of Labor, than there were 2 years ago, and we are $10,000,000,000 deeper in debt and going in the red millions of dollars every day. We have now the greatest national deficit this country has ever known. When will it ever stop? Restore confidence by sound laws and constitutional government. We must place our foot on the brake before it is too late. Let us regulate mass production in industry and give men the jobs that machinery is now doing. Let us give idle men something to do that will occupy their minds. We want more work, not more idleness. We want men to be working for an honest living wage rather than to be passing out a dole to them. Honest American citizens want a job to earn a livelihood, not a dole.

If we will let industry absorb the unemployed population, the men will receive wages instead of a dole. We will not build up a national deficit such as we are doing now. Industry will pay the bill.

Let us stop idleness! Let us go back to some of the old, sound fundamental principles that have made this country great. If you and I are honestly and sincerely desirous of trying to help the people of this country, we will forget politics, forget dictatorship, and will settle down to try to give a good, honest, conscientious administration of the affairs of government according to the Constitution, and if we do this in a very short time men will find work, unemployment will cease, and we will have a happy and contented people and a better country in which to live. [Applause.]

Mr. BUCHANAN. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. ARNOLD].

Mr. ARNOLD. Mr. Chairman, it has been very interesting today to hear the arguments presented from the Well of this House as to some of the provisions of this resolution and as to the ultimate effect of some of those provisions.

They would have you believe Congress is surrendering all its power and prerogatives to the Chief Executive and that those powers can never be regained. Such is not the case.

The gentleman from Pennsylvania [Mr. RICH], who has just preceded me, is fearful of the question of the delegation of powers which is included in this resolution. Of course, there is authority, and a lot of authority, vested in the President of the United States by this resolution. From the very nature of the object sought, that of relief of unemployment and of destitution, that authority must be lodged where there is flexibility. It can only be in Congress itself, in the President, or in some subordinate official in the governmental service. I think it is very clear that from the nature of the task confronting us, namely, relief of unemployment and distress, with the shifting sands of unemployment from one section of the country to the other, it would be absolutely impossible for this Congress to specifically designate the various projects that may be proposed to accomplish this purpose. Business is recovering; it is coming along slowly, it is true. We are hopeful it will be speeded up and soon the employables on relief will find employment in private industry. This program that is designed by this joint resolution is a program of transition from dole relief to work relief until private industry and individual initiative has recovered to such an extent that it will take up the slack of unemployment and the people who are employable off of relief rolls.

Then with the security program, consisting of unemployment insurance and old-age pensions, the picture will be complete, and the people of this country will enjoy that greater fullness of life and the security of old age, so much desired by the President and the people of the American Republic. The primary purpose of this resolution is relief of unemployment and of distress, and the relief rolls are to be looked to to get the men to do the work proposed to be done under the direction of the President of the United States. It is absolutely impossible in advance, and with recovery progressing in some sections of the country greater than it is in others, with the unemployment problem not so acute in some sections as it is in others, for this Congress to lay down definitely a program of specific projects to be undertaken to get the best results from the money that is here made available. In order to get the greatest amount of efficiency and the greatest benefit for the money that is here proposed to be appropriated, it is essential that the authority to allocate be vested somewhere, in some agency available at all times, and not so unwieldy as the Congress, that can take care of situations as they fluctuate from time to time. Should the matter of allocation of projects be attempted in the House, a certain amount of logrolling would inevitably result, thus defeating in part the very purpose sought. It becomes necessary, then, to either vest that authority in the President of the United States or with some subordinate body of this Government—and I do not believe anyone seriously wants to leave that authority in some subordinate officials in the Government who are not responsive to the will of the people.

I remember since I have been here, as was referred to by the gentleman from Virginia [Mr. WOODRUM], when you gentlemen now on the minority side of the aisle delegated your authority and your power and your right to designate and to allocate projects under the public-buildings program, not to the President of the United States, but to a subordinate group of individuals in this Government, who were not elected by and were not responsive to the will of the American people, and this was done not in the time of an emergency, as now exists, when taking people off the relief rolls by placing them on work rolls was the primary purpose, as now.

Mr. TABER. Will the gentleman yield right there?

Mr. ARNOLD. In just a moment. I remember very well that not so very long ago you gentlemen now on the minority side of the aisle caused to be written upon the statute books authority to a subordinate of this Government to use the money of the people of this country by entering into 10-year subsidy contracts with the great shipping interests of this country, under the guise of carrying ocean mail, whether there was mail to carry or not. Had you lodged that authority in the responsible head of your Government it would not have been so bad, but you clothed the Postmaster General, a man who was not elected by and was not responsive to the will of the people of this country, with power to enter into contracts, giving millions of dollars to the shipping interests of this country by way of subsidy, and now, under these contracts, we are paying out something like $28,000,000 a year in direct subsidies to those interests, and Congress was not consulted and had no power or authority in the matter except to appropriate moneys from year to year to fulfill the Government's obligation thereunder after authority was vested in the Postmaster General to enter into such contracts.

I yield now to the gentleman from New York.

Mr. TABER. All of these public-building projects were subject to specific appropriations by Congress in detail.

Mr. ARNOLD. The Interdepartmental Committee was given full and complete authority to make allocations and to provide where those projects should be located.

Mr. TABER. Only after specific appropriation by Congress.

Mr. ARNOLD. The Congress appropriated the money in a lump sum, the allocations were made and places selected and Congress had no power to change those allocations.

Mr. TABER. The authorization was in lump sum, but the appropriation was in detail as to projects.

Mr. COX. Will the gentleman yield?

Mr. ARNOLD. I yield.

Mr. COX. Is it not clear to the gentleman that the power to legislate is in this resolution delegated to the Executive? If the gentleman will turn to paragraph (a) of section 4, the power is vested in the President to establish and prescribe the duties and functions of governmental agencies, including corporations. In other words, that vests the President with the power to charter a corporation or to set up a corporation or to establish any other agency of the Government, such as the Federal Reserve, or any other agency. Is that not true?

Mr. ARNOLD. That is true so far as it concerns the carrying into effect of the purposes set forth in this resolution, but it does not and cannot go beyond that authority.

Mr. COX. But it does carry with it, as the gentleman construes the language, the power to legislate. Does that concession not mean that the bill in this respect would not stand an attack made upon it? Is it not in the very teeth of the recent decision of the Supreme Court in the oil case?

Mr. ARNOLD. It may be necessary for the President in carrying out the purposes of this resolution to make available some agencies that are not now existing; and in making use of agencies that are not now existing he may clothe them with corporate authority, but solely for the purpose of carrying out the relief and recovery items specified in this bill. That is not a legislative power, but an administrative authority, as I interpret it.

Mr. COX. Under paragraph (c) of the same section is not power delegated to the President to abolish any corporation or any governmental agency heretofore set up by the Congress, and is not this a legislative power?

Mr. ARNOLD. That matter will be taken care of to some extent by amendments, as I understand it, applying specifically to emergency activities and to other activities.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I have always been classed as a liberal. The only real opposition that has been directed against me in my political contests has been backed by the so-called "big interests" on the plea that I was too liberal and friendly to the common people, the working classes, the farmers, and the defenders of our country and their dependents.

No one could be more sincerely and deeply interested in providing adequate relief and employment for the needy than I. The Republican Party in the House stands as a unit for necessary and adequate relief for the needy and jobs for the unemployed, and my Republican colleagues and myself stand ready to vote all necessary appropriations for

these laudable purposes; but we do not favor this un-American gag rule under which this bill is considered, and neither do we subscribe to the dictatorial powers conferred upon the President in this force bill.

If this measure is passed, Congress has surrendered its powers to legislate and has supinely abdicated and turned over to the executive branch of the Government the duties, responsibilities, and powers delegated to Congress by the Constitution. Members of Congress become merely messenger boys.

This bill was not written by any Member of Congress. It was prepared by the executive branch of the Government. It was sent over to the House with the demand that it be pushed through without the crossing of a "t" or the dotting of an "i."

If this "force" bill is adopted as sent over here by the administration, President Roosevelt will have more dictatorial power than Hitler in Germany or Mussolini in Italy.

Of course, I do not think the President wrote this bill. It was prepared by his subordinates. Section 4, subsection E, provides—

> Delegate the powers conferred on him (the President) under this joint resolution to any governmental agency.

Section 6 provides that the President is authorized—

> To prescribe such rules and regulations as may be necessary to carry out this resolution, and any violation of these rules or regulations shall be punishable by a fine not to exceed $5,000 or imprisonment for 2 years, or both.

This gives the President the right to delegate these unheard of dictatorial powers to his subordinates, and under section 6 he and these subordinates or any one of them to whom he may delegate these powers—and he must delegate the carrying out of these provisions to thousands of subordinates—has the power to make criminal statutes, a violation of any one of which will subject a citizen to a fine not to exceed $5,000 or imprisonment for 2 years, or both. If we would go just one step further and confer upon the President the power of life and death, then it could be said that the President is clothed with powers equal to those exercised by the Caesars under the Roman Empire.

The other day my distinguished Democratic friend, Mr. CELLER, of New York, made a most eloquent appeal against the unwise practice of the executive branch of the Government issuing orders and regulations under the dictatorial powers given to it by the Seventy-third Congress, and in effect giving it the power to make criminal statutes. It appeared that approximately 11,000 of these orders had been issued. Of course, no lawyer is sufficiently advised to keep track of, know, and understand all of these orders and regulations. What chance would the average citizen have to know about them and understand them? Yet our citizens have been brought into court and subjected to prosecution on these orders and regulations. This bill enlarges these dictatorial powers.

It is the duty of Congress, and it should guard that duty and its powers most jealously, to formulate and to write into law the criminal statutes of our country.

This bill gives the President the power to extend the period, to stop, to combine, or to change in any way he may desire the many, many agencies of this Government, and without submitting it to Congress he may prolong or shorten the periods for their operation any and all of the emergency acts passed by the Seventy-third Congress.

If this bill is passed in substantially the form it has been sent to Congress by the President, Congress ought to quit and go home. I want the President to have all the power and authority granted to him by the Constitution and no more. I shall always insist that Congress have no less power than is granted to it by the Constitution and that it assert that authority. Representative government, the freedom of our people, and the rights of our citizens cannot be safeguarded and protected by any other policy.

The Democratic President and Democratic Congress undertook to justify their disregard of the Constitution on the plea that an emergency existed, and that when this emergency was over we would return to the ordinary processes of constitutional government. This administration is entering upon its third year. This bill enlarges the dictatorial power of the executive branch of the Government and its subordinates, and these extraordinary powers are to be exercised for the next 2½ years.

This country has seen great times of stress. It has come through all of them, not by overthrowing parliamentary government and ignoring the rights of the people but by upholding and maintaining these principles.

RIGHTS OF LABOR AND INDUSTRY THREATENED

No measure ever enacted by Congress gave the President such dictatorial powers over labor and industry. If this bill is adopted as presented, there is scarcely a limit to the power of the President over industry and agriculture, and this is true as to labor. The toilers of this country are deeply interested in certain measures. For many of them I have the greatest sympathy, and if given an opportunity will support them most earnestly and actively. This bill grants to the President these dictatorial powers up to June 30, 1937, and if this measure becomes a law I expect to see many conflicts between labor and the subordinates of the President who will undertake to carry out these dictatorial powers for him. And may I warn the friends of labor, if this measure becomes a law, none of your major bills will see daylight? And may I also warn industry and agriculture that this measure gives the President such power over you, your property and the management thereof, that in the end it will create a great deal of discord and will greatly retard recovery? This measure gives to the President—and he may delegate it to his subordinates—the power to make rules and regulations affecting industry, agriculture, and labor that in effect amount to criminal statutes and the violation of which calls for a penalty of as much as $5,000 or 2 years in the penitentiary, or both. Under the new deal more than 11,000 orders and regulations were issued. I am unwilling to defeat the purpose of the toilers or hamstring and retard industry or agriculture by conferring upon the President and his subordinates these arbitrary and dictatorial powers. It might turn out very well if the President could supervise and direct each and all of these activities. But he cannot do so. He must delegate it, and he has the right to under this bill, to thousands of subordinates. There really is no place in America for one Hitler or Mussolini. This would make a Hitler or Mussolini out of hundreds and hundreds who will undertake to execute the provisions of this bill.

FIVE BILLION SEVEN HUNDRED MILLION UNSPENT

A statement of the Treasury Department dated January 18, 1935, shows that out of the tremendous sums of money heretofore appropriated by the Seventy-third Congress and turned over to the President, there remains in the Treasury unspent approximately $5,700,000,000. Notwithstanding this enormous unspent sum, the President now comes and demands that Congress turn over to him without any strings attached to it $4,000,000,000, placing in his hands in all $9,700,000,000 to spend as he and his subordinates may see fit. This is more than twice the amount of money expended by the Federal Government in the 4 years of the Civil War.

This money is not to be spent for relief, but, as they contend, to provide jobs for the unemployed. During the last 18 months the Government has spent $1,500,000,000 for the alleged purpose of providing jobs. Can any reasonable man contend that this $5,700,000,000 now in the Treasury would not provide all the money necessary for the next year for the purpose of providing jobs? At least it would be more than the Government could legitimately spend, taking into consideration what it did do in the last 18 months.

It is said that this Congress will not adjourn until about June or July, and the next Congress will meet early in January 1936. Mark you, the President and his subordinates have no program. They have no definite plan, so they say, as to how they will spend this enormous sum. The President insists that this money must be handed to him without any strings and he can do as he pleases.

We see in the press where many Democratic leaders assert that this is unprecedented. There never was anything like it. I wonder what the board of aldermen or the city council

of any city would say to its mayor, even of a city like New York, if he came before them and demanded $10,000,000 and refused to disclose the purpose for which the money was to be used. I wonder if any legislature of any State would grant to any Governor his request for even $1,000,000 if he refused to disclose what he was going to do with the money. Is there any business institution in the land whose board of directors would vote its president $100,000 unless that president would inform them what use was to be made of the money?

And the answer would not be sufficient that he desired to provide some new jobs or that he had in mind to make some betterments. The query would at once come back, "What jobs, what work, what betterments, what improvements do you have in mind?"

What head of a family, if his wife should come to him and request a thousand dollars, at a time when he was deeply in debt and would have to borrow the money, would not demand the purpose for which the thousand dollars was to be used?

I have always opposed granting lump sums to the President or to the various bureaus and agencies of the Government. When I was in Congress before, the Republicans passed the Budget bill. Practically all the States have followed in that lead, and the States, as well as the Federal Government, have budget bureaus. I am unwilling to place such a tremendous sum of money in the hands of anyone when the person asking it refuses to give the general purposes for which it will be spent and admits that he has no program.

If we had a full Treasury there might be some excuse for such action. This is not the case. We must borrow this money. This administration has increased the national debt $10,000,000,000 already, and if we vote this $4,000,000,000 the increase will amount to approximately $15,000,000,000 on June 30, 1935, and our national debt on June 30, 1935, will reach the stupendous sum of $35,000,000,000, and this does not take into account the losses that will be sustained on the loans that have been made.

President Roosevelt was elected on his platform and upon his declaration that he would decrease governmental expenses at least 25 percent and balance the Budget and also reduce taxes. He further declared that the Government must live within its income and these policies must be carried out in order to overcome the depression and bring about prosperity. How different are his performances compared with his promises! The expense of government has more than doubled. There have been billions in deficit for each of the years he has been in office. The deficit this year will amount to $5,000,000,000, and he and other Democratic leaders admit that there will be deficits of billions next year and the next year and throughout President Roosevelt's term.

NO PROGRAM OR POLICY

As there is an unexpended balance in the Treasury of $5,700,000,000 of emergency appropriations made by the Seventy-third Congress to be used for recovery and relief, it seems to me that before the President should be granted an additional $4,000,000,000 for these purposes he and his subordinates should submit a general policy and program so that Congress might intelligently vote on this matter. We should like to know what amount of this money is to be used to set up strictly private enterprises. One of the great drawbacks to recovery is the fact that the Government has been engaging in every sort of private enterprise against the citizens of this country. It seems to me that this sum of money should be used to construct highways, build bridges, improve rivers and harbors, improve our system of national parks, and build park-to-park highways, construct public buildings for the Government, and aid States, counties, and municipalities to construct necessary buildings, and to provide aid for the public schools and other public educational institutions of the country. This would bring the expenditure and distribution of this money into every county and community of the Nation and give all of our able-bodied citizens who need work an opportunity to make a livelihood for themselves and their families, and this policy will greatly encourage private enterprise and private industry. The President and his subordinates have had 2 years in which to map out a program of work and relief recovery, and if they have not worked out such a program with the billions that have been spent, why place into their hands an additional $4,000,000,000 without any program or definite policy? Would it not be well to let them try their hand on the $5,700,000,000 of the emergency funds that is now in the Treasury unexpended?

The record shows that although the President has had all of these billions at his command, yet during the last 18 months he has expended approximately one and one-half billion dollars for work jobs. Congress will be in session until about the 1st of July. Why all the haste to rush this bill through giving the President these unheard-of dictatorial powers? Why not take some time to work out a program? Congress will be in session again next January. Unless they spend money three or four times faster during the next 11 months to provide work and jobs than they did for the last 18 months there will be plenty of this emergency money unexpended in the Treasury when Congress meets again. The adage "Haste makes waste" is true under a "new deal" as well as an "old deal." Is it because the President thinks he has Congress that he can control absolutely now but might not be able to control a year hence? Therefore he is going to get these dictatorial powers and these billions of dollars while "the getting is good."

I am not opposed to the appropriation of billions of dollars for the purpose of providing jobs for the unemployed or relief for the needy. They say very little of this four billion will be used in 1935. We thought a lot of money was spent last fall during the campaign. If we vote this four billion, you watch the money fly in 1936. You know there will be something doing in 1936.

NO RELIEF FOR THE VETERANS AND THEIR DEPENDENTS

I listened to every word the President uttered in his eloquent annual message to a joint session of the House and Senate and was greatly disappointed when he closed that address without even mentioning the words "veterans, their widows or orphan children."

On March 20, 1933, the President jammed through Congress, under another gag rule, the so-called "Economy Act", in order, as he said, to balance the Budget—to keep our expenditures within our income. Nearly all the economies effected by that act were against the disabled defenders of our country and the widows and orphans of our veterans. Approximately 500,000 disabled veterans and tens of thousands of poor widows and orphans of veterans were taken off the pension rolls and practically all of them are still off the pension rolls and are in dire need.

There is not a word in this bill proposing to restore these rights or to right these wrongs to the veterans and their dependents. The same Economy Act reduced the salaries of the President and all other officers and Government employees 15 percent. An act of the Seventy-third Congress has already restored 10 percent of that cut, and it is provided that the other 5 percent shall be restored on July 1, 1935, but the administration is fighting every effort to restore those benefits that were taken away from the disabled veterans and the widows and children of veterans.

C. C. C. TO BE MORE THAN DOUBLED

The President did point out in his message, and it is generally agreed by the Democratic leaders, that the C. C. C., which has now approximately 300,000 in its camps, will be increased to a point somewhere between six hundred thousand and a million. This item alone will cost this Government approximately $1,000,000,000. This will come out of the $4,000,000,000, this bill, or, if the President desires, will come out of the $5,700,000,000 emergency fund now unexpended in the Treasury.

Tens of millions of dollars will be expended to acquire, equip, and maintain "hobo hotels." I wonder how much of it will be used to burn pigs and plow under cotton.

Yes; we have millions and millions for the "hobo hotels", for the C. C. C.'s, to burn pigs, and to engage in other unprofitable and foolish ventures, but not one cent to restore

the benefits that were taken away from the disabled defenders of our country and their widows and orphans, and not one cent to pay the adjusted-service certificates.

Let me say to my Democratic friends, you went out last year and in order to secure the support of the veterans and their families and friends, pledged the veterans that if they would support you you would vote for the cash payment of the adjusted-service certificates and would vote to restore the benefits that had been taken from the disabled veterans and the dependents of veterans. If you vote for this measure and spend all the money, you will be told by the President and other Democratic leaders that nothing can be done for the veterans as the money has already been spent.

It is my opinion that one of the purposes of this $4,000,000,000 bill at this time is to sidetrack the soldiers' bonus and to prevent any other relief to the veterans and their dependents. This will be the effect of your vote on this gag rule and this "force" bill.

Many business men and others as well as veterans have urged me to vote for the bonus and other relief for the veterans and their dependents. I pledged them in my campaign that I would do so. If I voted for this $4,000,000,000 at this time, I would in effect defeat that pledge.

Just after the war I helped to pass a bill in the House to pay this adjusted compensation. It was a just obligation of the Government. Recent investigation has shown that billions were made out of munitions. The railroads and more than 7,000 cost-plus contractors had their pay adjusted soon after the war. We waited until 1925 and handed these veterans these adjusted certificates, due in 1945. If this additional pay was right, it should have been paid just after the war and not in 1945. The President and the Democratic leaders of Congress appear determined to defeat the bonus or any other measure restoring benefits to the veterans.

FAVORS ADEQUATE RELIEF

In order to force all of the Members of the House to grant to him these dictatorial powers and this additional $4,000,000,000 without any strings or limitations to it, the President has included in the bill $880,000,000 for relief. This was appropriated in the Seventy-third Congress. It is stuck in this bill as a club. Of course, I strongly favor this $880,000,000 for relief, and my only objection is that it is not sufficient. The people of my district and, as I understand, in most of the States and districts remember very well how the Democrats urged the people to vote for the Democratic nominees for Senator and Congressman last fall if they desired the relief to go on. It was charged that the Republican Party was against relief, and it would stop if the people failed to give President Roosevelt a Democratic Congress. The election was barely over and the results certified when those high in the councils of the Democratic Party began to denounce relief and declared it would have to stop. I heard the President, in his joint message to Congress, declare that relief had to stop at an early date. This bill provides that it must stop by June 30, 1935. The leading Democrats on the floor of the House declared it was vicious, wrong, un-American, would destroy the country, and that it must come to an end.

How different they are talking now to what they did before the election! The President declares there are at least a million five hundred thousand unemployables on the relief rolls. What does he mean by the unemployables? The aged needy, the blind, the cripples, poor widows with young children, and those so broken in health that they cannot follow gainful employment. They are the unemployables. They cannot work, even though jobs might be available. They, their wives and children, represent at least 5,000,000 people. The President declares and this bill before us provides that these 5,000,000 of needy people go off the Federal relief rolls June 30, 1935, and they are thrown back on their respective States, counties, and communities for help. This is another provision of the bill that I am opposed to.

There is not now any Federal pension law, and neither does Kentucky have any pension law that will take care of these people, and Kentucky will not be in shape to provide and take care of them by June 30, 1935. I think this is a cruel policy. If there is any class outside of our disabled veterans and their dependents that should receive consideration and relief, it is this great group of aged needy, poor blind, poor cripples, poor widows, and those who are physically unable to work. This relief should have been continued until a pension could have been provided for them. We must not forget that among these unemployables are tens of thousands of disabled defenders of our country.

NO ADEQUATE OLD-AGE PENSIONS

I favor a Federal pension for the aged needy, for the blind, cripples, widows with minor children, and those so broken in health that they cannot follow any gainful occupation. This covers the so-called "unemployables." This pension should be a sum sufficient to take care of this group of needy people, and to provide them real support in the way of food, clothing, shelter, and other necessaries. These, with their families now on relief, number more than 5,000,000 people. Of course, we know that all of this group of people who are needy are not on relief. What is to become of these people? The President says they must be taken off relief and thrown back on the States, counties, and communities not later than June 30, 1935, and all relief to them from the Federal Government must stop at that time. I do not agree with that policy. The administration says it favors a pension for them, and it is suggested by the administration that $50,000,000 be appropriated for the year beginning July 1, 1935, and $125,000,000 for each year thereafter, these sums to be matched by an equal sum provided by the States. Of course, it will require a long process for the State of Kentucky, and a number of the other States, to provide the money to match this. The Government will not put up anything until the State matches it. Kentucky cannot do so until a constitutional amendment is voted on in November 1935, and funds cannot be provided in Kentucky until the legislature meets in 1936. I repeat, What is to become of the aged needy, the blind, the cripples, widows, and small children until this pension plan can be put into effect? Let us see what benefits will come to these poor people if this pension measure is passed by Congress and these funds are matched by the States. Under the administration bill no persons can get a pension unless they are needy at least 65 years of age. The Government reports show that there are seven million five hundred thousand more than 65 years of age, or crippled, or blind. At least six million of these are needy and would qualify for a pension.

If the Government put up fifty million the first year and the States would match the fifty million, we would have $100,000,000 to divide among 6,000,000 people, and this would give each person $16.66⅔ per year, or one and one-third dollars each per month for the first year. For the year beginning July 1, 1936, the Government would put up one hundred and twenty-five million and the States one hundred and twenty-five million, making $250,000,000 in all to divide among 6,000,000 people. This would give each person less than $7 per month, the Government providing about $3.50 per month and the States the other $3.50. Of course, if the State of Kentucky did not match the Government's money, this needy group of people in Kentucky would not get anything. I do not agree with the administration's pension bill at all. Not one dollar of this $4,000,000,000 bill that is now before us can be used for these pensions this year or any other time. The President asserts and this bill provides that this $4,000,000,000 will be used for other purposes. Our Democratic friends went strong last year when they were campaigning in favor of old-age pensions. I did likewise. My people are for it. Let me say to our Democratic friends who pledged themselves to enact an old-age pension bill, if you vote for this four-billion measure, you will be unable to keep your promises. The administration will say to you after this large sum is appropriated that there are no funds to provide an adequate pension for the aged needy, the blind, the crippled, and poor widows. I should like to see this bill amended so that we might pay off the adjusted-service certificates, restore the benefits that were taken from our disabled veterans, their widows and orphans, provide an adequate pension for these unemployables, and use the balance of this money, together with the five billion seven

hundred million that are now in the Treasury, to build a lot of farm-to-market roads in each of the counties where needed, splendid park-to-park highways, public buildings, improve and develop our rivers and harbors, aid our public schools, and other activities of a public nature; but under the gag rule no such amendments can be presented or considered.

FOR AMENDMENTS

We have been told over and over by Democratic leaders that the emergency is over. We are well on our way to full recovery, yet this bill is the most drastic emergency measure yet proposed, and it runs until June 30, 1937—2½ years more. This measure should be amended and limited to expire June 30, 1936. If the necessity requires, Congress can then continue the program. It has been announced in the expenditure of this money a wage will be paid that is less than that paid for the same kind of work in each community. This bill should be amended so that the Government will pay the same wages as is paid by like services by private enterprises for the same character of service in each particular community. It should be further amended by taking away from the President the power of eminent domain, and sections 4, 5, and 6 of the bill should be stricken out. It should be further amended giving to each State such proportion of the money that is to be expended as the unemployed of each State bears to the whole number of unemployed in the Nation. It should be clearly set out by proper amendment that no favoritism or partisanship should be allowed in the distribution of relief or in providing employment. We have seen a lot of this, and thousands have made complaints. Many of us have seen political advantage taken with people on account of their distress and misery. I am more interested in a square deal than I am in a new deal. The Democratic majority in the House will refuse to adopt these salutory amendments, and I shall vote to recommit this bill to the committee with instructions that these and other amendments be adopted.

WHAT HAS BEEN ACCOMPLISHED

Our Democratic friends are obsessed with the idea that in their hearts is to be found all the humanity and sympathy for the distressed people of this Nation, and that in some way they have a monopoly on the wisdom and patriotism of our country. All in all there was turned over to President Roosevelt, by the Seventy-second and Seventy-third Congresses more than $23,000,000,000. In addition to the $4,000,000,000 asked for in this bill for so-called "work relief", they are demanding about $4,500,000,000 more to carry on the ordinary business of the Government. There is an unexpended balance in the Treasury now of $5,700,000,000 for emergency purposes. The Congress will appropriate around $4,500,000,000 to carry on the ordinary activities of the Government; and if we give the President $4,880,000,000 asked for in this bill, he will have at his disposal approximately $15,000,000,000. What are some of the outstanding results after the present administration has had an unlimited sum of money and more than 2 years to deal with the depression? What do we find the situation to be? Taxes have been raised to new high levels. The national debt has been increased more than $10,000,000,000, and it is now approximately $29,000,000,000 and at the end of this fiscal year it will be $35,000,000,000; more than 11,000,000 workers in industry out of employment. This is 500,000 more than there were a year ago, approximately 20,000,000 people on the direct relief. This is an increase of over 5,000,000 more than a year ago, and there are at least 5,000,000 more people who are suffering and need relief, and the demands for relief are growing by leaps and bounds, and the President comes along in this bill and declares to the country that he must have nearly $5,000,000,000 more with dictatorial powers to deal with recovery and relief. I wonder if our Democratic friends have very much to brag about?

This country will never come out of the depression under the present policy and set-up. There is one important factor lacking and that is confidence. There are more than 11,000,000 unemployed in industry. More than 40,000,000 acres of productive farm lands have been cut out. Nothing is said about the millions of unemployed farmers, and the millions of unemployed merchants, clerks, and so forth. With all of this power and money the President and his spokesmen declare they hope to put as many as 3,500,000 men to work, and my honest judgment is that a year from now there will be as many unemployed as there are today. When Congress first gave to the President large appropriations and extraordinary power in March 1933, it was freely predicted by the Democratic leaders that they would put at least 6,000,000 men or more to work by Labor Day, 1933, but unemployment has increased. Neither the President nor his spokesmen have told us what is to become of the other 7,500,000 of unemployed in industry. They are able to work. They are not included in the pension proposals, and everybody is to be taken off the relief by next June. It proves that the Government cannot furnish everybody with a job who is able to work and wants to work. Industry and agriculture must provide these jobs. Let the Government encourage private industry and private enterprise and not on every hand be their competitor. The banks are full of money, but those who have money do not have confidence in the present policies of our Government. Persons with money are putting it in tax-exempt securities. In that way they avoid taxes and have liquid assets. Let the Government spend its money on public projects, restore confidence, and we will see the ranks of unemployment thinning and prosperity return. Let the Government take its finger out of everybody's eye and its nose out of everybody's business. I favor the necessary and proper regulation of business to protect the workers and consumers and prevent unfair practices, but the Government cannot run all the business of this country successfully. [Applause.]

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. HOLLISTER].

Mr. HOLLISTER. Mr. Chairman, as the debate has progressed this afternoon I have given close attention to the reasons which have been advanced by Members for supporting this bill. I regret that there have been a few Members who have stated that no matter what their common sense may indicate, no matter what their conscience may direct, and notwithstanding the oath which they took some 3 weeks ago to "support and defend the Constitution of the United States", they are now willing to support this bill no matter what it contains, just because the President of the United States asks it. I sincerely hope that there are not many Members of this nature, for if so then surely has representative government fallen low in this country.

The chief reason given for the support of this measure is that it is a relief bill, but what assurance have we of this except for the name? When some irresponsible bureaucrat comes into your district and spends some of the millions appropriated by this bill for the construction of a Government owned and operated factory to compete with the private industry which is already established and which is trying its best to keep in existence, will you believe that this is "relief" just because the bureaucrat justifies his action on the ground that he is "relieving economic maladjustments"? When some one of the disciples of "economic planning" establishes a highly socialized federally controlled community in your district something along the line of those of which the Soviet Government boasts, will you believe that it is "relief" just because the Government official in charge informs you that he is "improving living and working conditions"?

It is easy enough to provide relief in the orderly and ordinary way. We have done it a number of times in the past few years, and we can do it again. Must we vote for this abomination just because the draftsman has labeled it a relief bill? Surely a rose by any other name would smell as sweet.

Why is it necessary to proceed in this way? We have been informed that the President has had a committee studying the relief question for some months, and that this bill is the result of their conclusions. Is it seriously stated that such a committee with the information which it must

have before it can be no more specific than this legislation would indicate? Surely they must have some general theory on which to proceed and have some general categories within which allocations of different expenditures should be placed. Could not the results of their studies be transmitted to the Congress and incorporated in a proper relief bill? Has the President no confidence in this House which his party controls by a more than 3 to 1 majority?

We are informed by the gentleman in charge of this bill that in all its various provisions it is the work of the President alone, and that he is now asking that it be passed. What is he demanding of the legislature?

First. The right to spend $5,000,000,000.

Second. The right to change completely the functions and duties of all governmental agencies, and even abolish them.

Third. The right to extend, for more than 2 years, agencies which would otherwise terminate, as for instance, the N. R. A. and the A. A. A.

Fourth. The right to delegate his power as he may see fit.

Fifth. The right to buy or sell all kinds of property, invoking even the great governmental power of eminent domain.

Sixth and last, and worst, the right to fine and send to prison anyone who violates a rule or regulation which he may in his own discretion establish.

Mr. Chairman, if the President of the United States has indeed asked for powers of this kind, his demand is the high-water mark of Presidential arrogance. I could not vote these powers in peace time to any President in our history—not even to a demigod. If this bill passes, it rings the temporary death knell of representative government, but it rings equally the final death knell of the new deal. "Whom the gods would destroy, they first make mad."

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Chairman, it was with grave reluctance that I felt impelled to oppose in the Rules Committee the granting of the gag rule for the passage of this bill, appropriating as it does in a lump sum, $4,000,000,000, without any specific provisions as to how any part of it is to be expended and with only the most vague specification of the general policy for which it is intended.

It is with equal reluctance that I must oppose the bill coming to us as it does with administration approval. I have heretofore consistently supported the measures proposed by this administration, and I would support this measure if I did not feel that under my oath to support the Constitution of the United States that there are certain legislative functions which the Congress itself must perform, and in the performance of which it cannot abdicate in favor of the President of the United States or anyone else.

I take this position reluctantly, because I have every confidence in the President. I know that this Republic has rarely been blessed with an Executive so earnest and so sincere in his purposes and in his efforts to relieve the suffering, heal the hardships, and adjust the wrongs of the great masses of our people. But, after all, this is still a Republic. We are living under the Constitution given us by the founders of our Union, a Constitution that has happily survived up to this moment economic storms, foreign invasions, and civil strife. If it is to continue to survive, it must have the respect and support of the elected Representatives of the people, who are sworn to uphold its provisions.

The provisions of this bill are a clear and complete abdication by the Congress of the United States of its functions and a delegation by the Congress to the President, or whomsoever he may select, of the legislative duties imposed upon this body.

Let us briefly analyze this bill.

The first section appropriates a lump sum of four thousand millions of dollars. Under the law we are required to appropriate money for specific purposes. But the only information that the House is given by this bill of the purpose for which this huge sum is to be expended is of the most general nature.

These terms are so broad and general as to make them meaningless. They may mean the expenditure of public funds on almost any conceivable project that the ingenuous minds intrusted with the ultimate expenditure of the funds might devise.

No limitation or specification upon the kinds of work or the class of projects is provided. No allocations or limitations of any character are imposed upon any part of the fund, even in general terms. The legislative body utterly fails in this provision to prescribe even a general policy of what, if anything, the legislative mind had in view when the legislation was passed.

The fourth section of the act authorizes the Executive not only to coordinate and consolidate any and all Government agencies but authorizes him by Executive order to continue the life of any existing governmental agency even though its life may be definitely limited by a previous act of Congress, and confers the further power to delegate to any others, whom he may select, including corporations, the legislative powers which have been delegated to him by the Congress under the provisions of this act.

The fifth section authorizes the President "to guarantee loans to, or payments of, needy individuals." To make grants and loans and to acquire by the power of eminent domain real and personal property of unlimited kind and character, for unlimited purposes, and to improve, develop, maintain, grant, sell, or lease the same.

The sixth section authorizes the President to prescribe rules and regulations, having the force and effect of criminal laws, the purport and extent of which we are unable to hazard a guess and by virtue of which a citizen may be fined as much as $5,000 and imprisoned for not exceeding 2 years, or both.

After diligent inquiry from authoritative sources I have been unable to obtain any information as to why the great necessity for the immediate passage of the whole of this enormous appropriation before any plans or policies are formulated for the expenditure of the same. This Congress will doubtless be in session for the next 5 months. Surely in that time the Congress could be informed of the plan and the purpose and the policy for the expenditure of these sums, so that we might legislate intelligently and with a due sense of the deep responsibility owed to our constituents, who must ultimately pay the debt. I am not concerned with any particular projects or any particular class of work relief, and I am sure that I could subscribe to the President's plan when it is formulated, but I am impressed with the profound conviction that I have no right under my oath and in conformity with my duty to my constituents to vote away such a huge sum of money until I can obtain intelligent information as to the purpose for which it is designed. All I ask is intelligent information as to the plan and specific provisions and limitations in the bill itself that will make it conform to the existing law and the clear purpose of the Constitution.

The Budget and Accounting Act of 1921, section 204 B, expressly prohibits the passage of any lump-sum appropriation such as here contemplated. It provides as follows:

SEC. B. Estimates for lump-sum appropriations contained in the Budget or transmitted under section 203 shall be accompanied by statements showing, in such detail and form as may be necessary to inform Congress, the manner of expenditures of such appropriations and of the corresponding appropriations for the fiscal year in progress and the last completed fiscal year.

As to constitutional precedents, we have the decision of the Supreme Court in the "hot oil" cases, so recent that the ink has hardly dried on the opinion of the Court. That opinion contains a stern and mandatory admonition to this Congress against the delegation of its constitutional duties. In that case the Supreme Court has laid down a chart for this Congress and has done so in the last 2 weeks. Will the Congress not pause to even read these words of warning and admonition? The Supreme Court there tells us what is a proper delegation and what is an unconstitutional delegation of our legislative authority. Will you not pause long enough in your haste to peruse and ponder upon a few brief extracts from the chart thus given you?

In referring to Section 9 (c) of the Recovery Act, the Court says on page 9:

So far as this section is concerned, it gives to the President an unlimited authority to determine the policy and to lay down the prohibition, or not lay it down, as he sees fit.

Again, on page 12:

The question whether such a delegation of legislative power is permitted by the Constitution is not answered by the argument that it should be assumed that the President has acted, and will act, for what he believes to be the public good. The point is not one of motives but of constitutional authority, for which the best of motives is not a substitute.

And again, on page 20:

If section 9 (c) were held valid, it would be idle to pretend that anything would be left of limitations upon the power of the Congress to delegate its lawmaking function. The reasoning of the many decisions we have viewed would be made vacuous and their distinctions nugatory. Instead of performing its lawmaking functions, the Congress could at will and as to such subjects as it chooses transfer that function to the President or other officer or to an administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation, which are an essential part of our system of government.

Is it not clear to everyone from this opinion of the Supreme Court that Congress cannot delegate to any other person or body its constitutional duty to lay down the legislative policies of the Government in specific terms and that that policy must be contained in the act itself?

I shall have nothing to say relative to the remaining clauses in the bill, because with respect to those sections containing improper delegations of authority the advocates of the bill have finally and reluctantly accorded to the House the right to amend or eliminate the objectionable features.

The mere fact that this concession has been made at the insistence of the minority on the Democratic side of the aisle is a striking indictment of the hasty preparation of so important a measure and the speed with which it has been attempted to expedite its passage. If in the hasty preparation of this bill such grave errors have been made in 4 of its 7 paragraphs as to impel the advocates of the measure to confess error on the floor of the House, is it not probable that equally grave errors lurk within the provisions of the remaining paragraphs which we are prohibited by the "gag rule" from amending or correcting in any particular. [Applause.]

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Chairman, I am very much interested in the first section of this bill which gives the President of the United States the right to relieve and adjust economic maladjustments and to improve living and working conditions which cover a wide field in our economic life. Ever since section 7 (a) in the National Industrial Recovery Act has been on the statute books there has been a continual conflict between employer and employee, inasmuch as they cannot get together under the provisions of the law for the settlement of labor disputes between employer and employees. Under the provisions of this bill now before us the President of the United States can step into a labor controversy where employer and employee cannot agree and put into force a rule or regulation which if not respected by the employer and employee would subject them to a penitentiary sentence and a fine of $5,000. There is no question about that.

Mr. COX. Will the gentleman yield?

Mr. COOPER of Ohio. I only have 3 minutes.

Mr. COX. Will the gentleman permit a question?

Mr. COOPER of Ohio. I have 3 minutes only, and I have another question I want to touch upon here.

Mr. Chairman, section 6 of this bill now before us for consideration gives to the President of the United States power to prescribe whatever rules and regulations may be necessary to carry out this joint resolution, and any violation of such rule or regulation set forth by the President shall be punishable by a fine of not exceeding $5,000 or imprisonment not to exceed 2 years, or both.

It has been stated on the floor this afternoon that this is a delegation of power to other agencies of government. It gives the President the right to make rules and regulations which have the force of law back of them and which may send an American citizen to the penitentiary and subject him to a fine of $5,000 for a violation of the rule or regulation which Congress did not write into the law.

During the last session of Congress I had very deep convictions on that very question in reference to a certain provision in the stock-exchange-control bill. I campaigned on that issue during the last election and I am bitterly opposed to Congress delegating legislative powers to any other agency of Government that has the force of law back of it and send an American citizen to prison.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. TABER. Mr. Chairman, I also yield 3 minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Chairman, it is hard for me to understand the haste with which this bill, House Joint Resolution 117, involving $4,800,000,000 and involving principles heretofore unknown, came into the House. My information is that a subcommittee of the Appropriations Committee first reported it out on January 21 and not the full committee. Not until yesterday, January 22, were we able to obtain copies of the bill. The entire Appropriations Committee met today and reported it out.

I do not have anything to say about the expenditure of the $4,800,000,000 or about its being left to the President—this is the least of my concern—but I do want to bring to your attention sections 4, 5, 6, and 7 of the bill and I think these were the sections I aided in helping open up the rules so that amendments could be offered to them. [Applause.]

So far as the appropriation is concerned, I do not care who spends it just so it is spent right. However, there is a matter very dear to me, and that is the integrity of the House of Representatives. When by one swoop we wipe out and delegate all authority that we have, we might as well close shop and come back here in 1937.

Someone, I think, stated that this bill was carefully drawn. May I point out to you one small thing that shows it was not carefully drawn? To the lawyers in the House I call attention to the fact that it provides, in section 5, subsection (c), line 11, the right of eminent domain for personal property. Under this authority those to whom the President delegates this authority may go and take the personal property of any man in this country. Have you, as lawyers, ever heard of this before? The right of eminent domain applying to personal property? I shall offer amendments to these sections 4, 5, 6, and 7 and under the 5-minute rule I shall speak on them, but I call attention to some of the reasons why the bill should be amended.

In connection with section 4, a rumor has reached me that the Appropriations Committee will offer an amendment. Why the committee did not consider it first before reporting it out, I do not know. Under section 4 not only is the power given the President to establish agencies, to utilize existing agencies, but to consolidate, redistribute, and change any existing agency of the Government without reporting to the Congress, without any report to the creators at all, and then, finally, this is to last until June 30, 1937.

Now, Mr. Chairman, I do not yield in my admiration or respect for the President to any man, but, on the other hand, I do not yield the conscientious views I have of the oath that was administered to me when I assumed my duties here in the House.

To say that this Congress should so abrogate its rights that all these departments or agencies could be abolished while we sit supinely here and agree to it, I for one shall not subscribe to.

Mr. COX. If the gentleman will permit an interruption in support of his argument, paragraph (c) of section 4 gives him power to annul acts of Congress, which the courts have time and time again held he has not the constitutional power to do.

Mr. BULWINKLE. That is correct.

Under section 7, after all this is done and after the $4,800,000,000 is expended, what report does this House get? It merely gets a report of the obligations incurred.

In justice to the Membership of this House I shall offer an amendment requiring this report to go farther than the obligations incurred and give the expenditures made and to classify the expenditures, so that all may be public property, and the people of this Nation, as well as this House of Representatives, may know what is passed and what is done.

Then I come back to section 6. I have fought this provision every time I could in this House. It is the matter of delegating the right to a board or to any single person to provide penal statutes, to make criminals, without the Congress passing upon what the law is.

In this section 7, while I know it would not be done under the present Chief Executive of this Nation, yet a precedent is established, a precedent which is abhorrent to my idea of criminal law, and that is this: That under the rules and regulations which may be issued by the President any number of acts could be made criminal. I say frankly that I cannot conceive of any criminal acts which might be committed by any precedent on account of the provisions of this bill that are not already on the statute books. And by providing for rules and regulations without the criminal part to it, all civil obligations could be taken care of. For these few reasons that I have given in the short time that I have spoken, I feel that the bill before it is passed should be amended materially in these sections. I will gladly go the limit to relieve suffering, to provide for reemployment, and to back the administration in every particular along these lines, but I cannot vote for this bill in its present form, and I do not intend to do so unless it is amended very materially. There are other matters that I could speak of, but these I hope that in the time I have under the 5-minute rule I can bring to your attention.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FENERTY].

Mr. FENERTY. Mr. Chairman, I realize that it is most unusual for a newly elected Member of this House to seek to express his views on any measure until he shall have become intimately acquainted with the rules that govern the House of Representatives, and the even more strict traditions of forensic propriety that dominate us here. It is therefore with hesitancy that I rise in my place to state briefly, and I hope with complete clarity, my attitude toward this resolution.

Let me say at once that I regret that the majority in this House did not introduce a resolution to which wise and patriotic men of both parties could repair. I am one of those who believe that no appropriation of money is too great, if necessary for the alleviation of human distress, unemployment, and the misery that results from hunger and privation. This resolution calls for a bulk sum of $4,000,000,000 to be intrusted to one man, authorizing him in carrying out its provisions to expend money at will "without regard to the provisions of the civil-service laws" and "without regard to the Classification Act of 1923." In addition to this tremendous grant of legislative power, it permits him to buy or sell any real and personal property or to acquire it by right of eminent domain, and in addition to take such extensive powers and delegate them to any agency of the Government.

Under this unamended resolution any bureau to which this all-embracing power was delegated could use the entire four billions for some rural or other purpose in the West or South while the people of a great metropolitan area like Philadelphia or New York or Chicago or Boston or Detroit or Los Angeles are left standing unaided in the breadlines. As the Philadelphia Record stated editorially only this morning:

> For the work-relief bill the gag rule was drastically applied, limiting debate to a mere empty formality and choking off any possible amendments to the measure.
>
> It demonstrated anew that gag rule is not democracy. When it takes a majority of the House to force a bill out of a committee, the minority is not only deprived of its rights but the majority is transformed from a group of thoughtful and understanding legislators into a procession of goose-steppers.
>
> One of the voter's basic rights in a democracy is that of compelling his Representative to stand up and be counted on a measure in which that voter is interested.
>
> Because of that right Congress remains the greatest agency for expression of the popular will. To stifle that popular will by parliamentary suffocation is dangerous at this time above all times.
>
> Here was a bill which not merely gave the President power to spend $4,800,000,000 but a bill which delegated to him the power of life and death over virtually all Government agencies and bureaus, a bill which gave him the right of eminent domain in public-works construction and the right to distribute the $4,800,000,000 in any way he might see fit.
>
> The Record has every confidence that the President would use those powers wisely.
>
> But that does not negative the duty of Congress to know and understand just what is in the legislation it enacts.
>
> This flare-up will pass. But the taste of the gag rule will remain bitter—
>
> Unless administration leaders in the House recognize the trend of public sentiment and abolish that rule.

I share the confidence of the Philadelphia Record that the President would use this power with discretion, but there is one important reason why I cannot vote for this resolution unless it be properly amended. The resolution is a surrender, absolute and unconditional, of the power which we, as representatives of the citizens who elected us, are obligated exclusively to exercise in their behalf. There is no question in anyone's mind about the desirability of allotting money for relief. Four billions! I will vote for five billions or more for unemployment and other social-security measures. I will vote for all legislation that will properly protect the worker and his family and give him an opportunity to better his condition in life, just as I would support any measure that will protect our Nation's war-time defenders.

Does this bill guarantee that? It certainly does not. Instead, it opens the door to playing politics with human misery, it appropriates a huge sum of the moneys taxed from the people with no definite plan for its expenditure, no formulated system by which it is to be used; merely a surrender of the people's money to be expended at random, no funds allotted to the laboring group, not even a mention in the resolution of the veterans of America's wars, or the widows, orphans, and families of the men who, deserving most, have in recent years been deprived even of the little they had theretofore received.

Only 3 weeks ago I stood in this Chamber and for the first time as a new Member of Congress was asked to swear without mental reservation to protect and defend the Constitution of the United States against all enemies, foreign and domestic.

Today, 3 weeks later, I am asked to vote for a resolution that demolishes the Constitution I swore to protect. I am asked to vote for a measure that would deprive the people who voted for me of the representation which I promised to give them. I refuse to do that. Our duty, as I see it, is to the people and the Nation. How can we serve either of them by supinely abandoning the only instrument that today stands between them and the dictatorship of a little group of department heads?

I ask those who are defending this measure to remember that it is a betrayal of the unemployed, of the deserving laboring people, of the veteran and the others who really deserve help from the Government. Amend the bill—even raise the four billions to five for the needy and unemployed—and I will support it. But let us stop throwing away the people's rights under the Constitution. Let us stop thinking about the next election when we should be thinking about the next generation.

Apart from all other considerations, the important issue in this bill is the demand made upon the Congress to betray the plain people of the country by the setting aside of the

American Constitution. The Constitution is the supreme law of the land. It states that all legislative powers granted are to be vested in the Congress, which shall have the power, among others, to provide for the general welfare and to make all laws necessary and proper for carrying such power into execution. It further provides that the judicial power shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. Now, the present resolution not only casts away this legislative power heretofore jealously guarded for the people by the Congress, but in section 6 it calls for the surrender by the Congress of its legislative power and at the same time provides new and drastic penalties for any violation of the latest departmental rules and regulations. Surely no one in this House can properly defend a bill which so far destroys the constitutional rights of our citizens that they must now face the danger of new laws made by Executive and departmental decree, and new jail sentences to be imposed whenever some bureau head or other decides that a citizen has violated one of the novel regulations.

The bill speaks, in line 3 of page 1, of the general welfare. We hear much of that in these days. But the Constitution uses the words in just two places. Once in the preamble, which was never intended to contain any grant of power, but merely to assert the great object which the people aim to secure, and again when the instrument mentions the taxing powers. This clause was never intended to contain a grant of authority to tax in order to promote the general welfare of any single individual in the country. The phrase " general welfare of the United States " refers to the United States as a political entity or corporation and not to the individuals who constitute it. To presume that this clause of the Constitution means that taxes are to be raised for the general welfare of any single individual or group is false and misleading, and the words, not having any such meaning in the Constitution itself, should never have been inserted in this resolution. There are today large establishments of the Government using tremendous sums of public money which rest only upon the fragile foundation of this mistaken notion as to the meaning of " general welfare " in the Constitution.

It is about time, gentlemen, that the Congress began to exercise the powers delegated to it by the Constitution. It is only by amending this measure that you can save the American people from the humiliation of an abject surrender by their Congress of the power which the people have delegated to their Representatives in trust, as it were, for themselves. The Republicans in this House have no opposition to the granting of $4,000,000,000 for proper relief purposes. They would willingly give more than that, if necessary, to assist the unemployed, the homeless, the disabled and deserving veterans, the aged, and the needy. But all Republicans stand, as all Democrats should, against that sort of government which timidly throws up its hands in despair, cowardly abandons the American people, surrenders its constitutional powers, and leaves the country without adequate safeguards against bureaucracy and usurpation.

The founders of our Government, from long acquaintance with tyranny, realized that the problem of escaping it and of preserving liberty could be solved only by placing and maintaining limits upon governmental power. So, for the first time in history, they drew up a written constitution of government, containing a body of limited, definite, enumerated delegations of power, solemnly reserving to themselves all powers not enumerated in that instrument. It was hoped thus to protect for all time the person of the citizen against the innate inclination of government to despoil him. One of the essential features of the Constitution is the clear separation of the powers of government into three coequal branches. It is fundamental that no branch shall usurp the powers of the others. To combine them or any two of them was declared by both James Madison and Alexander Hamilton to be despotism.

It is about time that the Congress, as the representatives of the ordinary people, put a stop to the procedure of delegating to new departments and agencies not only its law-making power but even the judicial, so that these bureaus may make and execute their own laws, change them overnight so that no lawyer can locate or find them in any digest, and then send to the penitentiary as criminals American citizens who have been guilty of no greater crime than a refusal to abide by one of the thousands of these bureau-made sumptuary regulations.

No depression or so-called " emergency " can justify such oppression of the citizenry. As Mr. Justice Davis said in the famous Civil War case of *Ex parte Milligan:*

> The Constitution of the United States is a law for rulers and for the people, equally in war and in peace, and covers with the shield of its protection all classes of men at all times and under all circumstances. No doctrine involving more pernicious consequences was ever invented by the wit of man than that any of its provisions can be suspended during any of the great exigencies of government.

Let us go back to orderly constitutional government. Give us the kind of government in which men not only have the right to be heard through their representatives when laws are passed, but to read upon the statute books today, without fear of sudden and momentary change, the rules of conduct they will be called upon to follow tomorrow.

Let us have the courage to protect the ordinary people against the bureaus that today dictate how they must live. " Millions for defense; not one cent for tribute." Billions for the unemployed; yes; but not one iota of surrender of the people's rights under the Constitution. We must protect the unemployed and the hungry against further departmental usurpation. There is only one sure method to assist the needy and to safeguard the people in their constitutional rights. Vote for such an amendment as will give even five billions for relief and at the same time prevent further tampering with our traditional institutions of government. We are sworn to defend the Constitution. I shall therefore vote for the resolution, if so amended. If it be not thus amended, I cannot vote for it and thus betray the people I have been elected to serve. I am interested in the people of a great city area who need work and relief. I cannot conscientiously vote for a measure which gives any individual or agency the unrestricted power to give four billions of the people's money to some rural section of the South or West while the people who carry a great part of the burdens of government are left to starve in the great cities of the land. The plain, ordinary people, who never have their voices heard but who love America and her Constitution as much as we do, today call to us to protect them against further abandonment of the traditional Americanism that made our country great and beloved in the family of nations. Let us beware that we do not betray them. [Applause.]

Mr. WILSON of Pennsylvania. Mr. Chairman, I apologize to no man for the position that I take on this bill; neither do I bend my head to any man in the sincere, honest, workable method of putting men back to work and relieving distress; but when we look at this bill and strip it of its window dressing and its decoys, we are confronted with a proposition which, if supported, stultifies the judgment of any fair-minded, right-thinking Member of this House.

I was not sent here by my constituents to delegate the constitutional authority vested in this House to any single individual or any set of individuals, and I do not propose to start my congressional career on this day by doing so.

There has been much said about this bill concerning the $880,000,000 which is to be used for relief; and yet, as I analyze it, not one word is contained concerning relief for that amount of money.

An analysis of this bill clearly establishes that this is an out-and-out grant of $4,880,000,000 to one individual, to do with as he sees fit, in the way in which he prescribes, and under rules and regulations which he formulates or those to whom he may delegate this authority. This, Mr. Chairman, is in the teeth of the decision of the Supreme Court in the recent oil case, which has already been referred to here.

There is one other reason why I am opposed to this measure, and I call the attention of the House to the state-

ment made by the President of the United States to the joint Congress on January 4, wherein he said, in reference to putting men back to work:

> Preference shall be given to those projects which will be self-liquidating in the sense there is reasonable expectation that the Government will get its money back at some future time.

If I understand the English language, this means nothing more or less than the Government going into private business and in competition with industry. I think this is un-American, not based upon American principles, and, for one, I shall ever oppose it. It is generally conceded that the existing Public Works Administration has not achieved the results claimed for it, and neither will the operation of the powers granted under this joint resolution produce the results its advocates claim.

The only argument advanced for the absence of a plan by the proponents of the resolution is that there has not been time to prepare one. Why, then, this extreme haste? In the absence of a plan, how can labor be put to work?

Let a sincere, honest, and practical plan be submitted to this House and I will support it. [Applause.]

Mr. TABER. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. CHRISTIANSON].

Mr. CHRISTIANSON. Mr. Chairman, those of my colleagues who served in the Seventy-third Congress will, I am sure, concede that I never made it a practice to oppose for any factious or partisan reason measures proposed by the majority. Unless deterred by a sense of duty, I should vote for this bill. Because of some definite objections which I shall set forth, I cannot do so unless it is so amended as to make it a substantially different measure.

This bill goes entirely too far. It empowers the President, without further authority from Congress, to abolish any governmental agency or to extend its life beyond the time fixed by law for its termination, to lend the Government's funds or credit without limitation, to take from a citizen even his personal property under the right of eminent domain, to sell the Government's property, either real or personal, to issue regulations the violation of which shall subject a person to imprisonment for up to 2 years or a fine of up to $5,000, and to delegate any of these powers to any department of the Government. Under the terms of this measure the President, or any official designated by him, could continue the life of N. R. A. beyond June 30 and abolish the Interstate Commerce Commission, the Federal Trade Commission, or the Tariff Commission, or consolidate them with each other or any other governmental agency. Some one has said, perhaps facetiously, that he could even sell the Capitol and transfer the seat of government to Reedsville, W. Va., where it appropriately belongs, the Government having become the most important of all subsistence projects.

Personally I am sure the President does not want these extraordinary powers, for they are the powers of a dictator, not those of the head of a democratic government. They are being wished on him by legislative draftsmen who have not learned to use language carefully; and I should do the Chief Executive a disservice, if I did not raise my voice in caution against an indiscretion which might cause the administration great embarrassment.

If I had no other reason for opposing the passage of this bill, I should do so because, although ostensibly a relief measure, it does not make definite provision for direct relief. Not a dollar is earmarked for the support of those not fortunate enough to share in the employment opportunities furnished by Federal building projects. My apprehension for those luckless people is, I believe, justified by the fact that it is the expressed purpose of the administration to shift responsibility for those who cannot be accommodated with jobs back to the States and their municipal subdivisions. That purpose was clearly indicated this afternoon in the remarks of the Chairman of the Appropriations Committee, and the chairman was but echoing the statement made by the President when in his annual message he declared:

> The Federal Government must and shall quit the business of relief. * * * Local responsibility can and will be resumed, for, after all, common sense tells us that the wealth necessary for this task existed and still exists in the local community.

Read in connection with that announcement of policy, the purpose of the present measure becomes apparent. It is the intention of the administration to use the money appropriated in this measure for public works and to refuse to accept any further direct responsibility for those who are not lucky enough to get jobs. If I should vote for this measure, I should give sanction to that policy. I should sentence to unspeakable and intolerable privation tens of thousands of my constituents, scores of thousands of citizens of my State, for whom it is my duty to speak.

For I must remind you that in the Middle West, where the depression began, not in 1929, but in 1920 when Woodrow Wilson was President, and where the general distress was aggravated by the most destructive drought in the history of the country, many States, counties, and cities are without means to take over the responsibility which the Federal Government now seeks to shift. There are $75,000,000 of delinquent taxes in my State alone; and, in many counties, levying higher taxes will not yield more revenue. Numerous municipalities, and even some counties, have exhausted their credit and cannot borrow. If the Federal Government withdraws from the field of direct relief, I shudder when I think of what will happen to the unemployed in the Northwest during the next 2 years.

We have assurance from one Democratic member of the Appropriations Committee that the $880,000,000 of the pending $4,880,000,000 authorization which is appropriated from unexpended balances, will be used for direct relief. I wish he would give substance to his assurance by placing a specific proviso in the bill. If that is the intention of the majority, why not say so in the only place the assurance will have legal effect—in the bill itself?

But even if the $880,000,000 were definitely allocated, it would afford only a 6 months' respite, if the present need should continue unabated. How will the unemployed provide themselves with food, clothes, fuel, and shelter after the 6 months have expired?

The proponents of this bill have, I acknowledge, an answer. They say that the $4,000,000,000 provided for public works will give jobs to 3,500,000 men and that it will no longer be necessary to give direct relief to anybody willing and able to work. What optimism, what simple faith in the power of government to perform miracles.

Let us look at the record, as one prominent Democrat is wont to say. Two years ago we were assured that if we would but appropriate $3,300,000,000 for public works, the specter of unemployment would no longer haunt us. Supplemented by N. R. A. and a few other alphabetical expedients, P. W. A. would give every man a job and restore prosperity. Despite that assurance, given undoubtedly with the utmost sincerity, there were, according to the American Federation of Labor, 850,000 more jobless men in the United States on September 1, 1934, than on the corresponding date in 1933. On November 1, 1934, after plenty of blueprints had been drawn and enough projects given the official approval of Secretary Ickes to afford P. W. A. the utmost job-dispensing potency, there were, according to the Department of Labor, only 475,000 men employed on public projects, despite the fact that $2,000,000,000 was spent during the year.

Let me ask our Democratic associates, in all sincerity, not to embarrass them or to suggest even the slightest shortcoming in their administration of P. W. A., but to get them to do some straight thinking on the unemployment problem—which is their major responsibility—if an expenditure of $2,000,000,000 put only 475,000 men to work in 1934, what leads them to believe that spending $4,000,000,000 during the next 2 years—$2,000,000,000 in 1936 and a like amount in 1937, will make possible the reemployment of 3,500,000 men.

The experience with public works as a pump-priming device has failed in this and other countries. Great Britain tried it and gave it up. Germany toyed with the same idea

for a while and charged the cost up to experience. Evidently the United States is the one country that refuses to learn from its past failures. If we persist in our folly, we shall wreck the country instead of saving it.

Experience has shown that it costs approximately $4,000 to keep one man employed a year. If we should try to give each of the 10,000,000 unemployed a job—and there is no reason why we should discriminate against any—the annual cost would be $40,000,000,000—one-fifth of the present value of all the physical wealth in America. In 5 years the Nation's resources, private as well as public, would be completely exhausted. Such a cure is worse than the disease. Its folly is comparable to that of advising a hungry man to appease his hunger by dismembering and eating his own body.

Happily it is not necessary to ask America ultimately to destroy itself in order to prolong life for a few years. There is a better way. Primarily our present trouble is due to a debt burden which was the aftermath of war and post-war inflation. In that respect the present depression follows the pattern of 1837, 1857, 1873, and 1893. When price levels advance, speculation inevitably follows, and men go into debt. When the bubble bursts, prices and incomes fall sharply, but debts remain stationary, with the result that the net incomes of debtors shrink to almost nothing and the incomes of creditors increase in terms of buying power. In 1929 the income of the American people was $85,000,000,000, of which $10,000,000,000 had to be paid out as interest on $200,000,000,000 in indebtedness. By 1933 the total income had shrunk to $39,000,000,000, but interest still exacted its $10,000,000,000, for rates had remained stationary.

After the people had met their interest charges in 1929 they had $75,000,000,000 left with which to buy the products of the farms and factories. After they had met the debt charges in 1933 they had but $29,000,000,000 left. It is impossible to reduce the buying power of the debt-owing majority of the American people two-thirds in 4 years without paying the penalty of unemployment. To me it is not strange, in view of this terrific dislocation, that there are 10,000,000 people out of work. It is strange that a single wheel is turning and that the economic machine has not stopped entirely.

So I say to you members of the majority that if our present trouble is due to debts, you are engaged in a hopeless task when you try to get us out of trouble by putting the country deeper into debt. If you should force an average reduction of 50 percent in interest rates and make the creditor bear his fair share of the cost of the depression, you would leave $5,000,000,000 more buying power in the hands of the debt-ridden masses—two and one-half times as much each year as you will give them even if you succeed in the impossible task of putting 100 cents into the wage worker's pocket for every P. W. A. dollar spent. That would stimulate recovery, and would do it without leaving posterity the legacy of a bankrupt country.

I have little faith in the expedient of equalizing wealth by taxing the people. Excessive taxation does, it is true, make the rich poorer, but it makes the poor poorer too. I would rather bring about that fairer distribution of income which all forward-looking men desire by removing the special advantages that enable some men to get more than their share of the common income. The one privilege which, more than any other, results in disparity is that of collecting 6-percent interest on a 3-percent investment. We can stop it, not by adopting any fantastic monetary or banking devices, but by following the examples of Great Britain and Australia, where interest rates have been lowered by resort to methods that are tried and sound and where, without any of the bootstrap-lifting expedients of N. R. A. and P. W. A., real progress has been made on the road to recovery

Our Democratic colleagues show remarkable clarity of judgment at times, when they speak off the record. One of them said to me the other day, "You cannot get water by priming a pump in a dry well." The wisdom of that remark I commend to your thoughtful consideration.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, after listening to the impassioned oratory and idealism that we have heard this afternoon, I am going to content myself with realities, because my boss lives away out 900 miles from here and consists of all of the people in six counties in the Sixteenth Congressional District of Illinois. I am concerned with what they think about this bill and nobody else, because they are the only folks to whom I am accountable for my actions and for my vote. I just looked outdoors and I see 6 inches of snow on the ground. I went in and looked at the weather map and find that it is 30° below zero at St. Paul, 10° below zero at Milwaukee, and it is even freezing down in TOM BLANTON'S country around Abilene, Tex.; and if they had this $4,000,000,000 right now, they could not use it particularly because of the state of the weather that prevails all over the country. Secondly, I am not interested in any pork barrel. Even if I had a taste for pork, you folks on the majority side would not let me have any anyway, so I am not concerned about that. Third, I am not concerned about the political implications in this bill. If President Roosevelt's economic theories and conceptions are correct, he would doubtless be elected and reelected in 1936 in spite of anything that we could do. On the other hand, if his theories are wrong, if you had $4,000,000,000 or 10 times $4,000,000,000, you would never reelect him to office. So I am not concerned about the political implications that may be written into this bill.

Here is what concerns me: First of all, I am going to have to go back to Illinois and answer to those people on the basis of equity and fairness. Under the relief program for the first 9 months of 1934, Florida got 99 percent of all her relief expenditures out of the Federal till. Mississippi got 99 percent, and we got 57 percent in Illinois. If you are going to scrape the bottom of the Federal till for your States, why not give us an opportunity to do the same thing. Yet there is no safeguard or assurance in this bill that we are going to receive fair and equitable treatment from Uncle Sam when it comes to relief and relief work.

This great disparity in sharing in the largesse of the Federal Government is true in many other States. New Mexico, for instance, received 99 percent of her relief expenditures from Uncle Sam, Louisiana received 98 percent, and Tennessee 98 percent. On the other hand, standing alongside Illinois is New York, which received but 54 percent, and Iowa, which received but 51 percent. Nine States, mostly from the North, received around 55 percent, whereas 16 States, many of which are in the extreme South, received well over 90 percent of all their relief funds from the Federal Treasury.

Now, whatever is sauce for the goose is sauce for the gander. I maintain that in my State the proportion of our population that is either on relief or unemployed is just as large as in other States. They get just as hungry. They have the same requirements of fuel and clothing and necessities, and it is high time that these donations from the Public Treasury, whether it be direct relief or expenditures for relief projects, be made equitably and on the basis of the ratio which the unemployed and needy in Illinois bear to the whole number of such folks in this entire Nation.

I hope no one will come into the Well of this House again this afternoon or at any other time and say that the Republican Party is opposed to a public-works program for relief. First of all, you insult the Members on the Republican side, and you never heard anybody on that side say it. We are for a work-relief program just as you are, and in the interest of truth, candor, and accuracy you have not any right to come into this Well and make a charge of that kind.

I am willing to go as far as the most liberal Democrat in this House in providing relief of all kinds, and particularly work-relief projects such as contemplated in this bill, and if the present amount is inadequate, I am in favor of providing more. It is not a case of the amount involved;

it is not a difference of opinion as to how best to lift people out of their distress. There seems to be a singular unanimity of opinion among Democrats and Republicans alike that projects must be found to give employment. The question involved here is the ruthless way you seek to go about it. Not a single soul has been persuasive or convincing that this need be hurried. Mr. Hopkins still has some relief money. Secondly, the money appropriated in this bill will not be available until June 30 of this year. You have no well-defined program for the expenditure of this money. You completely nullify the provisions of the Civil Service Act and the Classification Act and set in motion thereby a tremendous force for the destruction of civil-service principles and substitute inefficiency.

Then you hand over to the Chief Executive a broad delegation of authority, under which he can abolish, revise, alter, consolidate the functions of the various agencies of government. By the terms of section 4 he could by proclamation continue the N. R. A. in effect until the middle of 1937, even though both labor and capital have repeatedly expressed themselves in favor of changes and alterations so as to make the N. R. A. more effective.

If this resolution is passed and the House completes the regular appropriation bills and the security measure, it might just as well adjourn, so far as its effectiveness is concerned. In fact, one might almost perceive in this measure an attempt to hasten adjournment and thereby defeat possible action on the bonus and some other important legislation.

Just bear in mind, gentlemen and ladies of the House, that you are accountable to the folks back home. You will be accountable to labor, to the farmer, to the business men, and to the unemployed back home.

When I return home and make a report to labor and laboring men in my district, what shall I say to them? Shall I say that I voted for a bill which was to provide for them the munificent sum of $50 per month, according to the testimony of Admiral Peoples himself? Shall I say to them that I voted for a bill to take them off the dole and give them starvation wages as a kind of subsidy on the theory that to hold the wage level so low it will retain their incentive to go back into private industry. The theory is all right, but is there anyone who will contend that $12.50 is a living wage? Will anybody contend that an American family can live in decency and respect on $12.50 per week. You know very well how it will work. A man procures a job on one of these projects. He is removed from the relief rolls. Even though the $12.50 is wholly inadequate to his needs, he will not receive any aid from relief sources. They will complacently say that he now has a job and should be able to get along. If he quits because it is inadequate pay, they will say he is lazy. I am not willing to vote for any measure which under the pretext of saving the fiber of our people from disintegration places them on a starvation wage. Fine phrases do not fill empty bellies.

Moreover, this $50 wage level may work two ways: Instead of being an incentive to pull men back into industry it may also provide an excuse for pulling present wage levels down, and anyone knows that they are low enough now. I cannot see the workingmen in my district, and to whom I am accountable, take that chance; and I cannot endorse a measure which makes a diminution of wages possible.

I shall have to report to the farmers in my district, and what kind of a report shall I make? You will recall that the American Farm Bureau Federation and the National Grange both passed resolutions condemning the expenditure of more public money for reclamation projects while the A. A. A. is still in operation and reducing some of the very best acreage and taking it out of production for the next crop year. Last year, as you remember, when the Interior appropriation bill came before this body, we specifically wrote into it a clause to the effect that no portion of the funds therein should be used to reclaim additional land. It would be the height of folly and inconsistency to do so. Now, if present reports are accurate, it was indicated that one of the reasons for the disagreement on this rule in Rules Committee was because it did not specifically provide for additional reclamation and irrigation projects in the West. Pass this resolution, and you know very well that some of this money will be used for that purpose, and will not provide much employment, either.

Shall we now permit millions of this money to be spent to expand our agricultural domain while we still pay wheat, tobacco, cotton, and corn farmers cash benefits to curtail production and reduce acreage? I promised the farmers in my district that I would never vote to spend a single dollar to add more land so long as many of their fine, fertile acres lie idle.

We can have a relief measure brought in here that can be passed in ample time to start the works program; we can bring in a bill that is free from so many objectionable features. We can bring in a bill that will be agreeable to most of the Members of this House and do it within a week. We can have a bill that is free from the "pork barrel" taint. Then why not do it?

I am not unmindful of the important aspects of the doubtful constitutionality of this measure; nor am I unmindful of the fact that Congress in this measure abdicates its rights and powers. But of equal importance is the stern fact that you must ultimately report to the folks back home and not to the other end of Pennsylvania Avenue.

Stop for a moment and ponder on what so far-reaching a measure as this may do to the laboring man, the farmer, the business man, and the unemployed folks back home, and let that be your guide when you are recorded on this measure. [Applause.]

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. BOLTON].

Mr. BOLTON. Mr. Chairman, in the short time allotted to me I want to again emphasize what to me is the basic and most serious fundamental change contemplated in the proposed legislation, namely, that of Congress surrendering its duty and power of definitely appropriating the taxpayers' money.

Under the Constitution Congress is charged with levying and collecting taxes to pay the debts and provide for the general welfare of the United States. This is the function as laid down by basic law, and has always been adhered to until the present administration came into power. Congress has never surrendered its prerogatives heretofore, even in times of war and of great distress.

With little opportunity for amendment or debate, the House is today asked to pass an appropriation of nearly $5,000,000,000 and place the sum at the disposal of the Chief Executive to do with as he sees fit during a period running beyond his present term of office and during which there will be two subsequent sessions of Congress, the only limitation being that it is to be spent for the general welfare of the country. In so doing, Congress surrenders all right it may have to designate the use and purpose to which this immense fund should be applied, a responsibility which it should be better able to discharge and with which it should, as a body, be more familiar than any one individual could be.

The people of the country elected their Representatives to act for them in matters of this sort. They did not expect them to delegate their constitutional duties to the Chief Executive, to be in turn assigned to subordinates and appointive officers, in the selection of which the people have had no choice whatever and who are not in any sense representative of the people.

My opinion is confirmed by the words of Mr. Justice Story, formerly a member of the Supreme Court, who, in volume III of his Commentaries on the Constitution, wrote:

> As all the taxes raised from the people, as well as the revenue arising from other sources, are to be applied to the discharge of the expenses and debts and other engagements of the Government, it is highly proper that Congress should possess the power to decide how and when any money should be applied for these purposes. If it were otherwise, the Executive would possess an unbounded power over the public purse of the Nation and might apply all its moneyed resources at his pleasure. The power to control and direct the appropriations constitutes a most useful and salutary check upon profusion and extravagance as well as upon corrupt influence and public peculation. In arbitrary govern-

ments the prince levies what money he pleases from his subjects, disposes of it as he thinks proper, and is beyond responsibility or reproof. It is wise to interpose, in a republic, every restraint by which the public treasure, the common fund of all, should be applied with unshrinking honesty to such objects as legitimately belong to the common defense and the general welfare. Congress is made the guardian of this treasure; and to make their responsibility complete and perfect, a regular account of the receipts and expenditures is required to be published, that the people may know what money is expended, for what purposes, and by what authority.

There can be no doubt as to the opinion of that able justice on the duties of Congress with regard to the appropriation of public moneys.

Every single one of us is interested in relieving conditions surrounding those in distress, and this necessity must be met. But I am not unmindful of the fact that I represent the populace of a district and a State paying a large proportion of the taxes of this country. It is my duty to assume the responsibility placed upon me and not delegate it to the executive branch of our Government.

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to my colleague on the committee, Mr. TAYLOR of Colorado.

Mr. TAYLOR of Colorado. Mr. Chairman, like the gentleman from Illinois [Mr. DIRKSEN], I am not very much concerned about the political implications of this bill. As he said, if the President's program is successful, he will be triumphantly reelected and the Democratic Party will remain in power. If it is a failure, we are the ones who are taking the political responsibility for it. There is no other program for us. Neither the Republican Party nor anyone else has any program. The President has evolved this program, and I feel we are not only justified but also obligated to the American people to carry it out. There is, practically speaking, not a single power granted in any of the provisions of this bill which has not been granted heretofore, and many of them are on the statute books at the present time. But I am not going to discuss the bill.

There is one angle of the matter to which I want to refer. The distinguished gentleman from New York [Mr. TABER], the ranking minority member and my colleague on the Appropriations Committee, in his speech a few moments ago said "this law would be administered by incompetent substitutes, such as Ickes and Hopkins." I hold no brief for either Secretary Ickes or Mr. Harry Hopkins. They are abundantly able to take care of themselves, and their public records speak for them. But I have been closely associated with all of the Secretaries of the Interior for the past 40 years.

For many years, as you all know, as a member and in recent years as the chairman of the Interior Department appropriations subcommittee, I have had a great deal to do with appropriation of the funds that have gone to that great Department. I have, necessarily, every year made an intensive study and investigation of all its thousands of activities, extending from the Arctic Circle to the Equator. Our country has been very fortunate in having some really great men in that office, and two of them came from Colorado. The West has always been especially proud of Henry M. Teller. Among all those Secretaries we have never had one who has been more courageous, more honest, or more efficient than the one we have at the present time. [Applause.] I feel that we western Members cannot, in fairness to an exceptionally able and conscientious public official, sit on the floor of this House and listen to aspersions cast against our Secretary of the Interior without expressing our protest and condemnation. He has made enemies and millions of our people admire him for the enemies he has made. He has made those enemies; he kicked the lobbyists, crooked contractors, and grafters out of the Interior Department Building, because he had the honesty, the courage, nerve, backbone, and patriotism to stand up against the combined power interests of the United States; to defy the "hot oil" combinations of the United States, to protect the Indians of the United States, to stop the looting of the public domain of the United States, and to protect Uncle Sam's property. [Applause.]

In all of the $2,000,000,000 that he has expended during the past 2 years, no one can point a finger to a single dollar that has been misapplied as far as he is concerned. He has a clean record and the effort to besmirch it is an outrage. I feel that we from the West owe him and owe this administration a statement of our confidence in the Secretary of the Interior in administering those activities.

I have heard the statement made that one reason certain factions seek to block this bill that the President so earnestly requests is that of fear that the Secretary of the Interior may be charged with the duty of administering some of the funds.

I have no fear of Secretary Ickes being called upon to administer portions of this fund. So far as the West is concerned, I hope he will be charged with that duty. If he is, the funds will be honestly, courageously, and intelligently handled.

His is a job which, if honestly and efficiently carried out, inevitably causes antagonism. No human being could faithfully perform all his duties without making enemies.

Never before in the history of our Government have such gigantic tasks and overwhelming responsibilities been imposed upon any Secretary of the Interior, and never before has a Secretary discharged them with so much credit. As Federal Administrator of Public Works, Administrator of the Petroleum Code, in addition to his countless tasks as Secretary, he has a thousand seductive opportunities to betray his oath of office to curry favor with many. No one can or dare say he has ever betrayed his oath. It seems to me that much of this criticism of Secretary Ickes is a subterfuge for trying to handicap the President's recovery program by discrediting this worthy and efficient Cabinet officer. There is no official in the Government service that works longer hours day and night than he does.

As Public Works Administrator he has hewed to the line, and the land speculators, skimping contractors, and their kith and kin have been stopped. Where, before in our history, can we find such a vast sum of money as this Public Works Administrator has distributed, handled without a breath of suspicion, scandal, or graft? Nowhere. It is an enviable record. Those crooks did not get theirs and they are out for revenge. I will not fight their battles. I say, "More power to the Secretary of the Interior."

The Public Works Administrator has not hesitated to supply funds to municipalities desiring to build and own their power plants and free themselves from the yoke of the Power Trust, which has long extorted exorbitant rates from them. Dozens of such allotments have been made by the Public Works Administrator, and every one was a thorn in the side of the Power Trust. Great Federal power projects have been financed by the Public Works Administrator, carrying out the President's policy of providing wide distribution of cheaper electrical power to the profit of the country. The power interests dare not attack the President openly, for they read the election returns, so they attack his Public Works Administrator, and he receives their blows without a cry for mercy or a move to dodge.

There is another group who would harass and curb him. That greedy group consists of those who look with longing eyes at the wealth and domain of the Indians, for he is protector of the remnants of these original Americans and fulfills this task well. He could dissipate the Indian wealth and he would have many friends, but he prefers to be true to his trust and now we see the result.

There is another group who are enemies of this public servant, and in this I "know whereof I speak." Those who are willing to despoil the public domain for their own gain have been curbed by his fearless administration of the public domain. At the last session of Congress, I had the honor of bringing forth upon this floor a measure now known as the "Taylor Grazing Act", designed to protect this domain. It was passed by the House and by the Senate and became the law of the land on the 28th of last June and the duty of adminstering the act was entrusted to the Secretary of the Interior. I have followed its administration closely since that time and I am proud of the way the act that bears my name has been administered and well do I know the enemies that such honest administration has aroused.

We hear cries of those who are curbed that the Public Works fund has not been distributed rapidly enough; that too many safeguards and checks have been put upon it. Since when has it been against the public interest to put safeguards and checks on the expenditure of public money? Who is it that feels that such safeguards are improper and who is it that does not wish a full accounting made of public funds? But despite all this sharpshooting and these fraudulent accusations, the record of the Public Works Administrator is an excellent one. When this Administrator took up his task, it was a new duty, without precedent, without organization, without policy—all of these he has developed. Let those who have challenges be specific and look at the record P. W. A. has built.

At the beginning of this year, expenditures on all phases of the Public Works program exceeded $2,000,000,000. Does any one think that that record is not one of sufficient speed in such a mighty task?

At the beginning of the year, 9,100 projects had been completed, 7,600 were under construction, and 2,800 others had been set up and received allotments so that construction could commence promptly. P. W. A. signs dot the map of our entire country and every one is a hallmark of merit, and behind each sign is a useful public work, honestly and conscientiously built. I predict that the future history of our country will honor the Secretary as one of the greatest constructive conservationists our Nation has ever produced.

Some 2,000,000 persons have received gainful employment directly attributable to P. W. A. With their dependents, this means some 7,000,000 persons are kept from the relief rolls by the Public Works program.

Now our President, who has examined this effort and judged it, deems it wise that we enlarge it. Who is it that wishes to check his hand by attempting to prescribe, in an arbitrary manner, how and what he shall do and which public servant or agency he shall call to his assistance. I disclaim any such desire or intent. What the President seeks I appeal to my colleagues to give to him.

The great mass of the people of the West appreciate this Herculean work and are duly grateful to Secretary Ickes. [Applause.]

The CHAIRMAN. The time of the gentleman from Colorado [Mr. TAYLOR] has expired.

Mr. BUCHANAN. Mr. Chairman, I yield 3 minutes to my colleague on the committee, Mr. BLANTON.

Mr. BLANTON. Mr. Chairman, our new evangel from Galena, the Republican pinch-hitter for McGugin, is very, very apprehensive about a possible dictator. I used to travel through the Galena country straddling the line between Missouri and Kansas, and on the right I would see mountains of lava and on the left more mountains of lava, and never until today did I know what caused all that eruption. [Laughter and applause.]

Mr. SHORT rose.

Mr. BLANTON. Directly I will yield. All of the dictators with whom our friends across the aisle have been intimately familiar, have been financial dictators, who selfishly ran the affairs of this Government in the interest of the few as against the welfare of the many. The few were enriched and became richer. The many were impoverished and became poorer. It has been the financial dictators of America, who have invested their swollen fortunes in tax-exempt bonds, and paid little of the expenses of this Government, who have almost brought ruin upon us. I wish that it were possible for us to make all bonds and income from all securities taxable.

Let me say to our eloquent exhorter from Galena that Webster defines a dictator as one who has absolute authority. His will is supreme. He is all powerful. His word is law. He is the law. He controls the courts. He uses his power as he wills. He is beyond the reach of legislative control. He makes all laws.

Has this Congress abdicated? Why, no; we are legislating now. Have courts been abolished? Why, no; they are functioning now. The decree of the Supreme Court of the United States is the law of the land. It has to be obeyed. There is no executive power that can persuade it.

If the people of the United States did not have absolute confidence in and respect for the President of the United States they would not be so unanimously in favor of our backing and supporting him. If we did not have absolute confidence in and respect for the President we would not be passing this measure of stupendous magnitude and importance.

We have no Caesar in the White House. We have no Sulla there. We have no Louis XIV giving us commands. We have no Hitler or Mussolini there at the other end of the Avenue. We have no man there who has assumed the powers and the prerogatives of the Supreme Court of the United States. It is still functioning; it still has its powers. We have no man there who has the "all say."

We have a man there who is using faithfully in behalf of all the people of the United States the powers this Congress has delegated to him. Why, our friend is used to the kind of dictator who would use the power selfishly in behalf of the few against the many. I will say to our friend from New Jersey [Mr. EATON] who gives us great preachments, that this particular man we have in the White House has tugging continually at his heartstrings all of the many calls of humanity from one side of the land to the other, even up in cold Minnesota where lives our distinguished friend, Governor CHRISTIANSON, whose people are now out of jobs and who are to be helped by this bill. He is using just what powers we have given him. Suppose he were to attempt to misuse those powers, suppose he were to attempt to misapply them, suppose he were to attempt to benefit the few as against the many. We would stop him in a minute; we would take the power away from him in the twinkling of an eye. But we have all confidence in him, I may say to my friend from Galena.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SHORT. It has been my privilege since the war to have seen and heard Mussolini, Stalin, Hitler, and Horthy, but not a single dictator in all Europe has the power with the money back of him that the present occupant of the White House has.

Mr. BLANTON. No; they have not, because our President has the power to do good. He has the power to relieve suffering. He has the power to restore self-respect, self-reliance, initiative, and self-support in the breasts of American manhood. He has power, but is not abusing it. We have no alarm about dictators because we have no fear of anything of that kind. All of us have confidence in our leader. [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent to insert in the RECORD tonight, for the information of the Members, the amendments to this bill that will be offered by authority of the Committee on Appropriations.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The amendments referred to follow:

Committee amendments to be offered by Mr. BUCHANAN:

Page 1, line 11, strike out the signs and letters "(in-", and strike out all of line 12, and on page 2, strike out all of lines 1, 2, 3, and 4, and all of line 5, down to and including the word "work)", and insert in lieu thereof the following: ", Federal or non-Federal."

On page 5, line 18, after the word "any", insert the word "emergency", and in line 21, after the word "exist;", insert "and."

Page 5, strike out lines 22 to 25, inclusive.

Page 6, line 1, change "(e)" to "(d)."

Page 6, line 11, strike out the words "he may also" and insert in lieu thereof the word "to"; in line 12, strike out the words "or personal"; in line 15, strike out the colon, and strike out all of lines 16 to 20, inclusive, except the period.

Page 6, line 23, before the word "violation", insert the word "willful", and after the sum "$5,000" insert a period and strike out all of line 25.

Page 7, transfer the words and figures "before the 10th day of January", in lines 3 and 4, to follow the word "submitted" in line 2.

Mr. BUCHANAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration House Joint Resolution 117, had come to no resolution thereon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WHITE (at the request of Mr. CLARK), on account of serious illness.

To Mr. SOMERS of New York, indefinitely, on account of illness.

HOUR OF MEETING

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

Mr. KVALE. Mr. Speaker, reserving the right to object simply that I may ask a question—I shall not object—I wish to know at this time if the Membership of the Committee of the Whole may have the assurance from those in charge of the majority that when our patience grows a little thin and is being taxed by amendments we will not receive the treatment that so often is accorded, but that instead upon all amendments there may be a short debate at least.

Mr. BUCHANAN. Mr. Speaker, so far as I am concerned, and speaking for the Committee on Appropriations, I want to be just as liberal on amendments under the 5-minute rule as I possibly can be, just so we finish the bill tomorrow.

Mr. BOILEAU. Mr. Speaker, reserving the right to object, are we going to use the entire day tomorrow for the consideration of this bill?

Mr. BUCHANAN. I think so.

Mr. TAYLOR of Colorado. Mr. Speaker, I would say to the gentleman from Wisconsin that we hope to finish the bill tomorrow and we may take up the Post Office and Treasury appropriation bill Friday, and I hope to adjourn over Saturday.

Mr. BUCHANAN. We have got to finish the bill tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Colorado that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow?

There was no objection.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 267. An act for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature; to the Committee on Foreign Affairs.

S. 859. An act to provide for loans to farmers for crop production and harvesting during the year 1935, and for other purposes; to the Committee on Agriculture.

S. 1190. An act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 33 minutes p. m.) the House, under its previous order, adjourned until tomorrow, Thursday, January 24, at 11 a. m.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

163. A letter from the Chairman of the Federal Communications Commission, transmitting copies of recommendations of five proposed amendments to the Communications Act of 1934; to the Committee on Interstate and Foreign Commerce.

164. A letter from the Chairman of the Federal Communications Commission, transmitting a report containing its recommendations concerning the proposal that Congress, by statute, allocate fixed percentages of radiobroadcasting facilities to particular types or kinds of nonprofit radio programs or to persons identified with particular types or kinds of nonprofit activities; to the Committee on Interstate and Foreign Commerce.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BUCHANAN: Committee on Appropriations. House Joint Resolution 117. Joint resolution making appropriations for relief purposes; without amendment (Rept. No. 15). Referred to the Committee of the Whole House on the state of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 3979. A bill to safeguard the estates of veterans derived from payment of pensions, compensation, emergency officers' retirement pay, and insurance, and for other purposes; without amendment (Rept. No. 16). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. J. Res. 58. Joint resolution to provide for defraying the expenses of the American section, International Boundary Commission, United States and Mexico; without amendment (Rept. No. 20). Referred to the Committee of the Whole House on the state of the Union.

Mr. KERR: Committee on Immigration and Naturalization. H. R. 67. A bill to repeal certain laws providing that certain aliens who have filed declarations of intention to become citizens of the United States shall be considered citizens for the purposes of service and protection on American vessels; without amendment (Rept. No. 21). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 4304. A bill to amend the Second Liberty Bond Act, as amended, and for other purposes; with amendment (Rept. No. 22). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RUDD: Committee on Foreign Affairs. H. R. 330. A bill for the relief of Sophie de Sota; with amendment (Rept. No. 17). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 2569. A bill for the relief of Dee Erick Treat; with amendment (Rept. No. 18). Referred to the Committee of the Whole House.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 3373. A bill for the relief of Anna S. Carrigan; with amendment (Rept. No. 19). Refered to the Committee of the Whole House.

## CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 4043) granting a pension to Emma Cole, and the same was referred to the Committee on Invalid Pensions.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DICKSTEIN: A bill (H. R. 4502) to amend section 17 of the Bankruptcy Act of 1898; to the Committee on the Judiciary.

Also, a bill (H. R. 4503) for the relief of employees of the United States Government who are engaged in the enforcement of Federal laws, and their dependents; to the Committee on the Judiciary.

By Mr. AYERS: A bill (H. R. 4504) authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other purposes; to the Committee on Indian Affairs.

By Mr. BREWSTER: A bill (H. R. 4505) granting the consent of Congress to the State of Maine and the Dominion of Canada to maintain a bridge already constructed across the St. John River between Madawaska, Maine, and Edmundston, Canada; to the Committee on Interstate and Foreign Commerce.

By Mr. COCHRAN: A bill (H. R. 4506) to provide for a building in which to store Government records; to the Committee on Public Buildings and Grounds.

By Mr. DREWRY: A bill (H. R. 4507) to amend sections 1, 2, and 3 of the act entitled "An act to provide for the commemoration of the termination of the War between the States at Appomattox Court House, Va.", approved June 18, 1930, and to establish the Appomatox Court House National Historical Park, and for other purposes; to the Committee on Military Affairs.

By Mr. DEROUEN: A bill (H. R. 4508) to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases; to the Committee on the Public Lands.

By Mr. EAGLE: A bill (H. R. 4509) to provide that transferors for collection of negotiable instruments shall be preferred creditors of national banks in certain cases; to the Committee on Banking and Currency.

By Mr. ELLENBOGEN: A bill (H. R. 4510) to provide pensions for needy blind persons of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HILDEBRANDT: A bill (H. R. 4511) to extend for 1 year contracts covering existing star routes; to the Committee on the Post Office and Post Roads.

By Mr. JONES: A bill (H. R. 4512) to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes; to the Committee on Agriculture.

By Mr. KOPPLEMANN: A bill (H. R. 4513) to authorize payment of claims for unauthorized emergency treatment of World War veterans; to the Committee on World War Veterans' Legislation.

By Mr. KVALE: A bill (H. R. 4514) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army the benefits of such act; to the Committee on Military Affairs.

By Mr. McCORMACK: A bill (H. R. 4515) to provide for the refund of stamps used in respect of beer, ale, porter, or other similar fermented liquor which has become spoiled, and for other purposes; to the Committee on Ways and Means.

By Mr. MARTIN of Colorado: A bill (H. R. 4516) to authorize the Home Owners' Loan Corporation to make loans on the security of certain rural or suburban real estate; to the Committee on Banking and Currency.

By Mr. SWEENEY: A bill (H. R. 4517) to provide for the appointment of one additional judge for the northern district of Ohio; to the Committee on the Judiciary.

By Mr. TURNER: A bill (H. R. 4518) to exempt not less than 2 bushels of field corn per week from the processing tax in certain cases; to the Committee on Agriculture.

By Mr. WILSON of Louisiana: A bill (H. R. 4519) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes", approved May 15, 1928, as amended; to the Committee on Flood Control.

By Mr. DONDERO: A bill (H. R. 4520) to provide for an additional $2,000,000,000 of bonds to be issued by the Home Owners' Loan Corporation, to make mortgages in default on December 1, 1934, eligible for refinancing, and to authorize additional cash advances; to the Committee on Banking and Currency.

By Mr. McMILLAN: A bill (H. R. 4521) to extend the benefits of the World War Adjusted Compensation Act to provisional commissioned officers; to the Committee on Ways and Means.

By Mr. MURDOCK: A bill (H. R. 4522) authorizing the Southern Ute and the Ute Mountain Bands of Ute Indians, located in Utah, Colorado, and New Mexico, to sue in the Court of Claims; to the Committee on Indian Affairs.

By Mr. SIROVICH: A bill (H. R. 4523) providing for the recording of patent pooling agreements and contracts with the Commissioner of Patents; to the Committee on Patents.

By Mr. SADOWSKI: A bill (H. R. 4524) to amend the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

By Mr. BURNHAM: A bill (H. R. 4525) amending the Shipping Act, 1916, as amended, for the purpose of further regulating common carriers by water; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 4526) amending the Shipping Act, 1916, as amended, for the purpose of further regulating common carriers by water; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. KELLER: A bill (H. R. 4527) to extend the times for commencing and completing the construction of a bridge across the Ohio River at or near Cairo, Ill.; to the Committee on Interstate and Foreign Commerce.

By Mr. MALONEY: A bill (H. R. 4528) to extend the times for commencing and completing the construction of a bridge across the Mississippi River between New Orleans and Gretna, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. RAMSAY: A bill (H. R. 4529) to amend section 113 of the Judicial Code, as amended (U. S. C., title 28, sec. 194); to the Committee on the Judiciary.

Also, a bill (H. R. 4530) authorizing the Brookewell Bridge Co. to construct, maintain, and operate a toll bridge across the Ohio River at or near Wellsburg, W. Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. SUMNERS of Texas: A bill (H. R. 4531) to provide for the taking of depositions in criminal proceedings, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 4532) to make the husband or wife of accused a competent witness in all criminal prosecutions; to the Committee on the Judiciary.

Also, a bill (H. R. 4533) to regulate the defense of alibi in criminal cases; to the Committee on the Judiciary.

Also, a bill (H. R. 4534) to amend the act approved February 13, 1925, entitled "An act to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes"; to the Committee on the Judiciary.

Also, a bill (H. R. 4535) providing for waiver of prosecution by indictment in certain criminal cases; to the Committee on the Judiciary.

Also, a bill (H. R. 4536) to amend an act entitled "An act to make persons charged with crimes and offenses competent witnesses in United States and Territorial courts", approved March 16, 1878; to the Committee on the Judiciary.

By Mr. BRUNNER: A bill (H. R. 4537) authorizing Charles V. Bossert, his heirs and assigns, to construct, maintain, and operate a bridge across the East River between Bronx and Whitestone Landing; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK of Idaho: A bill (H. R. 4538) to change the designation of Lefler Place to Second Place; to the Committee on the District of Columbia.

By Mr. MEAD: A bill (H. R. 4539) to alleviate the hazards of old age, unemployment, illness, and dependency, to establish a social insurance board in the Department of Labor, to raise revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. WELCH: A bill (H. R. 4540) to authorize a postponement of the effective date of the first sentence of sec-

tion 15 of the act of June 12, 1934, to revise air-mail laws; to the Committee on the Post Office and Post Roads.

By Mr. DEMPSEY: A bill (H. R. 4541) to extend the provisions of section 2 of the act of February 28, 1925, authorizing reservations of timber, minerals, or easements to exchanges of lands in the State of New Mexico, under the act of February 14, 1923, and the act of February 7, 1929; to the Committee on the Public Lands.

By Mr. DOXEY: A bill (H. R. 4542) to promote sustained yield units of forest management and to stabilize dependent local communities and industry; to the Committee on Agriculture.

By Mr. GAVAGAN: A bill (H. R. 4543) to establish a national conservatory of music for the education of pupils in music in all its branches, vocal and instrumental, and for other purposes; to the Committee on Education.

Also, a bill (H. R. 4544) to authorize the Secretary of War to prosecute the work of improvement of the New York State Barge Canal, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. WILSON of Louisiana: A bill (H. R. 4545) to authorize an emergency appropriation for flood control and flood protection in areas where human life and property are endangered; to the Committee on Flood Control.

By Mr. SIROVICH: A bill (H. R. 4546) to provide for legalizing the residence of certain classes of aliens in the United States of America; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4547) giving preference within quotas to certain relatives, who are aliens, of citizens of the United States of America; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4548) permitting the husband or wife of an American citizen entitled to nonquota visa to remain in the United States of America and obtain visa from the Secretary of State; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4549) to exempt certain aliens from quota; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4550) fixing the liability of owners of vessels; to the Committee on Merchant Marine, Radio, and Fisheries.

Also, a bill (H. R. 4551) to provide for the deportation of and exemption therefrom of certain aliens who have entered the United States of America unlawfully; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 4552) to provide for the cooperation of the Federal Government with the several States, Territories, and the District of Columbia in maintaining the public-school system, and for other purposes; to the Committee on Education.

By Mr. SAUTHOFF: Resolution (H. Res. 68) to reduce the Membership of the House; to the Committee on the Judiciary.

By Mr. EAGLE: Joint resolution (H. J. Res. 127) authorizing the President to invite the States of the Union and foreign countries to participate in the Oil Equipment and Engineering Exposition at Houston, Tex., to be held April 8 to April 13, 1935, inclusive; to the Committee on Foreign Affairs.

By Mr. SNYDER: Joint resolution (H. J. Res. 128) proposing an amendment to the Constitution of the United States relative to taxes on certain incomes; to the Committee on the Judiciary.

By Mr. McDUFFIE: Joint resolution (H. J. Res. 129) to amend the joint resolution entitled "Joint resolution for the relief of Puerto Rico", approved December 21, 1928, to permit an adjudication with respect to liens of the United States arising by virtue of loans under such joint resolution; to the Committee on Insular Affairs.

By Mrs. NORTON: Joint resolution (H. J. Res. 130) authorizing the use of public parks, reservations, and other public spaces in the District of Columbia; and the use of tents, cots, hospital appliances, flags, and other decorations, property of the United States, by Washington (D. C.) 1935 Shrine Committee, Inc., and for other purposes; to the Committee on the District of Columbia.

By Mr. WEARIN: Joint resolution (H. J. Res. 131) authorizing the Federal Trade Commission to make an investigation with respect to agricultural income and the financial and economic condition of agricultural producers generally; to the Committee on Interstate and Foreign Commerce.

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## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BERLIN: A bill (H. R. 4553) for the relief of Charles N. Fetters; to the Committee on Military Affairs.

By Mr. BLOOM: A bill (H. R. 4554) granting an increase of pension to Martha J. Constant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4555) for the relief of Wiener Bank Verein; to the Committee on Foreign Affairs.

By Mr. BOYLAN: A bill (H. R. 4556) authorizing the estate of John Gellatly, deceased, and/or Charlyne Gellatly, individually, to enter suit in the United States District Court for the Southern District of the State of New York, for the return of an art collection and objects of art claimed to have been obtained by agents or representatives of the Smithsonian Institution and of the United States Government, and for other purposes; to the Committee on the Judiciary.

By Mr. BRUNNER: A bill (H. R. 4557) for the relief of George A. Voss; to the Committee on Naval Affairs.

Also, a bill (H. R. 4558) authorizing the payment of the claim of Letty Lash, Nina B. Burroughs, and Emmie Dabney; to the Committee on Claims.

By Mr. BUCKLER of Minnesota: A bill (H. R. 4559) for the relief of George Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 4560) for the relief of the Dalton Grain & Lumber Co.; to the Committee on Claims.

By Mr. CARDEN: A bill (H. R. 4561) for the relief of S. Q. Adams; to the Committee on War Claims.

By Mr. CARLSON: A bill (H. R. 4562) granting a pension to Bertha A. Kendall; to the Committee on Pensions.

By Mr. CLARK of Idaho: A bill (H. R. 4563) for the relief of Lawrence J. Kessinger; to the Committee on Claims.

Also, a bill (H. R. 4564) granting a pension to William R. S. Lane; to the Committee on Pensions.

By Mr. COLMER: A bill (H. R. 4565) for the relief of Lucile Smith; to the Committee on Claims.

Also, a bill (H. R. 4566) for the relief of Elsie Lovell Weeks; to the Committee on Claims.

By Mr. DRISCOLL: A bill (H. R. 4567) for the relief of Robert E. Callen; to the Committee on Claims.

Also, a bill (H. R. 4568) for the relief of Forrest D. Stout; to the Committee on Claims.

By Mr. EAGLE: A bill (H. R. 4569) for the relief of C. N. Markle; to the Committee on Claims.

Also, a bill (H. R. 4570) for the relief of Amy McLaurin; to the Committee on Claims.

Also, a bill (H. R. 4571) for the relief of William W. Bartlett; to the Committee on Claims.

Also, a bill (H. R. 4572) authorizing the retirement of First Lt. Lucius L. Handly, Medical Corps, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4573) for the relief of the Concrete Engineering Co.; to the Committee on Claims.

Also, a bill (H. R. 4574) for the relief of the heirs of Frank Boddeker; to the Committee on Claims.

Also, a bill (H. R. 4575) to correct the naval record of John Edward Anderson; to the Committee on Naval Affairs.

By Mr. EVANS: A bill (H. R. 4576) for the relief of Fred J. Byers; to the Committee on Claims.

By Mr. FITZPATRICK: A bill (H. R. 4577) for the relief of Thomas Joseph Strahan; to the Committee on Naval Affairs.

Also, a bill (H. R. 4578) for the relief of Thomas Alexander Patterson; to the Committee on Naval Affairs.

By Mr. FLETCHER: A bill (H. R. 4579) granting an increase of pension to Sarah L. Kooken; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4580) granting an increase of pension to Minerva Wagner; to the Committee on Pensions.

Also, a bill (H. R. 4581) granting an increase of pension to Cora L. Cole; to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 4582) granting a pension to Gabriel Patrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4583) granting a pension to Margaret Officer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4584) granting a pension to Martha J. Hopper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4585) granting a pension to Bettie A. Reese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4586) granting a pension to Lau Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4587) granting a pension to Gemima Reeves; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4588) granting a pension to Lillie Siemiller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4589) granting an increase of pension to Fronia L. B. Norwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4590) granting an increase of pension to Ada A. Bevers; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 4591) granting a pension to James M. Wilson; to the Committee on Pensions.

By Mr. GAVAGAN: A bill (H. R. 4592) granting a pension to Matthew A. Henson; to the Committee on Pensions.

Also, a bill (H. R. 4593) granting a pension to Margarita T. Downing; to the Committee on Invalid Pensions.

By Mr. GOLDSBOROUGH: A bill (H. R. 4594) to provide for an examination and survey for the purpose of constructing a canal between Cambridge Creek and Fishing Bay by way of Little Blackwater River, in Dorchester County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 4595) to provide for the examination and survey of Nanticoke River at and up Jones Creek at Waterview, Wicomico County, Md.; to the Committee on Rivers and Harbors.

By Mr. GREEN: A bill (H. R. 4596) granting a pension to Cornelious Spilliane; to the Committee on Pensions.

By Mr. HESS: A bill (H. R. 4597) granting a pension to Ida L. Becker; to the Committee on World War Veterans' Legislation.

By Mr. JOHNSON of West Virginia: A bill (H. R. 4598) granting a pension to Mary A. Ruble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4599) granting an increase of pension to Olive J. Ebert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4600) granting an increase of pension to Mary E. Pritchard; to the Committee on Invalid Pensions.

By Mr. KEE: A bill (H. R. 4601) for the relief of the heirs of Gladys Picklesimer; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 4602) to carry into effect the findings of the Court of Claims in the matter of the claim of the First Columbia National Bank, of Columbia, Pa.; to the Committee on War Claims.

By Mr. KOPPLEMANN: A bill (H. R. 4603) for the relief of John Liscovitch; to the Committee on Military Affairs.

Also, a bill (H. R. 4604) granting a pension to Ann M. Callery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4605) granting a pension to Hattie E. Clapp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4606) granting a pension to James H. Devlin; to the Committee on War Claims.

Also, a bill (H. R. 4607) granting a pension to Thomas J. Kileen; to the Committee on Pensions.

Also, a bill (H. R. 4608) granting a pension to Excelia Lague-Leyo; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4609) for the relief of Minnie Rosenblatt; to the Committee on Claims.

Also, a bill (H. R. 4610) for the relief of John J. Moran; to the Committee on Claims.

Also, a bill (H. R. 4611) for the relief of Thomas F. Gibbons; to the Committee on Military Affairs.

Also, a bill (H. R. 4612) for the relief of John Neuhs; to the Committee on Military Affairs.

Also, a bill (H. R. 4613) for the relief of James F. Flannigan; to the Committee on Military Affairs.

Also, a bill (H. R. 4614) for the relief of Andrew M. Jeffrey; to the Committee on Military Affairs.

Also, a bill (H. R. 4615) for the relief of Albert A. Clay; to the Committee on Military Affairs.

Also, a bill (H. R. 4616) for the relief of William Rusk; to the Committee on Naval Affairs.

Also, a bill (H. R. 4617) for the relief of John S. Carroll; to the Committee on Naval Affairs.

Also, a bill (H. R. 4618) for the relief of Walter Kaszubski; to the Committee on Naval Affairs.

Also, a bill (H. R. 4619) for the relief of Joseph Salinghi; to the Committee on Claims.

Also, a bill (H. R. 4620) for the relief of Guiseppe Rossi; to the Committee on Claims.

Also, a bill (H. R. 4621) for the relief of Edward C. Sullivan; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 4622) for the relief of the Reliable Importing Co.; to the Committee on Claims.

By Mr. McMILLAN: A bill (H. R. 4623) for the relief of George Brackett Cargill, deceased; to the Committee on Naval Affairs.

By Mr. MARSHALL: A bill (H. R. 4624) granting a pension to Jennie Freeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4625) granting a pension to Clara R. Bretney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4626) granting a pension to Marille Andrews Buchwalter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4627) granting a pension to Nellie Mae South; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4628) granting a pension to Belle Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4629) granting an increase of pension to Sarah E. Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4630), for the relief of William A. Ray; to the Committee on Claims.

Also, a bill (H. R. 4631) for the relief of Paul H. Creswell; to the Committee on Claims.

Also, a bill (H. R. 4632) to compensate Harriet C. Holaday; to the Committee on Foreign Affairs.

By Mr. PERKINS: A bill (H. R. 4633) granting an increase of pension to Henrietta C. Schofield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4634) granting an increase of pension to Annie M. Galligan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4635) granting an increase of pension to Amanda Hoppock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4636) providing for the examination and survey of the Passaic River from the Eighth Street Bridge, Wallington, N. J., to the Passaic Street Bridge at Garfield, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 4637) granting an increase of pension to Mary E. Stagg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4638) for the relief of Elizabeth Halstead; to the Committee on Claims.

Also, a bill (H. R. 4639) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to Joseph A. Dugan; to the Committee on Claims.

Also, a bill (H. R. 4640) granting an increase of pension to Lydia Springster; to the Committee on Invalid Pensions.

By Mr. PEYSER: A bill (H. R. 4641) authorizing the President to present a gold medal to George M. Cohan; to the Committee on the Library.

Also, a bill (H. R. 4642) for the relief of Alice F. Martin, widow, and two minor children; to the Committee on Military Affairs.

By Mr. POLK: A bill (H. R. 4643) granting an increase of pension to Willmina Porste; to the Committee on Pensions.

Also, a bill (H. R. 4644) to authorize the presentation to William A. Pummill of a Distinguished Service Medal; to the Committee on Military Affairs.

Also, a bill (H. R. 4645) to authorize the presentation to Harold L. Stewart of a Distinguished Service Medal; to the Committee on Military Affairs.

By Mr. REECE: A bill (H. R. 4646) for the relief of Ike Kearney; to the Committee on Military Affairs.

Also, a bill (H. R. 4647) granting a pension to Ernest E. Morris; to the Committee on Pensions.

Also, a bill (H. R. 4648) for the relief of Robert E. Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 4649) for the relief of Edward J. McCrea; to the Committee on Military Affairs.

By Mr. SCHULTE: A bill (H. R. 4650) for the relief of Fred C. Rowley Co., Hammond, Ind.; to the Committee on Claims.

By Mr. SECREST: A bill (H. R. 4651) for the relief of the Noble County (Ohio) Agricultural Society; to the Committee on Claims.

By Mr. SNYDER: A bill (H. R. 4652) granting an increase of pension to Harriet Neiderhiser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4653) granting a pension to Anna Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4654) granting an increase of pension to Sarah J. Hochstetler; to the Committee on Invalid Pensions.

By Mr. SOMERS of New York: A bill (H. R. 4655) for the relief of the Sachs Mercantile Co., Inc.; to the Committee on Claims.

By Mr. TABER: A bill (H. R. 4656) granting a pension to Ida Jones; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 4657) granting a pension to Margaret J. Russell; to the Committee on Pensions.

By Mr. WELCH: A bill (H. R. 4658) for the relief of Victor Burran King, deceased; to the Committee on Naval Affairs.

By Mr. WILCOX: A bill (H. R. 4659) granting an increase of pension to Diadamia C. Wheeler; to the Committee on Invalid Pensions.

By Mr. WILSON of Pennsylvania: A bill (H. R. 4660) for the relief of Robert C. E. Hedley; to the Committee on Claims.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

350. By Mr. ANDREW of Massachusetts: Petition signed by George H. Bartlett, president of the Haverhill-Townsend Plan Clubs, and 200 other residents, of Haverhill, Mass., favoring the adoption of the Townsend plan of old-age revolving pensions; to the Committee on Labor.

351. By Mr. BACON: Petition of the Senate of the State of New York, urging that the Government of the United States take appropriate action in condemning the tactics of such officials of the Mexican Government fomenting campaigns against freedom of religion, the press, right of assembly, and freedom of education in Mexico; to the Committee on Foreign Affairs.

352. By Mr. BEITER: Petition of the board of directors of the Franklin Society for Home Building and Savings, protesting the discrimination in favor of Federal Savings and Loan Associations exempting all shares of such associations, both as to their value and the income derived therefrom, from all taxation (except surtaxes, estate, inheritance, and gift taxes); to the Committee on Banking and Currency.

353. By Mr. BLAND: Petition of 20 citizens of Accomac County, Va., urging the enactment of the old-age-pension legislation as embodied in House bill 2856; to the Committee on Labor.

354. By Mr. BRUNNER: Resolution of Lincoln Council No. 312, Knights of Columbus, Astoria, Long Island, New York, regarding conditions in Mexico; to the Committee on Foreign Affairs.

355. Also, resolution of Long Island Chapter, Knights of Columbus, regarding conditions in Mexico; to the committee on Foreign Affairs.

356. By Mr. BUCKBEE: Petition of 366 signers, of Rockford, Ill., calling upon Congress to enact into law the so-called "Townsend old-age-pension" plan; to the Committee on Ways and Means.

357. By Mr. BUCKLER of Minnesota: Petition of W. W. Adams and about 170 other citizens, of Fergus Falls, Minn., and vicinity, requesting the support and the enactment of the Townsend old-age-pension plan into Federal legislation; to the Committee on Ways and Means.

358. By Mr. CULKIN: Petition of Oswego Council No. 227, Knights of Columbus, Oswego, N. Y., protesting against religious persecution in Mexico; to the Committee on Foreign Affairs.

359. Also, petition of the Senate of the State of New York, Albany, N. Y., protesting against the conduct of certain officials in Mexico; to the Committee on Foreign Affairs.

360. Also, petition of certain residents of Watertown, N. Y., for the passing of the Townsend old-age revolving pension; to the Committee on Labor.

361. Also, petition of certain residents of Oswego, N. Y., endorsing the Townsend old-age plan; to the Committee on Labor.

362. By Mr. CULLEN: Petition of the Kings County Consolidated Civic League, urging that the Home Owners' Loan Corporation be granted an appropriation to continue to give relief to distressed home owners entitled to receive same under the provisions of the act; to the Committee on Banking and Currency.

363. Also, petition of the Board of Supervisors of the County of Erie, urging the passage of a bill authorizing the appropriation of $4,000,000,000 recommended by the President, and said bill to contain a provision alloting to the railroads a suitable appropriation to be used for grade-crossing improvements; to the Committee on Appropriations.

364. By Mr. FITZPATRICK: Petition of the Rahman-DeBella Motion-Picture-Machine Operators Post, No. 1114, American Legion, repudiating and condemning the vote recorded by the New York State delegation of the American Legion at the national convention of the American Legion on the bonus resolution at Miami, Fla.; to the Committee on Ways and Means.

365. By Mr. FOCHT: Petition of Lille Deshong and a number of other residents of the Eighteenth Congressional District of Pennsylvania, regarding old-age pensions (H. R. 2856) for the relief of the aged; to the Committee on Labor.

366. Also, petition of A. B. Gochmour and a number of other residents of the Eighteenth Congressional District of Pennsylvania, regarding the old-age pension (H. R. 2856) for the relief of the aged; to the Committee on Labor.

367. By Mr. GOODWIN: Petition of Monticello (N. Y.) Council, No. 63, Junior Order of United American Mechanics, urging that Congress do all within their power to resist any attempt to lower the bars erected against unrestricted immigration, and to strengthen existing laws; to the Committee on Immigration and Naturalization.

368. Also, petition of Knights of Columbus, urging the Government of the United States to make representations to the Government of Mexico that unless the evils complained of in said petition are ended forthwith, further recognition of the Mexican Government will be withdrawn and diplomatic relations between the United States and the Mexican Government will be severed; to the Committee on Foreign Affairs.

369. By Mr. HILDEBRANDT: Petition of the commissioners of the county of Yankton, S. Dak., urging Congress to enact legislation authorizing hydroelectric development of the Missouri River and the allocation of funds necessary for the construction of a dam and an electric-power plant at Yankton, S. Dak.; to the Committee on Military Affairs.

370. Also, petition of the board of commissioners of the city of Huron, S. Dak., urging Congress to enact legislation authorizing hydroelectric development on the Missouri River and the allocation of funds necessary for the construction of a dam and an electric-power plant at Yankton, S. Dak., this site on the Missouri River, a few miles

upstream from Yankton, S. Dak., known as "Gavin's Point"; to the Committee on Military Affairs.

371. By Mr. HOEPPEL: Resolution of the Grand Parlor of the Native Sons of the Golden West, endorsing the Civilian Conservation Corps and urging that a permanent National Conservation Corps be created by act of Congress; to the Committee on Appropriations.

372. Also, Assembly Joint Resolution No. 9, California Legislature, urging the enactment of legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary; to the Committee on Labor.

373. Also, Assembly Joint Resolution No. 1 of the California Legislature, urging enactment of legislation to provide for the immediate payment, at face value, of the adjusted-service certificates; to the Committee on Ways and Means.

374. By Mr. HULL: Petition of John Thompson and 33 other residents of Deer Park, Wis., favoring the Townsend plan for old-age pensions; to the Committee on Ways and Means.

375. By Mr. KENNEY: Petition of members of the Bergenfield Democratic Club, Bergenfield, N. J., asking favorable consideration by the Ways and Means Committee of bill for national lottery; to the Committee on Ways and Means.

376. Also, petition of citizens of Chicago, Ill., asking favorable consideration by Ways and Means Committee of bill for national lottery; to the Committee on Ways and Means.

377. By Mr. KRAMER: Resolution of the Grand Parlor of the Native Sons of the Golden West, with respect to the benefit of the Civilian Conservation Corps in California; to the Committee on Appropriations.

378. Also, resolution of the council of the city of Oakland, Calif., relating to making funds available for the use of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

379. Also, resolution of the City Council of Los Angeles, relative to a Budget allowance being provided to continue the work of the United States Coast and Geodetic Survey in the operation of strong motion seismographs in various sections of the State of California; to the Committee on Mines and Mining.

380. Also, resolution of the California State Legislature, relative to the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

381. By Mr. KVALE: Resolution of Unit 158 of the American Legion Auxiliary, Madison, Minn., urging enactment of the legislative program of the American Legion; to the Committee on World War Veterans' Legislation.

382. Also, resolution of the Peter Leuze Post, No. 420, American Legion, Raymond, Minn., urging immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

383. By Mr. LAMNECK: Petition of Mrs. James T. Bloser and a number of other citizens of Columbus, Ohio, urging that the Nye munitions investigation be continued; to the Committee on Ways and Means.

384. Also, petition of Mrs. Louise Stitt and other citizens of Columbus, Ohio, urging that an adequate appropriation be made to continue the Nye munitions investigation; to the Committee on Ways and Means.

385. By Mr. LUNDEEN: Petition of Anoka County Council of Labor and the Farmer-Labor Club of Anoka, Minn., urging immediate legislation opposing any attempt to shift the burden of taxation from people who have the ability to pay to a class of people who are in reality bankrupt, and proposing a plan whereby school districts, towns, cities, and villages may under certain conditions be declared bankrupt; to the Committee on the Judiciary.

386. Also, petition of George S. Lang Post, No. 339, the American Legion, Department of Minnesota, protesting against the enactment of the McKellar rider to the deficiency bill; to the Committee on Appropriations.

387. By Mr. MERRITT of New York: Resolution adopted by the James T. Cullinan Post of the American Legion, Department of New York, endorsing the action taken by the American Legion at the national convention held in Miami, Fla., regarding the immediate payment of adjusted-service certificates; to the Committee on Ways and Means.

388. Also, resolutions adopted by Parkway Council, No. 1433, Knights of Columbus, protesting against the activities of the national revolutionary party in Mexico, etc.; to the Committee on Foreign Affairs.

389. Also, petition of Rahman-DeBella Post, No. 1114, New York City, N. Y., urging immediate payment of the bonus and repudiating the vote of the New York State delegation of the American Legion at its sixteenth annual national convention at Miami, Fla., on October 25, 1934, against payment of the bonus at the present time; to the Committee on Ways and Means.

390. By Mr. MORAN: Memorial of State Legislature of Maine; to the Committee on Ways and Means.

391. By Mr. PFEIFER: Petition of New York City Fireproofers & Cement Floor Finish Contractors Association, Inc., New York, concerning the proposed Public Works program on a day's labor basis; to the Committee on Labor.

392. Also, petition of Board of Supervisors of Erie County, Buffalo, N. Y., favoring the passage of the $4,000,000,000 appropriation bill recommended by the President, and that it include allotments to railroads for grade-crossing improvements; to the Committee on Appropriations.

393. Also, petition of National Fur Tax Committee, New York City, opposing the 10-percent excise tax on furs; to the Committee on Ways and Means.

394. Also, petition of Rahman-DeBella Post, No. 1114, the American Legion, New York City, favoring the immediate payment of the bonus; to the Committee on Ways and Means.

395. By Mr. WELCH: Assembly Joint Resolution No. 4, California Legislature, memorializing the President and Congress to enact old-age-pension legislation; to the Committee on Labor.

396. Also, Assembly Joint Resolution No. 1, California Legislature, memorializing Congress to enact proposed legislation directing immediate payment of the adjusted-service certificates of sailors and soldiers of the World War; to the Committee on Ways and Means.

397. Also, Assembly Joint Resolution No. 9, California Legislature, memorializing the President and Congress to carefully consider and enact legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary; to the Committee on Labor.

398. Also, resolutions adopted by California State Federation of Labor concerning Federal legislation, as follows: Proposition no. 36, Menace to Civil Service Laws; proposition no. 37, Postal Substitutes Automatic Promotion; proposition no. 39, Establishing Motorized Railway Post Offices; and proposition no. 74, *Morro Castle* Disaster; to the Committee on the Post Office and Post Roads.

399. Also, resolution adopted by the Grand Parlor of the Native Sons of the Golden West, urging the continuation of the Civilian Conservation Corps; to the Committee on Appropriations.

400. By the SPEAKER: Petition of the American Science Foundation; to the Committee on Ways and Means.

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# SENATE

## THURSDAY, JANUARY 24, 1935

*(Legislative day of Monday, Jan. 21, 1935)*

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

PETER NORBECK, a Senator from the State of South Dakota, appeared in his seat today.

### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Johnson | Pope |
| Ashurst | Coolidge | Keyes | Radcliffe |
| Austin | Copeland | King | Reynolds |
| Bachman | Costigan | La Follette | Robinson |
| Bailey | Couzens | Lewis | Russell |
| Bankhead | Cutting | Logan | Schall |
| Barbour | Davis | Lonergan | Schwellenbach |
| Barkley | Dickinson | Maloney | Sheppard |
| Bilbo | Dieterich | McCarran | Shipstead |
| Black | Donahey | McGill | Smith |
| Bone | Duffy | McNary | Steiwer |
| Borah | Fletcher | Metcalf | Thomas, Okla. |
| Brown | Frazier | Minton | Thomas, Utah |
| Bulkley | Gerry | Moore | Townsend |
| Bulow | Glass | Murphy | Trammell |
| Burke | Gore | Murray | Truman |
| Byrd | Guffey | Neely | Vandenberg |
| Byrnes | Hale | Norbeck | Van Nuys |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Carey | Hatch | O'Mahoney | Wheeler |
| Clark | Hayden | Pittman | |

Mr. AUSTIN. I wish to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines upon business of the Senate, and that the Senator from Maine [Mr. WHITE] is necessarily absent. I will let that announcement stand for the day.

Mr. LEWIS. I beg to announce the absence of the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON], occasioned by illness.

I desire also to announce that the Senator from Louisiana [Mr. LONG] is necessarily detained from the Senate.

Further, I wish to announce that the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR] are absent on business of the Senate in connection with the Philippine Commission.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

NATIONAL RESOURCES (H. DOC. NO. 84)

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

*To the Congress of the United States:*

During the three or four centuries of white men on the American Continent we find a continuous striving of civilization against nature. It is only in recent years that we have learned how greatly by these processes we have harmed Nature, and Nature in turn has harmed us.

We should not too largely blame our ancestors, for they found such teeming riches in woods and soil and water—such abundance above the earth and beneath it—such freedom in the taking that they gave small heed to the results that would follow the filling of their own immediate needs. Most of them, it is true, had come from many-peopled lands where necessity had invoked the preserving of the bounties of nature. But they had come here for the obtaining of a greater freedom, and it was natural that freedom of conscience and freedom of government should extend itself in their minds to the unrestricted enjoyment of the free use of land and water.

Furthermore, it is only within our own generation that the development of science, leaping forward, has taught us where and how we violated Nature's immutable laws and where and how we can commence to repair such havoc as man has wrought.

In recent years little groups of earnest men and women have told us of this havoc, of the cutting of our last stands of virgin timber, of the increasing floods, of the washing away of millions of acres of our topsoils, of the lowering of our water tables, of the dangers of one-crop farming, of the depletion of our minerals—in short, the evils that we have brought upon ourselves today, and the even greater evils that will attend our children unless we act.

Such is the condition that attends the exploitation of our natural resources if we continue our planless course.

But another element enters in. Men and Nature must work hand in hand. The throwing out of balance of the resources of Nature throws out of balance also the lives of men. We find millions of our citizens stranded in village and on farm—stranded there because Nature cannot support them in the livelihood they had sought to gain through her. We find other millions gravitated to centers of population so vast that the laws of natural economics have broken down.

If the misuse of natural resources alone were concerned, we should consider our problem only in terms of land and water. It is because misuse extends to what men and women are doing with their occupations and to their many mistakes in herding themselves together that I have chosen, in addressing the Congress, to use the broader term "national resources."

For the first time in our national history we have made an inventory of our national assets and the problems relating to them. For the first time we have drawn together the foresight of the various planning agencies of the Federal Government and suggested a method and a policy for the future.

I am sending you herewith the report of the National Resources Board, appointed by me on June 30, 1934, to prepare the comprehensive survey which so many of us have sought so long. I transmit also the report made by the Mississippi Valley Committee of the Public Works Administration, which committee has also acted as the water-planning committee in the larger report.

These documents constitute a remarkable foundation for what we hope will be a permanent policy of orderly development in every part of the United States. It is a large subject, but it is a great and inspiring subject. May I commend to each and every one of you who constitute the Congress of the United States a careful reading of these reports.

In this inventory of our national wealth we follow the custom of prudent people toward their own private property. We as a nation take stock of what we as a nation own. We consider the uses to which it can be put. We plan these uses in the light of what we want to be, of what we want to accomplish as a people. We think of our land and water and human resources not as static and sterile possessions but as life-giving assets to be directed by wise provision for future days. We seek to use our natural resources not as a thing apart but as something that is interwoven with industry, labor, finance, taxation, agriculture, homes, recreation, good citizenship. The results of this interweaving will have a greater influence on the future American standard of living than all the rest of our economics put together.

For the coming 18 months I have asked the Congress for $4,000,000,000 for public projects. A substantial portion of this sum will be used for objectives suggested in this report. As years pass the Government should plan to spend each year a reasonable and continuing sum in the development of this program. It is my hope, for example, that after the immediate crisis of unemployment begins to mend we can afford to appropriate approximately $500,000,000 each year for this purpose. Eventually this appropriation should replace all such appropriations given in the past without planning.

A permanent National Resources Board, toward the establishment of which we should be looking forward, would recommend yearly to the President and the Congress priority of projects in the national plan. This will give to the Congress, as is entirely proper, the final determination in relation to the projects and the appropriations involved.

As I have already stated, it is only because of the current emergency of unemployment and because of the physical impossibility of surveying, weighing, and testing each and every project that a segregation of items is clearly impossible at the moment.

For the same reason the constituting of fixed and permanent administrative machinery would retard the immediate employment objective.

Our goal must be a national one. Achievements in the arts of communication, of transportation, of mechanized production, of agriculture, of mining and of power, do not minimize the rights of State governments, but they go far beyond the economics of State boundaries.

Only through the growth of thought and action in terms of national economics can we best serve individual lives in individual localities.

It is, as these reports point out, an error to say that we have "conquered nature." We must rather start to shape our lives in more harmonious relationship with nature. This is a milestone in our progress toward that end. The future of every American family everywhere will be affected by the action we take.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 24, 1935.*

Mr. ROBINSON. I ask that for the present the message of the President lie on the table and be printed.

The PRESIDING OFFICER (Mr. BILBO in the chair). Without objection, the message will be printed and, with the accompanying documents, lie on the table.

### EXECUTIVE REPORTS OF COMMITTEES

Mr. HARRISON, from the Committee on Finance, reported favorably the nomination of Austin J. Mahoney, of Rochester, N. Y., to be collector of customs for customs collection district no. 8, with headquarters at Rochester, N. Y., in place of Andrew Wiedenmann, resigned, which was ordered to be placed on the Executive Calendar.

Mr. BURKE, from the Committee on the Judiciary, reported favorably the nomination of Charles B. Faris, of Missouri, to be United States circuit judge for the eighth circuit, to succeed William S. Kenyon, deceased.

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The VICE PRESIDENT. The nominations will be placed on the Executive Calendar.

### LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate proceed to the consideration of legislative business.

The Senate resumed legislative session.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following memorial of the Legislature of the State of Maine, which was referred to the Committee on Finance:

STATE OF MAINE, *1935 A. D.*

Memorial to the Congress of the United States urging the elimination of the taxation of gasoline by the Federal Government

Whereas the Congress of the United States of America has imposed a tax upon all sales of gasoline; and

Whereas the State of Maine and all other several States of the United States have already imposed taxes upon such sales; and

Whereas the Federal tax on such sales is untimely and prohibitive and, coupled with the respective State taxes on such sales, places a burden upon the users of gasoline beyond that which they should carry and beyond that which the traffic can legitimately bear; and

Whereas the taxation of sales of gasoline should properly be left to the exclusive use of the States as a means of providing funds for road construction and maintenance: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the State of Maine in legislature assembled,* That the Congress of the United States be, and it is hereby, respectively memorialized to enact with all convenient speed such legislation as may be necessary to abolish the Federal gasoline sales tax and to surrender to the States exclusively the power to tax such sales in the future; and be it further

*Resolved,* That certified copies of this resolution duly certified by the secretary of state be transmitted to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the United States and the Senators and Representatives in Congress from the State of Maine, and that the latter be urged to use their best offices to procure the enactment of such legislation as will accomplish the purposes of this resolution.

In senate chamber, January 16, 1935. Read and adopted.

ROYDEN V. BROWN, *Secretary.*

House of representatives, read and adopted in concurrence, January 17, 1935.

HARVEY R. PEASE, *Clerk.*

The VICE PRESIDENT also laid before the Senate a telegram from Hon. Robert F. Waldron, speaker of the House of Representatives of the State of Washington, which was ordered to lie on the table and to be printed in the RECORD, as follows:

OLYMPIA, WASH., *January 24, 1935.*

Honorable PRESIDENT OF THE UNITED STATES SENATE,
*Washington, D. C.:*

We beg to advise you that the Legislature of the State of Washington is in session and that it has voted against entry of the United States in the World Court. We assure you, however, that the members of the Washington Legislature are 100 percent back of the President on issues vital to the welfare of the people of the United States. We feel that the memorial urging the United States to enter the World Court is not in the interest of the welfare of our people; therefore, we reserve the right on issues of this kind to disagree with the President. Public sentiment in this State decisively supports our stand. May we urge that this message be read to your body.

ROBERT F. WALDRON,
*Speaker of the House.*

Mr. WAGNER presented resolutions adopted by the Board of Supervisors of Erie County, N. Y., which were referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

STATE OF NEW YORK,
BOARD OF SUPERVISORS OF ERIE COUNTY, CLERK'S OFFICE,
*Buffalo, N. Y., January 21, 1935.*

*To whom it may concern:*

I hereby certify that at a session of the Board of Supervisors of Erie County, held in the county hall in the city of Buffalo on the 15th day of January, A. D. 1935, a resolution was adopted, of which the following is a true copy:

"Whereas we, the special grade-crossing committee of the Board of Supervisors of the County of Erie, N. Y., are informed that the railroads are in no condition financially to undertake the grade-crossing improvements recommended by our committee; and

"Whereas the President of the United States in his recent message to Congress recommended an appropriation of $4,000,000,000 to be used for public works and improvements: Be it hereby

"*Resolved,* That the clerk of the Board of Supervisors of the County of Erie be empowered to write to each Senator of New York State and also the Congressmen representing New York State, requesting them to use their influence with the colleagues in the Senate and House of Representatives to effect passage of a bill authorizing the appropriation of $4,000,000,000 recommended by the President. Said bill to contain a provision allotting to the railroads a suitable appropriation to be used for grade-crossing improvements; and be it further

"*Resolved,* That a copy of this resolution be mailed to each of the United States Senators and to the Congressmen representing New York State.

"HORACE S. SOUTHALL, *Chairman.*
"BENJAMIN J. ELDRIDGE, *Secretary.*
"FRANK A. SLADE."

Attest:

ERIE M. WHEELER,
*Deputy Clerk of the Board of Supervisors of Erie County.*

Mr. ROBINSON (for Mr. TYDINGS) presented a resolution adopted by My Maryland Lodge, No. 186, International Association of Machinists, of Baltimore, Md., protesting against ratification of the World Court protocols, which was ordered to lie on the table.

Mr. CAPPER presented resolutions adopted by Miami Post, No. 156, American Legion, of Paola, Kans., favoring the enactment of legislation for the immediate payment of adjusted-service certificates of World War veterans, the payment of benefits to widows and dependent children of such veterans, the conscription of capital, industry, and manpower in time of war, and the maintenance of a strong national defense, which were referred to the Committee on Finance.

Mr. WALSH presented petitions numerously signed by sundry citizens of the State of Massachusetts, praying for the publication at Government expense of all testimony taken by the Federal Communications Commission, Broadcast Division, in relation to the broadcasting of programs of interest, convenience, and necessity, which were referred to the Committee on Interstate Commerce.

### BLACK-CONNERY 30-HOUR WEEK BILL

Mr. WALSH. Mr. President, I present and ask to be noted in the CONGRESSIONAL RECORD and appropriately referred memorials from employees of several manufacturing companies in Massachusetts in opposition to the Black-Connery 30-hour week bill.

The memorials, endorsed by hundreds of employees, embody a protest in the following form:

The undersigned employees of * * * desire to register our opposition to the passage by Congress of the Black-Connery bill, or of any other measure designed to reduce the working hours per week in industry to 30, as we realize that any further reduction in weekly hours must be followed by a reduction in weekly pay, and that any such restricted working schedule as proposed will increase unemployment, as was the case when the hours were reduced from 48 to 40 per week.

The memorials submitted are from the following, all in the State of Massachusetts:

L. L. Brown Paper Co., of Adams.
H. E. Locke & Co., Inc., of Boston.
E. F. Hodgson Co., of Dover.
Falulah Paper Co., of Fitchburg.
T. Morey & Son, of Greenfield.
The Holyoke Wire Cloth Co., of Holyoke.
Cluett, Peabody & Co., of Leominster.
Gilet Carbonizing Co., Inc., of Lowell.
Rodney Hunt Machine Co., of Orange.
Musgrove Knitting Co., of Pittsfield.
Groton Leatherboard Co., of West Groton.
Sleeper & Hartley, Inc., of Worcester.
G. F. Wright Steel & Wire Co., of Worcester.
Worcester Wire Works Division of the National Standard Co., of Worcester.

I ask also that there be printed in the RECORD and appropriately referred a letter from the Allied Building Trades Council, Springfield, Mass., urging the passage of the 30-hour week bill.

There being no objection, the letter and memorials were referred to the Committee on the Judiciary, and the letter was ordered to be printed in the RECORD, as follows:

ALLIED BUILDING TRADES COUNCIL,
CENTRAL LABOR UNION HALL,
*Springfield, Mass., January 8, 1935.*

Hon. DAVID I. WALSH,
*United States Senate, Washington, D. C.*

DEAR SIR: At the meeting of the Building Trades Council held Friday, January 4, 1935, it was voted to request your support of the 30-hour week bill. This bill, as we understand it, carries 40 hours' pay for 30 hours' work.

Respectfully yours,

M. J. SCANLAN, *Secretary-Treasurer.*

AMENDMENT OF MERCHANT MARINE ACT, 1920

Mr. COPELAND, from the Committee on Commerce, to which was referred the bill (S. 619) to amend section 27 of the Merchant Marine Act, 1920, reported it with amendments and submitted a report (No. 24) thereon.

REPORT OF AMERICAN INSTRUCTORS OF THE DEAF

Mr. HAYDEN, from the Committee on Printing, to which was referred the report of the proceedings of the twenty-eighth meeting of the Convention of American Instructors of the Deaf, held at West Trenton, N. J., June 18 to 23, 1933, reported favorably thereon with the recommendation that the matter be printed as a document.

On motion by Mr. HAYDEN, it was

*Ordered,* That the letter from the President of the Columbia Institution for the Deaf, transmitting the report of the proceedings of the twenty-eighth meeting of the Convention of American Instructors of the Deaf, held at West Trenton, N. J., June 18 to 23, 1933, be printed with illustrations as a Senate document.

HEARINGS BEFORE THE COMMITTEE ON INDIAN AFFAIRS

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 56 and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 56), submitted by Mr. THOMAS of Oklahoma on the 17th instant, was read, considered, and agreed to, as follows:

*Resolved,* That the Committee on Indian Affairs, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

INVESTIGATIONS BY THE COMMERCE COMMITTEE

Mr. BYRNES. I ask unanimous consent for the immediate consideration of Senate Resolution 42, which is on the calendar.

Mr. McNARY. The Senator from South Carolina, as I understand, proposes to offer a substitute for a resolution on the calendar, does he not?

Mr. BYRNES. For Senate Resolution 42, which is on the calendar, I desire to offer an amendment in the nature of a substitute.

The PRESIDING OFFICER (Mr. BILBO in the chair). Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 42) submitted by Mr. COPELAND on the 10th instant, and reported by the Committee to Audit and Control the Contingent Expenses of the Senate, without amendment, on the 21st instant, as follows:

*Resolved,* That the Committee on Commerce, or any subcommittee thereof, hereby is authorized to sit during the sessions, recesses, and adjourned periods of the Seventy-fourth Congress at such times and places as it may deem advisable, to make investigations into all matters within its jurisdiction, and to compile and prepare statistics and documents in relation thereto, as directed from time to time by the Senate and as may be necessary, and to report in due course to the Senate the result thereof, to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses incurred in pursuance hereof shall be paid from the contingent fund of the Senate, and the committee is authorized to order such printing and binding as may be necessary for its use.

The PRESIDING OFFICER. The Senator from South Carolina offers an amendment in the nature of a substitute, which will be read.

The Chief Clerk read as follows:

It is proposed to strike out all after the word *"Resolved"*, and in lieu thereof to insert the following:

That the Committee on Commerce, or any subcommittee thereof, is authorized, during the Seventy-fourth Congress, to send for persons, books, and papers; to administer oaths and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

The resolution, as amended, was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON:

A bill (S. 1391) for the relief of William Lyons; and

A bill (S. 1392) conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad; to the Committee on Claims.

A bill (S. 1393) for the relief of Florence Sullivan; to the Committee on Military Affairs.

A bill (S. 1394) granting a pension to Lottie A. Torrance; and

A bill (S. 1395) granting a pension to John N. Aull; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1396) granting a pension to Clara V. Crossland; and

A bill (S. 1397) granting a pension to John T. Wilson; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

(By request.) A bill (S. 1398) to reserve certain lands on the public domain in California and Nevada for the use and benefit of Indians of the Fort Mohave Reservation; to the Committee on Indian Affairs.

A bill (S. 1399) for the relief of Fanny M. Crosby; to the Committee on Claims.

By Mr. BACHMAN:

A bill (S. 1400) to extend the provisions of the Tennessee Valley Authority Act of 1933 to the Tombigbee River and Bear Creek Basins; to the Committee on Agriculture and Forestry.

By Mr. DAVIS:

A bill (S. 1401) to provide for needy blind persons of the District of Columbia; to the Committee on the District of Columbia.

By Mr. HATCH:

A bill (S. 1402) providing payment to employees, Bureau of Reclamation, for mileage traveled in privately owned automobiles; to the Committee on Irrigation and Reclamation.

A bill (S. 1403) granting a pension to Joseph F. Haynes; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 1404) to promote the efficiency of national defense; to the Committee on Military Affairs.

By Mr. BARBOUR:

A bill (S. 1405) to amend the act entitled "An act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933; to the Committee on Education and Labor.

By Mr. COUZENS:

A bill (S. 1406) to authorize a preliminary examination and survey of Grand Traverse Bay, Mich.; and

A bill (S. 1407) to authorize a preliminary examination and survey of Bete Grise Bay, Mich.; to the Committee on Commerce.

By Mr. WAGNER:

A bill (S. 1408) for the relief of Ludwig Baer; and

A bill (S. 1409) for the relief of the General Banking Co.; to the Committee on Claims.

A bill (S. 1410) for the relief of Thomas G. Carlin; and

A bill (S. 1411) for the relief of Harry Stanbrough Monell, formerly chairman War Department Claims Board Transportation Service; to the Committee on Military Affairs.

A bill (S. 1412) granting a pension to Katherine J. Daly; to the Committee on Pensions.

By Mr. DICKINSON:

A bill (S. 1413) for the relief of Ross L. Steward; to the Committee on Military Affairs.

By Mr. FRAZIER:

A bill (S. 1414) for the relief of the rightful heir of Joseph Gayton; to the Committee on Indian Affairs.

By Mr. COPELAND:

A bill (S. 1415) granting a pension to Anna McNamara; to the Committee on Pensions.

A bill (S. 1416) authorizing conveyance to the city of Binghamton, N. Y., of title to site and building of the present Federal building in that city, located on Wall Street; to the Committee on Public Buildings and Grounds.

By Mr. GUFFEY:

A bill (S. 1417) to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected with a national public interest; to conserve the bituminous-coal resources of the United States and to establish a national bituminous-coal reserve; to provide for the general welfare; and for other purposes; to the Committee on Interstate Commerce.

By Mr. WHEELER:

A bill (S. 1418) to amend sections 210 and 602 (b) of the Communications Act of 1934; to the Committee on Interstate Commerce.

By Mr. LONERGAN:

A bill (S. 1419) for the relief of George S. Geer; to the Committee on Claims.

By Mr. FRAZIER:

A bill (S. 1420) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. BULKLEY:

A bill (S. 1421) to amend subsection (a) of section 313 of the Tariff Act of 1930; to the Committee on Finance.

By Mr. ROBINSON (for Mr. TYDINGS):

A bill (S. 1422) conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. B. Grant; and

A bill (S. 1423) for the relief of Elizabeth Duke; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 1424) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture and Forestry.

By Mr. BYRNES:

A bill (S. 1425) to amend section 80 of chapter 9 of an act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898; to the Committee on the Judiciary.

By Mr. HATCH:

A bill (S. 1426) providing for the appointment of Harry T. Herring, formerly a lieutenant colonel in the United States Army, as a lieutenant colonel in the United States Army and his retirement in that grade; to the Committee on Military Affairs.

By Mr. WALSH:

A joint resolution (S. J. Res. 41) authorizing the issuance of a special postage stamp in honor of Commodore John Barry; to the Committee on Post Offices and Post Roads.

By Mr. BYRD:

A joint resolution (S. J. Res. 42) to cede to the Commonwealth of Virginia jurisdiction over that portion of the Fort Monroe Military Reservation leased to the Old Point Comfort Hotel Corporation; to the Committee on Military Affairs.

By Mr. ROBINSON (for Mr. TYDINGS):

A joint resolution (S. J. Res. 43) for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania; to the Committee on Agriculture and Forestry.

### NATIONAL CONSTITUTIONAL PROHIBITION

Mr. SHEPPARD, by unanimous consent, introduced two joint resolutions, which were each read twice by their titles and referred to the Committee on the Judiciary, as follows:

A joint resolution (S. J. Res. 44) proposing an amendment to the Constitution of the United States relating to intoxicating liquors; and

A joint resolution (S. J. Res. 45) proposing an amendment to the Constitution of the United States relating to intoxicating liquors.

Mr. SHEPPARD. Mr. President, the two joint resolutions I have introduced relate to national constitutional prohibition.

On June 15, 1934, during the second session of the Seventy-third Congress, I introduced a resolution known as Senate Joint Resolution 144, amending the Constitution in reference to national prohibition. That resolution differed from the eighteenth amendment in that it conferred upon Congress the power to prohibit and did not by its own terms provide specifically and immediately for prohibition for the Nation. It also provided for regulation by Congress in territory where local prohibition did not prevail, pending complete Federal prohibition.

I stated in introducing that measure that in my judgment the eighteenth amendment provided the best method of handling the liquor traffic, but that in view of the fact that the early restoration of that amendment would be difficult, I felt that the enabling and regulatory provisions embodied in the Senate Joint Resolution 144 comprised what seemed to be the best steps at that time toward the ultimate return of the eighteenth amendment.

Today, 7 months after the introduction of the enabling amendment, events have moved so rapidly and the ravages of the liquor traffic have increased so tremendously that I

feel that the time is already here for the consideration of the eighteenth amendment, along with the enabling amendment. I have made considerable revision of the enabling amendment itself, omitting all reference to regulation, confining its scope to prohibition, and providing for its submission to legislatures in place of conventions. In again presenting the eighteenth amendment, I have substituted the words "alcoholic liquors" for "intoxicating" liquors.

In order that both methods of procedure may be fully and fairly considered, I am introducing a resolution embodying the original eighteenth amendment, revised as indicated, and a resolution for a revised enabling amendment.

INVESTIGATION OF TELEPHONE COMPANIES

Mr. WHEELER. I ask unanimous consent, as in legislative session, to introduce a joint resolution authorizing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co., and so forth. It is a joint request and will be offered in the House of Representatives by the Chairman of the Interstate and Foreign Commerce Committee of the House.

There being no objection, the joint resolution (S. J. Res. 46) authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone & Telegraph Co. and on all other companies engaged directly or indirectly in telephone communication in interstate commerce, including all companies related to any of these companies through a holding-company structure, or otherwise, was read twice by its title and referred to the Committee on Interstate Commerce.

FEDERAL COMPENSATION—NOTICE TO SUSPEND RULE

Mr. McCARRAN. I desire at this time to file and send to the desk a notice in writing of a motion to suspend paragraph 4 of rule XVI, for the purpose of offering an amendment to House Joint Resolution 88; and I also send to the desk the amendment connected therewith.

I desire to say that I do not regard the filing of this notice at this time as at all essential, but I file it merely as a matter of precaution.

Mr. KING. The Senator does not desire the reference of the matter to any committee, does he?

Mr. McCARRAN. I do not.

The PRESIDING OFFICER. The notice will be read.

The notice was read, as follows:

Pursuant to the provisions of rule XL of the Standing Rules of the Senate, I hereby give notice in writing that I shall hereafter move to suspend paragraph 4 of rule XVI, for the purpose of proposing to the joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935, the following amendment, viz, on page 3, after line 21, insert the following:

Amendment intended to be proposed by Mr. McCARRAN to the joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935.

At the end of the joint resolution insert the following new section:

"COMPENSATION OF GOVERNMENT OFFICERS AND EMPLOYEES

"SEC. 2. (a) Section 3 (b) of title II of the act entitled 'An act to maintain the credit of the United States Government', approved March 20, 1933, as amended, is amended by striking out 'shall not exceed 5 percent during the fiscal year ending June 30, 1935', and inserting in lieu thereof 'shall not, during the portion of the fiscal year 1935 prior to January 1, 1935, exceed 5 percent, and after December 31, 1934, there shall be no such reduction.'

"(b) Subsections (b) and (c) of section 21 of the Independent Offices Appropriation Act, 1935, are amended by striking out 'the fiscal year ending June 30, 1935', wherever such phrase appears, and inserting in lieu thereof 'that portion of the fiscal year ending June 30, 1935, prior to January 1, 1935.'

"(c) Nothing in this resolution shall be construed as permitting any reduction in rates of compensation in effect at the time of the passage of this resolution."

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

WAR-RISK INSURANCE CONTRACTS

Mr. HARRISON. Mr. President, I desire to bring to the attention of the Senate a joint resolution reported unanimously yesterday by the Finance Committee and which is now on the calendar. The joint resolution passed the House unanimously. It is with reference to clarifying the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended. It affects a great number of service men in the presentation of their claims. It would permit the claims to go to trial and the matters involved to be cleared up. A case went to the Supreme Court and the Veterans' Administration and the Solicitor General of the Department of Justice thought the matter so important that an arrangement was made in the Supreme Court for the postponement of the case until legislation could be enacted by Congress clarifying the particular point involved.

Mr. JOHNSON. Mr. President, can the Senator state in just a few sentences the difficulty which has arisen and which is sought to be corrected by the joint resolution?

Mr. HARRISON. Before I ask unanimous consent for the immediate consideration of the joint resolution, I will make a brief statement as to its purposes.

Suit on a contract of war-risk insurance may be filed under the act of July 3, 1930, only after a disagreement exists between the claimant and the Veterans' Administration. The Administrator of Veterans' Affairs, in conformity with an opinion of the Acting Attorney General of September 14, 1931, delegated authority to finally deny claims so as to create the required disagreement to what is called the "Insurance Claims Council of the Veterans' Administration." When that council denied a claim, the claimant was notified of the denial and definitely told that that was sufficient disagreement on which to file suit. Hundreds of cases went to suit and judgment on this kind of denial; and where the judgments were against the Government, these judgments have been paid. There are now pending in the courts about 8,000 suits on war-risk insurance, and about 90 percent have this same kind of denial.

In a case which arose in the district court in Arkansas the question of the sufficiency of this kind of a disagreement was raised and the court held that there was no disagreement. Appeal to the Circuit Court of Appeals of the Eighth Circuit was taken, and that court certified the question to the Supreme Court of the United States. That case, John H. Frederick against the United States, is now pending in the Supreme Court. Motion to defer decision was filed by the Government with the promise to the Supreme Court that legislation would be sought to enact into law the practice and procedure followed by the Veterans' Administration. This resolution will make good the promises which were made to these veterans and on which the veterans acted. In addition, it will permit reinstatement of similar cases which were dismissed and in which the judgments of dismissal have become final. There are about 100 such cases. Further, since it settles by law the practice followed by the Veterans' Administration, it will permit the Veterans' Administration to proceed in its adjudication of approximately 20,000 cases in which insurance is being claimed.

While the joint resolution will protect the cases in court and will permit men to accept as final the denial of their claims by the Insurance Claims Council of the Veterans' Administration, which is delegated authority to so act by the Administrator, it will in no way deprive the veteran of the right of appeal to the Administrator if he does not care to accept the subordinate denial as final.

In other words, this is a measure which the Veterans' Administration favors in order to remove the ambiguity now existing. It will help a great number of World War veterans and ex-service men.

Mr. JOHNSON. As I understand the Senator, the whole design of the measure is to eliminate a technicality which has wrought injustices in veterans' cases?

Mr. HARRISON. The Senator is absolutely right.

Mr. JOHNSON. I have no objection.

Mr. HARRISON. I ask unanimous consent for the immediate consideration of the joint resolution.

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 112) to clarify the definition of disagreement in section 19, World War Veterans'

Act, 1924, as amended, which had been reported without amendment from the Committee on Finance, and which was read as follows:

*Resolved, etc.*, That a denial of a claim for insurance by the Administrator of Veterans' Affairs or any employee or agency of the Veterans' Administration heretofore or hereafter designated therefor by the Administrator shall constitute a disagreement for the purposes of section 19 of the World War Veterans' Act, 1924, as amended (U. S. C., Supp. VII, title 38, sec. 445). This resolution is made effective as of July 3, 1930, and shall apply to all suits now pending against the United States under the provisions of section 19 of the World War Veterans' Act, 1924, as amended, and any suit which has been dismissed solely on the ground that a denial as described in this resolution did not constitute a disagreement as defined by section 19 may be reinstated within 3 months from the date of enactment of this resolution.

Mr. McNARY. Mr. President, may I ask the Senator from Mississippi if the committee was unanimous in its report?

Mr. HARRISON. It was unanimous. Furthermore, the joint resolution was passed unanimously by the House of Representatives.

Mr. ROBINSON. I understood the Senator to say the measure is recommended by the Veterans' Administration?

Mr. HARRISON. Yes; and action ought to be taken speedily because of the large number of cases which are being held up.

The PRESIDING OFFICER. The joint resolution is open to amendment. If there be no amendments, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

## RECONSTRUCTION FINANCE CORPORATION

Mr. CONNALLY. I ask unanimous consent to have printed in the RECORD a letter transmitting a report of the Reconstruction Finance Corporation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

QUARTERLY REPORT OF THE RECONSTRUCTION FINANCE CORPORATION

QUARTER ENDED SEPTEMBER 30, 1934

RECONSTRUCTION FINANCE CORPORATION,
*Washington, December 3, 1934.*

SIR: Pursuant to the provisions of section 15 of the Reconstruction Finance Corporation Act, the Corporation has the honor to submit its report covering its operations for the third quarter of 1934, and for the period from the organization of the Corporation on February 2, 1932, to September 30, 1934, inclusive.

During the third quarter of 1934, under section 5 of the Reconstruction Finance Corporation Act, as amended, the Corporation authorized 412 loans. These loans, together with increases during the quarter in loans previously authorized, aggregated $165,893,490.15, as follows: $154,679,593.79 to banks and trust companies (including $145,898,707.81 to aid in the reorganization or liquidation of closed banks; $370,000 to insurance companies; $8,191,223.72 to mortgage loan companies; $300,000 to an agricultural credit corporation; $1,327,113.49 (rediscounts) to regional agricultural credit corporations; $25,559.15 to a livestock credit corporation; and $1,000,000 to a railroad.

During the third quarter of 1934, under section 5d of the Reconstruction Finance Corporation Act, the Corporation made 180 authorizations to industrial or commercial businesses, aggregating $11,809,175, as follows: Loans in the amount of $11,381,250; purchases of participations in the amount of $250,300; and agreements to purchase participations in the amount of $177,625.

During the third quarter of 1934, under the Emergency Relief and Construction Act of 1932, as amended, the Corporation authorized 17 loans aggregating $275,694,255.74, as follows: Under section 201 (a) (1), title II, as amended by section 9 of the act approved June 19, 1934, loans aggregating $15,315,000 for self-liquidating projects; under section 201 (d), title II, loans aggregating $260,379,255.74 to aid in financing the carrying and orderly marketing of agricultural commodities and livestock produced in the United States.

During the third quarter of 1934, under section 304, title III, of the act approved March 9, 1933, as amended, the Corporation made 590 authorizations. These authorizations, together with increases during the quarter in authorizations previously made, aggregated $57,141,175, as follows: Loans secured by preferred stock of banks and trust companies in the amount of $1,182,175; subscriptions for preferred stock of banks and trust companies in the amount of $35,375,000; and purchases of capital notes or debentures of banks and trust companies in the amount of $20,584,000.

During the third quarter of 1934, under section 1 of the act approved June 10, 1933, as amended, the Corporation made two authorizations aggregating $10,100,000, as follows: A loan in the amount of $10,000,000 on the preferred stock of an insurance company; and a subscription in the amount of $100,000 for preferred stock of an insurance company.

During the third quarter of 1934, under section 36, title II, of the Emergency Farm Mortgage Act of 1933, as amended, the Corporation authorized 92 loans aggregating $27,549,850, to or for the benefit of drainage, levee, irrigation, and similar districts.

During the third quarter of 1934, under the act approved April 13, 1934, the Corporation authorized three loans aggregating $1,550,000, for financing the repair of property damaged by earthquake or flood in the year 1933 and in the months of January and February 1934.

During the third quarter of 1934, under section 16 of the act approved June 19, 1934, which authorized the Corporation to make loans to public-school districts or other similar public-school authorities for the purpose of payment of teachers' salaries due prior to June 1, 1934, the Corporation authorized one loan in the amount of $22,500,000, of which $200,000 was subsequently canceled.

Summarizing the above, the Corporation, during the third quarter of 1934, made 1,297 authorizations. These authorizations, together with increases during the quarter in authorizations previously made, aggregated $572,237,945.89. Cancelations or withdrawals during the third quarter of 1934, of authorizations made during that quarter and prior thereto, aggregated $218,775,616.12.

During the third quarter of 1934 the Corporation under the above acts disbursed $447,558,662.60 and received repayments in the aggregate amount of $638,641,684.78. The decrease in the amount outstanding on September 30, 1934, as compared with June 30, 1934, was $191,083,022.18.

During the entire period from the organization of the Corporation on February 2, 1932, to September 30, 1934, inclusive, the Corporation authorized under section 5 of the Reconstruction Finance Corporation Act, as amended, 17,468 separate loans to 8,949 institutions, aggregating $3,888,019,958.24, as follows: $2,196,194,845.16 to 7,270 banks and trust companies (including $869,461,855.88 to aid in the reorganization or liquidation of closed banks); $122,474,119.14 to 1,007 building-and-loan associations (including $1,335,000 to receivers of closed building-and-loan associations); $102,558,867.51 to 130 insurance companies; $407,113,449.07 to 363 mortgage-loan companies; $622,967.80 to 6 credit unions; $399,636,000 to 12 Federal land banks (including $193,618,000 representing refinancing of loans previously made by the Corporation to Federal land banks for different individual amounts, but in the same aggregate amount); $21,103,172.68 to 24 joint-stock land banks; $9,250,000 to 8 Federal intermediate credit banks; $6,013,379.64 to 20 agricultural credit corporations; $178,489,460.09 (rediscounts) to 12 regional agricultural credit corporations and their branches; $14,449,962 to 20 livestock credit corporations; $421,699,930 to 69 railroads (including $19,690,960 to 7 railroad receivers and $744,252 to the trustee of a railroad); $26,089.27 to 7 processors or distributors who are subject to processing taxes; and $8,387,715.88 to a State fund created for the purpose of insuring the repayment of deposits of public moneys.

Under section 5d of the Reconstruction Finance Corporation Act the Corporation from June 19, 1934, when this section was approved, to September 30, 1934, inclusive, made 185 authorizations to 181 industrial or commercial businesses, aggregating $12,733,675, as follows: Loans in the amount of $12,305,750 to 173 businesses; purchases of participations in the amount of $250,300 in loans to 6 businesses; and agreements to purchase participations in the amount of $177,625 in loans to 2 businesses.

Under the Emergency Relief and Construction Act of 1932, as amended, the Corporation from July 21, 1932, when the act was approved, to September 30, 1934, inclusive, made 766 authorizations to 318 institutions aggregating $1,377,478,282.91, as follows: Under the provisions of section 1, title I, $300,000,000 was made available to 42 States and 2 Territories for purposes of relief and work relief; under the provisions of section 201 (a), title II, as amended, loans or contracts aggregating $246,079,351.07 were authorized to 182 institutions for self-liquidating projects (including $10,450,000 to 6 institutions for financing the repair or reconstruction of buildings damaged by earthquake, fire, tornado, or cyclone in 1933); under the provisions of section 201 (c), title II, loans aggregating $52,880,542.80 were authorized to 3 institutions for the purpose of financing sales in foreign markets of agricultural surpluses; and under the provisions of section 201 (d), title II, loans aggregating $778,518,389.04 were authorized to 89 institutions to aid in financing the carrying and orderly marketing of agricultural commodities and livestock; produced in the United States (including authorizations of $704,000,000 to the Commodity Credit Corporation).

Under the act approved March 9, 1933, as amended, the Corporation from March 9, 1933, to September 30, 1934, inclusive, made 7,408 authorizations for loans on preferred stock, or for the purchase of preferred stock, capital notes, or debentures of 6,406 banks and trust companies, aggregating $1,104,772,295, as follows: Loans in the amount of $30,398,675, secured by preferred stock of 227 banks and trust companies; subscriptions for preferred stock of 3,470 banks and trust companies in the amount of $660,425,820; and purchases of capital notes or debentures of 2,709 banks and trust companies in the amount of $413,947,800.

Under the Agricultural Adjustment Act of 1933, the Corporation from May 12, 1933, when the act was approved, to September 30, 1934, inclusive, authorized a loan of $3,500,000 to the Secretary of Agriculture to acquire cotton.

Under the act approved June 10, 1933, as amended, the Corporation from June 10, 1933, to September 30, 1934, inclusive, made

seven authorizations aggregating $29,475,000, as follows: Loans in the amount of $29,375,000 secured by preferred stock of six insurance companies; and a subscription in the amount of $100,000 for preferred stock of an insurance company.

Under the Emergency Farm Mortgage Act of 1933, as amended, the Corporation from May 12, 1933, when the act was approved, to September 30, 1934, inclusive, authorized 358 loans in the amount of $75,387,573.77 to or for the benefit of 343 drainage, levee, irrigation, and similar districts.

Under the act approved April 13, 1934, the Corporation, from April 13, 1934, to September 30, 1934, inclusive, authorized four loans in the amount of $2,150,000 for financing the repair of property damaged by earthquake or flood in 1933, or in January and February of 1934.

Under the act approved June 19, 1934, the Corporation from June 19, 1934, to September 30, 1934, inclusive, authorized one loan in the amount of $22,500,000 for the purpose of payment of teachers' salaries; of this amount $200,000 was subsequently canceled.

Summarizing the foregoing, the Corporation, during the entire period from February 2, 1932, to September 30, 1934, inclusive, made authorizations aggregating $6,516,016,784.92. Of the total amount authorized, $707,493,889.14 was later withdrawn or canceled.

At the close of September 30, 1934, the Corporation under the above acts had disbursed $4,848,624,276.66, and repayments amounted to $2,167,726,238.90, leaving $2,680,898,037.76 outstanding on the books of the Corporation.

In addition, the Corporation had outstanding on September 30, 1934, agreements to make loans, subscribe for preferred stock, and purchase capital notes or debentures, totaling $231,292,756.21, upon the performance of specified conditions.

Under section 84 of the Farm Credit Act of 1933, with the approval of the Governor of the Farm Credit Administration, the Corporation, during the third quarter of 1934, authorized the reduction of the capital of six regional agricultural credit corporations, as follows: The Regional Agricultural Credit Corporation of Albany, N. Y., from $750,000 to $600,000; of Baltimore, Md., from $200,000 to $150,000; of Columbus, Ohio, from $500,000 to $325,000; of Jackson, Miss., from $325,000 to $275,000; of Raleigh, N. C., from $375,000 to $325,000; and of Spokane, Wash., from $8,000,000 to $7,000,000. The Corporation, with the approval of the Governor of the Farm Credit Administration, during the third quarter of 1934, authorized increases in the capital of three regional agricultural credit corporations, as follows: The Regional Agricultural Credit Corporation of Minneapolis, Minn., from $10,000,000 to $10,300,0000; of Sioux City, Iowa, from $9,500,000 to $10,025,000; and of Wichita, Kans., from $6,250,000 to $6,900,000.

Under section 4 (b) of the Home Owners' Loan Act of 1933, the Corporation during the third quarter of 1934, paid $46,000,000 to the Secretary of the Treasury for the purpose of making payments upon stock of the Home Owners' Loan Corporation subscribed for by him. This made a total of $200,000,000 so paid through September 30, 1934, and completed the payment, by the Corporation, of the entire amount allocated under section 4 (b) of the Home Owners' Loan Act of 1933.

Under section 2 (a) and section 6 of the Federal Emergency Relief Act of 1933, upon certification of the Federal Emergency Relief Administrator, the Corporation, during the third quarter of 1934, made payments for relief aggregating $6,139,011, making a total of $499,251,915 so disbursed through September 30, 1934; and disbursed $3,202.81 to the Federal Emergency Relief Administrator for expenses necessary to carry out the provisions of the above act, and received refunds of expenses previously disbursed amounting to $10,939.03, making a net total of $337,487.18 so disbursed through September 30, 1934.

Under section 4, title I, of the National Housing Act, approved June 27, 1934, which authorized the corporation to make available to the Administrator such funds as he may deem necessary to carry out the provisions of that act, the Corporation, during the third quarter of 1934, paid to the Federal Housing Administrator $10,000,000.

Under the act approved June 19, 1934, which authorized the Corporation to purchase marketable securities from the Federal Emergency Administration of Public Works, the Corporation, during the third quarter of 1934, purchased $10,025,100 face amount of such securities of which $67,000 (par value) maturing September 1934 was held to maturity by the Corporation. Invitations to submit bids on the remaining $9,958,100 (par value) were forwarded to banks, insurance companies, and dealers in securities. These securities were awarded to the highest bidder in each instance, the total of the high bids thereon being $10,081,426.83, exclusive of accrued interest. Of this sum, $10,068,826.83 plus accrued interest to the date of purchase from the Federal Emergency Administration of Public Works was paid during the third quarter to that administration, and on October 1, 1934, the remaining $12,600 was paid to the Federal Emergency Administration of Public Works.

During the third quarter of 1934 the Corporation sold $65,000,000 series D–3 notes and $10,000,000 series D–4 notes, aggregating $75,000,000, to the Secretary of the Treasury.

During the third quarter of 1934 the Corporation redeemed and canceled $255,000,000 of its series D–4 notes held by the Secretary of the Treasury, and $5,100,000 of its series E notes held by banks and trust companies.

During the third quarter of 1934 the Corporation authorized the issuance of $100,000,000 series H notes, maturing July 1, 1937, to be sold to institutions from which the Corporation subscribes for or purchases preferred stock, capital notes, or debentures. During the third quarter $16,250,000 series H notes were sold.

As of September 30, 1934, there were outstanding $3,320,964,666.67 of the Corporation's notes, as follows:

| | |
|---|---|
| Series D–1 | $475,000,000.00 |
| Series D–2 | 1,290,000,000.00 |
| Series D–3 | 740,000,000.00 |
| Series D–4 | 570,000,000.00 |
| Series E | 149,621,666.67 |
| Series F | 64,093,000.00 |
| Series G | 16,000,000.00 |
| Series H | 16,250,000.00 |
| Total | 3,320,964,666.67 |

The following tables are attached hereto:

Table 1. Aggregate authorizations, withdrawals or cancelations, disbursements, repayments, and amounts outstanding, by classes, during the third quarter of 1934, and from February 2, 1932, to September 30, 1934, inclusive.

Table 2. Number of new borrowers, etc., to which authorizations were made, by States, during the third quarter of 1934.

Table 3. Number of authorizations, by States, during the third quarter of 1934.

Table 4. Number of borrowers, etc., to which authorizations were made, by States, February 2, 1932, to September 30, 1934, inclusive.

Table 5. Number of authorizations, by States, February 2, 1932, to September 30, 1934, inclusive.

Table 6. Amount of authorizations, withdrawals or cancelations, and disbursements from February 2, 1932, to September 30, 1934, inclusive, by States.

Table 7. Amount of authorizations, disbursements, repayments, and amounts outstanding from February 2, 1932, to September 30, 1934, inclusive, by months and classes.

Table 8. Number of borrowers and amounts of loans authorized under section 5 of the Reconstruction Finance Corporation Act as amended, February 2, 1932, to September 30, 1934, inclusive, by size of cities or towns.

Table 9. Names and compensation of directors, officers, and employees of the Reconstruction Finance Corporation receiving from the Corporation more than $400 per month, as of September 30, 1934.

Table 10. Statement of cash receipts and expenditures during the third quarter, July 1, 1934, to September 30, 1934, inclusive. (Corporation's accounts with Treasurer of United States.)

Table 11. Statement of cash receipts and expenditures during the 9 months January 1, 1934, to September 30, 1934, inclusive. (Corporation's accounts with Treasurer of United States.)

Table 12. Statement of condition of the Corporation as of the close of business September 30, 1934.

Respectfully,

JESSE H. JONES, *Chairman.*
GEORGE R. COOKSEY,
*Secretary.*

The PRESIDENT OF THE SENATE.

* * * * * *

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

## BOULDER DAM—ARTICLE BY ARTHUR BRISBANE

Mr. NORRIS. Mr. President, I ask unanimous consent that an article on Boulder Dam, appearing in the Washington Herald of January 22, and written by Mr. Arthur Brisbane, be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Herald, Jan. 22, 1935]

TODAY—A DAY AT BOULDER DAM—THE OLD SIOUX CHIEF—1,835,000 HORSEPOWER—EQUAL TO FOUR NIAGARAS

By Arthur Brisbane

GALLUP, N. MEX., January 21.—This is written between Flagstaff and Winslow, traveling along the high levels of Arizona, more than 7,000 feet above sea level. The hills and dark green trees are covered with snow, the sky is miraculously blue, the climate is worth more than all our gold; and you ought to be told, once more, about these wondrous western lands of California, Arizona, New Mexico, Nevada, Colorado.

But yesterday, Sunday, was devoted to the great Boulder Dam Canyon, where, in about 10 days, water will start slowly rising in the gigantic reservoir, and all space must be devoted to that marvel of engineering science.

The automobile trip to the dam from the writer's ranch at Hodge, Calif., and back, a run of about 400 miles across part of California and Nevada was made comfortably by "Jimmy" Dixon, of Los Angeles, in 6 hours. Every American may be proud of Boulder Dam, especially Mr. Ickes, Secretary of the Interior, in charge of the project, the "Six Companies", American contracting corporations that have combined to undertake the $165,000,000 job, and F. T. Crowe, tall American from the Northwest, general superintendent of the job.

The contractors agreed to finish not later than January 1, 1938, and pay a forfeit of $9,000 damages for every day's delay.

The work will be finished in July, this year, 2½ years ahead of time, the dam itself completed in 30 days, with water running into storage back of the dam, within 15 days. This extraordinary

efficiency will mean millions for the Government in increased and immediate receipts, and interest saved, but the contractors get no bonus to offset the damage clause.

Taxpayers will learn with joy that contracts already made for power with the city of Los Angeles, power companies of southern California, and others will pay for the dam, principal and interest, within 50 years. It pays to improve the country.

Most impressive, as you stand at the edge of the deep canyon, are the face of the giant dam structure, rising more than 726 feet from bedrock, and the faces of some old Sioux Indians, to whose ancestors this river once belonged, looking at work done by white men to harness their river and put it to work.

A fine face is that of the Sioux chief, nearly 80 years old. The racial stock in Asia that produced such a man, might with education and science back of it, come flying some day as Columbus came sailing, to take possession of these lands again, driving out effete whites as those whites once drove out barbarous Indians. (You will observe, perhaps with gratitude, that nothing is said this time about airplane protection.)

The old chief sees that the Colorado River, held by a cofferdam far up the river and forced to leave its natural bed, now flows through great tunnels in the solid rock on either side of the canyon, resuming its muddy course far below the dam, allowing the white men to work on dry land that was once the river bed. Never again will the river choose its path.

Below the dam, on the old river bed, you see buildings for power development, where giant generators will produce 1,835,000 horsepower, more than four times the power of Niagara.

Above the complicated machinery and the power houses will be erected from wall to wall of the canyon, deeply anchored in the rock on each side, a protecting, reinforced, concrete roof, 25 feet thick, to be covered deeply with sand and gravel, fertile soil, and growing grass, protecting the precious machinery from falling rock that might be shaken loose by earthquakes.

Men are building there for 1,000 years to come, despite the fact that in a few centuries all this work may be obsolete, a sample of man's primitive scientific work, and the earth's real power supply produced by harnessing the tides of the giant sun itself.

The wall of the dam, 660 feet thick at the base, tapers off to 45 feet in width at the top. Water pressure is greater at the bottom of the dam because of the weight of water above it.

In the wall and the power plant there have been used 4,200,000 cubic yards of concrete, and contractors will want to know that pebbles as large as 9 inches in diameter are used in the mixture.

Just above the dam, on Government land, an inexhaustible bed of beautifully polished pebbles was found ready for the work.

Water will cover that deposit when the dam is filled, but it might be dredged for future work when other dams are built higher up the river to use power generated above the Boulder level.

The amount of concrete in that job, according to the Department of the Interior, would build a monument 100 feet square, 2⅛ miles in height. Men will build such monuments some day, and wider and higher, with apartments all the way up, allowing tenants to choose the climate and altitude they want, with airplane landings on top. What men can imagine, they can do.

Secretary of the Interior Ickes informs the public that the concrete used at Boulder Dam job would build a standard 16-foot wide paved highway reaching from Miami in Florida to Seattle in Washington.

This country will build many such roads in the years to come, now that Franklin D. Roosevelt has taught the people how to spend money, and sections of the roads at intervals will be wide enough for airplane landings, the national slogan, "Land your plane anywhere from the northwestern tip of Alaska to Key West."

Across the top of the dam, 45 feet wide, a paved highway for automobiles will carry travelers from Nevada to Arizona; on the Arizona side a winding road will lead to the top of the canyon.

The dam forms an arch, like a section of a circle, reaching from wall to wall of the canyon, the outer curve turned upstream, the arch holding the weight of the accumulated waters, in a reservoir lake, reaching upstream 110 miles.

It is the height of the water back of the dam, not the volume accumulated upstream that creates pressure on the dam. You might put the whole Atlantic Ocean upstream back of that dam, at the same height, as planned for the reservoir, and the dam would hold it.

Kind-hearted ladies and sportsmen that like to kill things will be glad to hear that the reservoir lake and all that Colorado River region belonging to Uncle Sam has been made a bird sanctuary. You may fish in the reservoir, but may not kill wild ducks or other birds that are expected to breed there. In millions from Boulder Dam they will fly in all directions and sportsmen will have the pleasure of killing them.

Boulder Dam is the highest dam in the world, towering 726 feet above bed rock, 110 to 130 feet below the river bed.

The Sautet Dam, now building in France, comes next—446 feet. Third is our 405-foot Owyhee Dam in Oregon. The world's greatest dam is not really a "Boulder Dam" for it is built in Black Canyon. Boulder Canyon farther up the river would provide less storage for water; the dam would be wider there, more expensive. Also the walls of Boulder Canyon are of granite, not as strong for anchorage purpose as the volcanic rock that is in the walls in Black Canyon, on both sides.

Intense volcanic heat, applied in comparatively recent times, gives a tougher rock to Black Canyon walls.

On both sides of the canyon the wall of the dam is anchored in the canyon rock walls to a depth of 60 feet.

Across the canyon, from wall to wall, are stretched numerous cables, over which engineers, workmen, and materials travel back and forth. Suspended below these cables are open swinging platforms on which you stand as you cross the canyon four times with Mr. Crowe. The platforms are strong enough to hold 20 tons, but carrying you from one side to the other, 600 feet above the canyon floor, swaying and dipping, they seem a little insecure, traveling 1,200 feet a minute across to the Arizona side and back.

Another trip leads to the bottom of the river bed, where you enter a round tunnel 50 feet in diameter cut in the rock to bring the water under 600 feet of pressure to turbine that will produce electric power equal to the strength of 1,800,000 horses.

Pseudo-economists who recently were prattling about "theocracy", well meaning, silly gentlemen that would now do away with machinery and go back to hand labor, should visit Boulder Dam.

The wall of the dam alone contains more cubic yards of masonry than would be needed to reproduce the great pyramids of Egypt. And it would take the men that have been employed on this dam, working with old Egyptian methods, at least 1,000 years to finish the concrete wall of the dam alone, to say nothing of double tunnels through the solid rock on either side of the canyon, and all the steel and machinery that ancient methods could not have produced at all.

What this country wants is not men working with pick and shovel, but more highly productive machinery, plus brains enough to distribute that which is produced.

The wall of the dam weighs 6,600,000 tons, and pressure of the water against the cement wall at the base of the dam will be 45,000 pounds to the square foot. The concrete wall, more than 600 feet thick, will hold that easily.

Chemical action caused by the setting of the cement, plus intense pressure, raises the wall to a temperature of 150 degrees. This is overcome by circulating water just above the freezing point through the cement in 570 miles of 1-inch steel tubing. The water is artificially cooled, and it takes the cement about 2 years to cool off.

The wall of the dam is not reinforced, but 35,000,000 pounds of reinforcing bars and rails will be used, all supplied by United States Steel, which for this job has provided materials of unusually strong quality. The Bureau of Standards inspects everything.

The dam, which goes from 110 to 130 feet into the rock below the river bed, will raise the level of the river back of the dam 584 feet, and will be 1,180 feet wide at the top. The Government purchases all materials, contractors supplying the labor and mechanical equipment, including trucks that carry 50 tons.

The reservoir back of the dam will hold 30,500,000 acre-feet of water, enough to cover 30,500,000 acres 1 foot deep. That amount of water would cover the State of New York to a depth of 1 foot, which means 10,000,000,000,000 gallons of water, 80,000 gallons for each person in the United States, 5,000 gallons for every inhabitant of the earth. The average flow of the river would fill the reservoir in 2 years, and water for power and irrigation can be used before the reservoir is full.

Gigantic emergency spillways on both sides of the canyon in addition to the huge diversion tunnels through the canyon rock walls will provide for any possible flood or sudden rise in the river. The spillways are arranged to take care of 525,000 cubic feet of water per second.

The Colorado River is now controlled and docile. There will be no more floods in the Imperial Valley, but instead regular supplies of water and power as may be needed. Spillways and other outlets with their capacity of 525,000 cubic feet of water per second would carry water enough to develop 25,000,000 horsepower. Any one of the numerous spillways would take care of all the water that flows over Niagara Falls and the power-developing drop would be three times as great as at Niagara.

All other water powers on earth are small compared with this giant power-producing dam. The next greatest power plant in the world, the Dnieprostroy, Russian plant, develops only 750,000 horsepower against Boulder Dam's 1,835,000 horsepower. That energy means 4,330,000,000 kilowatt-hours of power per year.

That must cause a little heartache among private owners of power plants, but no private owner could, no banking group would, undertake that $165,000,000 job at Boulder Dam.

Uncle Sam is the gentleman for that task.

You should see Boulder Dam. Railroads will take you there or your trusty automobile. In about 10 days water will begin to run in, above the dam, but you may always see the great unobstructed wall of the dam on the lower side.

A visit to that dam will convince you that those who fear for this country's future, and think it needs the guidance of England, France, Czechoslovakia, and the World Court, underestimate the United States.

## EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

## THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the

pending question being the amendment of Mr. VANDENBERG to the resolution of adherence as reported by the Committee on Foreign Relations.

Mr. ROBINSON. Mr. President, I ask the particular attention of the Senator from California [Mr. JOHNSON] and the Senator from Idaho [Mr. BORAH] with a view to submitting a request for unanimous consent.

I ask unanimous consent that after the hour of 4 o'clock today no Senator shall speak more than once or longer than 30 minutes on the resolution of adherence or more than once or longer than 15 minutes on any reservation that may be pending or that may be offered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

Mr. JOHNSON. Mr. President, I am unable to accede to the request which is submitted by the Senator from Arkansas. I should be glad to accept a suggestion of that sort if it were made, say, for Monday or Tuesday next, but not for today. I think it would be entirely inappropriate that it should be done today, and for that reason I object.

The PRESIDING OFFICER. Objection is made.

Mr. ROBINSON. I shall confer further with the Senator from California.

Mr. JOHNSON. I shall be very glad indeed to have the Senator do so.

Mr. SHIPSTEAD. Mr. President, I would not address the Senate today on the question before it were it not for the fact that I believe we have entered a period of time when history is about to repeat itself. We have the identical condition in the world today that we have had before. The technical discussion which has taken place in the Senate has been illuminating. The subject of the World Court and the League of Nations has been discussed here since the end of the war. I do not intend to go into a technical discussion of the question, because it has been fully discussed by men more able than I, and if I should undertake to do it it would be merely a repetition of what has been said.

I repeat, if I did not believe we are entering or have already entered a period where history is about to repeat itself, I should not address the Senate. We have a situation in the country and throughout the world whereby everyone talks of peace and thinks of war. Being an apostle of peace I want to read a paragraph written something like 40 years ago by the greatest apostle of peace since the Prince of Peace came to earth. I refer to Leo Tolstoi. What he wrote at that time is as prophetic now, in my opinion, as it was at that time.

At that time the whole world was talking of peace and thinking of and preparing for war. After analyzing these peace organizations, and these movements and drives for peace, Tolstoi wrote a thesis on the question of peace and of patriotism and of war.

I read it when I was a boy, and this morning I sent to the Library of Congress to get it. I find on the leaf of this book that the Library of Congress bought it in 1899. It is the greatest document on peace since the Sermon on the Mount; and it is a strange paradox and an irony of fate for me to discover that with all the peace organizations in the United States, and all the debates in the Halls of Congress in the past 20 years, this book containing this thesis on the question of peace has its leaves uncut. It has rested there for 35 years without being read.

I recommend this book to the Carnegie Peace Foundation. I recommend it to the Rockefeller Foundation. I recommend it to the League of Nations. I recommend it to every Member of Congress.

Here is what Tolstoi wrote at the time a great peace organization was formed—in fact, several of them were formed. He said:

> It is true that it was constantly proclaimed in all the speeches, in all the toasts pronounced at these festivities, and in all the articles upon them, that the object of what was taking place was the establishment of peace. Even the partisans of war, the Russian correspondent previously cited amongst them, speak not of any hatred toward the conquerors of the lost provinces, but of a love which somehow hates.
>
> However, we are well aware of the cunning of those that suffer from mental diseases, and this constant iteration of a desire for peace, and silence as to the sentiments in every man's mind, is precisely a threat of the worst significance.

In the early nineties a peace organization had been formed by a great proponent of peace, Kaiser Wilhelm II, by uniting with the Austrian Emperor. That union, which later became the Triple Alliance when Italy joined it, was hailed throughout the world as a great peace organization. Meetings were held in Austria and in Germany in the interest of peace, where speeches were made in the interest of peace, and toasts were drunk in the interest of peace.

Not to be outdone, Russia and France formed another peace organization which later, with the adherence of Great Britain, became the Triple Entente; and then great peace celebrations were held throughout Europe and throughout the world. It is these peace festivities about which Count Leo Tolstoi writes, and writes so prophetically that 20 years afterward his prophecy became true. Because we have that kind of a situation in the world today, where everyone is talking of peace and preparing for war, I think his prophecy, written 20 years before the World War, is as prophetic today as it was then.

I should like to read a few paragraphs from this thesis dealing with peace organizations, showing how the war makers make war in the name of peace, how they control these peace organizations, as has been shown here by the special investigating committee of the Senate, how ammunition makers control disarmament conferences and peace conferences.

In confirmation of this peace organization, this "league of nations" of France and Russia, Tolstoy writes what took place when different delegations from various countries came to celebrate at great peace festivals. He explains how a Russian delegation came to France, to Toulon, and to Paris; how speeches were made, all in the name of peace. The Russian delegation told how they loved peace and how they loved France. French speakers told how they loved peace and how they loved Russia. The newspapers all over the world hailed the alliance as a great peace organization. Newspaper correspondents were overcome with sentiments of peace that they found throughout Europe, and particularly at these peace festivities in France, to celebrate the formation of this great peace organization.

Because the sentiments expressed at that time were so similar to the sentiments expressed today, I shall, with the indulgence of the Senate, read what one great French correspondent wrote about the profound peace sentiment he found in France at that time.

He said:

> It may truthfully be said that this event is of universal importance, astounding, sufficiently touching to produce tears, and elevating influence on the soul, making it throb with that love which sees in men brothers, which hates blood, and violence, and the snatching of children from a beloved mother. I have been in a kind of torpor for the last few hours. It seems almost overpoweringly strange to stand in the terminus of the Lyons Railway, amid the representatives of the French Government, in their uniforms embroidered with gold, amongst the municipal authorities in full dress, and to hear cries of "Vive la Russie!" "Vive le Czar!", and our national anthem played again and again.
>
> Where am I? I reflected. What has happened? What magic current has united all these feelings, these aspirations, into one stream? Is not this the sensible presence of the God of love and of fraternity, the presence of the loftiest ideal descending in His supremest moments upon man?

Why, God had descended among them and had imbued them all with a spirit of fraternity, according to the press.

The correspondent continues:

> My soul is so full of something beautiful, pure, and elevated that my pen is unable to express it. Words are weak in comparison with what I saw and felt. It was not rapture, the word is too commonplace; it was better than rapture. More picturesque, deeper, happier, more various. It is impossible to describe what took place at the Cercle Militaire when Admiral Avellan appeared on the balcony of the second story. Words here are of no avail. During the Te Deum, while the choir in the church was singing "O Lord, save Thy people", through the open door were blown the triumphal strains of the Marseillaise, played by the brass bands in the street.
>
> It produced an astounding, an inexpressible impression.

Then Tolstoy goes on to say:

In an English journal a list of all the intoxicating liquor drunk during the festivities was given. The quantity mentioned was so enormous that one hardly believes it would have been possible that all the drunkards in France and Russia could account for so much in so short a time.

The speeches made were also published, but the menus were more varied than the speeches. The latter, without exception, always consisted of the same words in different combinations. The meaning of these words was always the same—we love each other tenderly and are enraptured to be so tenderly in love. Our aim is not war, not a revanche, not the recovery of the lost provinces; our aim is only peace, the furtherance of peace, the security of peace, the tranquillity and peace of Europe.

Long live the Russian Emperor and Empress! We love them, and we love peace. Long live the President of the Republic and his wife! We love them, and we love peace. Long live France, Russia, their fleets, and their armies! We love the army, and peace, and the commander of the Russian fleet.

* * * * * * *

In general, the women on all these occasions played the leading part and even directed the men. Besides the throwing of flowers and various little ribbons and the presenting of gifts and addresses, the French women in the streets threw themselves into the arms of the Russian sailors and kissed them.

* * * * * * *

There is no single speech or article in which it is not said that the purpose of all these orgies is the peace of Europe. At a dinner given by the representatives of the Russian press all speak of peace. M. Zola, who, a short time previously, had written that war was inevitable and even serviceable; M. de Vogüé, who more than once has stated the same in print—say, neither of them, a word as to war but speak only of peace. The sessions of Parliament open with speeches upon the past festivities; the speakers mention that such festivities are an assurance of peace to Europe.

It is as if a man should come into a peaceful company and commence energetically to assure everyone present that he has not the least intention of knocking out anyone's teeth, blackening their eyes, or breaking their arms, but has only the most peaceful ideas for passing the evening.

"But no one doubts it", one is inclined to say, "and if you really have such evil intentions, at least do not presume to mention them."

In many of the articles describing the festivities a naive satisfaction is clearly expressed that no one during them alluded to what it was determined, by silent consent, to hide from everybody, and that only one incautious fellow, who was immediately removed by the police, voiced what all had in their minds by shouting, "À bas l'Allemagne!"—Down with Germany!

In the same way children are often so delighted at being able to conceal an escapade that their very high spirits betray them.

Why, indeed, be so glad that no one said anything about war, if the subject were not uppermost in our minds?

* * * * * * *

No one is thinking of war; only milliards are being spent upon preparations for it, and millions of men are under arms in France and Russia.

"But all this is done to insure peace. Si vis pacem para bellum. L'empire c'est la paix. La République c'est la paix."

Then Tolstoy goes on to say:

The deluded ones are always the same eternally deluded, foolish working folk; those who, with horny hands, make all these ships, forts, arsenals, barracks, cannon, steamers, harbors, piers, palaces, halls, and places with triumphal arches; and who print all these books and papers; and who procure and transport all these pheasants and ortolans and oysters and wines which are to be eaten and drunk by those who are brought up, educated, and maintained by the working class; and who, in turn, deceive and prepare for it the worst disasters.

Always the same good-natured, foolish working folk, who, yawning, showing their white, healthy teeth, childishly and naively pleased at the sight of admirals and presidents in full dress, of flags waving above their heads, and fireworks, and triumphal music; for whom, before they can look round, there will be no more admirals, or presidents, or flags, or music, but only a damp and empty field of battle, cold, hunger, and pain; before them a murderous enemy; behind relentless officers preventing their escape; blood, wounds, putrefying bodies, and senseless, unnecessary death.

"But nothing of the kind exists; we have no bellicose intentions", it is replied. "All that has happened is the expression of mutual sympathy between two nations. What can be amiss in the triumphal and honorable reception of the representatives of a friendly nation by the representatives of another nation? What can be wrong in this, even if we admit that the alliance is significant of a protection from a dangerous neighbor who threatens Europe with war?"

It is wrong because it is false—a most evident and insolent falsehood, inexcusable, iniquitous.

It is asked, "What is wrong in France and Russia expressing their mutual sympathies for the preservation of peace?" The expression is wrong because it is false, and a falsehood once pronounced never ends harmlessly.

The devil was a murderer and the father of lies. Falsehood always leads to murder; and most of all in such a case as this.

Just what is now taking place occurred before our last Turkish War, when a sudden love on our part was supposed to have been awakened toward certain Slavonic brethren none had heard of for centuries; though French, Germans, and English always have been, and are, incomparably nearer and dearer to us than a few Bulgarians, Servians, or Montenegrins. And on that occasion just the same enthusiasm, receptions, and solemnities were to be observed blown into existence by men like Aksakov and Katkov, who are already mentioned in Paris as model patriots. Then, as now, the suddenly begotten love of Russ for Slav was only a thing of words.

Then in Moscow, as now in Paris, when the affair began, people ate, drank, talked nonsense to one another, were much affected by their noble feelings, spoke of union and of peace, passing over in silence the main business—the project against Turkey.

The press goaded on the excitement, and by degrees the Government took a hand in the game. Serbia revolted. Diplomatic notes began to circulate and semiofficial articles to appear. The press lied, invented, and fumed more and more, and in the end Alexander II, who really did not desire war, was obliged to consent to it; and what we know took place, the loss of hundreds of thousands of innocent men and the brutalizing and befooling of millions.

Now listen to this:

What took place at Paris and Toulon, and has since been fomented by the press, is evidently leading to a like or a worse calamity.

That like and worse calamity to which he refers came in the early days of August 1914—and he wrote this 20 years before. And then he said that when that day comes when will take place, as the result of these peace organizations, the league of nations formed by Germany and Austria and France and Russia, later joined by Great Britain on the one hand, and Italy on the other—when that day comes he tells us what is going to happen. And we know it did happen. He said:

The bells will peal, long-haired men will dress in golden sacks and pray for successful slaughter. And the old story will begin again, the awful customary acts.

The editors of the daily press, happy in the receipt of an increased income, will begin virulently to stir men up to hatred and manslaughter in the name of patriotism. Manufacturers, merchants, contractors for military stores will hurry joyously about their business in the hope of double receipts.

All sorts of government functionaries will buzz about, foreseeing a possibility of purloining something more than usual. The military authorities will hurry hither and thither, drawing double pay and rations, and with the expectation of receiving for the slaughter of other men various silly little ornaments which they so highly prize, as ribbons, crosses, orders, and stars. Idle ladies and gentlemen will make a great fuss, entering their names in advance for the Red Cross Society, and ready to bind up the wounds of those whom their husbands and brothers will mutilate, and they will imagine that in so doing they are performing a most Christian work.

And, smothering despair within their souls by songs, licentiousness—

And he might have said community singing—

and wine, men will trail along, torn from peaceful labor, from their wives, mothers, and children—hundreds of thousands of simple-minded, good-natured men with murderous weapons in their hands—anywhere they may be driven.

They will march, freeze, hunger, suffer sickness, and die from it, or finally come to some place where they will be slain by thousands, or kill thousands themselves with no reason—men whom they have never seen before, and who neither have done nor could do them any mischief.

And when the number of sick, wounded, and killed becomes so great that there are not hands enough left to pick them up, and when the air is so infected with the putrefying scent of the "food for cannon" that even the authorities find it disagreeable a truce will be made, the wounded will be picked up anyhow, the sick will be brought in and huddled together in heaps, the killed will be covered with earth and lime, and once more all the crowd of deluded men will be led on and on till those who have devised the project weary of it, or till those who thought to find it profitable receive their spoil.

And so, once more men will be made savage, fierce, and brutal, and love will wane in the world, and the Christianizing of mankind, which has already begun, will lapse for scores and hundreds of years. And so once more the men who reaped profit from it all will assert with assurance that since there has been a war there must needs have been one, and that other wars must follow, and they will again prepare future generations for a continuance of slaughter, depraving them from their childhood.

That is what Tolstoy wrote of the peace movements of the early nineties, which were, in fact, preparation for war in the name of peace.

That, however, was not the first war organization which was organized in the name of peace. When Napoleon started to raise trouble in Europe, overthrowing the dynas-

ties, the monarchies, the legitimate heirs to the thrones, he gave some consideration to the political and economic rights of the ordinary, common man, and so those who would rule by divine right formed an alliance to get rid of Napoleon. The slogan in the Napoleonic wars in their later stages was the same as the slogan in the last World War—the slogan of which was "Get rid of the Kaiser." The slogan in the Napoleonic wars was "Get rid of Napoleon." The Foreign Minister of Great Britain wrote to the chancelries, when he was forming his alliance against Nepoleon, and said, "We must have a league of nations after we get rid of Napoleon to maintain the status quo, to keep the legitimate heirs on the thrones, and stop the onward march of democracy." And that league was formed. It was called the "Holy Alliance."

History shows that it was hailed all over the world as a league of peace, as an organization to keep the peace of the world and to save civilization by enforcing peace upon the world. History also shows that it did not prevent any war, and it did not preserve any peace in Europe, because the alliance was based upon injustice to humanity, because it had for its ultimate purpose the defeat of the movement of democracy to protect the economic and political rights of the average man. It did not prevent the revolution in Germany in the forties; it did not prevent the war against Denmark; it did not prevent the war of 1870. It was not meant to prevent war. It was meant to keep down democracy and protect the autocracies and those upon the thrones of Europe. But the evolutionary movement of democracy to free every man and to give the same right of equality before the law to every land was too strong, and it was overthrown.

I said in the beginning I believed history is repeating itself. It may do no good to repeat that history repeats itself, and that we can learn something today from what has happened in history before. Hegel said the only thing we learn from history is that we cannot learn anything from history. However, I am not so cynical as Hegel. I believe that we can learn something from history. There is nothing new in diplomacy; there is nothing new in statecraft. Since the time of Pitt the same formulas of conquering nations are written into peace treaties and into organizations for peace.

So we come to the present moment when we have an organization which is set up to be an organization for peace. I come to the League of Nations. If this Court were not an instrument of the League of Nations, if it were not created by the League of Nations, if it were not given life and nourishment by the League of Nations, and if it were not created to be used as a tool to carry out the political purposes for which the League of Nations was founded, I would not impose upon the time of the Senate. I know that honest, able men disagree with me. If I believed that the thing for the United States to do as a matter of national policy was to join the League of Nations, I would be for the World Court. I do not believe the national policy of the United States is one that should make us enter either the League or its instrument—the League Court—because I do not consider either one of the two as instruments of peace.

What is the League of Nations? It was created by the Treaty of Versailles. The Treaty of Versailles was written by the conquering nations of the World War. They were the victors of the war. After the war was over, and after the signing of the armistice, they sat down and divided territory and the oil fields of the world among themselves, and then formed an organization to protect each other in the loot of that war.

Mr. President, we did not take any of the loot of that war. Having assisted them in acquiring that loot, men who believe it is our duty to go over and help them protect that loot would join the League of Nations; men who sincerely believe that that organization was formed to keep the peace of the world would join the League of Nations, and they think the United States should so do. According to the Treaty of Versailles, the only peace the victorious European nations would stand for was a peace that would protect them in their loot gained from the World War; and in that theory and in that idea and in that principle is contained the cause of the next war.

A league of nations to keep the peace! We got into the World War in the name of peace; we got into the World War in order "to put an end to war." That was the propaganda; that was the slogan. The Carnegie Foundation—founded by Andrew Carnegie, who, as is well known, said the United States ought again to become a part of the British Empire—at the outbreak of the World War that organization became a propaganda organization to take us into the war, and one of the pensioners of the Carnegie Foundation, who had been traveling all over this country in the interest of peace, stood in the gallery of the House of Representatives when war was declared and waved the American flag because the United States was going into the war. Leading Socialists and other leaders of pacifist organizations became high-paid war propagandists, and church pulpits became recruiting stations.

As a young Nation, something like 150 years old, we have prospered beyond the dreams of the imagination. In that comparatively short time we became a Nation of 130,000,000 people, the wealthiest and most powerful nation in the world. During that century and a half, which made us prosperous and a great Nation, we minded our own business; we attended to our own political affairs; we had friends in every land; we traded in every land; our ships were welcome in every port; we were the envy of the world; we had friends in every corner of the world. In 1914 we departed from the policy of minding our own affairs and started to mix into the politics of Europe. That was the year when the World War broke out. I say that we departed from that policy in 1914, not with military force, but the seeds were sown in 1914 that took us into the World War with an army in 1917, when the emissaries of foreign governments, acting as financial agents for Great Britain, France, and Russia, with American credit began to finance foreign governments in war. Those agents of foreign governments, for a commission and for pay, sowed the seeds by means of loans to economic entanglements which led to political entanglements. These roving ambassadors and Mr. J. Pierpont Morgan headed that conspiracy to finance with American credit foreign countries and foreign governments in a war. By 1917 the American Ambassador to the Court of St. James cabled the President of the United States that Great Britain and France were at the end of their ropes so far as loans were concerned, that the house of J. Pierpont Morgan could not carry their load any longer, that the only thing that could save her was the American taxpayers' credit, and the only way that could be obtained was to have the United States declare war.

Then, after the war, when they could not get more money out of the taxpayers' pockets, the roving ambassadors started over again with the Dawes Plan to provide a method by which private investors of the United States could be induced to buy bonds and loan the proceeds to Germany so that Germany could pay her reparations to France and Great Britain. When they could not raise any more money under that scheme, another roving ambassador by the name of Owen D. Young went over to Europe and put over another scheme by which the bankers helped Great Britain and France to collect some more reparations from Germany through loans of the United States, and our American investors held the bag.

Then came the London naval treaty, sponsored by the pacifists and peace organizations in the name of disarmament, in the name of peace. As the result of that treaty we are now going to spend a billion dollars more to increase our Navy.

I allude to these facts to show how, in the name of peace, we are led to greater armaments and greater commitments in the interest of war.

Then came the Kellogg Pact for the outlawry of war. In that pact nations renounced war as a national policy; but when Japan made war upon China and took territory from China, the pact to renounce war was not in evidence, and Japan has obtained the loot of that war. There was no

advisory opinion asked for by the League of Nations in that case. Whether or not they did not dare to do so, or whether or not they thought Japan was entitled to something for what little aid she gave in the World War, and had a secret understanding that she should go ahead I do not know, but our Secretary of State disregarded the solemn treaty signed by nine powers, that in such an event we would call a conference and discuss frankly the condition that existed, and, instead, went over to Europe to seek the aid of this great peace organization—the League of Nations—and they told him to go ahead. He went as far as he could, and then he discovered that he was alone. We came out of that affair, as we usually come out of foreign conferences, as "suckers."

Mr. President, as I have already said, we have heard a great deal about peace, and we hear very many expressions of a desire to settle international controversies by peaceful means, and we are told that the World Court is the only place we can go. We forget we have settled many controversies by peaceful methods. We settled the Alabama claims with Great Britain; the North Atlantic Fisheries case, the Alaskan boundary question, and just a few days ago we settled a controversial question with Canada in the *I'm Alone* case.

We are a member of the International Court of Arbitration at The Hague. We have a court to which we may go if we want to go to it to settle controversies peacefully. I have still to find any man who can tell me what controversies involved in international law can be brought to the League of Nations Court which cannot also be brought to the Arbitration Court at The Hague. Herr Lauder, of The Hague, in Holland, was the first president of the court, but he is no longer a member of it. I asked him a few years ago if he knew of any instance where a case or a controversy could be brought to the League of Nations Court that could not be brought to the Court of Arbitration at The Hague and adjudicated according to the same rules of international law, and he told me he did not know of any. So entrance into this Court, the open door to the entrance into the League of Nations, cannot be based upon a theory that the World Court is the only method we have of settling international controversies by peaceful means. We have found other methods heretofore. We have other doors open now at the Hague Court of Arbitration, of which we are a member.

Mr. President, as I said in the beginning, if I believed the existing League of Nations was anything else but the repetition of the leagues of nations that have gone before for military purposes to control the destinies of other nations, I would be for the entrance of the United States into the League of Nations. I cannot, however, help but believe that the policy we have pursued for 150 years, which made us a great people, is the policy we should continue to pursue; and, having departed from it, I believe it is the policy to which we should return.

It has been explained here how political was the decision in the German-Austrian case. The debate that has taken place on the part of the Senator from California [Mr. JOHNSON], the Senator from Idaho [Mr. BORAH], and the Senator from Arkansas [Mr. ROBINSON], at least, is illuminating and is convincing that the decision in that case was a political decision, and therefore not within the province of a judicial tribunal but perfectly within the province and jurisdiction of a political tribunal. It has been said it was a wise decision and has proved to be wise. That may be true, but as to the wisdom of that decision, if any good results have followed from the failure of Germany and Austria to unite on tariffs, they are not due in any measure to anything the judges of that Court could foresee.

Hitler at that time did not rule Germany. The trouble has come since the Nazi movement in Germany came in conflict with the sentiment of Austria. There are those who believe that under the circumstances which now exist such a tariff union could not exist between those two countries, but that has nothing to do with the decision of the League of Nations Court.

Let me call the attention of the Senate, and for the purpose of the RECORD, to what took place in the summer of 1931. France has been financing the nations of the Little Entente for political and armament purposes. France expressed great concern for the independence of Austria; but it is well known that when the Creditanstalt of Vienna went bankrupt in 1931 and applied to the Bank of France for aid, for a loan, they could not get it unless the Austrian Government would consent to certain policies in connection with France affecting the politics of eastern Europe.

Austria refused conditions imposed, so France refused to make the loan. Then Austria applied to the Bank of England for the loan, and the Bank of England loaned the money. England thus swung the balance of power away from France in 1931 to a sympathetic attitude toward Germany with her allies. Since J. Pierpont Morgan became the impresario of roaming ambassadors of the United States, the United States has usually followed the lead of Great Britain. The other countries were in political alinement with Great Britain, and their judges have voted with Great Britain. Those under political obligation to France and in political alinement with France voted with France.

Mr. President, I began my remarks by reading a paragraph from Tolstoy's thesis on Patriotism and Christianity, written 20 years before the World War, in which as a prophet he showed how war was being prepared for in the name of peace. While peace meetings were being held in every country, millions were being spent in preparation for war. Because the same thing is going on all over the world today, I hold that his essay on Patriotism and Christianity is as prophetic today as it was 20 years before the war.

Again, to students of peace, lovers of peace, and students of the chicanery of diplomats I recommend that thesis. Since the book has laid in the Congressional Library for 35 years without having its pages cut, I hope that every peace organization in the United States will now get a copy of it and read it in order to understand how the efforts and the motives for peace are being prostituted by the makers of war.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KING in the chair). The Senator from Oregon suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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|---|---|---|---|
| Adams | Connally | Johnson | Pope |
| Ashurst | Coolidge | Keyes | Radcliffe |
| Austin | Copeland | King | Reynolds |
| Bachman | Costigan | La Follette | Robinson |
| Bailey | Couzens | Lewis | Russell |
| Bankhead | Cutting | Logan | Schall |
| Barbour | Davis | Lonergan | Schwellenbach |
| Barkley | Dickinson | McCarran | Sheppard |
| Bilbo | Dieterich | McGill | Shipstead |
| Black | Donahey | McNary | Smith |
| Bone | Duffy | Maloney | Steiwer |
| Borah | Fletcher | Metcalf | Thomas, Okla. |
| Brown | Frazier | Minton | Thomas, Utah |
| Bulkley | Gerry | Moore | Townsend |
| Bulow | Glass | Murphy | Trammell |
| Burke | Gore | Murray | Truman |
| Byrd | Guffey | Neely | Vandenberg |
| Byrnes | Hale | Norbeck | Van Nuys |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Carey | Hatch | O'Mahoney | Wheeler |
| Clark | Hayden | Pittman | |

The PRESIDING OFFICER (Mr. LONERGAN in the chair). Eighty-seven Senators having answered to their names, a quorum is present.

Mr. RUSSELL. Mr. President, I send to the desk and ask to have read by the clerk certain resolutions adopted by the house of representatives of the Georgia General Assembly protesting against the entrance of this Nation into the World Court or the Court of the League of Nations.

Our house of representatives is one of the largest legislative bodies in the United States, and I think the resolutions correctly reflect the opposition on the part of the people of the State of Georgia, and I believe of the United States, to the adoption of the pending resolution.

The PRESIDING OFFICER. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

Resolution

Whereas there is now pending before the Senate of the United States a proposition to enter this Government into the World Court; and

Whereas the World Court is a creature of the League of Nations, whose members are chosen and code of procedure determined by the League of which this Government is not a member; and

Whereas a membership in the World Court would subject this Government to the control of powers whose interests are allied between themselves, but antagonistic to ours, and would by necessity submit to foreign control questions which this Government should decide for itself; and

Whereas the reservations are impractical of enforcement, and the representatives of this Government could not in decency pass upon the rights of others and decline a similar submission of its own; and

Whereas the South has particular interest regarding immigration and finance which should not be submitted to foreign judgment; and

Whereas it is wiser now to avoid foreign entanglements than when Washington advised against it: Therefore be it

*Resolved*, by the house of representatives that the Senators from Georgia be requested to vote and use their influence against the entry of the United States into the World Court, and that a copy of these resolutions be forwarded to the Senators from Georgia.

*Resolved further*, That this resolution be immediately transmitted to the Governor for his approval.

Approved this 18th day of January 1935.

EUGENE TALMADGE, *Governor*.

The PRESIDING OFFICER. The resolution will lie on the table.

Mr. DAVIS. Mr. President, much has been said on the subject of our adherence to the World Court protocols. At the risk of some repetition, perhaps, I should like to review briefly certain aspects of reservations which have been before this body from time to time.

In 1923 the Secretary of State recommended to the President that we adhere to the World Court with certain reservations which he set forth. In 1926 the Senate adopted a resolution which embodied the Secretary of State's recommendations, plus the now famous Reservation 5.

The Senate reservations contained, in brief, 5 specific reservations, 1 condition, and 2 understandings.

At this point in my remarks I ask that the Senate resolution of 1926 be inserted in the RECORD. This resolution appears in full on pages 131 and 132 of the World Court hearing before the Committee on Foreign Relations, part 2, May 16, 1934, third paragraph.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Whereas the President, under date of February 24, 1923, transmitted a message to the Senate, accompanied by a letter from the Secretary of State, dated February 17, 1923, asking the favorable advice and consent of the Senate to the adherence on the part of the United States to the protocol of December 16, 1920, of signature of the statute for the Permanent Court of International Justice, set out in the said message of the President (without accepting or agreeing to the optional clause for compulsory jurisdiction contained therein), upon the conditions and understandings hereafter stated, to be made a part of the instrument of adherence: Therefore be it

*Resolved (two-thirds of the Senators present concurring)*, That the Senate advise and consent to the adherence on the part of the United States to the said protocol of December 16, 1920, and the adjoined statute for the Permanent Court of International Justice (without accepting or agreeing to the optional clause for compulsory jurisdiction contained in said statute), and that the signature of the United States be affixed to the said protocol, subject to the following reservations and understandings, which are hereby made a part and condition of this resolution, namely:

1. That such adherence shall not be taken to involve any legal relation on the part of the United States to the League of Nations or the assumption of any obligations by the United States under the Treaty of Versailles.

2. That the United States shall be permitted to participate through representatives designated for the purpose and upon an equality with the other states, members, respectively, of the Council and Assembly of the League of Nations, in any and all proceedings of either the Council or the Assembly for the election of judges or deputy judges of the Permanent Court of International Justice or for the filling of vacancies.

3. That the United States will pay a fair share of the expenses of the Court as determined and appointed from time to time by the Congress of the United States.

4. That the United States may at any time withdraw its adherence to the said protocol and that the statute for the Permanent Court of International Justice adjoined to the protocol shall not be amended without the consent of the United States.

5. That the Court shall not render any advisory opinion except publicly after due notice to all states adhering to the Court and to all interested states and after public hearing or opportunity for hearing given to any state concerned; nor shall it, without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

The signature of the United States to the said protocol shall not be affixed until the powers signatory to such protocol shall have indicated, through an exchange of notes, their acceptance of the foregoing reservations and understandings as a part and a condition of adherence by the United States to the said protocol.

*Resolved further*, as a part of this act of ratification, That the United States approve the protocol and statute hereinabove mentioned with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can be had only by agreement thereto through general or special treaties concluded between the parties in dispute; and

*Resolved further*, That adherence to the said protocol and statute hereby approved shall not be so construed as to require the United States to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions of policy or internal administration of any foreign state; nor shall adherence to the said protocol and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions (S. Doc. No. 1, 72d Cong., 1st sess., p. 10).

Mr. DAVIS. Those reservations were communicated formally to the various members of the League of Nations. Did the League members accept our proposals, which were stated in clear unequivocal language? Only five powers accepted. They were Albania, Cuba, Greece, Liberia, and Luxemburg.

A total of 24 powers desired to vary the reservations; so the result was that a committee of jurists was named by the League of Nations Council to consider our reservations. This committee made a study and drafted the so-called "protocol of accession."

What the League of Nations said, through its committee, was this: "We have studied your reservations, and we want you to join our Court. But we believe that your reservations should be reworded in language we understand. Therefore you can come in if you accept our version of your own reservations."

Can such discourtesy be imagined?

We were told, Mr. President, that we could not come in unless the League of Nations worked over our reservations and put them down in words that they understood, and that they would interpret.

The eminent Senator from Idaho [Mr. BORAH], in a learned discussion of the matter of adherence, quoted Viscount Grey as saying:

Let them come in with their reservations; we will construe their reservations.

This situation would be bad enough if the so-called "protocol of accession" contained everything we asked. The simple truth is that all our requirements were not met. The reservations proper, as embodied in the protocol, were so reworded that a number of points are not entirely clear. The condition was varied, and the two understandings were omitted entirely. That is how the League of Nations garbled our reservations.

We are now asked by Court proponents to accept that protocol as meeting our objections.

When this protocol was before the Senate Foreign Relations Committee it caused considerable discussion, with the result that we have before us, by a majority vote of the Senate Committee on Foreign Relations, a resolution to which is added a certain proviso said to give the United States certain safeguards with regard to advisory opinions.

I call the attention of the Senate to the specific language of the resolution introduced by the leader of the majority, Mr. ROBINSON.

The Robinson resolution says, page 2, lines 9 through 12:

With the clear understanding of the United States that the Permanent Court of International Justice shall not, over an objection by the United States, entertain any request for an advisory opinion.

And so forth.

In other words, Mr. President, the duty is on the United States to object if an advisory opinion touching an American interest is requested. That places the duty of acting on us, not on the Court or the League of Nations.

It seems to me, Mr. President, that the duty should be on the Court to obtain our consent. That is, the burden should be on the Court to obtain our consent. This thought is set forth in the report of 1932 by the able Senator from Montana, Mr. Walsh. This report, known as Report 758, Seventy-second Congress, first session, says:

> With the clear understanding of the United States that the Permanent Court of International Justice shall not, without the consent of the United States, entertain any request for an advisory opinion.

And so forth.

It is my understanding that my former colleague in this body, Senator Reed, made such a proposal or is the author of such a proposal as that embodied in the Walsh report, which would place the burden on the Court and not on the United States.

Therefore, Mr. President, I think certain amendments should be made to the Robinson reservation which would change the language to read as follows:

> With the clear understanding of the United States that the Permanent Court of International Justice shall not, without the affirmative consent of the United States, entertain any request for any advisory opinion.

And so forth.

Yesterday I presented to the Senate a reservation which I asked at that time to have printed and lie on the table. I ask the consent of the Senate to have the reservation placed in my remarks at this particular point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The reservation is as follows:

> On line 17, after the comma, strike out "over an objection by" and insert in lieu thereof the following: "without the consent of."

So as to make the resolution read:

> Whereas the President, under date of December 10, 1930, transmitted to the Senate a communication, accompanied by a letter from the Secretary of State dated Novemeber 18, 1929, asking the favorable advice and consent of the Senate to adherence by the United States to the protocol of date December 16, 1920, of signature of the statute for the Permanent Court of International Justice, the protocol of revision of the statute of the Permanent Court of International Justice of date September 14, 1929, and the protocol of accession of the United States of America to the protocol of signature of the statute of the Permanent Court of International Justice of date September 14, 1929, all of which are set out in the said message of the President dated December 10, 1930: Therefore be it
>
> *Resolved (two-thirds of the Senators present concurring)*, That the Senate advise and consent to the adherence by the United States to the said three protocols, the one of date December 16, 1920, and the other two each of date September 14, 1929 (without accepting or agreeing to the optional clause for compulsory jurisdiction), with the clear understanding of the United States that the Permanent Court of International Justice shall not, without the consent of the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

Mr. DAVIS. In the first place, Mr. President, I do not think the protocol of accession contains all the protections which the Senate of the United States has requested. In the second place, if it be the desire of this body to accept that protocol, I think an amendment or reservation should be made such as I have suggested, which will change the position of the United States with respect to advisory opinions. That is, if we are going to be taken into the League Court on terms which the League of Nations and not the Senate specified, we should have the protection of taking affirmative action for consent rather than be placed in an opposite situation relative to advisory opinions. That is to say, Mr. President, without this amendment the Court could entertain a request for an advisory opinion unless we made specific objection. The situation should be that the Court cannot act on such an opinion without first securing our consent.

I should like to raise the question as to who, under the resolution before the Senate, will make the objection? If the Senate, the constitutional body to advise with the Executive on matters of foreign relations, is not in session, who will object on behalf of the United States? Will it be some administrative official or some sort of delegate? Such power is too great to delegate to one man.

Mr. President, I should like to make brief reference to a communication I have received from the Honorable George Wharton Pepper, former Senator from Pennsylvania, a distinguished member of the bar and nationally recognized student of international law and foreign relations. Says Senator Pepper:

> I think the terms of the Senate resolution of 1926 give the minimum protection which the United States should have.

Note the words "minimum protection."

The letter also says:

> It seems to me to be wholly inconsistent with the dignity of the Senate, 8 or 9 years after the passage of the resolution, to permit itself to be put in the position of allowing the impression to prevail that nonadherence in 1926 was the fault of the United States, when actually it was due to the perverse refusal of the signatories to accept the terms which we then offered. That their refusal was perverse is demonstrated by the fact that they now contend for adherence upon terms of the Root-Hurst formula, coupled with the positive assertion that this means the same thing as the original Senate resolution. It obviously does not mean the same thing but something far less satisfactory.

Senator Pepper has for years made a detailed study of the question of our adherence to the World Court, and his words should be taken as those of one in authority to speak on this subject.

I continue with the letter:

> It is then proposed to convert the unsatisfactory Root-Hurst formula into the equivalent of what its promoters claim for it by adding a reservation that our clear understanding of the formula is that it means something which it does not mean. If I were in the Senate and wished to vote for adherence, I should do it upon the precise terms of the original Senate resolution or not at all.

As Senator Pepper observes by inference, if the offer we now have is equivalent to the Senate resolutions upon which we insisted, why must we bother with all the trouble of passing a new set of resolutions?

It seems clear to me that either the proposal we have before us is the same or different from the resolutions of 1926. If the proposal is equivalent to the resolutions of 1926, we have spoken, and it only remains for the other powers to accept. They have given their answer; they have refused. It follows, therefore, that the proposal must be different; and if it is different, it must be in favor of the foreign powers, for the proposals are written by them in perverse variance to our resolutions.

I repeat Lord Grey's remark:

> Let them come in with their reservations; we will construe their reservations.

Senator Pepper further on in his letter touches on the matter of adherence being a step forward to membership in the League of Nations. He says:

> Few people realize how subtle and far-reaching has been the propaganda put forward in the interest of the League of Nations and the Court. The whole thing seems to me to be a menace to our American birthright. * * * It is like letting the wooden horse inside the fortress, and finding too late that it is full of armed Greeks.

I am in favor of a Court of International Justice; but in this Court, with its advisory opinions, I have but little faith, since it is tied in with the League of Nations. The League can ask for advisory opinions at any time, which would in many cases, I am sure, be very embarrassing to the people of the United States.

In order that the Senate may have the benefit of the entire letter addressed to me by Senator Pepper, I desire to read the letter to the Senate. It is as follows:

> PEPPER, BODINE, STOKES & SCHOCH,
> *Philadelphia, January 21, 1935.*
>
> The Honorable JAMES J. DAVIS,
> *Senate Office Building, Washington, D. C.*
>
> DEAR SENATOR: I am awfully sorry that I missed your telephone call on Saturday.
>
> I am as much interested as ever in the World Court controversy. I think that (if we are to adhere at all) the terms of the Senate resolution adopted in 1926 give the minimum protection which

the United States should have. It seems to me to be wholly inconsistent with the dignity of the Senate, 8 or 9 years after the passage of this resolution, to permit itself to be put in the position of allowing the impression to prevail that nonadherence in 1926 was the fault of the United States, when actually it was due to the perverse refusal of other signatories to accept the terms which we then offered. That their refusal was perverse is demonstrated by the fact that they now contend for adherence upon the terms of the Root-Hurst formula, coupled with the positive assertion that this means the same thing as the original Senate resolution. It obviously does not mean the same thing but something far less satisfactory. It is then proposed to convert the unsatisfactory Root-Hurst formula into the equivalent of what its promoters claim for it by adding a reservation that our clear understanding of the formula is that it means something which it does not mean. If I were in the Senate and wished to vote for adherence I should do it upon the precise terms of the original Senate resolution or not at all. Events which have occurred since 1926 have led me to feel that the whole movement for World Court adherence is really a "turning movement" to get us into the League; and as this is absolutely undesirable and more than counterbalances any fancied advantage of adherence to the Court, I should think the best thing to do is to stay out altogether.

In any event, I think the reservation of Senator NORRIS is a perfectly sound one. Each time we agree with another nation to refer a question to the World Court we are making an international agreement, which is in substance a treaty of limited scope. I think that each such treaty should be passed upon by the Senate, and that we should not confide to the Executive the general and continuing power to make a series of these limited treaties with no check upon his individual discretion.

Few people realize how subtle and far-reaching has been the propaganda put forward in the interest of League and Court. The whole thing seems to me to be a menace to our American birthright. As I said once, with your much-appreciated approval, it is like letting the wooden horse inside the fortress and finding too late that it is full of armed Greeks.

Faithfully yours,

GEORGE WHARTON PEPPER.

I hope, Mr. President, that when the reservation which I have sent to the desk comes up for action on the part of the Senate, the Senate will adopt it, because it has had the support of distinguished men who have been members of the Foreign Relations Committee and of that very noble-hearted and good soul, the leader of the Foreign Relations Committee in his day, the late Senator from Montana, Thomas J. Walsh.

Mr. BORAH. I am led to occupy the floor again on the matter of the World Court briefly, by reason of some observations made in reference to remarks presented at the time I occupied the floor on Monday. First, I refer to a statement made by the able Senator from Utah [Mr. THOMAS], in which he said:

I invite attention to this fact because I have incorrectly referred to the Court and its judges as if they represented nationalities. Yesterday the Senator from Idaho read the names of the seven dissenting judges and he did something that made me very, very happy. As a man who has had occasion to defend the poor yellow man on the other side of the world time and time again, I was greatly pleased to have him list the Chinese justice and the Japanese justices as Teutons. I realize it was a slip of the tongue, but his idea was that it was the Teuton influence that brought about the decision of the minority judges.

I take occasion to say that the able Senator had reference, I have no doubt, to an editorial which I read. It was not a statement of mine, but I read an editorial from the Bund, a paper published in Switzerland, and that paper said:

All the rejecting judges of the World Court hail from Latin countries—

Naming them—

while the seven judges in favor of the Austro-German custom union belong to Teutonic races—

Naming them—

united to the far-eastern Japanese judge and the Chinese judge.

I think the Senator confused the reference in the editorial as my own statement. I would feel somewhat chagrined, even through a slip of the tongue, to refer to the Chinese and the Japanese as members of the Teutonic race. I make that correction for the RECORD.

I have no doubt, as I said, that the Senator listening to the editorial mistook it for a statement of mine, and also that he failed to note in the editorial that the Japanese and Chinese were separated from the Teutons.

Mr. President, the able Senator from North Carolina [Mr. BAILEY] upon yesterday said, after quoting from my remarks:

I will agree that it is called forth in the Covenant of the League, but I deny that it is a part of or is dependent upon the League. It is not a part of anything, no more than the Supreme Court of the United States is a part of the Congress which wrote the Constitution.

That statement by so learned and so distinguished a lawyer as the Senator from North Carolina is entitled to particular consideration. It represents a view which I know to be entertained by students of this subject, but a different view is entertained by others. I am going to discuss the latter view briefly.

I contend that this Court is an inseparable part of the League of Nations; that it was designed to be an inseparable part of the League of Nations. There was a movement to set up an independent Court which friends of the League would not consent to have done. And it was created with the design, intent, and purpose that it should be a part of a system composed of the League, of the Court, and of the Labor Bureau.

In the communication of the secretary-general to the jurists inviting them to serve on the committee to prepare a plan for the Court the secretary-general has this to say. The Court—

Is a most essential part of the organization of the League of Nations.

The jurists were invited to the conference with a view of establishing a court as a department and an essential part of the League. It was not contemplated that they should establish a separate and independent judicial tribunal.

Ex-Secretary Root, who was a member of the committee which organized the Court in the first instance, said:

We must first consider that this new Court must be provided for as a part of a system of which the League of Nations is a part. We cannot accept the invitation of the Council and recommend a plan for a court which is not going to form a part of that system.

Thus, in the very inception it was clearly understood that in creating this judicial department they were creating a department of the League. They set out to accomplish that thing and they did accomplish it.

The distinguished Senator from North Carolina said that the Supreme Court of the United States is not a part of Congress, and that is true; but it is a part and an essential part of the Government of the United States; that is what I contend with reference to this Court—that it is a part of this international government or League.

The distinguished Frenchman who was the first president of the Council of the League of Nations and was active in the creation of the League and the Court, M. Bourgeois, said:

It (the Court) must have close at hand a political organization, first, to supply it with the law which it is to apply; and, second, to give it the necessary authority and, if need be, sanctions. Similarly, the League itself must have at hand a court of law for the administration and interpretation of its laws and regulations. The political phase of the League will be as dependent upon the legal phase as the legal phase is upon the political.

It was regarded in no different sense, so far as its relation to the League was concerned, than the Supreme Court of the United States sustains to our Government. The League was an international government, as it were, possessing certain powers, and at one time designed to possess very much greater power; this judicial tribunal was to be its department for the interpretation and administration of law; and, so far as its advisory opinions are concerned, the League was given control of putting into operation the jurisdiction with reference to advisory opinions; and it has such jurisdiction now.

The advisory jurisdiction of the Court comes exclusively from the League of Nations Covenant, article 14, which I will take the time to read. It is as follows:

The Council shall formulate and submit to the members of the League for adoption plans for the establishment of a Permanent Court of International Justice. The Court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it.

Had they stopped there, there would have been an opportunity, had they followed it out, to establish an independent judicial tribunal—and, when I say "independent" I mean independent of the League—but they followed that by saying:

> The Court may also give an advisory opinion upon any dispute or question referred to it by the Council or by the Assembly (of the League).

That is the sole source of power for the advisory jurisdiction of the Court. Eliminate article 14 from the League Covenant and the authority to render an advisory opinion disappears. If the League should break down and disappear, the Court would have no power left to render advisory opinions; it would have no such jurisdiction. The League is the sole source of this authority and the League alone determines when this jurisdiction may be availed of.

That is not true with reference to the jurisdiction where nations may go voluntarily and submit a judicial question for determination. Here is the direct contact with the League, and the Court is dependent every hour of its existence in the matter of its advisory jurisdiction upon the existence of the League of Nations. The very subject which we are now discussing and which has been the subject of discussion for 12 years springs alone from the League.

Again the same distinguished Frenchman from whom I read said at the first meeting of the committee:

> May I be permitted to state why the Council of the League of Nations consider the two institutions—

That is, the League and the Court—

> as complementary the one to the other, as of necessity being organized at the same time and as being unable as long as they wish to preserve their existence to do without each other. * * * Finally, there is a last point of view which we must take in order to envisage the necessary relations between the League of Nations and the International Court of Justice and the close solidarity which exists and which will always exist to an increasing degree between their two actions.

The reporter of the committee, M. De Lapradelle, said:

> The new Court, being the judicial organ of the League of Nations, can only be created within this League.

And it was only created within the League. There was a movement to separate it entirely from the League, insofar as it could be done, with the exception of the election of judges, but it was not consented to and therefore it was created in accordance with the view expressed by former Senator Root, the legal department of the League of Nations.

At page 704 of the official proceedings of the jurists who organized the Court it is said:

> As it is to be a component part of the League, it must originate from an organization within the League and not from a body outside of it.

These discussions took place at the time they were debating the question as to just what relation should exist between the League and the Court.

Again it is said later in the report, referring to the proceedings:

> Nevertheless, as the Court is a component part of the League of Nations, it is clear that it is the duty of the Court registrar to inform the members of the League of the application through the Secretary General of the League, who is the natural chairman of communication between the members of the League and the various organizations, the Assembly, the Council, and the Court of the League of Nations.

Throughout the report, and all through the discussions, which are reported, when they were creating the Court, it was referred to as "the Court of the League of Nations."

On February 15, 1922, Sir Eric Drummond, secretary of the League, said:

> The definite establishment of the Court completes the organization of the League as laid down under the Covenant.

Lord Phillmore, the distinguished English jurist, with whose writings I know the Senator from North Carolina is familiar, says, speaking of it as a part of the League:

> I want force behind this Court. I want the sheriff behind me; and, if a decision is resisted by any state, the League of Nations must intervene.

I now refer to the report where they discussed the proposal that the judges be named by the old Hague Tribunal instead of the Council or the Assembly, in which the committee says:

> The new Court, being the judicial organ of the League of Nations, can only be created within the League.

These were the conceptions, Mr. President, which they all had at the time they were organizing the Court. It was the design and purpose of the builders of the Court, taken in connection with article 14, where alone we find the jurisdiction for advisory opinions, to make it an inseparable part of the League of Nations.

Other writers upon this subject, such as Dr. James Brown Scott, a noted authority upon international questions, say:

> The Court is the agent of the League, and therefore is intimately connected with it.

Mr. M. O. Hudson, an earnest advocate of the Court and also one who thinks that we ought to join the League, says, speaking of the Court:

> It is in many respects dependent on the continued existence of the machinery of the League; indeed, is itself a part of the machinery.

Again, in an article in Foreign Affairs in December 1922 he says:

> In May 1922 the Council of the League, acting under a power conferred by article 35 of the statute of the Court, opened it to all nations of the world, regardless of the membership in the League, on condition of the deposit of a declaration accepting the jurisdiction of the Court.

In other words, it is only a World Court by authority of the League, which authority may at any time be withdrawn.

Dr. Loder, who, I think, if I remember correctly, was president of the Court at one time, said:

> It occupies within the League of Nations a place similar to that of the judicature in many states, which is an integral part of the State and depends upon the national legislature as regards all that concerns its constitution, its organization, its powers, its maintenance, but which recognizes no master in the fulfillment of its duties, in which respect it possesses absolute liberty, and is bound only by the law which is its task to apply.

In other words, the Court has the power, in construing the law, to make, of course, its construction free from the influence of the League if it desires so to do, just as the Supreme Court of the United States is presumed to make its decisions free from the influence of any political department of the Government; but that does not separate the Supreme Court of the United States from the governmental system of the United States.

In article 415 of the Treaty of Versailles the Court is referred to as "The Permanent Court of International Justice of the League of Nations."

Sir Robert Horne, speaking before the Interparliamentary Union October 1925, remarked that although the United States does not formally take part in the League of Nations, yet he was glad to say "she appears likely to give her adhesion to one of the most important functionaries of the League, the International Court of Justice."

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. BORAH. I yield.

Mr. BAILEY. Does the Senator intend to make it perfectly clear that the Permanent Court of International Justice is utterly free and only mechanically connected with the League? Is that the position the Senator takes?

Mr. BORAH. I do not know that I understand the Senator.

Mr. BAILEY. Does the Senator mean to say that the Permanent Court of International Justice is free of the League of Nations? That was the language the Senator used. Is his argument addressed simply to the fact that there is a historical mechanical connection?

Mr. BORAH. No; it is not confined to the fact that there is historical connection. There is the historical connection, but it is followed by the fact that the sole jurisdiction of the Court in matters of advisory opinions is found in the Covenant and is exercised only when the League acts. The

Court is made a part of the League and is dependent for its existence upon the League.

Mr. President, I am not contending that the Court has not the power when its jurisdiction is invoked and processes are put into action to render an opinion entirely free. But by reason of its freedom to act, it may, in rendering advisory opinions, base such opinions on political or economic grounds as well as legal. It is not constrained to act upon judicial grounds alone.

Mr. BAILEY. It is free?

Mr. BORAH. It is free to render its opinions.

Mr. BAILEY. Yes; free to take cognizance of every consideration looking to justice, regardless of the League of Nations or anyone else.

Mr. BORAH. I think that is a correct statement. It is free to do so; it has the power to do so. I discussed the other day the question as to what happened in one instance when they were exercising that power, but I do not contend that that opinion came directly through the influence of the League itself at the time. It came from political influences exerted by the nations interested.

In one of the latest publications of the League of Nations, a booklet entitled "The League of Nations", on pages 15 and 16, under date of January 1920 to June 1930, is this quotation:

> For a clear understanding of the actual record of the League it is perhaps necessary to give a few essential indications upon the organizations. The main organs (of the League) are the Assembly, the Council, and the Permanent Secretariat, with the two essential wings, the Permanent Court of International Justice and the International Labor Organization.

Ex-Governor Sweet, of Colorado, in the Yale Daily News, November 25, 1925, said:

> Senator BORAH declares that the Permanent Court of International Justice is not a world court but is a League of Nations court. I agree with the Senator that it is a League of Nations court. It is a department of the League and an instrument created by it.

Hon. Josephus Daniels, now Ambassador to Mexico, has declared:

> The World Court is only a step into the League.

Justice De Bustamante, one of the judges on the World Court, has declared:

> Any tempest that beats down upon the League will inevitably react upon the Court.

At the time of the establishment of the Court we find the following was placed in the record:

> The Council of the League of Nations reserves the right to rescind or amend this resolution, which shall be communicated to the Court, and on the receipt of such communication by the registrar of the Court and to the extent determined by the new resolution, existing declarations shall cease to be effective except in regard to disputes which are already before the Court.

Mr. President, that concludes what I have to say in justification of the statement which I made to which the able Senator from North Carolina was replying. I felt, upon the record and in view of the relationship growing out of the advisory jurisdiction of the Court, that it is a part of the system of the League of Nations, that as to its advisory jurisdiction that jurisdiction is controlled—the jurisdiction, mind you—by the League. It was put into operation and initiated by the League, and therefore is necessarily a part of the League. In my opinion that is the understanding entirely throughout Europe by all the advocates of the League and of the Court. In other words, it constitutes a part of that system.

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. BORAH. I yield.

Mr. BAILEY. Does the Senator concede that since the advisory jurisdiction is derived exclusively from the League of Nations, the League of Nations would thereby be prevented from submitting a request for an advisory opinion touching any country outside of the League of Nations?

Mr. BORAH. The League of Nations would have absolute control of the kind of question and the nature of the question submitted. Undoubtedly it could submit questions which did not have anything to do with the operations of the League of Nations, and that did happen in the German-Austrian case.

Mr. BAILEY. Could the League of Nations submit a request for an advisory opinion concerning a controversy between any nation and another nation, one or the other not being a member of the League of Nations? What power would the League of Nations have and where would it get its jurisdiction save from its members?

Mr. BORAH. The nearest approach to that proposition is found in the East Karelia case. There Russia was not a member of the League of Nations and objected to the Court having jurisdiction to render an advisory opinion. Finland was a member of the League of Nations. Finland and Russia were unable to agree to submit it to the Court and Russia protested against submission to the Court; nevertheless, Finland went to the League of Nations and asked that an advisory opinion be requested upon the part of the League.

The Council or Assembly, I have forgotten which, requested an advisory opinion as to the treaty involved. The Court refused the advisory opinion 7 to 8, or some division, I may not be accurate as to the division. After the advisory opinion was refused, the Council of the League of Nations passed a resolution of censure upon the Court for not entertaining the jurisdiction.

Mr. BAILEY. But the Court did not respond to the resolution requesting the opinion.

Mr. BORAH. No. It was divided upon that question.

Mr. BAILEY. It thereby set a precedent that it would not undertake to thrust a controversy between a member nation and a nonmember nation into the Court by way of a request for an advisory opinion.

Mr. BORAH. Yes; if we may call a 7-to-8 opinion a precedent, that would be a precedent.

Mr. BAILEY. I think we so regard such opinions in our courts here.

Mr. BORAH. The majority opinion at least settles the controversy in that case. It is a poor precedent.

Mr. BAILEY. And it is the precedent until reversed, is it not?

Mr. BORAH. I concede it would be regarded as a precedent until reversed.

Mr. BAILEY. If the League of Nations should undertake to have the Court render an opinion nominally and the Court should respond and undertake to give an advisory opinion concerning any matter in which this country claimed or had an interest, and the Court should assume jurisdiction, our resolution of accession gives us absolute right to offer an objection and that is an unqualified estoppel. That is the resolution now before us. We go in understanding and making it perfectly clear that if there is any attempt to thrust upon us any advisory opinion whatsoever, one objection from us stops the Court and all proceedings. That is perfectly clear, is it not, to the Senator from Idaho?

Mr. BORAH. If the United States has an interest or claims an interest in a matter and the Court undertakes to entertain jurisdiction, as I understand the resolution, over our objection it could not entertain it. But that leaves open entirely the other question, which is that upon matters relating to European affairs in which we could not claim an interest and did not have any interest, there would be no way for us to prevent the Court entertaining jurisdiction.

Mr. BAILEY. Why should we wish to undertake to interfere with those affairs?

Mr. BORAH. Because I do not want to get into the affairs of Europe. I do not want to see this Government adhere to a Court which can give advice relative to the political affairs of Europe.

Mr. BAILEY. But if we could not prevent it, that fact would not tend in the remotest degree to make us responsible for it.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Arkansas?

Mr. BORAH. Certainly.

Mr. ROBINSON. With his indulgence, I wish to ask the Senator from Idaho this question: Manifestly under present conditions, while the United States is not a member of the Court, and assuming that the present protocol should not be agreed to, if either the Assembly or the Council should request an advisory opinion touching a matter in which the United States has or claims an interest, the Court would have jurisdiction to entertain the opinion and to render a decision, would it not?

Mr. BORAH. Yes; it could render an opinion.

Mr. ROBINSON. If the United States adheres to the pending protocol and adopts the resolution now before the Senate, and either the Council or the Assembly asks for an opinion or a request for an advisory opinion is made, the United States would first have the same right that any member of the League of Nations would have to block the opinion in the Council or the Assembly; and if it should not be done there, in the end if it should interpose an objection after conversations which are contemplated, it could prevent the rendition of the advisory opinion. That is correct, I believe.

Mr. BORAH. Does the Senator mean by an objection?

Mr. ROBINSON. Yes.

Mr. BORAH. I concede that.

Mr. ROBINSON. So that it is perfectly clear that the interests of the United States are far better safeguarded and protected, assuming we have interests that might be involved by an advisory opinion, through adherence to the protocol than through nonadherence.

Mr. BORAH. I answered the Senator correctly and candidly, I believe, that that does not meet what seems to me is the insuperable objection, which is that as a member of the Court, after adhering to the Court and becoming a member of the Court, we are in a wholly different situation with reference to all affairs in Europe than we would be if we were not a member, because if we were not a member it would be of no concern to us whatever what the Court might do in Europe. If we are not a member, we would in no sense be concerned as to what the Court should do and in no sense would we be involved.

Mr. ROBINSON. Why is that true? The Court merely considers and renders a decision in cases which are referred to it by the parties to those cases. We have an American who is now a judge of that Court. We have had an American judge on the Court for practically all the period of its existence. I cannot conceive of how membership in the Court would involve us in European controversies. Of course, European controversies, it is hoped by the advocates of the Court, would come to the Court. Far better that they should come there than that they should be resolved by other processes partaking of the nature of military conflicts. But the mere fact that a United States citizen sits on the bench which decides a case would not involve the United States in war or conflict.

Mr. BORAH. The mere fact that a citizen of the United States sat upon the bench would not be of very much concern to us; but when the Government itself adheres to the Court and becomes a member of the Court, and sends its judge there as the result of its membership in it, then a wholly different relationship seems to me to obtain from that time on. The Government as a government has a relationship and has a certain responsibility in regard to it. It is different.

They might come over here, as they did for tactical reasons, and select a citizen of the United States to be a member of that Court. But they still want and the friends of the Court want something different from that. They want the Government to be a member of the Court and they want the Government to adhere to the Court. That is what the controversy is over. The present judge of the Court, Mr. Kellogg, is there, but he is merely a citizen of the United States sitting upon a court of which we are not a member and with which we have nothing to do.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. THOMAS of Utah. The Senator does not infer that our adherence to the Court will make the least bit of difference in the status of Judge Kellogg, does he?

Mr. BORAH. I think it will make a vast difference.

Mr. THOMAS of Utah. In what way, may I ask?

Mr. BORAH. At the present time Mr. Kellogg has been selected by the Council, and we are not a member of the Court. They selected him, and he had a right, as a citizen, to accept if he desired to do so. He does not represent this Government. He has not the prestige of the Government behind him. He has no connection whatever with the Government. He might have been selected from some island of the Pacific, and his action would not be binding in any sense upon us, nor would he be representing our Government or speaking with the authority of our Government or the prestige of the Government.

If that be not true, why is it that the Senator wants us to join the Court? Why not leave Mr. Kellogg where he is? Why do we not refrain from adhering and leave matters as they are?

Mr. THOMAS of Utah. Mr. President, if I may continue, that is not the point at all. I think it will be found that there would be not the least bit difference in the status of the judge, who happens to be an American. If what the Senator surmises is true, then the judges who are on the Court today represent their respective countries, which, of course, they do not. They were nominated as was the case, for example, when Judge Moore was nominated. We had a right to make a nomination, because nominations come from the countries which are parties to the panels of the International Court of Arbitration; but we refused even to make a nomination. The nomination of Mr. Justice Moore, I think, was made by the group from the State of Italy.

The justices in no sense represent their nations. Nationality is not at all a basis of membership. If it had been a basis of membership, the American who has sat on the Court would always have been disqualified; but if we read the way in which the Court is set up we find that national qualifications are not there at all.

Mr. BORAH. Mr. President, we are arguing now the question of whether there is really any justification for this country's adhering at all. If the Senator is correct, why do we want to go into the Court? Why do we want to adhere, if Mr. Kellogg is there now, and we give no additional authority, do not change the situation, give no additional authenticity to the Court by adhering? What is the object?

Mr. THOMAS of Utah. The answer, if I may reply to the Senator from Idaho, was made in the opening statement by the Senator from Arkansas [Mr. ROBINSON]. We have all the advantages of the Court. The only difference in our status will be a declaration that we are willing to support and sustain the Court from a financial standpoint.

It is true that we can take cases to the Court at the present time. It is true that we have had an American judge on the Court; but we have not contributed one cent to the maintenance of the Court. I think the Senator from Arkansas called that a "sponging" relationship. I should not call it that. I should call it merely a straight out-and-out dishonest relationship. I believe that if we are to have the advantages of the Court we should help pay the bills of the Court.

Another reason why we should adhere—and it is not a legal one at all—is a very simple sentimental reason. While we have the right to go into the Court, as long as the Senate of the United States has refused to give its advice and consent to our adhering to the Court it is, of course, very, very natural that the Executive, the State Department, or the United States would not submit cases to the Court.

Mr. ROBINSON. Mr. President, it is also true that by adhering to the Court the United States Government does give a measure of moral support which, I think, the Court is entitled to if we are to employ it as an agency for the settlement of our disputes.

Mr. BORAH. By adhering to the Court we give the prestige of the United States to the Court.

Mr. THOMAS of Utah. Yes.

Mr. BORAH. We put the United States behind the Court, the same as the other nations are behind it which are members of it.

Mr. THOMAS of Utah. Yes.

Mr. BORAH. Exactly.

Mr. THOMAS of Utah. May I further state——

Mr. BORAH. But let me say, before the Senator interrupts again, of course I know that theoretically the Senator is correct when he says that the judges do not represent their nations in the sense that an ambassador represents his nation; not in that sense; but still, the French judge is a Frenchman, and if, as in the advisory foundation, he acts politically, he will act for France.

Mr. ROBINSON. Mr. President, there is not any way in which a court can be created and that consideration be obviated. If the court which the Senator from Idaho proposed in 1923 were established—a court that should have absolute jurisdiction of all international questions, thus completely abolishing war and all other methods of settling international disputes—the Frenchman would still be a Frenchman, the American would still be an American, the German would still be a German. There is not any process with which I am familiar by which that condition can be changed.

How does the Senator apply that to the court he proposed in his World Court resolution to which I refer? He proposed a resolution for the creation of a court with the broadest jurisdiction that it was ever proposed in the history of the world to give to any tribunal. There was no limitation as to the manner in which judges might be selected, or as to the localities from which judges might be chosen; but they were to be invested with unqualified and unlimited jurisdiction to determine every question that might possibly arise involving international relationships under a code which the Senator conceived should be agreed upon.

If the Senator fears the limited jurisdiction which it is proposed shall be given in this case, how is it that he brought himself to the conviction that he would create an international court with powers analogous, as he said in his resolution, to those exercised by the Supreme Court of the United States in matters of controversy between the States? How is it that the Senator is willing to give the Frenchman and others sitting on the court the unlimited and unrestrained power to determine every question, whether it be a political or an economic question which might arise under a code which the Senator conceives should be formulated and agreed upon?

Mr. BORAH. Mr. President, the basis of the court which I had in mind was a code of international law. If I could have a court with a code of international law, there never has been a time when I should not have been glad to support it. I want a court, acting under the restraint of law, not a tribunal advising politically.

Mr. ROBINSON. Yes; but the Frenchman who sat upon the bench of such a court would still be a Frenchman.

Mr. BORAH. Exactly.

Mr. ROBINSON. There is no more relief in the Senator's resolution from that difficulty, if it be a difficulty, than there is in the present case. There is no way of divesting a man of his blood, or his relationship, or his national tendencies, or national sympathies. If the Senator would give the court which he proposes unlimited power to pass upon any international question, how is it that he finds objection to giving the Permanent Court of International Justice jurisdiction only in those cases as to which the United States consents it shall have jurisdiction?

Mr. BORAH. Mr. President, I think I can differentiate the two proposals, at least from my viewpoint.

The difference arises out of the fact that in one case we have a body of men acting under a code of law. The objection to this Court, as I endeavored to make plain the other day, arises out of the fact that so far as the advisory jurisdiction is concerned, it is a court which is not acting under a code of laws at all. It is a court which is acting upon any dispute or any question, political or economic, which a political body sees fit to submit to it. And when politics comes in be assured they will yield to national interests.

The Senator referred to the matter of the Supreme Court of the United States passing upon questions between the States. It was that idea which I had in mind at the time I undertook to formulate my ideas with regard to it.

The Senator will recall that when this matter of creating a court came before the Constitutional Convention, the question arose as to whether they should give it jurisdiction over controversies between sovereign States. The Constitutional Convention finally decided that they would give it jurisdiction over controversies between sovereign States. Then the question arose as to what they would do with a judgment against a sovereign State after it was rendered; how would the Court enforce a judgment against a sovereign State?

In the first instance Mr. Madison thought it would be sound to call in the military forces of the United States; but the Constitutional Convention finally reached the conclusion that while they would give the Court jurisdiction over controversies between sovereign States, they would allow the judgment to be enforced, if at all, through power of public opinion; and, in my opinion, that is the way the matter stands today.

I should have no objection whatever to—indeed, I should be in favor of—an international court if we had a code of international law, and if all questions which had to be decided would have to be decided in accordance with the principles of the code under which the court were operating. Within that realm the court could be kept deciding judicial questions, and judicial questions alone. If you confine the court to the law you have a court, otherwise you have a political conclave.

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from North Carolina?

Mr. BORAH. I yield.

Mr. BAILEY. If we should undertake to establish a code of international law prior to the constitution of the Permanent Court of International Justice, there would necessarily be legislation. Somebody would have to establish the code. That is agreed to, I am sure.

Mr. BORAH. The nations of the world would have to agree upon a code.

Mr. BAILEY. Then that would predicate something in the nature of a league of nations——

Mr. BORAH. Not at all. The very opposite of a league of nations—a political organization.

Mr. BAILEY. Or an assembly of nations——

Mr. BORAH. Not at all.

Mr. BAILEY. Or a concert of nations.

Mr. BORAH. The nations would have to agree upon a code of international law.

Mr. BAILEY. Exactly.

Mr. BORAH. They have, in different instances, agreed upon certain principles of international law—that is, a limited number of nations.

Mr. BAILEY. And the Senator desires above all things to avoid anything that would smell of or suggest a league or a concert of nations of a formal character.

Mr. BORAH. I certainly do.

Mr. BAILEY. How could we get the code then?

Mr. BORAH. We would get the code just the same as we would get a treaty. Nations meet and make a treaty. That treaty would be a code of international law.

Mr. BAILEY. Somebody would have to draw up the code.

Mr. BORAH. Of course the United States would have to agree upon the code. It would be a voluntary act.

Mr. BAILEY. A committee appointed by some nations would have to draw it up.

Mr. ROBINSON. Will the Senator permit me to interrupt him at that point?

Mr. BAILEY. I want to dwell upon that a little bit further.

Mr. ROBINSON. Certainly.

Mr. BAILEY. Then, since the laws of living things must change from time to time, there would be amendments to the code, or even new articles in the code. That would

require either a concert by way of a treaty or a concert by way of a league or an assembly, I assume.

Mr. BORAH. There might be a necessity of amending the code, and that would be done in the same way that the original code was adopted, by agreement; and if there was no voluntary agreement upon the part of the nations, no code would be agreed to.

Mr. BAILEY. But, on the other hand, a court of international justice might conceivably develop a common law of nations.

Mr. BORAH. Mr. President, that was the idea of John Bassett Moore. John Bassett Moore felt that if this court should be confined to the decision of purely judicial questions voluntarily submitted by the nations, in time their decisions would constitute a kind of international common law. For that reason he was opposed to the advisory jurisdiction, which, in his opinion, undermined and destroyed the possibility of building up a code of international law. If the court were limited to the determination of judicial questions voluntarily submitted to it by the two nations which were interested, they might in time come to build up a code of international law. But that is wholly different from a political body dragging nations before its advisory tribunal which may include advice on political matters.

Mr. BAILEY. That is the normal process of building up one. It is by judicial determination rather than by legislation.

Mr. BORAH. Yes.

Mr. ROBINSON. Mr. President, referring now to the resolution of the Senator from Idaho [Mr. BORAH] introduced in the Senate on February 14, 1923, should such court be established and the United States have a treaty with a foreign nation respecting the subject of immigration or any other related subject, and a difference of interpretation, or a dispute arose between the parties to that treaty, under the Senator's resolution, the world court which he proposed would take jurisdiction of the subject and decide it, and the United States would have no recourse. Is not that true?

Mr. BORAH. No; that is not true.

Mr. ROBINSON. Why?

Mr. BORAH. Simply for the reason that the Senator from Idaho did not intend by his code of international law to permit that kind of questions to be considered.

Mr. ROBINSON. Wait a minute, though. That is the very point. I will show the Senator that he did. That is, the legal intention of his language was that all international questions arising under a code and all questions arising under the treaties should be submitted to the court.

That a judicial substitute for war should be created (or if existing in part, adapted and adjusted) in the form or nature of an international court, modeled on our Federal Supreme Court in its jurisdiction over controversies between our sovereign States, such court to possess affirmative jurisdiction—

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to hear and decide all purely international controversies as defined by the code or arising under treaties * * *.

Under that language there is not a lawyer in the Senate who wishes to preserve his reputation as a lawyer who will rise and say that that would not submit to the compulsory jurisdiction of the world court proposed to be created by the Senator from Idaho any question that might arise under a treaty between this Government and any other government relating to the subject of immigration or relating to any other subject that was involved in the treaty. The language is so comprehensive that it does not require legal interpretation. It is explicit. It is not that the question must arise under a code, but it is "or" "that arises under a treaty."

So that all questions which arise under any treaty, either of the past or of the future, are subject to the compulsory jurisdiction of the court which the Senator would create. And yet he has stood on the floor of the Senate for years and years complaining that the United States is proposing to do a dangerous and a damnable thing by going into a Court whose jurisdiction is expressly limited by its statute and by provisions in the statute that jurisdiction cannot be extended without the consent of the United States; the jurisdiction is limited to only such cases as the United States may choose to refer to it.

Mr. BORAH. Mr. President, the Senator is quite correct. I advocated then and I advocate now an international judicial body governed by a code, confined in its decisions to a code and to the construction of treaties. I advocated and now advocate a court governed by law; not a tribunal governed by politics. I have no modification to make of the position which I took at the time. I would be perfectly willing, as I have said many times, if the Court could be confined to judicial questions, to permit it to pass upon judicial questions, and I realize, as the Senator has said, that when they were passing upon a judicial question it would be a Frenchman and a German and an American that were passing upon a judicial question. But what I was seeking to do was to confine the action of the international judicial body to judicial determination, and to keep it out of what I would conceive to be the politics of any country, and particularly of Europe.

Mr. President, it is not very material what my position has been upon these matters—it is not even material if I am inconsistent—but as a matter of fact I am not inconsistent with the position which I took then, because this matter was being proposed at the very time that I was opposing the advisory powers of the present so-called "Permanent Court of International Justice." It was the desire to get into a court and to relieve it from those duties which seemed to me to be quasi-political or quasi-economic. I am opposing a court not governed by laws, by a code; I am opposing a so-called "court" whose jurisdiction is controlled by a political body and whose opinions may be based on political principles.

Mr. ROBINSON. In connection with the remarks that have been made touching the resolution heretofore offered by the Senator from Idaho [Mr. BORAH], I ask to have that resolution printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution referred to is as follows:

Senate Resolution 441

IN THE SENATE OF THE UNITED STATES,
*February 13 (calendar day, Feb. 14), 1923.*

Mr. BORAH submitted the following resolution, which was ordered to lie on the table and to be printed:

Resolution

Whereas war is the greatest existing menace to society and has become so expensive and destructive that it not only causes the stupendous burdens of taxation now afflicting our people but threatens to engulf and destroy civilization; and

Whereas civilization has been marked in its upward trend out of barbarism into its present condition by the development of law and courts to supplant methods of violence and force; and

Whereas the genius of civilization has discovered but two methods of compelling the settlement of human disputes, namely, law and war, and therefore, in any plan for the compulsory settlement of international controversies, we must choose between war, on the one hand, and the process of law, on the other; and

Whereas war between nations has always been and still is a lawful institution, so that any nation may, with or without causes, declare war against any other nation and be strictly within its legal rights; and

Whereas revolutionary wars or wars of liberation are illegal and criminal, to wit: high treason; and

Whereas under existing international law wars of aggression between nations are perfectly lawful; and

Whereas the overwhelming moral sentiment of civilized people everywhere is against the cruel and destructive institution of war; and

Whereas all alliances, leagues, or plans which rely upon force as the ultimate power for the enforcement of peace carry the seeds either of their own destruction or of military dominancy to the utter subversion of liberty and justice; and

Whereas we must recognize the fact that resolutions or treaties outlawing certain methods of killing will not be effective so long as war itself remains lawful; and that in international relations we must have not rules and regulations of war but organic laws against war; and

Whereas in our Constitutional Convention of 1787 it was successfully contended by Madison and Hamilton that the use of force when applied to people collectively—that is, to states or nations—was unsound in principle and would be tantamount to a declaration of war; and

Whereas we have in our Federal Supreme Court a practical and effective model for a real international court, as it has specific jurisdiction to hear and decide controversies between our sovereign States; and

Whereas our Supreme Court has exercised this jurisdiction, without resort to force, for 135 years, during which time scores of controversies have been judicially and peaceably settled that might otherwise have led to war between the States and thus furnishes a practical exemplar for the compulsory and pacific settlement of international controversies; and

Whereas an international arrangement of such judicial character would not shackle the independence or impair the sovereignty of any nation: Now, therefore, be it

*Resolved*, That it is the view of the Senate of the United States that war between nations should be outlawed as an institution or means for the settlement of international controversies by making it a public crime under the law of nations, and that every nation should be encouraged by solemn agreement or treaty to bind itself to indict and punish its own international war breeders or instigators and war profiteers under powers similar to those conferred upon our Congress under article 1, section 8, of our Federal Constitution, which clothes the Congress with the power "to define and punish offenses against the law of nations"; and be it further

*Resolved*, That a code of international law of peace based upon equality and justice between nations, amplified and expanded and adapted and brought down to date, should be created and adopted.

Second. That a judicial substitute for war should be created (or, if existing in part, adapted and adjusted) in the form or nature of an international court, modeled on our Federal Supreme Court in its jurisdiction over controversies between our sovereign States, such court to possess affirmative jurisdiction to hear and decide all purely international controversies, as defined by the code or arising under treaties, and to have the same power for the enforcement of its decrees as our Federal Supreme Court, namely, the respect of all enlightened nations for judgments resting upon open and fair investigations and impartial decisions and the compelling power of enlightened public opinion.

Mr. CONNALLY. Mr. President, may I ask the Senator from Idaho a question? If I understand the Senator correctly, if the Court has no jurisdiction to render an advisory opinion, he would be for it?

Mr. BORAH. I have said if the advisory jurisdiction were eliminated I would not oppose it.

Mr. CONNALLY. I did not know that the Senator said so.

Mr. BORAH. I would go a long way toward supporting an international judicial body if I thought that there were eliminated from it the constant influences of politics and nationalism.

Mr. CONNALLY. Mr. President, permit me to ask the Senator one further question. Assuming, then, that he would be willing to trust the Court and be willing that this country should be a member of the Court; assuming that the judges were men of high ability and integrity; admitting that the League would be honeycombed and influenced by politics; if the Senator would have enough confidence in the Court for us to join it, does he not think that a little judicial advice from men of high ability and high integrity would have a good influence to calm down the passions and political intrigue that the League might otherwise let loose?

Mr. BORAH. I would not want the Court to be turned into an attorney general for the League or for any other political body. If a constitutional amendment were proposed authorizing the Supreme Court of the United States to entertain advisory opinions of any matter of dispute or any question which might arise in the United States, I doubt very much if the Senator from Texas would support it, and yet we would be living under one government, one people, one constitution. I venture to say that if we should authorize the Supreme Court of the United States to entertain and render advisory opinions upon any question of dispute or any question which should arise, you would destroy it inside of a quarter of a century.

Mr. CONNALLY. Does the Senator not concede that the advisory opinions are assumed to be on legal questions and not on political questions?

Mr. BORAH. If you confine them to legal questions, but the Senator could not confine them to legal questions and permit the Court to render an advisory opinion, I suspect. I certainly would not permit it to render an advisory opinion upon any dispute or upon any questions which a political body saw fit to submit to the Court. You would then destroy the Supreme Court in a decade. Who is there in this Chamber who would vote to give the Supreme Court of the United States the jurisdiction you are giving this Court? Who would turn the Supreme Court of the United States into an adviser of the President or of the Congress?

Mr. BAILEY. By way of commentary on the position taken by the distinguished Senator from Idaho [Mr. BORAH], it appears that precisely the same sort and tenor of suggestion was made shortly after the Union was formed concerning the Supreme Court of the United States—that it could not function and that its jurisdiction ought not to be recognized by one of the States in the absence of a code of laws to guide it. That was in the first case of Rhode Island against Massachusetts. The Attorney General, stating the case for Massachusetts, said:

Massachusetts maintains that before she can be called to do this—

That is, submit her controversies to judicial decision in the Supreme Court of the United States—

a court must be established and a law made or code propounded suitable to the decision of the case. The merits of any case depend on the conformity of and past conduct to a previously prescribed rule of law, but if there is no such rule, there can be no test of such merits and no decision of them. If there is no law regulating the intercourse between the States of the Union, there is no rule for settling a controversy that may arise between two or more States by reason of such intercourse. The court, having no law to expound, cannot settle a judicial controversy, depending, as all such controversies do, on the question of whether the conduct complained of, as in the case presented, conformed to or departed from the obligations which are imposed by law.

Mr. BORAH. May I ask, Mr. President, from what the Senator is reading?

Mr. BAILEY. It happens that this is a pamphlet with the subject matter the Supreme Court and the World Court, 1832 to 1932, by the Honorable Charles Warren, author of the Supreme Court of the United States in our History, published in Washington by the Carnegie Endowment for International Peace, and it appears that the title of the pamphlet is "International Conciliation."

To this argument the counsel for Rhode Island replied that the Supreme Court, like any competent court, in the absence of any statutory provision, would govern itself by the principles of justice, equity, and good conscience, and not dream that any different rule was furnished by the common law, or the civil law, or by any State law.

This reply was upheld by the Court.

I think, Mr. President—I do not intend to detain the Senate long—that nothing is better established than that the statute law is necessarily inadequate. Legislatures and parliaments cannot comprehend the relationships of men. They are so complex; they are so infinite. Likewise are those of nations.

The historical process in the development of the law is not statutes by parliaments and legislatures; it is custom determined by the practices of men and the approval of society and judicial decisions. While we do not like the conception of court-made law, the courts have throughout the entire history of jurisprudence reached out into the controversies of men and applied to them the principles or the instincts for justice, the sense of conscience in the breasts of human beings, thereby developing the great system of law under which men live everywhere.

The remarks that I have made are peculiarly true of equity. And, of course, equity is law in the broader sense. The definition of equity implies that it is never to be written, because the moment that it is written as the law it becomes inelastic.

Equity, if I may venture a general statement, applies the elasticity of the conscience to correct the rigidity of both the written and the unwritten law. So I conceive, Mr. President, that if we are to proceed in the course approved by precedent and of history we would not undertake to write the law first and then establish the court. That would be a very difficult undertaking.

Imagine the nations of the earth getting together and writing a code. But we establish a court, and dedicate it to justice, and out of it in the long process of human experience and national trial and just adjudication we find the ultimate system of international law and international peace, and erect thereby the standards of civilization throughout the earth.

I take it that that is the great idea which the Permanent Court of International Justice presents to us, and I will agree that it is an ideal. I do not know how men may work or parliaments may strive except in the direction of ideals. They are the only standards that guide us forward. So I commit myself notwithstanding all the criticism, to this proposition wholly because it holds out before me the light of an ultimate system of justice that will take the place of the contentions and the irritations and the controversies and the greed and the overbearing and the wars and the bloodshed which now are resorted to and vainly resorted to, for the settlement of questions which inevitably would be settled by the accepted standards of righteousness and justice administered by a court.

CALL OF THE ROLL

Mr. JOHNSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Johnson | Pope |
| Ashurst | Coolidge | Keyes | Radcliffe |
| Austin | Copeland | King | Reynolds |
| Bachman | Costigan | La Follette | Robinson |
| Bailey | Couzens | Lewis | Russell |
| Bankhead | Cutting | Logan | Schall |
| Barbour | Davis | Lonergan | Schwellenbach |
| Barkley | Dickinson | McCarran | Sheppard |
| Bilbo | Dieterich | McGill | Shipstead |
| Black | Donahey | McNary | Smith |
| Bone | Duffy | Maloney | Steiwer |
| Borah | Fletcher | Metcalf | Thomas, Okla. |
| Brown | Frazier | Minton | Thomas, Utah |
| Bulkley | Gerry | Moore | Townsend |
| Bulow | Glass | Murphy | Trammell |
| Burke | Gore | Murray | Truman |
| Byrd | Guffey | Neely | Vandenberg |
| Byrnes | Hale | Norbeck | Van Nuys |
| Capper | Harrison | Norris | Wagner |
| Caraway | Hastings | Nye | Walsh |
| Carey | Hatch | O'Mahoney | Wheeler |
| Clark | Hayden | Pittman | |

Mr. LEWIS. I wish to repeat the announcement made on a previous roll call concerning the absence of certain Senators and the reasons therefor.

The PRESIDING OFFICER. Eighty-seven Senators have answered to their names. A quorum is present.

Mr. REYNOLDS. Mr. President, I have listened with a great deal of interest to the innumerable arguments in this Chamber relative to what the World Court could do to us if we entered it; I have listened with equal interest to the arguments presented as to what they could not do to us after we entered it. I wish today to have the opportunity of addressing myself on this floor to my constituents in North Carolina especially, in whom I have a personal interest; in other words, I, as does every other Senator in this Chamber, believe in self-preservation.

It is natural for me to say—and I unhesitatingly say—that today I find myself in an enviable position, enviable, sir, insofar as my personal individual interests are concerned, because I find myself delightfully in accord with the great majority of the thinking people, the voters, of North Carolina. I am, therefore, happy at this hour to be availed of the opportunity of making doubly sure to the people in North Carolina why I oppose my country, our country, our United States, entering the World Court; and, secondly, Mr. President, I wish to address myself on this floor to the great American people, the rank and the file, the masses of these United States, in order that they may be sure of the fact that I am standing here at this hour opposing, to the last breath in my body, the entrance of our great Nation into the World Court which will unquestionably and eventually involve us in great trouble if the step proposed shall be taken.

I was greatly impressed a short while ago when I lifted from the top of my desk here on the floor of the Senate a message from our great President, directed to the Congress of the United States, and my eyes fell upon these lines, which read:

> We should not too largely blame our ancestors, for they found such teeming riches in woods and soil and water—such abundance above the earth and beneath it—such freedom in the taking, that they gave small heed to the results that would follow the filling of their own immediate needs. Most of them, it is true, had come from many peopled lands where necessity had invoked the preserving of the bounties of nature. But they had come here for the obtaining of a greater freedom, and it was natural that freedom of conscience and freedom of government should extend itself in their minds to the unrestricted enjoyment of the free use of land and water.

O Mr. President, years upon years ago our ancestors found their respective ways from those restricted portions of the earth in continental Europe to the shores and the fertile soils and virgin forests of America—and why? As has been well and truly said today by the President of the United States to the Congress, it was in order that there might be freedom of government. I stand here at this hour in inspirational and in heavenly accord with Franklin D. Roosevelt, that great, God-fearing, courageous leader of this the strongest, the most powerful Nation on earth today. Those people left those other lands and planted their feet firmly upon the virgin soil of this great North American Continent in order, as has been said by our President, that there might be freedom of government.

We have within almost a moment's time, insofar as comparisons might be made in the recording of history for thousands upon thousands of years past, made indisputably the greatest progress of any nation the world has ever known. I cite to you, Mr. President, the fact that our phenomenal progress has been due almost wholly to the fact that we have looked after our own business; we have kept aflame the fires in our own homesteads, and have kept our noses out of the business of the other nations of the world until at last gloriously we have arrived at that point where today the eyes of all the nations of all the world are turned inspirationally upon this beloved land of ours which has freed them with freedom of government. So long as America carries out the original intentions of our forefathers and ancestors, then just so long and no longer will we of the North American Continent, the 48 States of this Union, be supreme in the affairs of the world.

Mr. President, I say to you, and I wish at this hour to say to the great American people, 125,000,000 of them, that they do not want their country, their Government, now to enter the World Court because, as I said upon the floor of this Chamber a few days ago, entrance into the World Court means entrance by way of the cellar door, the back door, or the side door, into the League of Nations—because I argue that if the League of Nations had never been created, then the World Court would not be in existence now.

We have had enough. We have learned our lesson. When I say "we", I refer to the American people around whose necks there has been hung a burden of taxation which will be transferred from one generation unto another as a result of the forty-odd billions of dollars which those across the seas and whose language is not ours cost us during the World War, a burden of $40,000,000,000 in taxation that hangs around the shoulders of every living, breathing person within the confines of this America today, a burden to descend to the shoulders of our children and their children's children. To propose again, after that lesson, that we should inject ourselves into any foreign controversy, that we should place ourselves with those abroad who are our enemies, is to me unbelievable, unthinkable.

I want to make respectful inquiry, Mr. President, first, as to what we of the States are to gain by entering the World Court? What have we to gain? What have we to settle now? We have no boundary questions. We have not now any international problems of immigration. We have not now any subjects for consideration by our enemies involving problems of tariff. We have not now for consideration by our enemies any problems of debts; but therein lurks the "nigger in the wood pile." If they get us into the World Court, they will get us into trouble. The first thing they will be wanting to do over yonder will be to wipe out the barriers of debt existing between the United States of America and those of the Allies in continental Europe.

Insofar as I am concerned, Mr. President, I do not want to mix up with "them furriners." [Laughter.]

We are told this is the "Permanent" Court of International Justice. It will be just about as permanent and will

last just about as long after we get into it as that little snowball lasted when it went to a warmer climate. Insofar as international justice is concerned, I do not want it. The American people do not want any international justice. The people down in North Carolina who vote—I was about to say nine out of ten, but I will say ninety-eight out of one hundred—do not want any such justice as those foreigners give us.

The people of the United States do not want any foreign justice or international justice. They want American justice. If anybody doubts that statement, let that anybody or let somebody go to anyone of the 3,200 counties in the United States, into any township, and direct his inquiries, respectively, to the high and to the low, to the intellectual and to the ignorant, to the rich and to the poor, and he will find that Americans, rich or poor, black or white, intelligent or ignorant, are tired of fooling with "them furriners", because we have been stung too much already. Ask our people about it and see what they say.

I say it is a pity, indeed, that the whole American people will not be accorded an opportunity of saying for themselves whether their United States shall enter the World Court—because it is not yours, it is not mine solely; it belongs to the people. They are the ones who are paying the taxes and they ought to be the ones to say whether or not we want international justice, of which we have had a stomachful, or whether we want good old-fashioned American justice such as we have had here since the days of George Washington.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. REYNOLDS. With pleasure.

Mr. RUSSELL. I do not know whether the Senator has used or read the names of the justices comprising the World Court.

Mr. REYNOLDS. I will tell the Senator why I have not.

Mr. RUSSELL. I thought he might be interested in attempting to do so. [Laughter.]

Mr. REYNOLDS. I do not "parlez-vous Français!" [Laughter.] I am not linguist enough to pronounce the names of some of those foreigners who are going to deal out international justice to us. I thought about doing that, may I say to the Senator from Georgia, but my tongue would not twist around enough to pronounce their names. Therefore I thought I had better not undertake to do it. I am coming to that matter right now. I thank the Senator immensely for the interruption, which is pleasantly and gratefully received.

Mr. President, this ought not to be called "the World Court." I said the other day that it ought to be called "the Court of Intrigue." That does not adequately describe it, however. This thing that they are trying to get us into, this thing that is referred to as "the World Court", ought to be called "the Court of Babel and Bunk."

If you have read the Bible, Mr. President, you remember that away back yonder in Biblical days the people started the erection of a tower, and all languages there were spoken, and so innumerable were the languages that they could not understand one another; and so innumerable are the languages to be spoken in this Court that it ought to be called "the Court of Babel."

I turn to my colleague here, Mr. BILBO, from away down in Mississippi, where the bullfrogs jump from bank to bank, I understand. [Laughter.] I ask my colleague here, if some of his constituents were to be brought up from his State of Mississippi and brought into the court room where these foreign judges are, and the foreign judges should render a decision in regard to the interests of the people of his State and the other States of the Union, how much of their language could those fellows down there in Mississippi understand? The Senator's people down in Mississippi do not want to have their rights passed on by any foreigner whose language they do not understand.

Mr. President, let me say to the Senator from Georgia [Mr. RUSSELL] that there are 11 judges on this Court.

Mr. KING. Fifteen, Mr. President.

Mr. REYNOLDS. No; 11 judges and 4 deputies, if the Senator will pardon me.

Mr. KING. If the Senator will pardon me, the amendment to the original statute provides for 15.

Mr. REYNOLDS. I thank the Senator. All right; 15 judges. There are so many amendments to this thing coming up that they confuse me; and I desire to speak of those amendments in just a minute.

Fifteen judges! I believe there are two of those judges who speak English. Mr. Kellogg is a member of the bench, if I recall correctly, and the British Empire has one member there. There are two who speak English. There are 13 who do not speak English. If we are to have 13 men on the bench of this court discussing and passing upon any interest of the United States of America, we want to know what they are saying; and what would we have to do? We would have to employ 13 different interpreters who speak the 13 different languages to tell our man over there what they were jabbering about, and then we would have to get 13 more who spoke the 13 different languages to swear to us that the way these interpreters were interpreting to us what the judges were saying was true [laughter], because we have been deceived so much, we have been so badly treated, that we cannot trust them. It is agreed that we cannot trust them, Mr. President. We have stated that we cannot trust them.

Now, let us see:

Away back yonder last year, I remember when this thing came up. I happen to remember about it. I remember about it because during my campaign in North Carolina, when I spoke all over the State, every time I would say anything about the World Court and say that I would stand here until doomsday opposing our going into the Court and dealing any more with those foreigners, the people almost tore down the house with applause, because they do not want us to get mixed up with them any more. We have been burned sufficiently.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from New Mexico?

Mr. REYNOLDS. Certainly.

Mr. HATCH. Speaking of languages, is there an official language for the Court?

Mr. REYNOLDS. Mr. President, I have never heard of the 13 languages spoken by those people being built into 1 language that all 13 of them understood, so I assume that there could not be an official language.

Mr. KING. Mr. President——

Mr. REYNOLDS. The Senator means in regard to the languages that they speak? I know that most of the proceedings there are carried on in French and English; but——

Mr. KING. Mr. President, will the Senator yield?

Mr. REYNOLDS. Certainly.

Mr. KING. The statute provides that the official language of the Court shall be either English or French. May I say to the Senator that the judges of that distinguished body—and we have had members of that Court, three of the most distinguished lawyers of the United States—are not ignoramuses. I know a number of the judges. They speak more than one language. Many of us do not have the facility of expression of some of our friends across the sea whom my friend calls "foreigners." Most of the members of the Court speak French; many of them speak German, and many of them speak English. The official proceedings of the Court are conducted in English or French.

If the Senator will pardon me, he may recall that under the administration of Mr. Harding we had an international conference here, a great congregation of representative men from nearly all the nations of the world. In that conference we worked out the Limitation of Armament Treaty and many other treaties to which we were a party and which have played an important part in the affairs of the world.

Some of those who were present representing other governments did not speak English. Nearly all of them spoke French. The proceedings were carried on in English; and in some instances where some of the delegates could not understand the English language, a French translator was there and promptly made the translation.

The Senator from New Mexico [Mr. HATCH] will tell my friend—and I have tried lawsuits in his State—that the courts there are conducted in two languages, Spanish and English; and I found some little embarrassment in addressing juries, some of whom did not speak fluently, at least, the English language, in having the translator at my elbow, reechoing to the juries and to the courts the language in which I spoke.

Mr. REYNOLDS. I thank the Senator for his contribution.

Mr. HATCH. Mr. President——

Mr. REYNOLDS. I yield to the Senator from New Mexico.

Mr. HATCH. It was the question of language in my State, to which the Senator from Utah has referred, which prompted my question. I have presided over a court where some of the jurors could not speak English; and I will say to the Senator that those jurors who had no knowledge of the English language rendered fine and efficient service as jurors.

Mr. REYNOLDS. I thank the Senators greatly, Mr. President.

Mr. THOMAS of Utah. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. REYNOLDS. I yield to the Senator.

Mr. THOMAS of Utah. While this point is in no sense important or essential, in addition to the fact that the official languages of the court are English and French, before a person can become a candidate for a judge of the Court he must be able to speak either French or English, and in addition to that he must be able to read both French and English.

Mr. REYNOLDS. Mr. President, I desire to take this opportunity to thank my distinguished friend from Utah [Mr. KING], my distinguished friend from Utah [Mr. THOMAS], and my distinguished friend from New Mexico [Mr. HATCH] for their kindness in these interruptions, because they have been instrumental in aiding the American people, instrumental in showing the American people at what a great disadvantage we will be over there for this reason:

My distinguished friend from Utah [Mr. KING] has told us that there are gentlemen of foreign lands on the continent of Europe who are linquists, who speak many, many different languages fluently, and who understand the tongues of innumerable foreigners from innumerable different lands; all of which goes to show that we simple Americans, who have not been able to avail ourselves of the opportunities they have over there of mingling frequently with the people of the various countries and learning how to speak all these languages, will be at a great disadvantage in dealing with them on this Court. We Americans never have had those educational opportunities, if that is what Senators may be pleased to term them. We speak only a single language—plain old English.

The Senator from Utah tells us that some of the judges over there speak five or six languages. What chance would we poor Americans have with some fellow there speaking five or six languages? Those foreigners could sit on the bench there, talking half a dozen different languages, and our judge sitting up there could not understand a doggone word of what they were saying. [Laughter.]

I thank the Senators. That is one of the points I was making, Mr. President, that our judges could not understand what it was all about.

Now let us find out something about this thing.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Oklahoma?

Mr. REYNOLDS. Certainly. I am always glad to yield to my distinguished friend from Oklahoma, for whom I have a great deal of respect and admiration.

Mr. THOMAS of Oklahoma. Does not the Senator believe that America is always at a disadvantage when we meet in these international conferences, for the very reason that our conferees, as a rule, speak but one language, while the other conferees are able to speak in all these various tongues?

Mr. REYNOLDS. I agree thoroughly with the Senator.

Mr. THOMAS of Oklahoma. If the Senator will yield for just one further observation——

Mr. REYNOLDS. Certainly, sir.

Mr. THOMAS of Oklahoma. There is an organization in the world called the "Interparliamentary Union." It is a congress of congresses. Every congress in the world is entitled to have representatives attend the Interparliamentary Union. To be a delegate one must be a member of some world congress. These congresses meet every year. One met in the Capital here some 10 years ago. On two occasions I have had the privilege of attending such conferences—one in Paris in 1927 and one in Berlin in 1928. At the conference in Berlin the only delegates who spoke English were the English delegates, the delegates from the United States, and the delegates from China. There were delegates present from perhaps 40 other nations. The English-speaking delegates, coming from America, the British Empire, and China, were not sufficiently powerful to secure a translation of the speeches as they were made.

There was a translation at Paris, but at Berlin for some reason the English-speaking delegates were not able to—they were not powerful enough even to secure a translation of the speeches made from the platform, and we had to wait until the next day to get a transcript of what transpired, and so we were always at least 1 day behind the proceedings in that conference.

I suggest that as a disadvantage under which American delegates always find themselves in these international conferences. In foreign nations their diplomats and their conferees are schooled, educated, and prepared by many years of training, and they send that character of men to these conferences. In America we have not progressed along that line, and that is another reason why we are at such a disadvantage. Because of the failure of our schools to furnish such training and for other reasons, our delegates do not have that special training in what we call "international statesmanship" or in diplomacy, and we are always at a disadvantage for those reasons.

Mr. REYNOLDS. That is unquestionably true, and I thank the Senator from Oklahoma greatly for this enlightenment and this aid.

Mr. President, I desire to ask the American people once again: What have we to gain by going into this Court? That is what I want to know. I have listened attentively here for days, and I have not yet heard a real reason for our entering this Court. We are over here on a clean shore, by ourselves, looking after our own business, and trying to feed our millions of hungry people, trying to clothe our millions of ragged and starving people. Why do we want to get mixed up with something like this at this time?

I say, Mr. President, that just as sure as the sun is to rise tomorrow, if we get into this thing, if we are forced into this World Court, we will regret it every day we live, and our children and our children's children will regret it. But it is going back to that same old thing—self-preservation is the first law of nature. If they force us into it, and we get into trouble, thank heaven I am going to be in a position to say, "Well, I told you so. I told you so." And if we do not get into it, I will be in a position to say, "Well, I was right, was I not? I was right."

Mr. President, let us find out something about this thing. I want to know what good, what benefit has the World Court and the League of Nations been to us as a whole? Of course, we will all admit that it has not been any good

to us; but what good has it been to anybody on earth except those who profited by it? And who were they? Well, France and Italy among others. Let us see about it. The way we hear this thing discussed one would think that the doves of peace were all over our Capitol instead of those starlings which we see perched on the eaves of our Government buildings here every night. Why, you cannot pick up a paper but what you find that there is war here, and there is war there, and there is war everywhere. Last night I picked up the Washington Evening Star, and the first thing I saw was a war report. I ask a page to bring in the afternoon paper—any one of the afternoon papers; I do not care which one—and I am sure I will find a like report on the first page. Last night I had the Evening Star, and in it an article dealing with war is given more attention by way of the size of its type and commands more attention than anything else, except the Hauptmann trial up there in Flemington, N. J. The article begins:

Chinese province reports attack by Japanese Army. Invasion by troops is disclosed by dispatches. Three towns near the border are bombed. Planes rain death on villages. Two thousand troops launched movement yesterday.

Here is another Evening Star. A young man just brought it in. I have not seen it before. The first thing that my eyes fall upon on the first page of that newspaper is this:

Japanese planes bombing—

I cannot pronounce that name—

Chahar. Attack reports follow rumored settlement of disputed points.

By the way, I will come back to that, Mr. President. Before we leave that subject I wish to make this statement: Japan is now a member of the League of Nations. And, to repeat, the League of Nations and the World Court are working hand in hand; they are one and the same, because the World Court is the offspring, the child of the League of Nations. Japan gave notice some months ago that she was going to quit, but she gave as an excuse that she was going to quit because belonging to the League of Nations cost her $900,000 a year, and she was not going to pay it any more. I am ready to assume that she wanted to save that $900,000 to buy some more scrap iron from the United States for the purpose of building more battleships. But the real reason, Mr. President, was this: That Japan did not even want international justice. She did not even want it. We do not want any international justice. We do not want any international justice because we want American justice. Japan did not want international justice because she wanted to do as she pleased. And despite the fact that both she and China were and are members of the League of Nations, affiliated with the World Court—the court of intrigue, the court of babble, ballyhoo, and bunk—Japan ran rough-shod over the international settlement in Shanghai and on across the plain and rugged lands of Manchuria, and they were not satisfied with what they got, but now they want a part of Mongolia, and they are bombing that whole country there, slaying, killing, murdering thousands upon thousands of innocent Chinese. And they now tell me that the World Court is going to bring about international peace! No. I shall never be convinced of that fact, Mr. President.

Let us see what else we find here. Mr. President, I shall say to my distinguished colleague from the State of California [Mr. JOHNSON] that if one should pick up a paper at even this hour, when this great subject is being discussed, and look on the front page, one would think that the United States was in war, because there is so much on the front page of every paper about wars all over the world. Right here on the front page I read:

Joint action seen in Ethiopian crisis. Italy seeks French views in belief diplomatic solution may be possible.

I want to bring that to the attention of this body. Let us see. Let us find out something about this. Where is Ethiopia? Ethiopia is away down there about 1,000 miles below Port Said, at one end of the Suez Canal on the African coast, just 700 miles from the borderland of French Somaliland, the capital of which is Djibouti. Let us get the significance of this. The French are seeking diplomatic aid. Over on the plateau is the nation claiming never to have been conquered, the black, broad-shouldered, muscular, naked warriors of Abyssinia. The Abyssinians choose to retain their original name. The Ethiopians delight in calling it theirs.

What do we find? We find that the Italians, the "black shirts" of Italy, where they are training young children from 3 to 4 years of age to become bearers of arms and to join the "black shirts" of the warriors when they arrive at the age of 8—we find the Italian soldiers away down there in Africa, below their own territory of Tripoli, in northern Africa, attacking the Abyssinians, or, in other words, the Ethiopians. They killed a whole lot of them a few days ago. They went in there and claimed some dispute about territory. Do Senators know why the Italians went in there? The Italians went in there because they have found great pockets of oil. They have located great veins of valuable mineral. And Italy needs it, because Italy has a very small territory in its own country, as has Japan. Italy wanted it and found an excuse to go down there and run over those poor people in Abyssinia, and confiscate their land, and kill a lot of their men. And the army of the King of Abyssinia, who chooses to term himself the "King of Kings", was not sufficient to cope with the great, well-armed, modernly equipped army and soldiers of Mussolini.

Then, for a while, the gunfire subsided and the troops for the moment began to lay down their arms. And those brave black warriors of that frontier and that great plateau, burning with the spirit of being saviors of their land, crept down into Somaliland—that French territory—and entered the city of Djibouti, the capital thereof, and killed 18 of the French soldiers and about 95 natives.

Let us see what is going to happen. I will tell the Senate what is going to happen, Mr. President. This matter will be considered diplomatically, and as a result it will be decided that some territory that belongs to Abyssinia or Ethiopia—as you choose to call it—in order to settle the disputes, will be given to the Italians, who need the oil and who need the precious ore. Is that correct? Let us see what they are after right now:

Italy seeks French views in belief diplomatic solution may be possible.

Why, Italy seeks French views. Italy seeks French views. Italy, a nation having a population of 45,000,000 people or more; Abyssinia being a nation with a population of 5,500,000; but Italy seeks international diplomatic settlement.

Italy wants to settle according to international justice because according to international justice Italy is going to get that which belongs to Abyssinia, and Abyssinia cannot help herself, because she has only 5 million people, and poorly equipped soldiers, and Italy has 45 million people. Abyssinia not only for that reason cannot help herself, but Italy is working hand in hand under the covers with France. Let us see. Austria wanted to join Germany. They had a lot of trouble over there. Dolfuss was killed. Italy stood by France diplomatically under cover in the chicanery and worked with France to aid France in keeping Austria from going to Germany. And France is going to stand by Italy because Italy stood by her.

Those Frenchmen, Mr. President, are fine diplomats in getting that which does not belong to them. Fine diplomats in borrowing and then not paying.

So, Mr. President, when Italy wants that territory belonging to Abyssinia and kills a lot of Abyssinians and desires to keep out the people of the world, she seeks to submit the question to the Court and League, asking for "international justice." Italy wants "international justice," and she will get "international justice", which will mean that she will get some property belonging to Abyssinia. That is all there is to it.

Mr. President, what chance would we have if we should enter the World Court? We would not have any chance at all.

By the way, we hear so much on the floor of the Senate about protecting us if we enter the Court; we hear so much

about how we will be protected if we get in, and how we will not be protected and what will happen to us if we do not get in, and all that sort of thing, it reminds me of the man who goes around to his neighbor's house for a friendly poker party and carries a .38 revolver on his hip. It reminds me how careful the little fellow is when he goes swimming. Many of us will remember our barefoot boyhood days when we would leave the house in the afternoon with half a dozen other little fellows living in the neighborhood and stroll down to the old swimming hole along the banks of the river. Under the trees in the springtime we would strip off our coats and our shirts and our shoes and our pants and stand there on the bank quivering, and the first one to go in would say, "Now, you boys, watch me, because I may drown and I want you to pull me out." It reminds me of the position we are taking here. We are scared to go into the Court. Why? Because we do not know what is going to happen to us if we go in.

By the way, in this newspaper which has been brought to my attention this afternoon there is another headline reading:

Inquisition defi given munitions probe by Bardo.

Did you ever stop to think, Mr. President, that all the wars in all the world and the wars that are raging right now are largely fomented by munitions makers? There is the great Vickers concern in the British Isles, the world's greatest manufacturers of poisonous gases and munitions, of armaments. America, which stands for peace; America, which, above all nations, wants peace, eternal peace, our great America, is the only country in all the world that undertook to make an inquiry into the profits made by the war lords of the world, while Great Britain, upon whose soil we find the factories of the Vickers and others engaged in similar enterprises and businesses, is taking no such step. We find America taking the lead in the peace of the world as a result of the pending munitions probe, and yet, on the other hand, we find that those who live beyond the blue waters of the Atlantic, while asking us to come into the World Court, are every single moment preparing for war. Is that so? Let us see.

We all know, Mr. President, that one of the biggest standing armies in the world is that of Poland. Where is Poland? Poland is in Europe between Germany and Russia and Austria. We all know that Poland is indebted to the tune of millions upon millions of dollars for loans which were made to her by the French Government. We all know that the most modern, the latest armament, cannon, rifles, sabers, which have been turned out by the plants in France, have gone—where? They have gone into Poland. Anybody who has visited Poland, anybody who has made diligent inquiry on the border or in the interior of Poland or in the countries surrounding Poland, knows that to be so; indeed, as a matter of fact, all Europe knows well that France for a number of years past has been shipping all manner of implements of death and war into Poland and that Poland is indebted to her today in great sums.

It is said, Mr. President, that the World Court will stop war. Why has it not stopped the war which I mentioned the other day on the floor of the Senate, the war between Bolivia and Paraguay? It has not had any effect upon the peace of the world. It has not had any such effect in South America, in central Africa, in the Orient, in Mongolia, and Manchuria. It has not stopped the countries of the world from gathering arms and building up their forces in every single respect, both on land and on sea and beneath the sea and in the air. Then talk to us about peace!

Mr. RUSSELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. ADAMS in the chair). Does the Senator from North Carolina yield to the Senator from Georgia?

Mr. REYNOLDS. Yes, sir.

Mr. RUSSELL. The Senator, in referring to the war in South America and reading from the current news, evidently overlooked the item in this evening's Washington Star in regard to the unfortunate conflict in South America, from which it appears that the forces of Paraguay have put on a great offensive in an effort to overwhelm their adversary before the sanction of the League of Nations can take effect, though the war has been going on for approximately 3 years.

Mr. REYNOLDS. They are trying to get through before the sanction of the League can take effect.

Mr. RUSSELL. It is so stated in the article.

Mr. REYNOLDS. As a matter of fact, from all I know about it, it would not make any difference what the League sanctioned about it; they would fight until the war was over.

Now, let us see what we find here. If we go into this "court of Babel", what are we going to find? We will go in under every disadvantage on earth. We will go in with Great Britain having 7 votes to our 1. She would have the votes of herself, Australia, Canada, India, Irish Free State, New Zealand, South Africa, or 7 in all. So Great Britain would have 7 votes to America's 1 if we go into the "World Court of Intrigue."

Mr. President, as we all know, France, which manipulates this court of intrigue, will have more votes than we will have, because we know that Italy kept Austria from going back to Germany; we know that Italy has appealed to her friend, France, for international justice to give her that which belongs to Abyssinia. France will have the vote and cooperation of Poland, Czechoslovakia and Rumania, all of whom owe her money, and with Italy at the same time she is "in cahoots." Why do we want to get mixed up with people who hate us? We all know that envy and jealousy create hatred. France is jealous of us; all the nations of continental Europe are jealous of us and would cut our throat at the drop of a hat.

I wanted, Mr. President, at this time to refer to the list of judges constituting the court. I have such a list on my desk but, having mislaid it for the moment, I will come to that later.

Preliminarily I made mention of the matter which I now wish to bring to the attention of the Senate. In January 1934, there was presented to this body for consideration and adoption, a bill interesting itself in those residing beyond the seas. That bill was introduced by the Senator from California [Mr. JOHNSON] and is entitled as follows:

A bill to prohibit financial transactions with any foreign government in default on its obligations to the United States.

I respectfully direct, particularly, the attention of the Senator from California to this measure. It reads as follows:

*Be it enacted, etc.*, That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person—

Mind you, the bill makes it unlawful under the laws of this land—

for any person to purchase or sell the bonds, securities, or other obligations of any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof.

That law makes it a violation of the Federal statute to sell any bond or security of any foreign nation that is in default upon its payments to the United States of America. The bill goes further, in stating that it shall be unlawful to lend any money in those foreign countries that are in default of their obligations to America.

That bill was up for consideration on January 11, and at that time, if I recall correctly, the RECORD reveals that there were not a great many present in the Chamber as a result of the absence of some of the Members on request, and by suggestion final disposition was deferred until February 2, 1934.

Mr. President, at this time I wish to ask that the bill, which became a law on April 13, 1934, be inserted in full in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The act referred to is as follows:

[Public, No. 151, 73d Cong.]
S. 682

An act to prohibit financial transactions with any foreign government in default on its obligations to the United States

*Be it enacted, etc.*, That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person to purchase or sell the bonds, securities, or other obligations of, any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof, issued after the passage of this act, or to make any loan to such foreign government, political subdivision, organization, or association, except a renewal or adjustment of existing indebtedness while such government, political subdivision, organization or association is in default in the payment of its obligations, or any part thereof, to the Government of the United States. Any person violating the provisions of this act shall upon conviction thereof be fined not more than $10,000 or imprisoned for not more than 5 years, or both.

SEC. 2. As used in this act the term "person" includes individual, partnership, corporation, or association other than a public corporation created by or pursuant to special authorization of Congress, or a corporation in which the Government of the United States has or exercises a controlling interest through stock ownership or otherwise.

Approved April 13, 1934.

Mr. REYNOLDS. Mr. President, just prior to the discussion on February 2, 1934, of the bill making it unlawful to sell foreign securities in this country there was a discussion upon the floor of the Senate. Of course, there was a discussion. There was a discussion because a child that has been once burned is afraid of the fire. We were afraid to do anything that would involve us with those countries abroad who had refused to pay us their honest debts. While that bill was here before the Senate, having been brought before this body on February 2, 1934, the discussion involved an important statement which was made on the floor of the Senate by the Senator from California [Mr. JOHNSON]. He said:

> In order that there may be immediate action if it be possible, and in order that the first desideratum of the bill may be accomplished, I have been very glad to consent—whether I was in whole-hearted accord with some of the amendments or not is immaterial—to the amendments thus presented by the different departments and the administration, and have this bill go upon record by vote of the Congress of the United States as the expression of the view of the Congress upon this subject.

Later, it became the law to the effect that it shall be unlawful, and punishable by fine or imprisonment, for any man, individual, company, corporation, or association to make purchase of or to sell any foreign security in this country. When that law was enacted, sir, when ample opportunity was given to every Member of this body to know of its contents and to discuss its features, not one single hand was raised against it. Why? Because, Mr. President, we knew, and well did we know, that many of the European countries had defaulted in the payment of their indebtedness to this country; had not only defaulted in payment of the principal thereof, but had the audacity to deny and refuse payment of the interest.

Further, we knew that many of the bonds of defaulting nations and others throughout the world, who had found a bonanza of investors in America, were such that the investors here had been defrauded. Therefore, this body went on record in favor of that bill making it a violation of the law, punishable by fine or imprisonment, to sell here or even to buy any securities issued by those countries in default to us, all of which leads me to assume and presume that we were for that bill, that we will uphold that bill as a body, because the RECORD reveals that not one single hand was lifted against it; not one voice was heard in opposition to it. It passed because we could not trust those people beyond the seas 3,000 miles away. If in February of 1934, less than a year ago, we could not find ourselves in a position to respect them, and at which time we had evidently lost confidence in them, how can we now trust them to pass upon matters in which the United States of America is or may be vitally interested?

The countries of the world should certainly know that we of all people are desirous of peace, that we of all nations are seeking harmony, because the best evidence of a peaceful attitude may be had from the physical evidence and the appearance of things. By that I mean, if we were a warring nation, if we were an aggressive nation insofar as warfare is concerned, we would build up our armed forces to tremendous proportions in order that we might at least equal the standing forces of the armies of the various countries of the world.

But that we have not done. In evidence thereof and in proof of what I say, I respectfully desire to bring to the attention of this body a record supplied to me as of today entitled "Military Forces of Nations of the World as of December 31, 1933." This record discloses that our country, the United States of America, maintains a force of only 135,000 soldiers and those incident to the fighting troops of the Nation. As we look over the list we find that America, with its population of 125,000,000, maintains a standing army not in excess of 135,000.

On the other hand, we note from the same list that France, with its population of 48,000,000, maintains a standing army of 584,000. There is a country with a population one-third that of the United States maintaining an army four times the size of that maintained by the United States.

As we proceed in our examination of this list we find that the British Empire maintains a force of 396,259, which is three times as many as maintained by the United States.

Then we find another member of the League of Nations, China, with 470,000,000 people, maintaining an armed force of 2,000,000 fighting men. We find Japan with an active armed force of 225,000, almost twice the size of the armed force of the United States, and maintaining not only 225,000 soldiers active and ready for any emergency but in addition thereto 1,952,000 as a trained reserve.

As we follow the list along we find that the proportion remains always in favor of the United States. Particularly will I now, in concluding the several citations from this list, take advantage of the opportunity to mention Poland, to which country I referred a few moments ago, which is cited here in this list with a population of 32,000,000 and with an active armed forced of 325,456 and a reserved trained force of 1,721,579.

As I said, we of the United States, with a population of 125,000,000, maintain a standing armed force never in excess of 135,000 and in addition thereto a trained reserve force of 309,000.

Mr. President, men and nations cry, "Peace", and yet all the time they are adding to their armed forces, all the time they are building up warring factors, and all the time and at the same time they are endeavoring to bring us into the World Court. For what reason I can understand. I cannot fathom in my own mind or fashion therein why they cannot settle their own disputes and not bring us into them.

Mr. President, I request permission to have inserted in the RECORD as a part of my remarks two of the lists or tabulations to which I made reference, one being "Data on Membership of the League of Nations", and the other entitled "Military Forces of Nations of the World as of December 31, 1933."

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DATA ON MEMBERSHIP OF THE LEAGUE OF NATIONS

*Members of the League of Nations, January 1935*

1. Abyssinia
2. Afghanistan
3. Albania
4. Argentine Republic
5. Australia
6. Austria
7. Belgium
8. Bolivia
9. Bulgaria
10. Canada
11. Chile
12. China
13. Colombia
14. Cuba
15. Czechoslovakia
16. Denmark
17. Dominican Republic
18. Ecuador
19. Estonia
20. Finland
21. France
22. Germany
23. Great Britain
24. Greece
25. Guatemala
26. Haiti
27. Honduras
28. Hungary

*Members of the League of Nations, January 1935*—Continued

29. India
30. Iraq
31. Irish Free State
32. Italy
33. Japan
34. Latvia
35. Liberia
36. Lithuania
37. Luxemburg
38. Mexico
39. Netherlands
40. New Zealand
41. Nicaragua
42. Norway
43. Panama
44. Paraguay
45. Persia
46. Peru
47. Poland
48. Portugal
49. Rumania
50. Salvador
51. Siam
52. South Africa
53. Spain
54. Sweden
55. Switzerland
56. Turkey
57. Union of Soviet Socialist Republics
58. Uruguay
59. Venezuela
60. Yugoslavia

*States which have been members of the League of Nations*

| State: | Date of entry |
|---|---|
| Australia | Jan. 10, 1920 |
| Belgium | Do. |
| Bolivia | Do. |
| Brazil | Do. |
| British Empire | Do. |
| Canada | Do. |
| China | July 16, 1920 |
| Cuba | Mar. 8, 1920 |
| Czechoslovakia | Jan. 10, 1920 |
| France | Do. |
| Greece | Mar. 30, 1920 |
| Guatemala | Jan. 10, 1920 |
| Haiti | June 30, 1920 |
| Honduras | Nov. 3, 1920 |
| India | Jan. 10, 1920 |
| Italy | Do. |
| Japan | Do. |
| Liberia | June 30, 1920 |
| New Zealand | Jan. 10, 1920 |
| Nicaragua | Apr. —, 1920 |
| Panama | Jan. 10, 1920 |
| Peru | Do. |
| Poland | Do. |
| Portugal | Apr. 8, 1920 |
| Rumania | Apr. 7, 1920 |
| Siam | Jan. 10, 1920 |
| South Africa | Do. |
| Uruguay | Do. |
| Yugoslavia | Feb. 10, 1920 |
| Argentine Republic | July 18, 1919 |
| Chile | Nov. 4, 1919 |
| Colombia | Feb. 16, 1920 |
| Denmark | Mar. 8, 1920 |
| Netherlands | Mar. 9, 1920 |
| Norway | Mar. 5, 1920 |
| Paraguay | Dec. 26, 1919 |
| Persia | Nov. 21, 1919 |
| Salvador | Mar. 10, 1920 |
| Spain | Jan. 10, 1920 |
| Sweden | Mar. 9, 1920 |
| Switzerland | Mar. 8, 1920 |
| Venezuela | Mar. 3, 1920 |
| Austria | Dec. 15, 1920 |
| Bulgaria | Dec. 16, 1920 |
| Costa Rica | Do. |
| Finland | Do. |
| Luxemburg | Do. |
| Albania | Dec. 17, 1920 |
| Latvia | Sept. 22, 1921 |
| Lithuania | Do. |
| Estonia | Do. |
| Hungary | Sept. 18, 1922 |
| Irish Free State | Sept. 10, 1923 |
| Abyssinia | Sept. 28, 1923 |
| Dominican Republic | Sept. 29, 1924 |
| Germany | Sept. 8, 1926 |
| Mexico | Sept. 14, 1931 |
| Turkey | July 18, 1932 |
| Iraq | Oct. 3, 1932 |
| Union of Soviet Socialist Republics | Sept. 18, 1934 |
| Afghanistan | Sept. 27, 1934 |
| Ecuador | Sept. 28, 1934 |

*Withdrawals from membership in the League of Nations*

Costa Rica: Notice of withdrawal given December 24, 1924. Ceased to be a member January 1, 1927.

Brazil: Notice of withdrawal given June 14, 1926. Ceased to be a member June 13, 1928.

Spain: Notice of withdrawal given September 8, 1926. Anounced that it would continue to collaborate in the work of the League March 22, 1928.

Mexico: Notice of withdrawal given December 14, 1932. Announced intention to remain in the League May 1933.

Japan: Notice of intention to withdraw given March 27, 1933.

Germany: Notice of withdrawal given October 21, 1933.

*Military forces of nations of the world (as of Dec. 31, 1933)*

| Nation | Population | Organized forces | | | | Percent of population |
|---|---|---|---|---|---|---|
| | | Army (active) | Trained reserve | Separate air force (if any) | Total | |
| Argentina | 12,010,000 | 34,798 | 309,454 | | 344,252 | 2.86 |
| Austria | 6,700,000 | 30,000 | | | 30,000 | .44 |
| Belgium | 8,092,000 | 89,224 | 495,000 | | 584,224 | 7.22 |
| Bolivia | 3,000,000 | 50,000 | | | 50,000 | 1.67 |
| Brazil | 40,472,650 | 85,199 | 171,188 | | 256,387 | .64 |
| British Empire | 449,583,000 | 396,259 | 696,946 | 48,782 | 1,141,987 | .25 |
| Australia | 6,500,000 | 1,515 | 28,341 | 1,344 | 31,173 | .48 |
| Canada | 10,354,000 | 3,703 | 91,873 | 1,006 | 96,582 | .93 |
| Great Britain | 46,189,445 | 199,804 | 284,278 | 45,626 | 529,708 | 1.10 |
| India | 353,000,000 | 170,623 | 113,000 | | 283,623 | .08 |
| Irish Free State | 2,971,992 | 6,177 | 17,723 | 163 | 24,063 | .80 |
| New Zealand | 1,443,070 | 618 | 3,764 | 122 | 4,504 | .31 |
| South Africa | 8,000,000 | 989 | 135,017 | 521 | 136,527 | 1.70 |
| Colonies and dependencies | 21,124,493 | 12,830 | 22,950 | | 35,780 | .12 |
| Bulgaria | 5,006,000 | 33,000 | | | 33,000 | .55 |
| Chile | 4,402,000 | 22,103 | 177,120 | 1,325 | 200,548 | 4.55 |
| China | 470,000,000 | 2,000,000 | | 4,600 | 2,004,600 | .43 |
| Colombia | 7,851,000 | 10,982 | 40,000 | | 50,982 | .65 |
| Costa Rica | 516,031 | 500 | 5,000 | | 5,500 | 1.06 |
| Cuba | 3,962,244 | 11,816 | 4,735 | | 16,551 | 0.42 |
| Czechoslovakia | 14,916,000 | 158,000 | 1,489,000 | | 1,647,000 | 11.04 |
| Denmark | 3,551,000 | 8,100 | 65,700 | 1,100 | 74,900 | 2.10 |
| Dominican Republic | 1,250,000 | 2,179 | | | 2,179 | .17 |
| Ecuador | 2,500,000 | 5,252 | 25,000 | | 30,252 | 1.22 |
| Estonia | 1,120,500 | 13,480 | 30,500 | | 43,980 | 3.82 |
| Finland | 3,600,000 | 31,575 | 345,000 | | 376,575 | 10.45 |
| France | 48,000,000 | 584,300 | 6,328,000 | 39,913 | 6,952,213 | 14.49 |
| Germany | 65,300,000 | 100,500 | 1,000,000 | | 1,100,500 | 1.69 |
| Greece | 6,483,000 | 85,875 | 495,042 | 2,533 | 583,450 | 9.43 |
| Guatemala | 2,454,000 | 6,783 | 133,850 | | 140,633 | 5.73 |
| Haiti | 2,500,000 | 2,494 | | | 2,494 | .09 |
| Honduras | 854,184 | 2,328 | 456 | | 2,784 | .33 |
| Hungary | 8,683,740 | 35,800 | | | 35,800 | .41 |
| Italy | 44,566,968 | 437,368 | 5,885,000 | 173,171 | 6,495,535 | 14.57 |
| Japan | 93,840,785 | 225,000 | 1,952,000 | | 2,177,000 | 2.34 |
| Latvia | 1,900,045 | 21,650 | 190,000 | | 211,650 | 11.13 |
| Lithuania | 2,421,848 | 19,466 | 52,000 | | 71,466 | 2.85 |
| Mexico | 17,006,000 | 59,249 | 39,962 | | 116,897 | .69 |
| Netherlands | 7,731,000 | 29,500 | 330,000 | | 358,500 | 4.63 |
| Nicaragua | 750,000 | 2,891 | | | 2,891 | .39 |
| Norway | 2,811,000 | 15,100 | 315,000 | | 330,100 | 11.71 |
| Paraguay | 900,000 | 40,000 | | | 40,000 | 4.44 |
| Peru | 6,737,000 | 9,045 | 20,000 | | 29,045 | .47 |
| Poland | 32,120,000 | 325,456 | 1,721,579 | | 2,047,035 | 6.47 |
| Portugal | 6,600,000 | 39,800 | 380,000 | | 419,800 | 6.36 |
| Rumania | 13,057,074 | 295,827 | 1,305,000 | | 1,600,827 | 8.87 |
| Russia | 165,700,000 | 830,000 | 15,376,000 | | 16,206,000 | 9.79 |
| Salvador | 1,459,578 | 3,370 | 27,784 | | 31,154 | 2.13 |
| Spain | 24,600,000 | 203,033 | 2,095,000 | | 2,298,033 | 9.34 |
| Sweden | 6,136,000 | 33,500 | 841,700 | 925 | 876,125 | 14.30 |
| Switzerland | 4,077,000 | 494 | 629,600 | | 630,000 | 15.49 |
| Turkey | 13,660,276 | 133,000 | 532,800 | | 665,800 | 4.87 |
| Uruguay | 1,941,000 | 6,629 | 9,300 | | 15,929 | .82 |
| Venezuela | 3,226,000 | 8,000 | | | 8,000 | .25 |
| Yugoslavia | 14,300,000 | 136,990 | 1,552,724 | | 1,689,714 | 11.40 |
| United States | 125,693,000 | 135,052 | 309,609 | | 444,661 | .35 |

*Other members of League of Nations*

| Country | Year | Number of active soldiers |
|---|---|---|
| Afghanistan | 1931-32 | 72,000 |
| Albania | 1930-31 | 12,629 |
| Iraq | | 10,000 |
| Liberia | | 4,751 |
| Panama | | (1) |
| Persia | 1931-32 | 65,849 |
| Siam | 1930-31 | 39,452 |

[1] No army.

Mr. NYE. Mr. President, I offer a reservation to the pending resolution of adherence, which I ask to have read and printed and lie on the table.

The PRESIDING OFFICER. The reservation will be read.

The legislative clerk read as follows:

Reservation intended to be proposed by Mr. NYE to the resolution of adherence on the part of the United States to the World Court, viz: Add thereto the following:

"*Resolved further*, That in the event the United States adheres to the statute of the World Court it shall make the following reservation:

"That the code of law to be administered by the World Court shall not contain inequalities based on sex."

The VICE PRESIDENT. The reservation will be printed and lie on the table.

Mr. ROBINSON. Mr. President, it appears that debate has again been exhausted. The pending question is the

amendment or reservation proposed by the Senator from Michigan [Mr. VANDENBERG].

Several times during the course of the debate I have asserted that the reservation is unnecessary, because there is nothing in the resolution of ratification or in the protocols which would involve domestic questions or traditional policies of the United States. It is my understanding that the Senator from Michigan agrees that that is true; but it has been suggested, and he has insisted, that on occasions heretofore, when the subject of the World Court has been before the Senate, a similar reservation has been agreed to. That is entirely true. It has also been agreed, as I understand, that the reservation does not change in any respect the legal effect of the resolution of adherence; and, also, the assertion has been made that it embodies a principle in which all of us concur. In that connection I merely wish to say that we all concur in the Ten Commandments, but we have not incorporated them in the resolution of adherence.

However, Mr. President, I believe that the proper policy to be pursued by the proponents of the resolution of adherence is to acquiesce in or accept the reservation of the Senator from Michigan, and I am willing that that action respecting the reservation may be taken at this time.

The VICE PRESIDENT. The amendment offered by the Senator from Michigan will be read.

The legislative clerk read as follows:

*Resolved further*, That adherence to the said protocols and statute hereby approved shall not be so construed as to require the United States to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions of policy or internal administration of any foreign state; nor shall adherence to said protocols and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBINSON. Mr. President, I believe the next matter in order properly should be the reservation offered by the Senator from Nebraska [Mr. NORRIS]. I do not see him in the Chamber, but I ask that the reservation be read, and then I shall suggest the absence of a quorum.

The VICE PRESIDENT. The reservation will be read.

The legislative clerk read as follows:

*Resolved further*, That the adherence of the Government of the United States to said protocols and statute is upon the express condition and understanding that no dispute or question in which the United States Government is a party shall be submitted to said Permanent Court of International Justice unless such submission has been approved by the United States Senate by a two-thirds vote.

Mr. NORRIS entered the Chamber.

Mr. ROBINSON. Mr. President, I see that the Senator from Nebraska has entered the Chamber; and I will state to him that his reservation is now before the Senate.

Mr. NORRIS obtained the floor.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Oregon?

Mr. NORRIS. I yield.

Mr. McNARY. I desire to propound an inquiry to the Senator from Arkansas. Is it desired to go forward with the discussion of this reservation at this late hour?

Mr. ROBINSON. Before moving a recess, I wish to submit another request for a limitation on debate. Obviously, we are proceeding here most of the time with no Senator ready to speak.

Mr. NORRIS. Mr. President——

Mr. ROBINSON. I understand that the Senator from Nebraska is ready to proceed. Does he desire to speak this afternoon?

Mr. NORRIS. I would rather not do that; but I desire to make an inquiry. I was called out of the Chamber. Has the so-called "Vandenberg reservation" been agreed to?

Mr. ROBINSON. It has been agreed to.

Mr. NORRIS. Then, if it is agreeable to the Senator from Arkansas, I should prefer to go on tomorrow. It is now about the usual time of adjourning or recessing. In a conversation I had with the Senator from Arkansas some time ago, we had a sort of an understanding about an agreement which probably could be reached tonight. Would the Senator like to propose that agreement now?

Mr. ROBINSON. Yes; I should like to propose it now.

Mr. NORRIS. Very well. I yield for that purpose.

Mr. ROBINSON. Mr. President, I ask unanimous consent that when the Senate meets next Monday, debate be limited as follows:

No Senator shall speak more than once or longer than 30 minutes on the resolution of adherence, or more than once or longer than 15 minutes on any reservation that may be pending or that may be offered.

Mr. JOHNSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from California?

Mr. NORRIS. Certainly.

Mr. JOHNSON. I think we can come to an agreement on that, but I should like to do it in this fashion: The understanding will be, as I gather from what the Senator has said, that tomorrow the Norris reservation will be proceeded with, and disposed of, I presume during the day, although I know nothing as to the length of time which may be occupied upon it; that tomorrow night we shall adjourn until Monday, and that on Monday the limitation of debate shall go into effect.

Mr. ROBINSON. When the Senate meets on Monday next.

Mr. JOHNSON. When the Senate meets; but I desire to amend that part of the proposed agreement. Instead of the limitation taking effect when the Senate meets, I should like to fix the time when it shall take effect at 2:30 in the afternoon.

Mr. ROBINSON. Mr. President, that is so near the request I have made that I will modify it in accordance with the suggestion of the Senator from California.

Mr. JOHNSON. I am perfectly frank in saying to the Senator that I want to have the agreement in that form, because I desire to present some little matters in relation to the pending conroversy, and I wish to have the time in which to do it.

Mr. ROBINSON. Monday being the day for the call of the calendar, some time may be consumed in that way.

Mr. JOHNSON. That might take up the whole time.

Mr. ROBINSON. No; I want to be frank and fair with the Senator.

Mr. JOHNSON. Yes; I am glad the Senator mentioned it. The consideration of the calendar may occupy some time. I desire to have an hour of leeway, if possible, before the limitation takes effect.

Mr. ROBINSON. Very well. I make this suggestion as a final compromise proposition which will give the Senator what he wishes:

I will modify the request so as to ask unanimous consent that when the Senate concludes its labors tomorrow it recess until Monday noon, and that after the hour of 1 o'clock on Monday the limitation I have indicated shall go into effect, so that there will be 1 hour for the Senator's discussion if he has the floor.

Mr. JOHNSON. There will be no consideration of the calendar? The recess will eliminate that.

Mr. ROBINSON. Yes; if we recess, the pending matter will be before the Senate.

Mr. JOHNSON. Yes. I have not spoken to some of the Senators who may desire to speak in regard to the pending subject, but if they object, I presume they will state their objection. I know of no objection to entering into the arrangement. Tomorrow, however, will be devoted to the one proposition that is before us?

Mr. ROBINSON. I expect so—the Norris reservation.

Mr. BARKLEY. Mr. President, if the Senator will yield, yesterday the Committee on Banking and Currency reported out a bill affecting the Reconstruction Finance Corporation's authority, which expires on the 31st of January. It is extremely important that that proposed legislation be enacted as soon as possible. Does the Senator's plan contemplate

any time to be devoted to that prior to a final vote on the World Court matter?

Mr. ROBINSON. I should like to have an understanding that if we desire to do so tomorrow, after the Norris reservation shall have been disposed of, or before, if it meets with the Senator's approval, we may proceed to consider legislative business.

Mr. JOHNSON. I have no objection to that. I simply wanted the understanding that upon the particular pending question of the protocols of the Court we would tomorrow settle or take up one question, that of the reservation of the Senator from Nebraska, and then the Senate would, if it saw fit, subsequently proceed to consider other subjects of legislation.

Mr. ROBINSON. Very well.

In order to meet the suggestion of the Senator from Kentucky, which I think is concurred in by the Senator from Mississippi [Mr. HARRISON], the Chairman of the Finance Committee, I should like to withdraw the suggestion about recessing tomorrow night at the conclusion of the consideration of the Norris reservation; but I will say that if the Norris reservation should be disposed of, it would be my purpose to have the Senate proceed to the consideration of legislative business and not take further action in executive session until Monday.

So I will modify the request as follows, with a gentlemen's agreement between myself and the Senator from California:

That when the Senate meets on Monday it proceed at once to the consideration of the World Court protocols and resolution, and that no Senator shall speak more than once or longer than 30 minutes on the resolution of adherence, or more than once or longer than 15 minutes on any reservation that may be pending or that may be offered.

Mr. NORRIS. Let me suggest to the Senator that he has not included in the proposed unanimous-consent agreement a provision that we shall take a recess tomorrow night instead of an adjournment.

Mr. ROBINSON. No; there is obviously no necessity for that, because I am including in the agreement, if it is entered into, that when we meet Monday we shall proceed with this matter.

Mr. NORRIS. That we shall go into executive session.

Mr. ROBINSON. Yes; that is the object of the restatement of the matter; and I have stated to the Senator from California [Mr. JOHNSON] that at the conclusion of the consideration of the Norris reservation it is not expected that further action shall be taken until Monday respecting this subject matter.

Mr. JOHNSON. The Senator inadvertently omitted including in the proposed agreement a provision as to the limitation going into effect at 2:30 on Monday, or whatever the hour was that he proposed.

Mr. ROBINSON. At 1 o'clock. We meet at 12 o'clock, and at 1 o'clock the limitation is to go into effect. The Senator said he desired an hour.

Mr. JOHNSON. I do.

Mr. McNARY. Mr. President, I do not wish to be in opposition to the Senator from California. I understood that the Senator from California wanted the limitation to apply at 2:30 in the afternoon.

Mr. JOHNSON. That was quite so until the Senator from Arkansas said he would move a recess so that immediately at 12 o'clock we might go on with this subject.

Mr. ROBINSON. Very well. I ask to have the question put.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

The unanimous-consent agreement was reduced to writing, as follows:

*Ordered*, by unanimous consent, That when the Senate meets on Monday, January 28, it proceed at once to the consideration of the World Court protocols and resolution, and that after the hour of 1 o'clock p. m. no Senator shall speak more than once or longer than 30 minutes on the resolution of adherence, or more than once or longer than 15 minutes on any reservation that may be pending or that may be offered.

REPUBLICAN CONFERENCE

Mr. HARRISON. Mr. President, I desire to ask the Senator from Oregon a question. I understand that there is to be a Republican caucus or conference on Saturday morning.

Mr. McNARY. I stated to the Senator from Mississippi, the Chairman of the Finance Committee, that I expected to call, and now have called, a Republican conference for 10:30 o'clock Saturday morning. Therefore I requested that the Senator should not call a meeting of the Finance Committee for that time.

Mr. HARRISON. I will say to the Senator, with notice to the members, that there will be no meeting of the Finance Committee on Saturday morning.

Mr. McNARY. I appreciate the courtesy and kindness of the Senator.

THE EXECUTIVE CALENDAR

Mr. ROBINSON. Now, Mr. President, I ask that the Senate proceed to the consideration of executive business other than the World Court protocols. It is understood that the Senator from Nebraska [Mr. NORRIS] has the floor.

Mr. NORRIS. Yes; that is my understanding. I yielded for the purpose of having these other matters disposed of.

Mr. ROBINSON. I wanted to make that clear.

The VICE PRESIDENT. The clerk will state the first business in order on the Executive Calendar.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I ask unanimous consent that the nominations of postmasters on the calendar may be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

That completes the Executive Calendar.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 47 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Friday, January 25, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 24 (legislative day of Jan. 21), 1935*

POSTMASTERS

ALABAMA

J. Donald Merchant, Thorsby.

GEORGIA

Jonas R. Myers, Athens.

NEW YORK

Joseph T. Norton, Allegany.
Thomas A. O'Neill, Au Sable Forks.
Margaret L. Lauchert, Blasdell.
Ernest M. Clemons, Depew.
Stephen V. Woods, East Randolph.
Carrie W. Talbot, Edmeston.
Michael J. O'Connor, Ellicottville.
Arthur B. Ward, Gilbertsville.
William E. Dorson, Gowanda.
Cort Kramer, Holland.
Emil J. Bruger, Islip Terrace.
Catherine M. McConnell, Machias.
Clarence H. Root, Mannsville.
Bernard Daley, Mount Kisco.
Eugene S. Fiske, Mount Vernon.
Mark M. Rice, Natural Bridge.
Thomas P. McLoughlin, New Rochelle.
Jacob Fiddle, Parksville.

James H. Vaughn, Perrysburg.
Louis S. Martin, Redwood.
Teresa V. Ball, Rye.
Solomon J. Lempert, Sayville.

OKLAHOMA

Otto M. Morse, Calvin.
Foster E. Johnson, Carter.
Mae Tedlock, Choteau.
Troy Combs, Davenport.
Fred L. Burrow, Gage.
J. Roy Clem, Granite.
Theodore S. Hawkins, Hitchcock.
John W. Heinen, Okarche.
Hugh Ferguson, Rocky.
William W. Powell, Salina.
Vernie A. Oates, Shattuck.

SOUTH CAROLINA

Lucia C. Lindsey, Piedmont.
Lawrence E. King, Simpsonville.
Joseph H. Coleman, Travellers Rest.

TENNESSEE

Finley P. Curtis, Butler.
Warren B. Miller, Clifton.
Ethelbert C. Cross, Clinton.
Allen T. Fine, Jellico.
Irene Miller, La Follette.
Wilia J. McCrary, Philadelphia.

WISCONSIN

Gustav Adolph Fey, Ableman.
Joseph A. Kumhera, Almena.
Frank W. Flanagan, Bear Creek.
W. Anton Grota, Berlin.
Neis O. Neprud, Coon Valley.
Sherman V. Wolf, Crivitz.
Carl E. Anderson, Galesville.
Johan Gustav Adolf Mollenhoff, Iron River.
Henry L. Blonien, La Valle.
Erwin A. Kamholz, Luck.
William C. McLaughlin, Merrill.
Edwin F. Hadden, Poynette.
William A. Weier, Wabeno.
Rosella M. Anderson, Wheeler.
Michael T. Lenney, Williams Bay.

# HOUSE OF REPRESENTATIVES

## THURSDAY, JANUARY 24, 1935

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father of all the earth, we rejoice that Thou art so accessible as to hear us when we call. Free our understanding from fatal error and deliver us from any false illusions and bring us into the full presence of the divine kingdom and the divine will. By thought and word, in sympathy and in purpose, let the humanities grow along our pathway in whose fragrance there are most excellent virtues. Thy Holy Word is with us: "Inasmuch as ye have done it unto one of the least of these, my brethren, ye have done it unto Me." Blessed Lord God, the winter's blast and blight with suffering and destitution are with us. We beseech Thee that the freshness and the generosity of our Nation's heart may be revealed as the poor and the outcast turn wistfully toward the strong and the provident. We pray that the diabolical and the worst forms of selfishness that war against the soul may die and that every heart may be moved by that inspiration and by that eternal sacrifice which dawn in the shadow of our Savior's cross.

"Who gives himself with his alms, feeds three:
Himself, his hungry neighbor, and Me."

In the Redeemer's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

### TAX-EXEMPT SECURITIES

Mr. COOPER of Tennessee, from the Committee on Ways and Means, submitted a privileged report on House Resolution 56, which the Clerk read as follows:

House Resolution 56

*Resolved*, That the Secretary of the Treasury be, and he is hereby, directed to transmit to the House of Representatives the following information: The names and addresses of all persons and corporations who own tax-exempt securities in the amount of $100,000 or over; the amount of such holdings held by each individual or corporation; kind of securities held in each case; and the interest paid on such securities per annum.

Mr. COOPER of Tennessee. Mr. Speaker, I ask unanimous consent that the report accompanying the resolution be read.

The SPEAKER. Without objection, the report will be read.

There was no objection.

The Clerk read as follows:

The Committee on Ways and Means, to whom was referred the resolution (H. Res. 56) to direct the Secretary of the Treasury to transmit to the House of Representatives certain information with respect to the ownership of tax-exempt securities, having had the same under consideration, report it back to the House and recommend that the resolution do not pass.

Mr. COOPER of Tennessee. Mr. Speaker, I move that the resolution be laid on the table.

Mr. BLANTON. Mr. Speaker, before the gentleman from Tennessee makes that motion, which would cut off all debate, would he kindly yield for a question?

Mr. COOPER of Tennessee. I yield to the gentleman from Texas for a question.

Mr. BLANTON. Why is this information sought by this resolution not the kind that the country is entitled to?

Mr. COOPER of Tennessee. It is the understanding of the committee that the information is not available in the manner sought by this resolution.

Mr. BLANTON. I realize that the resolution may not be in proper form, but if it were amended and placed in proper form, I believe very earnestly if he would not table it but would leave it to a vote of the House, 85 percent of the Members would vote for the resolution.

I am strictly against tax-exempt securities. I am in favor of properly subjecting to taxation all bonds and securities and taxing the income from all bonds and securities.

I realize that the resolution sought to be tabled asks for information regarding securities issued by the various States which are tax exempt, but which information is not available to the Secretary of the Treasury, as he has information available respecting only Federal securities issued by the Government.

But the Ways and Means Committee has authority to amend this resolution and strike from it that portion which seeks information the Treasury Department cannot furnish and require it to furnish the information which is available.

I am hopeful that before this Congress adjourns, the Ways and Means Committee will report and pass proper resolutions that will obtain for the Congress and the people definite information showing the extent and ownership not only of all Federal tax-exempt securities but also respecting all tax-exempt securities issued by the States, and that will grant constitutional authority to tax all income from such securities.

Of course, if the gentleman from Tennessee, acting for the Committee on Ways and Means, deems this resolution improperly drawn, and insists on his motion to table it, intending to bring in later a proper resolution that will obtain for us the information we seek, and are entitled to, then I shall go along with the committee and vote as the committee desires to table this imperfect resolution.

Mr. TREADWAY. Will the gentleman yield for a question?

Mr. COOPER of Tennessee. I yield to the gentleman from Massachusetts for a question.

Mr. TREADWAY. Mr. Speaker, I think a word of explanation should be offered about this resolution before the gentleman's motion is put.

The Ways and Means Committee took action in accordance with the gentleman's report yesterday, which was entirely agreeable to the minority Members. On the other hand, the gentleman who proposes the resolution, I understand, is not able to be in the Chamber today. If no rights of the committee are abrogated by the delay, I think out of courtesy to the proponent of the resolution, consideration of the gentleman's motion might well be postponed. I am sure it is not the intention of the gentleman from Tennessee [Mr. COOPER] in any way to interfere with the orderly procedure or courtesy to be extended to a Member introducing a privileged resolution.

Mr. COOPER of Tennessee. May I say to the gentleman that of course he has correctly stated my view of the matter; however, it so happens that under the rules of the House this is the last day the matter may be reported.

Mr. TREADWAY. I realize that, and I am perfectly willing that the report be made, but I am asking whether the Speaker can postpone under the rules consideration until such time, say a day or two, as would enable the proponent of the resolution to be present.

The SPEAKER. Of course, the Speaker has no authority to postpone the matter. The Chair understands from the statement made by the gentleman from Tennessee [Mr. COOPER] that this is the last day on which the committee may make its report. Some disposition will have to be made of the matter at this time by the House.

The Speaker has no authority whatsoever to postpone the matter.

Mr. TREADWAY. Mr. Speaker, I assumed that would be the ruling of the Chair. At the same time, the report of the committee may be acted upon at a specified time tomorrow or some other day without interfering with the rights of the committee, and I am sure the House ought to grant that right to the proponent.

The SPEAKER. The Chair will state to the gentleman from Massachusetts that the motion to lay on the table is not debatable and no Member loses any rights on account of his absence. If he were here he would not be entitled to discuss the matter.

The question is on the motion of the gentleman from Tennessee to lay the resolution on the table.

The question was taken; and on a division (demanded by Mr. BOILEAU) there were—ayes 120, noes 18.

Mr. BOILEAU. Mr. Speaker, I object to the vote on the ground there is no quorum present.

The SPEAKER. Evidently there is not a quorum present from the count just made. The Clerk will call the roll.

The question was taken; and there were—yeas 271, nays 106, answered "present" 1, not voting 52, as follows:

[Roll No. 8]

YEAS—271

| | | | |
|---|---|---|---|
| Adair | Carmichael | Dietrich | Gildea |
| Allen | Cartwright | Disney | Gingery |
| Andrew, Mass. | Casey | Ditter | Goldsborough |
| Andrews, N. Y. | Celler | Dobbins | Goodwin |
| Arends | Chandler | Dondero | Granfield |
| Arnold | Chapman | Dorsey | Green |
| Ashbrook | Church | Doughton | Greenwood |
| Ayers | Citron | Doutrich | Gregory |
| Bacon | Claiborne | Doxey | Haines |
| Barden | Clark, N. C. | Drewry | Hamlin |
| Beam | Cochran | Driscoll | Hancock, N. Y. |
| Beiter | Coffee | Duffey, Ohio | Hancock, N. C. |
| Bell | Cole, N. Y. | Duffy, N. Y. | Harlan |
| Biermann | Colmer | Duncan | Hartley |
| Blackney | Connery | Eagle | Healey |
| Blanton | Cooley | Eaton | Hess |
| Bloom | Cooper, Ohio | Eckert | Higgins, Mass. |
| Boehne | Cooper, Tenn. | Ekwall | Hill, Ala. |
| Boland | Corning | Engel | Hill, Samuel B. |
| Bolton | Cox | Evans | Hobbs |
| Boylan | Crawford | Fenerty | Hoffman |
| Brennan | Crosby | Fernandez | Hollister |
| Brooks | Cross, Tex. | Fitzpatrick | Hook |
| Brown, Ga. | Cullen | Flannagan | Hope |
| Brunner | Cummings | Focht | Huddleston |
| Buchanan | Daly | Ford, Calif. | Igoe |
| Buck | Darden | Ford, Miss. | Jacobsen |
| Buckbee | Darrow | Frey | Jenckes, Ind. |
| Bulwinkle | Dear | Fuller | Jenkins, Ohio |
| Burnham | Delaney | Gasque | Johnson, Tex. |
| Caldwell | Dempsey | Gassaway | Johnson, W. Va. |
| Cannon, Mo. | Dickstein | Gavagan | Jones |
| Carden | Dies | Gifford | Kahn |
| Kee | Massingale | Rayburn | Sutphin |
| Kennedy, N. Y. | May | Reed, Ill. | Taber |
| Kenney | Meeks | Reed, N. Y. | Tarver |
| Kerr | Merritt, N. Y. | Reilly | Taylor, Colo. |
| Kimball | Michener | Richardson | Taylor, Tenn. |
| Kinzer | Millard | Robertson | Terry |
| Kleberg | Miller | Robinson, Utah | Thom |
| Kopplemann | Mitchell, Ill. | Robsion, Ky. | Thomas |
| Kramer | Montet | Rogers, Mass. | Thompson |
| Lambeth | Moran | Rogers, N. H. | Tolan |
| Lamneck | Nelson | Rudd | Tonry |
| Lanham | Norton | Russell | Treadway |
| Larrabee | O'Brien | Sabath | Turner |
| Lee, Okla. | O'Connell | Sanders, La. | Umstead |
| Lehlbach | O'Connor | Sanders, Tex. | Underwood |
| Lewis, Colo. | O'Day | Sandlin | Vinson, Ga. |
| Lewis, Md. | O'Leary | Schaefer | Vinson, Ky. |
| Lloyd | Oliver | Schuetz | Wadsworth |
| Lord | O'Neal | Seger | Walter |
| Lucas | Palmisano | Shanley | Warren |
| McAndrews | Parks | Short | Weaver |
| McClellan | Parsons | Sisson | Werner |
| McGehee | Patman | Smith, Conn. | West |
| McGrath | Patton | Smith, Va. | Whelchel |
| McKeough | Pearson | Smith, Wash. | Whittington |
| McLaughlin | Perkins | Snell | Wigglesworth |
| McLean | Peterson, Fla. | Snyder | Wilcox |
| McReynolds | Pettengill | South | Williams |
| McSwain | Pfeifer | Spence | Wilson, La. |
| Maas | Plumley | Stack | Wilson, Pa. |
| Maloney | Powers | Starnes | Wolcott |
| Mapes | Quinn | Steagall | Woodruff |
| Marshall | Ramsay | Stewart | Woodrum |
| Martin, Mass. | Randolph | Sullivan | Zimmerman |
| Mason | Ransley | Sumners, Tex. | |

NAYS—106

| | | | |
|---|---|---|---|
| Amlie | Gearhart | McFarlane | Schulte |
| Andresen | Gehrmann | McGroarty | Scott |
| Boileau | Gilchrist | McMillan | Scrugham |
| Brewster | Gray, Ind. | Mahon | Sears |
| Buckler, Minn. | Gray, Pa. | Marcantonio | Secrest |
| Carlson | Greenway | Martin, Colo. | Shannon |
| Carpenter | Griswold | Maverick | Sirovich |
| Carter | Guyer | Mead | Smith, W. Va. |
| Castellow | Gwynne | Monaghan | Stubbs |
| Christianson | Harter | Montague | Sweeney |
| Colden | Hildebrandt | Moritz | Taylor, S. C. |
| Collins | Hill, Knute | Mott | Thomason |
| Costello | Hoeppel | Murdock | Thurston |
| Crosser, Ohio | Houston | Nichols | Tobey |
| Culkin | Hull | O'Malley | Truax |
| Deen | Imhoff | Owen | Utterback |
| Dirksen | Johnson, Okla. | Patterson | Wallgren |
| Driver | Keller | Peterson, Ga. | Wearin |
| Dunn, Pa. | Kloeb | Pierce | Welch |
| Edmiston | Kniffin | Pittenger | Withrow |
| Eicher | Kocialkowski | Rabaut | Wolfenden |
| Ellenbogen | Kvale | Ramspeck | Wolverton |
| Faddis | Lambertson | Rankin | Wood |
| Ferguson | Lemke | Rich | Young |
| Fiesinger | Luckey | Richards | Zioncheck |
| Fletcher | Ludlow | Sauthoff | |
| Fulmer | Lundeen | Schneider | |

ANSWERED "PRESENT"—1

Knutson

NOT VOTING—52

| | | | |
|---|---|---|---|
| Bacharach | Cravens | Hart | Mitchell, Tenn. |
| Berlin | Crowe | Hennings | Peyser |
| Binderup | Crowther | Higgins, Conn. | Polk |
| Bland | DeRouen | Holmes | Reece |
| Brown, Mich. | Dingell | Kelly | Rogers, Okla. |
| Buckley, N. Y. | Dockweiler | Kennedy, Md. | Romjue |
| Burch | Dunn, Miss. | Lea, Calif. | Ryan |
| Burdick | Englebright | Lesinski | Sadowski |
| Cannon, Wis. | Farley | McCormack | Somers, N. Y. |
| Cary | Fish | McDuffie | Stefan |
| Cavicchia | Gambrill | McLeod | Tinkham |
| Clark, Idaho | Gillette | Mansfield | Turpin |
| Cole, Md. | Greever | Merritt, Conn. | White |

So the resolution was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. McDuffie with Mr. Merritt of Connecticut.
Mr. Mansfield with Mr. Bacharach.
Mr. McCormack with Mr. Crowder.
Mr. Romjue with Mr. Holmes.
Mr. Somers of New York with Mr. Reece.
Mr. Burch with Mr. Burdick.
Mr. Lea of California with Mr. Fish.
Mr. Greever with Mr. Cavicchia.
Mr. DeRouen with Mr. McLeod.
Mr. Mitchell of Tennessee with Mr. Tinkham.
Mr. Kelly with Mr. Higgins of Connecticut.
Mr. Hennings with Mr. Turpin.
Mr. Cole of Maryland with Mr. Englebright.
Mr. Gambrill with Mr. Stefan.
Mr. Bland with Mr. Ryan.
Mr. Cary with Mr. Binderup.
Mr. Cravens with Mr. Cannon of Wisconsin.
Mr. Polk with Mr. Gillette.
Mr. Crowe with Mr. Sadowski.

Mr. Kennedy of Maryland with Mr. Peyser.
Mr. Dingell with Mr. Buckley of New York.
Mr. Brown of Michigan with Mr. Clark of Idaho.
Mr. Rogers of Oklahoma with Mr. Berlin.
Mr. White with Mr. Dockweiler.
Mr. Farley with Mr. Hart.
Mr. Dunn of Mississippi with Mr. Lesinski.

Mr. PITTENGER, Mr. GUYER, Mr. JENKINS of Ohio, Mr. DEEN, Mr. FIESINGER, Mr. SECREST, Mr. CARLSON, Mr. HARTER, and Mr. JOHNSON of Oklahoma changed their votes from "yea" to "nay."

Mr. WOLCOTT and Mr. COX changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMITTEE ON MILITARY AFFAIRS

Mr. HILL of Alabama. Mr. Speaker, by direction of the Committee on Military Affairs, I ask unanimous consent that that committee may have permission of the House to sit during sessions of the House on tomorrow.

The SPEAKER. Is there objection?

There was no objection.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

Mr. DOUGHTON. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 69

*Resolved*, That JOE H. EAGLE, of Texas, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on World War Veterans' Legislation.

The resolution was agree to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

Mr. WEARIN. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Iowa [Mr. GILLETTE] may be excused for the balance of the week on account of illness.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

PRIVILEGE OF THE HOUSE

Mr. MARTIN of Colorado. Mr. Speaker, I rise to a question of constitutional privilege, the privileges of the House, personal privilege, and all other privileges.

The SPEAKER. The gentleman will state his question of privilege.

Mr. MARTIN of Colorado. The morning papers, Mr. Speaker, credit me with a very able defense, and not undeserved, on the floor of the House yesterday of the Secretary of the Interior, but the CONGRESSIONAL RECORD this morning gives credit to my colleague Mr. TAYLOR, the acting floor leader. [Laughter.]

Now, far be it from me to make any representations about this matter or to determine which is right—the morning papers or the CONGRESSIONAL RECORD.

Mr. SNELL. Mr. Speaker, I make the point of order that if the gentleman rises to a question of the privileges of the House he must present a resolution.

Mr. MARTIN of Colorado. Mr. Speaker, of course, I do not care to make this matter a question of personal privilege, because I do not care to determine where the very right of the matter is—with the newspapers or with the CONGRESSIONAL RECORD. I just want to call attention to the conflict between these two authorities and leave the House to determine the matter as it may see fit, hoping that such a momentous question may be decided with justice to my colleague.

HOUSE JOINT RESOLUTION 117

Mr. DARDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. DARDEN. Mr. Speaker, it is with sincere regret that I find myself unable to support the measure now under consideration. I have read it with a great deal of care, and I have studied it with the hope that I might be able, since it is an administration measure, to lend it my support.

When we assembled in special session in 1933 such pressing difficulties faced the Nation that speedy and comprehensive legislation seemed absolutely necessary. The result was a delegation of vast power to the Executive in the belief that only in this way could national collapse be averted.

But emergencies do not last forever and sooner or later we come face to face with the necessity of resuming the performance of those duties incident to membership in the House of Representatives. I do not believe that we have anything to gain as individuals or as a party in postponing the hour. We cannot escape the responsibilities and obligations imposed upon us, in our system of government, by delegating to an Executive, who has and who merits our confidence, those duties that we ourselves should perform. In fact, his ability to carry out his full part in the effort now being made to improve conditions rests in no small degree upon our willingness to measure up to the responsibilities which are ours.

We have made no attempt to define in other than the most casual and general terms the rules and regulations which are to govern the distribution of this gigantic fund.

There is in this legislation no intimation that we intend to contribute more to the solution of the perplexing problems now confronting us than a declaration that an emergency exists, which can only be met by an appropriation of public funds so far in excess of current revenues as to stagger the imagination, to be placed in the hands of the President, already overburdened with the many duties of his office, with the expressed hope that he may be able to evolve and push to a successful conclusion a plan of national rehabilitation which we, as Members of Congress, apparently have neither the disposition nor the inclination to draft.

Such procedure must in the end fail, for the very good reason that neither the credit of the United States nor the endurance of the President is inexhaustible. Continued drains on the Treasury must result in an impairment of our national credit, and I doubt that there is a single Member of Congress who would not realize, if he took occasion to think about it, that it is not humanly possible for the President to perform the many tasks which are now so cheerfully being thrown upon him.

He must of necessity delegate the authority herein conferred upon him upon others in whose judgment he has confidence, and he will, of course, have to rely to a considerable extent, as to the necessity and as to the wisdom of the expenditures undertaken, upon their judgment.

In contemplation of this, section 4, among other things, provides for the redelegation of this authority by the President, and, if this measure is passed, we must realize that this almost superhuman task is to ultimately be undertaken by a person or group of persons as yet unknown to the Members of Congress.

Having this in mind, it is interesting to review the provisions of the resolution which have to do with the use of the money which is appropriated. The resolution provides for an appropriation of almost $4,900,000,000 for the purpose of protecting and promoting the general welfare by—

First. Providing relief from the hardships attributable to wide-spread unemployment and conditions resulting therefrom;

Second. Relieving economic maladjustments;

Third. Alleviating distress; and/or

Fourth. Improving living and working conditions.

These four heads might well be said to cover the purpose of government. There is hardly any project that cannot, in good faith, be undertaken under so broad a grant of power. The improvement of living and working conditions alone constitutes a policy so broad that government itself might be regarded as one of its functions.

A delegation of the powers enumerated above is a complete abdication of the duties and obligations of the Congress.

We should not lose sight of the fact that one day in the near future, unless we are to suffer serious currency trouble,

we must adopt and put into execution a tax program that will yield a vast sum of money to meet the expenditures to which we are now committed.

Virginia, during the past year, contributed, roughly, 5 percent of the Federal internal-revenue collections. Upon that basis she will under this program be called upon to contribute approximately $240,000,000 toward the repayment of the sum contemplated by this bill, and this does not take into account the interest charges that must be paid before the loan is finally liquidated.

Confining ourselves to the principal sum involved, the step here taken means that Virginia will be called upon to pay in taxes an amount equal to six times the annual cost of our present State government, or, to state it another way, an amount in excess of 10 times the present State debt, toward a program of relief which is yet to be formulated and as to which her representatives here have but the most meager information.

And, mind you, the program on which we are about to embark contemplates that this money will probably be spent within the coming 2 years. This will mean that this program of national rehabilitation will cost that State annually three times more than the operation of its entire State government.

I became a member of the general assembly in Virginia early in 1930. The depression which has since caused such intense suffering was but beginning. During my service there, which ended with my becoming a Member of the United States House of Representatives in 1933, every effort was made to keep the State out of debt and to maintain its financial integrity. Salaries of State employees were cut as much as 30 percent and all services save those deemed absolutely necessary were dispensed with. Having taken part in framing State legislation to this end, I cannot come now as one of the nine Representatives of Virginia here and obligate her for a debt as vast as this, a debt which will in fact remain to be paid by succeeding generations, without being better advised as to the plans contemplated to meet our present difficulties.

I am not unmindful of the necessity of supplying funds to meet immediate need and want. I am ready and willing to vote for the appropriation of over $800,000,000 that is needed for immediate direct relief. But the launching of the Government into a broader field of public works is a matter that requires more thought and more consideration on the part of those of us who are required to vote the necessary funds than we have had the opportunity to give it.

I think the question might be viewed differently by many if instead of an appropriation of this size we were today attempting to pass a tax bill sufficient to raise the revenue which must ultimately be raised as a result of the passage of this measure.

It is probable that a great many more questions would be asked about the necessity of raising so large an amount of money and about the purposes to which it was proposed to devote it before we, as Members of Congress, would be willing to vote the additional taxes that would be required.

Yet we are passing a tax bill in effect, because in the end the Government, like an individual, must pay its debts if it is to remain solvent; and when we vote four thousand nine hundred million dollars for the purposes set forth in the resolution we are in effect declaring that it will be necessary at some future time to take this sum from the taxpayers of the country in an effort to better present conditions.

I shall touch only briefly on some of the other features of the resolution which to my mind are open to objection. The authority given to establish and prescribe the duties and functions of governmental agencies and to postpone, but not beyond June 20, 1937, the termination of the existence of any existing governmental agency, including a corporation designated and utilized under this section, seems to me much more than is needed for the prosecution of a plan such as is being considered. It is impossible to say what could or could not be done under authority so broad as this.

Section 6 of the act authorizes the President to prescribe such rules and regulations as may be necessary to carry out the act and makes the violation of any such rule or regulation punishable by fine of not to exceed $5,000. It would be possible under the terms of this provision for a citizen to offend against an Executive order issued, without his knowledge, thousands of miles from his home, and to suffer a severe penalty as a result thereof.

Personally, I am satisfied that the President would administer this power as fairly and as honestly as possible. But this is not a question of my belief in the President of the United States; it is, rather, my comprehension of a system of government in which I believe and which I want to see prosper and succeed.

### A HARMONY CALENDAR

Mr. DOXEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a very short but learned treatise of my friend, Dr. Swan, who is the head of the chemical department of the University of Mississippi, in regard to the calendar known as the "harmony calendar."

The SPEAKER. Is there objection?

There was no objection.

Mr. DOXEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following short but learned treatise of my friend Dr. J. N. Swan, who is the head of the chemical department of the University of Mississippi, in regard to the calendar known as the "harmony calendar."

### A HARMONY CALENDAR

Where can I get a calendar is being asked these days. A few years ago the same persons would be saying, "What can I do with all these calendars?" Before the depression calendars were put in your hands whether or not you wanted them. Possibly the publishers of calendars are getting ready for a changed calendar. Numerous suggestions have been made proposing to reform our calendar and put it on a more logical and usable basis. The present writer wrote such an article just 30 years ago, but like all the rest it did not give a complete solution of the problem, and it has not been followed. The latest article on the subject is in the January number of the Rotarian.

As has been suggested many times, we are using at present a most confusing calendar. In fact, we can do nothing with future dates without having a printed calendar to consult which covers the dates involved. We are so accustomed to this that we do not notice the difficulties to which we are subjected. For example, if one wished to make a date for July 10, 1935, on what day of the week would that date occur? The only ordinary way to answer that question would be to go to a printed calendar. It has occurred to many that we should have a calendar which would not require this at all, but the difficulty has been to find one which will do this for us and not meet with serious objections.

Calendars may be changed. In fact, we are now using a changed calendar, and the one which was changed to make our calendar had been changed at a still earlier date. We celebrate Washington's Birthday on February 22, but he was born on February 11—this was due to the reforming of the calendar, but it does not interfere with the proper celebration of the anniversary of that historic event. Some of our celebrations are moved about on our present calendar, Easter and Thanksgiving being examples of such annual events. These celebrations are on different dates in different years. They are on the same days of the week from year to year. Another set of anniversaries are on the same dates from year to year, but the days of the week on which they are celebrated vary from year to year, such as Washington's Birthday, the Fourth of July, and Christmas.

### CALENDAR DIFFICULTIES

All agree that the calendar should be reformed, but there are some acute difficulties to be overcome in bringing this about. First of all is the fact that the time which the earth requires to make the circuit about the sun is not a number of days which has whole-number factors; in fact, it is a number which has a long fraction attached to it, namely, 365.2422 days. Next is the fact that over most of the world we have the 7-day week as a measure of time. The number 7 has no factors and therefore cannot be easily used with 365 days or with that number with its fraction attached.

It must not be forgotten that our calendar does not have to coincide with the time when the earth and the sun reach a certain position with respect to each other. If we wished to do so we could make a year of 350 days which we could divide into 10 months of 35 days each and thus have 5 weeks in each month. It is true that the time of the beginning of the year would move, and in a few years it would begin when we are having summer in the northern hemisphere, and, still later, it would keep on moving until the first of the year would again be in the winter time. We all desire, however, to have a calendar which will start the year at a given relative position of the earth and sun, year after year exactly the same as nearly as we can arrange it.

### CALENDAR REFORMS

Two general ideas have appeared in the proposed calendar reforms. One idea is to have the calendar so arranged that each

month will begin on the same day of the week. This is best reached by having 13 months of 28 days each. There is 1 extra day to be cared for as well as a fraction of a day. All previous efforts fail to harmonize this with a regular succession of weeks of 7 days each.

The second idea is to make the quarters of the year have the same length by continuing to use the 12 months and rearranging the length of the months. The extra day again gives trouble in these plans. The succession of weeks of 7 days each must be followed and this is difficult to arrange. The only method of overcoming the difficulty is to have successive years start on different days of the week. The changes at the ends of the quarters and at the end of the years would make a calendar just as confusing as the present one. The extra day complicates it just as it does in the present calendar.

Mr. R. F. Chapin, in the January Rotarian, proposes having 12 months, as at present, but changing the figures a little, so that each month should have either 30 or 31 days. He proposes that the eighth and twenty-third and thirty-first days of the month should be "gala days" or holidays, and thus each month would have 28 days which are really counted. This proposal immediately does violence to the religious week of 7 days. Moreover, business in general does not want 2 or more "gala days" or holidays in each month.

A HARMONY CALENDAR

The writer has a proposition which he believes will solve the difficulties in trying to reform the calendar. The proposition is that each year shall have 13 months of 28 days each, and that the first day of all months in all years shall come on the same day of the week. Monday would be the normal week day to be made the first day of each month, but another day could be chosen if it was thought better. Under this plan the calendars for each of the 13 months would be identical and the calendars for the years would be identical, and there would be 52 weeks of 7 days each in the year.

To take care of the extra 1.2422 days of the actual sun year, it is proposed that at the end of each sixth year a week be added to the calendar of that sixth year. Thus, if such a calendar was adopted in 1936, then the years 1936, 1937, 1938, 1939, and 1940 would each have 52 weeks, and the year 1941 would have 53 weeks. December of 1941 would have 35 days or 5 weeks. This extra week at the end of each sixth year might be called a leap-year week, just as we now call the 29th of February a leap-year day.

This plan would in no way interfere with the week of 7 days. Any plan which interferes with the 7-day week cannot be adopted in Christian countries. France tried the 10-day week, but it had to be abandoned. In addition to the fact that it takes care of the 7-day week, it also gives the most desirable monthly calendar.

There is a small fraction of a day, namely 0.4532 of a day in each of the 6-year periods which is not accounted for in the above plan. In 92 years this fraction would amount to 1 week of time and this could be cared for by adding a week to 1 of the first 5 years of the 6-year period of that time, just as we refrain from having a leap year now in certain years, and therefore did not have a leap year in 1900. Had the new calendar been adopted to begin January 1, 1935, the years 2025 and 2031 would be years with the leap-year weeks added. The year 2027 could thus be also made a leap year and would take care of that extra week which had accumulated from the fraction of a day not cared for in the extra week of the 6-year periods during the 92 years.

This plan cares for the holidays in first-rate fashion. In fact, it will make all of them come at regular dates and not at fluctuating dates, unless it is Easter, and there is a movement on foot to make Easter come at a uniform time. This plan, using Monday as the first day of the year, would bring Washington's Birthday on Monday, February 22, every year. Labor Day would come on Monday, September 1, each year. The Fourth of July, Thanksgiving, and Christmas would come on Thursday every year, the 4th and 25th of each month being on Thursday.

In this plan there is no splitting of weeks at the end of the months.

The objection might be raised that the number 13 is not divisible. In answer it might be said that the half year is 182 days, the quarter year is 91 days, and the months are all 28 days—all definite and uniform numbers. These are the terms usually used in business transactions where parts of the year are specified.

This plan does not in any way interfere with special holidays which might be desirable. It is the best arrangement for special holidays, namely, that they are not rigidly determined to come every month at a certain time, but they may be placed where it is best to have them.

The extra thirteenth month may be placed where it is thought to be most desirable. In the proposals which have been given for a 13-month year the most common suggestion is that the extra month be placed between June and July, and some such name as Sol be given to it.

It might be allowable to call this the harmony calendar.

For this harmony calendar it may thus be claimed that—

1. It harmonizes the months of the year, making their schedules of days all identically the same;
2. It makes the detailed calendar of each year just like that of every other year;
3. It preserves the 7-day week undisturbed;
4. It cares for the exactness desired by astronomers; and
5. It may be easily adopted.

It might be asked, When could such a calendar be adopted? It could be adopted January 1, 1936, for example, by calling Wednesday, January 1 (as it will come in our present calendar) by the name Wednesday, January 3, 1936. This would thus assume that January 1936 began on Monday of that week. There is no worth-while objection to such a plan. In the year 1940 January 1 comes on Monday in our calendar. By waiting until that year the new calendar could be put in use without changing of any names of days.

Naturally, it would be desirable to have most of the countries using the Gregorian calendar agree upon a date of putting the new calendar into effect, but this is not essential at all, and the sooner it is adopted the better for humanity.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 112. Joint resolution to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended.

APPROPRIATION FOR RELIEF PURPOSES

Mr. BUCHANAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 117, making appropriations for relief purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. O'CONNOR in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 117, of which the Clerk will read the title.

The Clerk read the title, as follows:

H. J. Res. 117. Making appropriations for relief purposes.

The CHAIRMAN. The gentleman from Texas has 24 minutes remaining, and the gentleman from New York has 30 minutes remaining.

Mr. TABER. Mr. Chairman, I yield to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS of Ohio. Mr. Chairman, ladies and gentlemen, my opposition to this bill in its present form is threefold.

First. It calls for a surrender of constitutional functions, great powers and solemn duties of Congress, and the transfer of the same to one man without any restrictions whatsoever. He cannot only spend nearly five thousand million dollars, but he has the power to "establish and prescribe the duties and functions of any governmental agencies", and so forth.

He has the power to "consolidate, abolish, or transfer the duties, the property, the personnel of any governmental agency." He has the power to "postpone, but not beyond January 30, 1937, the termination of any governmental agency." He has the power to transfer any of these powers to whomsoever he pleases—Hugh Johnson, Rex Tugwell, Raymond Moley, Barney Baruch, Frankfurter, or anybody else. He has the right to exercise the power of eminent domain, which is probably the nearest any people can come to making any man king over them. The power of eminent domain is a power which is purely peculiar to sovereignty. It is one of the incidents of sovereignty and has never before in the history of the Republic been surrendered up to any one man. Under it he can take any man's property—real or personal—and do absolutely as he pleases with it. This is the exact language of the bill: "He can acquire by the power of eminent domain any real or personal property and grant, sell, or lease, or otherwise dispose of, any such property."

Ladies and gentlemen, the people of America in this period of unemployment and distress are willing to do anything reasonable, but they are not ready to knowingly surrender their country into the hands of any one man or group of men. I cannot conceive how any patriotic American could accept such power, much less ask for it.

Further, the bill carries a provision that strikes at the liberty of every American. None of us know but that we may be an early victim of this base invasion of our rights. This bill gives the President the right to prescribe rules and regulations which, if violated, call for a punishment of as much as a $5,000 fine and imprisonment in a Federal penitentiary for 2 years. Who can claim for himself the honor of being an American citizen who will, when representing a constituency of about 300,000 people, by his vote sell them into dictatorial bondage? Ladies and gentlemen, to use the misfortunes of our people when hungry to usurp such unheard-of power is not right. It is wrong. It should be opposed.

The second reason I have for opposing this measure is that its authorship is uncertain. As we say in the legal profession it is an illegitimate child. Nobody has claimed it. I am advised on good authority that the President claims never to have read it. I firmly believe that the President did not write it. I know that it was not written by any Member of this House. I would not object if the President had written it or if he would say that it had been written for him by certain individuals. Neither would I object if it had been written by someone not a Member of Congress if some Congressman or committee of Congress would sponsor it. But when something is brought in here from nowhere by nobody and crowded down our throats under gag-rule tactics, I for one refuse to swallow. There are a hundred men on the Democratic side of this Congress who could, in an hour or two, draw up a bill that would meet this situation. I have favored all relief measures, and I have never supported any tactics that are partisan or especially designed to embarrass or thwart the President. I was active in procuring the passage of this first relief measure enacted under Mr. Hoover's administration. I am in favor now of voting an abundance for relief, but I am not willing to Russianize America in doing so. American charity in an American way is what Americans want, and not Russianized charity in a Russian manner. I repeat, it would have been an easy matter to draw a relief bill. I have prepared a bill myself, which may not be worded quite as elegantly as this creature of an unknown world, but it is in good unambiguous English and is constitutional, for it does not even strain any constitutional provisions. It would bring American relief to Americans in an American way. It does not call for a surrender of the powers of Congress, and it recognizes that the Executive, the President, is entitled to be trusted to the fullest extent in the exercise of those powers given him under the Constitution. Matters that call for Executive direction should be placed with the President. The placing of these powers, however, are matters for Congress. My bill is as follows:

*Resolved, etc.*, That in order to promote the general welfare by providing relief from hardship and distress due to unemployment, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000,000, the same to be used and expended in the fiscal year ending June 30, 1936, and in the following manner and amounts and for the following purposes and under the direction of the following agencies:

First. One hundred and fifty million dollars to be used and expended for construction and improvement of rural roads not at present included in our Federal and State highway system and not entitled to participate in funds provided under the present Federal Aid Road Act of 1916 as the same was amended by the act of 1921. Said amount to be apportioned among the States, 25 percent according to population and 75 percent according to rural mail routes, star mail routes, and school bus routes located in each State. Said amount to be expended under the direction of the Secretary of Agriculture and the Postmaster General and to be expended for the benefit of rural people.

Second. One hundred and fifty million dollars to be used for the construction and reconstruction of roads and highways included in the Federal and State highway systems, the same to be apportioned among the several States, 75 percent in accordance with area, road mileage, and population, and 25 percent in accordance with the population. Said sum to be expended in the same manner and by the same agencies as is provided in the Federal Road Act now in effect.

Third. One hundred million dollars for the control of floods and to aid water navigation in the Valleys of the Ohio, Mississippi, and Missouri Rivers; and fifty million for the control of floods and to aid navigation in any and all other navigable river valleys. The same to be spent under the direction of the Board of Engineers of the War Department.

Fourth. Fifty million dollars for the furtherance of reforestation and for the purchase of submarginal lands for that purpose. The same to be spent under the direction of the agencies now lawfully authorized to carry on such work. Said agencies to make a report of their activities to the Secretary of Agriculture monthly and to Congress on the first day of its regular sessions.

Fifth. Fifty million dollars for the furtherance of programs for the prevention of soil erosion. The same to be expended under the direction of the agency now lawfully authorized to carry on such work. Said agencies to report their activities monthly to the Secretary of Agriculture and to Congress on the first day of its regular session.

Sixth. Four hundred and fifty million dollars to be expended under such plans and regulations and by such agencies as the President of the United States might direct. The same to be used for the relief of the blind, deaf, and other physically handicapped classes and for the extension of the work being done by the Civilian Conservation Corps; and for Public Works programs; and for such programs of work relief as the President may direct.

The same to be expended for the following classes of relief in the amounts and extents as the President might direct:

1. Public Works programs.
2. Federal Emergency Relief programs.
3. Civilian Conservation Corps programs.
4. Roads, highways, and grade-crossing programs.
5. Programs for the relief of the blind, the deaf, and other classes of physically handicapped citizens.
6. Such other programs as the President may prescribe.

A report of all expenditures under this item is to be made to Congress on the first day of its regular session.

Any portion of the moneys herein provided for remaining unexpended on June 30, 1936, is to be covered into the Federal Treasury at that time.

My third opposition to this bill is that it is tainted with politics. Why extend this bill beyond the fiscal year which ends June 30, 1936? Never before have we been called upon to appropriate money for more than 1 fiscal year in advance. I am surprised that so many conscientious Jeffersonian Democrats can stand for such an innovation. It marks the Tammanyzing of the Democratic Party. The claws of the Tammany tiger are clearly visible in this deal. There can be no doubt that this is the principal reason why the parentage of this legislative monstrosity has been so carefully withheld. It is not necessary to appropriate billions for use in 1 year. There is yet unspent from last year's appropriations over $5,000,000,000. This is five thousand millions. Not in any single year, with all the graft and extravagance that have attended the administration of relief, have thousands of relief dispensers been able to dispense more than $3,000,000,000 in any one year. With the five billion yet available and unspent, and with the one additional billion that my bill would provide, no sensible man can claim that the funds provided are not adequate. This whole set-up is a plan to see to it that Santa Claus will be able to function in 1936 as he did in 1934.

Ladies and gentlemen, this is not right. I yield to no man in my desire to see to it that adequate relief is furnished to those who need it. My record is 100 percent in that respect, not only by vote but by voice in Congress and out of Congress. I cannot stultify myself to assist any program that makes the destitution of the people a vehicle to ride into political ascendancy or to foist upon this country un-American theories and philosophies. [Applause.]

Mr. TABER. Mr. Chairman, I yield to the gentleman from Minnesota such time as he desires.

Mr. KNUTSON. Mr. Chairman and members of the Committee, the net results of our gigantic relief program do not add up to an impressive total, although the sums that we have expended in relief of all sorts constitute a total that staggers the imagination and is far beyond the grasp of the human mind. We have gone on the theory that we can borrow and spend ourselves into prosperity; but after 22 months' adherence to that fallacious doctrine, we find that we have progressed but little toward economic recovery. Indeed, the Minnesota House delegation met with several officials from the city of Minneapolis on Tuesday who informed us that the number of families on relief in that municipality have increased from something over 11,000 to over 16,000 during the past year. Not a very encouraging sign, is it?

I have been loath to comment upon the administration's program for recovery, for I have realized that those charged with the great responsibility have done their level best to cope with a situation that is without parallel in its serious-

ness, but it seems to me that the time has come to face the whole thing in a practical and dispassionate manner, and what I shall say will be said in the hope that my suggestions may prove helpful.

Last year we appropriated $3,300,000,000 for relief and relief work. Today we are going to pass a measure calling for $4,880,000,000 for the same purpose, a grand total of $8,180,000,000, or a sum equal to $8.18 for every minute since the beginning of the Christian era. Much of this money has been unwisely spent. We have financed Government projects that will directly compete with private industry, thereby reducing employment in such industries and further aggravate our unemployment problem. This has resulted in creating a feeling of distrust and uncertainty in industry, and the net result has been a further tightening up along the whole line. It must be patent to all that this line of attack has been almost barren of results. The fact that we yet have over 10,000,000 unemployed is sufficient proof for the assertion that the present relief program must be revamped and molded along lines that are economically sound; and as I see it, the first step is to give some of the college professors who have been administering the recovery program the air, if I may use a colloquialism that is expressive, if not elegant, and turn the task over to practical and sound business administrators, whose heads are not filled with impractical and visionary theories.

Mr. Chairman, we should, if necessary, give direct aid to industry by ordering them to immediately reopen factories, mines, quarries, and other activities upon the positive assurance that they will be protected against loss for a specified period, based upon normal production.

Then, Mr. Chairman, we should immediately stop making trade treaties with competing and defaulting countries so that the American producer may again be assured the American market on a basis where he may meet foreign competition upon an equal footing. This would put several million Americans to work at once.

Then, Mr. Chairman, we should immediately take steps to make defaulting countries pay what they owe us, or make satisfactory arrangements to do so, and in this connection I desire to incorporate as a part of my remarks an article appearing in the Washington Herald on January 22.

KNUTSON INSISTS UNITED STATES TAKE ACTION TO COLLECT DEBTS—PROPOSES FIVE MEASURES TO "SMOKE OUT" DEFAULTING NATIONS

By John T. Lambert

Representative HAROLD KNUTSON, of Minnesota, a veteran of 16 years' service in Congress, declared last night the United States must proceed in some way to collect the eleven thousand million dollars owed by foreign nations or be regarded "as the champion international sucker of all time."

Mr. KNUTSON has filed five bills in Congress, the purpose of which, he says, "is to impose a sense of honor upon the foreign defaulters and to obtain justice for the American taxpayers and public." These bills provide:

1. That Secretary Morgenthau, in his daily statement of Treasury conditions, shall publish a concise table of the foreign nations and their debts to Uncle Sam "in order that the American people shall always have these facts before them."

CANAL FEE PROPOSED

2. That a fee 20 percent in excess of the regular transit and port charges shall be levied upon all vessels of defaulting nations that employ the Panama Canal.

3. That the sale of the securities of any defaulting nation, or its subsidiaries, shall be prohibited in the United States.

4. That triple export or import duties shall be assessed upon the products of any nation which has neither paid its war debts nor made a satisfactory adjustment for future payment of them.

5. That Secretary of State Hull be requested not to engage in any new reciprocal-trade agreement with any country that has "welshed."

Mr. KNUTSON said that the emissaries of foreign nations are "pounding at the door" of the Secretary of State with their demands for favored treatment in the tariff treaties which he was authorized by Congress to negotiate.

DANGER TO INDUSTRY

In every one of these treaties, he said, there is the inherent danger that some American industry will be ruined for benefit of foreign competitors in the low-waged countries. He continued:

"The average American citizen hesitates to do business with his neighbor who owes him money until he has a satisfactory agreement on the back bill.

"In the dealings with nations the same policy of honesty and prudence should be pursued.

"The foreign nations have shamelessly repudiated their solemn war debts to the American Nation and American people. We should not grant them a penny or a favor, nor should we engage in any commercial transaction with them, as between nations, until they have told us when and how they are going to pay what they owe us."

RECALLS BLAINE POLICY

Mr. KNUTSON, who is a Republican, believes Congress yielded tariff-treaty-making power to Secretary Hull on the assumption that trade relations would be promoted with the South American Republics. He feels neither Congress nor the American public suspected any cornucopia would be opened for benefit of the European countries that "are shamelessly in default."

He recalls James G. Blaine made the desire for trade expansion with Latin America "the cornerstone of the brilliant policy as Secretary of State." President Coolidge, after many disappointing experiences with France and Europe on debts, disarmament, and other international policies, came to the final and firm decision that the hope of future trade and satisfactory diplomatic relationships lay in the countries of the south.

TRADE GAINED AND LOST

For that reason, Mr. Coolidge left the soil of the United States and went to Havana to address the Pan American Union. He approved the excursion Mr. Hoover made into Latin America after his election as President and before his inauguration.

Prior to the World War, England and Germany possessed about 54 percent of Latin America's foreign trade. The United States had less than 20 percent of it. When the war cut the foreign nations off, the United States captured up to nearly 60 percent of this business. Mr. Coolidge believed that this was one of the substantial contributions to the prosperity of that period.

In the subsequent years, the European nations have again penetrated Latin America. They have conducted an insidious propaganda there against the United States and have regained much of the market recently enjoyed by American business and labor.

On March 24 of last year, when we had before us the administration's reciprocal tariff measure, I said in part:

It has been said that there is nothing new under the sun, but there is, and I refer to the new philosophy on economics for which the proponents of this bill stand. In recent statements to the press and in addresses delivered in various parts of the country they announce without reservations that the first requisite for recovery in this country is to build up the foreign purchasing power through a lowering of our tariff rates, which, of course, can only mean an increase in imports from other countries and a corresponding decrease in domestic production.

To that plea my answer is, let us build up American purchasing power first. That is most urgent, and it is our duty to do so. Why should we lower our tariff at the present time when there is so much unemployment, suffering, and want at home, and when we are already importing too many agricultural and industrial commodities in large volume, such as cheese, rye, barley, flax, sugar, vegetable oils, carpets, footwear, glass and earthen ware, textiles, matches, pulp and print paper, and many other products, and while prices at home, by reason of these imports, are at their lowest levels in history and unemployment the greatest?

In Minnesota and in other States manganese mines are closed down. Does anyone seriously contend that it would materially promote prosperity in this country if we were to buy yet more manganese ores from Russia, Brazil, and India, when thousands of idle manganese miners are walking the streets in this country looking for work?

Does anyone really believe that we should increase our imports of shoes, glassware, earthenware, toys, etc., from Czechoslovakia and Japan and reduce the output of the American factories engaged in the production of these commodities?

Does anyone honestly believe that we should produce less American textiles and worsted goods and buy more from Europe and Japan?

Under the philosophy advanced in behalf of this legislation we would build up the foreigner's buying power by giving him the American market, which is about all that we have left as a result of our ill-fated venture into international politics back in 1917–18; but let us make no more mistakes. To do so would be at the expense of the American farmer, workingman, and manufacturer.

On all sides we find foreign goods and products on sale. Go into any market place, and one will find that all canned beef on the shelves comes from South America, the matches from Japan and Russia, plate glass and cement come from Belgium, the crockery and earthenware from Czechoslovakia, as does a very considerable part of the footwear offered for sale. It is almost impossible to buy clothing made from American fabrics, and the oleomargarine and soaps that we use are largely made from vegetable oils that come from the Orient. Dried and powdered eggs in large quantities come from China, and most of our print paper and pulp come from Canada and Europe. We should not lose sight of the very important fact that when the President reduced the gold content of the dollar he at the same time reduced all specific tariff rates by 40 percent, and as a result we are today on the lowest tariff plane of any country that I know of, and here it is frankly proposed to lower the bars yet more. Have we lost our senses? It would seem so.

The proponents of this measure evidently fail to take into consideration two very important factors which make the proposed plan visionary, impractical, and undesirable: First, the

home market consumes over 90 percent of our total production in normal times, hence we should primarily concern ourselves with retaining that market. Second, in order to increase our foreign commerce we will have to extend the credit necessary to permit them to buy from us, and already they owe us billions of dollars for goods bought, which we will never get, or we will have to buy from them commodities to cover such transactions. Save in the case of tropical fruits, tea, coffee, rubber, silk, and a very few more commodities, everything that will be sold to us we already produce at home, and to buy such items abroad can but further restrict production at home, with its resultant curtailment in labor. I ask you, Is it good business for us to go into such a deal?

As I see it, the whole proposition is premised on unsound ground. Surely, we will not be able to help our unemployment situation in this country by buying abroad more of the things we can and should produce at home. The testimony had before the committee clearly shows the real purpose of this program, which is to lower the tariff and make it easier for the foreigner to sell to us.

We are now buying altogether too much from other lands, and much of our unemployment is the direct result of these large foreign purchases. Is it not high time that we give some heed to the welfare of our own people? If we would restore the farmers' and laborers' purchasing power by giving them the home market, we will be able to take care of the surpluses in all American industries.

Those of you who were Members of the Seventy-third Congress will recall that in speaking in opposition to the reciprocal-tariff measure I said that all trade agreements negotiated thereunder would be at the expense of American agriculture and industry. Well, the agreement recently entered into with Cuba bears me out. In that agreement we have reduced the import tax on Cuban sugar from $2 per hundred pounds to 90 cents per hundred, and at the same time increasing her export quota of sugar by 300,000 long tons which was accomplished by arbitrarily reducing American cane and beet production by the same amount. Then, too, we have reduced the import tax on Cuban Irish potatoes from the regular tariff rate of 75 cents per hundred to 30 cents per hundred, and only last week a delegation of potato growers came down here from Maine to protest that they cannot compete under the new arrangement. They ask to make potatoes a basic commodity under the A. A. A.

In the Cuban agreement we have also reduced by 50 percent the protection American growers of early vegetables have heretofore enjoyed. I ask you, Is this the way to end the depression? If it is, then I, and millions of other Americans, will have to admit that we are mistaken, and that the cure lies in free trade.

Mr. Chairman, in closing let me make a final plea that we immediately take steps to bring pressure on the nations that have repudiated their sacred obligations to us. They now owe us approximately $11,000,000,000. The good Lord knows we could use that money to very good advantage just now. Let us pass the five bills that I have introduced to make them pay. If we will employ the weapons we have at hand, they will immediately take steps toward that end in a manner that will be satisfactory to us. And may I at this time quote for the benefit of our State Department from a letter written by George Washington to C. C. Pinckney, dated July 8, 1796:

> It is a fact too notorious to be denied, that the greatest embarrassments under which the administration of this Government labors proceed from the counteraction of people among ourselves, who are more disposed to promote the views of another nation than to establish national character of their own.

Mr. Chairman, that patriotic observation is more applicable today than at any other time in the history of the Republic.

Mr. TABER. Mr. Chairman, I yield to the gentleman from Kansas [Mr. GUYER].

Mr. GUYER. Mr. Chairman, this resolution assaults the dignity and the integrity of the House from two angles. In the first place, it was left like an illegitimate child, fatherless and motherless, upon the doorstep of the south wing of the Capitol, where it was found by some messenger of the "brain trust" and carried into the Rules Committee, where it found fond asylum. It is of unknown authorship. We know not who wrote it. We only know who did not write it. It was not written by any Member of this House, nor written or considered by any committee of the House except the Rules Committee, which wrote only the outrageous rule under which it is considered by the House.

In the second place, it encroaches upon the legislative prerogative of the House not only by delegating to the Executive unprecedented powers, never exceeded even in time of war, but also by conferring the power upon the Executive in turn to delegate these powers and prerogatives to persons and governmental agencies not elected by the people nor in any way authorized to exercise these powers by any mandate from the people. It has been well stated in this debate that the issue at stake is that of the honor and integrity of the House of Representatives as a legislative body. Every Member of the House is ready and willing to vote for relief for those in dire need, but does not relish being bound and gagged and forced to violate his oath of office to support and defend the Constitution of the United States.

Power is a glutton. Human nature is so constituted that a taste of power stimulates the appetite for more power. Given a foot it wants a yard. Given a yard it asks for a mile. In the Seventy-third Congress we were told that if we would grant the President the power asked by him it would be only for the emergency; that it was justified by the stern mother of invention, necessity; that the depression was such an emergency that extraordinary powers were demanded for the Executive; and that desperate diseases demanded desperate remedies—heroic treatment.

We on this side of the aisle were generous. While we hesitated to vote these powers, questioning both their necessity and their constitutionality, we laid aside for the time our reluctance and aided in delegating to the President powers such as were never before granted to a President in time of peace. It was urged that these powers were to be of the most temporary character, that once granted the legerdemain of the "brain trust" with its experiments would rain down prosperity and plenty like manna from the sky in no time, and that then we could go back and live under the Constitution.

So we poured out the money of the people like water, billions upon billions, producing beautiful deficits and unbalancing the Budget contrary to all platform pledges. But the manna failed to materialize and the experiments fizzled out one by one. There was some little financial activity such as prodigious sums spent by the Government would naturally produce. We primed the pump but the old thing just squeaked and groaned and quit and nothing more.

In fact, as a matter of governmental policy, in this new deal, which is not new at all but as old as human history, we are flying in the face of all political tradition and human experience in government. For many years our executive department and Federal authority have been expanding and encroaching upon the natural and constitutional prerogatives of the States. That has been the persistent tendency for the past half a century. This has entailed an enormous centralization of power which has manifested itself in a huge bureaucracy. Anyone not afflicted with political strabismus, cataract, or pink eye can discern that this centralization of power and its delegation to the Executive has advanced in the past two years by leaps and bounds, under the impulse of the "brain trust" whose most important protagonist complains that the greatest obstacle to the progress of the new deal is—

> The unreasoning and almost hysterical attachment some Americans have for the Constitution of the United States.

We have had the executive department exercising not only executive powers but also legislative powers granted by a too subservient, rubber-stamp Congress. I am not blaming the Executive for this, but the House itself.

> The fault, dear Brutus, is not in our stars,
> But in ourselves, that we are underlings.

Today we are asked to go far beyond the bad example set by the Seventy-third Congress. We are asked in this resolution practically to abdicate our legislative prerogatives and powers and to turn over to the Executive and his "brain trust" advisers carte-blanche authority to appropriate and spend the money of the people at will, to abolish depart-

ments, and to create others not specifically authorized by Congress.

Montesquieu, whom Madison called the "oracle of liberty", declared:

> There can be no liberty where legislative and executive powers are united in the same person or body of magistrates because apprehensions may arise lest the same monarch or senate should enact tyrannical laws to execute them in a tyrannical manner.

That has been accepted as a political axiom for over a century and a half. In our country this centralization of power has grown until it would stagger Thomas Jefferson if he knew this performance of his party, and would astonish Alexander Hamilton by transcending any idea of a strong government that he ever expressed or any that even his enemies ever put in his mouth.

In England, which in his day Montesquieu termed the "mirror of liberty", the tendency has been just the opposite as to centralization and the exaltation of the executive. There the executive has continually diminished in the exercise of his powers and the most numerous branch of the legislative machinery of England, the House of Commons, has continuously augmented its power until it is the real responsible government of England. So well known and established is this that though the King of England has certain powers, for example, the veto, he never exercises them. In fact, he probably would not dare to exercise that power.

I do not want to see the President become a figurehead, but I want him to exercise only those powers that the wise framers of the Constitution saw fit to confer upon him, and to have him insist that Congress exercise its functions of lawmaking and its sacred duties as prescribed in the Constitution, and not demand that the House abdicate its power as a legislative body. As the Commons in England, which represents the people directly, was exalted so was English liberty extended and fortified. As the House of Representatives and the Congress of the United States abdicate their powers and prerogatives and delegate them to the Executive or other agencies or bureaus so will American individual liberty languish.

There is another matter that I wish to direct to the attention of the House, and the country, too, and that is the tendency to use the public money in relief efforts for political capital. From all over the country comes the report that in the November election Democratic politicians appealed to persons on relief rolls to vote for Democratic candidates, particularly those who were candidates for Congress, making use of such expressions as: "Do not bite the hand that feeds you. The President is feeding you." "Vote for candidates for Congress who are 100 percent for the President."

It has been stated that in many cases persons were warned that any activity in opposition to Democratic candidates would result in separation from the relief rolls. It is unbelievable that the President had any part in or knowledge of the prostitution of the money of the people for political purposes if it existed, but his party owes it to the President as well as to the party to institute an honest and thorough investigation of such alleged activities and disavow them if true as well as to mete out proper punishment. No blacker stain could besmirch the record of a party or administration than the infamy of preying upon the hunger and destitution of the people for political advantage at the expense of the Public Treasury. Naturally such allegations are the subject of exaggeration and no doubt in many cases of misrepresentation. There is one sure and positive refutation and that exists in a thorough and impartial investigation of these alleged conditions. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. MORAN].

Mr. MORAN. Mr. Chairman, it is with genuine regret that I find myself unable to agree with the leadership of my party on the issue now before the House. Some of my objections may be detailed as follows:

First. I oppose section 6 of the bill. I do not believe that any one man should have authority to prescribe rules and regulations and have the violation punishable by such penalties as $5,000 or 2 years' imprisonment, or both. That is not democracy; that is Fascism. Federal crimes and their punishment should be matters of statutory enactment by Congress and should not be subject to the whim of some bureaucrat to whom the President might delegate such power. To say that it has been done previously is no logical answer. If this section creates any new crimes, the foregoing criticism is applicable; if it does not, the penalty portion of the section is unnecessary.

Second. I oppose that part of paragraph (c) of section 5 of the bill which proposes to grant to the President the amazing power of acquiring personal property by eminent domain. No American citizen would legally be safe in the possession of rights all Americans cherish.

Now I fully realize that under the rules these two sections, 6 and 5, are subject to amendment. But I comment on the fact that they are subject to amendment because of the activity of those Members of Congress who believe that bills should be scrutinized carefully, regardless of their source, and that no amendment could even be offered if all Members adopted the attitude of some who seem to feel their duty is discharged if they merely mumble their faith in the present Chief Executive.

I, too, have a high regard for and great faith in the present Chief Executive, but I have more regard for the Constitution of the United States, the form of government under which we live, and good government for all of the American people.

Third. I oppose in part section 2 of the bill. What is the object of the Appropriations Committee's figuring such items down to the last dollar on other appropriations and then giving a blank check in this case? This new relief organization, whatever it is to be, should come to Congress like every other unit of the Government, explain its needs and desires, and have Congress pass on them.

Fourth. I oppose section 1 of the bill. I am not challenging the motives of any Member of Congress, but I for one do not favor voting $4,000,000,000 in a lump sum to any President to do with as he will. This is a legislative, not an executive function. As one legislator, I stand ready to perform my share of that duty. I oppose delegating a distinctly congressional authority to the Executive. I regret that the Executive has asked for such unprecedented authority. Feeling it my duty to the people who have to pay the bills, and believing strongly that the best interest of our people and our form of government requires that the United States House of Representatives should retain all of its constitutional rights and not delegate them to the Executive, I voted against the gag rule. The issue is now framed between relief on a basis I greatly oppose or no relief. Remembering the suffering of my constituents, I have no option but to vote for the bill. But I want the RECORD to show my viewpoint on this important matter, as I believe the time is coming when the United States House of Representatives will reassert itself under the Constitution in the interest of truly representative government.

I call your attention to page 1 of the printed hearings on this bill, which I quote as follows:

> The CHAIRMAN. * * * Secretary Morganthau, Admiral Peoples, Director of the Procurement Division, and Mr. Bell, Acting Director of the Budget Bureau, are present. As the Secretary has some very important business, we will hear from him first.

This is illustrative of the situation today. As Secretary Morgenthau "has some very important business" he can only tarry a while with the House of Representatives committee to testify regarding an appropriation of $4,000,000,000! My viewpoint is that this appropriation is of vastly more importance than any matter that could possibly engage the attention of the Secretary of the Treasury.

The only answer by administration forces is that we should have confidence in the President; that he is a good man; that he will use those unprecedented policies wisely. The Supreme Court of the United States has very recently answered that argument in the following language:

> The question whether such a delegation of legislative power is permitted by the Constitution is not answered by the argument

that it should be assumed that the President has acted, and will act, for what he believes to be the public good. The point is not one of motives, but of constitutional authority, for which the best of motives is not a substitute.

Must the Supreme Court again point out the error of our ways? This admonition should be sufficient to cause us to proceed from now on in accordance with the Constitution.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, as I sat in the Chamber yesterday and listened to the arguments advanced for this measure, my memory took me back to the arguments that were advanced when the $3,300,000,000 was being appropriated in the last Congress. The hope was held out to the country that that would bring about a business millenium, but the results certainly have not justified that hope and belief. The real problem before our country today is that there are still 10,000,000 unemployed. I was interested to note the statement of Gen. Hugh Johnson to the effect that when those 10,000,000 men were employed the volume of business of the country amounted to about $90,000,000,000 per year, whereas now it amounts to only about $40,000,000,000, so that the real problem before the Congress is to bridge a gap of $50,000,000,000 of business, which represents the slack in this country. It will be readily seen that the appropriation of this $4,000,000,000, even though it does employ 4,000,000 people, will be only a temporary employment—only another shot in the arm—and what I am fearful of is that the next Congress will be asked to make another large appropriation for the same purpose. My thought is that the Congress cannot legislate to put to work those other 6,000,000 men immediately, but it can refrain from passing any more legislation that will further hamper recovery, and it is my belief that much of the legislation by the last Congress instead of being an aid to recovery has been a hindrance to recovery.

I refer particularly to most of the provisions of the National Recovery Act, tampering with our money structure, the law authorizing the President to enter into reciprocal-trade agreements, all of which, along with some other acts passed, have discouraged rather than encouraged the investment of capital in private industry, and this is the only process by which recovery will ever come.

The creation of the Tennessee Valley Authority, and in connection therewith the Government's entering into business in competition with private industry, coupled with the threat to establish such projects throughout the land, is now preventing an investment of millions of dollars in betterments and extensions of those industries the very existence of which is threatened by the Tennessee Valley Authority and the other proposed projects of a like nature.

We shall wake up one of these fine mornings and find our Government in debt in an amount impossible of payment without uncontrolled inflation and that all the business left in the country will be the businesses operated by the Government. We cannot tax private industry to raise a fund and then invest this fund in direct competition with the taxed industries without drying up the industry so taxed.

It has been my prediction—and I am more convinced each day—that the Government must get out of business and give private industry a breathing spell, free from threats and cajoling, or it will soon become necessary for the Government to take over all business under a planned State socialism.

The best service that this administration could now render would be to change its threatening attitude as regards private industry and give private industry some encouragement to go forward by announcing some fixed policy on which business might rely for at least a few months in advance.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BUCHANAN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. Chairman, no bill that has been presented to the Congress since I have been a Member of the House has given me graver concern than the pending measure. During the Seventy-third Congress I supported every measure recommended to us by the administration. As to the wisdom of some of the emergency legislation, I entertained doubts, but I resolved those doubts in favor of a definite program in preference to a "let-nature-take-its-course" program, and in favor of a leader who has the confidence of the people and who, in the words of Mordecai, seemed to have "come unto the kingdom for such a time as this."

We have weathered the worst of our economic storm. While there is still much unemployment, our banking system has been placed on a sound basis, wholesale foreclosures have been prevented, and much of our debt structure, both public and private, has been refinanced on easier terms. While the farm dollar is still below parity, the income and the purchasing power of farmers has greatly increased, and many private corporations that showed net losses for 1932 show net gains for 1933 and 1934. The increase in the national income has exceeded the amount expended by the Federal Government for relief and for "priming the pump" for recovery. In other words, we have made definite gains since March 4, 1933, and have now reached the point in our recovery program when we could and should calmly and deliberately consider legislation of a permanent character.

The history of every great upheaval has been to carry remedial measures to an extreme, and in an effort to prevent a recurrence of known evils to adopt measures which in themselves create new problems.

I feel that the time has come in our national experience when it is important for every man in public life to confess his political faith and to clearly and unequivocally express his views on social and economic problems. It should be possible to do so without impugning the motives, the unselfishness, and the patriotism of those who entertain different views.

Since, as I have stated, I have previously supported every other administration measure, and since I can neither conscientiously nor consistently with campaign promises support the pending bill, I feel that I owe it both to our great leader, to the constituency that elected me, and to myself to give my reasons. I also feel that I owe it to my colleagues in the House to explain why I voted for the rule and then will vote against the bill.

I voted for the rule because I considered that I was morally bound by the action of the party caucus of which I was a participating member. I believe in government by parties and in playing the game according to the rules. The rules of our Democratic caucus are that a two-thirds majority binds the other members.

But there was no caucus action on the merits of the pending bill, and even had there been I would have been excused from the action of the caucus by reason of my campaign pledge to work and vote for economy with a view to balancing the National Budget as soon as practicable.

There were a number of reasons that induced me to make that campaign promise. I was elected in 1932 upon the Chicago platform of the Democratic Party which pledged our party to economy, sound money, and a balanced Budget. I supported in 1933 the President's economy program, including opopsition to the immediate cash payment of the bonus. I publicly commended the President's message to the Congress delivered in January 1934 in which he expressed the hope that we could balance our Budget for 1936 and thereafter live within our current revenue. I commended the utterances of the President in October 1934 on the occasion of the dedication of the veterans' hospital in Virginia, in which he said that we must put first things first and that while this administration did not intend to permit any man to starve, it would be necessary to curtail the present spending program.

Hon. Montagu Norman, Governor of the Bank of England, said last week that no man was wise enough to fully comprehend the meaning of all the changes through which we are now passing. Certainly I would not be so conceited as to think that I am. I know very little about national finance and still less about international finance. My opinions, of necessity, are based upon my limited personal experiences

and personal observations, and colored, of course, by my early instruction in the realm of political science. I grew into manhood believing that our capitalistic system is the best system. I recognize, of course, that there have been and still are inequalities, but the happenings of recent years in Russia, Germany, and Italy fully demonstrate that no other system of government yet tried is free from inequalities.

I grew to manhood believing that the form of constitutional government evolved by Washington, Jefferson, Madison, Franklin, Adams, and their colaborers, with the respective States reserving unto themselves all powers and functions not specifically delegated to the Federal Government, and with the Federal Government composed of three separate and distinct branches, was both wise and sound.

My observation of private financial transactions has been that when an individual, firm, or corporation continues to spend more than he or it earns, bankruptcy is the probable end. For 6 years I was legal adviser to the board of supervisors of my home county—the agency that prepares county budgets and levies county taxes. That experience convinced me that a big bonded debt was a great handicap to any county, and that after it reached a certain proportion of taxable assets repudiation would be the result. For 6 years I served in our State senate and for 7 years as the head of a State department. My experience with State financial affairs convinced me that a large bonded indebtedness was a dangerous thing. Following the World War motor transport developed by leaps and bounds in the United States, and with the wide-spread use of motor cars and trucks came a wide-spread demand for improved highways on which they might operate. In Virginia there was a bitter and long-drawn-out fight over whether these improved highways should be built with the proceeds of a $50,000,000 bond issue or from current revenue. When that issue was ultimately submitted to the Virginia electorate it voted overwhelmingly for a pay-as-you-go policy in road construction. While sister States and political subdivisions thereof were freely spending the proceeds of tremendous bond issues, Virginia and the political subdivisions thereof kept relatively free from bonded debt. As a result, when the depression came Virginia was better able to weather the storm than many States, and ultimate recovery in Virginia, if the taxpayers of that State are not bowed down by an overwhelming national debt, will be more rapid than in some States. And the financial integrity of the Commonwealth of Virginia was preserved not only by refusing to expend the proceeds of bond issues but by making personal sacrifices during the depression. The appropriations for all State activities were drastically reduced, and the salaries of all State employees were cut, not 5, 10, or 15 percent, but 30 percent.

It is with this background, and representing in the House a section of Virginia that was settled and developed by industrious and thrifty Scotch-Irish and Dutch, that I approached the pending proposal to add to the present appropriated and unexpended sum of $5,000,000,000 an additional appropriation of $4,800,000,000. The pending resolution places the entire sum in the hands of the President to be expended as he thinks best. We have been given assurances that the President will personally supervise the expenditure of this huge sum. In my opinion, that will be physically impossible. I am willing to vote for any sum necessary to prevent human suffering; I am willing to vote for a reasonable appropriation to continue a public-works program, notwithstanding the fact that I have not approved of some of the projects for which public-works funds have been expended in the past.

But I cannot bring myself to vote for this appropriation of $4,800,000,000.

I would not undertake to speak dogmatically as to what is wise and what unwise, what is safe and what unsafe with respect to a national spending program and a tremendous national debt, but will content myself with the mere expression of the personal opinion that the present spending tendency is neither wise nor safe. I roughly estimate that Virginia's share, as the seventh largest taxpayer in the Nation, of the proposed aprpopriation will be about $250,000,000, or equal to the entire cost of operating our State government for half a decade. I do not feel that any benefit that Virginia will receive, directly or indirectly, from the total expenditure will be commensurate with the burden of the repayment of Virginia's share of the debt.

When I was a boy an old farmer used to tell me, "The tendency of everything is to be more so." The tendency of a Federal spending program is undoubtedly to be more so. Close on the heels of this bill will come the demand for the immediate cash payment of the adjusted-service certificates. I for one do not feel that I could consistently vote for the current appropriation and then deny my comrades of the World War the payment of a debt already contracted on the ground that the national credit and the public welfare could not stand the payment. I will not undertake to enumerate the other demands of group benefit payments and social reform measures nor the socialistic proposals that have been made that will involve a continuing operating expense as well as direct injury to private business through Government competition. But I do not feel that I am extravagant when I estimate that the demands for the coming fiscal year could easily run our national debt to $40,000,000,000, and since it is so easy to spend when we abandon a tax-levying pay-as-you-go program our commitments for the 1937 Budget could easily reach $50,000,000,000.

The distinguished Chairman of our Appropriations Committee, on February 5, 1934 (CONGRESSIONAL RECORD, p. 1940), said:

> Direct relief or the dole for the able-bodied produces moral disintegration, destroys industry, self-reliance, and initiative. It dims ambition, converts energy and industry into indolence and idleness. If permanently continued, its recipients become as satisfied with their existence as a miserable worm that ekes out its miserable existence in the dust of the earth.

And again on page 1941 he warned us against an unlimited spending program when he said:

> Mr. Speaker, to those who advocate increased appropriations over this $950,000,000, let me say that relief in a nation the size of ours is like a rapacious maw. It would absorb every dollar you appropriated, whether it was one billion or five billion dollars. We must conduct this relief project with a discriminating judgment, so we will have just enough money to relieve the actual necessities and the real suffering of our people.

We are not told, except in the most general terms, of the present necessity for an appropriation of $4,800,000,000, nor how this vast sum will be expended, but the New York American of last Sunday quoted the Public Works Administrator as stating to the National Housing Conference, on January 19, that $1,500,000,000 would be spent for slum clearing. Under the subheading, Seeks Expansion, Secretary Ickes is reported to have said:

> Low-rent housing is my major personal interest in the whole P. W. A. program, and I propose to do everything in my power to justify this undertaking of the Government.
>
> We hope that under the leadership of President Roosevelt this program will be greatly expanded this year.

There are other phases of House Joint Resolution 117 to which I could not lend my support. Subsection D, of section 4, on page 5, either authorizes the continuance until June 30, 1937, of all emergency legislation of the Seventy-third Congress, or else we do not know what it means. I do not wish to give a blanket endorsement to N. R. A. Before I vote for a continuance of N. R. A., I wish to know the exact form in which it is to be continued.

In a great emergency, whether a war or economic war, I feel that the legislative branch is justified in delegating to the executive branch great and unusual powers, but in normal times I think the legislative branch should discharge its constitutional functions or else admit its incapacity to do so. The most unusual powers sought to be conferred upon the executive department, with respect to all governmental agencies, the powers of eminent domain, the making of rules and regulations having the force and effect of law and whose violation shall be punishable by a fine of not exceeding $5,000, or imprisonment not to exceed 2 years, or both, are not, under the terms of the resolution, temporary grants of

power in the midst of a great emergency but permanent grants. In my opinion this is unwise and in all probability unconstitutional.

And, on page 6, line 1, the resolution provides that the President may—

delegate the powers conferred on him under this joint resolution to any governmental agency, including corporations.

I repeat my opening remark: "No bill that has been presented to the Congress since I have been a Member of the House has given me graver concern than the pending measure."

I regret to find myself in opposition to Presidential plans, but I cannot support the resolution. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, I have not heard anyone state that this resolution now before the House is not going to do some real humanitarian work. In other words, nobody has up to the present time proved that it is not going to help the unemployed. I maintain it is an excellent piece of legislation. The only objection I have to the measure is the amount of money requested—which, in my opinion, is insufficient. It should be ten billion instead of four billion dollars. Nevertheless, a great deal of good can be done with the amount of money asked for in this bill.

It has been intimated here that this is a socialistic piece of legislation. Every time a constructive and humanitarian piece of legislation is presented before Congress, someone intimates it is either "socialistic" or "communistic." The fact that it is going to take people off the relief roll and give them employment proves it to be a very constructive and humanitarian piece of legislation. I know in my district—and I believe every other Congressman can say the same thing—I have had men and women come to my office and state that they cannot get work unless they get on the relief roll. I maintain that is abominable, and the sooner we do away with this system the better it will be for the people of the United States. I think it is the duty of every conscientious Congressman to support this legislation because it is going to do something which has not been done before, namely, put people back to work. [Applause.]

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from Iowa [Mr. THURSTON.]

Mr. THURSTON. Mr. Chairman, as the executive branch of the Government receives ample publicity in regard to its policies, I trust that the press will make it clear to the country that the Republicans have not sought to lessen the amount of funds mentioned in this measure. Their only concern is with the application, the handling of those funds, and the attempt to transform the legislative branch of the Government into a debating club which will not function to any degree after this resolution is passed.

Two instances arose yesterday that might be mentioned at this time, one inanimate and the other highly animate. The press reported that for the first time in 50 years the American flag refused to ascend the flagpole on the south part of the Capitol, the portion occupied by the House of Representatives. If this inanimate object could express itself, doubtless it would say that it felt it was to be replaced by a white flag, the badge of surrender, and could not serve further. [Laughter and applause.]

Then, when a Member of another legislative body suggested an amendment to the World Court proposal, the executive branch vigorously and sharply protested against any proposal that would diminish or take from that branch of the Government any of its powers or authority. I do not know whether thought was given to the suggestion made by the same branch to the House of Representatives in proposing to strip the House of its powers. Possibly it was conceded that they had tucked the majority Members of the House of Representatives in their little beds for the session, and they would not need to be awakened until the day we adjourned.

But I want to direct the attention of the House to two words, which I believe are very important in the consideration of this resolution. I refer to section 4, subsection (a), to the word "establish", and, in line 20, to the word "abolition." The first, the right of the Executive to usurp legislative power in creating; the latter to terminate or destroy—both exercising major discretionary legislative power as distinguished from rules and regulations of a minor character.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. THURSTON] has expired.

Mr. BUCHANAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration House Joint Resolution 117, had come to no resolution thereon.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee of the Whole House on the state of the Union and the message ordered printed:

*To the Congress of the United States:*

During the three or four centuries of white men on the American Continent we find a continuous striving of civilization against nature. It is only in recent years that we have learned how greatly by these processes we have harmed Nature, and Nature in turn has harmed us.

We should not too largely blame our ancestors, for they found such teeming riches in woods and soil and water—such abundance above the earth and beneath it—such freedom in the taking that they gave small heed to the results that would follow the filling of their own immediate needs. Most of them, it is true, had come from many peopled lands where necessity had invoked the preserving of the bounties of nature. But they had come here for the obtaining of a greater freedom, and it was natural that freedom of conscience and freedom of government should extend itself in their minds to the unrestricted enjoyment of the free use of land and water.

Furthermore, it is only within our own generation that the development of science, leaping forward, has taught us where and how we violated Nature's immutable laws and where and how we can commence to repair such havoc as man has wrought.

In recent years little groups of earnest men and women have told us of this havoc; of the cutting of our last stands of virgin timber, of the increasing floods, of the washing away of millions of acres of our topsoils, of the lowering of our water tables, of the dangers of one-crop farming, of the depletion of our minerals—in short, the evils that we have brought upon ourselves today and the even greater evils that will attend our children unless we act.

Such is the condition that attends the exploitation of our natural resources if we continue our planless course.

But another element enters in. Men and Nature must work hand in hand. The throwing out of balance of the resources of Nature throws out of balance also the lives of men. We find millions of our citizens stranded in village and on farm—stranded there because Nature cannot support them in the livelihood they had sought to gain through her. We find other millions gravitated to centers of population so vast that the laws of natural economics have broken down.

If the misuse of natural resources alone were concerned, we should consider our problem only in terms of land and water. It is because misuse extends to what men and women are doing with their occupations and to their many mistakes in herding themselves together that I have chosen, in addressing the Congress, to use the broader term "national resources."

For the first time in our national history we have made an inventory of our national assets and the problems relating to them. For the first time we have drawn together the foresight of the various planning agencies of the Federal Government and suggested a method and a policy for the future.

I am sending you herewith the report of the National Resources Board, appointed by me on June 30, 1934, to prepare the comprehensive survey which so many of us have sought so long. I transmit also the report made by the Mississippi Valley Committee of the Public Works Administration, which committee has also acted as the Water Planning Committee in the larger report.

These documents constitute a remarkable foundation for what we hope will be a permanent policy of orderly development in every part of the United States. It is a large subject, but it is a great and inspiring subject. May I commend to each and every one of you who constitute the Congress of the United States a careful reading of these reports.

In this inventory of our national wealth we follow the custom of prudent people toward their own private property. We as a nation take stock of what we as a nation own. We consider the uses to which it can be put. We plan these uses in the light of what we want to be, of what we want to accomplish as a people. We think of our land and water and human resources not as static and sterile possessions but as life-giving assets to be directed by wise provision for future days. We seek to use our natural resources not as a thing apart but as something that is interwoven with industry, labor, finance, taxation, agriculture, homes, recreation, good citizenship. The results of this interweaving will have a greater influence on the future American standard of living than all the rest of our economics put together.

For the coming 18 months I have asked the Congress for $4,000,000,000 for public projects. A substantial portion of this sum will be used for objectives suggested in this report. As years pass the Government should plan to spend each year a reasonable and continuing sum in the development of this program. It is my hope, for example, that after the immediate crisis of unemployment begins to mend, we can afford to appropriate approximately $500,000,000 each year for this purpose. Eventually this appropriation should replace all such appropriations given in the past without planning.

A permanent National Resources Board, toward the establishment of which we should be looking forward, would recommend yearly to the President and the Congress priority of projects in the national plan. This will give to the Congress, as is entirely proper, the final determination in relation to the projects and the appropriations involved.

As I have already stated, it is only because of the current emergency of unemployment and because of the physical impossibility of surveying, weighing, and testing each and every project that a segregation of items is clearly impossible at the moment.

For the same reason the constituting of fixed and permanent administrative machinery would retard the immediate employment objective.

Our goal must be a national one. Achievements in the arts of communication, of transportation, of mechanized production, of agriculture, of mining, and of power, do not minimize the rights of State Governments, but they go far beyond the economics of State boundaries.

Only through the growth of thought and action in terms of national economics can we best serve individual lives in individual localities.

It is, as these reports point out, an error to say that we have "conquered nature." We must, rather, start to shape our lives in more harmonious relationship with nature. This is a milestone in our program toward that end. The future of every American family everywhere will be affected by the action we take.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *January 24, 1935.*

### WORK RELIEF APPROPRIATIONS

Mr. BUCHANAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the resolution, House Joint Resolution 117.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of House Joint Resolution 117, with Mr. O'CONNOR in the chair.

The Clerk read the title of the resolution.

Mr. BUCHANAN. Mr. Chairman, I yield 2 minutes to my colleague from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I willingly testify to the fact that that was a very admirable statement just read and should be the means of persuading anyone who has any doubt about this bill to vote for it. [Laughter on the Republican side.] I do not need any such persuasion, and I willingly vote for the bill. However, I deem it my duty to point out one or two objectionable features of it, which I hope will be remedied by amendment.

I refer particularly to section 6, which gives the right to the President to prescribe rules and regulations and make it a penalty for the violation of those rules. There is no standard to guide him. He is a law unto himself. There is no criterion which the President must follow when he makes those rules and regulations, violation of which may be a criminal offense. He may make those rules on "good" grounds or on "coffee grounds", as it were. The field is wide open. He or other Federal agencies, because he can delegate his power, can make these rules and regulations in the morning and repeal them at night, without any knowledge on my part or any knowledge on your part or any knowledge on the part of the citizenry in general. That is placing the citizenry in jeopardy, and I want to protest against it. Giving the Executive and an army of Federal officers and agencies power to make regulations—and to make them even in secret, in camera—and conferring at the same time power to create criminals out of violators of these secret rules is a serious thing and should give one pause. The President, since his inauguration, has already issued almost 1,500 Executive orders, some carrying criminal penalties. The N. R. A. Executive orders already cover over 10,000 pages. Little is known of them. Executive orders are issued right and left. Little is known of them, yet many carry criminal penalties.

I call attention to a very significant fact. In Texas a man was alleged to have violated an Executive order growing out of the petroleum code. It was alleged to be a criminal offense—see United States against Smith, no. 3, October term, United States Supreme Court. He was dragged into the Federal court in Texas. His attorneys filed a demurrer. The district court sustained the demurrer. An appeal was taken to the United States Supreme Court by the Attorney General of the United States, and, lo and behold, what was discovered? It was discovered after all that trouble and difficulty and turmoil that the regulation had been repealed. Neither the defendant, the United States attorney, or officials of the office of the Attorney General knew anything about the repeal of the regulation until the case went to the Supreme Court. See how this man had been placed in jeopardy. Let us hesitate long before we say violation of any Executive order shall be a crime.

That case should be sufficient reason to make you doubt the worth-whileness of section 6. "Stop, look, and listen" before you pass the sixth section of this resolution as it is printed. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. CELLER] has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Chairman, this is the most important piece of legislation that has ever come from the Committee on Appropriations. It is not only the most important because of the huge sum involved, but it is also important because I think this is the first time in the history of the United States in which the Congress has so brazenly abdicated its powers.

In spite of the importance of this piece of legislation, the hearings before our committee were nothing more than a farce. A farce! First of all, the Secretary of the Treasury hurried in on his way to a more important meeting and suggested he would be able to borrow in the bond market $4,000,000,000. Then Mr. Bell, Director of the Budget, briefly explained to the committee where the $880,000,000 would come from. Finally, Admiral Peoples gave us a general picture of the kind of public works that possibly might be—not would be, but might be—engaged in. He told the committee nothing that they had not already learned through the President's message. There was nothing specific, nothing definite, and nothing informative. In answer to every question that was asked him as to what the set-up might be, as to what the program was, he frankly answered, "I do not know", "I am not in a position to say", or "the President alone must decide that." He gave no answers serving to unfold, in an informative way, a description of policies, programs, or methods.

So we are, in effect, not only handing the President a vast blank check for $4,800,000,000, not to mention the vast grant of legislative powers which are really not ours to give but which the resolution, would, nevertheless, have him assume because he has demanded them, but we are doing it without any information whatsoever as to what the President is going to do with the money when he gets it. It seems to me the orderly way to have handled this question would have been to have brought in a simple resolution making available immediately $880,000,000 to carry through until July the necessities for relief. The money is running short and there should be additional funds provided for the relief of distress between now and the 1st of July, and that is the purpose of the $880,000,000 in this resolution. A simple resolution at this time, to make that money available immediately, would have been voted by acclamation in this House. There is not a single Republican on the floor of this House or anywhere in the United States, so far as I know, who is opposed in any way to the granting of all necessary and adequate money for the relief of distress in this country. I have voted for each and every relief bill that has been passed during the past several years, bills calling for the expenditure of billions and billions of dollars. I will vote for any honest measure for relief. Who would not? And knowing its cost I would face it, and urge that we meet it to the last cent that is honestly justified, and this whether it was less or more than provided for in this resolution.

If we had appropriated the $880,000,000 we would have taken care of the situation until July. Between now and then, there would have been plenty of time for the President to have developed his full program for the $4,000,000,000 that he proposes to spend after the 1st of July. The Congress will be in session for at least 5 months and there would have been plenty of time to have presented that program to the Appropriations Committee of the House which then could have acted on the matter with some intelligence. Instead of that we had a hearing lasting about 2 hours, the proceedings of which took up about 46 printed pages, whereas the subcommittee considering any ordinary appropriation bill generally sits from 1 to 2 months going in detail into every question that may arise. We give the ordinary appropriation bills involving incomparably smaller sums of money very careful and detailed attention; yet when it comes to a bill appropriating $4,880,000,000 it is hurried through with only 2 hours of hearings, without any real consideration, in a very hasty and unorderly way.

There are no methods for attaining stabilized costs with factors of increasing and greater necessities; but there are methods of meeting greater necessities with smaller costs. And it should be our duty—not only to the distressed in the way of thus enlarging opportunities for the amelioration of their condition but to the taxpayers and the general citizenry of the country who create the funds making these expenditures possible—to help find those methods, explore them in common counsel with the Executive, and to apply them.

To say that there has been any such effort at the expression of our plain and constitutional duty, or any such common counsel, or common cooperation between the legislative and the executive branches of the Government on the purposes of this resolution is to shame the truth. And for us to deny that we should insist on our duty, as the legislative branch, admits a confession of its violation to which I will not be a party.

In the few minutes I have been allotted out of the meager time apportioned to the consideration of the resolution as a whole, I obviously cannot discuss comprehensively the grants of legislative authority to the Executive. That they scandalize every precedent, every constitutional prohibition, and every sense of honest recognition of our trust and obligations cannot, to my mind, be controverted.

In this resolution we are not simply appropriating for the unemployed and the distressed. That would be a fine purpose and a welcome duty. But made part and parcel of this measure, woven into it inextricably on the Executive demand, are policies and programs of Government in embryo, which are only now to be wondered at, guessed at, but granting Executive powers which if used may change entirely social and economic concepts which are now at the heart and root of our philosophy of government. In it we are asked to give powers on the exercise of which no one can now judge their eventual or immediate influences on the social or economic fabric of this country of ours. I shall not detail them here. They have already been pointed out, warningly and with apprehension, by both Republican and Democratic speakers.

I appreciate that we are to be given the technical privilege of offering amendments to this resolution. But I also appreciate that the realization of any such expectation is a sorry futility, so far as the hope of actually securing amendments is concerned, under the gag that has been put upon the majority in this House.

But notwithstanding the reality of the prospects, I shall nevertheless join with any effort, either Republican or Democrat, that will seek to divorce the two major objectives of this bill—provision for the relief of distress and provision for the grant of legislative powers to the Executive, with their only now guessable effects on the life of the people in this country. I shall myself seek to offer amendments to effectuate this purpose. Failing that privilege I shall offer perfecting changes and amendments that I believe would bring this resolution nearer to those aims which are declared on its face—the relief of distress. I shall support any changes or amendments, advanced or sponsored by others, directed to the same end—that this resolution be an honest relief measure, undisguised, and not also an auxiliary vehicle for the grant of legislative powers which are absolutely foreign and alien to the purposes the country at large understand this resolution contemplates.

It is in that spirit that I shall consider and that I shall attempt to influence the substance this measure contains. [Applause.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, at present I do not care to yield for interruptions.

To begin with, I desire to make a very plain and definite statement. Speaking for myself, and as far as I am able, for my Republican colleagues in the House, we are ready at this time to appropriate immediately any amount of money the President of the United States says is absolutely necessary to meet the immediate emergency of unemployment. We are, however, equally opposed to the various provisions of this bill which are entirely legislative and which further subject the House of Representatives and the entire legislative branch of government to the will of the Executive. It seems to me this is a definite statement and that there is no reason for misunderstanding as to our position.

There are two parts to this bill, one for relief and one for giving additional legislative powers to the Executive. If I understood the majority leader correctly, he said he did not

think there was any authority conferred in this bill that had not already been given to the Chief Executive. If there is no new authority given, it certainly is not necessary to make any such provisions in the bill itself. Personally, I believe he has all the authority necessary, granted under legislative acts of the last session, to entirely meet every emergency of present conditions.

Certainly there is no one who desires to claim parentage of the present bill. During the debate yesterday the gentleman from New York [Mr. FISH] asked who was responsible for this measure. The gentleman from Illinois [Mr. SABATH] volunteered the information that the President of the United States was. In reply to the specific question of Mr. FISH, "Who is the author of this bill?" Mr. SABATH responded, "The President of the United States." Mr. FISH further asked: "Does the gentleman speak with authority?" Mr. SABATH replied, "Yes."

At a press conference yesterday morning, I suppose held at the White House, the President is quoted definitely stating that he had never read this bill, and in reply to a question as to who sponsored or wrote the bill it was intimated that it was written in the House of Representatives. It is very evident that the wires are crossed between the Executive Mansion and the President's spokesmen here on the floor.

I listened very carefully yesterday to the arguments of the majority in support of this bill. Four distinct reasons were advanced. The first was that there was ample precedent from the Republicans. My friends, the way you have maligned every single act of the former Republican administrations, I am surprised that you would crawl behind the skirts of any past act of those administrations to find excuse for what you are doing at the present time. You cited as a specific instance authority given to the Treasury Department in relation to public buildings. Let me say to you, my friends, the only real authority that was given to the Treasury Department was the question of selection, of preference as to which of these buildings would be built first. Each building and each project was appropriated for by this House and by Congress in both its branches, and the only thing that was left for the Treasury Department to decide was the selection of which building should be built first. They gave us their preference, and it was acted upon. There was no legislative authority contained in that act.

The next instance you cited was the mail contracts. We did give the Postmaster General certain authority in regard to certain mail contracts, but it was limited at both ends, and there was no legislative authority that went along with it or any right to change existing laws or contracts. So it has no analogy to the present situation.

Then I was very much amused by the statement of our good friend, the Chairman of this committee, as to his reason for supporting this legislation. He said it was necessary to keep us from the dole system. Let me say to you, my friends, that if there is one thing upon which the Members of this House are almost unanimously agreed it is that we are opposed to the dole system. When we are unanimous on a proposition, what reason exists for referring action on it to some other branch of the Government, a branch which, as far as I know, has gone farther and done more to put us on the dole system than any act of Congress that has ever been passed? [Applause.] As a matter of fact, the whole argument of the majority has been for the purpose of building up a smoke screen behind which you could hide and soothe your own conscience for doing something that you know is not right, for doing something you know you ought not to do, something you know is not American or for the best interests of the American people. [Applause.]

At the beginning of this session the President came before Congress, and, in his usual graceful manner, spoke about cooperation between the executive and legislative branches of the Government, and the demarkation of the duties of each branch of the Government.

Here is the way the President cooperates: He sends up this bill and it is supposed that he gave the order that it should be passed with 3 hours' debate and without changing a single word of the bill. Last week we debated on the number of policemen in the District of Columbia 3 days, but there are only 3 hours for a bill of such far-reaching possibilities. You dare not submit this bill to full and free consideration.

Mr. BUCHANAN. Has the gentleman any evidence that the President gave such order?

Mr. SNELL. I refuse to yield at the present time.

Mr. BUCHANAN. I just wanted to know the gentleman's authority for his statement.

Mr. SNELL. Mr. Chairman, we have a proposition before us to appropriate $5,000,000,000, which is one-eighth of the entire income of the 125,000,000 people for 1 year, and we are to put it through this House without adequate consideration, without hearings, and without the possibility of expressing our opinion or voting on the various items of this bill. Is that cooperation? I leave it to some of you people to decide that point for yourselves.

Somebody must have had some plans, some definite policies, some figures put down on paper somewhere to have arrived at this $5,000,000,000 sum. I maintain that whatever those figures were, whatever those policies were, and whatever those projects were, we are entitled to have the information before the House of Representatives. I appreciate the fact that the Committee has arisen this afternoon to hear an argument from the President as to why this bill should be passed. This is the first time during my membership in this House that any such thing has ever been done. If the President had all the information that he claims to have now, why did he not present it to the Appropriations Committee and let us have the benefit of the information? [Applause.]

Mr. RANKIN. Will the gentleman yield?

Mr. SNELL. I do not yield.

Mr. RANKIN. I want to call the gentleman's attention to an incident.

Mr. SNELL. If the President does not have any plan for spending this money, he should not be intrusted with this enormous sum. I appreciate full well that you cannot earmark every single dollar of this bill. I would not go so far as to ask it, but I do think that some general policies could be laid down and some general estimates made for the information of the legislative branch that is responsible for the spending of this money.

Mr. Chairman, if I had my way about the matter, I should like to provide a billion dollars of this fund for private industry. This would go farther in the relief of unemployment than any single thing that has been done up to the present time. [Applause.] I should like to have someone tell me what the hurry is. It has been admitted that they have no definite plan. It has been admitted that they are going to try to get something by the first of March.

Mr. WOODRUM. Will the gentleman yield?

Mr. SNELL. I do not care to yield to the gentleman.

Mr. WOODRUM. The gentleman said that he wanted some information. I will give him that information if he wants it.

Mr. SNELL. The gentleman from Virginia [Mr. WOODRUM] would not yield to me yesterday, and I was courteous enough not to interrupt him again.

Mr. WOODRUM. I apologize.

Mr. SNELL. What we want to know is something along general lines, what is even proposed, and we are entitled to have the information. Then we could give it intelligent consideration.

Who ever heard of advertising to the country to have every municipality, every town, every county, and every State render suggestions to Washington as to how to expend public funds? No one ever heard of such a proposition before, which proves the recklessness of the spending of the present administration.

Mr. Chairman, I am opposed to this principle of general lump-sum appropriation. So far as I know, it has been the policy of this House during the last 20 years I have been here, regardless of which political power has the majority, to oppose the general principle of lump-sum appropriations. Practically every debate that has ever been had in this

House has always been along that line, and the men who were best qualified to speak upheld this contention.

I want to call attention, Mr. Chairman, to a statement made by the able, distinguished, and present beloved Speaker of this House when we were discussing the general Budget proposition. That was the time when there was nothing partisan before the House. The distinguished gentleman from Tennessee was giving the House and the country the benefit of his long experience in connection with appropriations, and he was advising us from the deepness and the fullness of his own heart. Some of you, perhaps, have never read or heard of this language.

I quote from the speech he made at that time:

I do not believe in clothing the President with the power to absolutely control the Nation's purse strings to the exclusion of a majority of the direct representatives of the people. It would be giving to him a power which it was never contemplated that he should have, and, to my mind, would be a clear departure from all the principles which underlie a republican form of government.

He goes on further to say:

It is not intended by the enactment of this proposed law that the Appropriations Committee of Congress shall no longer hold careful hearings in order to determine whether or not the estimates submitted shall be allowed. It is intended to make the President responsible for the estimates which are transmitted to Congress. There his responsibility ends.

He further stated:

And in order that it may properly meet this responsibility its committees should continue to give the closest scrutiny to every item of the appropriation which is requested.

There is a better statement than I can possibly make, and cannot be improved upon by any opponent of this present resolution.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman the balance of my time.

Mr. SNELL. Mr. Chairman, I cannot make a better argument than he made at that time.

May I refer further to a statement made only a year ago by our present able watchdog of the Treasury, the gentleman from Texas [Mr. BUCHANAN], when he was discussing the same matter. He stated:

In the first place, in my judgment, for this Government to have two appropriating authorities, one in the legislative branch and the other in the executive branch, is inimical to an economical government.

[Applause.]

The gentleman further stated:

This is what we have had during this fiscal year.

And then he went along to give individual instances where they had appropriated large sums of money that Congress had refused, and he said that it was absolutely wasted.

Another question has been brought up that I want to refer to a minute, and that is the question of pork. If you will give us the right to amend this bill we will fix it so that there will be no pork for you in the bill. What we are afraid of as much as anything else is that it will all be Democratic pork and all of it will be used at election time. We want to fix it so you cannot do as you did last year, that is, send a million dollars up into the State of Maine in the middle of the summer, six weeks before election, for the direct and only purpose of influencing the election.

If you will give us an opportunity to amend this bill we will put it in shape so that any self-respecting man can vote on it; and at the present time, you know yourself it is not in such shape and that it ought not to be passed. [Applause.]

We would try to amend the bill, as follows, if you would give us an opportunity:

First, strike out sections 4, 5, and 6, which contain the most objectionable legislative features of the bill, and further amend it so that (no. 1) no part of the appropriations made by this act shall be expended for any project nor shall any project be undertaken under this act which will unwarrantably place the Government into competition with private business and industry, and so far as feasible this work shall be done by private contracts.

No. 2. That the expenditures of funds for work projects under this act, so far as may be reasonably possible, shall be apportioned among the several States in the proportion that the number of unemployed in each State bears to the total number of unemployed in the whole United States.

No. 3. That on all work projects located wholly within a State, preference shall be given in employment to the unemployed of the State where the work is to be performed, with as equal distribution as possible to all parts of the State, provided that the usual qualifications necessary may be used in selecting this labor.

No. 4. That no person desiring work on these relief projects shall be subjected to any political test or qualification;

No. 5. That so far as possible in administering direct relief it shall be done through the State and local agencies.

No. 6. That all unobligated balances of funds, appropriated under this act, shall, on June 30, 1936, be covered into the Treasury.

This would make it much nearer a relief measure and more acceptable to every person desiring to maintain our present form of government. [Applause.]

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to my colleague, the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Chairman, my good friend from New York is just as accurate in some of the statements he made a while ago as he was in his statement that I refused yesterday to yield to him. I am sure I have never refused to yield to the distinguished gentleman or to any other Member of the House since I have been here, and, particularly, to my good friend from New York.

I feel sorry for those gentlemen who are content to come here and criticize and then complain that they have not more time in which to do it. Why, an hour and a half is ample time for the Democrats over here who have confidence in the President of the United States to tell you and the country why they are willing to trust him, and from now until doomsday would not be enough time for you gentlemen who are content to throw monkey wrenches into the recovery machinery and to criticize and find fault. Nothing Franklin D. Roosevelt can do would please you. When he comes here and asks you for the power to put men to work and take them off of relief, you object to it.

What would you do? Oh, this is a different question. I know what you would like to do. You would like to see the recovery plan fail, because then you think perhaps the people of the United States, in their desperation, would turn back again to those old, forlorn, and, I hope, soon-to-be-forgotten days, when you had the administration of affairs of government.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New Jersey.

Mr. PERKINS. Does the gentleman think we are more interested in our political lives than we are in the welfare of this country?

Mr. WOODRUM. Well, I would not like to say that individually to my distinguished friend from New Jersey, but I want to say this to the gentleman: Every time we come here with some plan to try to advance this recovery program and you gentlemen, as a unit, rise in your places and find fault and try to obstruct and block and defeat it, then my peculiar and acute sense of smell persuades me to believe that there is something in the Free State of Denmark that ought to be looked after a little bit.

Mr. PERKINS. Mr. Chairman, will the gentleman again yield?

Mr. WOODRUM. Certainly.

Mr. PERKINS. Does not the gentleman know that a great many of us on this side have voted for legislation suggested by the President, and does not the gentleman know we have more at stake in our own private fortunes than we have in our political lives?

Mr. WOODRUM. Oh, I am sure the gentleman has much at stake in his private fortune, but we are not thinking about private fortunes, we are not thinking about political

fortunes, and the man in the White House is not thinking about political fortunes. He is thinking about recovery for this great country [applause], and no man upon that side of the aisle can level his finger at the other end of Pennsylvania Avenue and say that sordid poltical considerations have characterized the action of the President of the United States. [Applause.]

Mr. PERKINS. Will the gentleman yield for one more question?

Mr. WOODRUM. Yes.

Mr. PERKINS. If we believed that confidence in the future and in the business of this country is more important than experimentation, how could we do otherwise than vote against this legislation?

Mr. WOODRUM. There is no way for the gentleman to vote except against it, because he is in the peculiar position that if this program is successful, as it will be, my good friend will have even fewer Members on his side of the aisle than he has now. [Laughter and applause.]

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I am going to use the remaining time, or at least a part of it.

I wonder if the Members on the floor of this House and on this side of the House fully realize what is the matter with the Members on the other side of the aisle. Let me tell you the way I size up the situation.

President Roosevelt occupies a position between two great forces in this country—the ultraconservative, those who represent the vested interests, those who represent the combines, and those who represent the trusts, on one side, and the radicals on the other; and I tell you, my friends, he is standing like a stone wall and being assaulted on one side by the Republicans, who represent the reactionary and vested interests, and being assaulted on the other side by the Bolsheviks, the Communists, and kindred radical organizations, as well as others who advocate that there should be taken from those who have and $5,000 given to each citizen of the United States by Government action. I tell you that the President of the United States, realizing and appreciating the situation, is the only hope for the preservation of representative democracy upon this continent.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. GIFFORD. What I want is some real information on this bill; and I should like to ask the gentleman, with reference to non-Federal projects, why it is that my Governor before election, and now after election, can promise my municipalities 50 percent of any work where they may see fit to raise 50 percent? Is there any reason for it?

Mr. BUCHANAN. I cannot go into the administration in any particular State.

Mr. GIFFORD. Will they give us 50 percent?

Mr. BUCHANAN. As I say, I cannot go into that. Now, gentlemen, the distinguished leader of the minority [Mr. SNELL] made a great-to-do about this bill and stated, among other things, that the President had sent orders up here that it be passed in a given time—with 1 hour's general debate. That statement is without one scintilla of truth, no matter who says it or where it comes from. [Applause.]

People are too reckless in their statements, making statements that are not true, statements that ought not to be made without careful investigation and without being absolutely sure that they are right.

The fact is that the President was consulted, and consulted extensively, about the preparation of this bill. He has approved every section as written and as proposed to be amended. He wants it. He has authorized me to say on the floor of the House to those who are cooperating with him that he would like very much to have the bill in the shape it is in; that he thinks it will bring about relief with the appropriations carried therein.

I am going to ask you on this side, and those upon the other side liberally inclined, to join us in the interest of our common country, disregarding politics, disregarding individual wealth, and everything of that kind, and let us put every able-bodied man in the entire country to work. When you do that, private industry will follow in line in mass, and you will have complete recovery in this country. [Applause.]

The CHAIRMAN. The gentleman from Texas has 4 minutes remaining.

Mr. BUCHANAN. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. LEE].

Mr. LEE of Oklahoma. Mr. Chairman and gentlemen of the Committee, it seems to me that the opposition to this bill is entirely partisan. I heard yesterday an attack from the other side of the House by the gentleman from Galena, Mo. His attack seemed to be on the "alphabetical relief."

Last summer I happened to be in his district, and this story came to me while I was there. They said he was out campaigning and making fun of the alphabetical relief. He said, "You cannot name any combination of letters that does not stand for relief—A. A. A., F. E. R. A., N. R. A."

He said, "Can anybody name a combination of the letters of the alphabet that does not stand for some form of relief?" An old Missouri farmer said, "Yep—G. O. P." [Laughter.]

The question seems to revolve on whether or not we have confidence in the man in the White House and his ability to properly use this money for recovery. Has his record in the past been such as to shake the confidence of the people in his ability to use this money for the benefit of the people? Can any man here stand up and say that any act of the President, since his closing of the banks and guaranteeing the deposits of the people on down to the present day, has been such as to shake the confidence of the people in his recovery program? Would the vote in the last election indicate that we have no confidence in his ability to use this money for speedy recovery?

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. BUCHANAN. Mr. Chairman, I believe this closes general debate.

The CHAIRMAN. There being no further general debate, the gentleman is recognized.

Mr. BUCHANAN. Mr. Chairman, as I understand the rule, it is now in order for all committee amendments to any and every section of the bill to be offered.

The CHAIRMAN. That is correct.

Mr. BUCHANAN. Then, I send up the first amendment, which is on the Clerk's desk.

Mr. BULWINKLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. Will sections 4, 5, 6, and 7 then be read under the 5-minute rule?

The CHAIRMAN. At the conclusion of the consideration of the committee amendments the entire joint resolution will be read.

Mr. BULWINKLE. For further amendments?

The CHAIRMAN. On sections 4, 5, 6, and 7. The Clerk will report the first committee amendment.

Mr. McFARLANE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McFARLANE. After the committee amendments have been considered and the bill read in full, would H. R. 1, as an amendment to this measure, as a relief measure, be germane to this resolution?

The CHAIRMAN. The Chair will determine that if the question arises.

Mr. McFARLANE. It will arise.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 11, strike out the signs and letters "(in-" and strike out all of line 12, and on page 2, strike out all of lines 1, 2, 3, and 4, and all of line 5 down to and including the word "work)" and insert in lieu thereof the following: "Federal or non-Federal."

Mr. BUCHANAN. Mr. Chairman, this merely strikes out the enumeration of any classification of projects which, in

my judgment, is only illustrative, because it is not all-inclusive. It has caused some confusion, so it may well be eliminated.

Mr. BULWINKLE. Does the gentleman mean to strike out the word "work"?

Mr. BUCHANAN. As amended, it would read:

"And for such purposes and/or such projects, Federal or non-Federal.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. SNELL. To whom would these various communities and municipalities have to present their requests, to be heard, to get some of this money?

Mr. BUCHANAN. They would have to file an application with the President.

Mr. SNELL. It would be directed to the President himself?

Mr. BUCHANAN. The President himself, as he is going to be the administrator of this himself and personally make the allotments.

Mr. SNELL. He has got some job.

Mr. PETTENGILL. Mr. Chairman, I rise in opposition to the committee amendment.

The CHAIRMAN. If a member of the committee desires recognition in opposition to the committee amendment, he would have the preference. [After a pause.] The gentleman from Indiana is recognized for 5 minutes.

Mr. PETTENGILL. Mr. Chairman, I rise in opposition to the committee amendment in the interest of the constitutionality of the legislation. There is nothing in the language sought to be stricken out that is exclusive of other projects. The language as put in the bill originally does lay down some guide and some boundaries for the exercise of Executive discretion in the administration of the joint resolution, and I do not see how any one, after the recent reminder by the Supreme Court of the United States, can desire to strike out every limitation in the resolution upon the exercise of Executive discretion. In the "hot oil" case the United States Supreme Court said:

So far as this section is concerned, it gives to the President an unlimited authority to determine the policy and to lay down the prohibition, or not to lay it down, as he may see fit. And disobedience to his order is made a crime punishable by fine and imprisonment.

Further, the Supreme Court said:

The Congress left the matter to the President without standard or rule, to be dealt with as he pleased.

The Court further said with reference to the legislation they were then considering:

If section 9 (c) were held valid, it would be idle to pretend that anything would be left of limitations upon the power of the Congress to delegate its law-making function. The reasoning of the many decisions we have reviewed would be made vacuous and their distinctions nugatory. Instead of performing its law-making function the Congress could at will and as to such subjects as it chooses transfer that function to the President or other officer or to administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation which are an essential part of our system of government.

Justice Cardozo, who dissented from the majority opinion in that case, said:

I concede that to uphold the delegation there is need to discover in the terms of the act a standard reasonably clear whereby discretion must be governed.

I therefore rise in opposition to the committee amendment, to improve the bill, to strengthen the bill, to improve it from a constitutional standpoint and from the standpoint of the exercise of our responsibilities as the representatives of the American people, who are called upon to vote out $4,000,000,000, which means that on an average every congressional district in the United States will some day pay $10,000,000 of the $4,000,000,000 in future taxation.

Mr. KVALE. Will the gentleman yield?

Mr. PETTENGILL. I yield.

Mr. KVALE. Is it not true that this language is being amended in order to satisfy the complaints of the "pork-barrel group", so called?

Mr. PETTENGILL. If so, that is an additional reason for voting it down. I am opposed to pork-barrel legislation.

Mr. MOTT. Will the gentleman yield?

Mr. PETTENGILL. I yield.

Mr. MOTT. In the gentleman's opinion, is not the matter proposed to be stricken out by the amendment entirely meaningless, insofar as the purposes of the bill are concerned?

Mr. PETTENGILL. As Justice Cardozo said, it lays down some canal within which executive discretion may flow.

Mr. MOTT. But the language is including and not limiting.

Mr. PETTENGILL. I say there is no harm in leaving it in, because it is not exclusive of other projects, but it is inclusive. It is a guidepost. It points a general course.

Mr. DIES. Will the gentleman yield?

Mr. PETTENGILL. I yield.

Mr. DIES. If that is permitted to remain in the bill, is there not danger that some administrator will interpret it as an expression on the part of Congress to show a preference for that character of projects, to the exclusion of other worthy projects?

Mr. PETTENGILL. But the language expressly refutes any such interpretation.

Mr. DIES. But I say is there not danger that some administrator will put that interpretation upon it?

Mr. PETTENGILL. I cannot be responsible for what the administrative agency does.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. PETTENGILL] has expired.

Mr. MARTIN of Colorado. Mr. Chairman, I ask to be recognized in support of the amendment.

The CHAIRMAN. Under the rule, the time is limited to 10 minutes; 5 minutes in support of the amendment and 5 minutes in opposition to the amendment.

The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. PETTENGILL) there were—ayes 171, noes 58.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment by Mr. BUCHANAN: On page 5, line 18, after the word "any", insert the word "emergency"; and in line 21, after the word "exist", insert the word "and."

Mr. BUCHANAN. Mr. Chairman, this amendment simply narrows in scope the meaning of subsection (c) of section 4, whereby the President is authorized to "consolidate, redistribute, abolish, or transfer the functions and/or duties of any governmental agency", by confining it to "emergency" agencies.

There ought not to be any need for discussion of this amendment. It should be adopted.

Mr. BULWINKLE. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. BULWINKLE. I should like to inquire if that would include the National Recovery Administration, as one of the emergency agencies?

Mr. BUCHANAN. It might temporarily if it could by any possible construction be regarded as an agency necessary to the expenditure of this appropriation, but it expires on June 16, 1935, by law.

Mr. BULWINKLE. And that would include also the Agricultural Adjustment Administration?

Mr. BUCHANAN. No; it would not include that.

Mr. BULWINKLE. Is that not an agency?

Mr. BUCHANAN. The Agricultural Adjustment Administration is a sort of double-barrel act. Some parts of it are used for the recovery program.

Mr. BULWINKLE. Then may I ask the gentleman this question, because I take it the gentleman knows: Is this a contemplated move for the continuation of the National Recovery Administration?

Mr. BUCHANAN. Certainly not, and by no ingenious construction can that meaning be placed on this paragraph.

Mr. BULWINKLE. The gentleman just stated to me that it could be done.

Mr. BUCHANAN. This section reads "consolidate, redistribute, abolish, or transfer."

Mr. COX. If the gentleman will pardon me, the fear that the gentleman has is taken care of in the next amendment to be offered by the committee, by which I understand the committee proposes to strike paragraph (d) of section 4.

Mr. BULWINKLE. But I have not that amendment.

Mr. BUCHANAN. This has no connection with paragraph (d).

Mr. O'MALLEY. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. O'MALLEY. Section (d) would continue all emergency agencies.

Mr. BUCHANAN. Section (d) would vest power in the President to continue all "emergency" agencies utilized and designated by him to carry out the purposes of the joint resolution.

Mr. O'MALLEY. The A. A. A., the N. R. A., and all the rest of the agencies created by the Seventy-third Congress?

Mr. BUCHANAN. Only if necessary for the administration of this act and if designated and utilized for such purposes, and only then; but we have not come to section (d) yet. We will get to that in a minute, and I will move to strike it out.

Mr. MOTT. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. MOTT. Would the gentleman's amendment include the Reconstruction Finance Corporation as an emergency agency?

Mr. BUCHANAN. No.

Mr. MOTT. Then the President could not abolish the Reconstruction Finance Corporation?

Mr. BUCHANAN. No, sir.

Mr. MOTT. One other question: How many Federal jobs might be involved in this power that is given to the President?

Mr. BUCHANAN. Does the gentleman mean in the $4,000,000,000?

Mr. MOTT. In the right of the President to abolish or change the personnel under subsection (c) of section 4?

Mr. BUCHANAN. I do not know; nobody can tell now. He may save the Government a great deal of administrative expense by abolishing and consolidating agencies. I hope he does.

Mr. MOTT. The question I asked was whether any survey had been made as to the number of Federal employees whose jobs would be jeopardized.

Mr. BUCHANAN. No estimate has been made.

Mr. REED of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I wish to address myself in all sincerity to the practical aspects of this bill. I stand in the same position as every man in this House who is elected by a constituency. He represents them concerning any legislation that may affect them that is properly brought before this House. You were elected and I was elected because a majority of the people of our respective districts had confidence in our desire and ability to represent them and their rights and interests.

This is a proposal to spend approximately $5,000,000,000, money not created by some mystic power but $5,000,000,000 drawn from the pockets of the taxpayers of this country to be paid by them now or eventually, money produced by labor, by the sweat of the brow. I think we are accountable to our constituents as to how, when, and for what purposes this money is to be spent.

The President today sent a message to this Congress. One section of his message is very interesting and very significant. I read this passage from his message:

> As I have already stated, it is only because of the current emergency of unemployment and because of the physical impossibility of surveying, weighing, and testing each and every project that a segregation of items is clearly impossible at the moment.

He admits that he has no specific projects in mind for which this $5,000,000,000 is to be spent, nothing definite; and yet every man in this House knows that intelligent people have been studying the needs of particular communities on a broad scale touching your district and my district, men who know what ought to be done for the social and economic welfare of those communities, projects which, if carried out, would not waste the public funds. There is a National Highways Association, the president of which has laid before the administration a program of needed primary and secondary highways, a program growing out of a careful survey of the needs of the country, the needs of your district, and the needs of my district. This plan gives the mileage, the location, and the exact cost of each project. It is a national plan. This National Highway Association has studied also the question of grade-crossing elimination; it knows the number of grade crossings, their locations, and the cost of each project. It has enumerated those places where there should be main trunk highways going through or around the cities of this country. They have studied the projects that are practical and have laid out a plan and have studied its cost. They know the States and districts that will be benefited. This project can be put into execution immediately.

The Rivers and Harbors Congress is to meet here February 5. This organization has projects which have been carefully studied. State and local organizations have definite plans, national in scope, relating to housing, the need for school buildings. So, there, too, is a whole comprehensive program ready to move, and these organizations would like to be heard. They have had no opportunity of being heard by the Committee on Appropriations.

What was the extent of the hearings held by our Committee on Appropriations? Briefly, they heard Secretary Morgenthau, an admiral of the Navy, and the head of the Bureau of the Budget; and the hearing lasted 2 hours and a quarter or less. Your constituents and mine have not had a voice in this 5-billion-dollar proposal. It is their money that is to be spent, and they are interested in the recovery and relief of their particular districts. I say the time has come, and it is here now, that we should pause in the present method of doing things. While you may steam-roller this vast expenditure through, you will live to regret the day you gave all this power to one man. History is literally filled with cases where delegated power has been abused and where its abuse has come back to plague the people. The only way we can preserve the rights of the people is to assert our right now to give the people a chance to be heard before the appropriate committee of Congress. It is not necessary to specify every individual project, but at least the general plan should be specified. There is a plan prepared now by national organizations embracing your district and my district that will make it possible to earmark these funds and preserve the right of the people in this proposed expenditure of $5,000,000,000 of their money. [Applause.]

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

> Committee amendment by Mr. BUCHANAN: Page 5, strike out lines 22 to 25, inclusive.

Mr. BUCHANAN. Mr. Chairman, I ask for a vote.

Mr. TREADWAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I well remember frequently hearing the late lamented Speaker Champ Clark say that this was the greatest deliberative and legislative body in the world. Were he with us now I wonder whether he still could honestly say that this is a great legislative and deliberative body. I listened carefully to the debate yesterday and read a transcription of it in this morning's RECORD. No word can be found there of sound logic and reason calling for such legislation as we are asked to vote upon here this afternoon. The only argument that appears in the RECORD of the

remarks of the advocates of this bill yesterday is that they were elected to support the President of the United States. Therefore, men who take that attitude toward their responsibilities here today are willing to admit they have no power themselves to represent their people under the authority of their election to this body.

The gentleman from New York [Mr. REED] has very definitely pointed out that the message of the President of the United States as read to us a few moments ago admits that there is no program available at the present time.

Still, we are asked, and you on the other side seem perfectly willing, to end our power and authority as representatives of the people of our districts and place it in the hands of one man. I for one am not willing to abrogate that power which has been conferred upon me by my constituents. When any man says that he is backing the President of the United States, let us ask him in what particular and in what direction he is backing the President. The only argument that you can make is that there is but one man in the country who knows how to spend $5,000,000,000 in a short period of time. I am pretty nearly willing to admit that fact. If any one man knows how to spend $5,000,000,000, he is brainier than the President of the United States who now sits in the White House.

The gentleman from Virginia and the gentleman from Indiana this morning touched on the unconstitutionality of the provisions of this measure. Have we as representatives of the people forgotten that there are three coordinate branches of government? I do not think it will do a bit of harm to keep emphasizing the fact and bringing it home to the people of this country that some of us are willing to abdicate our powers under the Constitution to represent them in the legislative body. Does not this bill absolutely take out of the hands of Congress the power to allocate this sum of money? Never before has such an authority been granted to any Executive.

The percentage of the income of the country has been referred to, and I for one am not willing to say to any man, as great as the President of the United States is, with his tremendous power and ability, that he alone has the right and the power to legislate for my constituents. I join with the gentleman from New York and my colleagues on this side of the House in fighting for the interest, welfare, and relief of the needy of the country. We will go as far as may be necessary to relieve distress and care for the unfortunates, but we will not take away from the legislative branch or vote to take away the power that is intrusted to us by our people. [Applause.]

I wonder if the President of the United States has ever heard of the constitutional powers of Congress, and particularly the control of the House of Representatives over the Nation's purse strings. If he has not, then it is time he read article I of the Constitution, which gives all the legislative authority of the General Government to Congress.

The measure now under consideration purports to make appropriations for relief, but in effect it is a subtle attempt to set the President of the United States up as a de facto dictator—and I use the word advisedly.

The first section of the bill gives the President the power to spend nearly $5,000,000,000 practically as he pleases.

Section 3 gives him the power to appoint an unlimited number of employees upon a strict patronage basis.

Section 4 gives him the power to set up an unlimited number of new alphabetical agencies and to consolidate, redistribute, abolish, or transfer the functions, property, and personnel of any governmental agency.

In addition, he is thereby empowered to extend the life of present governmental agencies to June 30, 1937, even though Congress may have provided an earlier expiration date.

Section 5 authorizes the President to guarantee loans to and payments of needy persons, and to make grants, loans, and contracts. This practically puts the Government into the small-loan business.

The same section gives the President the power of eminent domain over both real and personal property.

Section 6 gives him the power to impose fines and punishment for violation of any rule or regulation which he may establish for carrying out his functions under the bill.

As I have just indicated, one of the learned lawyers on the Democratic side stated on this floor yesterday that in his opinion the bill provides for an unconstitutional delegation of the powers of Congress to the President. I think that there can be no question but what the bill does just that, and I believe that most Members on the Democratic side will privately admit it. If the House of Representatives passes this bill it will be a virtual admission upon its part that it is unable to perform its legislative functions.

This measure is without precedent in the history of this or any other free country. It is not only a violation of all the principles upon which this Government was founded, but it constitutes another step in taking the Government out of the hands of the people and in centering it in the hands of one man.

When this bill becomes a law Hitler and Mussolini will be green with envy of the President of the United States and Stalin will have a fit of jealousy. By degrees the various functions of Congress have been transferred to the President, and now the control over appropriations is added to the list. I know of no other important function of Congress that remains to be given to the President.

Some question has been raised regarding the origin of this measure. No one claims it originated in the Appropriations Committee, where such legislation is supposed to be drafted. No one claims that the President wrote it with his own pen. Thus we are left to speculate upon the subject, and we naturally look to the "brain trust", who for 2 years have been writing legislation for Congress to enact, which, through ambiguous phrases and broad grants of authority, has taken from Congress its constitutional powers.

To my mind it is time that government was taken out of the hands of the "brain trust" and the professors and put back into the hands of the elected representatives of the people, where it rightfully belongs.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 1, change "(e)" to "(d)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 11, strike out the words "he may also" and insert in lieu thereof the word "to"; in line 12 strike out the words "or personal"; in line 15 strike out the colon and the parenthesis and strike out all of lines 16 to 20, inclusive, except the period.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 23, before the word "violation", insert the word "willful", and after the sum "$5,000" insert a period and strike out all of line 25.

Mr. BULWINKLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. If I want to offer an amendment to that now, do I offer it as a substitute at this time?

The CHAIRMAN. Under the rules no amendment to committee amendments are permitted.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 7, transfer the words and figures "before the 10th day of January", in lines 3 and 4, to follow the word "submitted", in line 2.

The committee amendment was agreed to.

The CHAIRMAN. The Chair desires to make the announcement that if there are no more committee amendments at this time, the Clerk will read the resolution for amendment.

Mr. TABER. The whole resolution?

The CHAIRMAN. The resolution will be read by sections, but no amendment other than committee amendments will be permitted in any section before section 4.

Mr. KVALE. Mr. Chairman, I ask unanimous consent, in view of the fact that sections 1, 2, and 3 are not open to amendment, that the reading of these sections be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The Clerk will read section 4.

The Clerk read as follows:

SEC. 4. In carrying out the provisions of this joint resolution the President is authorized, to such extent and in such manner as he finds and prescribes as necessary to the efficient and coordinated administration of the powers exercisable under this joint resolution, to—

(a) Establish and prescribe the duties and functions of governmental agencies (including corporations with corporate authority only as approved by the President and within the scope of this joint resolution);

(b) Utilize and prescribe the duties and functions of any governmental agency (including a corporation);

(c) Consolidate, redistribute, abolish, or transfer the functions and/or duties of, and transfer the property and/or personnel of, any emergency governmental agency (including a corporation); and upon the transfer to another agency and/or the abolition of all the functions and duties of any agency, such agency shall cease to exist; and

(d) Delegate the powers conferred on him under this joint resolution to any governmental agency (including a corporation).

Mr. KVALE (interrupting reading). Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KVALE. Since this is an appropriation measure, is it not subject to amendment at the conclusion of the reading of each paragraph?

The CHAIRMAN. This is a legislative bill as well as an appropriation bill, so it is read by sections.

The Clerk concluded the reading of section 4.

Mr. TABER. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 5, line 13, after the semicolon, insert the following: "*Provided*, That no duties or functions shall be prescribed under this act which shall place the Government in business, directly or indirectly, or through any Government-controlled corporation, in competition with private industry."

Mr. BUCHANAN. Mr. Chairman, I make the point of order on the amendment that it is not germane to the section.

The CHAIRMAN. The Chair will hear the gentleman from Texas.

Mr. BUCHANAN. It is not germane to the part of the bill where it is offered in that it seeks to limit the power and defeat the very purpose of the joint resolution, because every business in which the Government engages necessarily is more or less in competition with private business.

Mr. TABER. Mr. Chairman, this amendment limits the duties and functions which may be prescribed by the President and is clearly germane to this part of the joint resolution. It is drawn so that it specifically applies to the particular section to which the amendment is offered.

The CHAIRMAN (Mr. O'CONNOR in the chair). The Chair is ready to rule.

The gentleman from New York offers an amendment to subdivision (a) of section 4.

This subdivision reads as follows:

Establish and prescribe the duties and functions of Government agencies (including corporations with corporate authority only as approved by the President and within the scope of this joint resolution).

The gentleman's amendment is as follows:

*Provided*, That no duties or functions shall be prescribed under this act which shall place the Government in business, directly or indirectly, or through any Government-controlled corporation, in competition with private industry.

It has been held that to a provision delegating certain powers, a proposal to limit such powers is germane. This amendment clearly limits the powers prescribed in the original section and the Chair overrules the point of order.

Mr. TABER. Mr. Chairman, this amendment is designed to prevent the Executive or those agencies that he may designate from establishing socialism in this country. It is designed to stop such things as the Reedsville operation out in West Virginia, that was entered into by the Executive and the P. W. A., which was clearly in violation of the intent of Congress.

It is designed to stop the waste of the people's money by putting the Government into business to drive private industry out of business, instead of furnishing relief or relief employment.

We had a good illustration of this when we passed the $3,300,000,000 act, for there $1,700,000,000, which was allocated by the P. W. A. to relieve unemployment, so-called, but really for pet projects partly designed to put the Government in business, is still unexpended and has not yet been used for relief, although 20 months have elapsed since the money was made available.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I cannot yield, as I have only 5 minutes.

Unless this Congress puts its foot down now on this kind of operation, this is what this $4,000,000,000 will be used for. It will not be used for relief. It will be used to put the Government into things that we ought not to get into. Let us put our foot down and put this limitation on in such a way that we can stop this kind of way of doing business.

Let us stand up for an opportunity for America to recover. Let us stand up for an opportunity for putting people back to work and not putting them out of work.

I hope this Congress will take to heart the lesson of the abuse of the authority that was granted in June 1933, where they have not spent the money which was appropriated for relief, but have put it into pet pork-barrel projects, and that Congress will not permit the socialization of industry by a bill of this kind, which is designed and put forward in the name of relief.

I know that the heart of this Congress wants to stop this sort of thing, wants to put a brake on it. Let us show our heart and stand up for the right, for the preservation of honest government in the United States and for the preservation of an opportunity for private industry to recover.

Mr. Chairman, I hope the amendment will be adopted. [Applause.]

Mr. BUCHANAN. Mr. Chairman, let us consider well before we adopt any amendment that will practically prevent the President from taking three and a half million men off the relief roll and giving them security work. This amendment, if it is complied with, will do that, because nearly every useful work you can find in the United States, or at least most of it, comes into competition at least in some degree with private enterprise, because private enterprise has explored and undertaken to engage in activity of practically every describable character.

So that if strictly construed you would prevent the President from carrying out his program.

Let us see what the President said, and I read from his message of January 3, 1935, to this Congress. In the interest of creation of private employment he says this:

The projects undertaken should be selected and planned so as to compete as little as possible with private enterprises.

That is what the President says. That is the principle that is going to guide the President in selecting these projects. And, my fellow countrymen, whether they compete or do not compete, this Government must get three and a half million men off the dole and onto work. [Applause.]

The President further says in this same message:

This suggests that if it were not for the necessity of giving useful work to the unemployed now on relief, these projects in most instances would not now be undertaken.

That is his position.

Mr. O'MALLEY. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. O'MALLEY. The gentlemen on this side do not object to the R. F. C., and that is in competition with private business, but it happens that it is to the benefit of our capitalistic friends. We want to do something for the unemployed, and they find objection.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate upon this amendment close in 5 minutes. Is there objection?

Mr. MARTIN of Massachusetts. Mr. Chairman, I object.

Mr. WOODRUM. Then, Mr. Chairman, I ask unanimous consent that it close in 10 minutes. There are a great many amendments. We want to complete the bill today and we hope the Committee will cooperate with us, to have reasonable debate upon the amendments.

Mr. PETTENGILL. I object.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that all debate upon the amendment close in 10 minutes. Is there objection?

Mr. SHANNON. Mr. Chairman, I object.

Mr. BULWINKLE. Mr. Chairman, there were only three hours of debate upon the resolution and the promise was made that there would be liberal debate under the 5-minute rule.

Mr. WOODRUM. If the gentleman had any idea of how many amendments there are, he would realize the necessity for this action. We want to finish the bill today. I withdraw the request.

Mr. PETTENGILL. Mr. Chairman, I offer the following amendment as a substitute for the Taber amendment, which I send to the desk and ask to have read.

The CHAIRMAN. The gentleman from Indiana offers a substitute for the amendment of the gentleman from New York which the Clerk will report.

The Clerk read as follows:

Substitute amendment offered by Mr. PETTENGILL: After the semicolon on page 5, line 13, insert the following:

"*Provided*, That nothing contained in this section shall be construed to authorize the creation of Government agencies, including Government-owned corporations, which shall engage in manufacturing in competition with private industry: *Provided, also*, That nothing herein shall apply to navy yards, shipyards, or arsenals now engaged in manufacturing supplies or munitions for national defense."

Mr. PETTENGILL. Mr. Chairman, I offer my amendment as a substitute for the amendment offered by the gentleman from New York [Mr. TABER], because I think it is a better amendment. It excludes Government navy yards, arsenals, and ship yards for national defense, and it is limited to manufacturing. I contend, my friends, and especially my Democratic friends, that this amendment will help the bill and will give added confidence to the country in this program. The President of the United States, in his opening message, said that he was in favor of preserving the profit motive in this country. He said he was opposed to the Government competing with private industry, but private industry does not have the same confidence in all of the representatives of the executive branch that it has in the President, and this will reassure the country that the program is not to be carried out as proposed by such men as Mr. Hopkins, and those in charge of the Reedsville experimental plant. The President has offered this program as a stop-gap until private enterprise can take up the slack; and in God's name let us not discourage private enterprise from taking up the slack; let us encourage it in every way we can. I said that the business men of this country did not have the same confidence in every agent of the administrative branch that they have in the President. We know what happened with the Reedsville project. This House expressed its opposition to that. Did they respect the will of this House? No. When the bill went over to the Senate they put the factory back in again. It then came here and we killed it a second time by a 3-to-1 vote. Did they respect that expression of the will of the legislative branch? No; because in the closing week of the Congress they tried to sneak the same thing through in the Rules Committee, and we had to go up there and kill it the third time.

And let me say that today's papers state that the officials of the Subsistence Homestead Corporation announce a loss at Reedsville of more than half a million dollars—over $3,000 on each house constructed. This loss will be charged up to experimentation and errors of judgment. Think of the food and clothing this $500,000 would have bought. If we had let them build the factory there, they would have lost another half million.

And then Mr. Sinclair, from California, came east last fall with his epic plan of government-owned farms, factories, canning plants, refrigerating plants, warehouses, and so forth, and talked to Mr. Hopkins, and Mr. Hopkins is reported in the press to have said that Sinclair "is one of us."

I want to say that if Mr. Hopkins is in defiance of the platform of the party that is in power, if he is in defiance of the expressed will of the President of the United States, if he is going to have anything to do with spending this $4,000,000,000, and if he has the same views that he expressed to Mr. Sinclair, we need this limitation in the bill. [Applause.] I offer this amendment in the sincere belief that it will help the magnificent program of the President to end the dole in America.

As long as we are gambling these huge sums on recovery, why not loan money to industry so they can reemploy their men in their old jobs—having the Government guarantee 20 percent of the risk in the same way—as in the Housing Act for better construction?

The CHAIRMAN. The time of the gentleman from Indiana [Mr. PETTENGILL] has expired.

Mr. MAPES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire to support this amendment. Personally I prefer the substitute offered by the gentleman from Indiana, which is confined strictly to manufacturing establishments and avoids the criticism of the gentleman from Mississippi [Mr. RANKIN]; but without reference to the exact language—that can be perfected if necessary—I think the principle ought to be incorporated in this legislation.

I expect to vote for this joint resolution on its final passage, but there are many errors, both of commission and of omission, in the resolution as it is written. There are 20,000,000 people in this country on relief at the present time. The truth is that more people are out of work today than at any time since this depression started. Why is that? It is partly, if not largely, because business has not the confidence to go ahead, to branch out, or undertake anything new that will require any additional employment. It is because business is afraid. It is afraid that the Government will go into competition with it. It is afraid to build a new factory or to expand any for fear the Government may start up a business across the street and engage in direct competition with it.

One of the errors of omission in the resolution is that it contains no provision such as this amendment prohibiting the use of the money to be appropriated to engage in business in competition with private industry. Such a provision in the resolution would improve it materially.

Mr. KELLER. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from Michigan [Mr. MAPES] has expired.

Mr. COX. Mr. Chairman, I move to strike out the paragraph.

This bill carries the broadest delegation of power ever proposed in the history of free governments. To protect and to promote the general welfare by providing relief from the

hardships attributable to wide-spread unemployment and conditions resulting therefrom, to relieve economic maladjustments, alleviate distress, and improvement of living and working conditions, approximately $5,000,000,000 are appropriated to be expended in the discretion and under the direction of the President. It empowers the President to create and establish governmental agencies, including corporations with corporate authority, and to prescribe the duties and functions thereof. It empowers him to consolidate, redistribute, abolish, or transfer the functions, duties, property, and personnel of any governmental agency to another such agency. It empowers him to continue in existence any existing agency the life of which is limited to existing law, which means the power to reenact legislation which terminates by provisions of law. It empowers him to redelegate the powers conferred on him to any governmental agency, including a corporation now in existence or that may be created by him. It empowers him to guarantee loans or the payment of loans made to needy individuals; to make, grant, or loan; to acquire by purchase or condemnation any real or personal property, and to improve, develop, maintain, grant, sell, or to lease or otherwise dispose of the same. It empowers him to promulgate rules and regulations with respect to all that he may do, and makes the violation thereof a penal offense punishable by fine and 2 years' imprisonment, either or both. In other words, it is the delegation of power to the Executive to do anything that his judgment might dictate will effectuate the purposes of the act. All of which means that the President is here being empowered to demolish and reconstruct the machinery of government and to reform the economic and social relationships that exist between the people. It is an outright delegation of a legislative power which alone is vested in the Congress and which it has not the right to delegate to another.

The argument that opposition to the bill is expressive of a lack of confidence in the President is an unworthy one. It is an effort to make men debase themselves by submitting to fear. The more worthy contention is that support is in obedience to the mandate of the people who possess the right of authority to dictate. I deny, however, that the people have given such a mandate. Government functions in accordance with forms of law, and in this I find my oath to defend and support the Constitution, which I believe this act violates, both in spirit and letter, and therefore I cannot and should not be expected to give it my support in its present form. [Applause.]

I do not question the loyalty and patriotism of those who may differ from me. Each Member has his own conception of duty to perform, his conscience to keep. Each is endeavoring to act in accordance with his own understanding of what is right, which, after all, is his idea of virtue introduced into politics.

The act could have been drawn giving to the Executive all the power necessary to its administration and without violating the Constitution, but under the circumstances this cannot here and now be done. It can, however, be improved and made less offensive to the law by the elimination or the rewriting of the latter part of the bill.

It is not what I fear the President will do in the administration of the act which disturbs me but is that which he is empowered to do. No man could be great enough or good enough—and the President is as good and as great as the greatest and the best of men—to be permanently intrusted with all the powers of Government, and this renewal of extraordinary power granted under unusual and extraordinary conditions goes a long way toward permanency of the grant.

I probably do not understand the philosophy that underlies all that is being done. I can see a clear intention to cure as far as possible the physical and social ills that inflict the country.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. Cox] has expired.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to continue for 3 additional minutes.

Mr. WITHROW. Reserving the right to object.

Mr. BUCHANAN. Reserving the right to object, I am not going to object to the gentleman from Georgia having an extension of 3 minutes, but hereafter I am going to object to any extension. The gentleman from Georgia [Mr. Cox] wanted time under general debate, and it was impossible for me to give it to him. Therefore I will not object to his request.

Mr. COX. I thank my colleagues, particularly my colleague from my State.

Mr. WITHROW. Mr. Chairman, reserving the right to object, some of us would like to be heard on this amendment as well as the gentleman from Georgia, and I think it would be no more than fair that we be given such opportunity.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. I think I can see a definite and fixed purpose to strike down inequalities which are the result of impediments having been heaped upon some to give advantages to others; a tendency toward the diffusion instead of the concentration of wealth; a movement toward the subdivision of large masses, the rectification of the institution of private property, the holding of the scales with equal justice as between man and man. All this I, of course, approve; but as to whether it is necessary to temporarily suspend the force of substantive law until this reformation and transition can be made complete, I do not know. It may be that this is true and if so, and if this higher state of morality and justice can be wrought out, it will probably be considered as having been obtained at a bargain price. But is not the risk to liberty too great to justify the experiment? Cannot these same results be obtained or closely approached through the reformation of the rules of action set up to govern human conduct? Can they not be obtained through constitutional processes and without hazard to representative government?

It may be that these are questions which futurity alone must determine. That which disturbs me most is the apparent tendency to grind everything down to a dead level which means paralyzing individual effort and enterprise. This is what the exchanging of liberty for equality means. So, as to the direction one shall travel, all depends upon the way the signboard seems to point. To me it points toward government by men and away from government by law. It is with regret that I interpret the provisions of the act to be inconsistent with the spirit of American liberty and a violation of the Constitution. [Applause.]

[Here the gavel fell.]

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment and to the substitute amendment.

Mr. Chairman, I rise in opposition to this amendment and to the substitute amendment because they constitute nothing more nor less than an unwarranted attack upon this bill. You might as well strike out the enacting clause, for the effect of the pending amendments will be to hamstring the bill, emasculate, and destroy utterly its efficacy. That is why I am bitterly opposed to them, and I hope the Committee will vote them down decisively.

Doubtless those in charge of the spending of this money have the right to spend it for slum clearance, rural housing, rural electrification, reforestation, soil erosion, and so forth; and these operations undoubtedly will involve coming into competition directly or indirectly or remotely with private industry and enterprise. It would involve the businesses of roofing, foundation building, bricklaying, contracting, plastering, carpentering, plumbing, and so forth, and might to some extent impinge upon the manufacturers, dealers, and workers in steel and iron and all metals, granite, marble, limestone, and so forth. So, again I say, if you want utterly to destroy the bill, continue to offer such amendments; but I verily hope and believe that we on this side will vote them down.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. RICH. If I interpret correctly the amendment which was placed in the bill and the statement the gentleman has

made with reference to the effect of the bill, there is really nothing in the statement the gentleman has just made.

Mr. CELLER. I do not agree with the gentleman.

Mr. BULWINKLE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield.

Mr. BULWINKLE. The gentleman states that if the amendment or the substitute is adopted it will destroy the bill.

Mr. CELLER. Absolutely; such action will destroy it. I say so.

Mr. BULWINKLE. Does the gentleman mean to tell the House, then, that this is the time and place to authorize in this bill that all manufacturing shall be started?

Mr. CELLER. I say that if we carry out the provisions of the amendment or the substitute, you will not be able to do anything under this bill of any consequence. You make it a nullity.

Mr. Chairman, I refuse to yield further.

I am in thorough sympathy with those who want to keep private industry more or less intact, to make it prosper and to have the Government recede from encroaching upon private enterprise. But we are in perilous times. Private industry is in the doldrums. People must work, else they perish. If that work cannot be supplied "privately", it must be supplied "publicly." Take, for example, the banks of my own city of New York. They are bursting with funds. The Guaranty Trust Co., the National City Bank, the Chase Bank—they have each over $1,000,000,000 of deposits; but let business men go to those banks and try to effect loans and you will see how they are met with denials right and left. The R. F. C., the Government, must, perforce, step in and help private industry. Some agency must supply the credit. I would rather see the R. F. C. go out of business and private bankers take over the functions of banking in New York City, but they will not do it. I charge that many of the banks in New York City are hurting, not helping, business, and therefore we must step in. Where private banking and industry have been woefully lacking, we must set up these governmental agencies to take care of the work private banking and industry should do. I do not wish to appear unduly harsh upon the banks back home, yet they deserve severe criticism.

Let me cite a specific instance of failure of banks in New York to cooperate. It is the case of a merchant of New York City who applied to the R. F. C. for a loan of $50,000. The R. F. C. said the condition of the man's business factory was such as to entitle him to $100,000. The R. F. C. in Washington issued an order that they would grant $100,000 as a loan on condition that the two banks in question in New York City take 40 percent of the loan, namely $40,000; but they refused to take the 40 percent and wanted the Government to carry the entire loan. The R. F. C. examined and scrutinized the facts in the case most carefully; its proffer of $40,000 of the loan to be taken by the banks was reasonable. There was no risk that could have been deemed unreasonable. This is the best illustration in the world of the necessity for the Government's stepping in when private industry, private banks, and private merchants refuse to do their duty.

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close at 3 o'clock.

Mr. KVALE. Mr. Chairman, reserving the right to object, will not the committee chairman include in his request the request that bona fide amendments be offered first, in order that we may have a chance to have them explained?

Mr. BUCHANAN. Mr. Chairman, I have no objection to bona fide amendments being offered first.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MOTT. Mr. Chairman, I object.

Mr. BUCHANAN. Then, Mr. Chairman, I move that all debate on section 4 and all amendments thereto close at 3 o'clock.

The question was taken; and on a division (demanded by Mr. RICH) there were—ayes 167, noes 80.

So the motion was agreed to.

Mr. MAAS and Mr. LUDLOW rose.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana, a member of the committee. For what purpose does the gentleman rise?

Mr. LUDLOW. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Indiana [Mr. PETTENGILL].

The CHAIRMAN. Under the rule, on any amendment there is permitted only 5 minutes in support and 5 minutes in opposition to the amendment.

Mr. LUDLOW. Mr. Chairman, I am wondering whether I shall be able to pour some oil on the troubled waters. Like the distinguished gentleman from Michigan [Mr. MAPES], I intend to vote for the passage of this resolution, but I do not believe that it is so inviolable and so sacrosanct that it cannot be made better by a good amendment. I hope that my colleagues on the Democratic side of the Chamber will accept the substitute amendment offered by my friend, the gentleman from Indiana [Mr. PETTENGILL]. I believe sincerely and truly that this amendment could be adopted without injury and with vast improvement to the resolution.

Those who are acquainted with me know that this amendment embodies a principle that is very dear to my heart. It is one of my old loves. The principle involved in the amendment, that is to say, the principle that Government should not enter into manufacturing enterprises to the destruction of private industry, is not new to the House of Representatives. The same principle that is embodied in this substitute amendment was approved by the Membership of this body by a 3-to-1 vote when the House in the last session overwhelmingly adopted an amendment I introduced expressing disapproval of the allocation of $550,000 of public-works funds by Secretary Ickes to establish a governmental factory in West Virginia that would have dismantled, demobilized, and destroyed one of the oldest and best manufacturing establishments in my congressional district. This proposition is very close to the State of Indiana, and it is going to be close to a lot of other States unless you adopt the Pettengill amendment.

When the Congress last year appropriated $3,300,000,000 for public works, not one single Member of either branch of the Congress ever entertained a thought that any part of that money would be used to establish the Government in business in opposition to private industry. Yet, notwithstanding that fact, Mr. Ickes was proceeding, until he was stopped by this House, to put the Government into competitive business. The amendment before the House, if adopted, with the substitute amendment of the gentleman from Indiana [Mr. PETTENGILL], will firmly establish a most wise and salutary policy in this country. It will serve notice on Mr. Ickes that no part of the $4,000,000,000 appropriated by the pending bill for public works shall be used to erect factories to compete with private industry. Unless this amendment is adopted, every congressional district represented on the floor of this House will, I fear, rest under a menace of governmental interference with private industry.

Mr. Chairman, I should like to see this amendment adopted unanimously. When I support this amendment to keep the Government out of business, I am thinking of a lot of splendid workingmen out in the State of Indiana, in the city of Indianapolis, who would be thrown out of work and whose families would either starve or go on relief rolls if the Government should resurrect the Reedsville post-office furniture-factory proposal. I do not want that project revived because of the great injury it would do to the laboring men of my home city, and I hope I am unselfish enough to want to protect the laboring men of every other district and city in the United States against the menace that will hang over them like a sword of Damocles if the Government embarks on the policy of establishing Government factories that will close the doors of privately owned plants. What privately owned establishment is there anywhere that can compete with the tremendous resources of the United States Treasury? When a Gov-

ernment factory fails, the loss is simply written off against the taxpayers, but private factories have no good Uncle Sam to write off their losses. From the standpoint of humanitarianism, of what advantage is it if we are to provide a livelihood for some miners in West Virginia if by so doing we destroy a manufacturing plant in Indianapolis and take away the livelihood of its employees? The whole policy of Government incursion into business is wrong, fundamentally wrong, and we ought to provide by the adoption of the amendment now before the House that no part of the great $4,000,000,000 relief fund we are now appropriating shall be used to put the Government into business in competition with private industry.

In my opinion, nothing this Congress could do would so encourage and stimulate legitimate business, so enthuse it with the spirit of confidence and the determination to go ahead, as the adoption of this amendment would do; and if we are ever to have permanent and solid recovery, business must be encouraged and strengthened, so that it may take over into regular jobs the millions now on relief rolls. I believe the adoption of this amendment would be the greatest favor that could be rendered to President Roosevelt. It would fortify him to resist a lot of wild incursions of Government into business that will undoubtedly be proposed as a means of dissipating the $4,000,000,000 fund, but more important than that, it would impress upon the honest and patriotic business interests of the country a conviction that the better day is really near at hand.

Mr. OLIVER. Mr. Chairman, I offer an amendment to the pending amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. OLIVER to the substitute offered by Mr. PETTENGILL: At the end of Mr. PETTENGILL's amendment, after the word "defense", strike out the period, insert a comma, and add "or other Government agencies now established or authorized to be established by existing law."

Mr. OLIVER. Mr. Chairman, if the amendment offered by the gentleman from Indiana should be adopted, and I hope it will not, it would seriously embarrass the Government in many activities now established and operating under existing law, and so I have offered an amendment to modify its effect, if adopted.

Mr. PETTENGILL. May I ask the gentleman a question? Is the gentleman offering the amendment to help my amendment or to defeat it?

Mr. OLIVER. I offer my amendment to prevent the gentleman's amendment doing harm to existing agencies of the Government.

Mr. PETTENGILL. Then the gentleman is sympathetic with the amendment I offered?

Mr. OLIVER. No; I am opposed to it.

Mr. PETTENGILL. I mean as changed by the gentleman's amendment?

Mr. OLIVER. No.

Mr. PETTENGILL. As changed?

Mr. OLIVER. No. This amendment I offer will prevent the gentleman's amendment from seriously interfering with existing agencies of the Government.

Mr. PETTENGILL. Will the gentleman support my amendment if it is amended as the gentleman suggests?

Mr. OLIVER. No. The gentleman in his amendment makes certain exceptions, namely—

Provided, nothing herein shall apply to navy yards, shipyards, or arsenals now engaged in manufacturing supplies or munitions for national defense.

And certainly no one here wants to interfere with such activities. My amendment adds the further proviso—

Or other Government agencies now established or authorized to be established by existing law.

Mr. MAY. Will the gentleman yield?

Mr. OLIVER. I yield to the gentleman from Kentucky.

Mr. MAY. Does the gentleman have reference to the other governmental agencies now established by existing law engaged in business in competition with private industry?

Mr. OLIVER. I have reference to all agencies that are or may be established under authority of Congress.

Mr. MAY. Then the gentleman's idea is to continue these industries in business in competition with private industry?

Mr. OLIVER. Yes.

Mr. TABER. Will the gentleman yield?

Mr. OLIVER. I yield to the gentleman from New York.

Mr. TABER. The amendments which have been offered only attempt to limit the functions that may be prescribed under the bill?

Mr. OLIVER. The gentleman may think so; but if he will read the amendment, he will find it is much broader than that. The amendment would seriously hamper, if not destroy, many Government agencies now established and operating under existing law, and prohibit the President from using such agencies to carry out the purposes of the bill now being considered. It would seriously interfere with the agency known as the Tennessee Valley Authority. It would seriously interfere with the aircraft plant or factory located in Pennsylvania. I could mention many others, but those mentioned will suffice to show how unwise it would be to adapt the pending amendments.

Mrs. JENCKES of Indiana. Mr. Chairman, will the gentleman yield?

Mr. OLIVER. I yield.

Mrs. JENCKES of Indiana. Has the gentleman in his district any canning factories or mattress factories that are operated under the relief agencies that are today in competition with private industry? Do not these factories take away from our duly constituted agencies the right to manufacture or make beds for the poor?

Mr. OLIVER. Yes; the Government has been engaged in canning in my district for the relief of distress, and I am not opposed to such activity as carried on in my district.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. OLIVER. Yes.

Mr. BUCHANAN. The pending amendment, together with the gentleman's amendment, would prohibit the President from establishing a subsistence homestead near a large tract of timber, where no sawmill is available, and would prohibit the authorities from putting up a little sawmill and sawing lumber to build houses on subsistence homesteads in which to place those needing aid. In other words, all amendments, the gentleman's amendment and all others, ought to go out of the bill.

Mr. OLIVER. I offered the amendment purely for the purpose of protecting the Government, should the House, by any chance, vote favorably on the Pettengill amendment. I am not in favor of the amendment offered by the gentleman from Indiana [Mr. PETTENGILL] and feel that it should be defeated.

Mr. BUCHANAN. That is what I wanted to bring out.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. OLIVER. Yes.

Mr. MAY. In the case stated by the chairman of the committee, does not the gentleman suppose there are lots of private sawmills that could be got into such a large body of timber to cut lumber for the Government?

[Here the gavel fell.]

Mr. LLOYD. Mr. Chairman, the Pettengill amendment, in my judgment, should be considered with the greatest care by this House. I do not know that even the wording of this amendment is entirely suitable. I do not know but what it could be improved upon, but certainly, in my judgment, it improves the bill as originally written.

Let me recall to the attention of the House, if I may, that only about a year ago we had before this House a great project for the manufacture of furniture at Reedsville, and in no uncertain terms this House voted down that project. Now there is not one, but by virtue of the F. E. R. A. funds, where we gave a blank check, there are a dozen furniture factories in the United States in defiance of the principle adopted by the Congress.

I have in my files letters which indicate that a careful survey has shown that over 2,500 garment-manufacturing plants have been established under the authority of the

F. E. R. A. and certainly in violation of what this House contemplated at the time we voted the appropriation.

Mr. PETTENGILL. If the gentleman will permit, he said, "under the authority", when he meant "against the authority."

Mr. LLOYD. Against the will of this House.

Mr. ZIONCHECK. Mr. Chairman, will the gentleman yield?

Mr. LLOYD. Over 1,500 shoe factories, of which 5 are in the city of my friend from Washington, who now rises——

Mr. ZIONCHECK. Is it not true that if they had not manufactured them in this manner, the unemployed would have fewer clothes, fewer shoes, and would have been colder and barefooted?

Mr. LLOYD. Let me suggest to the gentleman that every time a Government agency that cuts a piece of cloth to manufacture a garment, every time you cut a piece of leather to make a pair of shoes through a Government agency, you are putting a 5-dollar-per-day man on the relief rolls to fill his place with a $50 per month man in your competing relief set-up. [Applause.]

Mr. OLIVER and Mr. RICH rose.

Mr. OLIVER. Mr. Chairman, I ask unanimous consent to withdraw the amendment offered by me for the reason that I feel I have shown to the House what the disastrous effect would be on Government agencies if the amendment offered by the gentleman from Indiana was adopted. I am opposed to the amendments offered by the gentleman from New York [Mr. TABER] and the gentleman from Indiana [Mr. PETTENGILL] and favor the passage of the resolution as amended by the Committee on Appropriations without further change.

The CHAIRMAN. Without objection, the Oliver amendment is withdrawn.

There was no objection.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Indiana [Mr. PETTENGILL].

Mr. TABER. Mr. Chairman, I accept the amendment.

The question was taken; and on a division (demanded by Mr. PETTENGILL) there were—ayes 83, noes 145.

Mr. PETTENGILL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. PETTENGILL and Mr. BUCHANAN.

The Committee again divided, and the tellers reported that there were 91 ayes and 172 noes.

So the substitute was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken and the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Georgia [Mr. COX].

The question was taken, and the amendment was rejected.

Mr. BACON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BACON: On line 15, page 5, after the semicolon, add the following: "*Provided*, That no governmental agency or corporation shall be empowered with duties and functions, nor shall it exercise or utilize any duty or function, the effect of which would engage Government competition with private industry, except in the development and sale of hydroelectric power; and provided also that nothing herein shall apply to navy yards, shipyards, or arsenals now engaged in manufacturing supplies or munitions for national defense."

Mr. BUCHANAN. I make the point of order that that is practically the same amendment that we have just voted on.

Mr. BACON. And I call attention to the fact, Mr. Chairman, that this is offered to a different paragraph.

Mr. BUCHANAN. But the same section.

Mr. BACON. And it also is a different amendment, in that it specifically excepts the manufacturing, development, and sale of hydroelectric power.

The CHAIRMAN. The Chair is ready to rule. The Taber amendment proposed to amend subdivision (a), which relates to agencies that may be established. The amendment offered by the gentleman from New York [Mr. BACON] pertains to subdivision (d), which refers to existing agencies, and the point of order is overruled.

Mr. BACON. Mr. Chairman, this amendment has the same practical effect as the amendment offered by the gentleman from Indiana. It is beginning to be apparent that the spokesmen for the administration on the floor of this House have every intention of putting the Government into business in competition with its own citizens, or at least of making it easy to do so.

I prefer to rely on the statement made by the President in his annual message to Congress. I prefer to rely on the testimony offered before our committee—both of these statements to the effect that the administration does not contemplate putting the Government into competition with its own citizens in carrying out the provisions of this resolution. If I may rely on the President and his spokesmen before our committee, I see no reason why we should not write into the law what they have promised us and the people of the United States. [Applause.]

State socialism of industry should not be fostered under the guise of relieving the unemployed. Private initiative should be stimulated and not further restrained through fear of Government competition or threats of such a policy. Private ownership, if faced with such competition and threats, will inevitably tend to liquidate with losses to innocent private investors; will greatly increase the unemployment for the normally employed; will wipe out all profits from which come Federal taxes; and will finally result in fear and unrest in the field of business and industry that will substantially delay the return of confidence, without which real and permanent recovery cannot be made.

I have specifically exempted the development and sale of hydroelectric power to quiet the nerves and apprehensions of my friend from Alabama so that he will not think that in any way I am attacking his pet, the T. V. A. Therefore, Mr. Chairman, unless we deliberately want to encourage the Government to compete with its own citizens, I hope the amendment will be adopted. I also recall to my friends that the President himself has stated that unless private industry takes up the slack of unemployment there is no eventual solution of the unemployment situation. Private industry can never take up the slack of unemployment if it is being continually threatened and harassed with competition or the fear of competition from its own Government.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment. The same arguments made on the floor today have been made by the gentlemen on the other side very frequently in the past. They are fearful that the Government will destroy private industry. I recollect that the same arguments were made in 1912 and 1914, when we tried to increase the facilities of our arsenals and navy yards so that the Government could produce powder and other necessary supplies for the Army and Navy. At that time these same gentlemen were fearful that we would destroy private industry. Only a few days ago we read of the investigation being conducted on the part of the Naval and Military Affairs Committees and a special munitions investigating committee, showing that the Government has been robbed of millions and millions by the Du Ponts and other powder and munitions manufacturers.

I fear that again today these gentlemen on the other side have in mind these industries that have been so patriotic in the past that have mulcted the Government out of millions of dollars. Gentlemen across the aisle fear that we are going to paralyze business. From 1918 to 1932 the Government, under Republican administration, did not interfere with any of the private industries. Notwithstanding that our country had the greatest crops and that business was not interfered with, your big business brought about ruin and destruction to our Nation. Were it not for the destruction brought about by big business that you are so greatly interested in, this legislation now before us would not be necessary. You know that these conditions were brought about by private industry; that makes this legislation necessary. I feel it a solemn duty to cooperate with the President in the hope of again putting the country on a prosperous business basis through private

employment and putting men to work in every section of the Nation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. McCORMACK. I call the attention of my friend and my Republican colleagues to the fact that on March 4, 1933, private business was at a very low ebb, and under the present administration, which private business feared, private business has made great progress toward its return to normalcy.

Mr. SABATH. I notice some gentlemen on the Republican side laughing. If they will but consult their own Republican newspapers, they will see that these papers admit that the financial reports of all of the industries show a profit, while during the years 1930 and 1931 and 1932 they showed great losses. We are making progress, we are improving conditions, and were it not for dilatory tactics on the part of the Republicans we would have advanced farther, and many more hundreds of thousands of people would have been employed by this time.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SABATH. In a moment. I believe it is our duty to stand by the President who is sincere, and put the millions that the Republican administration put out of work back to work again so that they can provide for their near and dear ones. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman speaks of the fact that industry is improving. I ask him what has happened to the granite industry, the marble, the limestone industry which have been cut out under the building specifications of the P. W. A.?

Mr. SABATH. Of course, we are not using perhaps as much Indiana limestone since the great statesman from Indiana, Jim Watson, has ceased to control the construction divisions of our Government and since we have stopped the building of marble pillars and are using plain material on all our projects. There having been a noticeable reduction in the number of suicides in the past 22 months, we do not use marble or granite, as we did, for the unfortunates who, in despair, filled our cemeteries, due to the greatest scourge of destruction brought upon this country by those interests always in control under a Republican regime.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. But we are using other material that is not so expensive.

Mrs. ROGERS of Massachusetts. While millions have been put out of work.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BACON].

The amendment was rejected.

Mr. EDMISTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. EDMISTON: Page 5, line 13, after the colon, insert: "*Provided*, That all officers and employees whose salary is in excess of $4,000 per annum, who shall be appointed by the President under the provisions of this act, shall be subject to confirmation by the Senate of the United States."

Mr. BUCHANAN. Mr. Chairman, I make the point of order on the motion that it is not germane. There is a section of the bill to which it is germane, but it is not germane to this.

The CHAIRMAN. The Chair is ready to rule. The gentleman from West Virginia [Mr. EDMISTON] offers an amendment to section 4 of the resolution, line 13, page 5, which provides:

*Provided*, That all officers and employees whose salary is in excess of $4,000 per annum, who shall be appointed by the President under the provisions of this act, shall be subject to confirmation by the Senate of the United States.

Section 4 does not pertain to the appointment of any officer. That subject is contained in section 3, which has been passed. The Chair, therefore, sustains the point of order.

Mr. BUCKBEE. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. BUCKBEE: On page 5, line 15, after the semicolon, insert the following language: "in prescribing the functions of the governmental agencies utilized by the President he shall prescribe that $2,000,000,000 of the funds appropriated in this resolution shall be used in making loans to industry."

Mr. BUCHANAN. Mr. Chairman, I make a point of order against the amendment on the same ground that I did the previous amendment.

The CHAIRMAN (Mr. O'CONNOR). The Chair is ready to rule. The amendment offered by the gentleman from Illinois [Mr. BUCKBEE] is not germane to section 4. It might well have been germane to section 1. The Chair sustains the point of order.

Mr. SAUTHOFF. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SAUTHOFF: Page 5, line 21, before the semicolon insert a colon and the following: "*Provided*, That no change in the classification or compensation of any officer or employee shall be made in carrying out the provisions of this subsection, but changes in the title, designation, and duties of any such officer or employee deemed necessary in carrying out such provisions may be made."

Mr. BUCHANAN. Mr. Chairman, I make the point of order that the amendment might have been in order to a former section of the bill, where the President is authorized to fix the different salaries, but it certainly is not in order under this section.

Mr. BOILEAU. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman from Wisconsin.

Mr. BOILEAU. There is nothing in this amendment with reference to salaries. It is merely with reference to the civil service.

The CHAIRMAN. The amendment refers to the classification of employees, which is contained in section 3. The amendment offered by the gentleman from Wisconsin might have been germane to section 3, but it is not germane to section 4, and the Chair sustains the point of order.

Mr. NICHOLS. I offer an amendment, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. NICHOLS: At the end of line 13, page 5, add the following: "*Provided, however*, That any money authorized by the President to be spent for the prevention of soil erosion shall be spent under the direction of the Soil Erosion Service."

Mr. BUCHANAN. Mr. Chairman, I make the point of order that the amendment is not in order on this section at all. There is no money appropriated by this section. It is not germane, either.

Mr. NICHOLS. It is really a limitation, Mr. Chairman. It is a limitation of authority. I would ask the gentleman from Texas if he would reserve his point of order?

Mr. BUCHANAN. I will reserve the point of order for the time being.

Mr. NICHOLS. Mr. Chairman, I want to say at the outset that I did not introduce this amendment for the purpose of embarrassing the administration or embarrassing the gentlemen on the committee, but I seriously believe that this is a question which the Members of this House should consider.

From reading the bill now under consideration, I am constrained to be of the opinion that the President, in the spending of this money, will spend a great deal of it in the prevention of soil erosion. I seriously trust that he will. At the present time we have about four different divisions of emergency set-ups which have to do with the spending of money for soil erosion. In my opinion, one of the most important things that the people of the United States have confronting them today is the fact that we are standing idly by and permitting our soil to erode and wash away.

A reflection to not too ancient history will show us that in many nations, particularly in Asia, civilization has been destroyed because nations had permitted the fertility of the soil to be washed away. If we are to have a comprehensive and coordinated program of soil erosion, it is necessary that it not be scattered under three or four agencies, one working against the other, and it seems to me it should be put under one agency of government, which was created for that purpose, and in which there are experts. Those experts have ability and knowledge to properly protect our soils from erosion.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. NICHOLS. I yield.

Mr. JOHNSON of Oklahoma. Under the gentleman's amendment, it would prevent the Civilian Conservation Corps from doing soil-erosion work, would it not?

Mr. NICHOLS. No, sir. Under my amendment I would prevent the men in the Federal Emergency Relief Administration from having these little soil-erosion projects that do not amount to anything. I would stop the extension departments of the agriculture and mechanic arts colleges from going out and terracing this land that should not be terraced, and by so doing encouraging soil erosion rather than preventing it. I would stop the Forest Service from going out onto cultivated lands and putting on soil-erosion projects. I would simply put it under the department of Government, which, by its facilities and special training, is capable of stopping soil erosion. As long as it is under a half dozen different departments none of them will do it.

I was deeply shocked the other day to read in the press a statement by Secretary Ickes that the soil of Oklahoma was among the worst eroded of that of any State in the Union. The Secretary made this statement in connection with the approval of a soil-erosion project in my district.

But I do not doubt that what he says is so. Despite the fact that Oklahoma is one of the youngest States in the Nation, the ruthless manner in which her soil has been exploited is a shame and a disgrace. The farmers of today are already being punished for the sins of their fathers against the soil, and the farmers of tomorrow will face still greater suffering unless steps are taken to reverse the ruinous practices.

Dr. N. E. Winters, director of the soil erosion service in Oklahoma, declares that 85 percent of the 16,000,000 cultivable acres in Oklahoma are already suffering seriously from erosion damage and that 2,000,000 acres have been abandoned for that reason. Figures indicate that 440,000,000 tons of soil are annually washed from the cultivated fields of Oklahoma. It would require a fleet of 4,200 motor trucks of 2-ton capacity, loading and unloading every 10 minutes, working day and night throughout the entire year, to haul away this tremendous volume of soil.

I know that farmers in my district, who in the past have been indifferent to this tremendous loss, are now becoming alarmed. They are eager, even impatient, to cooperate with the Soil Erosion Service in an effort to stop the losses and rebuild the vitality of the soil.

In addition, I think that this program fits in perfectly with the President's idea for a balanced effort to build up the Nation's resources. While Civilian Conservation camps have been popular in my State in the few wooded areas where they were possible, similar camps to work toward saving the soil are much more eagerly sought at present. Saving the soil under the methods of the Soil Erosion Service will assist in the program to control floods by preventing the rapid flow of waters after rains, and will also prevent the damage or even ruin of proposed hydroelectric plants upon our principal waterways.

Soil-erosion camps established in scattered portions of the State will give all the farmers a chance to view the methods used, both in construction and in new planting and cultivation practices, to conserve the resources of the farms, and will cause these farmers, even outside the areas directly under the camps, to change their farming practices.

The Soil Erosion Service as constituted at present is doing a tremendous job in good shape. I favor giving this Service an increasingly large proportion of any emergency funds which are appropriated. I believe that this work will not only furnish employment where it is badly needed but will also result in building up the resources of the Nation and bringing about a permanent improvement of the economic status of the great agricultural regions.

These are some of the reasons for introducing my amendment. I wanted to call attention to the valuable service which is being rendered at present by the Soil Erosion Service and to insure the centralization of any other such programs in this department, where they would be handled by a well-informed and seasoned personnel, already functioning and in touch with the farmer and his needs.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. NICHOLS] has expired.

Mr. BUCHANAN. Mr. Chairman, I renew the point of order.

The CHAIRMAN (Mr. O'CONNOR). The Chair is ready to rule on the point of order. The amendment offered by the gentleman from Oklahoma [Mr. NICHOLS] is not germane to section 4, which merely prescribes the duties and functions of agencies. It might have been germane to section 1. The Chair sustains the point of order.

Mr. LORD. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LORD: On page 5, line 13, after the semicolon, insert: "*Provided*, That in prescribing functions and duties there shall be prescribed the following: $1,000,000,000 shall be expended for highways."

Mr. BUCHANAN. Mr. Chairman, I make the same point of order.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from New York [Mr. LORD] is clearly a limitation on the use of the money provided for in section 1. The amendment might have been germane to section 1, but it is not germane to section 4. The point of order is sustained.

The Clerk read as follows:

SEC. 5. In carrying out the provisions of this joint resolution the President is authorized (within the limits of the appropriation made in sec. 1)—

(a) to guarantee loans to, or payments of, needy individuals;

(b) to make grants and/or loans and/or contracts; and

(c) to acquire, by purchase or by the power of eminent domain, any real property or any interest therein, and improve, develop, maintain, grant, sell, lease (with or without the privilege of purchasing), or otherwise dispose of any such property or interest therein.

Mr. BUCKBEE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUCKBEE: On page 6, line 9, after the semicolon, insert the following language: "In prescribing the functions of the governmental agencies utilized by the President he shall prescribe that $2,000,000,000 of the funds appropriated by this resolution shall be used in making loans to industry."

Mr. BUCHANAN. Mr. Chairman, I make the point of order against the amendment that it is not germane to the section.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentleman from Illinois is not germane to section 5. The Chair sustains the point of order.

Mr. BULWINKLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BULWINKLE: Page 6, strike out lines 11 to 20, both inclusive, and in lieu thereof insert the following: "(c) to acquire by purchase any personal property or any interest therein, and/or acquire, by purchase or by the power of eminent domain, any real property or any interest therein, and improve, develop, maintain, grant, sell, lease (with or without the privilege of purchasing), or otherwise dispose of any such real or personal property or interest therein."

Mr. BULWINKLE. Mr. Chairman, I offer this amendment as a perfecting amendment to the section. The amendment offered by the gentleman from Texas, the Chairman of the Committee on Appropriations, leaves out the power of the President to purchase personal property, and I do not think that should be done. I understand it is considered that he has the power under existing law to purchase

personal property. If this be so, then I wish to ask the chairman if the President has not also the power to acquire, by the right of eminent domain, real estate?

Mr. BUCHANAN. No.

Mr. BULWINKLE. In which statute is he given the power to purchase personal property?

Mr. WOODRUM. That power is carried in section 1 of this bill.

Mr. BULWINKLE. Mr. Chairman, I want again to call the attention of the House to the way this bill was drafted.

We have heard the chairman of the committee state the President already had power to purchase personal property. Notwithstanding that, the bill came up on the floor of the House itself providing that personal property should be the subject of eminent domain. It was not until after I called the attention of the Democrats in the caucus and on the floor of the House to the matter that we had any amendments. If the committee amendment is satisfactory I withdraw my amendment, and in conclusion I wish to say that section 1 does not give the right to purchase personal property.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. CONNERY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: On page 6, line 9, after the word "contracts" insert: "But all such grants and/or loans to finance construction projects and/or contracts let for construction projects shall contain such provisions as are necessary to insure that all employees employed on such projects shall be paid not less than the rate of wage prevailing in the locality in which project is prosecuted."

Mr. BUCHANAN. Mr. Chairman, I reserve a point of order on the amendment.

Mr. CONNERY. Mr. Chairman, my amendment does not apply, let me say first of all, to the C. C. C. camps or to any work which the Government is doing itself. It applies to contracts, loans, and grants. It means, for instance, that if they are building a bridge across the Mississippi River out at Davenport, Rock Island, or some other place on a 70-30 basis, that the workers employed on the bridge are to be paid the prevailing rate of wages of that community and not simply $50 a month.

I may say to the Members on my side of the House: When you go back to your districts I am sure the men in your districts who work, the skilled workers and the day laborers, are going to ask you, "Did you vote to stop me from getting a decent living wage at my work?" Admiral Peoples, at the hearing before the committee, said they were going to pay $50 a month for such work. Now, $50 a month for a man and wife and from three to five children is not a very decent wage for them to live on.

Mr. COX. It is better than nothing, is it not?

Mr. CONNERY. Yes; it is better than nothing, of course. But we take care of horses and dogs and other domestic animals, and we feed them and keep them warm. We are dealing here, however, with human beings, and not dogs, horses, or animals; and I for one believe that human beings are entitled to more than starvation wages.

Mr. BUCHANAN. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BUCHANAN. I am sure the gentleman does not want to misrepresent Admiral Peoples. It was his testimony that the average wage would be about $50.

Mr. CONNERY. Well, the gentleman can call it by any name he wants, but an average wage of $50 still is not a decent living wage.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. BOILEAU. To have an average wage of $50 a month there must be some who will be paid above the average and, by the same token, some who will be paid less than the average.

Mr. CONNERY. That is it. There will be some who will be paid as little as $20 or perhaps even $10 a month.

The sole argument against my amendment that was used was that men will not go to work in private industry if you pay them more than $50 a month. Any skilled workman working on a bridge or working anywhere else and getting $1.20 an hour is worth that and more, and I am not going to help the United States Steel Corporation or any of the other big corporations of this country to reduce their wages, sanctioned by the United States Government setting the example. That is what we did in the Economy Act with the Government workers. The day we passed that bill the United States Steel Corporation put through a 15-percent cut on their workers.

It seems to me the whole story in connection with this amendment is: Are you for a decent living wage for working men and women in the United States or are you for a starvation wage of $50 a month?

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Massachusetts [Mr. CONNERY].

Our distinguished friend from Massachusetts is one of the most lovable men in this House. Even when we do not agree with him, and cannot support his amendment, all of us have for him great respect and deep affection. He renders here valuable service to his district and to the Nation.

He wanted to know what we would tell our skilled workmen when we go back home if we refuse to pass his amendment. I know what I will tell them in my district. I will tell them that this is strictly an emergency measure. I will tell them that it is not a wage-scale measure. I will tell them that it is not a bill to provide a decent living wage for American workmen in private industry. This bill has not anything to do with private industry. I will tell them that it is absolutely impossible for this Government to hire 12,000,000 unemployed heads of families itself and pay them $8, $10, or $12 per day, as neither this Government nor any other government on earth could raise enough money to do that. But we are in hopes that this Government can take the 3,500,000 men now on relief, now drawing doles, now with their hands held out for charity, now receiving $15, or $20, or $25 per month gratuity, and give them an honest job, let them do honest work, and let them earn what the Government pays, and is able to pay, even if it does not amount to more than $50 per month.

Mr. Chairman, when I go home I will tell my skilled workmen and my unskilled workmen and all of my other constituents that it would be an utter impossibility for this Government to attempt to employ all of the unemployed, and to pay them the kind of wages our colleague from Massachusetts has in mind. If we were to pass his amendment, it would not be possible, under this bill, to employ more than one-third of the number of men we expect to employ, and it would leave the other two-thirds without employment and without any chance to obtain the essentials of life for their wives and little children.

The dole must stop. It destroys self-respect. We must get our men back to work. Earning one's own living, whether large or small, restores initiative, self-reliance, self-respect, and manhood.

I know that I will be misquoted in what I am saying, and that I will draw the fire upon me from ardent supporters of the Connery amendment, simply because I oppose it. But, in opposing the Connery amendment, I have the President with me. He is not in favor of it. He does not want it placed on this bill. It would be hurtful to his plans and purposes. It would hamper him and obstruct him in his efforts to get away from the demoralizing dole and would interfere with his plan to provide honest work for self-respecting Americans who do not want charity.

Those who will chide and upbraid me will be chiding and upbraiding the President, because I am making for him the kind of speech he would make here himself, if he could be heard on this Connery amendment. Are you going to put it in this bill, when the President does not want it? Are you going to vote for it when it will obstruct the President's plans and purposes? Are you going to override the Presi-

dent and force him to abandon his plan to place men in work and make them feel that they are earning the bread and meat which their wives and little children eat?

There are thousands of men in Massachusetts, there are thousands of heads of families in New York and in every State in this Nation who have not made $50 a month in 3 years. All of them want work. It would be a godsend to them. There are thousands of heads of families who would be glad to get from the Government as honest pay for honest work, $50 of real, hard American money each month with which to buy groceries for their wives and little children, and to know at the same time that they have earned the money.

What money has this Government to give men jobs with? Not a dollar. It cannot pull itself up by its own bootstraps. The money it is spending is tax money which the Government takes from the people. It is money that ultimately has to be paid back in taxes that are wrung from the pockets of our constituents back home. I am glad to be able to assure the American citizens back in my district who have been without jobs for so long that this great Government is starting a movement whereby they may get a job again. Whether it be at $50, $60, $150, or whatever it may be, when they earn the money by their own work, it restores their manhood, it restores their initiative, it restores their self-respect, and it restores their self-reliance. It takes them out of the mire of despond and makes big, strong American citizens of them. That is what the President has in mind and that is the purpose of this bill. That is why our great Speaker is for it, that is why you find our Democratic leadership for it, and that is why you find the gentleman from Texas [Mr. BUCHANAN], who introduced this bill, for it.

They say the bill did not have proper parenthood. They say it was put on your doorstep without an author. It has the name of the gentleman from Texas [Mr. BUCHANAN] on it. It comes here properly introduced. It comes here under the proper rules of the House, and it is going to be passed under the proper rules of the House.

This amendment should be voted down. I think it is my duty to vote against it. I am going to vote for the bill just as the President wants it and without changing it at all. I am not going to vote to emasculate the bill, but to pass it in the form the President wants it passed. He is the one who has asked for it. He is the leader the people have chosen. He is the leader in whom the people have confidence. He is the leader the people of this Nation are following. I am with him, and I believe you are, too. [Applause.]

[Here the gavel fell.]

Mr. WOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time in defense of this amendment. The gentleman from Texas tells us this legislation is for the purpose of creating some upstanding American citizens. This is the first time I have ever heard of an average wage of $50 a month creating upstanding American citizens. [Applause.]

It is naturally assumed that in the expenditure of this huge amount of money there will be thousands of mechanics who will receive more than $50 a month; therefore it will be necessary for thousands of others to receive less than $50 a month. I fear if we pass this legislation without restriction as to the prevailing rate that we will not only create peonage in this country, but that we will also destroy the wage structure of American industry. [Applause.]

If the President of the United States had the administration of this law, and if he could personally go out into every community and ferret out the conditions and set the wage of that community himself, I would agree, but there is no other man I know of in whom I am willing to intrust that great responsibility. I have reference to our experience with the Federal Relief Administration.

On November 19, Mr. Hopkins sent out an order abrogating the 30 cents an hour minimum, leaving it up to the local administrators in the county to set the wage they thought was adequate. In my district, and in nearly every county in the district, where men were drawing 30 cents an hour on this P. W. A. and F. E. R. A. work, a number of the county administrators instantly reduced that wage to 15 cents an hour. That is what they termed the prevailing, or the average rate, of that county.

I am not willing to leave this up to any local administrator. We ought to have in the context of this bill the provision which will insure to the American workmen at least a prevailing rate in all communities and I may say it is low enough in a great many communities at the present time. I am proud at this time to rise in favor of this very important amendment to the pending bill.

It is, indeed, dangerous for us to expend $4,000,000,000 and leave the wage question and the hourly rate question entirely unprotected. No one knows the hours of labor that will be set on any project, no one can tell what some local administrator or some of the subordinates of the President will say are reasonable hours to be worked on a job, or what they may say will be a reasonable wage.

Then, along with this, is the penalty clause which takes away our right and privilege to protect ourselves in our wages and hours and working conditions.

I say to you, Mr. Chairman, in view of the fact that the Davis-Bacon bill had the prevailing-rate clause and the 30-hour week clause and the N. R. A. has the prevailing-rate clause and the 30-hour week clause, we should not be afraid to put these provisions in this legislation.

This legislation is not for the purpose stated by the gentleman from Texas [Mr. BLANTON]. [Applause.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I feel it my duty to make this statement to my colleagues. The President considers the right to fix the security payments as absolutely essential to the success of this program. The President is very insistent upon this point. We discussed it with him. We discussed this at length and the contention is that it will do no good in ending the dole or ending our work program as long as the Government gives as much as they could get in private enterprise, because they will enroll themselves upon the Government and continue to work for the Government and never seek employment in private enterprise.

Here is what the President said in his message to this House:

> Compensation on emergency public projects should be in the form of security payments which should be larger than the amount now received as a relief dole, but at the same time not so large as to encourage the rejection of opportunities for private employment or the leaving of private employment to engage in Government work.

The President, Mr. Chairman, is striving to bring to a conclusion this great problem of unemployment, and until it is brought to a conclusion our country will never recover.

Let us see what this amendment will require. Take your P. W. A. wage scale that is now prevailing:

Skilled laborers, $1 an hour in the South, $1.10 in the middle zone, and $1.20 in the east and north zones.

Common labor, 40 cents in the South, which does not include the farms; 45 cents in the middle zone; and 50 cents in the east and north zones.

I know something about wages in agricultural communities. I know the prevailing wage down there is from $25 to $30 a month right now.

Yet you say your amendment will pay the prevailing wage. If you do, I am advised that you should appropriate $6,000,000,000 instead of $4,000,000,000 to meet this program.

Mr. CONNERY. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. CONNERY. The gentleman speaks about the farmer. Who is going to have any money to buy the products of the farm on an average wage of $50 a month?

Mr. BUCHANAN. If you make the average wage $50 a month in this country, you are going to have a prosperous country. Take the average wage of the bricklayer who works 1 or 2 days a week—the prevailing wage in industry often works but a quarter of the time. This provides a permanent wage, a monthly wage. If he works 10 or 15 days a month, he will get the average wage.

Mr. BLANTON. Will the gentleman yield?

Mr. BUCHANAN. I yield.

Mr. BLANTON. Would you pay employees—every person under 60 years of age $10 a day or the prevailing wage and then give all those over 60 years of age $200 a month? [Laughter.]

Mr. BUCHANAN. Oh, no.

[Here the gavel fell.]

The CHAIRMAN. All time has been exhausted on the amendment offered by the gentleman from Massachusetts.

Mr. COOPER of Ohio. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and gentlemen of the Committee, I shall support the amendment offered by the gentleman from Massachusetts [Mr. CONNERY]. A few moments ago we heard the gentleman from Texas [Mr. BLANTON], in speaking against the Connery amendment, make the statement on the floor of this House that this was not a measure intended to give the American working class a decent living. It is charity. I am sure the gentleman from Texas will not leave those remarks in his speech when he comes to revise it; he will not permit that statement to go in the RECORD.

Mr. BLANTON. Will the gentleman yield?

Mr. COOPER of Ohio. No; I have only 5 minutes.

The President in his message to Congress at the beginning of the present session definitely stated that he wanted to bring about conditions in which the American working class could make an honest living by the passage of this bill, and yet the gentleman from Texas says that that is not intended to give them a decent living.

Mr. CONNERY. Will the gentleman yield?

Mr. COOPER of Ohio. I yield.

Mr. CONNERY. On March 7, I think it was, last year, the President asked all employers of the United States to increase wages.

Mr. COOPER of Ohio. Certainly. Are you not willing if the Government enters into the construction of buildings or the construction of dams, to pay a decent living wage to workers employed on Government projects? Why should not the Government do it? Again, this bill gives the President the power to establish Government industries, factories, and so forth, which will go into competition with private enterprise, which will seriously affect private industry and labor if a lower standard of wage is paid in Government shops and factories.

The amendment offered by the gentleman from Massachusetts [Mr. CONNERY] provides that the Government shall pay the prevailing rate of wage paid in the community where the industry is started.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. CONNERY. I do not want any misapprehension. My amendment does not say that where the Government itself starts any work it has to pay the prevailing rate of wage. It provides that wherever any contract, loan, or grant is made the prevailing rate of wage shall obtain.

Mr. COOPER of Ohio. Nevertheless, it is true that the Government can go into industrial activity; and, if it does, it ought to pay the same wage that private industry pays. Then, again, I believe the first section of the bill gives the President the power to adjust working and wage conditions. In other words, if there is a controversy between employer and employee, and they cannot agree on a settlement, under this bill the President can establish rules or regulations fixing the working hours, fixing the wage conditions, and if the workingman or the employer does not respect that regulation they can be fined $5,000. Of course, they could be sent to jail, also, for 2 years, until the amendment was offered a short while ago which eliminated the 2-year prison penalty; you were afraid to leave that in the bill.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. CONNERY. What I am trying to do in this amendment undoubtedly is in the law now—in the N. R. A. law passed by the House and Senate and signed by the President.

Mr. COOPER of Ohio. According to the statement of the gentleman from Texas [Mr. BLANTON] it is not a bill to help the working classes in America. As an official of one great labor organization told me yesterday, it is a bill to make slaves out of the American workingmen. You Democrats claim to be the friends of the working classes and state that this bill is for the express purpose of helping the poor and the distressed in our country. If it is true, let us give Government employees working on the Federal public-work projects a decent wage, so they can provide a living for themselves and families.

Mr. HOEPPEL. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close at 4 o'clock.

The CHAIRMAN. Is there objection?

Mr. MOTT. Mr. Chairman, I object.

Mr. BUCHANAN. Mr. Chairman, I move that all debate upon this section and all amendments thereto close at 4 o'clock.

The CHAIRMAN. The question is on the motion of the gentleman from Texas that all debate on this section and all amendments thereto close at 4 o'clock.

The motion was agreed to.

Mr. GIFFORD rose.

Mr. HOEPPEL. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. HOEPPEL. Mr. Chairman, the question at issue on the Connery amendment is whether this bill is a relief measure or a recovery measure. If it is a relief measure, the payment of an average of $50 a month to our unemployed workers may be justified; but if it is a recovery measure, then we are not justified in authorizing an average pay of only $50 per month for American labor. What we need in this country is purchasing power. We need something to start the wheels of industry, and we are not going to start them if the 3,500,000 unemployed are to receive only $50 a month. In my district they raise chickens. It is a chicken country [laughter], but it is a different kind of chicken than that which the gentlemen who are laughing apparently have in mind.

If a man raising chickens wants production of eggs, or if he wants to sell chickens in the market, he is not going to put those chickens on half rations, which is, in effect, the erroneous policy we are adopting toward our unemployed when we provide only $50 per month for men with families.

We are proposing here to give 3,500,000 of our unemployed half rations, and we make no provision whatever for the additional eight or more million unemployed. Is this all we can do for our unfortunate unemployed?

Mr. CONNERY. And there are any number of people working for their living in my district who like to eat chicken, and they cannot eat the chickens of California unless they get a decent living wage.

Mr. HOEPPEL. The gentleman from Massachusetts speaks the truth. Nothing but the barest necessities will be possible to a family with an income of only $50 per month. Prices of commodities are increasing. Eggs are 47 cents per dozen here in Washington and perhaps higher elsewhere. Bacon is 40 or 50 cents per pound, which indicates the purchasing power of the average family which receives only $50 per month, as is here proposed. In this bill we are merely prolonging the agony of our unfortunate unemployed. It is very probable I will vote for this bill, however, because I have come to the conclusion that it is better to vote for any measure which embodies even the mere hope of relief than to permit our unemployed to continue to suffer as they are—in the midst of plenty. We are asked to vote for the largest single appropriation measure since World War days, and with practically no information as to the details of administration, but if it were necessary to vote to bankrupt the

country to alleviate the distress so wide-spread among our people today, many of us would be inclined to follow that course as the lesser of two evils.

No one has yet indicated who is the author of this bill. We do know it was sent down by the President, who is in favor of it. This bill may have been written by Wall Street agents, as that group continues to clip tax-exempt interest-bearing coupons through the provisions of this bill, while there is nothing in this bill to protect American labor in the maintenance of a just and fair wage scale. We will not get out of this depression through this procedure. We are merely compromising with poverty and at the same time enriching the money lender. We should appropriate a sufficient amount in this bill to give a fair, square wage to every individual employed, the wages paid should be in accordance with the prevailing wage scale in the section or area in which the labor is performed, and in no event should the compensation be less than $100 per month. Even this figure is too low, but it may be justified for the present.

Mr. KNUTSON. And where do we eat after we go bankrupt?

Mr. HOEPPEL. Perhaps we may then go across the seas and ask our foreign debtors who owe us $11,000,000,000 to pay us part of what is due, considering that they are using their surplus today to build additional armaments while at the same time they are pleading with us to enter the World Court.

The procedure which we are following in the new deal to appropriate money through the issuance of tax-exempt securities will ultimately result in repudiation, inflation, confiscation, or perhaps communism. We can avoid this menace if we would enact into law the Townsend old-age revolving pension plan, which would restore buying power to the Nation and as a result solve our unemployment problem. If the procedure outlined by Dr. Townsend to raise the necessary funds to pay $200 per month to every worthy citizen over 60 years of age comes before the House, I shall most emphatically vote for it, for by doing so I shall be performing a humanitarian service to our aged citizens, an economic service to the unemployed and to those burdened with debt, and I shall be demonstrating my sincerity in regard to my campaign promises by expressing the wishes of my constituents.

If the motion is made to recommit this bill, and such motion contains a provision to maintain American standards of labor, I shall gladly vote for such motion, as I consider the interest of labor paramount to any other interest in the development of wealth, prosperity, and domestic security.

Mr. AYERS. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I rise in support of this resolution and in support of the Connery amendment, and to impress the Members of the House with the necessity of putting into operation the President's water-conservation and water-use program.

Mr. Chairman, this resolution is to finance the President's entire recovery program for the next 2 years, and certainly recovery is uppermost in the minds of every Member of Congress. This resolution seeks to appropriate $4,000,000,000 and to allocate for recovery another $880,000,000 of present unused funds.

To bring about recovery the first step is to provide relief from the hardships of the long-time and wide-spread unemployment and the conditions resulting therefrom, to relieve economic maladjustment, and to alleviate human distress in general.

Under this resolution the President may abolish, redistribute, transfer, or consolidate, in whole or in part, any of the functions or duties of the governmental agencies created under the special laws of the Seventy-third Congress. He may also transfer the property and personnel of any of these agencies to any new consolidated agencies. This gives the President authority to save all the provisions of the emergency laws of the Seventy-third Congress which have proved beneficial and workable, and it permits him to discard the unworkable provisions. He set a commission to work last summer gathering and assembling facts for this very purpose. It is only reasonable to assume from that fact and from his message of January 4 that this is what he proposes to do under this resolution.

Section 206 of title II of the N. I. R. A. provides, among other things, first, that no convict labor shall be employed on any Government projects; second, that 30 hours shall constitute a week's labor on any such project, except persons in executive, administrative, and advisory positions; third, reasonable wages; fourth, veterans' preference, and so forth. This section 206 is now the law, and the purpose of the Connery amendment to this resolution is to insure its retention. It is working well, and I hope it will be retained. A safeguard for its retention is the adoption of the Connery amendment.

We know that the all-powerful, invisible government which has dominated this Nation for so long before March 4, 1932, is and always has been an untiring enemy of laborers, toilers, and producers. We know that this invisible government never sleeps; so in defense of the laborers, toilers, and producers of this Nation let us take time by the forelock and insure the retention of section 206.

Of the Members who have taken the floor in opposition to this recovery resolution, not a single one has argued against the appropriation; hence its necessity is admitted. The opposition to this legislation has been directed entirely against the idea of letting the President allocate the moneys and designate the work. Of the Members opposing the resolution, a large percentage represent financial districts. Their arguments are directed to the elimination of national projects. Their idea is to spend the money according to population, regardless of the need or the permanent usefulness of any project. This would allocate to the State of New York, regardless of need or usefulness, one-tenth of the gross sum authorized by this bill and would allot to Montana one two-hundred-and-fiftieth of the gross sum, and would not take into consideration, in either State, either the local or general conditions or the need or the permanent benefit to be derived.

A program of this kind would absolutely destroy the President's water-conservation and water-use plan now set up for the West. If the money to be allocated under this bill for public works were distributed according to population, the Rocky Mountain States, after deducting their road grant money, would not have enough left to complete the self-liquidating projects now under construction. In my State it would ultimately kill the water-conservation and water-use program which is now under way.

One of the arguments advanced against the resolution is the spending of any of the money on irrigation and reclamation, urging that new lands should not be brought into production nor old lands into greater production as long as we can normally produce a surplus of wheat, corn, and hogs. To me that is no argument at all.

When we think of wheat and speak of wheat, we think and speak of flour wheat. Now, let me tell you that flour wheat is not raised under irrigation. Irrigation robs wheat of protein; and unless wheat is high in protein content, it is not flour wheat. Now, let me inquire what corn area depends on irrigation? None, Mr. Chairman; none.

Now, let us see what the situation really is: America has a distinct shortage of all agricultural products grown under irrigation in the Rocky Mountain area. We have always been importers of alfalfa seed and on many occasions we have imported alfalfa hay; this year we have done so. We produce only a little over 27 percent of the sugar we consume. Alfalfa and sugar beets are the two principal crops grown under irrigation in this area. With a shortage of 73 percent on sugar production and notwithstanding our importations of alfalfa seed and hay, the opposition to this resolution would say, "Stop the President on his water-control and water-use program and halt his irrigation and reclamation plans."

Why, Mr. Chairman, why? I can tell you why. It is the invisible government again. It is thinking in terms of the privileged few instead of the producing and toiling masses. Wall Street has a billion dollars invested in the Cuban sugar industry, and it hopes to keep American production down in

order to protect its Cuban investment. Now, if the President's plan on water conservation and irrigation and reclamation can be cut off, the privileged few would have just that much more of the appropriation earmarked for their purposes. They hope to destroy his program on this matter by allocating the public-works funds according to population—this would automatically earmark for New York $488,000,000 of this relief and public-works fund, which is one-tenth of the whole sum, and such procedure would leave the Rocky Mountain States hanging high and dry so far as any new public works or water conservation or water use would be concerned.

Mr. Chairman, water conservation and irrigation is the one thing that will hit right at the balancing of the agricultural production of this Nation. If we increase our production of agricultural commodities requiring irrigation, all of which is short in this country, it will make a place for these farmers who are being crowded out and put on the rocks by overproduction of other products.

The greatest economic problem today is to balance agricultural production, all along the line, with consumption. A material shortage of one product and a material surplus of another is our great handicap. The experience of the last 5 years has demonstrated that fact. Yet when the President starts a program to remedy this evil by a long-range water-conservation and water-use set-up which will strike right at the cause of the evil, we find the financial centers bitterly opposing it. They think only in terms of their own selfish interests which they have for so long been permitted to promote at the expense of the great masses of toilers and producers of the country.

When we consider the President's message on the state of the Union in conjunction with this relief and public-works resolution, we at once realize the importance and necessity of the legislation. In it the President is given authority to deal with those on relief by work rather than by dole. Let me tell you, Mr. Chairman, for the benefit of the Members who come from the industrial and financial cities of the Nation, that there are many, many farmers of this country on relief. They are not on relief by reason of any act of theirs. They abhor relief, and particularly do they abhor dole relief. The relief they desire, the relief they demand, is a balancing of agricultural production with consumption and a decent price for their products. If they fail of production by reason of drought, they desire and demand an opportunity to work at a decent wage so that they may properly care for and protect their families. At this time, and in order to prevent a recurrence of the present drought condition, let me impress upon you, Mr. Chairman, how beneficial as a long-range drought-relief program it would be to put these men to work upon water-conservation and water-use projects, as planned by the President.

When this resolution is considered together with the President's message, it is plain to me that he is headed to remedy the present deplorable situation. First, he is getting away from the dole; second, he is putting men to work; third, in each instance he is directing that work for the benefit of the particular area, for instance, in the Rocky Mountain slopes his projects are water conservation and water use to the end that this terrible drought condition shall not reoccur; fourth, he is attempting to balance agricultural production, all along the line, with consumption.

There are in every State many projects that are economically sound, highly and permanently useful, which would provide a high ratio of applied labor. These projects are of varied kinds and each is as appurtenant to the particular locality as water conservation and water use are to the Rocky Mountain area.

The opposition to this resolution does not dispute that fact, but the entire trend of their argument is to designate the projects and allocate the money by this resolution rather than to let the President do it. This brings us back to the fundamentals of the argument of the opposition, namely, allocate the money to the several States according to population, and this, according to their argument, to be done regardless of the use to which it is to be applied. To me such procedure would be a half-brother to the dole.

If the President has to do with the allocation of this relief and public-works appropriation, we know that the water-conservation and water-use program and the development of cheaper electric energy to be developed from the natural resources of this country will go forward. In his speech at the Fort Peck Dam last summer he struck the keynote of the need of all of the Mississippi watershed west of that river, when he said that not a drop of water falling on the Mississippi side of the Rocky Mountains should find its way to the Gulf of Mexico unless it was controlled against its harmful course and conserved to a beneficial use.

Mr. Chairman, the passage of this resolution and giving to the President the authority to allocate this relief and public-works money is the safest step we can take to the consummation of that idea. I feel safe with the allocation in his hands; but when it comes to letting the Congress do that, I am apprehensive that it will become "pork barrel" legislation, in which instance the stronger will subdue the weaker. In such case the sparsely settled States will get only the stale brine, and the invisible government will get all the pork.

The allocation of this relief fund according to population and of spending it in the States according to the population of each State, as proposed by the opponents of this bill, would have the effect of practical nullification of the Civilian Conservation Corps Act.

Under the C. C. C. Act each State is allowed its quota of enrollment in the camps, and then the camps are established at places throughout the country on projects permanently useful, such as aid to reforestation, roads, and water conservation. In this class of work, how could the little State of Rhode Island, with its intense population, and its surface practically all paved, without need of water conservation and without any forests, take care of its enrollment? If we were to attempt to allocate funds for this humanitarian work according to population and limit the work to the places according to population, we would soon end this class of relief and work. We now have 335,000 voluntarily enrolled young men in these camps and a waiting list equaling at least one-half that number. These enrolled young men were all out of employment, and by virtue of the C. C. C. Act, which must be supported by the appropriation to be made by this resolution, they will continue their opportunity to perform useful toil for a limited compensation which they are mighty glad to get.

I have visited several of these camps in my State, and I have never found a single discontented enrolled young man—not a single one. Now, by the defeat of this resolution we would turn these young men out to become members of the vast army of unemployed.

These young men are today the most valuable asset in our entire population, and no one can measure the good that this Government has derived from the C. C. C. Act. The President has told us that it is his plan to increase this humanitarian work, but it cannot be increased unless this resolution is passed; and if this resolution is passed with hobbles as its opponents desire—namely, to allot the money and work according to population—then the C. C. C. Act has been destroyed.

Mr. Chairman, as for me and for the people whom I represent, I favor the President's program to eliminate the dole and substitute work projects therefor. I have faith that such projects will be economically sound and permanently useful. In the construction of such projects I hope the labor will be protected under section 206 of the N. I. R. A. I favor the permanent long-range drought-relief program which is found in the President's water-control and water-use set-up. I favor a balancing of agricultural production with consumption; and having faith in the President's desire to bring about these results, I am supporting the resolution. [Applause.]

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. I want once more to insist on getting a little information. I received a letter from a constit-

uent this morning saying that the Governor of my State will probably have the expending of millions of dollars. It is from an official of a municipality, stating that—

In our town meeting warrant is an article calling for a water system at an expenditure of $200,000—$100,000 to be paid by the Federal Government.

He stated that his information is that our Governor has promised $100,000 for either this project or a consolidated school.

Is there not now a law wherein grants are limited to 30 percent? Is that law set aside by this act? I notice that the money left over of the $3,300,000,000 is transferred for the purposes of this act.

Furthermore, I want to know whether the wage scales, if they build a water system, or if they build a consolidated school in that town, will be lower than the local people are paid for that kind of work? Is that law still on the statute books or is that law set aside for the purposes of this act? We cannot seem to get any information as to this legislation from the committee whatever. They prefer to utter such statements as that "the Republican Party will do everything it can to defeat Franklin D. Roosevelt in 1936." We on the minority side might say that you will even plunge the country into bankruptcy and put aside every power of Congress and give it to the President in order to reelect him in 1936. Our Governors will now probably emulate the Governor of the State of Maine. It is said that he did not defend the new deal; he milked it. It is history. [Laughter and applause.] We are confronted with the fact that Congressmen will amount to but very little in procuring work for their districts. The Democratic Governors will usurp entirely our prerogatives.

Look outside at the weather conditions. Knowing that for months at a time this weather endures in some sections, I then think of the futility of this public-works bill. This plan of relief has been discredited by other nations. I wish that our former President Coolidge were with us yet, because people would listen to him. I think he would say, "You cannot create prosperity by creating indebtedness." That is what the people really want to hear you say today. The United States Daily claims that the outstanding failure of the new deal is the P. W. A., although honestly administered. However, I rose hoping to procure a little information. This great Appropriations Committee cannot answer any questions at all about the probable methods of spending this $4,000,000,000. I hope they will take a lot of comfort going back into their committee room and demanding from every official who will now come before them, "How many lead pencils will you need to use next year?" What a committee! Abdicating all questioning as to an expenditure of $4,000,000,000, and then subjecting all other officials to the very minutiae of their expenditures! I hope someone will suggest the information about this 50-50 business that my Governor is anticipating. What a potential political bonanza this is! [Laughter and applause.] I should be glad to vote for one or even two billions for relief, the appropriations unexpended or allotted to be covered into the Treasury July 1, 1936.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. GIFFORD] has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. CONNERY].

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 118, noes 129.

Mr. CONNERY. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chair appointed Mr. CONNERY and Mr. BUCHANAN to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 131, noes 159.

So the amendment was rejected.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Mr. Chairman, are any amendments pending now that the Connery amendment has been voted down.

The CHAIRMAN. The Chair understands the gentleman from New York [Mr. TABER] intends to offer an amendment to strike out the whole section.

Mrs. KAHN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Kahn: Page 6, line 20, strike out the period and insert the following: "*Provided*, That the money appropriated in this act shall only be spent within the limits of the United States and only for articles of the growth, production, or manufacture of the United States notwithstanding that such articles of the growth, production, or manufacture of the United States may cost more."

Mr. BUCHANAN. Mr. Chairman, I make the point of order against the amendment that it is not germane to this section but should have been made to section 2.

Mrs. KAHN. Mr. Chairman, will the gentleman reserve his point of order for 3 minutes?

Mr. BUCHANAN. Mr. Chairman, I reserve the point of order to allow the gentlewoman from California to proceed for 3 minutes.

Mrs. KAHN. Mr. Chairman, it seems to me that if the members of the majority party are sincere in following their leader, who has said that one of the ways to recovery is through industry and that private industry must take up the slack in employment, they will vote for this amendment. If we limit the articles to be used in this relief program to those grown or manufactured in the United States, private industry will be given an enormous impetus. [Applause.]

We know now that reciprocal tariffs are under negotiation with various countries in Europe to admit their manufactures, to admit their products at a lower duty. Even if we have to pay more for goods of American manufacture, it certainly is worth it to our American labor. Therefore, I can see no objection to an amendment of this kind, the purpose of which is to aid and sustain not only American industry, but American labor. [Applause.]

Mr. KNUTSON. Mr. Chairman, will the gentlewoman from California yield?

Mrs. KAHN. I yield.

Mr. KNUTSON. Is the gentlewoman from California aware of the fact that her amendment is contrary to the Democratic policy of free trade?

Mrs. KAHN. I certainly am. [Laughter.]

[Here the gavel fell.]

Mr. BUCHANAN. Mr. Chairman, I now make the point of order against the amendment.

The CHAIRMAN. The Chair is ready to rule. The amendment offered by the gentlewoman from California might properly be offered to section 2 which relates to the territory in which the appropriation provided by the joint resolution may be used, but it is not germane to the section under consideration.

The Chair sustains the point of order.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Oklahoma: Page 6, line 15, after the colon, insert the following: "*Provided*, That no bonds, securities, or income therefrom issued to carry out the provisions of this act shall be exempt from taxation."

Mr. BUCHANAN. Mr. Chairman, I make a point of order against the amendment on the ground that this joint resolution nowhere authorizes bond issues or otherwise states how the money shall be raised. It is merely an appropriation bill. The amendment is not germane to the joint resolution or to any matter in the joint resolution because the joint resolution contains no provision relating to the issuance of bonds.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Oklahoma offers the amendment which has just been read. In the opinion of the Chair the amendment is not germane to the joint resolution or to any matter in the joint resolution because the joint resolution contains no provision relating to the issuance of bonds.

The Chair, therefore, sustains the point of order.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 6, line 9, after the word "contract", strike out the semicolon and insert: "which shall be uniform in character and which shall be distributed among the various States in proportion as the number of unemployed bears to the whole number of unemployed."

Mr. BUCHANAN. Mr. Chairman, I make the point of order against the amendment that it attempts under this section to control the distribution of money, a matter dealt with in a former section of this bill.

The CHAIRMAN. The gentleman from Illinois offers an amendment to the language on page 6, line 9, reading as follows:

"To make grants and/or loans and/or contracts."

The amendment offered provides:

"Which shall be uniform in character and which shall be distributed among the various States in proportion as the number of unemployed bears to the whole number of unemployed."

The Chair thinks this is clearly a proper limitation on the provisions of the section and overrules the point of order.

Mr. DIRKSEN. Mr. Chairman, may I proceed for 5 minutes?

The CHAIRMAN. The gentleman from Illinois is recognized for 2 minutes, that being all the time remaining under the order of the House limiting debate on this section.

Mr. DIRKSEN. Mr. Chairman, the amendment which I offer seeks to insert the following language in paragraph (b) of section 5, at the end of line 9, so that the language will read as follows:

To make grants and/or loans and/or contracts which shall be uniform in character and which shall be uniformly distributed among the various States in proportion as its unemployed bears to the total number of unemployed.

Mr. Chairman, the State of Wyoming has 225,000 people, which is 60,000 less than the population of my congressional district. I represent three times as many people as there are in the entire State of Nevada, one-half as many as there are in the States of Rhode Island, Utah, Montana, New Mexico, New Hampshire, and North Dakota. Most of those States contain less than 10 percent of the population of Illinois.

I have no desire to raise a sectional issue, but the fact is that if you wish to cure unemployment and afford relief you must do it where distressed people are located. If we have 300,000 folk out of jobs in Illinois and there are but 30,000 out of work in Montana, then to fully and equitably subserve the purposes of this measure the Federal Government should spend 10 times as much in Illinois as in these other States.

Such, however, has not been the case in the past, and unless this amendment is adopted there will be no assurance that this disparity in the amounts expended in the various States will not obtain in the future. The bill recites in its first section that the purpose of this immense fund is to alleviate distress and hardship and afford relief and employment. Very well. There can then be no objection to an equitable distribution of this money. It might be good politics but poor judgment to spend ninety millions in Wyoming for some reclamation project with its 225,000 population and only fifty millions in Illinois with its seven and one-half millions of people; and if there be sincerety in the insistence of the proponents of this bill that the money is to be used for the relief of unemployment, then such sincerity dictates the adoption of this amendment.

Under the P. W. A. the limit of a grant for any non-Federal project was 30 percent. A State or municipality or school district could obtain a loan for some public project to which was added an outright grant of 30 percent. The amount and the limit was definitely fixed. There is nothing in this bill to indicate that outright grants of 50 percent or 75 percent might be made in favored States and perhaps only 20 percent or 30 percent in States that are not favored. There is nothing in the bill to indicate that there must be uniformity in grants and loans and contracts. There is nothing to prevent Florida or Oklahoma or Texas from receiving a 50-percent grant on some public project, while Ohio, Pennsylvania, Illinois, or Iowa receives but 20 percent. You may very well say that this will not be done. What assurance have we to that effect? It has been done before, as in the case of relief, where Mississippi received 99 percent of all its relief expenditures from Uncle Sam's Treasury and Illinois received but 57 percent. We are one of the four largest taxpaying States in the Union and it is high time that we were receiving an equitable share of Federal funds.

I recall the story of the Good Samaritan in the Scriptures where it is recorded that when the Good Samaritan went down the road and heard the moans and cries of the man who had been stripped and wounded by thieves, "He came where he was." The Good Samaritan came to where the wounded man lay. It was a direct approach without heralds, brass bands, or headlines. That must be the philosophy in administering this $4,000,000,000 fund. It must be expended where the unemployed are. And where are they? Not in the vast unpopulated areas of the less densely populated States like Wyoming, Utah, Nevada, and others, but in populous centers like Peoria, Chicago, Rockford, and Springfield. To defeat this amendment is but added evidence that the fund may not be so used and added reason why a vote against this measure will be fully justified.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. DIRKSEN), there were—ayes 83, nays 165.

So the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from New York [Mr. TABER], which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 6, line 4, strike out all of section 5.

The amendment was rejected.

Mr. CELLER. Mr. Chairman, I have an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 6, line 12, after the word "domain", insert "in accordance with the laws of the State where the property is situated"; and in line 20, after the period insert the following, "he or his duly authorized agents shall make adequate determination of facts establishing definitely that the property sought to be acquired is necessary to carry out the purposes of the act."

The amendment was rejected.

Mr. CHURCH. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. CHURCH moves that the Committee do now rise and report the resolution back to the House with the recommendation that the resolving clause be stricken out.

Mr. CHURCH. Mr. Chairman, I offer this preferential motion in the hope, doubtless futile, that we as duly elected representatives of the people of the United States will recognize that by a passage of this resolution, entitled "House Joint Resolution 117", will be dissolving ourselves of our legislative responsibilities and abdicating as a representative body. I offer this motion with the recommendation that this particular resolution be defeated and that the committee in charge be directed to report to the House a measure likewise to provide "relief from the hardships attributable to wide-spread unemployment", but which also will be in keeping with the American system of government.

There is no Member of this House more anxious than I to provide "relief from the hardships attributable to wide-spread unemployment." I would vote for any sane measure for relief for our people. I cannot in all conscience, however, vote for any bill which not only is a direct abdication by Congress of its own responsibilities and rightful duties, but also allows a blanket appropriation of $4,880,000,000, together with dangerous legislative and judicial control over the spending of same.

My criticism is not of the executive department of the United States, nor of any Cabinet member, nor of any person or corporation as a governmental agency to whom this

resolution would delegate the powers of Congress to legislate.

My criticism is of the Congress itself that abdicates its duties and shirks its personal responsibilities, and particularly when it does this in the face of the Supreme Court decisions, as in the recent oil case.

Mr. Chairman, this measure will go down in the annals of history as a blank-check resolution, whereby Congress definitely abdicates as a legislative body, representative of the people.

This abdication by Congress, this refusal by Congress to establish a definite and definable program for which each Member would be responsible to his constituents, and on the nature and continuance of which all industry could consistently count, is the main cause today of the fear and uncertainty retarding recovery in this country.

Because Congress is abdicating and fails to put the laws on the statute books, thereby creating uncertainty of legislation and uncertainty of program, fear from this uncertainty continues and business remains stagnate, with resulting unemployment.

I would ask every Member of Congress to read and reread this resolution. I should like every person in the United States to read it in its entirety. A mere description of its aim and scope is absolutely no indication of the amazing and strangulating provisions which it contains. I remind you that a vote for this resolution is a vote not for specific recovery measures, but is merely equivalent to signing a blank check, constituting the complete relinquishment of the legislative duties of this body.

Permit me to call your special attention to section 4 of this joint resolution. The legislative power which it takes from the Representatives of the people in the Congress of the United States and confers on the Executive is summarized effectively by the first few words of each paragraph of that section. It clothes the Executive with the power to "establish", "utilize and prescribe", "consolidate, redistribute, abolish, or transfer", and to "delegate."

Moreover, in section 5 (c) he is authorized "to acquire, by purchase or by the power of eminent domain, any real property or any interest therein", and to do with it as he would—"improve, develop, maintain, grant, sell, lease * * * or otherwise dispose of."

Gentlemen, the language is general and the power conferred by it on the Executive is practically without limitation. You would permit him to act in such manner as he sees fit. In section 6 you authorize the Executive to "prescribe such rules and regulations" as he may consider necessary, and in that same section you make violation of any such rule or regulation punishable by as much as $5,000.

But by this resolution you do more than that. You would permit any person, partnership, or corporation to prescribe rules and regulations, to act as a legislature. Is it not so that in section 4 (d) you authorize the Executive to delegate the powers conferred on him by this resolution? Is it not so that these broad, general powers can pass down from the President, through a governmental agency, to any person, partnership, or corporation? The resolution grants the authority to delegate. I cannot too strongly emphasize the implications, the imponderable realities which underlie, when I speak of the prospects of a delegated agency, partnership, corporation, or any person, acting as a legislature in prescribing rules and regulations. In other words, any one so delegated can make the law and our people are subject to $5,000 fine for violation.

By this resolution Congress would transfer its legislative duties, as well as its rightful responsibilities, to the Executive, which office in turn is authorized to delegate that power to any person, partnership, or corporation he sees fit. Virtually the only limitation upon the authority is the $4,880,000,000 here appropriated.

It is pure folly to assume that the Executive can personally supervise and carry out this resolution, where he would serve in a legislative capacity as well as administrative. It is a human impossibility for any one man, particularly when he is involved in the busyness of other duties, to give personal supervision to all the realities contingent upon the spending of four billion eight hundred and eighty million. I cannot but feel that those who speak of such being done, knowing in their own minds the utter impossibility, are guilty of betraying the people.

The President can, and of necessity he will, delegate the power given him by this resolution. Not the Congress of the United States, not the President of the United States, but some unknown person or partnership or corporation is destined by this resolution to become the legislature, in practice to be vested with legislative authority. I wonder if the people we represent in our respective districts know that section 6 of this resolution subjects them to a fine of as much as $5,000 if there is a violation of the rules and regulations as may be promulgated in connection with it.

His Representative in the Congress of the United States did not make the law which may cause him to have to pay a destructive fine. By this resolution his Representative, refusing to discharge his rightful duty, would permit someone else to make that law. No one knows what the nature of it will be. We were sent here to express the will of our people in different sections of the country, but we would give this power to someone else and permit that now unknown someone else to make the laws which subject the people we represent to a $5,000 fine. I am not speaking of a fiction, for I would have you bear in mind that the authority transferred to the Executive by this resolution can be "delegated." Section 4 (d) expressly provides it.

This resolution which we are discussing here today is anything but a clear, definite expression of policy. It is purely and simply an abdication of Congress in a transfer of legislative power. A blanket appropriation of the people's money with authority to do anything desired with it, virtually without limits and certainly without a statement of policy and definable program.

There is little doubt in my mind as to the constitutionality of this resolution. I believe from the discussion I have heard here this afternoon that I have legitimate cause to wonder if the respective Members of Congress have had opportunity to familiarize themselves with the decision of the Supreme Court of the United States in the so-called "hot-oil" case, which was handed down on January 7 of this year, declaring section 9 (c) of the oil code unconstitutional.

Section 9 (c) of the oil code, giving the President unlimited authority to determine the policy and making disobedience to his order subject to fine and imprisonment, is analogous to House Joint Resolution 117, under discussion here. In that section of the oil code the President was committed to the function of a legislature as well as executive. In this resolution he is likewise committed to the function of a legislature as well as executive. The Supreme Court declared the oil-code section unconstitutional and it will, should a case come under its review, declare this resolution unconstitutional.

Article 1, section 1, of the Constitution of the United States provides that "all legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives" and in section 8 of that article the Constitution provides that Congress is "to make all laws which shall be necessary and proper for carrying into execution" its general powers. That is the function, it is the duty, it is the responsibility of the Congress. By no right can we, nor should we, delegate that power to the Executive, vesting him with the authority to delegate it to whomsoever he should designate.

As the Supreme Court said in its decision on January 7:

> The question whether such delegation of legislative power is permitted by the Constitution is not answered by the argument that it should be assumed that the President has acted, and will act, for what he believes to be the public good. The point is not one of motives but of constitutional authority, for which the best of motives is not a substitute.

That is the position I wish to take here. The Constitution has the necessary resources of flexibility and practicality as to enable this Congress to perform its duty as a legislative body—to define the policy, to establish the standards, and to set up a definite program for providing relief for our

people. It is our responsible duty and there is no substitute for it. As the Supreme Court declared in this recent decision on the oil code:

The Congress manifestly is not permitted to abdicate, or to transfer to others, the essential legislative functions with which it is thus vested.

It is recognized that in the practical administration of a law the Executive or some governmental agency must have authority to prescribe the subordinate rules or regulations. Otherwise the law would be a futility. But the Congress of the United States must define the policy and set the standards under which the rules, as a matter of detail, will be promulgated. Congress makes the law by formulating a policy, stipulating the principles, setting the limitations, and definitely promulgating the program. The rules and regulations in the administration of the law are matters of detail, issued in accordance with the policy, upon a basis of the principles, within the set limitations and pursuant to the defined program.

But in this resolution there are no principles; there are virtually no limitations; there seems to be just a broad, general, indefinite statement of purpose. The rules and regulations, which can be prescribed by any person, partnership, or corporation the President so delegates, are not matters of detail. They would be the law itself, for violation of which I again remind you the people are made subject to $5,000 fine. This resolution is a dangerous, unconstitutional transfer of legislative power.

I beg the Membership of this House to hold fast to their constitutional legislative duties. I beg it not to run out on its oath.

We should have the courage as men and as Representatives to assume the responsibilities of legislating for this country, for the people whom we represent. If you vote to sign this blank check and abandon your responsibilities you should resign and let someone take your place, who, after he takes an oath to perform his legislative duties under the Constitution, will have the courage to live up to his responsibilities.

Mr. Chairman, I respectfully ask that this particular bill be defeated and that the committee report back to the House a measure which will provide the necessary relief for our people, in proper amount to alleviate hardships, but which at the same time definitely sets up the program and makes provision for the manner in which and the principles upon which it will be carried out.

Mr. Chairman, I respectfully remind the House that our people want business to revive, that they may again assume a normal, wholesome life in pursuing their respective trade or profession. Business cannot revive, and, in the last analysis, business revival is the kind of relief our people want, unless it can free itself from the existing uncertainty. This resolution creates uncertainty, for no one can know what the law of tomorrow will be. We as Representatives have the duty and the responsibility. To vote for this resolution now before us is to shirk that duty and responsibility. [Applause.]

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the preferential motion offered by the gentleman from Illinois.

Mr. Chairman, the gentleman from Illinois, who has just spoken, has offered an amendment which, if adopted, means the killing of this bill.

It is amusing to listen to the arguments of some of my friends on the Republican side in their protestations of love for the suffering mankind of America, and in their desire to relieve the economically distressed, whose conditions is due to no fault of their own, but to the temporary breakdown of an economic system over which they had no control.

When they talk of their desire to help those who are economically distressed, and at the same time oppose this bill, my mind goes back to 3 years ago, when the present Vice President of the United States, then Speaker of the House of Representatives, introduced a bill for the purpose of relieving the suffering of millions of our people.

It was called the "Garner pork-barrel bill" by the Republicans when we undertook to provide for a work-relief program, and for direct relief for our suffering people in the drought-stricken areas. At that time the bill received the united opposition of the Republican Party in the House. It received the opposition of the then President of the United States, who was a Republican. It received the opposition of the Republican-controlled Senate; and as a result of such opposition, legislation to provide for direct relief by the Federal Government and for a work-relief program was denied.

The past Congress appropriated hundreds of millions of dollars for direct relief by the Federal Government, necessary as a result of the inability of local government and private charities to cope with the situation. This has been done under the leadership of President Roosevelt, a program which was denied the people of this country under the leadership of President Hoover.

They talk about private business. I believe in the protection of private business, but private business has broken down as a result of the disturbance of our economic system. The law of supply and demand is not operating normally, or functioning in a way that will afford employment to the millions of Americans. We are confronted with an emergency situation where there are millions of Americans distressed, and there is but one agency left—the Federal Government—to which we can turn.

This agency was denied them 3 years ago. It has been given to them during the past 2 years.

Last fall I campaigned and said to the people of my district and my State, as many others did, that I voted for appropriations to relieve human suffering, and as long as the circumstances required it I would continue to vote for appropriations by the Federal Government to relieve the suffering people of America—North, East, South, and West; white, black, or yellow. They are all human beings.

We need a flexible bill. This is a bill aimed for relief purposes, and it should be broad. It should be flexible. It should not be bound by being earmarked the same as we would ordinary appropriations. The machinery of this bill is a proper way to accomplish the maximum result that we desire. It should be flexible, and during this emergency the powers, very properly, are temporarily vested in the one man whose constituency is the people of the entire country, in this case our distinguished and our courageous President, Franklin D. Roosevelt. [Applause.]

[Here the gavel fell.]

The CHAIRMAN. The question is on the motion of the gentleman from Illinois [Mr. CHURCH] to strike out the enacting clause.

The motion was rejected.

Mr. THOMASON. Mr. Chairman, I offer an amendment to section 5.

The Clerk read as follows:

Amendment offered by Mr. THOMASON: Page 6, after the semicolon, in line 9, add: "and that all employees employed on any contracts under this act shall be citizens of the United States."

The amendment was rejected.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 6, line 11, after the word "purchase", strike out the words "or by the power of eminent domain."

The amendment was rejected.

The Clerk read as follows:

SEC. 6. The President is authorized to prescribe such rules and regulations as may be necessary to carry out this joint resolution, and any willful violation of any such rule or regulation shall be punishable by fine of not to exceed $5,000.

Mr. BULWINKLE and Mr. WOOD rose.

Mr. BULWINKLE. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

Mr. WOOD. Mr. Chairman, I have a preferential amendment at the desk.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Missouri, which is stated to be a preferential motion.

The Clerk read as follows:

Amendment offered by Mr. WOOD: Page 6, commencing with the word "any" in line 23, strike out down through line 25, and insert in lieu thereof the following: "Such rules and regulations shall provide that, (1) so far as practicable, no individual whose labor or services are paid for, directly or indirectly, out of funds appropriated by this resolution shall be permitted to work more than 30 hours in any one week; (2) in the employment of labor or the procuring of services paid for out of the funds appropriated by this resolution, preference shall be given, where they are qualified, to ex-service men with dependents."

Mr. BULWINKLE. Mr. Chairman, is that a preferential amendment?

The CHAIRMAN. The amendment is a preferential amendment in that it seeks to perfect the section as against the gentleman's amendment to strike out the entire section.

Mr. BUCHANAN. Mr. Chairman, I make the point of order against the amendment that it deals with subjects that should be dealt with in connection with another section of the bill and is absolutely foreign to this section of the bill and therefore not germane.

Mr. CONNERY. Mr. Chairman, I should like to be heard on the point of order.

It seems to me this is a limitation in that it states that the President is authorized to prescribe such rules and regulations as may be necessary to carry out this joint resolution. This is clearly a limitation upon any rules or regulations which the President may prescribe and must be germane to section 6, even though it could be offered at some other point in the bill.

The CHAIRMAN (Mr. O'CONNOR). The Chair is ready to rule.

Section 6 pertains to rules and regulations to be prescribed by the President. The amendment offered by the gentleman from Missouri provides as follows:

Such rules and regulations shall provide that (1) so far as practicable, no individual whose labor or services are paid for, directly or indirectly, out of funds appropriated by this resolution shall be permitted to work more than 30 hours in any one week,

And so forth.

This amendment might have been offered properly to section 1, but is not germane to section 6.

The Chair sustains the point of order.

Mr. BURDICK. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BURDICK: Amendment to section 6. After the last word of the section insert: "*Provided, however,* That the said power to prescribe rules and regulations shall not be delegated by the President."

Mr. BLANTON. Mr. Chairman, I make the point of order that that is inconsistent with the provision already adopted in the bill.

The CHAIRMAN. The Chair cannot pass on inconsistencies. The Chair overrules the point of order.

Mr. BURDICK. Mr. Chairman, I am in a position where I do not like to have to vote against the bill as a whole, for if there is any place on God's earth where we need relief it is in the drought section of the country. But, Mr. Chairman, I agree with gentlemen on this side of the House. This bill is delegating too much power in the hands of one man, and I think it is sufficient when we give him the right to make rules and regulations without giving him the power to delegate that power to some other person or corporation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota.

The question was taken, and the amendment was rejected.

Mr. BACON. Mr. Chairman, I offer the following preferential amendment.

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that all debate on this section and amendments thereto close in 25 minutes.

Mr. KVALE. Reserving the right to object, will not the gentleman increase that? I have an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. TABER. I object.

Mr. BUCHANAN. Mr. Chairman, I move that all debate on section 6 and all amendments thereto close in 25 minutes.

The motion was agreed to.

Mr. BACON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 6, line 25, after the period, add the following: "Each such rule or regulation shall be printed in full in at least one newspaper of daily circulation published in each city of the United States of a population of more than $50,000, and shall be filed with the clerk of each United States district court, and no such rule or regulation shall take effect until 30 days after such publication and filing.

The United States district courts shall have jurisdiction in all cases of prosecutions under such rules and regulations in the same manner and subject to the same procedure as govern prosecutions under the criminal statutes of the United States, and the same right of appeal shall be granted from a conviction for violation of any such rule or regulation as is granted under existing law from a conviction for a violation of any other criminal statute of the United States.

Mr. BACON. Mr. Chairman, this amendment is offered in all seriousness as a perfecting amendment. Under sections 6 there is nothing said about where a citizen may have his day in court or to what court he may appeal. No right of appeal is given whatsoever. My amendment follows very closely the amendment offered to the Securities Act, which was adopted by the last Congress. It seems to me that we must always give American citizens a day in court with the right of appeal, especially when the President is authorized by this section to arbitrarily prescribe all rules and regulations with the full force of criminal statutes. We must put our citizens on notice as to what rules and regulations are decreed. The gentleman from Ohio [Mr. HOLLISTER] has given the legal aspects of this amendment a great deal of attention.

Mr. HOLLISTER. Mr. Chairman, will the gentleman yield to me?

Mr. BACON. Yes.

Mr. HOLLISTER. Mr. Chairman, it is to be hoped that when a motion is presented to strike this section out that it will be agreed to.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. HOLLISTER. The gentleman from New York [Mr. BACON] yielded to me.

The CHAIRMAN. The gentleman from New York cannot yield his own time.

Mr. HOLLISTER. But cannot the gentleman yield to me to answer a question?

The CHAIRMAN. Certainly.

Mr. HOLLISTER. The gentleman from New York yielded to me.

Mr. BACON. I still have the floor.

Mr. HOLLISTER. It is to be hoped, as I say, when motion to strike out section 6, which will be shortly presented, is offered, that the committee will strike out this abominable section. If not, it is certainly to be hoped that every member of the committee will be willing to put a provision in the bill that anyone who may be subject to the penalties of a rule or regulation which the President, in his discretion may promulgate, may at least have some way of finding out what the rules and regulations are. I think everyone should agree to an amendment that these rules and regulations shall be printed and filed in the District Court of the United States where prosecutions may be instituted under them. That is a protection which every citizen of this country should have. No man should be held accountable for the violation of rules and regulations of which he has not been apprised. He should have his day in court, which is guaranteed to him by Anglo-Saxon jurisprudence, and should have a right to be prosecuted only under orderly procedure. I cannot believe a single member of the committee would be unwilling to see an amendment of this kind attached to this bill.

Mr. BACON. The gentleman from Ohio is entirely correct. Mr. Chairman, in conclusion, I point out that over 10,000 pages of rules and regulations have been issued under the N. R. A., and that there is no place anywhere in the

United States where they can be found. This fact was recently emphasized and adversely commented on by Mr. Justice Brandeis. The citizens of the United States have no knowledge of them, and if we are going to give the President the right to issue any rule or regulation with the effect of a criminal statute that he may see fit, there should be some place where they are published, so that citizens may have notice of them.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. BACON. Yes.

Mr. CELLER. To inform the gentleman that the Committee on the Judiciary is now considering a codification, a classification and publication of all Executive orders issued by all executive departments.

Mr. BACON. I am very glad to hear that; and that is all the more reason for having these rules and regulations published in an orderly fashion, all the more reason for putting the citizens on notice before they incur a penalty unwittingly, and all the more reason for giving them a day in court, with a right of appeal, to protect their rights under the Constitution.

Mr. CELLER. I might also suggest that the right of appeal is not cut off today because the violation of such a regulation would be as a violation of a misdemeanor, and you always have your appeal to the circuit court of appeals and the Supreme Court.

Mr. BACON. This same question arose when the Securities Act was before this House and a similar amendment was adopted giving this same right of appeal.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment of the gentleman from New York. I have great respect for the gentleman from New York and great sympathy for what he has suggested. We suffer too much from lack of knowledge of these Executive orders which have been issued. I say to the gentleman from New York it is not quite accurate to indicate that there are 10,000 orders of the N. R. A. There are 10,000 pages of orders; something less than 10,000 orders. For example, there are three volumes of Executive orders from the Veterans' Bureau. There are two husky volumes of Executive orders from the Post Office Department, and there are the Executive orders from the Agricultural Adjustment Administration, from the F. E. R. A., the R. F. C., and many others. The President has issued 1,423 Executive orders since his inauguration. It is difficult to find them. Sometimes these orders are issued in mimeograph and sometimes merely in the form of a telegram. Oftentimes they involve a criminal penalty.

I am all for striking out of any bill the right to prescribe a criminal penalty involving imprisonment for violation of any Executive order. It is time we stopped it, despite the fact that the Supreme Court has indicated that such action is legal and constitutional. The senior Senator from Idaho in the Senate yesterday said that the time had come when we must stop giving the right to executive officials to say that you or anybody in your constituency is guilty of a crime because he or she violated some Executive order.

I am happy to know that the punitive provision of imprisonment is to be taken out of section 6. That is splendid, and should satisfy the gentleman from New York. It satisfies me.

It is well to point out that the amendment would stall the relief machinery some 30 days, since no rule or regulation would become effective save after a lapse of 30 days. Ofttimes quicker action might be imperative. Delay of 30 days might be fatal.

Further, some, I should say many, sections contain no newspapers of the character mentioned in the amendment, hence those many sections would be deprived of publication in the manner prescribed.

I will say to the gentleman he goes too far and complicates the situation dreadfully if he would have us vote for his amendment. Our Judiciary Committee is now working on a bill to codify and publish in appropriate volumes all Executive orders ever issued up to date, and we will prescribe certain rules and regulations whereby the Attorney General and the Secretary of State, with the aid of the Librarian of Congress, shall publish and promulgate all Executive orders from all departments, from the White House down. A bill is pending in the Judiciary Committee; in fact, before the subcommittee of which I am chairman. We had a hearing upon it yesterday morning. This bill provides for fullest notice and publicity for all regulations as a condition precedent for their validity.

Mr. BACON. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. BACON. What possible harm can it do to give the Government the right to prosecute for any violation of these rules and regulations in the United States courts, and what possible harm can it do to give the citizen the right to appeal to a higher United States court.

Mr. CELLER. But you have that right already. It would be needless, superfluous legislation. Why cumber up the statutes with useless provisions of this sort? If there is a violation of any of these regulations, it goes now into the United States district court, and there is an appeal to the circuit court of appeals and under certain conditions an appeal to the Supreme Court of the United States.

Mr. BACON. There is nothing said in this resolution as to what court shall have jurisdiction over these rules and regulations.

Mr. CELLER. But there are other statutes which prescribe what shall be done.

Mr. BACON. Let me ask one other question: What possible harm can there be to require that these rules and regulations shall be published in the newspapers so that citizens may have knowledge of them?

Mr. CELLER. No harm at all, save its needlessness. I agree with the gentleman there should be publicity. But we are working on the matter earnestly in our Judiciary Committee to cover this situation and all other similar situations.

Mr. BACON. Is the gentleman in favor of secret government?

Mr. CELLER. No; I am not. I am in favor of publication of these rules and regulations; but I say to the gentleman, wait, and we will cover the situation. It is well to note that the Department of Justice is cooperating with us on the matter of adequate promulgation and codification of all past, present, and future rules and regulations. Let us have uniformity. We get no uniformity in the publication if each bill we pass prescribes diverse and different methods of publicity each time.

Mr. MILLARD. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. MILLARD. If a similar rule was put into the Securities Act, why not put it in this act?

Mr. CELLER. I say it is needless, in view of what we are going to do.

Mr. PERKINS. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. PERKINS. Is it not true that now there are over 10,000 orders, Executive and otherwise, having the force of law?

Mr. CELLER. There are more than that.

Mr. PERKINS. Is there anybody in the entire country who knows how many there are?

Mr. CELLER. I do not believe the gentleman was listening a moment ago when I made my statement. I pointed out that we are remedying that situation now.

Mr. MOTT. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. MOTT. The committee has eliminated the imprisonment provision in this section. Can the gentleman tell me how a judgment or fine is going to be enforced?

Mr. CELLER. I am afraid the gentleman will have to ask some member of the committee that question. Perhaps those who appeared before the Appropriations Committee at the hearings covered that point. Ordinarily the violation is submitted to the court, the United States district court, and the violator is ordered by decree to pay the penalty.

Mr. PERKINS. It can be enforced by holding the man for contempt of court.

The CHAIRMAN. The time of the gentleman from New York [Mr. CELLER] has expired.

The question is on the amendment offered by the gentleman from New York [Mr. BACON].

Mr. BACON. Mr. Chairman, I ask unanimous consent that the amendment may be again read for the information of the committee.

Mr. McSWAIN. Mr. Chairman, if I understand, it is simply to have what is proposed to be a penal law published so that people can know what it is. I ask that the amendment be read.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. BACON]?

Mr. LESINSKI. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BACON].

The question was taken; and on a division (demanded by Mr. McSWAIN and Mr. BACON) there were—ayes 130, noes 121.

Mr. BUCHANAN. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chair appointed Mr. BACON and Mr. BUCHANAN to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 151, noes 141.

So the amendment was agreed to.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 6, line 23, after the word "resolution", strike out the comma, insert a period, and strike out the balance of the section and insert in lieu thereof "but there shall be no fine or imprisonment imposed for the violation thereof."

Mr. TABER. Mr. Chairman, this is the section by which they hope to force labor to work and to fine it if it does not work the number of hours that are required by the regulations. A vote against the amendment is a vote in favor of the enslavement and regimentation of labor. It is the crux of the bill. It is the object of the bill; and if we vote this amendment in, we can clean up that end of the situation.

Mr. BULWINKLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. If the amendment offered by the gentleman from New York [Mr. TABER] were adopted, where would the Bacon amendment be? Is it still in?

The CHAIRMAN (Mr. O'CONNOR). In the opinion of the Chair, the adoption of the amendment offered by the gentleman from New York [Mr. TABER] would eliminate the amendment just passed, which was offered by the gentleman from New York [Mr. BACON], as well as any other amendments following the word "resolution."

Mr. LEHLBACH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LEHLBACH. Would not the adoption of this amendment render nugatory the Bacon amendment, inasmuch as no penalties are left in the section?

The CHAIRMAN. As the Chair interprets it, the effect of the amendment offered by the gentleman from New York [Mr. TABER] would leave in the first three lines down to the word "resolution", in line 23, and insert the language "but there shall be no fine or imprisonment imposed for the violation thereof", which, by necessity, would eliminate the Bacon amendment.

The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The amendment was rejected.

Mr. McLEOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McLEOD: Page 6, line 23, after the word "willful" insert "and malicious."

Mr. McLEOD. Mr. Chairman, I offer this as a perfecting amendment. First I want to show the difference between the words "willful" and "malicious."

As given by the dictionaries, "willful" is defined to mean "willingly disposed, or ready; also, desirous."

"Malicious" is the most fitting word or phraseology consistent with the severe penal section of this bill. "Malicious" means "indulging or exercising malice, ill will, or enmity."

The uniform United States Criminal Code of this country establishes a definite set of penalties for violations of felonies and misdemeanors—and my amendment merely makes the penalty contained in this bill consistent with our code. It makes the penal section of the bill conform to the common law and to statutory law. Even though the imprisonment feature of this section has been removed, I still say a violation of the section constitutes a felony, because the conspiracy statute of the United States Code reads, in short:

A conspiracy to violate the laws of the United States is a felony by reason of this section.

Violation of this provision of the joint resolution will be construed to be a felony; and if it be a felony, the least we can do in justice and equity is to include the word "malicious" so that innocent persons cannot be convicted of the violation of some unknown provision of regulation set up by a bureau head of whom we know nothing. Let us improve the relief features of this measure which are so sorely needed by the country today, at least as much as we are able or at least as much as we are permitted under such dominant dictation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The question was taken; and on a division (demanded by Mr. McLEOD) there were—ayes 72, noes 159.

So the amendment was rejected.

Mr. DITTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DITTER: On page 6, line 24, strike out after the word "exceed" "$5,000" and insert in lieu thereof "$50 after trial and conviction in a court of competent jurisdiction."

Mr. DITTER. Mr. Chairman, the adoption of this amendment will, I believe, further perfect the amendment offered by the gentleman from New York [Mr. BACON]. I believe we should not permit, through Executive rules and regulations, the conviction of any man; it should be only after proper trial. I believe this saving clause should be included. If it is surplusage it certainly in no way will be harmful to the section as it presently exists, so I ask your support for the amendment.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield.

Mr. BLANTON. How does the gentleman suppose that anyone could be tried and convicted and fined $5,000 unless he were tried, convicted, and fined in an orderly way? That is presumed. The courts would require that, without any of these amendments.

Mr. DITTER. In answer to the gentleman from Texas may I say that after we have gone to the lengths we have in the delegation of power to the Executive anything might happen under this sweeping resolution.

Mr. BLANTON. I will say to the gentleman from Pennsylvania that since I have been in Congress we have passed scores of criminal laws, but never did we provide for advertising them in the newspapers, nor did we ever provide that months of time should be wasted in useless and unnecessary delays before we gave relief.

Mr. DITTER. In answer to the gentleman from Texas I will concede that we have never passed any legislation of the character proposed in the pending joint resolution so far as providing for rules and regulations to be issued by the Executive.

Mr. BLANTON. Oh, that has been done in scores of measures ever since I have been here.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. DITTER. I yield.

Mr. MICHENER. The gentleman has reference to statutes passed by Congress. This bill has no reference to statutes passed by Congress but deals with regulations made by bureaus of which the individual violator in many instances has no possible means even of having information that there was such a regulation.

Mr. BLANTON. How about the provisions of the pure-food law and the Lever Agricultural Act passed during the war that both the gentleman from Michigan and the gentleman from New York supported?

Mr. DITTER. They were statutory.

Mr. BACON. I was in the Army of the United States during the war, and not in Congress.

Mr. BLANTON. I am talking about the gentleman from New York, Mr. TABER.

Mr. BUCHANAN. Mr. Chairman, for some time we have been authorizing heads of Government agencies to make rules and regulations and have made the violation of such rules and regulations punishable. One such case has reached the Supreme Court under the Agricultural Adjustment Act, and the Secretary of Agriculture was upheld. That act authorized the Secretary of Agriculture to make rules and regulations, and a penalty was prescribed for the violation of such rules and regulations. The same thing is done in this joint resolution. The same thing was done in the National Recovery Act, which carried a penalty provision of $500 fine or 6 months in jail, or both. The same penalty was included in the Public Works Act. A somewhat similar provision was included in the Communications Act. In that act the penalty provision went so far as to prescribe $500 fine for each and every day of offense or violation of a regulation.

The Security and Exchange Act provided for a punishment of 2 years in the penitentiary or a fine of $10,000. We have been giving to these agencies power similar to that asked in this bill to be exercised by the President.

I will tell you why the President wants this power. I took it up with him, and I suggested that the penalty of 2 years was too severe. He readily agreed, but stated the reason for asking this was because in the administration of the Federal emergency relief there had been considerable abuse, and in an attempt to correct the situation they had no power to make violations an offense.

Do you want to vote for fraud upon the Government, or do you want to throw every safeguard and protection around the President in the administration of his affairs? He is not going to be cruel and unconscionable. Can you not trust him? The people of the United States have trusted him. Cannot this Congress trust the President?

Mr. WHITTINGTON. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Is it not true that in every revenue act passed by Congress substantially the same authority that is given the President of the United States here is given to the collector of internal revenue?

Mr. BUCHANAN. Not only that, but every man prosecuted under any rule or regulation prescribed by the President or anyone else is prosecuted in the regular courts. They have the right of appeal to the district court of appeals and also the right of appeal to the Supreme Court.

Mr. TABER. Will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from New York.

Mr. TABER. There has never been any penalty imposed in any relief bill before.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

Mr. CONNERY. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: On page 6, line 23, after the comma, strike out the balance of line 23 and all of line 24 and insert in lieu thereof the following: "*Provided*, That the President or any governmental agency (including any corporation or any individual) to which or to whom may be delegated any powers under this joint resolution, shall not issue any rules and regulations which change existing law."

The CHAIRMAN. All time on this section has expired. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. BULWINKLE. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BULWINKLE: On page 6, strike out lines 23, 24, 25, and in lieu thereof insert the following: "Joint resolution."

Mr. BULWINKLE. Mr. Chairman, inasmuch as there is no time left in which to explain this amendment, I ask unanimous consent to withdraw it.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. The Clerk will read the next section.

The Clerk read as follows:

SEC. 7. A report of the obligations incurred under this appropriation shall be submitted before the 10th day of January to each of the next three regular sessions of Congress.

Mr. UMSTEAD. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. UMSTEAD: Page 7, line 1, after the word "the", insert the words "expenditures and".

Mr. UMSTEAD. Mr. Chairman, as section 7 now appears in the bill it requires the Executive to render a report of the obligations incurred to each Congress. I know of no reason why the Chief Executive should not report to the Congress the expenditures made under this act, and I do not understand how any supporter of the President or any supporter of the administration or any Member of this Congress could reasonably object to the insertion of the words offered in this amendment.

Mr. MAY. Will the gentleman yield?

Mr. UMSTEAD. I yield to the gentleman from Kentucky.

Mr. MAY. I should like to suggest to the gentleman that I have prepared and have on the desk an amendment that I should like to offer as a substitute for the amendment offered by the gentleman from North Carolina.

Mr. UMSTEAD. The gentleman from Kentucky understands that I have no control over the offering of substitute amendments.

Mr. MAY. Perhaps the gentleman will accept my amendment. My amendment is as follows: Following the word "incurred" add the words "contracts and grants of money made." This requires him to disclose not only the obligations but compels him to tell us what contracts he has made and what he has done with the money expended, so that we may know what has been done with the money.

Mr. UMSTEAD. I think what the gentleman is talking about is a different matter.

[Here the gavel fell.]

Mr. BULWINKLE. Mr. Chairman, I offer a substitute amendment to the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Substitute amendment offered by Mr. BULWINKLE: Page 7, strike out lines 1 to 4, inclusive, and insert in lieu thereof the following: "SEC. 7. A report of the operations under this joint resolution shall be submitted to Congress before the 10th day of January in each of the next three regular sessions of Congress, which report shall include a statement of the expenditures made and obligations incurred, by classes and amounts."

Mr. BULWINKLE. Mr. Chairman, this just broadens the scope of the amendment offered by my colleague from North Carolina [Mr. UMSTEAD].

Mr. UMSTEAD. Will the gentleman yield?

Mr. BULWINKLE. I yield to the gentleman from North Carolina.

Mr. UMSTEAD. Mr. Chairman, I gladly accept the substitute amendment and ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Without objection the amendment offered by the gentleman from North Carolina [Mr. UMSTEAD] is withdrawn.

There was no objection.

Mr. BULWINKLE. May I say further that there shall be included in the report a statement of expenditures and obligations incurred, and also there shall be a report of the classes and amounts. I think that the Congress should have the full information in these reports as to what is being done under this bill.

Mr. Chairman, I have nothing more to say, and I hope the Chairman of the Committee on Appropriations will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. BULWINKLE].

The amendment was agreed to.

Mr. MARTIN of Colorado. Mr. Chairman, I made this motion simply to afford me an opportunity to direct the attention of the Members, and especially the Members representing the great Mississippi River Basin, to the message of the President read to the House this morning, transmitting the reports of the National Resources Board and the Mississippi Valley Committee.

In my opinion this report of the Mississippi Valley Committee is epochal. The committee in its foreword to this great report says that planning for the control and use of water is planning for most of the basic functions of the national life.

Accompanying this report are recommendations of series of definite projects, the execution of which projects would be worth more to this country than all of the classifications of mere purposes which were properly cut out of the bill on motion of the Chairman of the Appropriations Committee this morning.

"Make no little plans. They have no magic to stir men's souls."

This quotation appropriately captions the report of the Mississippi Valley Committee. I hope it will be the rule of guidance in the expenditure of the great fund for public works provided in this bill.

The Mississippi Valley is the granary of the United States. It is the great drainage area of the United States. The Mississippi Basin embraces approximately one-half of the continental United States. It includes within its boundaries all or parts of 31 States. It extends from western Pennsylvania to eastern Idaho and from Canada to the Gulf of Mexico.

The committee was appointed by the Public Works Administration to investigate and report upon the water resources and systems of the Mississippi Basin, together with all the related problems of flood control, navigation, irrigation, soil erosion, forestation, and so forth; and to recommend a definite scheme of improvements.

The committee is composed of nine engineers and experts familiar with the subject matters to be considered. I will insert the roster of the committee at this point.

MISSISSIPPI VALLEY COMMITTEE

Harlan H. Barrows, chairman department of geography, University of Chicago;
Herbert S. Crocker, consulting engineer, Denver, Colo.;
Glen E. Edgerton, lieutenant colonel, Corps of Engineers;
Henry S. Graves, dean School of Forestry, Yale University;
Edward M. Markham, major general, Chief of Engineers;
Charles H. Paul, consulting engineer, Dayton, Ohio;
Harlow S. Person, consulting economist, New York City;
Sherman M. Woodward, professor of hydraulics, State University of Iowa; and
Morris L. Cooke, consulting engineer, Philadelphia, chairman.

As relieving the great work of this committee of any suggestion of sectionalism, I may, as a western Member, point out that only two of the nine members of the committee are from west of the Mississippi River and that the chairman of the committee is an eminent engineer from the city of Philadelphia. If any features of this report strongly support the claims which the West must make for a proper allotment from this great fund, and I think they do, it cannot be charged to any preponderance of western membership on the Mississippi Valley Committee. Quite the contrary.

But this report reflects much more than the study and labor of nine men. Other committees representing the various tributaries of the Mississippi presented before the Mississippi River Committee the results of their studies and labors, embodying exhaustive surveys of their respective sections, in the preparation of which they had the assistance of the most experienced men in every locality.

The report, therefore, of the Mississippi Valley Committee embodies the concrete results, the completed picture, of the labors of many hundreds of men, who were specially fitted to contribute their bit to the great structure which this report is. That structure is a chart and plan for the execution of the greatest, most beneficial, and most necessary activity in which the Government of the United States can engage, the conservation and the use of water.

So the committee in its foreword to the report, very properly says—and I quote the opening sentence:

Planning for the use and control of water is planning for most of the basic functions of the life of the Nation.

We need slum clearance, we need rural rehabilitation, we need good roads, we need forestation, and the prevention of soil erosion; we need all these things, but as the foundation for all of them, as the sine qua non of all of them, as the fundamental thing without which they are but as "painted ships upon a painted ocean", is the conservation and the proper use and control of the lifeblood of the earth, the waters of the earth.

I cannot undertake to deal with the whole scope of this report. To whatever official or agency may have the preparation of the public-works program and the allocation of the funds, I respectfully commend the report in its entirety, and I shall limit myself to that portion of it relating to the section which, in part, I represent, the Great Plains area.

I am heartily in favor of the great projects, stressing power, now under way, such as the Tennessee Valley Authority, Boulder Dam, the Grand Coulee, Fort Peck, and others. But I want to direct attention to that great alluvial section of the West, which is the breadbasket of the Nation, but the topography of which does not furnish natural sites for power development, or, where it does, only on a most limited and minor scale.

It is my view—and I have so expressed myself to those in authority—that in carrying out a national public-works program, the natural resources of each section, whatever they may be, should receive equal aid, and the same treatment as every other section. A great section of the country should not be penalized because it may be deficient in natural resources with which another section of the country is blessed. In other words, one locality should not be given hundreds of millions of dollars because nature endowed it with a power site, and another section be left to languish because of the lack of such endowment. If it has valuable resources capable of being aided and developed, and the development of which is of primary importance to the locality as well as materially contributing to the national economy and well-being, it should receive due recognition.

This brings me to that section of the report which deals with water in the Great Plains area. In that area water not only is life but irrigation water. To turn thumbs down on the conservation and the use of water by irrigation in the plains area is passing sentence of death on that area. I wish particularly to impress that thought on those Members living in other sections of the country which may safely depend upon an adequate water supply as it falls from the skies, and where water is often a drug on the market. They have their problems, for which this great report offers its proper solution.

The problem of the Plains area has always been with us, but it remained for the historic drought of 1934, which is not yet ended, and which was preceded for several years by increasing drought conditions, to bring clearly into the open the necessity of a water-conservation program if the West

is to live and grow. The benefits of such a program in that section would exceed the sum of all other possible benefits which may be conferred by the Federal Government. Not only has the necessity for such a program been brought home to the West as never before but for the first time the vital need of such a program has been forced into the national picture.

This drought, like this depression, is without precedent. It embraces 24 of the 48 States, and those 24 States embrace two-thirds of the geographical area of the United States. Water comes in cycles. It is either a feast or a famine. There is either too much or too little. The skies open and the rains descend, washing away and destroying the top soil and wrecking everything along the streams, or the skies dry up and the country burns up. If we hope to save the country and its resources, we must store up and control these waters in time of excess for use in time of need. It can be done.

The President, in his great speech dedicating Fort Peck Dam on the upper Missouri last summer, struck the keynote of the great need of the West and hinted at the supply of that need, when he said the Fort Peck Dam was but the beginning of the realization of the dream and that it would not be fully realized until dams had been built on those western rivers which would store up every gallon of water now running idly and destructively to the sea.

That statement electrified the West. It raised a hope and met with a response such as could have been elicited by no other statement within the power of the President to make.

This was shortly followed by an equally heartening statement from the Secretary of the Interior as Public Works Administrator, that the administration would bring forth a genuine public-works program, greater in magnitude than any yet proposed, and mentioning water conservation as one of the objectives of that program.

I feel confident, I could not allow myself to feel otherwise, that when the program of projects authorized by this bill is completed, it will carry provisions for the further substantial realization of the dream of the West, vocalized with such vision by the President at Fort Peck Dam.

Now, to get down to cases. The improvement of the Arkansas River and its tributaries has a definite place in the report of the Mississippi Valley Committee. The Arkansas is one of the longest rivers in the United States. At times it is the greatest flood tributary of the Mississippi. It has been characterized by the Army engineers as a major factor, if not the major factor, to be controlled in the solution of the flood problem presented by the Mississippi River, which is a national problem. For example, in the great Mississippi flood of 1927, when that major stream of the United States was carrying its maximum capacity, the Arkansas River discharged directly across its channel the enormous volume of 200,000 cubic feet of water per second of time, building a dam of water across the Mississippi flood some 8 or 10 feet in height and backing up that depth of water for many miles; and when the dam broke, the historic devastation of the lower Mississippi Valley began. The plain lesson of that and prior experiences of the Mississippi Valley is the building of dams on its tributaries to store and hold back their contributions and make a beneficial use of them in the flood-producing areas on these upper streams.

Recognizing the Arkansas River as a permanent and growing menace to the Mississippi Valley, the Army engineers, by authority of Congress, some years ago made an exhaustive survey of the Arkansas River Basin, occupying some 4 years of time, at a cost of four or five million dollars. In this survey the Army Engineers embraced every feature of river improvement, navigation, flood control, irrigation, reclamation, soil erosion, forestation, and so forth. Many dam sites were indicated.

Early in 1933, and before the magnitude of the present drought was even surmised, a commission was organized by the seven States, portions of which are affected by the Arkansas River and which are now embraced in what is known as the "Arkansas River Basin." These States are Colorado, New Mexico, Kansas, Texas, Oklahoma, Missouri, and Arkansas. This commission, composed of and assisted by able engineers, lawyers, economists, farmers, and water users, presented its claims and their program to the Mississippi Valley Committee.

This committee, in its report submitted to the Public Works Administrator on October 1, 1934, carries a section beginning at page 181 devoted to the southwest basins, consisting of the Red, Arkansas, White, and Ouachita Rivers. It recommended a definite program of projects on each of these streams. It divided these projects into class A and class B. Class A is made up of " projects which appear to be economically justified by the benefits to be derived from their construction." Class B is made up of " projects which lack immediate justification for construction, but which are of sufficient importance for inclusion in a comprehensive program and the need for which will apparently develop in the future." As giving weight to these recommendations, many projects submitted, known as " class C ", were rejected.

The cost of the projects recommended for the Arkansas River and its tributaries, the list of which I will attach to my remarks, approximates $70,000,000. I respectfully submit that in view of the vast territory involved and its primary need for this development, this would be a very reasonable sum to expend on the Arkansas River Basin.

The gentleman from Oklahoma [Mr. DISNEY] has introduced a bill, H. R. 3622, for the establishment of an Arkansas Basin authority, carrying an appropriation of $75,000,000. Should such a measure be enacted, the authority will be charged with the execution of the necessary improvements which are the objectives of both the Arkansas Basin committee and the Mississippi Valley committee. If this admirable bill is not enacted, then the specific recommendations of the Arkansas Valley committee for the improvement of the Arkansas River and its tributaries should find a place in the allocations under this public-works bill. Our hopes are legitimately based on the findings and recommendations of the Mississippi Valley committee. It cannot be assumed that that important committee, created and empowered by the Public Works Administration, and the great work it has brought forth, are merely idle gestures. Complete assurance to the contrary should be found in the message of the President this morning. Referring to the transmitted reports, the President said:

> These documents constitute a remarkable foundation for what we hope will be a permanent policy of orderly development in every part of the United States. It is a large subject but it is a great and inspiring subject. May I commend to each and every one of you who constitute the Congress of the United States a careful reading of these reports.

And again:

> For the coming 18 months I have asked the Congress for $4,000,000,000 for public projects. A substantial portion of this sum will be used for objectives suggested in this report. As years pass the Government should plan to spend each year a reasonable and continuing sum in the development of this program. It is my hope, for example, that after the immediate crisis of unemployment begins to mend, we can afford to appropriate approximately $500,000,000 each year for this purpose.

The Fort Peck vision begins to take form. The pioneering work has been done. Many of the indicated projects could be begun without delay. They are in localities of excessive drought and excessive unemployment. The farmers as well as the workers are on Federal relief. Their needs of Federal aid will be as great in 1935 as in 1934. They must produce and market another crop before they can hope to become self-supporting. Let us begin. Let us build some permanent and useful monuments, worthy of the power, the prestige, and the wealth of this great Nation. Let us execute a plan, ready to hand, having the magic to stir men's souls.

LIST OF ARKANSAS BASIN PROJECTS APPROVED BY THE MISSISSIPPI VALLEY COMMITTEE

(The purpose for which each project is proposed is designated by F for flood control, P—power, N—navigation, I—irrigation, W—water supply, R—recreation)

ARKANSAS RIVER

| *Class A projects* | *Cost* |
|---|---|
| Caddoa Reservoir, Arkansas River—F, I | $7,981,000 |
| Augusta, Kans., Levees, Arkansas River—F | 77,800 |
| Winfield, Kans., Levees, Arkansas River—F | 108,630 |

LIST OF ARKANSAS BASIN PROJECTS APPROVED BY THE MISSISSIPPI VALLEY COMMITTEE—Continued

(The purpose for which each project is proposed is designated by F for flood control, P—power, N—navigation, I—irrigation, W—water supply, R—recreation)

ARKANSAS RIVER—continued

| *Class A projects*—Continued | Cost |
|---|---|
| Arkansas City, Kans., Levees, Arkansas River—F | $94,000 |
| Kaw, Okla., Levees, Arkansas River—F | 32,500 |
| Great Salt Plains Reservoir, Salt Fork—F, R | 1,233,000 |
| Tulsa Levees, Arkansas River—F | 308,000 |
| Pensacola Reservoir, Grand (Neosho) River—F, R | 13,290,000 |
| Conchas Reservoir, South Canadian River—F, I, W | 8,925,000 |
| Fort Reno Reservoir, North Canadian River—W, F, R | 6,032,000 |
| Clarksville Levee, Ark., Arkansas River—F | 70,000 |
| Oklahoma and Arkansas Levees, Arkansas River—F | 82,500 |
| *Class B projects* | |
| Hutchinson, Kans., Levees—F | 1,568,600 |
| Big Slough (Wichita, Kans.), Floodway—F | 3,585,000 |
| Braman Reservoir, Salt Fork River—W, R | 348,800 |
| Blackwell, Okla., Levees, Salt Fork River—F | 50,000 |
| Kenton Reservoir, Cimarron River—I | 2,423,000 |
| Englewood Reservoir, Cimarron River—I | 4,148,000 |
| Hulah Reservoir, North Caney Creek—F, W, R | 2,423,000 |
| Fall River Reservoir, Verdigris River—W | 1,275,000 |
| Council Grove Reservoir, Grand (Neosho)—W, R | 1,330,000 |
| Markham Ferry Reservoir, Grand (Neosho)—P, R | 4,712,000 |
| Fort Gibson Reservoir, Grand (Neosho)—P, R | 6,511,000 |
| Mardock Reservoir, Little River—F, R | 939,600 |
| Optima Reservoir, North Canadian River—F | 1,530,000 |
| Fort Supply Reservoir, North Canadian River—F | 2,585,000 |
| Okmulgee Reservoir and Levees, Deep Fork River—F | 5,260,000 |
| Blue Mountain Reservoir and Levees, Petit Jean River—F | 1,489,600 |
| Nimrod Reservoir, Fourche LaFave River—F | 1,093,800 |
| North Little Rock and Levees, Arkansas River—F | 400,000 |

Mr. BUCHANAN. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do now close.

Mr. ANDREWS of New York. Mr. Chairman, I object.

Mr. BUCHANAN. Then, Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

Mr. ANDREWS of New York. Mr. Chairman, I have an amendment at the desk.

The Clerk read as follows:

Amendment offered by Mr. ANDREWS of New York: Page 7, line 1, after the word "incurred", insert the words "to be audited by the Comptroller General of the United States."

Mr. BUCHANAN. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The amendment is not in order as the section has been previously amended.

The Chair sustains the point of order.

The Clerk read as follows:

SEC. 8. This joint resolution may be cited as the "Emergency Relief Appropriation Act of 1935."

Mr. McFARLANE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McFARLANE:

Page 7, line 6, after the quotation marks at the end of section 8, insert the following new sections:

"That the President shall put into effect the following amendment in making appropriations for relief purposes:

"SEC. 9. That title V of the World War Adjusted Compensation Act, as amended, is amended by adding at the end thereof three new sections, to read as follows:

"'PAYMENT OF CERTIFICATES BEFORE MATURITY

"'SEC. 509. (a)'"——

Mr. BUCHANAN. Mr. Chairman, I make a point of order against the amendment. It is apparent from what has been read that it is subject to a point of order.

The CHAIRMAN. The Chair believes that sufficient of the amendment has been read for the point of order to be made.

Mr. McFARLANE. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. McFARLANE. Mr. Chairman, the purpose of this joint resolution is stated as follows:

Making appropriations for relief purposes.

This amendment will authorize the President, out of the funds herein appropriated, to pay the balance due the men who kept that flag flying when the days were darkest in this country.

These men today are in need. They are suffering for want of the necessities of life, and there is not any group of men in the United States that needs this relief more than do the World War veterans, and this provides an expansion of currency to pay a recognized debt long past due. It would not cost the Government anything to pay this debt to the soldier under this amendment and would save the Government more than $1,500,000,000. It would equally and fairly redistribute buying power now so badly needed Nation-wide. The whole alphabet program is being administered to special groups and classes of people, such as the bankers, farmers, and unemployed. Why not pay this recognized debt now to the Nation's defenders who are so badly in need?

Mr. BUCHANAN. Mr. Chairman, I make the point of order that the gentleman is not discussing the point of order.

The CHAIRMAN. The gentleman will proceed in order.

Mr. McFARLANE. I think, Mr. Chairman, if the gentleman and his committee had not come in and asked for this gag rule under which this bill is being considered we could have considered this the most important bill since this administration took charge in the orderly and parliamentary way and we could have made this amendment germane to the first section of the bill, and there could not have been any such question raised and this House would have voted overwhelmingly for this amendment, and the gentleman knows it.

The CHAIRMAN. The gentleman will proceed in order.

Mr. McFARLANE. I think the amendment is in order, Mr. Chairman, for the further reason that it provides ways and means of caring for more than 3,500,000 ex-service men who, together with their families, constitute about 15,000,000 people now in dire need of help. This amendment provides the necessary mechanics for the payment of this Government debt and fully sets out the provisions and limitations under which it shall be paid. It is a relief measure that can be effected without increasing the tax burdens, and it can be paid without a bond issue, as will be required for section 1 of this resolution. It will not increase our national debt and will not unbalance the Budget. I hope the gentleman will not insist on his point of order and allow this amendment to be voted upon.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from Texas is not germane to section 8, and the Chair sustains the point of order.

Mr. MAAS. Mr. Chairman, I have a preferential motion.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Mr. MAAS moves that the Committee rise and report the resolution back to the House with the recommendation that the resolving clause be stricken out.

Mr. HUDDLESTON. Mr. Chairman, I make the point of order that that has already been voted upon.

The CHAIRMAN. An amendment has been adopted since the striking out of the enacting clause was voted upon. The Chair will hear the gentleman.

Mr. MAAS. Mr. Chairman and members of the Committee, this measure, labeled a relief measure, is not a relief measure at all. What relief is involved in it is merely a thin sugar-coating. It is a measure that strikes at the very foundation of the form of our Government. It seeks to change the American Government from a three-branch government to a two-branch government. If that can be done so easily it will not be very long before it will be reduced to one branch. This bill gives powers to another branch of the Government which in many cases the Congress has not itself. It provides not only for a delegation but for redelegation of powers which, under the Constitution, should be exercised only by the people's representatives in Congress. These are not our personal rights we are asked to surrender, but are sacred rights of those whom we represent, and for whom we merely exercise such powers. We have no right to give these pow-

ers away. Why are we asked to appropriate for a 2-year period? We will be in session next year. There is no necessity for this long-time appropriation. If the emergency is so serious that such an extraordinary grant of power is necessary, it is sufficiently urgent to keep Congress in session during this period.

Why, the powers under this bill will permit the socialization of business and of labor. It will permit the Government to go into every branch of industry, and in the employment of men. All of the new deal policies of labor protection can be swept away because there is no collective bargaining for those who are employed by the Government. Under powers granted by this bill civil service can be abolished, even the Civil Service Bureau. It can throw the whole Government employment open to further raids by the spoils system. We are the chosen representatives of the people. If we are not capable of doing the job we ought to be at home. We should openly submit a constitutional amendment to abolish Congress and not attempt that result by indirection.

Neither business nor labor wants this measure.

Unemployment today is due to a lack of confidence by business in the future. Give business a definite program, give business the assurance of what the regulations are going to be for the next 2 years, and you will see business revive and absorb unemployment. If you pass this bill, no business man will know from day to day what the regulations governing his business are. He will not know from day to day what the situation will be for the next day. More confusion will result, with consequent more unemployment.

I yield to no man in this or any other administration in my willingness to provide relief. I do not object to the amount of this bill. In fact, I do not believe the eight-hundred-odd millions of dollars will be adequate for relief needs. Federal relief is to stop, according to the President's program, on July 1 of this year. The $800,000,000 in the bill is for relief until then. The $4,000,000,000 is for a works program. I do not object to that amount if we know what it is to be spent for. Nothing has been presented to us to show what the actual needs will be. Nothing is before us to show upon what this $4,000,000,000 estimate is based. I will vote for four billion or eight billion if necessary, but I want to know what it is to be used for and how it is to be used and who is to direct its spending.

The people are entitled to this information. After all, it is their Government and their money. The last election may have been a mandate to support the President in a recovery program, but it was not a mandate for the Congress to abdicate and turn the whole Government over to any one individual, whether he be the President or some agent of the President.

I do not believe in logrolling appropriations. I do not oppose this bill because it does not specify each detailed project, but because it does not even present a broad program upon which we can judge the needs of the appropriation.

It presents no program at all. Why cannot a program, even a very general program be drafted, and submitted to Congress for consideration? Congress is going to be in session for some months. If need be it can stay in session continuously. It is unprecedented to ask for this kind of an appropriation over a 2-year period. Why all the rush act right now and at the beginning of the session? If there is a program as the foundation for this gigantic request, why not submit it to Congress where it belongs? If there is such a program, is the administration afraid to submit it to the representatives of the people? Is there something to conceal in this proposed program? Or has the administration no program for the expenditure of this money? Is it just guess work, this request for $4,000,000,000, to be used on top of $5,700,000,000 still available from previous expenditures but not yet spent?

If there is no plan to spend this money yet formed, why appropriate it now? Why not formulate some sort of plans, and ask for the money when your plans are worked out? You may find that this request is way short of that needed.

Either the administration has a plan and refuses to let the people through their Representatives in Congress know what it is, or you have no plan and are just guessing at the whole thing.

In either event this is not a very intelligent way for us to legislate.

If the American people are not intelligent enough for self-government, let us openly tell them that and honestly change our form of government. But let us not just try to kid them along. It is cruel to step by step deprive them of their rights to self-government, to force them to sell their birthright for a mess of pottage. It is dishonest to take advantage of their sore distress to coerce them into selling their liberty for a promise of temporary security. History demonstrates that the temporary surrender of sovereign rights of the people during an emergency are never returned peacefully, even when the emergency passes.

This bill is an outright surrender of the people's sovereignty. Is the memory of what happened throughout Europe so recently already forgotten?

The abolition of the Reichstag, as an example, in Germany was started by just such a bill in that body. After the passage of that measure surrendering much of the power of their legislative body, new measures were rapidly forced through until finally the members were high-pressured into voting themselves out of existence until 1937. Do any of you really expect to see a return of parliamentary government in Germany in 1937?

Of course you don't. We are going the same way here. Congress was asked in the last two sessions to delegate exceptional powers, temporarily, to the Executive. Those powers are to expire this coming summer. As their expiration approaches the bureaucracy thus created seeks to perpetuate itself. Fearful of an outright request for their continuance they devise a measure, under the sentimental plea of relief, to permit their extension two more years. Do you think they will stop then? Do you think they will ever voluntarily surrender their power back to the people?

This measure is proof that they will not. This thing must be stopped. Congress cannot continue to assume the responsibility for legislative government unless it retains the authority to govern.

We are told that all of this extraordinary power that we are asked to transfer to the Executive will be wisely administered by him. We are assured that he will not abuse these great grants of power. But what assurance have we of this? True, he may be a benevolent dictator, but we have no knowledge that Franklin Roosevelt will be administering these powers throughout the 2 years ahead of us. No man living can know that. Not one of us can guarantee that he will be spared even until tomorrow morning. Should tragedy visit the White House, what about those who might follow?

This is dangerous business, this delegating legislative functions to the executive department of the Government. No one man could personally wield such great powers. This bill permits, and circumstances compel him to delegate much of it. What about Congress turning over its great powers to be administered by men who are not elected by the people, who have no constituency to whom they are responsible?

We are going to turn over the power to people who are appointed without even the necessity of being submitted to the United States Senate for examination as to their qualifications.

Certainly the framers of our Government never intended any such thing.

This is government by bureaucracy in its worst form, as these administrators will have the power to make regulations with effect of law, to which the citizens will be subjected. The exercise of these great powers by the Executive are not necessary to and have no relation to administering relief. There is some other explanation for their demand at this time. Relief is the excuse, but transferring power is the purpose. This is not government. This is dictatorship.

Mr. WOODRUM. Mr. Chairman, I rise in opposition to the motion. We have virtually completed here in this body the consideration of this great part of a great President's

recovery program. It is not amazing, Mr. Chairman, that we wind up its consideration just as we began, by having every possible obstacle thrown in the way of its consideration and passage by gentlemen from that side of the aisle. We have heard nothing from beginning to end but denunciation and criticism. In one thoughtless moment the House adopted an amendment which I believe it will shortly rescind, which would to a great extent throttle this great program.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I have not the time. That amendment would require every rule and every regulation promulgated by the President in this relief program to be posted and published for 30 days and sent to the office of the clerk of every United States district court, before it could become operative. Such a thing is so utterly ridiculous and thoughtless that I am sure the House will rescind the action of the committee.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I have not the time to yield. I appeal to my colleagues on this side of the aisle. The consideration of this measure has taken on largely a political aspect. It ought not to have done so. If this motion should prevail there would be no relief bill, there would be neither work nor relief, but if the bill should pass as your leadership asks, and as the White House asks that it should, then we shall have accomplished a great step in the legislative accomplishments of this Congress. I feel when you come to a roll call in the House that you will support this legislation and pass the bill as the administration asks for it, and without the Bacon amendment.

What does it do? It goes out to the country that we intend to take the three and a half million people, able-bodied American citizens, who are now getting not wages of mechanics in their various communities, not the wages of carpenters and plumbers, but men who are on the relief rolls getting an average of less than $20 a month—take them off the humiliating relief roll and put them on an honorable roll—of men who work for their living, and pay them on an average of $50 a month. I submit to you that that is American, that that is progressive, and in accordance with what the people of America want done. I have in my community, and you have in yours, splendid, fine, able-bodied men who will gladly welcome an opportunity to get off that humiliating relief roll and onto the pay roll of this Government at some sort of a living wage.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I have not the time.

Mr. BLANTON. For just one question.

Mr. WOODRUM. I have already refused to yield to other gentlemen, and I cannot yield. I appeal to you gentlemen over here on the Democratic side, because I cannot look across the dividing aisle and ask for any help there, nor can I expect it. Members on that side of the aisle have voted solidly today. Did you notice it? They say there is no politics in this measure; yet every time there was a vote they stood up solidly and unitedly, and voted against the relief measure and against the program of Franklin D. Roosevelt. I appeal to you gentlemen, when the time comes to vote, to solidly go down the line with your leader in the White House whom we are supposed to follow and whom I believe every man here wants to follow. [Applause on Democratic side.]

The CHAIRMAN. The question is on the motion offered by the gentleman from Minnesota.

The motion was rejected.

The CHAIRMAN. Under the rule the Committee will automatically rise.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. O'CONNOR, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration House Joint Resolution 117, and, pursuant to House Resolution 65, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered. Is a separate vote demanded upon any amendment?

Mr. BUCHANAN. Mr. Speaker, I demand a separate vote on what is known as the "Bacon amendment" to section 6 on page 6 of the resolution.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros. The question is on agreeing to the other amendments.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the Bacon amendment.

The Clerk again reported the Bacon amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. BACON].

The question was taken——

Mr. BACON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 127, nays 278, not voting 25, as follows:

[Roll No. 9]

YEAS—127

| | | | |
|---|---|---|---|
| Allen | Dondero | Keller | Robsion, Ky. |
| Amlie | Doutrich | Kimball | Rogers, Mass. |
| Andresen | Drewry | Kinzer | Ryan |
| Andrew, Mass. | Eaton | Knutson | Sauthoff |
| Andrews, N. Y. | Ekwall | Kvale | Schneider |
| Arends | Engel | Lambertson | Seger |
| Bacon | Englebright | Lehlbach | Shannon |
| Bell | Fenerty | Lemke | Short |
| Blackney | Focht | Lord | Snell |
| Boileau | Gearhart | Lundeen | Stefan |
| Bolton | Gehrmann | McLean | Stewart |
| Brewster | Gifford | McLeod | Sutphin |
| Buckbee | Gilchrist | McSwain | Taber |
| Burdick | Goodwin | Maas | Taylor, Tenn. |
| Burnham | Gray, Ind. | Mapes | Thom |
| Carlson | Greenway | Marcantonio | Thomas |
| Carpenter | Griswold | Marshall | Thurston |
| Carter | Guyer | Martin, Mass. | Tobey |
| Cavicchia | Gwynne | Michener | Treadway |
| Christianson | Hancock, N. Y. | Millard | Turpin |
| Church | Hart | Moran | Umstead |
| Claiborne | Harter | Mott | Wadsworth |
| Cole, N. Y. | Hartley | Norton | Welch |
| Collins | Hess | O'Malley | Wigglesworth |
| Cooley | Hildebrandt | Perkins | Wilson, Pa. |
| Cooper, Ohio | Hill, Samuel B. | Pittenger | Withrow |
| Crawford | Hoffman | Plumley | Wolcott |
| Crowther | Hollister | Powers | Wolfenden |
| Culkin | Hope | Ransley | Wolverton |
| Darrow | Hull | Reed, Ill. | Wood |
| Dirksen | Jenkins, Ohio | Reed, N. Y. | Woodruff |
| Ditter | Kahn | Rich | |

NAYS—278

| | | | |
|---|---|---|---|
| Adair | Colden | Ellenbogen | Huddleston |
| Arnold | Cole, Md. | Evans | Igoe |
| Ashbrook | Colmer | Faddis | Imhoff |
| Ayers | Connery | Farley | Jacobsen |
| Barden | Cooper, Tenn. | Ferguson | Jenckes, Ind. |
| Beam | Corning | Fernandez | Johnson, Okla. |
| Beiter | Costello | Fiesinger | Johnson, Tex. |
| Berlin | Cox | Fitzpatrick | Johnson, W. Va. |
| Biermann | Crosby | Flannagan | Jones |
| Bland | Cross, Tex. | Fletcher | Kee |
| Blanton | Crosser, Ohio | Ford, Calif. | Kelly |
| Bloom | Crowe | Ford, Miss. | Kennedy, Md. |
| Boehne | Cullen | Frey | Kennedy, N. Y. |
| Boland | Cummings | Fuller | Kenney |
| Boylan | Daly | Fulmer | Kerr |
| Brennan | Darden | Gasque | Kleberg |
| Brooks | Dear | Gassaway | Kloeb |
| Brown, Ga. | Deen | Gavagan | Kniffin |
| Brunner | Delaney | Gildea | Kocialkowski |
| Buchanan | Dempsey | Gingery | Kopplemann |
| Buck | Dies | Goldsborough | Kramer |
| Buckler, Minn. | Dietrich | Granfield | Lambeth |
| Buckley, N. Y. | Dingell | Gray, Pa. | Lamneck |
| Bulwinkle | Disney | Green | Lanham |
| Caldwell | Dobbins | Greenwood | Larrabee |
| Cannon, Mo. | Dockweiler | Greever | Lea, Calif. |
| Carden | Dorsey | Gregory | Lee, Okla. |
| Carmichael | Doughton | Haines | Lesinski |
| Cartwright | Doxey | Hamlin | Lewis, Colo. |
| Casey | Driscoll | Hancock, N. C. | Lewis, Md. |
| Castellow | Driver | Harlan | Lloyd |
| Celler | Duffey, Ohio | Healey | Lucas |
| Chandler | Duffy, N. Y. | Higgins, Mass. | Luckey |
| Chapman | Duncan | Hill, Ala. | Ludlow |
| Citron | Dunn, Pa. | Hill, Knute | McAndrews |
| Clark, Idaho | Eagle | Hobbs | McClellan |
| Clark, N. C. | Eckert | Hoeppel | McCormack |
| Cochran | Edmiston | Hook | McFarlane |
| Coffee | Eicher | Houston | McGehee |

| | | | |
|---|---|---|---|
| McGrath | O'Neal | Sabath | Taylor, Colo. |
| McGroarty | Owen | Sadowski | Taylor, S. C. |
| McKeough | Palmisano | Sanders, La. | Terry |
| McLaughlin | Parks | Sanders, Tex. | Thomason |
| McMillan | Parsons | Sandlin | Thompson |
| McReynolds | Patman | Schaefer | Tolan |
| Mahon | Patterson | Schuetz | Tonry |
| Maloney | Patton | Schulte | Truax |
| Martin, Colo. | Pearson | Scott | Turner |
| Mason | Peterson, Fla. | Scrugham | Underwood |
| Massingale | Peterson, Ga. | Sears | Utterback |
| Maverick | Pettengill | Secrest | Vinson, Ga. |
| May | Pfeifer | Shanley | Vinson, Ky. |
| Mead | Pierce | Sirovich | Wallgren |
| Meeks | Polk | Sisson | Walter |
| Merritt, N. Y. | Quinn | Smith, Conn. | Warren |
| Miller | Rabaut | Smith, Va. | Wearin |
| Mitchell, Ill. | Ramsay | Smith, Wash. | Weaver |
| Mitchell, Tenn. | Ramspeck | Smith, W. Va. | Werner |
| Monaghan | Randolph | Snyder | West |
| Montet | Rankin | Somers, N. Y. | Whelchel |
| Moritz | Rayburn | South | Whittington |
| Murdock | Reilly | Spence | Wilcox |
| Nelson | Richards | Stack | Williams |
| Nichols | Richardson | Starnes | Wilson, La. |
| O'Brien | Robertson | Steagall | Woodrum |
| O'Connell | Robinson, Utah | Stubbs | Young |
| O'Connor | Rogers, N. H. | Sullivan | Zimmerman |
| O'Day | Rogers, Okla. | Sumners, Tex. | Zioncheck |
| O'Leary | Rudd | Sweeney | |
| Oliver | Russell | Tarver | |

NOT VOTING—25

| | | | |
|---|---|---|---|
| Bacharach | DeRouen | Higgins, Conn. | Reece |
| Binderup | Dickstein | Holmes | Romjue |
| Brown, Mich. | Dunn, Miss. | McDuffie | Tinkham |
| Burch | Fish | Mansfield | White |
| Cannon, Wis. | Gambrill | Merritt, Conn. | |
| Cary | Gillette | Montague | |
| Cravens | Hennings | Peyser | |

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Merritt of Connecticut (for) with Mr. Cary (against).
Mr. Holmes (for) with Mr. Peyser (against).
Mr. Tinkham (for) with Mr. Cravens (against).
Mr. Fish (for) with Mr. Dickstein (against).
Mr. Reece (for) with Mr. Romjue (against).
Mr. Higgins of Connecticut (for) with Mr. Gillette (against).
Mr. Bacharach (for) with Mr. Mansfield (against).

General pairs:

Mr. McDuffie with Mr. White.
Mr. Gambrill with Mr. Hennings.
Mr. Montague with Mr. Cannon of Wisconsin.
Mr. Burch with Mr. Dunn of Mississippi.
Mr. DeRouen with Mr. Brown of Michigan.

Mr. CAVICCHIA. Mr. Speaker, I inadvertently answered when my name was called. I change my vote from "no" to "aye."

The result of the vote was announced as above recorded.

The SPEAKER. The question now is upon the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves that House Joint Resolution 117 be recommitted to the Appropriations Committee with directions to report the same back immediately with the following amendments:

First. Strike out sections 4, 5, and 6.

Second. *Provided*, No. 1, that no part of the appropriations made by this act shall be expended for any project nor shall any project be undertaken under this act which will unwarrantably place the Government into competition with private business and industry, and as far as feasible this work shall be done by private contracts;

No. 2. That the expenditures of funds for work projects under this act, so far as may be reasonably possible, shall be apportioned among the several States in the proportion that the number of unemployed in each State bears to the total number of unemployed in the whole United States;

No. 3. That on all work projects located wholly within a State, preference shall be given in employment to the unemployed of the State where the work is to be performed, with as equal distribution as possible to all parts of the State, provided that the usual qualifications necessary may be used in selecting this labor;

No. 4. That no person desiring work on these relief projects shall be subjected to any political test or qualification;

No. 5. That as far as possible in administering direct relief it shall be done through the State and local agencies; and

No. 6. That all unobligated balances of funds, appropriated under this act, shall, on June 30, 1936, be covered into the Treasury.

Mr. BUCHANAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. SNELL. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 100, nays 303, not voting 28, as follows:

[Roll No. 10]

YEAS—100

| | | | |
|---|---|---|---|
| Allen | Darrow | Kimball | Reed, N. Y. |
| Andresen | Dirksen | Kinzer | Rich |
| Andrew, Mass. | Ditter | Knutson | Robsion, Ky. |
| Andrews, N. Y. | Dondero | Lambertson | Rogers, Mass. |
| Arends | Doutrich | Lehlbach | Ryan |
| Bacon | Eaton | Lord | Seger |
| Bell | Ekwall | Ludlow | Short |
| Blackney | Engel | McLean | Snell |
| Bolton | Englebright | McLeod | Stefan |
| Brewster | Fenerty | Maas | Stewart |
| Buckbee | Focht | Mapes | Taber |
| Burnham | Gearhart | Marcantonio | Tarver |
| Carlson | Gifford | Marshall | Taylor, Tenn. |
| Carter | Gilchrist | Martin, Mass. | Thomas |
| Castellow | Goodwin | Michener | Thurston |
| Cavicchia | Guyer | Millard | Tobey |
| Christianson | Gwynne | Mott | Treadway |
| Church | Hancock, N. Y. | Perkins | Turpin |
| Cole, N. Y. | Hartley | Pettengill | Wadsworth |
| Collins | Hess | Pittenger | Wigglesworth |
| Cooper, Ohio | Hoffman | Plumley | Wilson, Pa. |
| Cox | Hollister | Powers | Wolcott |
| Crawford | Hope | Ramspeck | Wolfenden |
| Crowther | Jenkins, Ohio | Ransley | Wolverton |
| Culkin | Kahn | Reed, Ill. | Woodruff |

NAYS—303

| | | | |
|---|---|---|---|
| Adair | Dear | Hancock, N. C. | McMillan |
| Amlie | Deen | Harlan | McReynolds |
| Arnold | Delaney | Hart | McSwain |
| Ashbrook | Dempsey | Harter | Mahon |
| Ayers | Dickstein | Healey | Maloney |
| Barden | Dies | Higgins, Mass. | Martin, Colo. |
| Beam | Dietrich | Hildebrandt | Mason |
| Beiter | Dingell | Hill, Ala. | Massingale |
| Berlin | Disney | Hill, Knute | Maverick |
| Biermann | Dobbins | Hill, Samuel B. | May |
| Bland | Dockweiler | Hobbs | Mead |
| Blanton | Dorsey | Hoeppel | Meeks |
| Bloom | Doughton | Hook | Merritt, N. Y. |
| Boehne | Doxey | Huddleston | Miller |
| Boileau | Drewry | Hull | Mitchell, Ill. |
| Boland | Driscoll | Igoe | Mitchell, Tenn. |
| Boylan | Driver | Imhoff | Monaghan |
| Brennan | Duffey, Ohio | Jacobsen | Montet |
| Brooks | Duffy, N. Y. | Jenckes, Ind. | Moran |
| Brown, Ga. | Duncan | Johnson, Okla. | Moritz |
| Brunner | Dunn, Pa. | Johnson, Tex. | Murdock |
| Buchanan | Eagle | Johnson, W. Va. | Nelson |
| Buck | Eckert | Jones | Nichols |
| Buckler, Minn. | Edmiston | Kee | Norton |
| Buckley, N. Y. | Eicher | Kelly | O'Brien |
| Bulwinkle | Ellenbogen | Kennedy, Md. | O'Connell |
| Burdick | Evans | Kennedy, N. Y. | O'Connor |
| Caldwell | Faddis | Kenney | O'Day |
| Cannon, Mo. | Farley | Kerr | O'Leary |
| Carden | Ferguson | Kleberg | Oliver |
| Carmichael | Fernandez | Kloeb | O'Malley |
| Carpenter | Fiesinger | Kniffin | O'Neal |
| Casey | Fitzpatrick | Kocialkowski | Owen |
| Celler | Flannagan | Kopplemann | Palmisano |
| Chandler | Fletcher | Kramer | Parks |
| Chapman | Ford, Calif. | Kvale | Parsons |
| Citron | Ford, Miss. | Lambeth | Patman |
| Claiborne | Frey | Lamneck | Patterson |
| Clark, Idaho | Fuller | Lanham | Patton |
| Clark, N. C. | Fulmer | Larrabee | Pearson |
| Cochran | Gasque | Lea, Calif. | Peterson, Fla. |
| Coffee | Gassaway | Lee, Okla. | Peterson, Ga. |
| Colden | Gavagan | Lemke | Pfeifer |
| Cole, Md. | Gehrmann | Lesinski | Pierce |
| Colmer | Gildea | Lewis, Colo. | Polk |
| Connery | Gingery | Lloyd | Quinn |
| Cooley | Goldsborough | Lucas | Rabaut |
| Cooper, Tenn. | Granfield | Luckey | Ramsay |
| Corning | Gray, Ind. | Lundeen | Randolph |
| Costello | Gray, Pa. | McAndrews | Rankin |
| Crosby | Green | McClellan | Rayburn |
| Cross, Tex. | Greenway | McCormack | Reilly |
| Crosser, Ohio | Greenwood | McFarlane | Richards |
| Crowe | Greever | McGehee | Richardson |
| Cullen | Gregory | McGrath | Robertson |
| Cummings | Griswold | McGroarty | Robinson, Utah |
| Daly | Haines | McKeough | Rogers, N. H. |
| Darden | Hamlin | McLaughlin | Rogers, Okla. |

| | | | |
|---|---|---|---|
| Rudd | Sirovich | Taylor, Colo. | Wearin |
| Russell | Sisson | Taylor, S. C. | Weaver |
| Sabath | Smith, Conn. | Terry | Welch |
| Sadowski | Smith, Va. | Thom | Werner |
| Sanders, La. | Smith, Wash. | Thomason | West |
| Sanders, Tex. | Smith, W. Va. | Thompson | Whelchel |
| Sandlin | Snyder | Tolan | Whittington |
| Sauthoff | Somers, N. Y. | Tonry | Wilcox |
| Schaefer | South | Truax | Williams |
| Schneider | Spence | Turner | Wilson, La. |
| Schuetz | Stack | Umstead | Withrow |
| Schulte | Starnes | Underwood | Wood |
| Scott | Steagall | Utterback | Woodrum |
| Scrugham | Stubbs | Vinson, Ga. | Young |
| Sears | Sullivan | Vinson, Ky. | Zimmerman |
| Secrest | Sumners, Tex. | Wallgren | Zioncheck |
| Shanley | Sutphin | Walter | The Speaker |
| Shannon | Sweeney | Warren | |

NOT VOTING—28

| | | | |
|---|---|---|---|
| Bacharach | Cravens | Higgins, Conn. | Merritt, Conn. |
| Binderup | DeRouen | Holmes | Montague |
| Brown, Mich. | Dunn, Miss. | Houston | Peyser |
| Burch | Fish | Keller | Reece |
| Cannon, Wis. | Gambrill | Lewis, Md. | Romjue |
| Cartwright | Gillette | McDuffie | Tinkham |
| Cary | Hennings | Mansfield | White |

So the motion was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Merritt of Connecticut (for) with Mr. Cary (against).
Mr. Holmes (for) with Mr. McDuffie (against.)
Mr. Tinkham (for) with Mr. Cravens (against).
Mr. Fish (for) with Mr. Peyser (against).
Mr. Reece (for) with Mr. Romjue (against).
Mr. Higgins of Connecticut (for) with Mr. Gillette (against).
Mr. Bacharach (for) with Mr. Mansfield (against).

Until further notice:

Mr. Cartwright with Mr. White.
Mr. Gambrill with Mr. Hennings.
Mr. Montague with Mr. Cannon of Wisconsin.
Mr. Burch with Mr. Dunn of Mississippi.
Mr. DeRouen with Mr. Brown of Michigan.
Mr. Lewis of Maryland with Mr. Binderup.

The SPEAKER. The Clerk will call my name.

The Clerk called Mr. BYRNS' name, and he voted "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question recurs upon the passage of the bill.

Mr. BUCHANAN. Mr. Speaker, on the passage of the bill, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 329, nays 78, not voting 24, as follows:

[Roll No. 11]

YEAS—329

| | | | |
|---|---|---|---|
| Adair | Carpenter | Dobbins | Gildea |
| Amlie | Carter | Dockweiler | Gingery |
| Andrew, Mass. | Cartwright | Dorsey | Goldsborough |
| Arnold | Casey | Doughton | Granfield |
| Ashbrook | Celler | Doxey | Gray, Pa. |
| Ayers | Chandler | Drewry | Green |
| Barden | Chapman | Driscoll | Greenway |
| Beam | Citron | Driver | Greenwood |
| Beiter | Claiborne | Duffey, Ohio | Greever |
| Bell | Clark, Idaho | Duffy, N. Y. | Gregory |
| Berlin | Clark, N. C. | Duncan | Guyer |
| Biermann | Cochran | Dunn, Pa. | Haines |
| Bland | Coffee | Eagle | Hamlin |
| Blanton | Colden | Eckert | Hancock, N. C. |
| Bloom | Cole, Md. | Edmiston | Harlan |
| Boehne | Collins | Eicher | Hart |
| Boileau | Colmer | Ekwall | Harter |
| Boland | Connery | Ellenbogen | Healey |
| Boylan | Cooley | Evans | Higgins, Mass. |
| Brennan | Cooper, Tenn. | Faddis | Hildebrandt |
| Brewster | Corning | Farley | Hill, Ala. |
| Brooks | Costello | Ferguson | Hill, Knute |
| Brown, Ga. | Crosby | Fernandez | Hill, Samuel B. |
| Brown, Mich. | Cross, Tex. | Fiesinger | Hobbs |
| Brunner | Crosser, Ohio | Fitzpatrick | Hoeppel |
| Buchanan | Crowe | Flannagan | Hook |
| Buck | Cullen | Fletcher | Hope |
| Buckbee | Cummings | Ford, Calif. | Houston |
| Buckler, Minn. | Daly | Ford, Miss. | Huddleston |
| Buckley, N. Y. | Dear | Frey | Hull |
| Bulwinkle | Deen | Fuller | Igoe |
| Burdick | Delaney | Fulmer | Imhoff |
| Burnham | Dempsey | Gasque | Jacobsen |
| Caldwell | Dickstein | Gassaway | Jenckes, Ind. |
| Cannon, Mo. | Dies | Gavagan | Johnson, Okla. |
| Carden | Dietrich | Gearhart | Johnson, Tex. |
| Carlson | Dingell | Gehrmann | Johnson, W. Va. |
| Carmichael | Disney | Gilchrist | Jones |
| Kahn | Mapes | Rabaut | Sullivan |
| Kee | Marcantonio | Ramsay | Sumners, Tex. |
| Keller | Martin, Colo. | Randolph | Sutphin |
| Kelly | Mason | Rankin | Sweeney |
| Kennedy, Md. | Massingale | Rayburn | Taylor, Colo. |
| Kennedy, N. Y. | Maverick | Reilly | Taylor, S. C. |
| Kenney | May | Richards | Taylor, Tenn. |
| Kerr | Mead | Richardson | Terry |
| Kleberg | Meeks | Robinson, Utah | Thom |
| Kloeb | Merritt, N. Y. | Rogers, N. H. | Thomason |
| Kniffin | Miller | Rogers, Okla. | Thompson |
| Kocialkowski | Mitchell, Ill. | Rudd | Tobey |
| Kopplemann | Mitchell, Tenn. | Russell | Tolan |
| Kramer | Monaghan | Ryan | Tonry |
| Kvale | Montet | Sabath | Truax |
| Lambertson | Moran | Sadowski | Turner |
| Lambeth | Moritz | Sanders, La. | Umstead |
| Lamneck | Mott | Sanders, Tex. | Underwood |
| Larrabee | Murdock | Sandlin | Utterback |
| Lea, Calif. | Nelson | Sauthoff | Vinson, Ga. |
| Lee, Okla. | Nichols | Schaefer | Vinson, Ky. |
| Lemke | Norton | Schneider | Wallgren |
| Lesinski | O'Brien | Schuetz | Walter |
| Lewis, Colo. | O'Connell | Schulte | Warren |
| Lewis, Md. | O'Connor | Scott | Wearin |
| Lloyd | O'Day | Scrugham | Weaver |
| Lucas | O'Leary | Sears | Welch |
| Luckey | Oliver | Secrest | Werner |
| Ludlow | O'Malley | Seger | West |
| Lundeen | O'Neal | Shanley | Whelchel |
| McAndrews | Owen | Shannon | Whittington |
| McClellan | Palmisano | Sirovich | Wilcox |
| McCormack | Parks | Sisson | Williams |
| McFarlane | Parsons | Smith, Conn. | Wilson, La. |
| McGehee | Patman | Smith, Wash. | Withrow |
| McGrath | Patterson | Smith, W. Va. | Wolverton |
| McGroarty | Patton | Snyder | Wood |
| McKeough | Pearson | Somers, N. Y. | Woodrum |
| McLaughlin | Peterson, Fla. | South | Young |
| McLeod | Pettengill | Spence | Zimmerman |
| McMillan | Pfeifer | Stack | Zioncheck |
| McReynolds | Pierce | Starnes | The Speaker |
| McSwain | Polk | Steagall | |
| Mahon | Powers | Stefan | |
| Maloney | Quinn | Stubbs | |

NAYS—78

| | | | |
|---|---|---|---|
| Allen | Ditter | Kinzer | Robsion, Ky. |
| Andresen | Dondero | Knutson | Rogers, Mass. |
| Andrews, N. Y. | Doutrich | Lehlbach | Short |
| Arends | Eaton | Lord | Smith, Va. |
| Bacon | Engel | McLean | Snell |
| Blackney | Englebright | Maas | Stewart |
| Bolton | Fenerty | Marshall | Taber |
| Castellow | Focht | Martin, Mass. | Tarver |
| Cavicchia | Gifford | Michener | Thomas |
| Christianson | Goodwin | Millard | Thurston |
| Church | Gray, Ind. | Perkins | Treadway |
| Cole, N. Y. | Griswold | Peterson, Ga. | Turpin |
| Cooper, Ohio | Gwynne | Pittenger | Wadsworth |
| Cox | Hancock, N. Y. | Plumley | Wigglesworth |
| Crawford | Hartley | Ramspeck | Wilson, Pa. |
| Crowther | Hess | Ransley | Wolcott |
| Culkin | Hoffman | Reed, Ill. | Wolfenden |
| Darden | Hollister | Reed, N. Y. | Woodruff |
| Darrow | Jenkins, Ohio | Rich | |
| Dirksen | Kimball | Robertson | |

NOT VOTING—24

| | | | |
|---|---|---|---|
| Bacharach | DeRouen | Higgins, Conn. | Montague |
| Binderup | Dunn, Miss. | Holmes | Peyser |
| Burch | Fish | Lanham | Reece |
| Cannon, Wis. | Gambrill | McDuffie | Romjue |
| Cary | Gillette | Mansfield | Tinkham |
| Cravens | Hennings | Merritt, Conn. | White |

So the bill was passed.

The Clerk announced the following pairs:

Mr. Peyser (for) with Mr. Fish (against).
Mr. Reece (for) with Mr. Merritt of Connecticut (against).
Mr. Holmes (for) with Mr. Higgins of Connecticut (against).

General pairs:

Mr. McDuffie with Mr. Bacharach.
Mr. Mansfield with Mr. Tinkham.
Mr. Cary with Mr. Binderup.
Mr. Burch with Mr. Dunn of Mississippi.
Mr. Gambrill with Mr. Hennings.
Mr. Montague with Mr. Cannon of Wisconsin.
Mr. Romjue with Mr. DeRouen.
Mr. Cravens with Mr. Gillette.

The SPEAKER. The Clerk will call my name.

The Clerk called Mr. BYRNS' name, and he voted "aye."

The result of the vote was announced as above recorded.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider was laid on the table.

Mr. O'NEAL. Mr. Speaker, I have been requested to announce that my colleague the gentleman from Kentucky [Mr. CARY], if present, would have voted "aye."

EXTENSION OF REMARKS—HOUSE JOINT RESOLUTION 117

Mr. PLUMLEY. Mr. Speaker, this measure has come down to us from the other end of the Avenue with a mandate from the Executive to the legislative branch of this Government that it shall be enacted into law without an opportunity for hearings on the measure before the committee or for adequate debate or time for consideration. It comes to us under the name of a relief measure—a subtle camouflage of its real intent and purpose, for it not only undertakes to impose on the taxpayers of this country a burden ever increasing in magnitude, to be borne by them and by generations yet unborn, but undertakes to and will, if enacted, further humiliate Congress by requiring it to abrogate its constitutional rights and prerogatives to say what relief shall be granted, to whom it shall be given, and how it shall be distributed.

Not only that, Mr. Speaker, the wolf that hides in sheep's clothing is found in the usurpation of power, proposed to be made by the executive branch of this Government, such as will strip Congress of all its rights and powers in such case made and provided for under the Constitution, and leaves us as individuals and as a body open to and, in my opinion, a proper subject of ridicule and contempt if we subserviently submit thereto.

The ends sought, were they what the title of the bill would have you believe them to be, do not justify the means that are employed in an attempt to obtain them. There is no occasion for, nor justification for, an attempt to fool Congress or the people. There is no necessity for such haste and no exigency in the situation other than the political necessity involved in the strategy to attempt to drive this bill through Congress before the Members of the body are aroused to an appreciation of what it in fact attempts to do.

There is no defense for this attempt to camouflage the real issues involved by labeling this atrocious attack upon fundamental principles of government as a relief measure, when in fact it strikes a deadly blow at the very root of our American system of government, and by its specific terms and very language undertakes to, and does thereby, deprive the people of the United States of essential liberties guaranteed to them by the Constitution.

No political expediency can justify the support of this measure or the stultification of one's self when so vital a principle is involved or at stake.

As a representative of the people, chosen to represent them, I demand to know and to be informed as to what use is proposed to be made of this tremendously staggering sum, and by whom it is to be expended. Everybody knows the President cannot personally administer or supervise its spending. I will not vote to abrogate to anyone the power to expend such a large sum of money until I know how and when and where and by whom it is to be expended, or to whom the handling of the sum so large as to be in figures incomprehensible is to be delegated.

It is time that Congress asserted its right to have something to say about where the money is to go. When I am asked, "For what was that enormous sum of almost $5,000,000,000 for which you voted to be spent?" I propose to be able to answer, or I shall not vote for the measure. Therefore, because I cannot know, since they refuse to tell me what the plan is—and I am advised and am sure there is no plan—and until I, as a representative of the people, am told how the money is to be used, and why it is $4,880,000,000 that is needed, instead of a lesser or a greater sum, I shall not vote for the bill. I propose to know whether the money is to be expended for works or for relief; and if so, how much for either or for both. I do not propose to give to the President or anybody else the right to continue the program of wasteful extravagance or to put the Government into business in competition with that of individuals.

If the Members of Congress are to know nothing but what is important enough to be put into a public message, and indifferent enough to be made known to all the world; if the Executive is to keep all other information to himself and the House is to plunge on in the dark, it becomes—

Says Thomas Jefferson—

a government of chance and not of design.

The suggested continuation of the policy of the administration to spend itself into prosperity by the reckless scattering of the money of the taxpayers in the support and for the advancement of all kinds of economic experiments and theories is one thing, bad as it is.

I stand ready to vote for such appropriation for the relief of destitution and unemployment and suffering as I may be shown is necessary, but I do not propose blindly to vote for any measure for relief, so called, which in my judgment will not only increase the necessity for further relief, multiply the number of unemployed, and add a still further burden of suffering to the already stooping shoulders of the taxpayer of this country.

Of the various forms of relief, governmental relief is the most dangerous and debilitating. It becomes at once a right, and those to whom it is given devote themselves to extending the right. * * * People are devoting time and ingenuity to ways of getting without effort the things they obviously ought to have, and are correspondingly withdrawing their efforts to devise ways of getting them by working for them. The benefits of an unearned increment rapidly become vested and sacred rights; our present desperate case is leading us to that possibility on a Nation-wide scale, and so long as political pressure is permitted to succeed as a substitute for individual effort and ingenuity the injury to self-reliance will continue.

* * * * *

Obviously we must prevent destitution. I do not question that it has been necessary for the Federal Government to supplement local resources to meet this burden, but I point out that the spirit in which this governmental intervention is received is one evidence among many others, that we are coming more and more to regard the State as the carrier of all individual, group, and class burdens. * * * I am concerned because as individuals we are apparently becoming less self-reliant—willing to surrender the adventure of striving; willing to become content with a sort of secure equality in a State which does all our planning and thinking and providing for us.

So said the Honorable Newton D. Baker in a recent address on The International Mobilization for Human Needs. It is time for us to stop, and look, and listen.

Moreover, the contemplation of what this measure purports and the policies it advocates has driven some of us to read once more those textbooks on history, long untouched, and to observe again how Rome, for example, even in its balmy and most flourishing state, suddenly lost its liberty. We are constrained to observe that the nail holes in the parts of the ladder which rises from the past to the present are identical and absolutely fit. The story of Rome and of ourselves as of these days runs parallel. It was then, as now, a delegation of power which was involved. Resisting to the last, the Roman Senate finally subserviently surrendered to the Decemvirs its lawmaking power, together with the extraordinary right to issue rules and regulations under and by virtue of which the laws enacted by the Decemvirs might and should be enforced. The Decemvirs became, in fact, the sole administrators of the Republic. Rome awoke at last to find herself enslaved by as cruel a tyrant as that of Tarquin. Not until Tarquin trampled on the liberty of the state did it realize how great the power that had been usurped. Not until the Decemvirs had exercised every act of oppression did the people of Rome awake to a realizing sense of the magnitude of the extraordinary power and authority that had been granted and of the priceless nature of the liberties that they had lost.

Congress in enacting this law subserviently surrenders and abrogates its constitutional prerogatives and unites in the Executive both legislative and executive powers, "under which delegation of power and prerogatives", as history incontrovertibly proves and as Montesquieu has said, "there can be no liberty." The danger of today, as has been so well said, is not the loss of liberty by use of force. It lies, rather, in the supine surrender of the rights of free men to a seductive subversive program, of paternalism which is gradually changing the form of our Government from a representative democracy to a bureaucratic state, mildly despotic in action, dangerously experimental in conception; a program in which human rights and property rights cease to rest on the firm foundation of established law, and come to depend upon the whims of a temporary majority.

No free government can remain verile if it ignores or attempts to forget the traditions of its history. It is not

ignorance to heed the lessons history is ever willing to teach us, but it is just that to ignore them. As Woodrow Wilson so well said:

> Every nation must constantly keep in touch with its past; it cannot run toward its ends around sharp corners.

Moreover, to those who hurl the words "reactionary" and "obstructionist" as an epithet, I say to you that no student who makes even a cursory study of history can wisely censure those who protest against state paternalism. The present administration attempts both to ignore the traditions of our Government's history, and to become essentially paternalistic.

The Nation, which the Civil War was fought to preserve, will have ceased to be when the legislative powers are surrendered to executives who are but too willing to accept them; when the judiciary strives to find reasons for upholding laws enacted at the behest of noisy minorities; when the plain language of Federal and State Constitutions is given new and strange meanings in order to meet assumed emergencies; when debasement of the currency is adopted as a sound financial policy; when the sovereignty of the individual States is disregarded and local self-government becomes an obsolete phrase; when individual initiative is discouraged; the lessons of experience cast aside and personal liberty, in great measure, becomes a thing of the past; when men are denied to buy and sell the products of their labor in the open market place; to fix the price of goods in which they deal by bargain with their fellows; when the farmer is forbidden to sow and reap on the land he owns according to his own best judgment; when every detail of business life of the citizen is ordered by officials not of his own choosing; when written agreements and contracts cease to have a binding force even upon government itself. All these things are involved in, will be the ultimate end and result of, and are a part of the policy and program which this measure undertakes to make possible.

Under the terms of sections 1 and 2 of this act Congress, in effect, abrogates and surrenders its prerogatives and, shirking its responsibility to the people, delegates to the President the power and authority to say how $5,000,000,000, or thereabouts, may be spent by him, or by those to whom he may in turn delegate the power and authority so to do.

Section 3 permits the appointment of any number of employees and provides for the utter and complete disregarding of all civil-service regulations.

Section 4 makes possible the creation and continuation of an unconscionable number of old and new Federal bureaus and agencies, the abolishment and consolidation of the same, the arbitrary change of personnel, the transfer of the property and functions of any and all of the agencies so created under this delegation of power so supinely granted. It permits the extension of the life of those agencies which have demonstrated their inefficiency and are so absolutely un-American in conception.

Then, under the provisions of the fifth section, the President of the United States is given the power to set himself up in the small-loan business, with authority to make loans and grants and contracts with the right of eminent domain, under which not only real but personal property may be taken to accomplish the end sought.

For violation of any of the rules and regulations which may be promulgated by him or by those to whom he may delegate the authority so to do the sixth section provides the power of imposing fines and imprisonment in disregard of established methods of court procedure and of the rights of the people guaranteed to them under the Constitution.

How can any of us overlook or not be impressed by the recent decision of the United States Supreme Court in respect to the so-called "hot oil" cases. What does the Court mean when it says:

> So far as this section is concerned, it gives to the President an unlimited authority to determine the policy and to lay down the prohibition, or not to lay it down, as he may see fit. And disobedience to his order is made a crime punishable by fine and imprisonment. * * *
>
> The Congress left the matter to the President without standard or rule, to be dealt with as he pleased. * * *
>
> If section 9 (c) were held valid, it would be idle to pretend that anything would be left of limitations upon the power of the Congress to delegate its lawmaking function. The reasoning of the many decisions we have reviewed would be made vacuous and their distinctions nugatory. Instead of performing its lawmaking function, the Congress could at will and as to such subjects as it chooses transfer that function to the President or other officer or to administrative body. The question is not of the intrinsic importance of the particular statute before us, but of the constitutional processes of legislation which are an essential part of our system of government.

A careful reading of the decision from which these excerpts are made compels me to arrive at only one conclusion and strengthens my determination to vote against this measure.

I will go as far as any man in this body, whatever his party affiliation may be, in an endeavor to approach and to consider recommended changes in governmental policy with an open mind and without petty partisan prejudices. But when a basic and underlying principle of government is so atrociously attacked as it is in this measure, involving as it does the fundamental issue of contemplated destruction of individual freedom, the usurpation of nondelegable powers and authority of Congress by the executive branch, the eventual demolition of the Republic itself—then there is no such word as "compromise" in my vocabulary, and I propose unreservedly and unremittingly to oppose the enactment of this legislation.

What Daniel Webster said over a hundred years ago comes down to us today as a challenge wisely prophetic and as forcefully applicable to our day and time and the matters and things which confront us as for the day and age in which it was delivered. Hear him when he says:

> Other misfortunes may be borne or their effects overcome. If disastrous war should sweep our commerce from the ocean, another generation may renew it; if it exhaust our Treasury, future industry may replenish it; if it desolate and lay waste our fields, still, under a new cultivation, they will grow green again and ripen to future harvests. It were but a trifle even if the walls of yonder Capitol were to crumble, if its lofty pillars should fall, and its gorgeous decorations be all covered by the dust of the valley. All these might be rebuilt. But who shall reconstruct the fabric of demolished government? Who shall rear again the well-proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with State rights, individual security, and public prosperity? No; if these columns fall, they will be raised not again. Like the Colosseum and the Parthenon, they will be destined to a mournful, a melancholy, immortality. Bitterer tears, however, will flow over them than were ever shed over the monuments of Roman or Grecian art; for they will be the remnants of a more glorious edifice than Greece or Rome ever saw, the edifice of constitutional American liberty.

Mr. STEFAN. Mr. Speaker, in his Budget message to the Congress on January 7, 1935, the President, among other things, said: "I recommend that $4,000,000,000 be appropriated by the Congress in one sum, subject to allocation by the Executive, principally for giving work to those unemployed on the relief rolls."

On January 21, 1935, House Joint Resolution 117 was introduced by Congressman BUCHANAN, of Texas, Chairman of the House Committee on Appropriations. The joint resolution was referred to as one making appropriations for relief purposes, and contained in it the provision that if and when enacted, it may be cited as the "Emergency Relief Appropriation Act of 1935." This House joint resolution is the measure which during the last few days has claimed the attention of the country by reason of the fact that it undertakes to appropriate $4,000,000,000 in one sum for emergency relief purposes.

The measure has been and is important, not only because of the magnitude of the appropriation that it carries but also because it has again projected into the scene the much mooted question of the delegation of legislative power—in other words, the collective powers of Congress—to the Chief Executive. The resolution in its original form provides that the sum of $4,000,000,000 shall become immediately available and shall remain available until June 30, 1937. In addition to the direct appropriation of the principal sum, the resolution makes available from unobligated balances of previous appropriations and funds, a total of $880,000,000. Therefore, for all practical purposes this measure when pre-

sented to the House, was a measure authorizing the expenditure of $4,880,000,000. The preamble of the resolution stated that the purpose of the appropriation was to protect and promote the general welfare—(1) to provide relief from the hardships attributable to wide-spread unemployment and conditions resulting therefrom; (2) to relieve economic maladjustments; (3) to alleviate distress; and/or (4) to improve living and working conditions. The statement of policy went on further to say that the money appropriated was to be used in the discretion and under the direction of the President in such manner and for such purposes, and/or such projects, including but not limited to slum clearance, rural housing, rural electrification, reforestation, soil erosion, land reclamation, improvement of existing road systems and construction of national highways; grade-crossing elimination; Civilian Conservation Corps work; and other useful Federal or non-Federal work. Further than indicated by these notations, no specific program of projects to which funds may be allotted is established, at least by the action of the Congress, and no definite amounts out of the $4,880,000,000 are set aside for any specific purpose.

A subcommittee of the Appropriations Committee of the House, in charge of deficiency appropriations, conducted a hearing on this measure on Monday, January 21, and three witnesses appeared before this subcommittee. They were the Secretary of the Treasury, the Acting Director of the Bureau of the Budget, and the Director of the Procurement Division in the Treasury Department. The entire hearing has been reproduced in approximately 45 pages of printing on ordinary book-size paper.

Under date of Wednesday, January 23, the resolution was reported to the House by the Committee on Appropriations, and in its report the committee said:

> The purpose of the joint resolution is to give effect to the recommendations of the President of the United States with respect to providing work relief for the unemployed as a substitute for the dole plan.

Prior to the time that the measure could then be taken up for consideration on the floor of the House a rule had to be obtained which would establish the parliamentary limitations under which the consideration of the measure would proceed. Let it be said here that a rule is a resolution proposed by the House Committee on Rules which fixes and limits the time during which general debate on the measure will proceed, which provides for the division of time on the two sides of the House, and which either makes all amendments from the floor out of order or specifically provides that certain amendments or all amendments will be in order, as the case may be. Such a rule is the tool—and the House Committee on Rules is the creator of the tool—which fashions the groove through which legislation must pass.

The proposed rule which the Committee on Rules submitted to the House on the 22d of January provided that general debate on the resolution should continue not to exceed 3 hours, should be equally divided between the majority and the minority, and that no amendments should be in order except such amendments as were offered by direction of the Committee on Appropriations. That proposed rule forthwith brought a storm of protest, not only from Republicans but likewise from a number of Democrats.

The protest came from Members who independently felt or who had committed themselves in campaign pledges to the proposition that any emergency-works appropriation should be broken down and earmarked by legislative action, so that they would procure assurance that at least certain amounts would be allocated to their respective districts, and then, too, there was the idea heretofore mentioned, which has been greatly accentuated by the recent decision of the Supreme Court of the United States in the so-called "hot oil" cases, to wit, that Congress had already gone far beyond the safety zone in delegating its legislative power and was now in danger of going still farther. Before there was further consideration of the proposed rule on the floor of the House the Democrats met in caucus and the general action of the caucus was to bind at least a majority of the Democrats—a sufficient majority to constitute a majority of the House—to the general proposition set out in the rule, but some 30 or 40 Democrats gave notice that they would not be bound by the caucus, and another 8 or 10 not in attendance at the caucus explained that they could not subscribe to the conditions of the proposed rule.

On the day following, which was Wednesday, January 23, the rule was taken up on the floor and, at the outset, the Chairman of the Rules Committee proposed an amendment to the original rule which provided that while no amendments to sections 1, 2, and 3 of the House joint resolution should be in order, except such amendments as were offered by the direction of the Committee on Appropriations, that sections 4, 5, and 6 would be subject to amendment from the floor. Of course, as the Chairman of the Rules Committee conceded, the meat of the resolution was in sections 1, 2, and 3, and as the minority leader pointed out, amendments were to be permitted with respect to the trimmings rather than affecting the heart of the matter. In other words, such amendments as were to be permitted were amendments with respect to certain administrative details and were not amendments with respect to the amount carried in the appropriation, or which further defined how the money should be expended. That was still reserved to Executive decision and discretion.

The rule, then, with this single amendment was, following approximately an hour's discussion, adopted by a vote of 250 to 146. Thereupon followed the general debate upon House Joint Resolution 117. That proceeded for the balance of the afternoon January 23 and on through the afternoon of January 24, until shortly following 6 o'clock, when the final vote on the resolution was taken. Certain committee amendments to sections 1, 2, and 3 of the resolution were offered and accepted. They, however, altered the resolution only in slight matters of form, rather than going substantially into its substance. The debate was spirited and sincere, and amendments were offered which, in the opinions of their sponsors, were necessary to properly safeguard the appropriation or to preserve the independence of congressional action. Those amendments, however, raised their heads merely to be bowled over.

During the course of the debate a supplemental message was received from the White House which acted as a tonic to the solidity of the Democratic ranks, with the net result that just before 7 o'clock, the House having been in session 8 continuous hours, the vote on the resolution was recorded as 328 for and 78 against. During the course of the debate in the afternoon I received a telegram from the Governor of Nebraska, in which he asked me to undertake to see to it that a definite sum of money was set aside for highway projects. He pointed out that State highway departments know definitely what projects can be accomplished in the immediate future and have the organizations necessary to facilitate their construction. The eventual action on the measure then before the House was at that time so obvious that I could only reply to the Governor by telegram that in view of the parliamentary rule under which the measure was being considered, coupled with the attitude of the majority toward any amendments which might be proposed within the restricted latitude for amendments, any practical prospect that the House would amend the bill to set aside any definite amount for any purpose was precluded.

By this action yesterday the House has contributed to the eventual certainty that this gigantic sum for relief purposes will be provided. By this same action, however, the House has not made clear just how and in what respects the program is to be effectuated. The President has said that he desired the appropriation to be in one sum, wholly without earmarking, for the reason that that would facilitate orderly breaking down of the appropriation, and for that reason would enable him to put something in excess of 3,000,000 men to work within a 30-day period. It is only fair to the Membership of the House to say that, while opposition to the resolution at times and in places was rather violent, there was not any serious opinion that disputed the advisa-

bility of making the appropriation, even in that huge amount, for emergency relief purposes. The reasons that Members found it difficult to go along at many points were traceable mainly, if not solely, to the proposed method of handling the unprecedented relief fund.

For my own part I supported the proposed amendments, which would have curbed extreme delegation of legislative power and which would have written some program for the making of these expenditures; but when those efforts failed and we had the alternative simply of voting for or against the resolution, I voted for it. I voted for it because there was no other bill to vote for. I voted for it because I realized that there are 3,500,000 men and women who need jobs. I voted for it because I believe we must give unemployed men back their self-respect. I do not, however, like the idea of Congress so completely abdicating its responsibility and surrendering that responsibility to the Executive arm of the Government.

It is not altogether without reason to say that the rumblings already heard in the House against this surrender of legislative power are exceedingly mild, when compared to what is likely to issue from the Senate; and even before the House had completed its action yesterday, certain Senators had touched off very violent blasts. Insofar as the House was permitted to speak, it has spoken. What will the Senate say?

Mr. DONDERO. Mr. Speaker, section 1 of article I of the Constitution of the United States provides—

> All legislative powers shall be vested in a Congress of the United States, which shall consist of a Senate and a House of Representatives.

Wisely the framers of the Republic directed that only those who should be elected by the people to the Congress should make the laws by which the people should be bound. They also wisely provided by the Constitution that all measures providing for the appropriation of money or the raising of revenue should originate in the House of Representatives. This branch of Congress is the nearest to the people and most directly responsible to them. However, a new mode of procedure has been adopted by which Congress has knowingly delegated its constitutional powers to the executive branch of the Government. The recent decision of the Supreme Court of the United States in the "hot oil" case was a rebuke to Congress in its attempt to delegate its legislative power to the executive branch of the Nation.

The President and the executive departments of this Government have, since March 4, 1933, issued six times as many orders, rules, regulations, and decrees by which an American citizen or resident could be fined and sent to jail, or both, as for the period from 1862 to 1900, or 39 years. The President alone has issued 674 orders covering 1,400 pages, and under the N. R. A. the rules and regulations issued are so numerous that they would fill 50 volumes of 200 pages each, or approximately 10,000 pages if compiled. I call attention to these rules and regulations for the reason that it indicates to the country the degree to which the Congress, under the present Democratic administration, has delegated its constitutional authority to make the laws to the executive branch of the Government, so that today we practically have no more than two departments under the Constitution, instead of three, because the executive branch has substantially become the legislative branch. As evidence that this method is not only unsatisfactory but also dangerous to our people, I give you the following example:

A man in New York State was convicted of violating an Executive order. An indictment was brought against him. The case went to the United States Court of Appeals and was affirmed. It went to the United States Supreme Court, and lo and behold, somebody discovered that the Executive order had been repealed.

I took an oath on the 3d day of January to support and defend the Constitution. We now have before us for consideration House Joint Resolution 117 appropriating nearly $5,000,000,000 in a lump sum and providing that the expenditure of this vast sum be delegated to the President to be used as he sees fit. We are asked to sign a blank check without knowing for what program or the exact purpose, when or where this huge sum is to be used. This amount, together with the $5,700,000,000 appropriated by the Seventy-third Congress and still on hand unexpended and under the complete authority and control of the President, although it may be allocated, makes the colossal and uncomprehensible sum under the control of one branch of the Government of $10,580,000,000.

No one doubts the good intent of the President. I respect him, but I find myself unable to support this bill. I have read it and studied it carefully. I join with every other Member of this House in my willingness and readiness to vote the necessary funds to provide for the needy and distressed. The amount set forth in this bill for that purpose is $880,000,000, but a deliberate gag rule voted by the House prevents a separate vote on this item. There would not be a dissenting vote against it on either side of the aisle.

The bill is entitled "Making an appropriation for relief purposes." It might have been properly entitled "Making an appropriation to destroy representative government in America." I know what we all know in this body, that it is humanly impossible for the President to personally attend to the details of the spending of such a vast sum as this bill provides. He must delegate that authority to others who are not elected by the people and who are not responsible to the people.

It is a tragic confession to find in the CONGRESSIONAL RECORD of this Congress, on page 199, the statement of our colleague from Texas "that public money is not spent without wasting a great part of it." If this is true, and I believe it is true to a certain degree, because of glaring examples that have already come to the public notice, then we may assume that more than $2,000,000,000 provided in this bill will be wasted.

It is a significant coincidence that on the very day we are called upon to vote on this bill we find in the public press a statement that on a project undertaken at Reedsville, W. Va., the Government out of $1,500,000 has wasted $500,000. This project was overwhelmingly defeated by a Democratic House, in which the Republicans joined with the Democrats to defeat it in the Seventy-third Congress. In spite of this fact and in defiance of the wishes and the judgment of the represenatives of the people, this project was undertaken out of moneys which had been voted in a lump sum exactly as it is proposed to appropriate money under this bill. This bears out not only the judgment of the English Government but also the statement made on the floor of the House on the 8th day of January that a great part of public money is wasted in its expenditure.

The greatest problem of this country today is to find work for the unemployed. This was true at the beginning of the Seventy-third Congress. Money was appropriated under bills similar to the one now before the House amounting to several billions of dollars and which I supported to relieve unemployment and distress. It is discouraging to make the observation that after the expending of billions of dollars so appropriated for relief for the unemployed, the number out of employment today is greater than it was then.

How then can any Member conscientiously vote to appropriate nearly $5,000,000,000 more to solve that problem when the effort thus far made and the vast expenditures made have not resulted in any material improvement.

England has recently abandoned the very method contained in this bill for public works as unsound and wasteful. The power and authority granted to the President under this bill is unheard of and I think stands without precedent in the history of the American people. Even a Democratic Senator of national fame has referred to it as "ridiculous", and as an example of how ridiculous this measure is it even empowers the President to purchase press clippings.

Under one clause in the bill the President could abolish present governmental departments, set up new ones, coordinate and redistribute others; in short, remake the entire governmental structure.

The present plan of issuing bonds of the Government and still more bonds without providing revenue with which to meet them and the interest on this colossal debt is an

unsound policy. The American people will soon learn that these huge sums can be repaid from only one source and that is out of their own pocketbooks by the sweat of their brow and the toil of their hands. Not only will such a program strain the Nation's credit but it also continues to interfere with the business and industry of the country by its continued threat of competition and in the main instead of hastening recovery retards that most desired objective.

Let us encourage business and industry by withdrawing the hand of the Government from many of its activities that come into competition with the private efforts of our citizens, and we will lend a helping hand to better the condition of our people.

A vote for this bill means the placing of a tax burden of $112,000,000 on every congressional district in the United States. No assurance is given whatever that the people will be equally and equitably aided under the provisions of this bill. Even a proposed amendment that it should be allocated among the 48 States in proportion as the unemployment in each State bears to the whole number of unemployed was barely given any consideration on the floor of the House and badly defeated.

There is more at issue in this bill than the question of turning over to the President this enormous sum of money. The question is, Shall the Congress of the United States do its duty as prescribed by the Constitution and do the legislating for the people or shall it fail in its duty and delegate its power and authority to another branch of the Government? Let us as representatives of the people discharge our duty in accordance with the oath we took and which the country has called upon us to perform.

Mr. FULMER. Mr. Speaker, this Government is divided into three distinct branches—executive, judicial, and legislative. It is my contention that the failure of any of these great distinctive branches of Government to properly function will, in time, land the administration in power squarely in the ditch.

I voted against the "hog-tied gag rule" presented to the House by the Rules Committee under which House Joint Resolution 117 was to be considered in making an appropriation of around $5,000,000,000 for relief purposes, for the reason that the Appropriations Committee failed to hold hearings and because it did not place in the resolution proper legislation.

Under this resolution as presented by the Rules Committee Members of the House were not able to amend the bill and write such legislation as should properly be in the relief bill.

It is clearly the function of the President of the United States to recommend to the Congress his legislative program, but it is up to the legislative branch to formulate and pass legislation. The last election demonstrated the fact that the citizens of this great Republic have great faith in the President and his ability to properly guide the ship of the Nation. However, the people of this country are expecting the Congress to perform its proper functions, that is, earmark appropriations and properly write legislation, not leaving these functions to the various departments of Government and administrators under rules and regulations written by them.

The relief bill simply appropriates around $5,000,000,000, leaving same up to the President to allocate to various administrators and relief agencies. I do not object to this, for any sane man certainly can understand that it would be a physical impossibility for any President, even our great President, Franklin D. Roosevelt, to select projects and expend this money in administering relief. This same power was given the President in the Seventy-third Congress. Will any Member of this House deny the fact that Mr. Hopkins and his advisers, many of them, perhaps, Republicans, are responsible for the manner in which relief was administered during the past year? I would hate to think that the President was a party to the wasteful methods employed under Hopkins. I should dislike very much to believe that the President had anything to do with the high-handed discrimination carried on by Hopkins and those under him in giving relief to those not entitled to relief, while the cries of the thousands of destitute people were turned down, including ex-service men. Why, the President in his message to Congress stated: "We are going to cut out this type of relief as administered by Mr. Hopkins. We are going to stop paying able-bodied men for cutting grass and picking up paper." He could have said also: "We are going to stop allowing one man in each State, appointed by Hopkins, to look out for his friends at the expense of those who are entitled to relief; the wasting of millions in digging swimming holes and other unworthwhile projects."

Certainly the President is not directly responsible for the type of relief that we have been receiving at the hands of Hopkins. Congress is to blame for not legislating instead of delegating its powers and functions; and Members know that we have been receiving the cursing, and properly so.

Will any Member of the House deny the fact that Gen. Hugh Johnson was the dictator of the N. R. A. and not the President? I am sure no one will deny that General Johnson placed on the pay rolls of the N. R. A. men connected with large industries and otherwise permitted the representatives of large industries to write the codes as well as permitted them to administer same. Those of you representing the people back home know also that these codes have been so written and so administered that these large industries have been able to create hog-tied monopolies which have put thousands of small industries and concerns out of business, thereby placing thousands of wage earners on the relief rolls. Certainly, this was not in accordance with the President's program, neither was it the purpose of the Congress in passing the N. R. A. Under subsection E, section 4, of the relief bill the President has the right to delegate the powers conferred upon him by the Congress to any governmental agency, including a corporation. This is what the President did under the powers given him in the Seventy-third Congress, and that is what he is going to do under this bill, and properly so, in that he cannot possibly superintend the administration of every department of Government.

Administrators are appointed without the advice or the confirmation on the part of the Senate. If this were done, probably the Senate could prevent some of these theorists and "brain trusters" getting these appointments. At least, the Congress could legislate earmarked appropriations and designate projects and a program. Certainly, the President can call on any administrator to resign and request a change in any program. But how long are we going to be able to tax the people to carry on this unwise and unsound procedure?

The operation of the N. R. A. is supposed to end June 30; however, it is my belief that the President can continue same under the provisions of the relief bill. This legislation should be rewritten by the Congress, and if so we could have a chance to protect the forgotten man who has not been considered under its operation.

It is my contention that, in the administration of a number of major pieces of legislation passed during the last session of Congress, under rules and regulations written by these departments and administrators in charge, millions of taxpayers' hard-earned money were wasted and, in a great many instances, the real purpose and intent of these bills, as well as the policy of the President, were not carried out. I am 100 percent for the President and his policy, but I am not for some of the heads of the departments and those who are in charge of the administration of these bills, intrusted with the expending of the money appropriated by the Congress and who are permitted to practically rewrite legislation passed by the Congress by writing rules and regulations governing same.

I predict that if the Congress continues its present policy of acting as a rubber stamp, the decisions of the Supreme Court, in passing on the constitutionality of these bills and legislation written outside of the Congress in the way of rules and regulations, will before long make Congress the laughing-stock of the Nation.

While the people are for the President and his policy, they are not for legislation passed by the Congress, administered under rules and regulations written largely by the administrators, not in line with the real purpose and intent of

the legislation and the policy of the President. I venture further to predict that, with this procedure, it will not be long before the people will lose their confidence in the President and their respect for the Congress.

The President's address, delivered to the Congress a few days ago, covered quite a lot of territory, was constructive, and presented a beautiful picture. If his suggestions are properly written into legislation, somewhat in detail, these pieces of legislation if administered properly should not only give a square deal to every citizen but should also be instrumental in bringing about employment, normal prosperity, and happiness. The President, under his policy as outlined in this address, proposes to give to each and every citizen an opportunity to succeed on his or her own initiative, the right to work, and for a fair wage, the right to cultivate the soil and secure a fair price for farm products, the right for manufacturers and all lines of business to make a fair profit.

It is not the purpose of the President, neither should it be of the Congress, to so write legislation as to permit those in charge of same to rewrite largely these major pieces of legislation, under rules and regulations, and, perhaps, by and under the dictation of organized and selfish interests, which instead of giving a square deal to labor, farmers, small industries, and small business only leaves them to suffer the dictates of large and well-organized groups.

The National Industrial Recovery Act, as passed by the Congress in line with the President's policy for national recovery and a square deal, presented a beautiful picture as explained by those in charge of the bill and General Johnson. However, you must agree with me that many of the codes written under this legislation were written by the representatives of large industries, large business organizations, and administered by the representatives of these groups. You must also agree with me that under many of these codes and under the administration of same the representatives of these groups and of selfish interests which, for 60 years, have had complete control of the administration of the government, have created monopolies and price-fixing, which have piled up millions for these large groups and for selfish interests at the expense of labor, farmers, small unorganized industries, and the small business concerns of this country. When I, many other Congressmen, and the representatives of agriculture, and small business concerns complained, we were told by various heads of departments and those in charge of administering various bills passed by the Congress that, "We have charge of the administration of these bills." In a great many instances those in charge, not having any practical experience, short of common sense, unaware of the problems of these small industries and labor problems, especially the South, and apparently unconcerned, have so administered these pieces of legislation that they have caused many of these small concerns to go out of business and without regard to the consuming public.

Within the next few days I propose to give you some concrete cases under the administration of the N. I. R. A., especially as applied to the small sawmill operators of the Southeast. I expect to call names and expose the operations of a sawmill-lumber price-fixing monopoly which will make monopolies of the old days look like a joke.

Mr. MICHENER. Mr. Speaker, this bill is most artfully drawn. Boiled down to blunt facts, the first three sections provide for the appropriation of $4,880,000,000 for "relieving economic maladjustments" and "to be used in the discretion and under the direction of the President in such manner, and for such purposes and/or such projects" as he might think advisable.

Sections 4, 5, 6, 7, and 8 have to do with administration and attempt to amplify and make clear certain powers granted in the first three sections of the bill and, as provided in section 1 of the bill—

> The specific powers hereinafter vested in the President shall not be construed as limiting the general powers and discretion vested in him by this section.

This is the most important and far-reaching piece of legislation that will come before this Congress—yet it comes in under a gag rule preventing any amendments from the floor to the first three substantive sections. All that the Membership of the House can do, so far as these sections are concerned, is to debate, and that debate is limited by this rule to 3 hours. The last four sections are subject to amendment, but because of the domination of the administration over the majority Membership, it will be impossible to enact a single amendment not approved by the administration.

This is a deplorable condition in what our country has been pleased to consider as the greatest legislative body on earth—a forum where each constituency is supposed to have its voice recorded through the agency of its Representative in Congress. In this bill Congress deliberately and unequivocably delegates to the President not only the right to spend $4,880,000,000 but also lets him spend it without any restrictions and without any limitations, just so long as, in his judgment, it is aimed at "relieving economic maladjustments", which, of course, covers relief, development, and, last but not least, any reforms or changes in the present system of government which might, in the opinion of the President, tend toward the objective.

This bill gives to the President as great power over the subject matter as is possessed today by Mussolini, Hitler, or Stalin. The American people have always taken pride in the fact that the pursestrings of the Nation were in the hands of the direct Representatives of the people, who must answer to their constituents every 2 years.

The only defense offered by the advocates of this bill is that President Roosevelt is a good man and that he will not betray the trust placed in him. We all have the greatest respect for the sincerity of our President, but be it remembered that he is not infallible. Be it further remembered that no human being can spend this $4,880,000,000 and personally direct its expenditure, to say nothing about figuring out the projects and how it is to be spent. As a practical matter, the money will be spent by bureaus, commissions, Federal corporations, and agencies set up by the President, and I for one am not ready to turn over to the Tugwells and this group the task of reforming and changing our Government.

I am opposed to lump-sum appropriations made blindly. I believe that the President, with his agencies for investigation is best prepared to submit recommendations as to where this money is to be spent, and the kind of projects to be developed, but surely the Congress should have some knowledge about what is contemplated to be done to our Government before it is too late.

I think we all agree that it is jobs people want and not the dole; that proper public works may be necessary at this time—but I am not ready to turn over $4,880,000,000 to any agency of the Government for the purpose of reforestation in the building of impracticable shelter belts in the Middle West or the reclaiming of submarginal and arid lands while the taxpayers are at the same time paying the farmers in my community to cultivate less land. I think we all favor the further development of public roads and construction of national highways, and especially grade-crossing elimination. These are useful and necessary projects, will furnish the most labor generally distributed, and be of value to all our people. On the other hand, my constituents object seriously to spending the taxpayers' money in putting the Government in business in competition with industry. We want no more Reedsville furniture factories operated by the Government to put out of business our Michigan furniture factories. We do not want the Federal Government to compete with private business, and we can guarantee this protection in this measure by failing to make this appropriation without limitations.

The debate on this bill has made clear several things: First, that this House stands ready by unanimous vote to appropriate every dollar necessary for relief, regardless of the amount. Second, that if this body were permitted to vote its free will without outside domination, it would never delegate its legislative functions to the Executive. Third, that the Members of this body still believe in the legislative, executive, and judicial branches of our Government.

Fourth, that the only excuse for this legislation is the emergency of the hour.

I do not believe, in the light of expenditures of the last Congress along the same line, that this is the route to recovery. The amount of money here appropriated will not put 3,500,000 men to work and keep them at work until they are absorbed in industry. Experience has shown this and the statistics of the Labor Department bear me out in this statement. It is not the claim of the advocates of this bill that it will put men to work immediately, but it is hoped to be operating in 1936. Therefore, there is no hurry. Let the President submit a general idea of what projects he is going to develop and I for one will go along for anything that is reasonable. I was not sent here to vote blindly. I shall not return home and say that I voted for something about which I knew nothing.

To grant to the Executive the right to "delegate the powers conferred on him under this joint resolution to any governmental agency—including a corporation"—is inconceivable. It is more astonishing, however, to think that we should even contemplate authorizing the President "to prescribe such rules and regulations as may be necessary to carry out this joint resolution and any willful violation of such rule or regulation shall be punished by a fine of not to exceed $5,000." In other words, the Congress permits the President to write criminal law with a penalty attached. Indeed, it goes further, and the President may delegate this power to any one of the alphabetical agencies or corporations, and that bureau or corporation may write criminal law, and subject to a $5,000 fine for violation, without the legislative body, which the people elected, having anything to say about it. To me this is unthinkable.

Our people accepted much of the arbitrary legislation of the last Congress as emergency legislation. Those who supported that legislation thought, of course, that it would get results. Experience has shown otherwise. It is conceded here on the floor that there are more men out of work than there were a year ago; that there are more people on relief. I for one am absolutely opposed to the continued expenditure of billions of the taxpayers' money until I at least have some knowledge as to where, how, and when it is to be spent. The administration can get all the money it wants for relief by simply asking for it. I know that this bill is going to pass, that anything I may say will be but a protest, but I am hopeful that when this bill gets to the Senate, where no gag rules will be possible, proper amendments will be made and that a bill will be speedily returned to the House. Then the two bodies can agree on a real relief measure.

Possibly the most popular political vote would be to vote for this bill, because we are told we will have no other opportunity to vote for relief, and that if we do not vote for this bill as it is handed to us we will be accused of voting against relief. I think such argument is a reflection on the intelligence of the people back home who still believe in representative government. There is a difference between emergency relief and permanently changing our system of government.

A motion to recommit this bill, providing the same amount of money, but safeguarding its expenditure and the future of our country, will be submitted, and I shall be pleased to vote for that motion, but am constrained to vote against this unconscionable measure.

Government ownership of public utilities, development of our national resources, regulation of industry, and kindred subjects involve vital issues of policy and should be passed upon deliberately after full discussion and with full knowledge of the masses of our people. Economic planning may be advisable, but the country should at least have some information about these matters before the Government commits itself. This bill would permit boards, commissions, and bureaus, with the approval of the President, to go so far as to make it very difficult to change our course, even though the majority of the people in the end were much opposed. Let us differentiate between relief and reform.

Mr. REED. Mr. Speaker, as a Member of the House of Representatives of the United States, I feel that I have a threefold duty: First, to the Nation as a whole; second, to the State of Illinois; and third, to the Eleventh Congressional District of that State, which has bestowed upon me the honor of making me their Representative. The people of my State and district, I believe, had confidence that if elected as their Congressman, I would, to the utmost of my ability, preserve their rights under the Constitution of the United States.

That historic document provides that "all legislative powers * * * shall be vested in a Congress of the United States." Section 6 of the bill under consideration gives to the Chief Executive of this Nation the power to prescribe "rules and regulations", the violation of which will subject the offender to the penalties of a criminal prosecution. One of the bulwarks of our civil freedom is the realization that criminal laws prescribing fines or imprisonment are definitely defined in the statutes of the United States or of the several States and that they were enacted by and upon the deliberate action of the chosen representatives of the people. The passage of this bill will give to one man the power, that belongs only to Congress, to enact criminal laws at any time, without any notice thereof, as in his judgment may be necessary to carry out the provisions of this joint resolution. What protection has a citizen of this great Nation, who may have diligently searched the printed statute law of the United States, who may have sought, obtained, and acted upon the best legal advice obtainable and who after exhausting all efforts within his power to satisfy himself of his course, acts and learns to his chagrin that he has violated a "rule" or a "regulation" issued by the Chief Executive, the existence of which he had no opportunity of ascertaining and concerning which he had no knowledge, which violation subjects him to indictment and punishment as a criminal.

Our Democratic friends tell us that Franklin D. Roosevelt would never abuse the authority granted him by this resolution. Possibly not. Then why give it to him? The authority may remain long after Mr. Roosevelt relinquishes the Presidency and the ideas and temperament of his successor might be far different than those of the present Executive. I cannot subscribe to those provisions contained in section 6 of this resolution, and their existence is repugnant to all of my ideas of fairness and equality under the law.

This bill is called an "emergency relief appropriation." I believe every Member on both sides of this House is sincere in his or her desire to relieve the distressed and to eliminate unemployment. We of Illinois are especially interested. During the month of September of 1934 a total of 284,600 families received unemployment relief from public funds of our State, which was an increase of 35 percent over the figure for September of 1933. The total number of persons receiving relief in Illinois during August 1934 was 1,075,977, while the total population of our State is 7,630,654.

As a relief measure I voice no objection to the amount of $4,880,000,000 named in the bill. I do object to the unrestrained and unlimited authority granted in the resolution whereby the entire stupendous sum of money is turned over to the Executive to spend as he sees fit, without regard to the unemployment conditions in one State over that of another, without the assurance that a fair and adequate wage scale will be insisted upon, and without the understanding that, so far as practicable, the Government will not enter into competition with private business.

Previous Congresses have passed legislation to alleviate the conditions of agriculture. They have attempted to better the conditions of labor. They have tried to remedy the defects in our banking system. They have endeavored to aid citizens to secure loans on their homes. In short, it seems to me they have in recent years considered all classes of people except the small business men—the grocer, the butcher, the tailor, the barber, the baker, the druggist, the haberdasher, the furniture dealer, and other kindred enterprises. These have been the "forgotten men." They do not ask for help, but they sorely need it. They can obtain it if industry, and I mean small industry, is put on its feet and given a fresh start. This resolution could, in my opinion, be made immensely effective if a substantial sum of not

less than $2,000,000,000 were to be used for the establishment of a revolving fund to make loans to industry. It would start humming the wheels of our small factories. It would reduce the relief rolls. It would increase the purchasing power of each and every community and reduce the public expenditures. It would provide employment and give to the small business man the benefit of that increased purchasing power that the regular weekly pay rolls gave to him in the days of our former prosperity. With this in mind, I present for consideration a plan submitted by Mr. Lester J. Norris, of St. Charles, Ill., and a portion of a survey of that plan by the Ira J. Owen Organization, Inc., industrial engineers, which discloses a concrete example of the operation of this idea and the effect it will have upon communities where put in operation.

The real productive work of America is in our factories. Today there are hundreds of factories in this country which have been forced to close because they could not get the needed funds for working capital. The result has been to throw men and women out of employment. These factory people, many of whom are skilled artisans, have been compelled through no fault of their own to apply to relief agencies for support. This situation no doubt has satisfied the worker for a while, but the continued unemployment and the acceptance of a dole from the State is beginning to create a serious situation.

Dissatisfaction, destruction of spirit, loss of skill, unfair practices, disregard for law, loss of respect, loss of ambition, loss of confidence in the administration—finally an unwillingness to work.

Now, if these people could be put back into productive work, there would be created—a new spirit, a better living standard, an increased purchasing power, the reestablishment of homes, the reestablishment of morale, work for others than the one directly benefited.

At the present time there is a demand for goods of all kinds over the entire country, but in order to create markets for these goods the purchasing power of the people must be increased. The outstanding factor in getting out of this depression is to put men and women back to work where the results of their labor will create wealth, which means prosperity.

Idle factories cannot start up without the necessary capital, nor can many of the going factories continue without financial help.

A plan to provide this capital, so that the factories can again turn their wheels and put men and women back to work, will go a long way in solving our present serious relief situation. Nonproductive relief will get us nowhere, but to give our idle factories relief so that they may be able to start to work on a productive basis will again start us on our way to creating the wealth necessary to provide decent living conditions and a few of the luxuries in life to which every American worker is entitled.

In order to provide funds for this purpose and a means for the return of this money over a short period of time, the following plan is suggested, the details of which will, of course, have to be worked out.

The Federal Government to set aside, from funds provided for relief purposes, a revolving fund of $2,000,000,000, to be allocated according to requirements to the various States for the purpose of financing idle factories, also going factories, to put men and women now on relief rolls in gainful occupations.

The working of this plan is presented herewith.

A known idle factory has been taken as an example in a small town in Illinois. In this town there are at present 240 factory workers on the relief roll. The following indicates that by placing this particular factory into operation and taking these factory workers off the relief roll, the county's relief burden will be decreased by $5,150 per month and the purchasing of the community will be increased $14,040 per month.

The figures, insofar as relief burden is concerned, are taken from an official Illinois Emergency Relief Commission bulletin of statistics, and the figures relative to wage payments in the factory are conservative and used to show what can be accomplished on a very minimum wage scale.

| | |
|---|---|
| Present county relief burden per month, 337 families, at $21.50 per month | $7,265.50 |
| Idle factory reestablished employ, 240 men and women of all trades and kind, at 50 cents per hour, 40 hours per week | 19,200.00 |
| Less relief burden previously carried by State | 5,160.00 |
| Increased monthly purchasing power | 14,040.00 |
| Total families on county relief roll before factory opened | 337 |
| Less men and women reemployed at factory | 240 |
| Families remaining on relief roll | 97 |
| Relief burden of county before opening of factory | $7,265.50 |
| Reduction in relief burden to county after opening of factory | 5,160.00 |
| Relief burden after factory operates | 2,105.50 |

To support the above example, we give you the following data based on estimated sales, decided upon after a careful survey was made of the potential market for each article to be manufactured. The first column represents the sales and the accumulated totals by months, second column is the receipts based on 75 percent of the sales each month and also the remaining uncollected balance of the previous month, third column is the funds supplied by the State from the revolving funds, and indicates that after the sixth month of operation the factory is self-supporting. The factory during the last 6 months of the year will accumulate enough funds from collections to reimburse the State revolving fund, allow 1 percent of total sales as a reserve for bad accounts, and have a substantial balance at the end of the year.

| | Sales | | Cash receipts | | Cash advance by State | |
|---|---|---|---|---|---|---|
| | Monthly | Accumulated | Monthly | Accumulated | Monthly | Accumulated |
| First month | | | | | $60,375 | |
| Second month | $10,000 | | | | 60,375 | $120,750 |
| Third month | 30,000 | $40,000 | $7,500 | | 52,875 | 173,625 |
| Fourth month | 50,000 | 90,000 | 25,000 | $32,500 | 35,375 | 209,000 |
| Fifth month | 60,000 | 150,000 | 45,000 | 77,500 | 15,375 | 224,375 |
| Sixth month | 80,000 | 230,000 | 57,500 | 135,000 | 2,875 | 227,250 |
| Seventh month | 110,000 | 340,000 | 75,000 | 210,000 | (1) | (1) |
| Eighth month | 90,000 | 430,000 | 102,500 | 312,500 | (1) | (1) |
| Ninth month | 90,000 | 520,000 | 97,500 | 410,000 | (1) | (1) |
| Tenth month | 100,000 | 620,000 | 90,000 | 500,000 | (1) | (1) |
| Eleventh month | 120,750 | 740,750 | 95,000 | 595,000 | (1) | (1) |
| Twelfth month | 110,000 | 850,750 | 115,000 | 710,000 | (1) | (1) |
| Balance accounts receivable at end of year | | | | 140,750 | (1) | (1) |
| Total of cash receipts from July to December | | | | | | 575,000 |
| Less: Factor operating cost July to December | | | | | | 362,250 |
| Balance of accounts receivable ledger Dec. 31 | | | | | 140,750 | |
| Less: 1 percent of sales for bad accounts | | | | | 8,507 | 132,243 |
| | | | | | | 344,993 |
| Cash repaid to State for advances | | | | | | 227,250 |
| On hand to start operations first of year | | | | | | 117,743 |

[1] No further cash required from State for operations.

It is to be remembered that this plan relieves the State of a burden of $5,160 per month, and the wages paid to 240 men and women will increase the purchasing power of the community $14,040 per month. Aside from the benefit of the foregoing enumerated results, the State would gain profit through the medium of sales tax on increased purchasing power.

Up to the present time private capital has not shown a willingness to put their funds into industrial enterprises, and the banks have not shown any disposition to lend money to worthy manufacturing business.

With the State taking the lead, a competitive situation will soon develop where private capital will look more favorably on worthy manufacturing projects, all of which will help in putting men back to work.

INCENTIVES

In order to get manufacturers interested in the employment of those now on our relief rolls, some sort of incentive should be given aside from impressing them of their patriotic duty. The following are two suggestions which, if properly set up, would go a long way in interesting the manufacturer and getting him to put on additional help to be taken from the relief roll employment record:

STATE TAX CREDIT

For every person taken off the registered relief roll and given employment for a period of 1 year a tax-credit check for $100 will be given the company employing such person. This check will be accepted by the State in lieu of cash for payment of the company's State tax bills of whatever kind or nature.

RELIEF SERVICE STARS

A relief service certificate will be given companies employing persons from the registered relief roll, and for each person given employment a star will be given the company to be placed on the relief service certificate. Companies can print the number of stars in their ads showing the number of people taken off relief and employed by them and to show the public that they are doing their part in putting America back to work.

Mr. Speaker, I recall the eagerness with which patriotic Americans in 1918 placed in the windows of their homes and stores placards reading, "We have bought Liberty bonds." I still can see, even today, signs in the homes of numerous citizens, placed there shortly after the passage of the National Industrial Recovery Act, which read, "We do our part." The American public will always do its part. This resolution could be an instrument of great good to the Nation. In its present form I regret the fact that to support it I must vote to surrender the law making power of Congress to the Executive branch of the Government and approve the expenditure of four thousand eight hundred and eighty millions of dollars without any assurance of how, where, or in what manner it will be spent—whether it will be used to throttle or compete with industry or to crush labor. This I refuse to do.

Mr. GRAY of Indiana. Mr. Speaker, in 1930 the Republican majority in Congress, now the minority in the House and Senate, spoke for, urged, and voted for, with the one exception of James M. Beck, the delegation of legislative powers to be exercised by a Republican President, and known as the "reciprocal tariff agreement." The CONGRESSIONAL RECORD further shows that the Democratic Membership in Congress, including the present Democratic leadership, spoke against, condemned, and voted against the measure as a violation of the Constitution, and as fraught with great and menacing dangers to our system of free self-government.

In 1934 substantially the same measure and involving the same identical principle, the surrender of legislative power to be exercised by the executive department, in violation of the Constitution, was sponsored by the Democratic majority, and the same Democratic leadership, which had condemned the principle in 1930, and the same Republican leadership, which had led the full party Membership to vote for and support the act of 1930, now reversed themselves and faced about to oppose, condemn, and vote against the measure which they had approved, voted for, and enacted into law.

Now, here again before Congress in 1935 we are brought face to face with the same identical principle, the delegation of legislative powers to be exercised by the Executive, which has been condemned by both parties, condemned by the Democratic Party Membership in 1930 and by the Republican Membership in 1934. With the Democratic leadership of the House sponsoring the bill as a party measure and the Republican leadership opposing, we are to witness an exhibition of a complete change and reversal of the positions taken in 1930. The Democratic Membership will speak and vote for what they condemned as a dangerous precedent in 1930, and the Republican Membership will oppose and vote against what they approved and voted for at that time. And the moral courage of the individual Member will yield and give way to fear, and principle will be sacrificed for party regularity.

I condemned the surrender of legislative power in 1930 to be exercised by a Republican President as a violation of the vital provisions of the Federal Constitution. This was before I returned to Congress in 1932, and maintaining a consistent record on principle, I voted against the reciprocal tariff provisions of 1934 surrendering the same power to a Democratic President. And now further pursuing a consistent course and to maintain and uphold the Constitution, I will be constrained to record my vote here against the pending resolution today surrendering the same and more legislative power to be exercised by a Democratic President in gross violation of the basic principles of the provisions of the Constitution.

The Republican Party leadership, long observing a loose or liberal construction of the provisions of the Federal Constitution, and always reposing greater confidence in the wisdom and judgment of the special few to legislate for and govern over the many, was more consistent and regular in their delegation of legislative power to be exercised by the Executive. And the support of this bill today would come with more consistent and better grace from the Republican Members and leadership than from the Democratic Members and leadership.

If there is any one principle of government upon which the Democratic Party stands more unequivocally committed than another, it is the principle of the separation of powers safeguarding against abuse and usurpation by the executive department of government. The exercise of the legislative and judicial powers with the power of the Executive to enforce the laws by one official or body of the Government is abhorrent to every principle of democracy declared for by its founder, Thomas Jefferson, and by the Democratic Party tradition reaffirmed over again for time immemorial.

This surrender and delegation of powers by Congress, conferring upon the President both legislative and judicial functions to be exercised with the Executive, violates every fundamental principle of democracy, rebukes the sacred tenets of Thomas Jefferson, compromises all that Andrew Jackson stood for, and makes free representative government a mockery, a delusion, and an empty claim. Threatening not only our own form of government but the institutions of other people who have followed in our footsteps and example in governments like our own.

If this bill is enacted as provided without change, elimination, or amendment, we are by this legislation saying to the world—our long-boasted rule of the people and free institutions and self-government is a farce and a mockery which we will not ourselves observe and which we cast off with indifference whenever a test or trial comes of a crisis in our public affairs.

Courage is not a positive or absolute term but a term varying in nature and degree from physical courage prompted in men by a realization of superior animal force to moral courage or courage of the conscience, inspired in men from a deep conception of right and duty toward their fellowmen. Then there is single or individual courage manifested in the course or conduct of men, the courage of man standing out alone prompting men to look beyond and forget self, to cope and battle single-handed always to win or achieve a victory above personal selfish profit or gain, a victory for the common cause of men.

And in contrast with this last form of courage we find still another form of the impulse which for want of a better name or expression we call collective or pack courage, one individual taking courage behind another, courage from the howling bedlam chorus, which, when scattered and dispersed, the individual is left fleeing to conceal his identity, crouching under the shadows of fear or moral and mental cowardice.

It is this form of collective courage which is often observed in partisan politics in the course of political proceedings, where men are prompted with courage to condemn the

wrongs and evils in their opposing parties but fail of the courage, the moral impulse, to oppose the same evils in their own party. I regret that this collective form of courage is not confined to party ward conventions or to petty ward political henchmen and that it is sometimes manifested in high party councils of State and sometimes in the Halls of Congress.

The one great distinctive feature standing out in the American Constitution, towering high above all others like a mountain peak piercing the sky and around and about which all other provisions and injunctions cluster like the foothills at the base, was and is the separation of powers for exercise, separate, independent, and apart, by different officials and bodies of men restrained from interference or encroachment one body from exercising the functions of another. And by solemn and imperative mandate clearly and unequivocally enjoined, the powers of the different departments created were to be exercised separate and independent, one free from restriction or influence from the other under a prohibition positive and imperative in terms and from which there was no exception reserved.

The framers of the Constitution were not acting for their own time and generation alone. They were building a fort, a defense, a bulwark, to safeguard the future and the generations to come. While reposing all and absolute confidence in Washington, Jefferson, and Madison, in Adams, Monroe, and other patriots of their time, they realized, in their wisdom and forethought, that to except these true and tried pioneers of liberty would be to compromise the safeguards and leave the way open for designing men. And in such realization and wisdom, looking always to the security of the future, the framers of the Constitution wisely imposed the same restraint and prohibition upon all men in the exercise of power, alike without reservation or exception, to the end that bad men could not make claim under the exceptions and reservations for good men.

In the exercise of such wisdom and forethought, the framers of the Constitution realized and understood that the virtues of rules, laws, and constitutions, and their force to compel respect and obedience, are dependent upon their universal application and their general enforcement upon all, without deviation, exception, or reservation as to any man, official, or body of men who might be intrusted with the exercise of power. They realized that such exception or reservation would leave the bars down, would leave the way open for some designing ambitious man who might gain place, power, or governmental position by strategy, intrigue, or pretense or be swept into office under force of some crisis of the people. They realized that great calamities, wide-spread misfortunes, and disasters, which divert the attention of the people and throw them off their guard, would be seized upon as an opportunity to take advantage and claim powers which at other times would not be attempted.

And the calamities and disasters of this great depression, as affording such opportunity for advantage, and the claim and the demand for the exercise of special and extraordinary powers, claimed necessary and imperative and required to meet and cope with the conditions of the times, is realized in the crisis of this panic. And the creation of separate and independent departments, and the restriction and limitation of powers enjoining their separate and independent exercise and the prohibition of one department of the Government from encroachment upon or exercising the powers of another, is prophetic of the wisdom and forethought of the framers of the Federal Constitution and the safeguards by them created and the dangers provided against in the separation and the division of powers.

It is in fulfillment of the fears and apprehensions in the minds of the framers of the Constitution that this evil hour in our history and the history of civilization, this great industrial panic, has come upon the people to burden and distress them. With the people writhing and suffering in the throes of economic depression and crying out in their anguish for relief at any cost or sacrifice; with the people ready and willing to surrender their inheritance and birthright of free institutions and self-government for the proverbial mess of pottage of temporary economic relief, designing autocratic rulers, ambitious premiers of the Old World, looking always for opportunity to take advantage of some crisis or condition of the people, are making claim and taking over great special and extraordinary powers, assuming such powers as necessary and required to meet the conditions of the times brought on by the panic or depression.

Under the separation of powers provided, Congress, the National Legislature, the body of men making the laws, were prohibited from applying or enforcing the laws; the courts, the supreme judiciary, the body of men construing and applying the laws, were prohibited from making or enforcing the laws; and the President or Chief Executive, the official charged with the enforcement of the laws, was prohibited from making or construing the laws. The separation or division of powers enjoined was intended to serve as a check or restraint, one division or part upon another, each part to be exercised or administered separately or independently, one from the other, in jealous observance of limited jurisdiction, and thereby to safeguard against abuse or usurpation under which other like governments had failed and fallen.

We are dealing with the Constitution, the fundamental law of the land, upon which the foundation of the Government rests, and under which we claim and enjoy our rights, liberties, and freedom and security for our institutions of peace and civil life. We are dealing here with a hidden force, the power of precedent and example, which, in the course of time, ripens into positive and absolute law equally an obligation as binding as a solemn statutory enactment. Many of the laws in force today fixing property and civil rights have been put in force and made effective and remain in effect and continue in force by reason of the rulings of courts establishing the law by precedent and becoming by lapse or expiration of time an absolute law of property and civil rights.

Statutory laws end and terminate with the expiration of the time limit fixed. But laws by precedent and example continue beyond the time for which made and assert their force and effect with every reoccurring occasion and become the continuing law of the land. The force of laws to restrain evil and the power of constitutional safeguards, the rights, liberties, and welfare of the people are like character and reputation in men which require a lifetime to build up, but which can be compromised and surrendered by one false and unguarded step, sacrificing honor and integrity and which once impaired or surrendered can never be restored or regained.

This bill, if made a law, assumes only to make a delegation of the prohibited powers of the Constitution to a President now in office and for a specified time certain. Yet by the force of precedent and example, it will delegate these prohibited powers to other and future Presidents, and will operate as a surrender of legislative power by Congress for time continuing and indeterminate. The surrender or delegation of legislative powers by Congress to be exercised by a President under the hidden, covered, and concealed form of precedent and example before Congress, is a greater force, a more continuing power, than open enactment of statutory law, because continuing on to operate after a statute shall have ceased to exist by reason of the time limit fixed.

Under the precedent and example of granting legislative powers to be exercised by the Executive, first made to the Executive in 1930 and followed by the same grant of power in 1934, and, if followed again in this resolution, any future President, with a party majority in Congress, could make and enforce the same demand upon his majority party Membership. And with the same overshadowing power of the President no majority Membership in Congress in the face of these precedents and examples could resist or refuse the demand. The power of precedent and example will have ripened into the form of a positive rule of construction compromising constitutional safeguards. And the War of the Revolution and all the battles waged for liberty and all the sacrifice of bloodshed and treasure will have been fought and suffered in vain.

Under this precedent and example any man ambitious and thirsting for power who might be swept into the Presidency following some crisis or trying condition, would cite these precedents and examples and claim the same and greater power, and Congress, quailing before the demand, would be paralyzed and helpless to resist. Congress will be robbed of its defense, will be deprived of its refuge and a showing of an unbroken line of precedents and examples upholding and refusing to surrender its powers, and without and for the want of which the bars will be down and the way left open for the powers of Congress to be usurped and exercised by the executive branch of the Government.

This generation is not called upon or required to prepare or work out a Constitution providing safeguards for our form of institutions. The battles have all been fought. The sacrifices have all been made. The work has all been completed. The Constitution with all its provisions safeguarding our rights and liberties and guaranteeing our form of government has been committed into our hands for preservation and perpetuation. And this is the duty of Congress. This is our responsibility. This is the oath and affirmation which we take and subscribe before the altar of free institutions to uphold, defend, and perpetuate the integrity of the Constitution.

But this delegation of legislative power is not in fact a surrender of power to this President exclusively and personally, and which could not be exercised by any other man in the office of Chief Executive during and within the time for which granted. It is a delegation of legislative power, expressly prohibited by the Constitution, to the office of the Chief Executive, to be exercised by whoever may be President during the period, term, and time for which the delegation was made. Under the uncertainties of life, on the death or disability of the President, this power would go to be exercised by some one of the men in the line of succession provided for on the death or disability of the President, and who would be clothed with the extraordinary powers of lawmaker, judge, and executioner.

And on its face it is not a power to be exercised personally by this President. It is a mental and a physical impossibility for any one man to hold and apportion this vast sum of money for expenditure out among the many different projects to which the same may be allocated and to be charged with the responsibility which it is impossible for him to assume. It is the province of Congress to make these appropriations of money. It is the duty of Members of Congress to consider where the money is to go and for what purpose it is to be expended and by whom it is to be administered and for which they must assume the responsibility.

The delegation of legislative and judicial powers to be exercised by the executive branch of the Government is not only fundamentally wrong and in gross violation and in disregard of every principle of free self-government, disorganizing the balance of governmental powers and the restraint or check against usurpation, but it is a policy casting unwarranted burdens and staggering obligations of office upon the executive branch of the Government, commingling and confusing governmental functions and disorganizing the even balance of powers. It is tearing down the framework of free institutions to eradicate the evils and abuses and which can be otherwise more effectively remedied, and leaves Congress and the legislative branch without functions and obligations to assume, without responsibility for the course of legislation and no longer answerable to a constituency and their pledge made to the electorate.

If clause 1, section 1, of article I of the Federal Constitution, providing that all legislative powers therein conferred shall be vested in the Congress, consisting of a Senate and a House of Representatives, affirmatively excluding the executive and the judiciary, enjoins no restrictions of power; if these unequivocal provisions made a part of the Federal Constitution, conceived in self-denial, fasting, and prayer, adopted upon serious and deliberate consideration, proclaimed as the supreme law of the land, to be obeyed and observed inviolate, under solemn oath and affirmation of all the officials of the Federal Government; if all these provisions of the Constitution are held merely passive and permissive and discretionary and directory only, enjoin nothing and mean nothing, then the flag, with its contrast of colors—then the waving Stars and Stripes, unfurled to the freedom of the breeze as the emblem of exact and equal justice, the symbol of liberty and equal rights—is a flaunting rag without meaning, is a mockery, a delusion, misleading men.

### OUR BANKING SYSTEM

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered over the radio by the gentleman from Alabama [Mr. STEAGALL].

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SNYDER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of the gentleman from Alabama [Mr. STEAGALL] over the radio on November 2, 1934:

Ladies and gentlemen of the radio audience: The depression through which the Nation is passing has been properly called a bankers' panic. During the years 1921 to 1932 we had over 10,000 bank failures involving deposits of three and one-half billion dollars. There was, of course, corresponding curtailment of the circulation of bank-check currency amounting to many billions of dollars. In 1931 there were over 2,000 failures and in 1932 there were over 1,000. Many of these were traceable to the decline in values following the orgy of speculation in 1929. Worst of all hundreds of solvent institutions were destroyed by withdrawals of deposits and runs due to loss of confidence. The demoralization and suffering attending these failures affected every community in the Nation. In such a situation it was only natural that bankers should cease to lend and proceed to enforce collection with enormous sacrifice of collateral pledged in order to meet their responsibility to their depositors.

All appeals by the President and Secretary of the Treasury during the years 1931 and 1932 to restore confidence were unavailing. Of the total supply of currency amounting to five and one-half billion dollars it is estimated that more than one-half was withdrawn—some hoarded, some in postal savings, and large amounts deposited in foreign lands.

When we remember that more than nine-tenths of the Nation's business is conducted by the use of bank credit it is easy to understand that the withdrawal of such stupendous sums of currency from normal uses must inevitably result in the enormous reduction of bank-check circulation shocking to trade and commerce.

Loss of confidence continued; values sank lower and lower; trade and commerce, foreign and domestic, were suffering from creeping paralysis; the rolls of the unemployed swelled to alarming proportions. Then came the complete collapse of the Nation's banking structure in March 1933. We faced a crisis presenting a challenge to Amercan leadership unprecedented in time of peace.

The record of achievements since that eventful hour must be a source of pride to every patriotic citizen in the land. Leadership in the world of finance only brought us colossal failure. The people turned to their chosen leadership at Washington for guidance. With consummate courage and superb ability and tact the President took up the stupendous tasks awaiting him. Congress was summoned in extraordinary session. The Emergency Banking Act of 1933 was formulated and passed. The banks were reopened with assurances from the President that we were to have a banking system that would command public confidence. To enable the banks to meet the demands of their depositors a provision was incorporated in the act permitting the exchange of bank assets for Federal Reserve bank notes.

Some of us had recognized the weaknesses of our banking system and had struggled for years to secure the enactment of legislation for the protection of depositors. I had the honor of introducing numerous bills designed to accomplish this purpose. The last was on April 14, 1932. The bill was considered by the Banking and Currency Committee of the House, hearings were held, and the measure reported to the House. After prolonged consideration and debate it was passed by the House on May 27, 1932, the opposition not having votes enough to force a roll call.

During the next session of Congress the struggle was renewed. Final passage of the bill was secured during the closing hours of the Congress of the session.

The act provides for the establishment of a corporation known as the "Federal Deposit Insurance Corporation." The measure sets up a plan for the insurance of all deposits up to $10,000; 75 percent of all deposits between $10,000 and $50,000, and 50 percent of deposits in excess of $50,000. In order to permit proper examination and certification of banks for participation in the benefits of the insurance fund the effective date of the provision was set as of July 1, 1934.

The Federal Reserve banks are required to subscribe $147,000,000 to the capital of the Corporation and the Treasury $150,000,000 and all member banks of the Federal Reserve System are required to subscribe an amount equal to one-fourth of 1 percent of their total deposits with provision requiring each bank to pay in an

additional one-fourth of 1 percent of all deposits upon call of the board of directors of the corporation at any time it is found that the funds of the corporation are reduced to an amount less than one-fourth of 1 percent of the deposits of all participating banks. A provision of the bill allows all State banks and trust companies not members of the Federal Reserve System to subscribe to the capital of the Corporation and to participate in its benefits upon terms of equality with member banks.

The corporation is authorized to expand its capital three times and may require advancements by the Reconstruction Finance Corporation when needed to the amount of $250,000,000. The resources of the Corporation are amply sufficient to command the full confidence of the public.

The act provides for the temporary insurance of all deposits up to the amount of $2,500, effective January 1, 1934. In June 1934, the act was amended postponing the effective date of the permanent plan to July 1, 1935, continuing the temporary plan and raising the maximum amount to $5,000.

Under the plan now in force more than 14,000 banks are members of the insurance fund. It embraces more than 90 percent of all the licensed banking institutions in the country. The total deposits of insured institutions aggregate $35,000,000,000 covering 50,000,000 accounts.

The American Bankers Association at their annual meeting in Chicago in 1933 passed the following resolutions: "The American Bankers Association hereby records its deliberate judgment that the dangers involved in attempting to initiate at the beginning of 1934 the provisions for deposit insurance contained in the Banking Act of 1933 are genuine and serious. It holds that the whole project for deposit insurance embodied in that law should be reconsidered, and it reiterates its conviction that the postponement of the first phase of the project is of the first importance."

To say the least it would be scarcely expected that the American Bankers Association would call upon the President to set aside a solemn enactment of the Congress of the United States. But let us trace events that have taken place since the passage of this resolution. Definite figures are not available but it is certain there has been an enormous increase in deposits amounting to something like eight to ten billion dollars. There was not a single bank failure among insured banks during the first 6 months of 1934. During the first 10 months there have been only 6 bank failures and 3 of them were due to defalcations of officials and employees. Insured deposits in these failed banks amounted to less than $700,000. Two-thirds of this amount will be realized out of the assets from the banks, leaving the final cost to the Deposit Insurance Corporation not exceeding $250,000. This amounts to less than one-hundredth of 1 percent of the total deposits of insured banks. How trivial the burden compared to the benefits received.

In the case of each of these failed banks the Federal Deposit Insurance Corporation was on hand in less than 10 days to take care of all deposits insured. There were no mobs and no distress such as has attended bank failures in the past. In fact, there was no bank failure in the ordinary sense of the word, because the Federal Deposit Insurance Corporation stepped in promptly for the protection of depositors, and under the provision of the Glass-Steagall Act the Corporation continues the operation of the bank or sets up a new institution without disturbance to the normal business activities of the community.

Confidence in banks has been restored, the fear of depositors has been banished, and bankers no longer live in constant dread of withdrawals and runs. Solvent banks are free to employ their resources in support of business, and at least the first great obstacle to recovery has been removed. No more shall we witness the wreck and ruin of solvent institutions resulting from lack of confidence due to faulty and inadequate banking machinery.

The officials of the American Bankers' Association assure us that the banks of the country were never in so sound a condition as that which they enjoy at this hour. What of the dire predictions made at the Chicago convention as embodied in the resolution which I have just read? The plain fact is that the experience of these recent years has demonstrated quite clearly that our leaders of the banking world do not possess the infallible wisdom which we have been accustomed to ascribe to them. It is manifest that they are the victims of the same limitations and weaknesses under which the rest of mankind suffers. In any event, whatever else may be said, the resolutions adopted by the Chicago convention last year lend poor support to any contention that our bankers possess the gift of prophecy.

The public will not fail to note that at the first annual meeting of the American Bankers Association, 1 year from the passage of the resolution adopted at Chicago and following the first year of the operation of the Federal Deposit Insurance Corporation, during which period the Nation for the first time experienced relief from the distress and suffering incident to bank failures, there is to be found no official recognition of these happy developments by the Washington convention. It is a source of gratification to all of us that conditions have so improved that our friends, the bankers, seem to have forgotten the resolution adopted in Chicago in 1933. It is even more gratifying to know that a vast majority of the bankers of the Nation appreciate and approve what has been done for the elevation of banking.

In the light of what has transpired it would be folly to expect any system in the future to command public confidence, or to operate successfully without a guaranty upon which citizens may rely for the return of their deposits. The time has come when depositors, who appear at the window of a bank will demand to know if the institution has its deposits protected by the Federal Deposit Insurance Corporation.

The Nation will never cease to remember the constructive service of Hon. J. F. T. O'Connor, both during the struggle for the enactment of the legislation and as Comptroller of the Currency and member of the Board, who bore the chief responsibility in laying the foundation for the remarkable success with which the act has been administered. Mr. Cummings, the first chairman of the Board, and Mr. Crowley, who now serves so efficiently in that capacity, have placed the Nation under an immense debt of gratitude to them.

Bankers should be the last to complain at what has been accomplished. The Government has done more for them than any other class of citizens. The Reconstruction Finance Corporation has made advances to banks of the country for the replenishment of capital amounting to more than $1,000,000,000. These loans have not been made upon collateral security, as is required of other institutions obtaining loans, but they are made to banks without security. Provision has been made for the advancement by the Treasury of $147,000,000 to Federal Reserve banks to aid and assist in loans to industry and advances are to be made practically without any requirement for reimbursement to the Treasury. If bankers are displeased that the Government is extending its activities unduly into the field of business, the remedy is to remove the necessity. Future policy does not rest alone with the Government. Men of the business world must share the responsibility. As much as all deplore the necessity for steps taken to meet existing emergencies Government officials cannot ignore the constitutional mandate to "promote the general welfare." If any banker longs for restoration of conditions that existed on the 4th of March 1933, he is at liberty to return to the Government moneys supplied him out of the Federal Treasury and close his bank, as it was in March 1933, and face his depositors, if he has the courage.

Every great reform in banking legislation has been accomplished not only without the support of banking leaders but in the face of their opposition. This was noticeably true in the passage of the Federal Reserve Act. The public had to make its appeal to statesmanship for the solution of the problems of that hour. That great enactment came from the brain of statesmen—men in political life, who constitute a part of that class known as "politicians." That splendid enactment, with all that it means to the Nation and to the world, was denounced and dire predictions indulged as to its operation, even as was done in the case of the act establishing a system for the insurance of bank deposits.

The people approve what has been done for the reestablishment of sound banking, for the restoration of agriculture, to save citizens from foreclosures of homes and farms and turning their families into the highways without shelter, for the relief of hunger and distress, and for the promotion of reemployment. The people of the Nation will not be satisfied with, nor accept as permanent, wide-spread hunger and nakedness in the midst of bountiful production from our farms and factories. Such a condition constitutes a stigma upon our economic system. It will not be tolerated as the lasting lot of the people of the United States.

Our forefathers crossed an ocean and encountered the dangers and hardships of an unbroken wilderness to establish the greatest civilization mankind has known. They set up the most ideal Republic of the ages. They have led the world in science and invention, in the struggle to overcome disease, and to conquer the hidden forces that have taken an enormous toll of human life. They extended our commerce on every sea and into every land. They lifted our flag to triumph and victory over every foe who challenged its supremacy. I do not believe that their sons are bankrupt in the courage and qualities that characterized these men of other days. Our people have always shown a capacity for choosing a leadership equal to every problem that has arisen. They called to the Presidency the Father of his Country, who charted the course that has guided us so happily for more than 150 years. At another critical juncture in our history they chose the immortal Lincoln as Chief Executive. Again in 1912 when unusual problems crowded upon us they selected Woodrow Wilson, the greatest leader of his time, who led the Nation into war in defense of the right of small governments to maintain their sovereignty and live their own lives. In 1932 in the midst of a crisis unprecedented in time of peace the people of the Nation, forgetting political alinement and party affiliation with a patriotism unexcelled in any period of the Republic, summoned to their service a student of government, rich in knowledge and ripe in experience, a great humanitarian whose heart is attuned to the pulse beat of humanity, the greatest leader of men that has blessed the earth in half a century, the premier statesman of the civilized world. He holds aloft the light that will lead us into the enjoyment of the full measure of prosperity and happiness that a bountiful Providence has so richly provided for the people of the United States—Franklin Delano Roosevelt.

### EMERGENCY RELIEF WORKS APPROPRIATIONS

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a brief telegram from the Governor of Nebraska and my answer thereto.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Speaker, all through the consideration of this gigantic appropriation I have felt that it is a mistake to appropriate so large a lump sum without at least definitely setting aside specific amounts for particular purposes. Supporting my position in this regard, I desire, under the leave granted me, to insert here as an extension of my remarks copy of telegram that I received this afternoon from the Governor of Nebraska, and copy of my telegraphic reply to him.

The telegrams are as follows:

LINCOLN, NEBR., *January 24, 1935.*

Hon. KARL STEFAN,
*Member of Congress:*

Because State highway departments know definitely what projects can be accomplished in the immediate future and have the organizations necessary to facilitate their construction, I urge that a definite amount of money be set aside for highway projects as a part of the proposed 4 billion dollar public-works program.

R. L. COCHRAN,
*Governor of the State of Nebraska.*

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WASHINGTON, D. C., *January 24, 1935.*

Hon. R. L. COCHRAN,
*Governor, Lincoln, Nebr.:*

Your telegram just received urges definite amount of money be set aside for highway projects in emergency relief-works appropriation. Bill as reported to House specifies improvement of existing road systems as one objective of appropriation, but sets aside no definite amount for that purpose. Bill now before House simply provides lump-sum appropriation and itemized program is totally absent. Parliamentary rule under which bill is being considered in House, coupled with attitude of majority toward any amendments which may be proposed within restricted latitude for amendments, precludes any practical prospect that House will amend bill to set aside any definite amount for any purpose.

KARL STEFAN, M. C.

Government business.

PROGRESSIVE PLANNING IN PIEDMONT CAROLINA

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter written by me today to the Secretary of the Interior concerning the planning of the Upper Carolina Development Association and a resolution passed yesterday in Columbia by that association.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I am very happy to report to the Congress that a most promising and forward-looking meeting was held in the hall of the house of representatives in Columbia, S. C., by the Upper Carolina Development Association. There were about 150 representatives present, among them some of the most wide-awake farmers and business men of upper Carolina.

I was also very happy to note the presence of many Members of the House of Representatives and of the Senate. We were fortunate to have with us as representatives of various Federal activities the following persons, who spoke to us most happily and instructively: Mr. R. A. Winston, of the Federal Soil Erosion Service; Mr. H. A. Kircher, regional manager of the Federal Forest Service; Mr. H. M. Sears, State manager of the Federal Forest Service; Dr. T. S. Buie, in charge of the Soil Erosion projects in Spartanburg County along the Tyger River; Mr. L. P. Slattery, State representative of the Public Works Administration; Mr. J. C. Capt, executive officer of the rural rehabilitation division of the F. E. R. A. Inspiring and instructive remarks were made by many members of the association.

At the conclusion of the meeting resolutions were adopted, a copy of which is printed herewith for the information of the Congress and the country. Also a committee was specially charged with the duty of keeping in contact with the United States Senators and Representatives in Congress from South Carolina, and with the President and his various agencies engaged in employing the $4,000,000,000 fund to revive business and to assist in worthwhile and beneficial work in order to give employment to the unemployed. That committee consists of the Honorable D. A. G. Ouzts, of Greenwood, S. C.; the Honorable W. D. Douglas, of Winnsboro, S. C.; Hon. Lewis H. Gault, of Union, S. C.; Mr. I. E. Davis, of Greenwood, S. C.; and Mr. J. B. Douthit, of Pendleton, S. C.

Doubtless this committee will soon be in Washington and will keep in constant touch with the Members of Congress from the State of South Carolina, and especially those from the Piedmont section, in the hope of convincing the Federal administrations that upper Carolina is "ready to go" with its plans for development and improvement. It is most singular that the Upper Carolina Development Association was organized at Spartanburg, S. C., on November 10, 1934, and that the report of the National Resources Board was made public on December 17, 1934, and that there is a remarkable similarity and identity between the plans outlined by these two bodies. Of course, the Carolina plans are regional and local, but they harmonize happily with the suggestions of the National Resources Board. Naturally we are very proud of this coincidence, and we believe that it demonstrates that we are forward-looking in our vision and our ability to make practical application of generalized views.

Recently the House of Representatives of the State of South Carolina Legislature passed resolutions calling upon the Congress to enact legislation providing unemployment insurance, but the very best preliminary step to that result is to give actual employment in constructing useful and socially valuable projects, such as we propose in soil-erosion control, water-power development, rural electrification, farm diversification, farm-marketing centers, and practical and common-sense instruction for all the people of all ages, described by our association as "applied education." All of these are appended as part of these remarks.

Upon my arrival in Washington this morning I wrote a letter to the Secretary of the Interior, the Honorable Harold L. Ickes, reporting upon our splendid meeting and upon our progressive plans and am printing that letter as a part of my remarks.

HOUSE OF REPRESENTATIVES,
*Washington, D. C., January 24, 1935.*

Hon. HAROLD L. ICKES,
*Secretary of the Interior,*
*Washington, D. C.*

MY DEAR MR. SECRETARY: I thank you very much for your letter of January 21 and beg to advise that at the meeting of the Upper Carolina Association in Columbia, S. C., held in the hall of the house of representatives and being full of members of the State legislature and of members of the committees of the said association and of public-spirited and high-minded citizens, your letter was read and many expressed regret that you could not be present in person. I also regretted that Mr. Walters could not go. However, Mr. N. A. Winston, of the Soil Erosion Service, was present and made a most splendid presentation of that Service.

We also had present, representing the Chief Forester, Mr. J. C. Kircher, and also the regional forester, Mr. H. M. Sears. We also had Mr. J. C. Capt, representing the Rural Rehabilitation Service of the Federal Emergency Relief Administration.

The association adopted a set of resolutions, of which I hand you a copy; and I shall be happy to have the privilege of calling upon you in person at a very early date to present this cause to you more specifically. Probably there will accompany me at the time I call the special committee of five members of the association appointed yesterday for the purpose of contacting Federal officers and Members of Congress in behalf of the association. They are the Honorable D. A. G. Ouzts, of Greenwood, S. C.; the Honorable W. D. Douglas, of Winnsboro, S. C.; Hon. Lewis H. Gault, of Union, S. C.; Mr. J. B. Douthit, of Pendleton, S. C.; and Mr. I. E. Davis, of Greenwood, S. C.

We have a very definite program that we believe will meet the recommendations of the National Resources Board 100 percent, and also meet the recommendations of the President 100 percent by offering to the unemployed useful service in the following particulars:

1 Greatly increase and extend the work of the Soil Erosion Service.

2. At least double the number of C. C. C. camps engaged in soil-erosion work and in reforestation.

3. Enlarge and extend the Enoree National Forest and the Long Cane National Forest.

4. Increase and enlarge the Nantahala National Forest eastward across the mountains to and include Hogback Mountain in Spartanburg County.

5. Develop at once the waterpower at Buzzards Roost on Saluda River, at Lyles Ford on Broad River, the upper Saluda River near Greenville, S. C., and perhaps other projects that have been surveyed by the United States engineers and found to be feasible.

6. Set up at once farm marketing centers at or near Greenville, S. C., and at Spartanburg, S. C., to take the fruit, vegetables, milk, cream, eggs, chickens, hogs, and cattle, and miscellaneous farm products from the farmers near to Greenville in the following counties, to wit: Greenville County, Pickens County, Oconee

County, Anderson County, and Laurens County; and next at Spartanburg, S. C., to serve the farmers of Spartanburg County, Cherokee County, Chester County, Fairfield County, and Union County.

7. To employ a large number—perhaps 50—educated and trained men now unemployed, entirely belonging to the "white-collared class", to go among the farmers at once and to tell them to plant standardized crops of vegetables and be prepared to supply the demands of the canneries at said farm marketing centers and also to tell the farmers what our program is to enable them to get away from the one-crop system of cotton which has impoverished them, being on the very fringe of the Cotton Belt.

8. Push the work of rehabilitation of stranded families in the cities and industrial centers by putting them out on the farms. Personally, I have about 700 acres of uncultivated farm lands and my close relatives have at least 1,000 more acres which we would be willing to lease to the Government for 5 years for just enough rental to pay the taxes; and on this land at least 25 or 30 families could be placed to begin farming. We would give an option on this land at a very low price, averaging, perhaps, not over $12.50 an acre, so that if the Government decided to buy it and to give these families a chance to acquire homes from the Government on long terms, whatever work they do within the 5-year period would not be lost to them but they would get the benefit of it if they subsequently bought the land.

9. Assist and encourage those who are now upon the land, but as tenant farmers and are prosperous as such, so that they may buy homes while land is now cheap and may buy the same on long terms and at low rates of interest. For illustration, within the last 5 years I have bargained to sell several farms to industrious, hard-working families and allow them as long as 15 years to pay the principal and also charge a low rate of interest. I am proud to say that they are all up with their obligations and some of them have anticipated their payments. This is a splendid work that the Government can do to help the tenant class to become landowners and thus become independent and substantial citizens.

10. Assist counties in the procurement of terracing machinery with which to terrace the lands of the farmers at the actual cost of such work whereby the original cost of the machinery may be refunded to the county. Most of the counties are now financially too weak to buy such machinery, which would cost only $4,000 or $5,000 per county.

I enclose clipping from my remarks of January 8, describing a plan of section-wide soil-erosion-control service, said plan being devised by Dr. T. S. Buie, in charge of the soil-erosion work at Spartanburg, S. C., and I hope that you will consider this very carefully, and assist us by advising Mr. Hopkins or whomever else may be put in control of this particular kind of work, to go forward with this great program.

I am pleased to tell you that yesterday on two or three different occasions I spoke in the strongest terms of endorsement concerning the work and the report of the National Resources Board, and a number of the gentlemen will be writing for copies of this report, in order that they may become familiar with its details.

I again call your attention to the fact that this Upper Carolina Development Association was organized on November 10, before the report of the National Resources Board came out, and to the remarkable fact that the organization and committees appointed by that association parallel their set-up with complete harmony the work and the report of the National Resources Board. I think, therefore, that our section, being thus beforehand and being so wide-awake and prepared to cooperate so fully as manifested by the enclosed resolutions, that we ought to have something of a priority in the way of assistance and encouragement and cooperation.

Therefore, Mr. Secretary, I trust that after you have had a chance to read this long letter you will have your secretary telephone me when it will suit you to have a short personal conversation with me about this splendid enterprise of the wide-awake citizens of upper Carolina.

With great respect, I am,

Yours most sincerely,

J. J. McSWAIN.

[Enclosure]

A resolution by Upper Carolina Development Association

Whereas the President of the United States has recommended to the Congress the appropriation of $4,000,000,000 to be used in giving useful employment to the unemployed of the United States by the construction of projects that will be socially and economically beneficial to the people of the United States for the present generation and succeeding generations; and

Whereas it is practically certain that such appropriation will be made for said purposes; and

Whereas the Upper Carolina Development Association was organized at Spartanburg, S. C., on November 10, 1934, with various subcommittees, for the promotion of projects in harmony with the report of the National Resources Board for the development and employment of water power and rural electrification and for the reforestation of worn-out and badly eroded lands and for the conservation of soils by soil-erosion control and by the devoting of submarginal lands to reforestation treatment, and by the setting apart of mountain lands for the conservation of wildlife and the amusement and diversion of the congested industrial populations: Now, be it

*Resolved by the said Upper Carolina Development Association, meeting in the hall of the house of representatives at Columbia, S. C., on January 23, 1935,* That our Senators and Representatives in the Congress be memorialized to cooperate with us in presenting to the President of the United States, and to his agents and representatives in the several departments and emergency administrations having in charge the wise and the useful employment of said $4,000,000,000, our plans for economically useful projects.

*Resolved further,* That we hereby pledge ourselves collectively as an association and individually as citizens to cooperate with all representatives and the agencies of the President and of his administration in carrying forward the program of conservation, development, and employment of the natural resources of soil, water, forests, mineral, and human, in the Nation at large, and in South Carolina in particular; be it further

*Resolved,* That a special committee of five persons be appointed by the chairman of this meeting to keep in constant touch and contact with the South Carolina delegation in Congress and with the President of the United States and his various administrations and agencies to the end that the unemployed in South Carolina may have the opportunity to earn a support and that the natural resources of soil, water, forest, mineral, and greatest of all, human beings, may receive a full and just share of this enormous expenditure of Federal funds to relieve unemployment, to revive business, and to restore prosperity.

*Resolved further,* That the diversification of crops is necessary to the economical conduct of farms and that crop diversification is practically impossible without adequate and convenient markets for such diversified products, and that the setting up of farm, marketing centers, with Federal aid, wherever possible, including canneries, creameries, cold storage, poultry, and eggs, assemblying plants and miscellaneous farm products, are hereby urged to be established by cities, counties, or other municipal corporations especially chartered by the general assembly, including parts of counties or several counties, with power to set up and operate such farm-marketing centers.

Duly adopted.

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A concurrent resolution by house of representatives to memorialize Congress to provide the means for adoption of some plan providing insurance to the unemployed

Whereas in recent years the problems confronting the people of our country by reason of unemployment of those who are ready and willing to work but by reasons beyond their control are unable to secure employment have become great in magnitude; and

Whereas such problems affect our whole national and economic life and should be met and combated by the Government of the United States of America in such a way as to reduce the evils thereof to a minimum; and

Whereas it is felt that the safest and sanest way to minimize the effect of the unemployment is by the adoption of some plan of unemployment insurance: Be it

*Resolved by the house of representatives (the senate concurring),* That the United States Senators and the Members of the United States House of Representatives from South Carolina be, and they are hereby, requested and urged to make every effort to have some plan of unemployment insurance adopted by the Government of the United States of America.

CLAUDE A. TAYLOR,
*Speaker.*

IN THE HOUSE OF REPRESENTATIVES,
*Columbia, S. C., January 22, 1935.*

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the House of Representatives and concurred in by the Senate of South Carolina.

JAMES E. HUNTER, JR.,
*Clerk of the House.*

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SUGGESTED OUTLINE FOR THE EXTENSION OF THE SOIL-EROSION-CONTROL PROGRAM IN THE PIEDMONT SECTION OF SOUTH CAROLINA WITH THE SOIL EROSION SERVICE, THE AGRICULTURAL EXTENSION SERVICE, AND THE FEDERAL EMERGENCY RELIEF ADMINISTRATION COOPERATING

Since the watershed demonstrations of soil-erosion control located in Spartanburg, Greenville, and York Counties have advanced to the point where practical control measures have been developed, the following outline of procedure is presented as a method of immediate extension of erosion-control measures throughout the Piedmont in response to urgent demands from farmers for such service. Such an expansion of the work is made possible because of the availability at this time of a considerable number of men who have had some specialized training in erosion-control methods, as well as a limited number of men who have had experience in soil classification and land use while employed with the land-use-survey project, and who are at this time without employment.

1. The soil-erosion service is to be responsible for all technical training and supervision of technical personnel.

2. The Extension Service, through the local county agent, will be responsible for educational, publicity, and contact work with the individual farmers of the respective counties and will select the farms or areas for demonstration.

3. All costs of county personnel and the necessary supplies and equipment, other than that furnished by the cooperating farmers, will be borne by the Federal Emergency Relief Administration. The cost of training and supervision of technical work will be borne by the soil-erosion service.

4. The work will be organized on the county-unit basis, employing the following personnel: One experienced local man to be

known as the "cooperating agent" and be selected jointly by the soil-erosion service, the Extension Service, and the Federal Emergency Relief Administration; four assistants, one to be especially trained in soils, agronomy, farm management, agricultural engineering, and forestry.

These assistants will be selected, subject to the approval of the local Federal Emergency Relief Administration authorities, by the soil-erosion service. The training and experience of these men must be such that they are capable of directing the work in their respective fields. As the program develops it may be expanded as the need arises, provided trained personnel is available.

5. The procedure followed will be to select representative farms or fields ranging in size from 10 acres to 100 acres as demonstrations. These selections are to be located in several sections of the county as the county agent and cooperating agent may see fit.

6. On these selected demonstration farms a complete program of erosion control will be put into effect, which will include soil and erosion classification, proper land utilization, diversification of crops, terracing as needed, terrace outlets, controlled waterways, agronomy and forestry plantings, and woodlot management.

7. The cooperating agent, under the direction of the county agent, will keep such records as to cost and accomplishments as may be mutually agreed upon. The results of such demonstrations will be available for use and publication by each of the cooperating agencies.

8. The working plans for each demonstration will be developed by representatives of the soil-erosion service and the Extension Service. The soil-erosion service and county agent shall have supervision over, and be responsible for, the carrying through of the working plans thus formulated on these demonstration farms.

9. Each county unit will arrange with the local Federal Emergency Relief Administration authorities to use the maximum amount of common labor possible. This will be employed in surveying terrace lines, construction of terrace outlets, preparation of controlled waterways, and in making plantings for erosion control.

10. The cooperating farmer will be required to supply all labor and material required in excess of that made available by the Federal Emergency Relief Administration or other source.

11. The three directing agencies named herein will develop and carry out this program in full cooperation with the State agricultural college, the State experiment station, the State forest commission, and all other conservation and educational agencies interested in the welfare of agriculture.

*Estimate of cost, county unit*

| | Amount | Percent |
|---|---|---|
| Personnel: | | |
| 1 cooperating agent, 6 months, at $150 | $900 | |
| 4 technical men, at $100 per month each | 2,400 | |
| Total, supervisory personnel | 3,300 | 19 |
| Estimate use 40 men, 24 weeks, at 30 cents per hour | 11,520 | 65 |
| Total, labor and supervision | 14,820 | |
| Travel, 1 at $50 and 4 at $25 | 900 | 5 |
| Equipment: | | |
| 4 horse-drawn terracers, at $75 | 300 | |
| 1 level and other surveying equipment | 100 | |
| 6 drag pans, at $10 | 60 | |
| 4 terracing plows, at $20 | 80 | |
| Miscellaneous tools | 100 | |
| Total equipment | 640 | 4 |
| Supplies: Wire, cement, etc., $200 per month | 1,200 | 7 |
| Grand total per county | 17,560 | 100 |

SOUTH CAROLINA, THE IODINE STATE

The State of South Carolina for several years conducted a food-analysis laboratory under the direction of a most eminent chemist, and his work was checked and rechecked by some of the most distinguished and scientific men of the Nation and of other nations. They have all agreed that the reports of the South Carolina Food Laboratory are correct, and upon that basis a comparison of the mineral content of vegetables and milk produced in upper South Carolina is most instructive. For the information of the Congress I am printing herewith a table showing such comparison, and it is manifest that in the case of iodine, iron, and manganese the South Carolina vegetables contain from 10 to 50 times as much of these most important health-preserving and health-restoring minerals as vegetables produced in other parts of the country.

[Dry basis]

| | Iodine | Iron | Copper | Manganese |
|---|---|---|---|---|
| | *P. p. b.* | *P. p. m.* | *P. p. m.* | *P. p. m.* |
| Gerber's vegetable soup | 50 | 240 | 6.8 | 23.0 |
| Clapp's baby soup | 40 | 85 | 11.1 | 12.0 |
| Campbell's vegetable soup (sample 784) | 17 | 185 | 14.4 | 8.4 |
| Campbell's tomato soup (sample 789) | 15 | 327 | 13.8 | 8.0 |
| If these vegetables had been selected from the Piedmont section of South Carolina the analysis would have been | 490 | 658 | 20.0 | 108.0 |

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted as follows:

To Mr. PEYSER, for today, on account of being confined to his home with a cold.

To Mr. HENNINGS (at the request of Mr. COCHRAN), indefinitely, on account of illness.

Mr. WIGGLESWORTH. Mr. Speaker, my colleague the gentleman from Massachusetts [Mr. TINKHAM] is unavoidably absent on account of illness.

ORDER OF BUSINESS

Mr. TAYLOR of Colorado. Mr. Speaker, owing to the lateness of the hour, and at the request of many Members, I wish to announce that the caucus that was to meet this evening at 7:30 will be postponed until Tuesday evening at the same hour.

Mr. SNELL. Will the gentleman tell us what the program will be for tomorrow?

Mr. TAYLOR of Colorado. The Ways and Means Committee has a small bill which is unobjectionable, and they are going to bring it up tomorrow morning. It will take about an hour or an hour and a half. The Post Office and Treasury Departments appropriation bill will then be taken up for general debate. General debate will continue for the rest of the day. I hope the House will then adjourn over until Monday.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

Mr. RICH. Mr. Speaker, in view of the action taken by the House today, I move that we adjourn sine die.

The SPEAKER. The question is on the motion of the gentleman from Colorado that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Friday, January 25, 1935, at 12 o'clock noon.

## COMMITTEE HEARING

COMMITTEE ON NAVAL AFFAIRS

(Friday, Jan. 25, 10:30 a. m.)

Progress of ship construction of the Navy.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 4005. A bill to amend section 21 of the Interstate Commerce Act, as amended, with respect to the time of making the annual report of the Interstate Commerce Commission; with amendment (Rept. No. 24). Referred to the House Calendar.

By Mr. STUBBS: Committee on Indian Affairs. H. R. 3810. A bill for the benefit of the Omaha and Winnebago Indians of Nebraska; without amendment (Rept. No. 25). Referred to the Committee of the Whole House on the state of the Union.

## ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. COOPER of Tennessee: Committee on Ways and Means. House Resolution 56. Resolution requesting the names and addresses of all persons and corporations who own tax-exempt securities in the amount of $100,000 or over (Rept. No. 23). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SNYDER: A bill (H. R. 4661) to stabilize the bituminous coal-mining industry and promote its interstate commerce; to provide for cooperative marketing of bituminous coal; to levy a tax on bituminous coal and provide for a drawback under certain conditions; to declare the production, distribution, and use of bituminous coal to be affected

with a national public interest; to conserve the bituminous-coal resources of the United States and to establish a national bituminous-coal reserve; to provide for the general welfare, and for other purposes; to the Committee on Ways and Means.

By Mr. DIMOND: A bill (H. R. 4662) to authorize the incorporated town of Ketchikan, Alaska, to issue bonds in any sum not to exceed $1,000,000 for the purpose of acquiring the electric light and power, water, and telephone properties of the Citizens Light, Power & Water Co., and to finance and operate the same, and validating the preliminary proceedings with respect thereto, and for other purposes; to the Committee on the Territories.

By Mr. DIRKSEN: A bill (H. R. 4663) to make eligible for loans under the Home Owners' Loan Act of 1933 property used for both home and business purposes; to the Committee on Banking and Currency.

By Mr. GOLDSBOROUGH: A bill (H. R. 4664) to liberalize the retirement law for members of the former Life Saving Service; to the Committee on Interstate and Foreign Commerce.

By Mr. HEALEY: A bill (H. R. 4665) to authorize the appointment of a district judge to fill the vacancy in the district of Massachusetts occasioned by the death of Hon. James A. Lowell; to the Committee on the Judiciary.

By Mr. HOEPPEL: A bill (H. R. 4666) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States", approved June 21, 1930, so as to give class B officers of the Army the benefits of such act; to the Committee on Military Affairs.

Also, a bill (H. R. 4667) to amend the retirement laws affecting certain grades of Army officers; to the Committee on Military Affairs.

By Mr. LEWIS of Maryland: A bill (H. R. 4668) providing for membership of the United States in the Permanent Court of International Justice; to the Committee on Foreign Affairs.

By Mr. LLOYD: A bill (H. R. 4669) providing for settlement of war debts to the United States providing for payment thereof and prescribing penalties for noncompliance with the terms of this act; to the Committee on Ways and Means.

By Mr. McSWAIN (by request): A bill (H. R. 4670) to authorize the Attorney General to settle outstanding claims against Chapman Field, Fla., and for other purposes; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 4671) to reduce the internal-revenue tax on malt liquors; to the Committee on Ways and Means.

By Mr. MEAD: A bill (H. R. 4672) to provide for the purchase or construction of buildings for post-office stations, branches, and garages, and for other purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4673) to authorize the purchase for postal purposes of abandoned bank buildings; to the Committee on Public Buildings and Grounds.

By Mr. OWEN: A bill (H. R. 4674) to establish a new division of the northern district of Georgia with terms of court to be held in Newnan, Ga.; to the Committee on the Judiciary.

By Mr. PALMISANO: A bill (H. R. 4675) to amend section 4865 of the Revised Statutes, as amended; to the Committee on Education.

By Mr. RANKIN: A bill (H. R. 4676) to extend the provisions of the Tennessee Valley Authority Act of 1933 to the Tombigbee River and Bear Creek Basins; to the Committee on Military Affairs.

By Mr. ROGERS of Oklahoma: A bill (H. R. 4677) to provide for the cooperation by the Federal Government with the several States and Territories and the District of Columbia in meeting the crisis in education; to the Committee on Education.

By Mr. SANDERS of Louisiana: A bill (H. R. 4678) to exempt lepers from reduction of pension, compensation, or emergency officers' retirement pay for the reason that they are being furnished treatment or care; to the Committee on World War Veterans' Legislation.

By Mr. SCHULTE: A bill (H. R. 4679) to establish a quota for immigration of aliens from the Republic of Mexico; to the Committee on Immigration and Naturalization.

By Mr. SUTPHIN: A bill (H. R. 4680) to authorize the Secretary of War to sell military posts or reservations that are unnecessary, useless, and possess no military or strategic value, for park and recreational purposes; to the Committee on Military Affairs.

By Mr. WEAVER: A bill (H. R. 4681) for the relief of the counties of Haywood and Swain in the State of North Carolina by reason of their loss in taxable valuation by the establishment of the Great Smoky Mountains National Park; to the Committee on the Judiciary.

By Mr. ZIONCHECK: A bill (H. R. 4682) to provide grades of hourly pay for substitute postal employees; to the Committee on the Post Office and Post Roads.

By Mr. WITHROW: A bill (H. R. 4683) to improve the navigability and to provide for the flood control of the upper Mississippi River; to provide for reforestation and the use of marginal lands in, and for the agricultural and industrial development of, the upper Mississippi River Basin; to provide for the restoration and preservation of the water level, and for the development of electrical power, in the upper Mississippi Basin, and for other purposes; to the Committee on Flood Control.

By Mr. KVALE: A bill (H. R. 4684) to improve the navigability and to provide for the flood control of the upper Mississippi River; to provide for reforestation and the use of marginal lands in, and for the agricultural and industrial development of, the upper Mississippi River Basin; to provide for the restoration and preservation of the water level, and for the development of electrical power, in the upper Mississippi Basin, and for other purposes; to the Committee on Flood Control.

By Mr. DIRKSEN: A bill (H. R. 4685) to improve the navigability and to provide for the flood control of the upper Mississippi River; to provide for reforestation and the use of marginal lands in, and for the agricultural and industrial development of, the upper Mississippi River Basin; to provide for the restoration and preservation of the water level, and for the development of electrical power, in the upper Mississippi Basin, and for other purposes; to the Committee on Flood Control.

By Mr. DINGELL: A bill (H. R. 4686) to amend sections 301 (d) and 302 of title III of the National Housing Act, approved June 27, 1934; to the Committee on Banking and Currency.

Also, a bill (H. R. 4687) to amend section 2 of title I of the National Housing Act, approved June 27, 1934; to the Committee on Banking and Currency.

By Mr. RANDOLPH: A bill (H. R. 4688) to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes; to the Committee on Labor.

By Mr. CELLER: Resolution (H. Res. 70) protesting against the anti-Catholic practices of the present rulers of Mexico; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 132) directing the President to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. BLAND: Joint resolution (H. J. Res. 133) to cede to the Commonwealth of Virginia jurisdiction over that portion of the Fort Monroe Military Reservation leased to the Old Point Comfort Hotel Corporation; to the Committee on Military Affairs.

By Mr. SMITH of Virginia: Joint resolution (H. J. Res. 134) to continue the commission for determining the boundary line between the District of Columbia and the State of Virginia for not to exceed 1 additional year, and to authorize not to exceed $10,000 additional funds for its expenses; to the Committee on the Judiciary.

By Mr. RAYBURN: Joint resolution (H. J. Res. 135) authorizing and directing the Federal Communications Commission to investigate and report on the American Telephone

& Telegraph Co. and on all other companies engaged, directly or indirectly, in telephone communication in interstate commerce, including all companies related to any of these companies through a holding company structure or otherwise; to the Committee on Interstate and Foreign Commerce.

By Mr. COLE of Maryland: Concurrent resolution (H. Con. Res. 4) to provide for the printing of additional copies of the hearings held before the Committee on Interstate and Foreign Commerce of the House of Representatives on the resolution to investigate the petroleum industry (H. Res. 441); to the Committee on Printing.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Nebraska, relative to the payment of the adjusted-service certificates; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Nebraska, memorializing Congress relative to bridge projects across the Missouri River; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of California, memorializing Congress to pay the adjusted-service certificates; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York: A bill (H. R. 4689) for the relief of Domenico Politano; to the Committee on Claims.

By Mr. ASHBROOK: A bill (H. R. 4690) for the relief of William Henry Palmer; to the Committee on Military Affairs.

By Mr. BEAM: A bill (H. R. 4691) for the relief of Martin J. Maguire; to the Committee on Military Affairs.

By Mr. BLACKNEY: A bill (H. R. 4692) granting a pension to Florence Christie; to the Committee on Invalid Pensions.

By Mr. BREWSTER: A bill (H. R. 4693) granting a pension to Annie S. Nealley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4694) granting a pension to Maria B. Thompson; to the Committee on Invalid Pensions.

By Mr. BRUNNER (by request): A bill (H. R. 4695) for the relief of the Sterling Bronze Co.; to the Committee on Claims.

By Mr. BUCK: A bill (H. R. 4696) for the relief of Otto Schluter; to the Committee on Naval Affairs.

By Mr. BUCKLEY of New York: A bill (H. R. 4697) for the relief of Ralph Riesler; to the Committee on Claims.

Also, a bill (H. R. 4698) for the relief of Mary A. Maher; to the Committee on Claims.

Also, a bill (H. R. 4699) for the relief of Estelle M. Gardiner; to the Committee on Claims.

By Mr. CASEY: A bill (H. R. 4700) for the relief of Dominick Edward Lepore; to the Committee on Naval Affairs.

By Mr. CROSBY: A bill (H. R. 4701) granting a pension to Elsie Latshaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4702) for the relief of the heirs of William G. Raymond; to the Committee on War Claims.

Also, a bill (H. R. 4703) for the relief of the heirs of John Alger; to the Committee on War Claims.

By Mr. CROWTHER: A bill (H. R. 4704) for the relief of Emmett C. Noxon; to the Committee on Claims.

Also, a bill (H. R. 4705) granting a pension to Rose Marie Cronin; to the Committee on Pensions.

By Mr. DEMPSEY: A bill (H. R. 4706) conferring jurisdiction upon the United States District Court for the District of New Mexico to hear, determine, and render judgment upon certain claims against the United States; to the Committee on Claims.

By Mr. DEROUEN: A bill (H. R. 4707) validating certain applications for and entries of public lands, and for other purposes; to the Committee on the Public Lands.

By Mr. DIRKSEN: A bill (H. R. 4708) for the relief of E. F. Droop & Sons Co.; to the Committee on the District of Columbia.

Also, a bill (H. R. 4709) for the relief of Louis E. Rotterman; to the Committee on Claims.

By Mr. DOBBINS: A bill (H. R. 4710) granting a pension to Susan Brennan; to the Committee on Pensions.

By Mr. GINGERY: A bill (H. R. 4711) granting a pension to Anna E. Woods; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4712) granting a pension to Lana Miller; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 4713) for the relief of Ray Eugene Dix; to the Committee on Naval Affairs.

By Mr. HOPE: A bill (H. R. 4714) for the relief of Elmer W. Haas; to the Committee on Military Affairs.

By Mr. JENKINS of Ohio: A bill (H. R. 4715) for the relief of Perry W. Heldman; to the Committee on Military Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 4716) granting an increase of pension to Alice Jordan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4717) granting an increase of pension to Cynthia A. Mitchell; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 4718) for the relief of Yamato Sesoko; to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 4719) granting an increase of pension to Catherine E. Hinkle; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 4720) granting a pension to Mary Eskew; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 4721) granting a pension to George E. Ryan; to the Committee on Invalid Pensions.

By Mr. McANDREWS: A bill (H. R. 4722) for the relief of Fred A. Lewis; to the Committee on Military Affairs.

By Mr. McLEOD: A bill (H. R. 4723) for the relief of Maurice Clifford; to the Committee on Military Affairs.

By Mr. O'BRIEN: A bill (H. R. 4724) for the relief of John P. Hart; to the Committee on Claims.

By Mr. O'LEARY: A bill (H. R. 4725) for the relief of Catherine Donnelly; to the Committee on Claims.

Also, a bill (H. R. 4726) for the relief of Elizabeth A. Tucker; to the Committee on Claims.

Also, a bill (H. R. 4727) for the relief of Claire E. Donnelly; to the Committee on Claims.

Also, a bill (H. R. 4728) for the relief of John Kufall; to the Committee on Claims.

Also, a bill (H. R. 4729) for the relief of Mary A. Kufall; to the Committee on Claims.

By Mr. RAMSAY: A bill (H. R. 4730) granting an increase of pension to John Flanagan; to the Committee on Pensions.

Also, a bill (H. R. 4731) making Nancy J. Litman eligible to receive the benefits of the Civil Service Retirement Act; to the Committee on the Civil Service.

By Mr. RICH: A bill (H. R. 4732) granting an increase of pension to Sarah E. Sturm; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 4733) granting a pension to Jane Smith Depew; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4734) granting a pension to Abijah Wombles; to the Committee on Pensions.

By Mr. SCRUGHAM: A bill (H. R. 4735) for the relief of Fred M. Munn; to the Committee on Military Affairs.

By Mr. SEGER: A bill (H. R. 4736) granting a pension to Agnes S. Doremus; to the Committee on Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 4737) for the relief of Robert Luther Milam; to the Committee on Naval Affairs.

By Mr. VINSON of Kentucky: A bill (H. R. 4738) granting a pension to Louise Workman; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 4739) granting an increase of pension to William B. Roberts; to the Committee on Pensions.

Also, a bill (H. R. 4740) granting a pension to Florence C. Gilmore; to the Committee on Pensions.

By Mr. WOLCOTT: A bill (H. R. 4741) granting a pension to Ida Carter; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

401. By Mr. ASHBROOK: Petition of 102 high-school seniors of Mansfield, Ohio, protesting against the electoral college and favoring a more democratic method of determining the popular vote of the people; to the Committee on Election of President, Vice President, and Representatives in Congress.

402. By Mr. BOYLAN: Resolution adopted at a meeting of the Franklin Society for Home Building and Savings, New York City, N. Y., regarding discrimination of Federal savings-and-loan associations under the Home Owners' Loan Act of 1933; to the Committee on Banking and Currency.

403. By Mr. BRUNNER: Resolution of the Cedar Manor Regular Democratic Club, 110–46 One Hundred and Fifty-seventh Street, Jamaica, N. Y., urging Congress to make an additional appropriation to the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

404. By Mr. BUCKBEE: Petition of William Craft and 18 other citizens, of Ottawa, Ill., requesting enactment of House bill 2856, old-age-pension bill introduced by Representative WILL ROGERS; to the Committee on Ways and Means.

405. Also, petition of Wallace Rowland and 18 other citizens, of Shabbona, Ill., requesting enactment of House bill 2856, old-age-pension bill introduced by Representative WILL ROGERS; to the Committee on Ways and Means.

406. By Mr. BUCKLER of Minnesota: Petition of Peter J. Christopherson, W. W. Adams, and 158 other citizens of Fergus Falls, Minn., and vicinity, requesting the support and the enactment of the Townsend old-age-pension plan into Federal legislation; to the Committee on Ways and Means.

407. Also, petition of the House of Representatives of the State of Minnesota, offering a concurrent resolution memorializing Congress to enact legislation to protect American industry and the employees thereof against cheap foreign labor and products; to the Committee on Labor.

408. Also, petition of the House of Representatives of the State of Minnesota, requesting the Minnesota Representatives in Congress to join with all proper forces in removing obstructions to the early completion of the Great Lakes-St. Lawrence deep waterways; to the Committee on Foreign Affairs.

409. By Mr. DOBBINS: Resolutions of Decatur Division No. 96 and of Mattoon Division No. 139, Order of Benefit Association of Railway Employees, requesting their Representative in Congress to support the modification of the fourth section of the Interstate Commerce Act in the interest of more equitable competition between the railroads and other forms of transportation; to the Committee on Interstate and Foreign Commerce.

410. Also, resolution of Mattoon Lodge No. 795, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, requesting their Representative in Congress to support the modification of the fourth section of the Interstate Commerce Act in the interest of more equitable competition between the railroads and other forms of transportation; to the Committee on Interstate and Foreign Commerce.

411. By Mr. FULMER: Memorial of the House of Representatives of the State of South Carolina, memorializing Congress to provide the means for adoption of some plan providing insurance to the unemployed; to the Committee on Labor.

412. By Mr. GOODWIN: Petition of the American Veterans' Association, Inc., submitting list of names of those who register their opposition to payment of the soldiers' bonus before it is due and urging that Members of Congress vote against it; to the Committee on Ways and Means.

413. By Mr. HOOK: Resolution of the committees of the Mine, Mill, and Smelters Associations of the Iron River Local, No. 125; Gastra Local, No. 130, and Crystal Falls Local, No. 126, requesting that the Congress of the United States enact such laws providing minimum wage scales for all underground miners, Federal unemployment insurance, old-age pensions, etc.; to the Committee on Labor.

414. By Mr. KRAMER: Resolution of the California State Federation of Labor, relative to the calling for civil-service examinations so that the qualified civil-service employees be given work opportunities; to the Committee on the Civil Service.

415. Also, resolution of the California Federation of Labor, with respect to the enactment of House bill 1545; to the Committee on Labor.

416. Also, resolution of the California Federation of Labor, relative to enforcement of all laws pertaining to safety of life at sea; to the Committee on the Judiciary.

417. Also, resolution of the American Legion, relative to the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

418. Also, resolution of the fifty-first session of the California Legislature, with reference to the enactment of old-age pension legislation; to the Committee on Labor.

419. Also, resolution of the California State Federation of Labor, relative to the substitute employees in post offices; to the Committee on the Post Office and Post Roads.

420. Also, resolution of the fifty-first session of the California Legislature, relative to the enactment of legislation to provide for a working week of not more than 5 days of 6 hours each, etc.; to the Committee on Labor.

421. By Mr. MILLARD: Petition signed by members of the American Veterans' Association, New York City, opposing the immediate payment of the bonus; to the Committee on Ways and Means.

422. By Mr. PLUMLEY: Petitions of William Russell, of Mount Holly; R. S. Crawford, and Stephen Hawkins, of Lyndon; C. A. Webster, F. H. Davis, and E. A. Pierce, of Lyndonville; Elmer Pinney, of Morgan Center; G. N. Tetrau, of Troy; Myra Dwinell, of Marshfield; and some 500 others, requesting the enactment of old-age pension legislation; to the Committee on Ways and Means.

423. Also, petition of Burlington Squadron No. 2, Detachment of Vermont, Sons of the American Legion, favoring the immediate payment of the adjusted-service certificates, with cancelation of all interest charges; to the Committee on Ways and Means.

424. By Mr. PATMAN: Petition of H. S. Green, B. F. Lane, and eight other citizens, of Red River County, Tex., favoring an old-age pension and particularly the Townsend plan; to the Committee on Labor.

425. Also, petition of Alfred P. Stone, Henry Barnowski, H. Hodder, and 3,314 other citizens of Detroit, Mich., favoring the immediate payment of the adjusted-service certificates; to the Committee on Ways and Means.

426. By Mr. SMITH of West Virginia: Resolution of the Kanawha Cooperative Farm Bureau, of Charleston, W. Va., urging the Congress of the United States to enact during its present session legislation as may be necessary to eliminate the Federal tax on gasoline; to the Committee on Ways and Means.

427. Also, petition of J. G. McNeely and other citizens of the county of Logan, State of West Virginia, urging the passage of House bill 2856, providing for an old-age pension; to the Committee on Ways and Means.

428. By Mr. TREADWAY: Petition of members of Branch No. 21, Holyoke, Mass., American Federation of Full-Fashioned Hosiery Workers, favoring the enactment of unemployment- and social-insurance legislation; to the Committee on Ways and Means.

429. By Mr. TRUAX: Petition of Lorain Chapter No. 20, Disabled American Veterans of the World War, by their adjutant, Roy A. Stackhouse, resolving to write Representative DINGELL, of Michigan, complimenting him on his introduction of bill (H. R. 2758); also to write their Congressmen urging them to do their utmost to enact same into law; and requesting the immediate payment of the soldiers' bonus; to the Committee on the Civil Service.

430. Also, petition of the Trade Union Unity Council of Greater New York, by their secretary, Rose Wortis, representing 45,000 organized workers of New York City, being vitally concerned with the problem of unemployment insurance, since thousands of their members are unemployed, have gone on record endorsing the workers' unemployment-insurance bill (H. R. 2827); to the Committee on Labor.

431. By the SPEAKER: Petition of the United Irish Societies of Brooklyn and Long Island, opposing United States membership in the World Court; to the Committee on Foreign Affairs.

432. By Mr. KENNEDY of New York: Memorial of the Senate of the State of New York, memorializing the Government of the United States, acting through the proper officials, to take appropriate action in condemning the tactics of such officials of the Mexican Government as they deem proper; to the Committee on Foreign Affairs.

433. By the SPEAKER: Petition of the city of Portland, Oreg., supporting payment of the bonus; to the Committee on Ways and Means.

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# SENATE

## FRIDAY, JANUARY 25, 1935

*(Legislative day of Monday, Jan. 21, 1935)*

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal for the calendar days Wednesday, January 23, and Thursday, January 24, 1935, was dispensed with and the Journal was approved.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 117) making appropriations for relief purposes, in which it requested the concurrence of the Senate.

### ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker of the House had affixed his signature to the enrolled joint resolution (H. J. Res. 112) to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended, and it was signed by the Vice President.

### CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

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|---|---|---|---|
| Adams | Coolidge | La Follette | Robinson |
| Ashurst | Costigan | Lewis | Russell |
| Austin | Couzens | Logan | Schall |
| Bachman | Cutting | Lonergan | Schwellenbach |
| Bailey | Davis | McCarran | Sheppard |
| Bankhead | Dickinson | McGill | Shipstead |
| Barkley | Dieterich | McNary | Smith |
| Bilbo | Donahey | Maloney | Steiwer |
| Black | Duffy | Metcalf | Thomas, Okla. |
| Bone | Fletcher | Minton | Thomas, Utah |
| Borah | Frazier | Moore | Townsend |
| Brown | Gerry | Murphy | Trammell |
| Bulkley | Glass | Murray | Truman |
| Bulow | Gore | Neely | Vandenberg |
| Burke | Guffey | Norbeck | Van Nuys |
| Byrd | Hale | Norris | Wagner |
| Byrnes | Harrison | Nye | Walsh |
| Capper | Hastings | O'Mahoney | Wheeler |
| Caraway | Hayden | Pittman | White |
| Carey | Johnson | Pope | |
| Clark | Keyes | Radcliffe | |
| Connally | King | Reynolds | |

Mr. AUSTIN. I wish to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines upon business of the Senate, and that the Senator from New Jersey [Mr. BARBOUR] is unavoidably absent.

Mr. LEWIS. I announce the absence of the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON], caused by illness; the absence of the Senator from New Mexico [Mr. HATCH] and the Senator from Louisiana [Mr. LONG], detained on official business; the absence of the Senator from New York [Mr. COPELAND], necessarily detained; and I again announce the absence of the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR], members of the Philippine Commission, they not having as yet returned.

The VICE PRESIDENT. Eighty-five Senators have answered to their names. A quorum is present.

### EXECUTIVE REPORTS OF COMMITTEES

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WHEELER, from the Committee on Interstate Commerce, reported favorably the following nominations:

Lee M. Eddy, of Missouri, to be a member of the Railroad Retirement Board for a term of 4 years from June 27, 1934;

Garland S. Ferguson, Jr., of North Carolina, to be a Federal Trade Commissioner for a term of 7 years from September 26, 1934 (reappointment);

W. A. Ayres, of Kansas, to be a Federal Trade Commissioner for the remainder of the term expiring September 25, 1940, vice James M. Landis;

Frank R. McNinch, of North Carolina, to be a member of the Federal Power Commission for the term expiring June 22, 1939 (reappointment);

James W. Carmalt, of the District of Columbia, to be a member of the National Mediation Board, for the term expiring February 1, 1936;

John T. Williamson, of Illinois, to be a member of the Railroad Retirement Board for a term of 3 years from June 27, 1934; and

William M. Leiserson, of Ohio, to be a member of the National Mediation Board, for the term expiring February 1, 1937.

Mr. WAGNER, from the Committee on Interstate Commerce, reported favorably the following nominations:

John Carmody, of New York, to be a member of the National Mediation Board for the term expiring February 1, 1935, and also to be a member of the same board for the term expiring February 1, 1938 (reappointment); and

Murray Latimer, of New York (now chairman), to be a member of the Railroad Retirement Board for a term of 2 years from June 27, 1934.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of Alex Smith, of Alabama, to be United States marshal, northern district of Alabama, to succeed Thomas J. Kennamer, term expired.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

### BUSINESS TRANSACTED AS IN LEGISLATIVE SESSION

During the executive session the following legislative business was transacted by unanimous consent:

### NATIONAL CONSTITUTIONAL PROHIBITION

Mr. SHEPPARD. I ask unanimous consent that the two joint resolutions submitted by me yesterday, being Senate Joint Resolution 44 and Senate Joint Resolution 45, may be printed in the RECORD at this point.

There being no objection, the joint resolutions were ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 44

Joint resolution proposing an amendment to the Constitution of the United States relating to intoxicating liquors

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"ARTICLE —

"SECTION 1. The manufacture, sale, or transportation of alcoholic liquors within, the importation thereof into, or the exporta-

tion thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 3. The twenty-first amendment to the Constitution is hereby repealed."

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Senate Joint Resolution 45

Joint resolution proposing an amendment to the Constitution of the United States relating to intoxicating liquors

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"ARTICLE —

"SECTION 1. Congress shall have power to prohibit the manufacture, sale, or transportation of alcoholic liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes and to enforce such prohibition by appropriate legislation.

"SEC. 2. In the event of legislation by Congress to carry out this article the States shall have power to prohibit the manufacture, sale, or transportation of alcoholic liquors for beverage purposes within their respective areas or to enact legislation in aid of that enacted by Congress to carry out this article. In the absence of legislation by Congress to carry out this article, the power to prohibit the manufacture, sale, or transportation of alcoholic liquors for beverage purposes within their respective areas is reserved to the several States.

"SEC. 3. The transportation or importation into any State, Territory, or possession of the United States for delivery or use therein of alcoholic liquors for beverage purposes, in violation of the laws thereof, is hereby prohibited.

"SEC. 4. The twenty-first article of amendment to the Constitution of the United States is hereby repealed.

"SEC. 5. The Congress shall have power to enforce this article by appropriate legislation."

REPORT OF SECURITIES AND EXCHANGE COMMISSION

The VICE PRESIDENT laid before the Senate a letter from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, a report covering the results of the Commission's investigation of stock-exchange government, together with its recommendations, which, with the accompanying report, was referred to the Committee on Banking and Currency.

INVESTIGATION OF PUBLIC-UTILITY CORPORATIONS

The VICE PRESIDENT laid before the Senate letters from the Chairman of the Federal Trade Commission, transmitting, pursuant to Senate Resolution 83, Seventieth Congress, first session, authorizing an investigation of public-utility corporations, two surveys, which, with the accompanying papers, were referred to the Committee on Interstate Commerce, as follows:

Chapter XII, being a survey of State laws and regulations regarding utilities and their holding companies, with five supporting legal studies; and

Chapter XIII, setting forth the present extent of Federal regulation of utility holding companies and the need and feasibility of its enlargement, with two supporting studies.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the petition of Local No. 79, Stove Mounters' International Union, of Battle Creek, Mich., praying for the enactment of legislation taxing 10-cent cigarettes $2.70 per thousand, with 15-cent and other higher-priced cigarettes to be taxed $3 per thousand, which was referred to the Committee on Finance.

Mr. NORBECK presented the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Agriculture and Forestry:

Senate Concurrent Resolution 1

(Introduced by Mr. Slocum)

A concurrent resolution relating to the proposed forest shelter belt in the Great Plains States

Whereas President Roosevelt has planned the establishment of a forest shelter belt, to be planted by the Federal Government in the Great Plains area of several Western States, including South Dakota, with the object of minimizing the destructive action of hot winds and to conserve the natural moisture of this section; and

Whereas experience has shown that trees exert an appreciable influence in modifying effects of climate as well as being of practical value in many ways; and

Whereas, due to the prolonged and unusual drought, many of the forest plantings of the original settlers have perished: Now, therefore, be it

*Resolved by the Senate of the State of South Dakota (the house of representatives concurring)*, That we respectfully urge the Congress of the United States to enact the proper legislation necessary to carry the President's shelter-belt plan into effect; and be it further

*Resolved*, That the Secretary of the Senate is directed to supply copies of this resolution to each of the Senators and Representatives in Congress from this State.

ROBERT PETERSON,
*President of the Senate.*
W. J. MATSON,
*Secretary of the Senate.*

Mr. SHIPSTEAD presented the following concurrent resolution adopted by the House of Representatives of the State of Minnesota, which was referred to the Committee on Foreign Relations:

House File No. 83

Concurrent resolution memorializing the Congress to enact legislation to protect American industry and the employees thereof against cheap foreign labor and products

Whereas the State of Minnesota and the city of Cloquet are directly interested in the manufacture of matches through the employment of several hundred persons in that city in this industry, and through several hundred farmers of Carlton, St. Louis, Lake, Itasca, Cook, Crow Wing, Aitkin, Cass, Koochiching, and Pine Counties; and

Whereas there is now pending before the President of the United States a reciprocal treaty with Sweden whereby an attempt is being made to lower the duty now imposed on matches and to increase the quota of matches that Sweden be permitted to ship into the United States; and

Whereas the greater part of the match business is found in the competitive manufacturing of the strike-on-box match rather than in the sale of the same to the ultimate consumer; and

Whereas the labor cost incurred in the manufacturing of said match in the American industries, always relatively higher than the labor cost of the foreign match, has been increased in the American industry under the N. R. A. to an even higher relative level, to wit, 11 cents per gross higher than the former American rate, while the returns from sales have increased only 2.7 cents per gross; and

Whereas the consequences of the resulting unfair competition between the American industry and the foreign industry has meant that in the Cloquet factory, and in a similarly owned and operated factory at Dixfield, Maine, the total gross sale and production has decreased during 1934 by 1,153,847 gross boxes, or 23.84 percent, with an estimated loss of employment to 2,300 American workers; and

Whereas foreign match manufacturers have been guilty of unscrupulous practices by coloring the splints and so reducing the duty paid to one-third or less of the amount intended by Congress; and

Whereas to include in the said reciprocal treaty with Sweden provisions lowering the tariff and increasing the quota of matches that Sweden be permitted to ship into the United States would seriously threaten unemployment to the approximately 850 people employed in the Cloquet (Minn.) match factory and to the approximately 300 contractors, each employing from 1 to 10 men, which contractors are farmers of Carlton, St. Louis, Lake, Cook, Itasca, Crow Wing, Aitkin, Cass, Koochiching, and Pine Counties, and who were paid for wood during the year 1934 many thousands of dollars: Therefore be it

*Resolved by the House of Representatives of the State of Minnesota (the senate concurring therein)*, That we hereby respectfully petition and urge the President of the United States not to include in the proposed reciprocal treaty with Sweden any provisions lowering the tariff or increasing the quota of matches that Sweden be permitted to ship into the United States; and be it further

*Resolved*, That the chief clerk be instructed to forward a copy hereof to the President of the United States, Secretary of State Cordell Hull, and Assistant Secretary Francis B. Sayre, and to each of the Minnesota Senators and Representatives in Congress.

REPORTS OF COMMITTEES

Mr. ADAMS, from the Committee on Appropriations, to which was referred the joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission, for the fiscal year ending June 30, 1935, reported it with amendments and submitted a report (No. 25) thereon.

Mr. PITTMAN, from the Committee on Foreign Relations, to which was referred the bill (S. 1068) to establish a commission for the settlement of the special claims comprehended within the terms of the convention between the United States of America and the United Mexican States, concluded April 24, 1934, reported it with amendments and submitted a report (No. 26) thereon.

Mr. KING, from the Committee on the District of Columbia, to which was referred the bill (S. 403) to amend the act of Congress approved March 1, 1899, entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous and unsafe buildings and parts thereof, and for other purposes", and to further amend said act by adding at the end thereof new sections nos. 5 and 6, reported it without amendment and submitted a report (No. 27) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 1427) for the relief of Lyman I. Collins; to the Committee on Military Affairs.

By Mr. DAVIS:

A bill (S. 1428) granting a pension to Homer Lenhart; and

A bill (S. 1429) granting a pension to Samuel Johnson; to the Committee on Pensions.

Mr. ROBINSON. For the Senator from Georgia [Mr. GEORGE], who is ill, and at his request, I introduce sundry bills for appropriate reference.

By Mr. ROBINSON (for Mr. GEORGE):

A bill (S. 1430) for the relief of Harry T. Livaudais; and

A bill (S. 1431) for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on Claims.

A bill (S. 1432) to amend section 5 of the act of March 2, 1919, generally known as the "War Minerals Relief Statutes"; to the Committee on Mines and Mining.

By Mr. CAPPER:

A bill (S. 1433) to authorize the Reconstruction Finance Corporation to make loans to aid in the operation and maintenance of institutions for religious instruction and worship, and for other purposes; to the Committee on Banking and Currency.

By Mr. KING:

A bill (S. 1434) to amend the act of March 4, 1933, relating to the regulation of banking in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LONERGAN:

A bill (S. 1435) for the relief of Elizabeth Kurau; to the Committee on Claims.

A bill (S. 1436) for the relief of Charles E. Pease, Jr.; to the Committee on Military Affairs.

A bill (S. 1437) granting a pension to Mary P. Champion; and

A bill (S. 1438) granting a pension to Alton Lathrop; to the Committee on Pensions.

By Mr. WALSH:

A bill (S. 1439) amending the postal laws to include as second-class matter religious periodicals publishing local information; to the Committee on Post Offices and Post Roads.

By Mr. FRAZIER:

A bill (S. 1440) to enroll on the citizenship rolls certain persons of the Choctaw and Chickasaw Nations or Tribes; and

A bill (S. 1441) for the settlement by the Secretary of the Interior of certain claims for services rendered to the Mississippi Choctaw Indians; to the Committee on Indian Affairs.

By Mr. NEELY:

A bill (S. 1442) to create an executive department of the Government to be known as the "Department of Peace"; to the Committee on the Judiciary.

A bill (S. 1443) granting the Distinguished Service Cross, also the Oak Leaf Cluster, to Acors Rathbun Thompson; to the Committee on Military Affairs.

By Mr. NYE:

A bill (S. 1444) amending section 5D of the Reconstruction Finance Act, as amended, relating to advances to industrial and commercial business; to the Committee on Banking and Currency.

By Mr. HARRISON:

A bill (S. 1445) to terminate the special excise tax imposed by section 701 of the Revenue Act of 1926; to the Committee on Finance.

By Mr. SHIPSTEAD:

A bill (S. 1446) for the relief of Knud O. Flakne;

A bill (S. 1447) for the relief of Mary C. Moran; and

A bill (S. 1448) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

A bill (S. 1449) for the relief of Frank G. Babcock; to the Committee on Military Affairs.

A bill (S. 1450) to authorize the sale and conveyance by the Department of the Interior to C. M. Hanson, of Bricelyn, Minn., or his heirs, successors, or assigns, of approximately 1¾ acres of lot 2, section 33, township 43 north, range 27 west, in the county of Mille Lacs, Minn.; to the Committee on Public Lands and Surveys.

By Mr. ADAMS:

A bill (S. 1451) to provide for the regulation of the transportation of passengers and property by water carriers operating between points in the United States in interstate commerce, and for other purposes; to the Committee on Interstate Commerce.

By Mr. CONNALLY:

A bill (S. 1452) providing for the employment of skilled shorthand reporters in the executive branch of the Government; and

A bill (S. 1453) to create a board of shorthand reporting, and for other purposes; to the Committee on the Judiciary.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 117) making appropriations for relief purposes was read twice by its title and referred to the Committee on Appropriations.

COURT MARTIAL OF FORMER CAPT. OBERLIN M. CARTER

Mr. LEWIS submitted the following resolution (S. Res. 60), which was referred to the Committee on Military Affairs:

*Resolved*, That the Committee on Military Affairs is authorized and directed to investigate the facts leading to the court martial, as well as the court-martial proceedings and all the findings, in the case of former Capt. Oberlin M. Carter, United States Engineer Corps, and report to the Senate.

THE COTTON TEXTILE INDUSTRY OF NEW ENGLAND

Mr. METCALF. Mr. President, I send to the desk and ask leave to print in the RECORD a resolution pending in the Rhode Island House of Representatives. This resolution concerns the seriousness of the cotton-textile difficulties in New England and petitions Congress to adopt remedial legislation.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the unsatisfactory conditions in the textile industry are a cause of great distress in Rhode Island, and the lack of work imposes a heavy burden upon the relief agencies in the State; and

Whereas Federal legislation is needed to correct the conditions in the textile industry and to ameliorate suffering: Therefore be it

*Resolved*, That the general assembly respectfully requests the Senators and Representatives of Rhode Island in the Congress of the United States to take such steps as will remedy the conditions now existent in the State; and be it further

*Resolved*, That copies of this resolution be transmitted by the secretary of state to the Senators and Representatives of Rhode Island in the Congress of the United States.

Mr. METCALF. Mr. President, I also send to the desk a very illuminating article by Mr. Clarence L. Linz, published in the New York Journal of Commerce on January 24, 1935, which I ask to have printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXTILE TRADE PLANS PROTESTS OVER LOSS OF EXPORT MARKETS—TO CITE DIP IN PAN AMERICAN, CUBA, PHILIPPINE DEMAND FOR UNITED STATES MERCHANDISE—FAILURE OF FILIPINO BILL TO BE PUT UP TO MURPHY—LOOK TO GOVERNOR GENERAL TO EXPLAIN MEASURE'S LOSS—HULL, DERN FIGURE IN TARIFF DISPUTE

By Clarence L. Linz

WASHINGTON, January 23.—Protest against the policies of the Roosevelt administration which have resulted in alleged losses of market opportunities for American textiles in the Philippine Islands and Cuba, and generally throughout Central and South America, is expected to be carried to Senate committees investi-

gating the causes for the decline in our export trade, it was revealed today.

Besieged by their constituents who already have lost, or who face loss of employment in the New England textile mills, Senator JESSE H. METCALF, Rhode Island, and Representatives EDITH NOURSE ROGERS and JOSEPH W. MARTIN, Massachusetts, among others, are proposing a conference of those interested, with a view to carrying the situation to these committees.

SENATE STUDY ON

One group studying the loss of our export trade is a subcommittee of the Senate Commerce Committee, under the chairmanship of Senator BAILEY, North Carolina, with Senators BACHMAN, Tennessee, and WHITE, Maine, as members. The other group will be headed by Senator SMITH, South Carolina, who has called a conference for January 30 of bankers and lint-cotton exporters, at which the textile situation also will be discussed, although not as a major feature.

Members of Congress from textile centers hope to have an opportunity to learn from Governor General Murphy why the bill proposed to be put through the Philippine Legislature never got beyond the discussion stage. Under the proposed measure, increases of 100 percent to 800 percent in the tariff rates on textiles, among other commodities, would have been provided as a means of giving preferential treatment to our own products there.

Secretary of State Hull, in response to a letter of inquiry from Representative MARTIN, said that neither the State Department nor any other department of the Government "took any part in this controversy or sought to intervene in it." He explained that in accordance with practice, the American Government had been asked to comment upon the proposed tariff legislation and that the State Department and other agencies of the Government came "independently to the same conclusion, and as a result the War Department transmitted to the Governor General the considered judgment * * * that comprehensive tariff legislation in the Philippine Islands could best be considered after further study of all the factors involved, and in connection with the development of an inclusive plan for continued relations between the United States and the Philippine Islands."

HULL VIEWS EMPHASIZED

Secretary Hull also said he considered it desirable "to have an early definition of the future trade relations between the United States and the Philippines." He declared that the Department had offered no objection to temporary measures designed to give protection or relief to the American textile trade in the Philippines during the period in which a general program is being worked out. That action, however, rests with the Philippine Government. Nevertheless, Representatives from the textile States attribute failure of the bill to Washington influence, as shown from the Hull letter.

Statistics showing the losses suffered by our trade in the various areas under discussion have been furnished by Walter S. Brewster, president Textile Export Association, New York.

"There are certain markets that have always—and rightfully—been considered American markets", he asserted. "We have a right to expect our Government to take any and all proper action necessary to protect the position of the American manufacturer in such logical markets as the Philippines, Cuba, Haiti, and other Central and South American Republics."

He showed that whereas 90,000,000 square yards of cotton goods had been exported to the Philippines annually (average) during the period 1925–27, the first 10 months of last year found the figure to have dwindled to 40,000,000 square yards. He declared that the hopelessness of any attempt by American cotton manufacturers to compete in world markets with Japanese textiles is clearly indicated by the merest summary of the methods used to develop the Japanese industry.

TEXT OF REVISION

Members of the New England delegation have been led to look into the situation surrounding the reported disapproval by the Secretary of War of the Philippine tariff revision proposed last August. The text of this revision was cabled to the War Department on August 9 for the consideration of the Secretary and his Bureau of Insular Affairs, the former having veto powers over matters of this sort.

The proposal as to textile rates was as follows: Textiles, plain and without figures, weighing 16 kilos or more per 100 square meters, having (a) up to 16 threads, kilo, 25 cents; (b) from 17 to 21 threads, kilo, 35 cents; (c) from 22 to 26 threads, kilo, 38 cents; (d) from 27 to 31 threads, kilo, 40 cents; (e) 32 threads or more, kilo, 45 cents.

Where the weight is less than 16 kilos per 100 square meters, the rates were: 30 cents, 38 cents, 42 cents, 46 cents, and 55 cents, respectively, in the counts above referred to. In the case of textiles, twilled or figured in the loom, or woven with colored yarns, weighing 20 kilos or more per 100 square meters, the rates proposed are: 30 cents, 36 cents, 41 cents, 49 cents, and 59 cents, respectively, and where weighing less than 20 kilos per 100 square meters, 35 cents, 42 cents, 49 cents, 58 cents, and 62 cents, respectively. Additional rates are provided to cover cotton textiles further advanced in production.

In the 1909 tariff law of the islands, plain textiles, for instance, weighing 8 kilos or more per 100 square meters, were given the following rates per kilo: Up to 18 threads, 10 cents; 19 to 21 threads, 14 cents; 32 to 38 threads, 20 cents; 39 to 44 threads, 26 cents; and finer, 32 cents. Lighter goods in the same counts were given the following rates: 18 cents, 27 cents, 34 cents, 40 cents, and 50 cents, respectively.

OTHER VARIETIES LISTED

Twilled or figured in the loom, weighing 10 kilos or more per 100 square meters, in the same counts, 14 cents, 18 cents, 24 cents, 30 cents, and 34 cents. Lighter weights of the same, 24 cents, 32 cents, 42 cents, 52 cents, and 60 cents, respectively. Piques of all kinds 38 cents per kilo.

Corresponding increases were proposed for other textiles, including silk, rayon, etc., and manufactures thereof.

Extent to which American manufacturers had hoped to benefit from the proposed tariff increases may be realized from the fact that the Hawley-Smoot tariff law provides that "all articles, the growth or product of manufacture of the United States upon which no drawback of customs duties has been allowed therein, shall be admitted to the Philippine Islands from the United States free of duty."

Under the Philippine independent nation, our exports would pay the same rates of duty as other countries. Nevertheless, it also is provided that at least 1 year prior to that time there shall be held a conference of representatives of the United States and of the islands for the purpose of formulating recommendations as to future trade relations between them.

THE WORLD COURT

The Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Court of International Justice, the pending question being the amendment of Mr. NORRIS, which is as follows:

At the end of the resolution add the following:

"*Resolved further*, That the adherence of the Government of the United States to said protocols and statute is upon the express condition and understanding that no dispute or question in which the United States Government is a party shall be submitted to said Permanent Court of International Justice unless such submission has been approved by the United States Senate by a two-thirds vote."

Mr. NORRIS. Mr. President, we have had some trouble this morning to secure a quorum. A Senator has suggested to me that it is because it was known I was going to address the Senate this morning, but I do not take it in that way; I think it is on account of the weather. We younger Senators ought not to complain of the old men who find it difficult to get here on time. [Laughter.]

Mr. President, I am thoroughly convinced that every Member of this body is going to cast a conscientious vote not only on the proposed reservation which is pending but upon the original resolution itself. I am as thoroughly convinced as I have ever been convinced of anything that those who are opposed to the proposed reservation are just as conscientious as I am. It seems to me this debate and the consideration of this question have shown that all the Members of this body have been moved by a conscientious desire to do what is right, by a conscientious desire to do everything possible to alleviate the horrors and sufferings of war and to bring about a world peace. So, Mr. President, whatever I shall say in favor of the reservation now pending, I do not want it to be misunderstood by anyone that I am in any way impugning the motives or questioning the conscientious convictions of any Senator who is opposed to its adoption.

The pending amendment to the resolution of adherence being, in effect, a reservation, provides that before any dispute or controversy in which the Government of the United States is a party shall be submitted to the World Court the submission of the question shall have the approval of the Senate by a two-thirds vote. I have put into the reservation the two-thirds-vote proposition because the agreement to submit is in the nature of a treaty. As I shall show, if I do not forget to do so, all such submissions, as a rule, even to the Hague Court, have been made after the submission of the question has been approved, the same as in the case of a treaty. A treaty, however, if we must enter into one for the submission of any controversy, would take more time and be perhaps more difficult and less practical, as I see it, than though we should adopt the reservation which does not require negotiations and entering into a treaty, which requires no notice whatever of what the other

government party to the controversy may do in order to bring about the submission; but it does provide that in this country, before a question is submitted to the Court, the President must have the concurrence of the Senate by a two-thirds vote just as he does in the matter of the approval of a treaty.

I have been opposed to the League of Nations. I am opposed to going into the World Court without any reservation or, to make it more clear, without this particular reservation or something that means in substance what I believe this reservation means. I am not willing to submit everything to the World Court. I am not willing to say in advance just what kind of controversy we shall be willing to submit to the World Court because in the very nature of things it is impossible now to know what controversies may arise in the future.

It is known that the President of the United States is opposed to this reservation. In the last few days it has been intimated to me, and I have noticed it has been said in the public press, that the adoption of this reservation would be an affront to the President of the United States. Of course, I do not need to tell the Senate that I would not be a party to anything involving an affront to the President. I am satisfied no Senator would be. More than that, there is, in my opinion, no justification whatever for anyone to think for a moment that this reservation is or should be considered an affront to the man who occupies the White House. I should like to talk particularly to some of my Democratic friends on that point.

Naturally Democratic Senators feel, and properly I think, that they would under any ordinary circumstances like to carry out the wishes of the President, in whom they have and I have almost unlimited confidence. We believe in his sincerity. But, Senators, we are taking action here that will have its application, if the reservation shall be adopted, to Presidents long after we have gone, after we have passed away. If we reject the particular reservation which I am discussing it will have the effect of throwing the matter into the hands of Presidents whom you do not know and whom I do not know, whose sincerity probably would be as unquestioned as that of the present President; but we do not know that to be so. In other words, we ought to consider the reservation without thinking of any particular man who is or may be President of the United States.

I do not believe the reservation can be construed as doing any injustice or offering any affront to any President if we say by it, "Before you submit a controversy to the World Court you must have the approval of the Senate of the United States, just as you have to have its approval of a treaty." We did not make the Constitution. We have lived under it and acted under it and enacted laws under it. We have lived under it for many years with the provision all the time in the Constitution that a two-thirds vote of the Senate is required for the approval of any treaty submitted by the President of the United States. In other words, the Constitution was framed on the theory that the Senate is a part of the treaty-making power of our Government.

We may have a President in the future who, let us assume, is perfectly honest and perfectly sincere, but who may have what his countrymen may think a one-sided view on some particular question that becomes a matter of controversy between our country and some other country, a man in whom, perhaps, we have the utmost confidence, but by whose judgment on that particular subject we would not be willing to abide. The adoption of this reservation will, I believe, place in the hands of the Senate the constitutional treaty-making power, a safeguard which will obviate any possible danger that might arise because of some abrupt or ill-considered action on the part of some man who may become President of the United States.

President Roosevelt is not going to be President forever. President Roosevelt will probably not be in the White House more than 6 years longer; and if he is to let the Postmaster General continue to "Farleyize" his administration, he may not be there more than 2 years longer. Whatever may happen, this reservation, if adopted, cannot do any harm to any conscientious President or to any other nation.

I have read in the public press that the reservation puts the matter in politics, that the Senate is a political body, and that it ought not, because it is a political body, to have the power to refuse a submission in case the President wants to submit a question to the World Court. That may be true. Insofar as the Members of the Senate are elected by the people, they are political; but does not the same principle apply to the President? He is elected, the same as we are, by the people of the United States. If it is objectionable because the submitting power proposed would be somewhat political, then the objection would still remain if we defeat the reservation. In fact, I think it leaves the situation much worse, because if the reservation should be adopted we would have, in the case of the submission of a question to the World Court, not only the judgment of the President but the judgment of two-thirds of the Senators.

It may be that our Constitution ought to be amended and that we ought to approve treaties by a majority vote. There are those who so believe, but the Constitution now provides that a two-thirds affirmative vote is required. Personally, I am rather inclined to believe that the care taken by our forefathers when they adopted the Constitution was fully justified. While I think I have an open mind, I do not believe, as I see it now, that I would support an amendment to the Constitution which would make it possible for the Senate to approve treaties by a majority vote. We are dealing with many questions which are not of great importance. A great many submissions will be made to the World Court, if we go into it, which probably will not be of great importance; but we do not want to close our eyes to the fact that there may be submitted some question of major importance, and it might take but one such instance to bring almost ruin upon the Government of the United States.

Mr. President, I think it is no reflection upon the President to hold that we want to pass on each question that is to be submitted before it is submitted. There is no reflection upon any other country that may be in the World Court.

I do not want to entangle my country in European questions. I am conceding very frankly that they may be just as honest as we are, just as able, just as conscientious, but they are living in a different world and are a part of another form of civilization. I wish them no harm. If I could be of assistance in the settlement of any dispute involving them, I would gladly do so. But I am not willing to take my country into a world court where the judges are men who have lived under different conditions, who have different ideas of society, who have different ideas of government, who come in the main from different kinds of governments than that under which we live.

I say this with due respect to them. They are entitled to their forms of government, to their views, to their civilization, to their society; but it does not follow that we necessarily have to go into the World Court and have questions settled by men of that kind who have grown up and lived under a different form of civilization and therefore would probably be biased on some questions to which the Government of the United States might be a party if submitted to the World Court.

Mr. President, we do not even have to believe, because we are not willing to go into the World Court, that the judges are not honest and able and that they will not do what they think is right; but, in his judgment and in his action and in his conduct and in his heart and in his soul, a man is influenced to some extent by the environment and civilization and society in which he grew to manhood. That fact influences man and becomes a part of him. He may be perfectly honest, able, and conscientious, and yet have a viewpoint which is entirely different from ours. Questions will arise and controversies may come about between our kind of government and another of which such men are a part, and it seems to me it would necessarily and naturally follow, if such a question arose, that the Court would be against us, and probably be against us conscientiously.

So, Mr. President, I am not willing to submit a controversy to the Court until its submission has been as solemnly considered as we would consider a treaty; and that is virtually what is provided for by this reservation.

It has been said in the public press that if this reservation should be agreed to, the other powers would reject it. I do not know why. This reservation was one of the reservations adopted heretofore, and, as far as I know, no complaint was made about it. While the other powers did not accept all our reservations, they did not reject the protocol on account of this particular one; and why should they care? We will not care what method is adopted by a country with which we are in dispute or disagreement before it agrees to a submission. We can have no objection if its laws, its rules, its regulations, provide that a controversy affecting it shall be submitted by a king, and by a king alone. Neither would we object if the king, in order to get consent to submit the question to the Court, had first to submit it to his parliament. That is nothing to us, and this reservation is nothing to the other countries. They will not care about it. They have no right to care. It is a matter entirely within our control.

But, Mr. President, suppose conditions were such that our adherence would be rejected by foreign governments because of this reservation: Would not that be the best reason in the world why we should stay out of the Court altogether? If they should reject our adherence because we had required the Senate to agree to submission of a question to the Court, then it seems that they would be trying, even before we adhered to the Court, to control the action of the American Government, which we could not agree to under any circumstances or conditions. If that would constitute an objection on the part of the other powers, then, in my opinion, it would be a sufficient reason why we should not go into the Court.

Mr. President, we have followed this procedure in the main from the beginning of our Government. It is not something new. We have submitted a great many controversies to The Hague when we have had disputes with other countries, and the submissions have been passed on and approved by the Senate before the cases were submitted.

When the former Roosevelt occupied the White House and Mr. Root was Secretary of State, that administration initiated the negotiation of quite a large number of arbitration treaties. Some were concluded in 1909 and others in 1908. The treaties provided for the settlement of particular questions that were stated and were submitted to The Hague; and I think in every case, without a single exception, that submission had the approval of the Senate of the United States by a two-thirds vote.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Does the Senator from Nebraska yield to the Senator from Michigan?

Mr. NORRIS. Yes.

Mr. VANDENBERG. The Senator is entirely correct. They had to be thus submitted, because the basic convention for the pacific settlement of international disputes required it.

Mr. NORRIS. Yes; and that is all I desire to do by this reservation.

Let me read the language of one of those treaties.

While the former Roosevelt was President, part of article II of one of the treaties I have mentioned reads as follows:

> In each individual case—

That means in the case of each submission—

> the high contracting parties, before appealing to the Permanent Court of Arbitration, shall conclude a special agreement—

And so forth. That special agreement was to set up what the matter in dispute was; and the very next paragraph reads as follows:

> It is understood that such special agreement on the part of the United States will have to be made by the President of the United States by and with the advice and consent of the Senate.

I have not examined all the treaties, but I think an examination will disclose that all of them had that identical language in them. That is what I propose to do here.

I know it can be said, "Here is some little dispute that does not amount to much. There is no danger of war, no question of race, no question of immigration, no question of that kind arising. We might just as well submit it to the Court at once. If we should not adopt this resolution, the President could submit it to the Court without taking up the time of the Senate; or it might arise in recess." Of course, if it did, if the question were sufficiently important the President could call the Senate in special session at any time to consider it. I concede that that might occur; but it must be conceded also that some question of vast international importance might arise in the same way, and might be submitted to the Court by the President when it was known that the country and the Senate would not agree to such a submission.

So, while the adoption of this reservation might be the cause of delaying consideration by the Court of some question of minor importance, which I am willing to admit is the case, that is more than counterbalanced by the fact that it would also, in the case of questions of great importance, give the Senate and the country the right to discuss them, to debate them, to suggest amendments, or to refuse their submission to the Court if it should be thought proper.

If we do not adopt this reservation, I think we shall have to concede that it would be possible—I am not saying that it will happen; I hope it will not happen; I am not thinking of any particular President we have ever had, nor of the President we have now—but it might happen that the country would be plunged into war, perhaps, on account of hasty action taken by the President when the Senate was not in session, and when no debate occurred, no discussion occurred anywhere, almost as a result of a secret arrangement.

So, Mr. President, I submit this reservation. I ask Senators to consider it fairly, and to remember that its effect may be far-reaching. No injury can come if it is agreed to; and I think the Senate ought to agree to it.

Mr. ROBINSON. Mr. President, it is rather amusing to hear the Senator from Nebraska [Mr. NORRIS] say that the failure of Senators to appear in the Chamber prior to the meeting of the Senate today has been attributed by some one to lack of interest of Senators in what he might say. Of course, I think that was a humorous allusion, not intended to be taken seriously; but, like some of my own jokes, it needs explanation or qualification.

The Senator from Nebraska and I are habitually so serious in the performance of our duties, and in attempts to perform them, that sometimes what we say in light vein is taken quite seriously by those who hear us.

There is not anyone here whose remarks are listened to with more interest and appreciation than those of the Senator from Nebraska. His long service in this body, his courage, and his ability command the respect, not only of his colleagues, but of the people of the country generally.

Let me say, however, to those who favor adherence to the World Court, that I regard the resolution of the Senator from Nebraska as of controlling and vital significance. Let it be added that, in my opinion, no Senator who wishes to make the resolution of adherence really effective will vote for the resolution of the Senator from Nebraska.

Of course, we all admit the good faith of those who oppose entry into the World Court. Sometimes it is difficult for me to understand their arguments, but it may be equally difficult for them to understand my own.

I propose now to give a brief statement of why I think the resolution of the Senator from Nebraska should be rejected. I am speaking, of course, from the standpoint of a Senator who in good faith believes that our efforts to adhere to the World Court should be made in such form and manner as will give some substantial effect to the resolution when it is adopted.

The first reason that I assign as an argument, justifying those who favor adherence, in rejecting the resolution is that it merely perpetuates the controversy we are now in, a controversy which has lasted for 11 or 12 years; and it per-

mits a renewal of that controversy on the part of those who oppose our entry into the World Court every time a proposal is made in the Senate to refer a question to the Permanent Court of International Justice.

Does anyone who hears me imagine that the Senator from California [Mr. JOHNSON], with all the record of his years of opposition to the Court behind him, will abate or discontinue his opposition when this resolution is agreed to, if it is agreed to? It is no reflection on him to say that I think he is sincere, and that he will be just as much opposed to referring a case to the Court to which he is opposed as he is to adherence to the Court under the resolution now before the Senate. So, if we wish to accomplish something really effective in adopting the resolution, we must reject the proposal of the Senator from Nebraska.

I do not wish, every time the Senate is asked to refer to the Permanent Court of International Justice a controversy or dispute between this Government and another government, to have this old straw threshed out again. Neither do I think it is wise for those who believe in the Court as an agency for the settlement of controversies between nations to place it in the power of one-third of the Senate, plus one, to prevent the peaceful composition of controversies through the agency of the Court. That is exactly what will result if the resolution of my friend, the Senator from Nebraska, should be agreed to.

It is entirely true that on previous occasions in dealing with this subject we have required reference to the Court of a controversy to be made by treaty, and it is entirely true that the treaty of 1907 for arbitration by the Permanent Court of Arbitration at The Hague required agreements for reference to be submitted to the Senate, which, of course, acts upon the matter by a two-thirds vote. However, I point out the fact that while there are some precedents to that effect, there are also numerous precedents to the contrary, and I propose to cite some of them.

A second reason, which I think should have some force in this assembly for opposing the resolution of the Senator from Nebraska is that, whether designedly or not, the effect of the resolution is to transgress upon the jurisdiction and authority of the President as defined by the Constitution. I realize that there are some who say that the Congress has frequently during recent months given extraordinary power to the President; I realize that there are some who say that the Congress has abdicated its jurisdiction and responsibility and that this would be a kind of a means of balancing up—give away something, they say, that we ought not to give away, and then take something that we ought not to have, and everybody ought to be happy, and the Government would then be properly administered. However, I do not concede that sort of an argument, and I have no patience with that conclusion.

The truth of the matter is, as I think all lawyers in the Senate will agree, that under the Constitution there are only two limitations of the power of the President to conduct our foreign relations. The first is that in any instance where an appropriation may be required to effectuate a settlement that might be made, it is necessary to submit the matter to the Congress.

The second is that where a treaty is required to effectuate a settlement it is necessary to submit the matter to the Senate for its advice and consent. But in all other cases, under the Constitution the President has the power without the advice and consent of the Senate, and without the approval of the legislative department, to conduct our foreign relations, including the settlement of disputes that may arise with other governments.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. TRUMAN in the chair). Does the Senator from Arkansas yield to the Senator from Idaho?

Mr. ROBINSON. I yield.

Mr. BORAH. I did not understand the first proposition which the Senator stated as a limitation.

Mr. ROBINSON. The first proposition is that if the proposed settlement involves an appropriation by the Government of the United States, it is necessary to submit it to the Congress, because the appropriation cannot be made except through the action of the Congress. I do not mean to say that a tentative agreement could not be entered into even in that case for submission to the Congress. On the contrary that is what I mean to say, that before the agreement can be finally carried out, whether through the exchange of notes, or by Executive agreements, it must be submitted to the Congress of the United States. That has always been done.

I now wish to ask the Senate to listen for just a moment to some of the authorities on which this assertion is based. Willoughby on The Constitution of the United States contains the following paragraph:

> By virtue of the power exclusively vested in him to conduct diplomatic negotiations between this and foreign countries, the President has, since early years, entered into numerous agreements with foreign chancellories for the settlement of claims made by American private citizens against foreign governments. In a considerable number of cases these claims have been settled by means of arbitration agreed upon between the foreign offices concerned. * * *
>
> In no case has the President attempted, without consulting the Senate, to adjust finally claims brought by foreigners against the United States.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. BORAH. Those were instances in which the President was negotiating in the interests of private citizens and not to bind his Government.

Mr. ROBINSON. Yes; or instances in which the President was negotiating in the interests and on behalf of the Government of the United States, in which instances there was no contemplation that the Government should pay any amount to the other party. I will cite the precedents a little later on.

Crandall states that—

> Agreements for the adjustment of settlement of pecuniary claims of citizens against foreign governments, which meet with the approval of the claimants, and by which no obligation, except to relinquish the claim, is assumed on the part of the United States, are not usually submitted to the Senate.

There is another authority whose remarks I think will address themselves with force particularly to those of the opposition to the Court. Mr. John Bassett Moore, who is admittedly an authority on international law, says:

> * * * As the Executive is forbidden to bind the Government of the United States to the payment of money in the absence of authority of law, the President has never undertaken to settle claims against the United States except by means of a treaty, or by means of an agreement concluded ad referendum to Congress.

Mr. President, I have already said that there are instances in which the Senate has required submission to be made in form of a treaty, notably including the treaty of 1907 relating to The Hague arbitral tribunal. There are also cases in which the Senate imposed that condition and in which the President, or the Secretary of State acting for him, have refused to exchange the ratifications. However, there are numerous instances in which the issue has never been submitted to the Senate and in which the Executive, under his general authority to conduct foreign relations, has referred cases to arbitration.

There has been prepared, at my request, a memorandum by the State Department showing some 40 cases in which the United States has submitted, through an exchange of notes or by Executive agreement or otherwise, controversies with other nations or with their nationals, and in which cases the subject matter has never been brought before the Senate. Some of these cases are of very great importance. I do not know that I should take the time of the Senate to read them all.

Among the most celebrated international arbitrations to which the United States has been a party, that have been conducted under agreements not submitted to the Senate, may be included the case of the *Canada* (United States) against Brazil, in which an award of over $100,000 was made; the case of the *Colonel Lloyd Aspinwall* (United States) against Spain, in which an award of $20,000 was made; the

arbitration of claims of citizens of the United States against Spain for losses suffered in Cuba, under the agreement of February 11 to 12, 1871, whereby the United States recovered over $1,250,000; the *Masonic* (United States) against Spain, whereby the United States recovered over $50,000; the Van Bokkelen case (United States) against Haiti, where $60,000 was awarded; the case of Cheek (United States) against Siam, where $200,000 was allowed; the case of Robert H. May (United States) against Guatemala, wherein nearly $150,000 was awarded the claimant.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from Arkansas yield to the Senator from Nebraska?

Mr. ROBINSON. I yield.

Mr. NORRIS. If the Senator from Arkansas is correct, and I think he is, that the President would not have any authority to make an agreement where there was to be money paid, or where there might be a judgment rendered against or in favor of this country for money—if that contention be correct and the President would not have authority to submit such a case without the consent of the Senate, does it not follow that the cases which the Senator is citing would be cases in which the President had exceeded his authority?

Mr. ROBINSON. Not at all. These were cases of claims either of the Government or of some citizen or corporation against a foreign government or against the nationals of a foreign government.

Mr. NORRIS. I take it that it might require an appropriation by Congress to give effect to the decision after the decision was made.

Mr. ROBINSON. No. That is the distinction——

Mr. NORRIS. Mr. President, permit me to ask the Senator a question with respect to a recent case. I do not believe that the dispute in that case was submitted to the Senate. It was a case which was decided recently, the case of the Canadian boat——

Mr. VANDENBERG. The *I'm Alone*.

Mr. NORRIS. Yes; the *I'm Alone*. As I remember it that case was not submitted to the Senate.

Mr. ROBINSON. I think not.

Mr. NORRIS. And the judgment required the payment of money by the United States.

Mr. ROBINSON. I do not recall the terms and conditions under which the *I'm Alone* case was submitted, but it certainly did not contemplate, when the case was submitted, payment by the United States.

Mr. NORRIS. Oh, I think so. I think the Senator is wrong about that. But the judgment did require, among other things, an apology.

Mr. ROBINSON. The award was against the United States.

Mr. NORRIS. Yes. Would that not be a case then in which the President had exceeded his authority?

Mr. ROBINSON. I think not. The form in which the case was submitted did not on its face involve the payment of any amount. That is my recollection.

Mr. LEWIS. Mr. President, does the Senator from Arkansas yield to the Senator from Illinois?

Mr. ROBINSON. I yield.

Mr. LEWIS. May I take the liberty to intimate to both the distinguished Senators, the Senator from Nebraska [Mr. NORRIS] and the leader on this side [Mr. ROBINSON], that sometime ago in the House of Representatives this question which the Senator from Arkansas is now presenting with conciseness, was very greatly elaborated by Henry Winter Davis, Member of Congress from Maryland, serving at that time as the Chairman of the Foreign Relations Committee, and the distinction was made there, as I believe the debate will show, as to how far the President had to have the cooperation of Congress, and there it was stated that he would only have to have such cooperation where he was dealing with a subject matter that went to the private benefit of some individual claimant, but that cooperation would involve nothing more than an appropriation.

Here I ask the Senator from Arkansas if he will not be good enough to tell the Senate how far was it the Senate went on the very contention he is making in supporting President Harding, who made the same claim the Senator from Arkansas is now making in behalf of the present President? I think it will be observed that the Senate supported President Harding in the contention that he had complete jurisdiction in all such matters.

Mr. ROBINSON. The question has frequently arisen as to the conflict of jurisdiction between the legislative department and the executive department. I take it that no Senator wishes to transgress upon the jurisdiction of the Executive. President Harding in 1923 sent to the Senate this World Court protocol. As I remember, there was no action taken on it until 1926. The Senate then, as stated by the Senator from Nebraska, adopted a resolution requiring that submissions be by treaty. I think that was erroneous; I think it was subversive; it was destructive of the wholesome aim of the adherence resolution.

I cannot state now from memory the many instances in which questions have arisen as to whether the Senate is transgressing upon the Executive or the Executive is trespassing upon the functions of the legislative department. Those questions have frequently arisen. Some of them I can recall in some detail, but I am not now proposing that the Senate shall yield its jurisdiction; I am only suggesting in this part of my argument that the Senate respect the President's jurisdiction, and my effort is to define what that jurisdiction may be.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. VANDENBERG. In the *I'm Alone* case, to which the Senator from Nebraska referred, I understand the State Department will now be under the compulsion to ask the Congress for an appropriation to pay the award. Would the Senator feel that Congress was free in any degree to consider that request upon its merits or is not the Congress bound?

Mr. ROBINSON. I should vote for the appropriation, the case having been submitted, but I do not find anything repugnant to me in that. I think it was far better to settle the case by arbitration, even though we may not have expected, in the beginning, an award to be made against us.

Mr. VANDENBERG. I quite agree; but I am asking the academic question.

Mr. ROBINSON. I have answered it; I said, "Yes; I should vote for the appropriation."

Mr. VANDENBERG. Very well. Then, does not the existence of the moral obligation, which is more or less of a compelling nature, travel back to the original situation and rob us of that authority which the Senator from Arkansas previously was describing, to take jurisdiction on its merits in any international dispute which involves an appropriation?

Mr. ROBINSON. I do not agree with that at all, for this reason: The power of appropriation is not vested exclusively in the Senate, and the Senate has not the right to inaugurate but it has the province of determining when an appropriation may be made. The power of appropriation is vested in the two Houses of the Congress, and the matter should go to the two Houses rather than to the Senate exclusively.

Let me proceed now with some of the instances in which the United States has referred to arbitration cases without the advice and consent of the Senate. There was, following the case I mentioned, the fisheries claims against Russia, in which awards in excess of $100,000 were made to American claimants;

The Boxer Rebellion claims;

The Pious Fund claim (United States) against Mexico, wherein the claimants were awarded nearly $1,500,000, together with certain annual payments;

The United States-Venezuelan claims, decided by a commission established under the protocol of February 17, 1903, which commission awarded more than $2,000,000 to American claimants;

The Alsop claim (United States) against Chile, in which the United States secured an award of 2,275,375 bolivianos;

The claims of the United States against Panama, arising out of the riot at Panama City July 4, 1912, settled by arbitration in 1916, of the Minister of the Netherlands;

The Landreau case, United States against Peru, in which an award of $125,000 was made;

The Sino-American Joint Commission of 1928 and 1929, which made awards in the amount of nearly $450,000;

The claim of Charles J. Harrah (United States) against Cuba, where a settlement of $350,000 was procured after arbitration in 1930;

The claim of Percy W. Schufeldt (United States) against Guatemala, also arbitrated in 1930, where an award in favor of the claimant was made in the amount of over $225,000;

The Tripartite Claims Commission, United States, Austria, and Hungary, which Commission made awards in excess of $500,000;

The Mixed Claims Commission, United States and Germany, established under the special agreement of August 10, 1922, which commission has made awards of more than $265,000,000; and

The recent United States-Turkish Claims Commission, which brought about an agreement with Turkey for the payment of $1,300,000 to American nationals.

I attach hereto a list of 40 executive agreements, exchanges of notes of protocols or arrangements not submitted to the Senate under the terms of which the United States agreed to submit a claim or claims to international arbitration.

Without taking the time to read all these 40 claims, I am going to ask that they be printed as a part of my remarks. I think there is no wholesome end to be accomplished by reading them.

The PRESIDING OFFICER. Without objection, the matter will be printed in the RECORD.

The matter referred to is as follows:

FORTY AGREEMENTS FOR ARBITRATION MADE BY THE UNITED STATES WITH FOREIGN POWERS NOT SUBMITTED TO THE SENATE FOR ITS ADVICE AND CONSENT

1. Brazil-United States, agreement of October 1842: The American schooner *John S. Bryan* was seized in the Province of Para, Brazil, in June 1836. On October 15, 1842, commissioners were appointed by the Government of Brazil and the Legation of the United States at Rio de Janeiro, respectively, pursuant to an agreement made in that month, to determine the amount of loss and damage suffered by the schooner in consequence of her seizure and detention. June 12, 1843, the commissioners awarded the sum of 26 cantos of reis, to be paid by the Imperial Government as "indemnification in full of the value of the schooner *John S. Bryan*, her cargo, freight, wages, expenses, ordinary and extraordinary, exchanges, interests, etc." (5 Moore, International Arbitrations (1898) 4613.)

2. Salvador-United States agreement of May 4, 1864: The claim of Henry Savage, an American citizen, for damage suffered on account of losses when the sale of gunpowder was by decree in 1852 made a monopoly of the Government of Salvador, the claimant having a large quantity of gunpowder for sale at the time of the decree, was arbitrated under an agreement of May 4, 1864. The arbitration, arranged by the American Minister, Mr. Partridge, with the approval of the Department of State, resulted in an award in favor of the claimant in the amount of nearly $5,000. (2 Moore, (1898) 1855, 1857.)

3. Brazil-United States, signed March 14, 1870: The case of the *Canada* was referred to the arbitration of Edward Thornton, British Minister, under the terms of a protocol signed at Rio de Janeiro, March 14, 1870, by the Governments of the United States and Brazil. The United States was awarded over $100,000 as a compensation to the owners of the vessel with which the Government of Brazil had wrongfully interfered. (2 Moore, op. cit. (1898) 1733; 5 ibid. 4687.)

4. Spain-United States, agreement of May 25–June 16, 1870: On May 25, 1870, Secretary of State Fish proposed to Mr. Lopez Roberts, the Spanish Minister in Washington, that the claim of the owners of the steamer *Colonel Lloyd Aspinwall* for damages on account of the seizure of that vessel by a Spanish man-of-war, and her subsequent detention at Habana, should be arbitrated in New York, each power to name a commissioner, who in turn should name the arbitrator. On June 16, Mr. Roberts informed Mr. Fish of the acceptance by the Spanish Government of his proposition for arbitration. Johannes Rösing, consul of the North German Union at New York, selected arbitrator in the manner described, gave his award, November 15, 1870, allowing the claimants $19,702.50 in gold. (2 Moore, op. cit. 1007, 1014.)

5. Spain-United States, agreement of February 11–12, 1871: The agreement for the settlement of certain claims of citizens of the United States on account of wrongs and injuries committed by authorities of Spain in the island of Cuba, concluded at Madrid, February 11–12, 1871, was not submitted to the Senate (2 Malloy, Treaties, Conventions, etc. (1910) 1651). Over one million and a quarter dollars were awarded by this Commission. (2 Moore, op. cit. (1898) 1051.)

6. Colombia-United States, agreement signed August 17, 1874: The case of the *Montijo* (*United States*) v. *Colombia*, was referred to arbitration by the two Governments, pursuant to an agreement signed at Bogota, August 17, 1874, under the terms of which two arbitrators and an umpire were selected. The umpire, Mr. Robert Bunch, British Minister to Bogota, made an award July 25, 1875, in favor of the American claimants in the amount of more than $33,000. (2 Moore, op. cit. 1421; 5 op. cit. 4698.)

7. Haiti-United States, protocol signed May 28, 1884, extended by the additional protocol of May 20, 1885: The claims of Antonio Pelletier and A. H. Lazare, citizens of the United States, were arbitrated before William Strong, formerly an Associate Justice of the Supreme Court of the United States, as sole arbitrator, under the terms of the protocol of May 28, 1884, as extended. Judge Strong awarded Pelletier nearly $60,000, and Lazare $117,500. (I Malloy, Treaties, Conventions, etc. (1910) 932.)

8. Spain-United States, exchange of notes, November 17–25, 1884: By notes of November 17 and 25, 1884, between the American Minister at Madrid, John W. Foster, and the Spanish Minister of State, J. Elduayen, it was agreed that the claim of the United States on account of the wrongful detention and sale of the *Masonic* in 1878–79 by the Spanish authorities at Manila, Philippine Islands, under a mistake of fact, should be referred to arbitration. (1885 Foreign Relations of the United States 678, 681, 682.) The arbitrator appointed, Baron Blanc, Italian Minister at Madrid, made an award in favor of the United States in the amount of $51,674.07, with interest. (2 Moore, op. cit. 1055, 1060, 1062.)

9. Haiti-United States, protocol of May 24, 1888: The claim of Charles Adrian Van Bokkelen, a citizen of the United States, against Haiti was arbitrated under the terms of the protocol of May 24, 1888, between the United States and Haiti. An award was made in favor of Van Bokkelen in the sum of $60,000. (I Malloy, op. cit. (1910) 935; 2 Moore, op. cit. 1813.)

10. Portugal-United States and Great Britain, June 13, 1891: The protocol signed at Bern June 13, 1891, for the arbitration of the claim of American and British nationals arising out of a concession granted by Portgual to the Lourenço Marques Railroad was not submitted to the Senate. Under the terms of that protocol the Swiss Confederation appointed three arbitrators, who awarded 15,314,000 francs in favor of the American and British claimants. (II Maloy, op. cit. (1910) 1460, 1462.)

11. Mexico-United States, protocol of March 2, 1897: The protocol concerning the claims of Oberlander and Messenger, citizens of the United States, against Mexico was signed by the United States and Mexico at Washington March 2, 1897. (I Malloy, op. cit. (1910) 1180.) The protocol of agreement was not submitted to the Senate. The arbitrator, the Argentine Minister at Madrid, Señor Don Vicente G. Quesada, disallowed these claims. (Ibid. 1181.)

12. Siam-United States, protocol of an agreement July 26, 1897: The claim of Marion A. Cheek for indemnity on account of the wrongful interference by the Siamese Government with his property, including a concession for the working of teak forests in Siam, together with the counterclaims of the Government of Siam, were submitted to arbitration by the Governments of the United States and Siam, under the terms of a protocol of agreement signed July 26, 1897, by the Minister for Foreign Affairs of His Majesty the King of Siam and John Barrett, Minister resident and consul general of the United States at Bangkok. (1897 Foreign Relations of the United States 479.)

Under the terms of the agreement, Sir Nicholas J. Hannen, Her Britannic Majesty's chief justice and consul general at Shanghai, was appointed arbitrator. On March 21, 1898, the arbitrator made an award in favor of Cheek in the amount of 706,721 ticals, equivalent to $200,000 in gold. (2 Moore, op. cit. 1908; 5 Moore, op. cit. 5068, 5069.)

13. Dominican Republic-United States, agreement of February 1898: The claim of Henry W. Thurston, an American citizen, against the Dominican Republic, arising on account of a concession to build and operate a bridge across the Ozama River in Santo Domingo City, was settled by arbitration under an agreement reached by Gen. U. Heureaux, President of the Republic of Santo Domingo, and American representatives in Santo Domingo in February 1898. The President of the Dominican Republic agreed to purchase the bridge at its value in 1895. Alfred Noble, of Illinois, appointed arbitrator to determine the amount that the Dominican Republic should pay in settlement of the claim, awarded the claimant the sum of $74,411.17 in gold, with interest from 1895. (1898 Foreign Relations of the United States 274.)

14. Peru-United States, protocol of May 17, 1898: The protocol of an agreement for the arbitration of the amount of damages to be awarded in favor of Victor H. MacCord, a citizen of the United States, signed in Washington May 17, 1898, together with the supplemental protocol, signed June 6, 1898, were not submitted to the Senate by Secretary of State William R. Day.

The arbitrator, Sir Samuel Henry Strong, Chief Justice of the Supreme Court of Canada, made an award in favor of MacCord in the amount of $40,000. (II Malloy, op. cit. (1910) 1443, 1445.)

15. Haiti-United States, protocol of an agreement signed October 18, 1899: The protocol of an agreement between the United States and Haiti for the arbitration of the claim of *John D. Metzger & Co.* (*United States*) v. *Haiti* was not submitted to the Senate. On September 27, 1900, Hon. William R. Day made an award in

favor of the claimant in the amount of $23,000. (I Malloy, op. cit. (1910) 936, 939.)

16 and 17. Guatemala-United States, protocol of an agreement submitting to arbitration the claim of Robert H. May against Guatemala, and the claim of Guatemala against May, signed at Washington, February 23, 1900; supplemental protocol to the agreement of February 23, 1900, signed at Washington, May 10, 1900: Robert H. May, an American citizen, claimed damages from the Guatemalan Government on account of its wrongful interference with his operation of the Guatemala Northern Railroad under the terms of a contract with the Guatemalan Government. The claim was referred to the arbitration of Mr. George Francis Birt Jenner, British Minister and Consul General to the Republics of Guatemala, Honduras, Nicaragua, Costa Rica, and Salvador, who, on November 16, 1900, made an award in favor of the claimant in the total sum of $143,750.73 gold. (I Malloy, op. cit. 871, 873).

18. Nicaragua-United States, protocol of March 22, 1900: The protocol of an agreement for the arbitration of the amount of damages to be awarded Orr and Laubenheimer and the Post Glover Electric Co., signed at Washington, March 22, 1900, was not submitted to the Senate by Secretary of State Hay. The arbitrator, Gen. E. P. Alexander, made awards in favor of each of the claimants in his decision of June 16, 1900. (II Malloy, op. cit. (1910) 1290, 1292).

19. Russia-United States, protocol of August 22 and September 8, 1900: The claims of the United States against Russia, on behalf of the schooners, *James Hamilton Lewis, C. H. White, Kate and Anna,* and the *Cape Horn Pigeon,* on account of their alleged wrongful detention or seizure, were submitted to arbitration under the terms of the claims protocol, signed August 22 (Sept. 8), 1900. The protocol was not submitted to the Senate for its advice and consent. (II Malloy, op. cit. (1910) 1532).

Awards were made in favor of the claimants in an amount in excess of $100,000, on November 29, 1902. (Ibid, 1534.)

20. China-United States, final protocol, September 7, 1901: The final protocol entered into between the plenipotentiaries of the various powers at the conclusion of the so-called "Boxer" troubles in 1900 in China, signed September 7, 1901, by representatives of Germany, Austria-Hungary, Belgium, Spain, France, Great Britain, Italy, Japan, the Netherlands, Russia, the United States, and China, under the terms of which the powers were to receive 450,000,000 Haikwan taels, was not submitted to the Senate for its advice and consent. (II Malloy, op. cit. 2006.) Two American commissioners were appointed by the Department of State, without the advice and consent of the Senate, to pass upon the American claims, together with those of their servants. Their awards were approved by the American Minister to China, and in turn approved by the Department of State, prior to the distribution of the Boxer indemnity fund paid into the Treasury of the United States.

21. Salvador-United States, protocol of December 19, 1901: The claims of the Salvador Commercial Co. and other citizens of the United States, stockholders in the El Triunfo Co., Ltd., were submitted to arbitration under the terms of the protocol for the arbitration of certain claims against Salvador signed December 19, 1901. (II Malloy, op. cit. (1910) 1568.) This protocol was not submitted to the Senate. On May 8, 1902, the arbitrators, Henry Strong, Don M. Dickinson, and José Rosa Pacas, rendered their award in favor of the claimants in the amount of $537,178.64 (Ibid. 1570).

22. Salvador-United States, agreement of February 1902: The claim of Rosa Gelbtrunk (United States) against Salvador for $22,654.63 was also agreed to be arbitrated by these Governments before the same arbitrators as those selected under the protocol of December 19, 1901, pursuant to an agreement arrived at by an exchange of correspondence in February 1902. The claim was disallowed by the arbitrators. (1902 Foreign Relations of the United States 873, 876.)

23. Dominican Republic-United States, convention of April 28, 1902: The claim of Madam Emilia C. de Sala, as surviving partner of J. Sala & Co. (United States), against the Dominican Republic was submitted to arbitration under the convention signed at Santo Domingo April 28, 1902. The arbitrators, the Honorable Frederick Van Dyne and Señor Don J. M. Ceballos, made an award, April 30, 1904, in favor of the claimant in the amount of $215,812.95. (MSS., Dept. of State.)

24. Mexico-United States, protocol of May 22, 1902: The protocol for the adjustment of certain contentions arising under what is known as "the Pious Fund of the Californias", signed by the Governments of Mexico and the United States May 22, 1902, at Washington, by Secretary Hay and M. de Azpiroz, was not submitted to the Senate. The arbitration was held under the general provisions of the Hague Convention of 1899, and an award was made at The Hague in favor of the United States in the amount of $1,420,682.67, together with certain perpetual annuities. (I Malloy, op. cit. 1194, 1198.)

25. Brazil-United States, protocol submitting to arbitration the claim of George C. Benner et al., signed September 6, 1902: The claim of George C. Benner and others against the Government of Brazil was agreed to be submitted to arbitration under the terms of the protocol of September 6, 1902, which protocol was not submitted to the Senate for its advice and consent. (I Malloy, op. cit. 152.) The claim was referred to the Swedish Minister as arbitrator, but withdrawn from his consideration November 28, 1902, for want of evidence. (Ibid. 154.)

26. United States-Santo Domingo, protocol of January 31, 1903: The arbitration protocol, signed January 31, 1903, by the Government of the United States and the Dominican Government for the arbitration of the claim of the San Domingo Improvement Co. (United States) against Santo Domingo, was not submitted to the Senate. (I Malloy, op. cit. (1910) 414.)

The board of arbitrators named by the two Governments to settle the claim made an award July 14, 1904, providing for the redelivery of various properties of the company to the company, and for the payment of over $4,000,000 to the company, in stipulated annual payments. (Ibid. 417.)

27. Venezuela-United States, protocol of February 17, 1903: The protocol with Venezuela of February 17, 1903, submitting to arbitration American claims against Venezuela, under the terms of which awards in favor of the United States were made in an amount of more than $2,000,000, was not submitted to the Senate The commission appointed under the terms of the protocol sat at Caracas. (II Malloy, op. cit. (1910) 1870.)

28. Venezuela-Great Britain, Italy, United States et al., protocols of May 7, 1903: The protocols of agreement between Venezuela, Great Britain, and Italy, to which the United States and other powers are parties, respecting the reference of the question of the preferential treatment of claims to the tribunal at The Hague, signed at Washington, May 7, 1903, were not submitted to the Senate for its advice and consent. (II Malloy, op. cit. 1872.)

The dispute was submitted to a tribunal organized under the provisions of the Convention for the Pacific Settlement of International Disputes, signed at The Hague in 1899. The decision was made February 22, 1904. (Ibid. 1878.)

29. Venezuela-United States, claims protocol, February 13, 1909: The claim of the *Orinoco Steamship Co. (United States)* v. *Venezuela* (which had previously been heard and decided by the Umpire Barge under the terms of the 1903 protocol between the two countries), was submitted to the arbitration of three jurists selected from the panel of the Permanent Court of Arbitration at The Hague, under the terms of the claims protocol of February 13, 1909. (II Malloy, op. cit. 1881.) An award in favor of the American claimants was made at The Hague, October 25, 1910, in the amount of approximately $75,000.

30. Chile-United States, protocol for the arbitration of the Alsop claim, December 1, 1909: The claim of Alsop & Co., an American corporation, for $2,803,370.36, was referred to the arbitration of His Britannic Majesty Edward VII (succeeded by George V) as amiable compositeur, under the terms of the protocol of December 1, 1909, between Chile and the United States (3 Redmond, Treaties, Conventions, etc. (1923) 2508). The award, made July 5, 1911, allowed the claimants 2,275,375 bolivanos on account of property losses. (1911 Foreign Relations of the United States 38.)

31. Panama-United States, protocol providing for the determination of the amount of damages caused by the riot at Panama City, July 4, 1912, signed at Panama, November 27, 1915: Under the terms of the protocol of November 27, 1915, claims of the United States against Panama were submitted to the arbitration of His Excellency W. L. F. C. van Rappard, Minister of the Netherlands to the Governments of the United States and Panama. The protocol was not submitted to the Senate for its advice and consent. Seventeen claims, in the total amount of $35,000, on behalf of Americans for the injury or death of American enlisted men or civilians during the affray of July 4, 1912, at Panama City, were presented by the United States. The arbitrator allowed $12,350 in his award of October 20, 1916. (3 Redmond, op. cit. 2778; 1916 Foreign Relations of the United States 918.)

32. Peru-United States, protocol for the arbitration of the Landreau claim against Peru, signed at Lima, May 21, 1921: The claim of *John Célestin Landreau (United States)* v. *Peru,* for payments due on account of guano discoveries notified to the Peruvian Government, was arbitrated in London under the terms of the protocol of May 21, 1921, between the Governments of Peru and the United States, which protocol was not submitted to the Senate for its advice and consent. The commission, composed of three members, made an award October 26, 1922, in favor of the claimant, in the amount of $125,000. (3 Redmond, op. cit. 2797; MSS., Dept. of State.)

33. Germany-United States, special agreement of August 10, 1922: The agreement, signed at Berlin August 10, 1922, for a mixed commission to determine the amount to be paid by Germany to the United States, in satisfaction of Germany's financial obligations under the treaty concluded between the United States and Germany on August 25, 1921, was not submitted to the Senate for its advice and consent. (Treaty Series No. 665; 3 Redmond, op. cit. 2601.)

Under the terms of this agreement the Mixed Claims Commission, United States and Germany, met at Washington October 9, 1922, and has not yet terminated its labor. As of June 15, 1933, the Commission had made awards in 6,823 cases, in the total amount of $265,939,068.37.

34. Turkey-United States, agreement of December 24, 1923: The agreement for the examination of American claims against Turkey was effected by an exchange of notes on December 24, 1923, and February 17, 1927, by which it was agreed that a claims committee should be established at Istanbul to consider the claims. This committee met at Istanbul in 1933–34 and arrived at an agreement October 25, 1934, whereby the Government of Turkey agreed to pay $1,300,000 to the United States in settlement of the claims of American nationals.

35. Austria and Hungary-United States, agreement signed at Washington November 26, 1924: The agreement signed at Washington November 26, 1924, by the United States and Austria and Hungary for the determination of the amounts to be paid by Austria and by Hungary in satisfaction of their obligations under

the treaties concluded by the United States with Austria on August 24, 1921, and with Hungary on August 29, 1921, was not submitted to the Senate for its advice and consent. (Treaty Series No. 730.)

The Tripartite Claims Commission, established pursuant to this agreement to adjudicate claims of American nationals against those two countries for losses sustained during the World War, met in Washington in January 1926 and completed its work in 1929. In 374 cases awards were made against Austria in the amount of $370,032.14, and in 724 cases awards were made against Hungary in the amount of $172,619.70.

36. China-United States, exchange of notes, March 30, 1928: The Sino-American Joint Commission, organized for the settlement of American claims arising out of the unrestrained acts of Chinese soldiers at Nanking, March 24, 1927, met at Shanghai, August 27, 1928, and concluded its work March 13, 1929. This commission was established pursuant to an exchange of notes of March 30, 1928, between the United States and China. This Commission allowed $443,588.79 United States, in 130 individual claims. (MSS., Dept. of State.)

37. Spain-United States, agreement of June 20, 1929: By an arrangement between the United States and Spain, effected by an exchange of notes, signed August 24, 1927, May 13, 1929, and June 20, 1929, the two Governments agreed that all outstanding claims between them should be taken up by representatives appointed by the two Governments. (Executive Agreement Series No. 18.) The representatives were appointed in April 1931, and had begun a series of informal conferences in Washington, when the Spanish representative was recalled on account of conditions in Spain. The matter is in abeyance at the present time, pending the appointment of a Spanish representative.

38. Cuba-United States, agreement signed at Habana, October 1, 1929: By an agreement of October 1, 1929, the Governments of the United States and Cuba agreed to submit to an arbitral commission the claim of Charles J. Harrah, an American citizen, against Cuba for the wrongful destruction of Harrah's property by Cuban authorities. (Arbitration of the claim of Charles J. Harrah, Memorial of the United States, etc. (1929) 49, Arbitration Series No. 1, mss., Dept. of State.) The arbitrators met in Cuba, December 2, 1929. They held that the Government of Cuba was liable, but failed to reach an agreement as to the amount of damages. Subsequently, the two Governments agreed that Cuba should pay $350,000 in full settlement of the claim. (Press release, Dept. of State, July 2, 1930.)

39. Guatemala-United States, exchange of notes, November 22, 1929: Under the terms of an exchange of notes of November 22, 1929, the Governments of Guatemala and the United States agreed to refer to the arbitration of Sir Herbert Sisnett, Kt., Chief Justice of the Supreme Court of British Honduras, the claim of P. W. Shufeldt, an American citizen, for damages on account of his losses arising from the alleged illegal cancelation of a concession for the extraction and exportation of chicle. The arbitrator made an award July 24, 1930, in favor of the claimant in the amount of $225,468.38. (Shufeldt claim, arbitration between the United States and Guatemala (1932) 9, Arbitration Series No. 3, Dept. of State.)

40. Egypt-United States, agreement between the United States of America and Egypt, signed January 20, 1931: Under the terms of the agreement of January 20, 1931, the Governments of the United States and Egypt agreed to arbitrate the claim of George J. Salem against Egypt, a claim growing out of the alleged violation of extraterritorial privileges and denial of justice by the mixed courts of Egypt. (Executive Agreement Series No. 33.) This agreement was not submitted to the Senate for its advice and consent. The Arbitral Commission met in Vienna in November–December 1931 and disallowed the claim.

Mr. ROBINSON. I repeat that the limitation on the Executive power is that it cannot bind the Government to make appropriations, or make appropriations; and, second, that if a treaty is required to carry out a settlement which he negotiates, it must be submitted to the Senate of the United States under the Constitution.

Going back now for just a moment to the merits of the proposition, and waiving the question of the relative rights of the two departments of the Government, I repeat that the friends of the resolution of adherence should not be deceived into supporting the pending amendment merely because the Senate made a mistake on a former occasion and incorporated it substantially in the resolution of adherence. It is subversive of the purposes of the adherence resolution; it will obstruct the peaceful settlement of international disputes through the Court. A majority of the two Houses of Congress can declare a state of war, and it is implied by the Senator from Nebraska in his remarks that the President, during the vacation of Congress, or during the session of Congress, for that matter, may commit the Government to acts which result in war, but here we have the situation of Senators who profess themselves to be devoted to peaceful methods of settling disputes who propose to make it as hard as possible to use peace machinery, thus making more probable the employment of force. I conclude my argument with the declaration that the friends of the World Court had best vote down the pending amendment to the resolution of adherence.

Mr. President, before taking my seat I should like to return to something that was said a while ago about the *I'M Alone* case. The settlement of the *I'm Alone* case was under a treaty of January 1924 between the United States, Great Britain, and Canada, which treaty gave the United States the authority to board vessels suspected of rumrunning.

Mr. STEIWER. Mr. President, I find myself unable to agree with the argument just concluded by the Senator from Arkansas [Mr. ROBINSON], and I ask the indulgence of the Senate for a few moments while I most respectfully present the reasons for my dissent.

Before I attempt to make that presentation, Mr. President, I want to observe, inasmuch as I have not heretofore discussed this resolution, that I am one of those who favors American adherence to the World Court. I shall not undertake to state the reasons for my attitude in full, but will summarize those reasons by saying that, in my opinion, civilization must organize for peace and not for war. It should employ every means to substitute law for force in the settlement of differences between nations. I feel America cannot afford to withhold permanently its support and approval of any system of international relationships which even suggests a rule of reason and justice.

Having these opinions I would be very happy if I could find myself in accord with the major premise of the Senator from Arkansas and the argument which he has just concluded against the pending amendment. He said, in effect, that if it were desired to make the pending resolution of adherence really effective it would be impossible to vote for the Norris amendment. In my humble judgment, Mr. President, the exact reverse of that proposition might be maintained. I feel that, in order to remain in the Court and to keep American sentiment in a condition favorable to the Court, it is far better from the standpoint of one who is a friend of adherence that the amendment offered by the Senator from Nebraska be agreed to.

I have not until now heard any argument presented against the principle involved in the proposal made by that Senator; indeed, a rather similar reservation or understanding was a part of the resolution of 1926. I refer to the provision which stipulates that recourse shall not be had to the Court for the settlement of differences between the United States and any other state except by special or general treaty. I appreciate that the two proposals are not identical. I have merely said they are similar in principle. The same proposal was added as an understanding and reservation to the resolution brought upon the floor of the Senate in 1932 by the late Senator Walsh, of Montana, and by the former Senator Fess, of Ohio. That resolution preserved all the reservations to the resolution of 1926, save only those that had been agreed to by the signatory powers in the protocol of accession. Now for the first time the Committee on Foreign Relations has presented to the Senate a resolution of adherence which has abandoned at least three of those reservations and understandings meant for the safeguarding of American interests.

The Senator from Arkansas [Mr. ROBINSON], by his argument against the pending amendment, seeks to justify the elimination of that reservation which provides that there shall be no recourse to the Court for the settlement of American disputes except by treaty, special or general. He states, in effect, the reservation ought to be rejected because, first, it would tend to perpetuate a controversy every time in the future that a question is to be submitted to the Court, and, second, that the proposal transgresses upon the authority of the President. I want to refer briefly to both propositions.

It is true, as I think the Senator from Nebraska might concede, that those who are opposed to the World Court and to our adherence to that Court might well find occasion to object to the submission of questions in which we have or may claim an interest or of disputes to which we are a party. But, Mr. President, why should that be

regarded as an argument against the proposal of the Senator from Nebraska? It is not to be assumed that an objection superficially made or based merely upon prejudice against the tribunal would find favor with the great body of the Members of the Senate.

I prefer to assume the Senate would consider the proposal upon its merits and even those who oppose adherence to the Court, in response to a patriotic desire to perform their duties as Senators, would consider the matter upon its merits. But if it is to be assumed that objection to the tribunal would deter Senators from considering any proposal upon its merits, then I ask what would be the effect in case the Senate defeats this amendment, and in case, in the future, the President of the United States should himself be opposed to adherence to the World Court? Would not a greater difficulty be then presented?

It seems to me there is an equal danger in failure to incorporate the reservation in the resolution of adherence than there is in its incorporation, because it is quite conceivable that a future President, in the exercise of the great authority which the Constitution confers upon him, if he be opposed to the determination of an American question by the World Court, would refrain at all times from the submission of that question.

Moreover, the attitude of the State Department or the attitude of the President with respect to the submission of a question is not a matter which is brought out into the forum of open discussion. The country might never know why the Executive at some time in the future would refrain from submitting a question.

It might be assumed it was because of the President's opposition to the World Court as a tribunal, but we would never know; whereas if the matter is brought before the Senate where there is debate in open executive session, the people immediately would be informed of the fact.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Texas?

Mr. STEIWER. I am glad to yield.

Mr. CONNALLY. A moment ago the Senator observed that Senators who are really opposed to entrance into the World Court would still support the submission of questions to it. In other words, the Senator from Oregon believes that a Senator who is now opposed to submitting any question to the World Court would then be willing to submit some questions to the World Court?

Mr. STEIWER. My regard for my colleagues is such that I think I am prepared to say that any Member of this body, even though he votes against adherence to the Court, would consider upon its merits any question that might be brought here in event the pending reservation is adopted.

Mr. CONNALLY. But when a Senator has considered it on its merits, being a Senator who honestly and conscientiously believes no question should be submitted to the World Court, then after he has considered it on its merits the Senator does not think he would still vote against submitting any question?

Mr. STEIWER. I do not think so. I think most Senators have in their hearts and minds a sufficient amount of sportsmanship and are actuated by sufficiently high motives to justify them in voting for submitting a question to the Court if it should be a question capable of judicial determination.

Mr. CONNALLY. Then why does not the Senator vote for adherence to the World Court?

Mr. STEIWER. I cannot answer why other Senators do not vote for it; but unless the Senate shall defeat the essential safeguards, I propose to vote for adherence.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Nevada?

Mr. STEIWER. I yield.

Mr. PITTMAN. The Senator has suggested that there might come a time when there would be a President who would be so prejudiced against the World Court that he would not submit any question to it. The resolution or reservation of the Senator from Nebraska would not remedy that situation. The reservation does not permit the President or the Congress or anyone else to submit a question. If the President, under the Norris reservation, desires to submit a question to the Court or agree to its submission, it is not permitted unless approved by two-thirds of the Senate; but if he chooses never to exercise the authority under the resolution of adherence, even with the reservation, then neither would function. If we really want the power vested in Congress or someone besides the Executive to submit any question, we will have to have a new treaty.

Mr. STEIWER. I think it is true, as suggested by the Senator from Nevada, that a President might be so opinionated in his objection to the World Court that he would decline to submit a question to the Senate for its consideration. I agree that the proposed reservation submitted by the Senator from Nebraska does not wholly protect against that possibility. But, on the other hand, the Executive might submit questions which the Senate and the country would not submit.

Mr. President, what was the other argument advanced by the Senator from Arkansas in opposition to the Norris reservation? As I understood it, the second proposal was that the adoption of the reservation would transgress upon the authority of the President with respect to his constitutional authority to negotiate agreements with foreign nations.

Mr. PITTMAN. Mr. President, before the Senator proceeds further may I submit another question for his consideration?

Mr. STEIWER. Certainly.

Mr. PITTMAN. Even if the treaty or the reservation should attempt to place in the Senate by a two-thirds vote, or in Congress by a majority vote or by a majority vote or by a two-thirds vote, the power to negotiate a treaty by which a question would be submitted, it would be unconstitutional, because if there is one constitutional provision upon which we all agree it is that the negotiation of treaties is exclusively within the power of the Executive.

Mr. STEIWER. That is true, and yet I cannot agree with the Senator that the proposal would be unconstitutional. I shall refer to that in a moment.

The argument made by the Senator from Arkansas was supported by the reading into the RECORD of a list of authorities disclosing cases where arbitrations have been resorted to by our Government and where a final award had been made and no action had been taken by treaty or otherwise by the Senate of the United States. I am not familiar with all the instances referred to in those different precedents. I listened very attentively to the reading of the list, and I say without hesitation that as to most of the cases in the list, if not, indeed, as to all of them, the controversy consisted of the assertion of a claim by the American Government or by an American national against some foreign government. Therefore there was not involved the possibility of an appropriation by Congress and there was no necessity, either under the requirement of the Constitution or otherwise, for the matter to be submitted to the Senate for its approval in advance.

In those cases, of which I was able to understand the nature of the controversy by the references made by the Senator from Arkansas, the award was made in favor of the American Government or an American national upon whose behalf the claim was being presented. Therefore, nothing remained for the Congress to do.

It seems to me that those cases are not at all in point upon the proposition that the retention by the Senate of authority to deal with the submission of questions to the Court transgresses the power of the President or in any other sense is violative of the Constitution of the United States.

In furtherance of that idea let me make this suggestion for the consideration of those who are interested in this immediate proposal. The reservation offered by the Senator from Nebraska does not contemplate that the President shall be sheared of his authority to negotiate with respect to these matters. It merely provides that before a question is submitted to the Court the Senate must act.

Moreover, if the resolution of adherence, which is pending before the Senate, and the reservation of the Senator from

Nebraska, both are agreed to, and the United States adheres to the Court under the Robinson resolution, as amended by the reservation offered by the Senator from Nebraska, still the President will retain all the power which he now has under the Constitution with respect to the negotiation of treaties and the settlement of international controversies, because submission to the Court is in no sense compulsory. The President can still negotiate and still refer matters to arbitration, and still adjust them through the exchange of notes without arbitration if that mode of procedure is desired. He still retains his constitutional power.

The only effect of the proposal now before the Senate is that if a matter is to be submitted to a certain tribunal to which we are to adhere by methods which are in every essential regard the same as a treaty, then, and only then, before final action is had, there must be concurrence by the Senate by a two-thirds vote.

Inasmuch as nothing is taken from the President, there is no sound ground upon which to predicate the idea that the reservation offered by the Senator from Nebraska transgresses any authority of the President of the United States.

In order more adequately to present what I conceive to be the true question before the Senate, I desire to detain the Senate a moment longer to consider what it is that we seek to do by the pending resolution.

Senators know that it is already possible for controversies in which the United States is interested to be submitted to the World Court by agreement. Senators know that the proposal embodied in the pending resolution is not for a complete or unqualified adherence. At no time since the beginning of the consideration of this question has any friend of the World Court occupying a high place in the councils of our country suggested that we should completely and fully adhere to the Court. Every suggestion that I know is a suggestion for partial adherence. That is true of the resolution of 1926. That is true of the proposal recommended by the present Chief Justice when he was Secretary of State. It is true of the resolution brought before the Senate from the Foreign Relations Committee in 1932, at the time the report to which I alluded a little while ago was made by the late Senator Walsh, of Montana, and former Senator Fess. In every case there has been a reservation that we do not agree to the optional provision for compulsory jurisdiction. In every case there has been a reservation against the rendering of advisory opinions without our consent.

Thus, we have sought to write into every resolution of adherence a reservation which stands as a bar to the jurisdiction of the Court against the rendition or consideration of any advisory opinion touching a question or dispute in which the United States has or claims an interest.

That being true, Mr. President, we may well now inquire what it is that is sought to be accomplished by this resolution of adherence. It is not, I say, to bring about a complete identification with the Court. It is merely once again to offer to bring the United States into the Court by a partial adherence, under the terms of the four reservations agreed to by the powers signatory, as expressed in the protocol of accession of 1929, and under the provisions which are expressly stated in the pending resolution of adherence.

It is interesting to note that the distinguished Senator from Arkansas [Mr. ROBINSON], in expressing his opinion upon this subject, made a very clear declaration. I ask the indulgence of the Senate while I read it. In this report, in which the Senator was speaking for the majority of the Committee on Foreign Relations, he said:

> It is not proposed that the United States should agree, by the ratification of these protocols, to confer upon the Court any jurisdiction over disputes to which the United States may be a party. The ratification of the three Court protocols would not bind the United States to make any use of the Court or to go before the Court at the instance of any other state. The proposed ratification involves for the United States the single obligation to contribute to the expenses of the Court.

With the negative propositions contained in this statement I am in agreement. I think it is literally true that this resolution does not propose to confer jurisdiction; that it does not bind the United States to submit questions for determination; that it does not require our Nation to go before the Court at the instance of any other state. With respect to the last proposition, in which it is stated that the proposed ratification involves the United States in the single obligation to contribute to the expenses of the Court, I am also substantially in agreement.

The fact of the matter is that the statute of the Court, which now permits the United States to appear before it as a party litigant, provides that in the event of such appearance the Court may require the contribution by the litigant of a fair amount for the payment of the expenses of the Court. That is to say, if we should elect, without adherence, to submit a question to the Court, we immediately would be charged with a payment and contribution for the expenses of the Court's administration. So it is that by adherence we merely change the form in which the payment might be made.

By adherence we create against ourselves an obligation to contribute to the Court's expenses, whether or not we submit a question. Without adherence we contribute only in the event we submit a question.

If we obligate ourselves to contribute whether or not we are parties litigant before the Court, it puts us in the position of agreeing to the payment of some stated sum. It is a little like paying a lawyer an annual retainer, as distinguished from paying him for each case as the work is performed. There might be no difference in the amount expended under the two systems. They merely provide two different modes of making the payment.

So, Mr. President, the statement made in the committee's report and brought upon the floor by the Senator from Arkansas should not be construed to mean that adherence creates the necessity for payment which might not otherwise exist. It merely creates an obligation on the part of the United States to keep up a continuing contribution to the expenses of the Court; and that, unfortunately, is about all that is involved in this resolution so far as our international relationships are concerned; for, as I said a while ago, we could in any event appear before the Court as litigants. We can in any event refrain from appearing before the Court as litigants. So apparently our sovereignty and the integrity of our national purpose is still in our own hands; and this long discussion, which has detained the Senate now for a considerable time, and which will detain it at least into the next week, involves, by the declaration of the Senator from Arkansas, with which I am substantially in accord, merely the question as to whether we shall assume a continuing obligation to contribute to the expenses of the Court.

Mr. PITTMAN. Mr. President——

The PRESIDING OFFICER (Mr. BURKE in the chair). Does the Senator from Oregon yield to the Senator from Nevada?

Mr. STEIWER. I yield to the Senator.

Mr. PITTMAN. May I suggest that probably there is one other change in the conditions as they now exist. As the conditions now exist, the Court may entertain a request for an advisory opinion over our objection, without our consent, touching a question in which we have or claim an interest. If this resolution shall be adopted and our adherence shall be accepted, that danger at least will be removed; and I may say that that was the greatest danger that I ever conceived was possible under our adherence, because, as the Senator has stated, the Court is open to us now.

The President of the United States may agree to submit a dispute either upon his own initiative or at the request of another government; but no matter how many objections the President might make against the Court rendering an advisory opinion against our objection, they could do it now. It was for that reason that I never could support adherence without reservation no. 5, which I now hold is a part of our adherence.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. STEIWER. I yield.

Mr. JOHNSON. May I suggest to my friend from Oregon and my friend from Nevada that they are both demonstrat-

ing now that there is not anything at all in our action in going into this so-called "World Court." The Senator from Oregon has demonstrated, I think, completely that the statement made by the committee in relation to our obligations if we enter the Court, the only obligation being the payment of expenses, is really a chimerical one; that it does not differ, indeed, from the situation that exists today. The Senator from Nevada now shows that adherence to the Court amounts to nothing at all, anyway.

So we stand here today with these gentlemen saying to us, "If we go into this Court it does not mean a single, solitary thing to the United States of America, and there is no obligation that we assume save that in relation to money that already is assumed by us." Therefore, from their arguments we may conclude that all the things that have been said and all the reasons that have been quoted are of no consequence, for we are doing nothing at all.

Mr. PITTMAN. Mr. President, while I think the Senator from California very correctly expresses the opinion of the Senator from Oregon, I rose for the very purpose of differing from the Senator from Oregon as to his limitations upon the effect of our adherence by calling attention to the fact that at the present time the Court could give an advisory opinion contrary to our policy, affecting what we call our domestic interest, if you please, and we could not prevent it.

Mr. JOHNSON. And now we can.

Mr. PITTMAN. But if this adherence is accepted by the other governments, the Court will not have jurisdiction to render an advisory opinion over our objection touching any question in which we have or claim an interest. Therefore I do not state that our adherence will accomplish nothing.

Mr. JOHNSON. So we go into the Court, then, for what—for what, I ask the Senator? Will the Senator state that to me? If we do not go in upon the theory merely of paying a part of the expenses, and if we do not go in for any other purpose, and we are not going in under any circumstances anyway, what are we doing, and why are we talking here in respect to the matter?

Mr. STEIWER. Mr. President, without attempting to make answer to the question just propounded by the Senator from California, but in order to proceed to a conclusion of what I am trying to suggest, I desire to refer briefly to the suggestion made by the Senator from Nevada [Mr. PITTMAN].

I think my statement was somewhat too inclusive. I agree with the Senator from Nevada that with respect to advisory opinions—not with respect to the statutory jurisdiction of the Court, but with respect to advisory opinions—the Senator from Nevada is entirely correct, and that in the resolution of 1929, in the resolution that came from the committee in 1932, and again in the resolution which is now pending before the Senate, there is a provision which actually, or, at least, potentially, protects America against the submission of an advisory opinion against the wish of our Government. I might note with respect to that, however, that the resolution of 1929 contained language that would prevent the Court from taking jurisdiction of an advisory question in which we had or claimed an interest without the affirmative consent of our Government, whereas the pending resolution offers a bar against jurisdiction of the Court to consider rendering an advisory opinion regarding a matter in which we have or claim an interest if we make objection to such consideration.

There is, I take it, a very vital difference in the two propositions; but I did not rise to discuss that difference, and so far as I am personally concerned, my desire for adherence is such that I am not disposed to quarrel over the substitution of the proposition of protest for the original proposition of consent.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. STEIWER. I yield to the Senator from Maine.

Mr. WHITE. Is not the distinction that in the first instance the consent of the United States is required—in other words, it takes the affirmative act of the United States to confer jurisdiction upon the Court—while in the present case the form of the resolution presupposes a jurisdiction which can be taken from the Court only by what I will call a plea to the jurisdiction by the United States?

Mr. STEIWER. That is true, Mr. President.

Mr. PITTMAN. Mr. President, I will admit that that is true—that under the pending resolution there must be an objection to the jurisdiction of the Court to entertain a request for an advisory opinion. When the first reservation was adopted by the Senate, it was in the form that the Court could not consider such a request for an advisory opinion except with our consent. The so-called "Root-Hurst protocol" provided machinery by which our Government should be notified of all applications for advisory opinions, or all intentions to ask for advisory opinions. Then we were to determine for ourselves whether it was a question affecting our interests. Otherwise, we could not know what the question was that was to be submitted to the Court until after the Court had commenced to act, and there was no provision then by which we could go into Court and divest it of its jurisdiction, as the consent possibly did not touch the jurisdiction of the Court.

Nevertheless, I claim that there is an advantage in the present situation, first because we must be notified of every attempt by the Council of the League of Nations to ask for an advisory opinion, no matter by what government it may be initiated. I think that is an advantage. In the second place, there will be ample time for the United States to study the request for an advisory opinion, and to see whether or not we claim an interest in it; and if we do that, we object.

As the Root protocol was written, there was great doubt as to whether our objection would prevent the Court from taking jurisdiction. I did not believe it prevented the Court from taking jurisdiction; therefore I insisted on reservation 5. But having objected after knowing the questions that are to be brought up, there is no question that our objection eliminates the jurisdiction of the Court to render an opinion.

Mr. WHITE. Mr. President, may I interrupt? And it has to be a challenge of the jurisdiction affirmatively made by the United States in order to divest the Court of the jurisdiction.

Mr. PITTMAN. Undoubtedly; and before that we never knew what the question was, because they never gave us notice of it.

Mr. WHITE. To interrupt once more. Was it not true under the original reservation that the Court had no jurisdiction without our express consent? In other words, in the first instance they got their jurisdiction from the affirmative consent of the United States. And is it not true that in the present situation that is precisely reversed, and the jurisdiction is presumed to exist and can be challenged only by what I will call a plea to the jurisdiction?

Mr. PITTMAN. May I answer that in my own way?

Mr. STEIWER. Yes; I yield to the Senator from Nevada.

Mr. PITTMAN. I think the Senator from Maine and I agree substantially in this, that we might never know of a request of the Court.

Mr. WHITE. Yes.

Mr. PITTMAN. The Court might proceed and render an opinion, and while it might not be legally binding upon us, because no advisory opinion is legally binding, the moral effect upon the world and upon us might injure us greatly. We could then claim that the question being one that did affect our interest, the decision was void, and the decision would be void if it affected our interests. But the unfortunate part is that after the opinion was once rendered the contention that it was void would not aid us any.

Mr. STEIWER. Mr. President, I find myself in the happy position of agreement in substance with the views just expressed by both the Senator from Maine [Mr. WHITE] and the Senator from Nevada [Mr. PITTMAN]. Personally I would prefer the original requirement of consent to the subsequent requirement of objection in the terms of the protocol, but I agree with the Senator from Nevada that there is a distinct advantage to our Government in providing the machinery that is provided under the Root formula, and a very distinct advantage in having an assurance that notice will be made to us in advance, and that we will have oppor-

tunity in a peaceful and friendly way to negotiate with respect to our claims in the premises.

I feel, moreover, Mr. President, that the action of the Committee on Foreign Relations in writing the reservation to which we are now alluding into the pending resolution is important, and that the committee ought to be commended for doing it, because, although we may place our own construction upon the Root formula, the fact is that very distinguished authorities in some part of the country have not taken the view which I believe the Senator from Nevada and which I myself have with respect to it. Some of them have said that the Root formula merely provides an alternative right; first, the right to withhold consent, and then the right to withdraw from the Court, and that it destroys our veto power; that is to say, it destroys our opportunity to offer an absolute bar to the jurisdiction of the Court.

Inasmuch as that question is controverted, and inasmuch as it introduces ambiguity into the consideration of this matter, I think it is wholly wise that the resolution of adherence should contain language of understanding as is reported to us from the Committee on Foreign Relations, that there may be no question but what if we insist upon our objection we raise a bar to the jurisdiction of the Court in any matter in which we have or claim an interest.

However, Mr. President, conceding the safeguarding element of this statement of understanding, conceding that it protects our Government against the improvident submission of a question for an advisory opinion, I insist that the fact remains that so far as this resolution of adherence is concerned, that the statement made by the committee in its report is substantially correct, and speaking now with respect to the general jurisdiction of the Court, this resolution of adherence does not accomplish a thing in the world except to create the obligation upon the United States to contribute to the expense of the Court.

But does it do something else? Mr. President, I took the floor today because of my deep belief that it does do another thing, more important perhaps than its effect upon the international relationships of our country. It seems to me that when this resolution of adherence drops out of consideration the safeguarding reservations and understandings of the earlier resolutions of adherence, it accomplishes a great deal by way of transferring authority from the Senate of the United States to the State Department. One of the resolutions of understanding which has been written upon all resolutions of adherence heretofore, is as follows:

> *Resolved further*, as a part of this act of ratification, That the United States approves the protocols and statute hereinabove mentioned, with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can be had only by agreement thereto through general or special treaties concluded between the parties in dispute.

Mr. President, the obvious effect of this important understanding is that we reserve to ourselves the purpose never to go to that Court except that we go by special or general treaty. It means, Mr. President, that if we are to abandon our former methods of arbitration, if we are to yield up settlement of international differences by negotiation, if we are to leave behind us 150 years of the traditions of our Government in order to have recourse to a Permanent Court of International Justice, we shall do it in one way, and in one way only, and that way shall be one that will leave to the Executive his constitutional right of negotiation, but reserve to the Senate the duty and the authority to advise and to consent to the proposition which is being undertaken. It ought not to be necessary in an American parliamentary body to urge the advantages of that kind of a system. Obviously it would mean that the American people would understand something about their national affairs. Obviously the questions would be debated here. Obviously the press would carry to the country the story of the effort being made to submit a question before this important international tribunal.

And I say, Mr. President, that there is nothing in the fact of partial adherence that is half as important to the people of America as the preservation of our form of government. There is nothing that we can gain merely by fixing upon ourselves an obligation to contribute to the expense of the Court, that means as much to the generations to come as the insistence by the Senate upon the retention of its constitutional powers and functions, and by our adherence to the well-established system of bringing our international controversies out into the open that we may have open covenants openly arrived at; that we may get away from the secret diplomacy as practiced in some parts of the Old World.

To me this question is so serious that I find it difficult to give my vote for adherence to the World Court unless the principle of the pending amendment or the provision of the earlier resolutions can be written into this resolution, so that we may know that we are adhering to the Court in the right way and not in the wrong way.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Oregon yield to the Senator from Idaho?

Mr. STEIWER. I yield.

Mr. BORAH. I agree with the Senator as to the importance of this resolution when we are thinking about the Court as a court, but how would this resolution work and how would it be effective when we are dealing with the advisory jurisdiction of the Court, which is not under the control of other nations at all but wholly under the control of the League of Nations? How would you have a treaty or an agreement in regard to this matter? We have an advisory jurisdiction. The League calls upon the Court for advice and opinion. Great Britain does not call upon the Court for an opinion. France does not call upon the Court for an opinion. The League calls upon the Court for an opinion. However, how would this resolution, which the Senator is advocating with great force, and properly, protect us with reference to the advisory jurisdiction?

Mr. STEIWER. It would not, Mr. President. It would protect us only as to the other jurisdiction of the Court. As to the advisory jurisdiction of the Court we are obliged to rely upon the understanding expressed in the resolution that there shall be no request entertained for an advisory opinion over our objection. So that we have two questions of jurisdiction, and we have two kinds of protection; one to protect us in one case and one in the other.

Mr. President, I want to conclude what I am saying. I want to conclude by stating again without being dogmatic, and merely expressing my own humble opinion, that I feel that it is better, all things considered, for the United States to take whatever unavoidable risk may be involved in this situation in order to make our Nation a party to the establishment of a permanent court of justice in the world. I feel that we owe it to ourselves.

I make no plea that we should adhere because of our duty to other nations, but I think we owe it to ourselves as a civilized nation to help organize the world for peace and not to insist that the world be organized only for war. Strongly as I feel, it seems to me that it is of the utmost importance that those of us who are the friends of adherence should insist that we adhere in a right way and not in a wrong way; that we should not defeat and destroy the very best traditions of our country; that we should not add to the concentration of power in the Executive; that we should not leave entirely to the second or the third or the fourth assistant Secretary of State the determination of our foreign policy. It is too easily conceived that the day will come when the President of the United States may not find it possible to pass judgment upon the questions which are to be presented by the notices of requests for advisory opinions. The day may come in the lives of all of us when matters of that sort will be turned over entirely to the State Department and not even the Secretary of State will be sufficiently interested to perform his functions with respect to them.

We do not know, Mr. President, to whom we are giving this power to make or withhold objection; we do not know to whom we are leaving the determination of great questions which may involve our country even to the extent of

war; we do not know when we yield up this power into whose hands the power is to fall. But we do know if the pending amendment fails the Senate loses its power to protect American interests against ill-advised Executive action.

I protest against adherence in an improvident way, and appeal to Senators, and more particularly to those who are in favor of adherence, to use the great influence that is theirs to insure that our adherence is consummated in a way that will safeguard and protect American interests, that we shall not destroy our domestic structure in our effort to do something for ourselves abroad.

Mr. JOHNSON. Mr. President, there are one or two things that have just been said in the argument which has preceded to which I wish to call attention. Both of the very eloquent Senators who have addressed the Senate said, in substance, that all that was being done by our adherence to the so-called "World Court" was in the one instance, the payment in another form of the expenses that we would have to pay in any event if we had cases before the Court; and, in the other instance, as I understood the Senator from Nevada, if we went into the Court we would be far better protected than if we should stay out, because of the reservation respecting the advisory opinions. I hope that I state accurately, in substance, what was said by my two friends.

O Mr. President, is all the propaganda with which we are familiar in this country today, based upon asking us to perform an act to which there is no substance and from which no good would flow? Are all the orators and the writers of all the books that have been published by the many gentlemen who are upon the pay roll at so much per month as propagandists outside engaged in asking, begging, bludgeoning the United States Senate into doing an utterly futile act from which no good would flow to this Government and from which humanity would derive no benefit at all? If so, there is no justification for any action on our part, but I think my senatorial friends either misapprehend or unduly minimize the importance of what we are doing.

Sir, do you know what it was that started the great World War? What was it that put into that war the great British Empire that fought the great fight for years upon European soil? It was, sir, as Earl Grey said at the time they went in, the moral obligation under which Britain felt herself by reason of what had transpired between France and Britain; and to me, as I recall, too, the words of President Wilson long ago in the debate on the League of Nations, a moral obligation, sir, is as strong and as powerful as any legal obligation, and when we go into this particular organization we go under the moral obligation to do our part.

Sir, let me recur for just an instant to a remark that was made this morning when the Senator from Arkansas asked if a question came before the Senate as to the submission of a controversy to the Court what would the Senator from California do? Would he not then endeavor to delay submission so as to render the Court nugatory. Not so, sir, with the Senator from California. If this country enters into an engagement with other countries and undertakes to do its part, I will do mine as a Senator of the United States, and any questions that might come before us in relation to matters that may be submitted to the Court would be decided upon the merits of the particular question alone. I have an opinion of the Senate of such character that I believe if questions came to us to be determined and we had undertaken the moral obligation that rested upon us as a member of the Court, every man here would stand up and do his full duty, render his decision upon the particular question presented and not upon any original or initial opposition to the World Court itself.

It is like the argument in behalf of the Court presented to us by some of our friends here to the effect that we need not go in if we do not wish and we may stay out if we desire, "a convenient instrumentality to which we may go but to which we cannot be brought."

I cannot tolerate, sir, any such argument with regard to any activity on the part of my country. If we join the World Court, we will do our duty; if we go into it we will go in with our heads high, and with the moral obligation upon us to do our part; and no man would do it more readily than would the individual who detests this Court and is now speaking to the Senate.

Mr. PITTMAN. Mr. President, will the Senator yield for a question?

Mr. JOHNSON. I yield.

Mr. PITTMAN. Is there any question touching the interests of the United States that the Senator today would vote to submit to the World Court?

Mr. JOHNSON. I do not know. I know there are some questions I would not vote to submit to the Court, but I cannot tell the Senator that there is any question that should be submitted. I am not clear; but certainly today, before we enter the Court, I would not vote to submit any question to the Court, of course.

Now let me say to the Senator that there is something in which he is interested as well as am I, something that our friends from Oregon and our friends from Washington are interested in. They are interested in questions of immigration and questions of land tenure out in their sections. Ah, the time may come, if we go into this Court—I do not say that ultimately it will come—when we will be asked to submit not alone the question of oriental immigration that affects us so vitally in the West, but we will be asked to submit as well the question of our agricultural-land protection there concerning which there has been so much dispute and controversy. No less an advocate of the Court than the late Senator Walsh of Montana himself long ago in the discussion conceded that very fact concerning immigration. The Chinese Exclusion Act had been in force for some time—I utilize that rather than the other illustration because there is no particular controversy about it at the moment—and the late Senator Walsh in discussing the subject said in the Senate—and Senators can find it in the CONGRESSIONAL RECORD of December 21, 1925—that—

> If a Chinaman should contend that he was excluded from the United States, but that he was entitled to enter by provision of that treaty, it would be a matter of international concern and not a question of domestic concern.

Any question of international concern of the character indicated the World Court would take cognizance of and have jurisdiction concerning. I would not submit what the State of California has done in relation to the Chinese question or the oriental question to any Court that sits across the sea. As my friend from Nevada will remember, within the past few years on several occasions Japanese representatives have presented to the League of Nations and the Council of the League the very questions concerning which I am now speaking, and in presenting those questions they met with a sympathetic audience.

I cannot subscribe to the idea that has been presented here that we are in exactly the position outside the Court that we would be in if we were within the Court. That I cannot for an instant concede. It violates every conception of logic which I have when it is asserted that we are in exactly the like situation so far as liability might be concerned or so far as possible injury might happen when we stay out of the Court as when we go into the Court. That is, in my opinion, something that ought to be perfectly plain to any mentality. In the Court, with the moral obligation resting upon us, we are in a totally different situation from that in which we are when we are out of the Court, and action may be taken in the one case or the other. There is an entirely dissimilar proposition presented.

So, Mr. President, I am not patient with the arguments that are made here minimizing what we are doing today. Some of our friends who sit on the other side of the aisle know full well what is in their minds. I honor them for their candor, their frankness. They are going to take us into the League of Nations, as is their right, and they avow that purpose definitely, openly, and aboveboard. That is what this proposal is intended to accomplish—to take us into the League of Nations—and that is what I do not want to happen under any circumstances.

That the Senate, if questions are presented to it under this resolution, will determine in accordance with a preconceived idea about the World Court, I again say I cannot for an instant concede. I have the idea of the Senate—it may be simply the idea of one who has grown old in service here—that has been expressed in the past. I believe in the Senate. I know that it has done its duty in days gone by. I have seen it under fire and I have seen it come forth unscathed. I believe there are men in the Senate of the United States, who, no matter what power may be exerted, no matter what influence may be brought to bear, no matter what may be the ephemeral gusts of popular favor, will risk all for the welfare of their country. I repeat the words of Daniel Webster, uttered years and years ago concerning this body:

> This is a Senate—

Said he—

> a Senate of equals, of men of individual honor and personal character, and of absolute independence.

Sometimes we forget that, perhaps, and sometimes, by specious argument, we endeavor to alibi ourselves concerning our independence; but, after all, in the last analysis, when our country's interests are at stake, we have, I insist, the independence that Americans should have in acting for the preservation, the happiness, the prosperity, and the welfare of our people. Webster continued:

> We know no masters; we acknowledge no dictators.

I speak for no man on this floor but myself; I acknowledge no human master in all this world, and no individual can dictate my course, political or otherwise, in the Senate. I believe there are many others here who have exactly the like feeling; and those who have that like feeling, if they believe as I do, that this sort of thing that we are asked now to undertake bodes ill for the welfare of the American people, will join with me in the contest that is to be made on Monday. Rather than take the risk of harm to the Republic that all of us love, rather than to peril for a single instant the country that is ours, let us unite with the rest of those who have made this fight during the past few days in keeping this Nation free and untrammeled and independent in its judgments in the days to come.

The reservation submitted by the Senator from Nebraska simply preserves the prestige and the honor and the traditions of the American Senate. Why should we legislate the Senate out of the right to pass upon what is substantially a treaty and say we will delegate it to some other power or to some individual? If I were delegating power today I would rather delegate it to the gentleman who sits in the White House than almost any other man I know. But I am here free and independent. I am here, in the language of the great Senator from Massachusetts, recognizing no master, no dictator of any kind or any character. I am here a United States Senator believing that the obligation resting upon me is equal to the obligation that rests upon any human being in official position in all this world. So I would preserve, by the reservation of the Senator from Nebraska, what is the undoubted right of the Senate of the United States.

Mr. PITTMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Byrnes | Frazier | McCarran |
| Ashurst | Capper | Gerry | McGill |
| Austin | Caraway | Glass | McNary |
| Bachman | Carey | Gore | Maloney |
| Bailey | Clark | Guffey | Metcalf |
| Bankhead | Connally | Hale | Minton |
| Barkley | Coolidge | Harrison | Moore |
| Bilbo | Costigan | Hastings | Murphy |
| Black | Couzens | Hayden | Murray |
| Bone | Cutting | Johnson | Neely |
| Borah | Davis | Keyes | Norbeck |
| Brown | Dickinson | King | Norris |
| Bulkley | Dieterich | La Follette | Nye |
| Bulow | Donahey | Lewis | O'Mahoney |
| Burke | Duffy | Logan | Pittman |
| Byrd | Fletcher | Lonergan | Pope |
| Radcliffe | Sheppard | Townsend | Walsh |
| Reynolds | Shipstead | Trammell | Wheeler |
| Robinson | Smith | Truman | White |
| Russell | Steiwer | Vandenberg | |
| Schall | Thomas, Okla. | Van Nuys | |
| Schwellenbach | Thomas, Utah | Wagner | |

Mr. LEWIS. I again make the announcement of absences of Senators as on a previous roll call, and add that the Senator from New York [Mr. COPELAND] is detained on official business.

The PRESIDING OFFICER. Eighty-five Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment submitted by the Senator from Nebraska, to the resolution of adherence.

Mr. MCNARY and Mr. ROBINSON called for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). On this question I have a pair with the senior Senator from New York [Mr. COPELAND], who is necessarily detained from the Senate. If he were present, my understanding is he would vote "nay." If I were permitted to vote, I should vote "yea."

Mr. LEWIS. I wish to announce that the Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], and the Senator-elect from Tennessee [Mr. MCKELLAR] are necessarily detained from the Senate in performance of their duties as members of the special committee to investigate conditions in the Philippine Islands.

I also announce that the Senator from New Mexico [Mr. HATCH] is necessarily absent. If present, he would vote "nay."

I desire to announce that the senior Senator from Louisiana [Mr. LONG] is necessarily detained from the Senate. I am advised that if present he would vote "aye."

I regret to announce that the junior Senator from Louisiana [Mr. OVERTON] and the Senator from Georgia [Mr. GEORGE] are detained from the Senate on account of illness.

Mr. AUSTIN. My colleague Mr. GIBSON is absent on the business of the Senate in the Philippines. He has a general pair with the Senator from California [Mr. MCADOO]. I am not informed how either Senator would vote on this question.

The result was announced—yeas 37, nays 47, as follows:

YEAS—37

| | | | |
|---|---|---|---|
| Austin | Donahey | Murphy | Thomas, Okla. |
| Bone | Frazier | Murray | Townsend |
| Borah | Gore | Norbeck | Trammell |
| Capper | Hale | Norris | Vandenberg |
| Caraway | Johnson | Nye | Walsh |
| Carey | La Follette | Reynolds | Wheeler |
| Couzens | McCarran | Russell | White |
| Cutting | McGill | Schall | |
| Davis | McNary | Shipstead | |
| Dickinson | Metcalf | Steiwer | |

NAYS—47

| | | | |
|---|---|---|---|
| Adams | Byrd | Harrison | Pittman |
| Ashurst | Byrnes | Hayden | Pope |
| Bachman | Clark | Keyes | Radcliffe |
| Bailey | Connally | King | Robinson |
| Bankhead | Coolidge | Lewis | Schwellenbach |
| Barkley | Costigan | Logan | Sheppard |
| Bilbo | Dieterich | Lonergan | Smith |
| Black | Duffy | Maloney | Thomas, Utah |
| Brown | Fletcher | Minton | Truman |
| Bulkley | Gerry | Moore | Van Nuys |
| Bulow | Glass | Neely | Wagner |
| Burke | Guffey | O'Mahoney | |

NOT VOTING—10

| | | | |
|---|---|---|---|
| Barbour | Gibson | Long | Overton |
| Copeland | Hastings | McAdoo | Tydings |
| George | Hatch | | |

So the amendment of Mr. NORRIS was rejected.

The PRESIDING OFFICER. The resolution of adherence is open to further amendment.

Mr. ROBINSON. Mr. President, under the agreement that has been entered into, I am about to ask that the Senate resume the consideration of legislative business; but first I shall ask for the consideration of nominations on the calendar.

The PRESIDING OFFICER. The clerk will state the first nomination on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Charles B. Faris, of Missouri, to be United States circuit judge for the eighth circuit.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

CUSTOMS SERVICE

The legislative clerk read the nomination of Austin J. Mahoney to be collector of customs for customs collection district no. 8, Rochester, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The reading clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

That completes the calendar.

PROMOTIONS IN THE ARMY

Mr. SHEPPARD. Mr. President, from the Committee on Military Affairs I report back favorably over 1,400 routine promotions in the Army. To print them in the usual way would require about 45 pages of the Executive Calendar and an expense of something like $100. I ask that they be confirmed by unanimous consent, without printing, with four exceptions which we have referred to a subcommittee, as a matter of custom, on account of their importance. The report of the committee is unanimous.

The PRESIDING OFFICER. Is there objection?

Mr. McNARY. Mr. President, the Senator from Texas spoke to me about the matter, and I have made some investigation in the interest of economy. I find that there are a number of precedents for the action that is proposed, because these are merely routine promotions in the Army; and under those circumstances I have no objection.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. SHEPPARD. I thank the Senate.

LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate return to legislative session.

The Senate resumed legislative session.

RECONSTRUCTION FINANCE CORPORATION

Mr. FLETCHER. Mr. President, the life of the Reconstruction Finance Corporation expires on the 31st day of January. In view of the fact that there are only about 6 days remaining, it is very important to pass at this time Senate bill 1175, extending for 2 years the life of the Corporation.

I ask unanimous consent that the Senate proceed to the consideration of Senate bill 1175.

The PRESIDING OFFICER (Mr. MOORE in the chair). Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years; to authorize loans or renewals or extensions to mature not later than January 31, 1945; to empower the Corporation to buy railroad obligations, with the approval of the Interstate Commerce Commission, in aid of railroad reorganization and in certain other circumstances; to empower the Corporation (a) to aid the mortgage situation generally by the purchase of nonassessable stock in mortgage-loan companies and similar financial institutions, and to authorize the sale of stock, capital notes, or debentures purchased by the Corporation; and (b) to purchase any portion of the assets of closed banks under certain conditions; to increase the authorized investments in preferred stock and capital notes of insurance companies, or loans thereon, from $50,000,000 to $75,000,000; to continue the Commodity Credit Corporation and the Export-Import Banks of Washington, D. C., as agencies of the United States; and for other purposes, which had been reported from the Committee on Banking and Currency with amendments.

Mr. KING. Mr. President, so many of us have not had an opportunity to read the bill that I suggest that it be read in extenso from the desk.

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk proceeded to read the bill.

Mr. LEWIS. Mr. President, I am compelled to ask for order. It is very necessary that the purport of this bill be understood by the Senate.

The PRESIDING OFFICER. The occupants of the galleries will please preserve order. The bill will be read.

The Chief Clerk resumed the reading of the bill, and read as follows:

*Be it enacted, etc.*, That until February 1, 1937, or such earlier date as the President may fix by proclamation, the Reconstruction Finance Corporation is hereby authorized to continue to perform all functions which it is authorized to perform under law, and the liquidation and winding up of its affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that the functions of the Corporation are continued pursuant to this act.

SEC. 2. (a) Except as provided in section 9 of an act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934, no funds shall be disbursed on any commitment or agreement hereafter made by the Reconstruction Finance Corporation to make a loan or advance, subscribe for stock, or purchase capital notes or debentures, after the expiration of 1 year from the date of such commitment or agreement; but within the period of such 1-year limitation no provision of law terminating any of the functions of the Reconstruction Finance Corporation shall be construed to prohibit disbursement of funds on commitments or agreements to make loans or advances, subscribe for preferred stock, or purchase capital notes or debentures.

(b) Notwithstanding any other provision of law, disbursement may be made at any time prior to January 31, 1936, on any commitment or agreement heretofore made by the Corporation to make a loan or advance, subscribe for preferred stock, or purchase capital notes or debentures.

SEC. 3. Notwithstanding any other provision of law limiting the maturity of obligations taken by it to shorter periods, the Reconstruction Finance Corporation may make loans or advances or renewals or extensions thereof to authorized borrowers or by other suitable agreement permit them to run so as to mature at such time or times as the Corporation may determine, not later than January 31, 1945: *Provided*, That in respect of loans or renewals or extensions of loans or purchases of obligations under section 5 of the Reconstruction Finance Corporation Act, as heretofore and herein amended (U. S. C., Supp. VII, title 15, ch. 14), to or of railroads, the Corporation may require as a condition of making any such loan or renewal or extension for a period longer than 5 years, or purchasing any such obligation maturing later than 5 years from the date of purchase by the Corporation, that such arrangements be made for the reduction or amortization of the indebtedness of the railroad, either in whole or in part, as may be approved by the Corporation after the prior approval of the Interstate Commerce Commission.

Mr. COUZENS. Mr. President, will the Senator from Utah, who asked to have the bill read, permit me to interject a question here?

Mr. KING. Certainly; I shall be very glad to have the Senator do so.

Mr. COUZENS. I should like to ask the chairman of the committee, the Senator from Florida [Mr. FLETCHER], if he understands that under this provision the Reconstruction Finance Corporation may go into the market and buy the securities of any railroad?

I ask that question particularly because it has been reported in the press that it is the contention of the Reconstruction Finance Corporation that they should be permitted to go into the open market and buy depreciated railroad securities. I confess that I was at the committee meeting and I did not ask the chairman of the committee if that was the proper interpretation of the bill. I should like to have the chairman of the committee advise me whether or not he contemplates such authority being granted to the Reconstruction Finance Corporation.

Mr. FLETCHER. Mr. President, I do not understand that it was intended to authorize the Reconstruction Finance Corporation to go into the open market and buy railroad securities. It is my understanding that only in case of emergent reorganization, or something of that sort, would they be authorized to buy such securities for the purpose of effecting transactions in the interest of the reorganization. I do not

understand that the bill simply authorizes the Corporation to go into the open market and deal or speculate in railroad stocks or bonds.

Mr. COUZENS. I think that is the interpretation which the committee put on the bill; but I observe that the language on page 3, in the section just read, is rather broad, because it authorizes the Reconstruction Finance Corporation to purchase such obligations "maturing later than 5 years from the date of purchase by the Corporation." It does not place any limitation on how they will purchase such obligations, unless the last sentence of the paragraph may be construed as a limitation. That is to the effect that they must first have the approval of the Interstate Commerce Commission, which in itself, I assume, is the obligation implied.

Mr. FLETCHER. Yes; I think that is correct.

Mr. KING. Mr. President, I am not quite satisfied with the information which has been imparted to the Senate. That is perhaps my own fault.

I should like to inquire whether it is the intention of this bill to provide a cushion for all the railroads of the United States, to furnish unlimited credit to the railroads of the United States, to buy their stocks and bonds, to aid in consolidations; and if consolidations occur which call for large credits, to supply the same.

There have been some criticisms of certain loans made to certain railroads. I do not pretend to say that the loans were improvidently made or that the criticisms were warranted; before voting for this bill I desire to know the commitments which are being made, not only to industry generally, but particularly to railroads.

I look with a good deal of apprehension upon a movement of no small proportions which contemplates the Government of the United States taking over and owning the railroads. It is possible that if the Government loans to the railroads hundreds of millions of dollars, the day may come when it may be compelled to take over some of our railroad systems.

Quite recently the Reconstruction Finance Corporation stepped in, doubtless very properly, and, if it did not take over a branch of one of the railroads, it at least has assumed an important part in the management of the railroad.

I shall be glad to be advised as to the limitations that this bill imposes upon the Reconstruction Finance Corporation in the matter of loans to corporations, and particularly to railroads.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. BARKLEY. In the first place, in reply to the Senator's question, no additional funds are provided in this bill for the Reconstruction Finance Corporation. They are authorized, under this section, as follows:

Within the foregoing limitations of this section—

That is, the limitations which have heretofore been provided in the law—

the Corporation, notwithstanding any limitation of law as to maturity, with the approval of the Interstate Commerce Commission, including approval of the price to be paid, may, to aid in the financing, reorganization, consolidation, maintenance, or construction thereof, purchase for itself, or for account of a railroad obligated thereon, the obligations of railroads engaged in interstate commerce, including equipment trust certificates, or guarantee the payment of the principal of, and/or interest on, such obligations.

There are one or two situations in which the Reconstruction Finance Corporation has already carried on negotiations with respect to the possible purchase of a portion of a railroad, for instance, a portion between St. Louis and St. Paul-Minneapolis, Minn. I understand that a tentative agreement has already been reached by which one road will purchase a certain part of that mileage, another one a certain part, and another one another certain part. The road is probably one which should never have been built, but which is serving some practical purpose and ought not to be entirely abandoned. Under this section the Reconstruction Finance Corporation, instead of lending money to the railroad in order to enable it to purchase a part of this particular line, may guarantee any obligations that are outstanding with respect to its financial structure or set-up, and the amount to which such obligations are guaranteed must be deducted from the total sum available under the R. F. C., which would reduce its working capital to that extent. In other words, this section will permit the R. F. C. to guarantee certain obligations without going into the Treasury and using the credit of the Government to sell bonds in order to get money to turn over to the R. F. C. for the purpose of making loans to railroads.

It is not contemplated at all to go out into the general field to purchase railroad securities or to engage in any respect on a wholesale basis in the consolidation or reorganization of railroads; but the provision is placed there in general language to enable the Corporation to deal with two or three situations in a way which they think—and I think the committee was convinced—would be desirable and advisable. It does not amount to any increase at all in the obligations of the Corporation, but it enables it, without bothering the Treasury, to do what would be similar to making a loan by guaranteeing some outstanding obligation.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Michigan?

Mr. BARKLEY. I yield.

Mr. COUZENS. I should like to ask the Senator if he construes this bill to place any limitation upon the amount that the Reconstruction Finance Corporation may guarantee?

Mr. BARKLEY. Yes; there are two limitations: First, that whatever they do in that respect must be approved by the Interstate Commerce Commission; and, in the next place, their general limitation is the amount of money which is available to them to make loans.

Mr. COUZENS. Does that apply on the guaranty as well as with respect to the matter of loans?

Mr. BARKLEY. Yes; it applies on the guaranty, because the extent to which they guarantee any obligation is to be construed as a loan in determining the amount available to the R. F. C. for future loans.

Mr. COUZENS. The Senator wants that distinctly understood—that the guaranty remains within the limit of the total appropriation made for R. F. C. purposes?

Mr. BARKLEY. Yes; absolutely. It was put there to save two transactions, one by the Treasury and the other by the R. F. C. It was specifically provided that the guaranty should be regarded as a loan, so that the amount of the guaranty would be deducted from the total amount of the funds available.

Mr. COUZENS. May I ask the Senator another question, so long as he is discussing the bill?

I observe, on the next page, which we will come to later, a limitation of appropriations for the purpose of rehabilitating the mortgage market to $100,000,000. It occurs to me that, on page 5, at the end of line 21, we should put in a proviso that not more than $100,000,000 could be used for this purpose.

Mr. BARKLEY. That is language which is not necessary in the present measure, because it is a repetition of what is on the preceding page.

Mr. COUZENS. No; that is not what I am referring to. I ask the Senator from Kentucky whether or not there should be some limitation in the act on the amount of money that the R. F. C. may expend for financing railroads and for the purpose of guaranteeing railroad loans?

Mr. BARKLEY. That question was not raised in the committee——

Mr. COUZENS. Yes; I recall that.

Mr. BARKLEY. And I presume there might be the same reason for that as there might be for the elimination of the $100,000,000 that we placed in the bill as to mortgages.

The Senator will realize that there are only two or three cases that the R. F. C. have in mind to which this provision will apply, or to which they intend it to apply. I do not know what sort of limitation would be proper. If we put the same limitation here that we do in the mortgage section, it might be regarded as a minimum. Sometimes a maximum is regarded as a minimum, and it might be regarded as an intimation on the part of Congress that they could go that far. In view of the fact that it is only expected

that this provision will cover a small territory, and with respect to two or three railroads, I believe it would be better not to put in a limitation, because there might be others who would take advantage of the limitation and come in and say, "Well, you have $100,000,000, or $50,000,000, and, therefore, you ought to make this loan", or "you ought to make this guaranty."

Mr. COUZENS. With all due deference to the Senator from Kentucky, I think the same thing would apply to the limitation placed on mortgage loans.

Mr. BARKLEY. The Senator will realize that that is a new departure so far as the R. F. C.'s loaning ability is concerned. It was thought desirable to put in a limitation. This is really not a new field. It is a new departure. The R. F. C. has already made many loans to railroads. The main object of this section is to permit the R. F. C. to engage in refinancing without actually going into the market for the sale of Government securities in order to obtain cash in order to make loans to the railroads; and there is a little broader power there with respect to making loans or guaranties for reorganizations or consolidations.

Mr. COUZENS. May I ask the chairman of the committee if he would have any objection to putting in a proviso limiting the amount to $100,000,000 and letting the bill go to conference in that form and consulting with the R. F. C. officials as to the wisdom of the limitation?

I am not convinced of it myself, and I admit that there was no discussion in the Committee on Banking and Currency about providing such a limitation, but since then I have gotten the impression that there ought to be some limitation on the R. F. C. using its money to finance railroads.

While I am on my feet, if the Senator will permit me, I should like to say that it is not enough to say that there are no further appropriations made for these activities, because, in effect, all the repayments—and there have been over $2,000,000,000 in repayments made to date—are available for this purpose. So the amount available may be very much in excess of the unexpended balances of the R. F. C. to date.

Mr. BARKLEY. In order to have the picture properly before the Senate, it ought to be stated that out of the available funds at the disposal of the R. F. C. the President has already withdrawn $500,000,000 for relief purposes, and he expects to withdraw $500,000,000 more, which will make a total of a billion dollars withdrawn from the available funds of the Reconstruction Finance Corporation, leaving them only about $370,000,000, plus the repayments, which, of course, we cannot figure on to a nicety. So their total lending ability is very considerably diminished by the withdrawals for other purposes.

Mr. COUZENS. What the Senator says about the withdrawals for relief purposes is correct; but no one can contemplate how much of the loans that are still outstanding will be paid, and they run into billions of dollars. I do not want to be arbitrary about the matter, and I therefore ask about inserting a proviso limiting the loans and allowing the measure to go to conference to determine whether or not the limitation is a correct one. I ask that because, frankly, the matter was not discussed in the Committee on Banking and Currency.

Mr. BARKLEY. In that connection, permit me to make a statement. Suppose we provide a maximum of $100,000,000. I think it within the bounds of reason to say that under the present provision the loans which the R. F. C. now has the intention to make, or the guaranties it would now make, in all likelihood would not exceed $10,000,000. If we raise the limit to 10 times as much as the R. F. C. probably expects to loan, we open the field for all sorts of requests and pressure to make loans up to the limit of the amount fixed in the bill. There is the danger, it seems to me, and it opens the door to pressure to be brought on the R. F. C.—not that the members would succumb to it, but they ought not to be embarrassed by it.

Mr. COUZENS. I think the Senator is very optimistic about the amount being $10,000,000, because there have been mentioned the Colorado & Southern and the New York Central and several other railroads which in all probability will come in during the calendar year 1935 and run the requests that even now are in prospect much in excess of $100,000,000.

Mr. BARKLEY. Of course, the R. F. C. already has authority to make loans like that to the railroads—the New York Central and these others—and it does not get any additional authority under this section.

Mr. COUZENS. Yes; it has additional authority with respect to railroad-equipment trusts, and so on. I think there should be no objection to placing a limitation on the amount and letting the matter go to conference.

Mr. FLETCHER. Mr. President, we are rather premature. We are crossing this bridge before we get to it. We are now in the midst of reading the bill. I think we ought to finish that.

Mr. COUZENS. I accept the admonition from the chairman of the committee.

Mr. FLETCHER. Then we will take up the propositions as we get to them.

Mr. KING. Mr. President, in view of a statement made by my friend from Kentucky [Mr. BARKLEY], I rise for the purpose of obtaining information. I understood him to say that from payments made to the R. F. C. the President of the United States has withdrawn $500,000,000 for relief purposes and will withdraw $500,000,000 more, making $1,000,000,000 of Government funds—which it was supposed would be returned to the Treasury by the R. F. C.—which will be applied by the President of the United States to relief for unemployment. I inquire as to the authority for this withdrawal, and also whether this sum will be in addition to the $4,880,000,000 carried in the bill which, as I understand, was under consideration by the House of Representatives yesterday?

Mr. BARKLEY. I have not seen the $4,000,000,000 bill as it passed the House, but it is my understanding that it is an additional sum; that the billion dollars—half a billion already withdrawn and the half a billion contemplated to be withdrawn from the funds of the R. F. C.—are not included in the $4,000,000,000 bill that has been passed by the House.

Mr. ADAMS. Mr. President, I think I can answer the first inquiry as to the authority under which the President makes his withdrawals. It is under the provisions of the last deficiency appropriation bill, which included the $525,000,000 drought relief and the additional funds which the President was given authority to impound for relief purposes.

Mr. KING. May I ask the Senator from Colorado whether he understands that we are now to appropriate $4,880,000,000 under the proposed general-relief and public-works program, and also validate or approve the appropriation of $1,000,000,000 taken from this revolving fund in the hands of the R. F. C.?

Mr. ADAMS. There is no occasion for validating the taking of the money, because the authority was given for that. So far as what we propose to do is concerned, the matter is now pending before a committee of this body.

Mr. KING. Mr. President, I confess that when a measure of such importance as this is brought before us so hastily and efforts are made to rush it through the Senate within a few minutes, I am somewhat concerned as to its provisions and desirous of some explanations. Few members of the Senate are familiar with its terms and have had no opportunity to study its provisions.

I had supposed that we were to be called upon to pass a bill which merely continued the life of the R. F. C. for 2 years more. I am sure that those who have had any contact with the R. F. C., and who know those who have directed its operations, have experienced a feeling of security and have rested in the belief that the interests of the Government were being protected. We all know Mr. Jesse Jones and the great work which he has done in connection with the R. F. C. We have absolute confidence in him and have a high regard for his associates on the Board. However, I am interested in knowing how much we are appropriating, what obligations the Government assumes, what the guaranties are, what authority is conferred upon the Board, and how much may be

invested under the authority given to the purchase of securities for railroads or trust companies or any private or corporate business.

Mr. BARKLEY. Will the Senator from Utah yield to me?

Mr. KING. I yield.

Mr. BARKLEY. As I said a while ago, there is not an additional dollar made available to the Reconstruction Finance Corporation. It must operate after the passage of this act on the revolving fund it already has available, less the billion dollars which has been and will be withdrawn for relief purposes. So this bill does not in any way increase the amount of credit that can be extended in the aggregate by the R. F. C. to all those who may borrow money from it. We are not increasing, in the aggregate, the available capacity of the R. F. C. to make commitments to the railroads or any other enterprises in this country. Out of the funds available they must make all these loans. Every time they might guarantee, say, a million dollars on any obligation of a railroad that needed to be refinanced or any obligation which might be turned over or assumed by one railroad that might take a part of some other railroad which was being split up among a member, that amount would be deducted from the total available funds of the R. F. C. as if they had made a loan; and it all must be done with the approval of the Interstate Commerce Commission.

Mr. FLETCHER. Mr. President, may I say to the Senator from Utah that this bill was introduced last Friday and was printed on that day? It went to the Banking and Currency Committee. That committee had its regular meeting on Tuesday, and took it up in regular order. We had hearings on it Tuesday and Wednesday; Wednesday afternoon I reported it to the Senate, and the written report has been here ever since. Every opportunity has been given to Senators to read the bill and understand its provisions. It is not complicated at all; in fact, it is a very simple bill. The main thing is to extend the functions of the R. F. C. for 2 years.

It is said that the word "guarantee", as inserted in this measure, is new legislation, but, as the Senator from Kentucky [Mr. BARKLEY] has explained, that means simply saving another step in conducting negotiations and entering into contracts, by avoiding having to go to the Treasury, and all that sort of thing. The guaranty is charged up as if a loan had actually been made at the time. So the extension of the authority and powers here are very limited, and there is no new money called for by the bill.

I think it is a very simple proposal all the way through, and I had not contemplated any great difficulty about it in anyone's mind or any extended discussion. The printed report is here, and if any questions are desired to be asked, they will gladly be answered. The committee devoted 2 days to the consideration of the bill and hearing the representatives of the R. F. C. and others who were present and explained it.

Mr. BARKLEY. In addition to that, I will say that the hundred million dollars, which is the maximum that might be loaned to mortgage-loan companies to unfreeze the real-estate-mortgage situation, has all got to come out of the total amount heretofore made available to the R. F. C. They are not given any additional funds for that purpose. We are increasing here their capacity to make loans of funds to insurance companies from $50,000,000 to $60,000,000. They have already loaned $36,000,000. The additional amount that is earmarked for the insurance companies must likewise come out of the original funds available. So it seems to me, as it seemed to the committee, that every safeguard against any increase in the aggregate amount of money that might be loaned or might be loanable by the R. F. C. has been provided for in this bill.

Mr. KING. Mr. President, the statements made by the Senator from Kentucky and the chairman of the committee, of course, give assurance to those of us who have heard them as to the provisions of the bill and as to the obligations which the Government assumes. The members of the committee which held 2 days' hearings and listened to Mr. Jones and others may have a very complete, and doubtless do have a very complete, knowledge of the terms of the bill and the obligations assumed by the United States; but only a few Members of the Senate are members of the Banking and Currency Committee; and, moreover, while the committee was conducting hearings upon this bill, other Senate committees, among them the Committees on Finance, Judiciary, and Interstate Commerce, have been holding hearings on important measures. If one of these committees to which I have just referred had offered a bill 2 or 3 or 4 days ago, certainly the Senator from Florida would not be chided because he had not had an opportunity to read the bill or the report accompanying it. So he must not chide some of us who have not read the report and are not familiar with the bill, because we have not had an opportunity, owing to the pressure of other work upon committees.

Mr. FLETCHER. I did not mean to chide anyone. I was simply explaining that it was not a complicated measure and we are not attempting to hurry it.

Mr. BARKLEY. Mr. President, although the Senator from Utah is not a member of the committee, his mind is so keen and his perception is so accurate that even with our halting explanation he can thoroughly understand this bill.

The reading of the bill was resumed and continued to the bottom of page 5, as follows:

SEC. 4. Section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by striking out all of the third sentence of the third paragraph thereof through the first colon and inserting in lieu thereof the following: "Within the foregoing limitations of this section, the Corporation, notwithstanding any limitation of law as to maturity, with the approval of the Interstate Commerce Commission, including approval of the price to be paid, may, to aid in the financing, reorganization, consolidation, maintenance, or construction thereof, purchase for itself, or for account of a railroad obligated thereon, the obligations of railroads engaged in interstate commerce, including equipment trust certificates, or guarantee the payment of the principal of, and/or interest on, such obligations, including equipment trust certificates, or, when, in the opinion of the Corporation, funds are not available on reasonable terms through private channels, make loans, upon full and adequate security, to such railroads or to receivers or trustees thereof for the purposes aforesaid: *Provided*, That in the case of loans to or the purchase or guarantee of obligations, including equipment trust certificates, of railroads not in receivership or trusteeship, the Interstate Commerce Commission shall, in connection with its approval thereof, also certify that such railroad, on the basis of present and prospective earnings, may reasonably be expected to meet its fixed charges, without a reduction thereof through judicial reorganization, except that such certificate shall not be required in case of such loans made for the maintenance of, or purchase of equipment for, such railroads: *And provided further*, That for the purpose of determining the general funds of the Corporation available for further loans or commitments, such guaranties shall, to the extent of the principal amount of the obligations guaranteed, be interpreted as loans or commitments for loans."

SEC. 4a. Section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by striking out at the end of the third paragraph thereof the colon and the proviso, "*Provided further*, That the Corporation may make said loans to trustees of railroads which proceed to reorganize under section 77 of the Bankruptcy Act of March 3, 1933", and inserting in lieu thereof a period.

SEC. 5. The Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by inserting after section 5b thereof the following new section:

The first amendment of the Committee on Banking and Currency was, on page 6, line 3, after the word "may" and the comma, to strike out "upon the request of the Secretary of the Treasury"; in line 18, after the word "institutions" and the period to insert "The total face amount of loans outstanding, nonassessable stock subscribed for, and capital notes and debentures purchased and held by the Reconstruction Finance Corporation, under this section shall not exceed at any one time $100,000,000"; and in line 24, after the word "may" and the comma, to strike out "with the approval of the Secretary of the Treasury, and"; so as to make the section read:

"'SEC. 5c. To assist in the reestablishment of a normal mortgage market, the Reconstruction Finance Corporation may, with the approval of the President, subscribe for or make loans upon the nonassessable stock of any class of any mortgage loan company, trust company, savings-and-loan association, or other similar financial institution, now or hereafter incorporated under the laws of the United States, or of any State, or of the District of Columbia, the principal business of which institution is that of making loans upon mortgages, deeds of trust, or other instruments conveying or constituting a lien upon real estate or any interest therein. In

any case in which, under the laws of its incorporation, such financial institution is not permitted to issue nonassessable stock, the Reconstruction Finance Corporation is authorized, for the purposes of this section, to purchase the legally issued capital notes or debentures of such financial institutions. The total face amount of loans outstanding, nonassessable stock subscribed for, and capital notes and debentures purchased and held by the Reconstruction Finance Corporation, under this section, shall not exceed at any one time $100,000,000. Notwithstanding any other provision of law, the Reconstruction Finance Corporation may, under such rules and regulations as it may prescribe (which regulations shall include at least 60 days' notice of any proposed sale to the issuer or maker), sell, at public or private sale, the whole or any part of the stock, capital notes, or debentures acquired by the Corporation pursuant to this section, and the preferred stock, capital notes, or debentures acquired pursuant to any other provision of law.'"

The amendment was agreed to.

The reading of the bill was resumed and continued to the end of line 6, on page 8, as follows:

SEC. 6. Section 5e (a) of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is amended (1) by inserting in the first sentence thereof after the words "the assets" and before the words "of any bank" the following: ", or any portion thereof,"; (2) by inserting in the second sentence thereof after the words "such assets" and before the words "held for the benefit" the following: ", or any portion thereof,".

SEC. 7. Notwithstanding any other provision of law, Commodity Credit Corporation, a corporation organized under the laws of the State of Delaware as an agency of the United States pursuant to the Executive order of the President of October 16, 1933, shall continue, until April 1, 1937, or such earlier date as may be fixed by the President by Executive order, to be an agency of the United States. During the continuance of such agency the Secretary of Agriculture and the Governor of Farm Credit Administration are authorized and directed to continue, for the use and benefit of the United States, the present investment in the capital stock of Commodity Credit Corporation, and the Corporation is hereby authorized to use all its assets, including capital and net earnings therefrom, and all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency, including the making of loans on agricultural commodities.

The next amendment was, on page 8, line 14, to strike out "$50,000,000" and insert "$60,000,000", so as to make the section read:

SEC. 8. Section 1 of an act entitled "An act to authorize the Reconstruction Finance Corporation to subscribe for preferred stock and purchase the capital notes of insurance companies, and for other purposes", approved June 10, 1933, as amended (U. S. C., Supp. VII, title 15, ch. 14, sec. 605e), is amended by striking from the last sentence thereof "$50,000,000" and inserting in lieu thereof "$60,000,000."

The amendment was agreed to.

The reading of the bill was resumed, and continued to the end of line 14, on page 9, as follows:

SEC. 9. Notwithstanding any other provision of law, the Export-Import Bank of Washington, and the Second Export-Import Bank of Washington, D. C., banking corporations organized under the laws of the District of Columbia as agencies of the United States, pursuant to Executive orders of the President, shall continue, until June 16, 1937, or such earlier date as may be fixed by the President by Executive order, to be agencies of the United States, and in addition to existing charter powers, and without limitation as to the total amount of obligations thereto of any borrower, endorser, acceptor, obligor, or guarantor at any time outstanding, said banking corporations are hereby authorized and empowered to discount notes, drafts, bills of exchange, and other evidences of debt for the purpose of aiding in the financing and facilitating exports and imports and the exchange of commodities between the United States and any of its Territories and insular possessions and any foreign country or the agencies or nationals thereof, and, with the approval of the Secretary of the Treasury, to borrow money and rediscount notes, drafts, bills of exchange, and other evidences of debt for the purposes aforesaid. During the continuance of such agencies, the Secretary of State and the Secretary of Commerce are authorized and directed to continue, for the use and benefit of the United States, the present investment in the capital stock of said banking corporations.

The next amendment was, on page 9, after line 14, to strike out the following section:

SEC. 10. No obligations, contingent or absolute, shall be incurred for the expenditure or other disposition of funds heretofore, hereby, or hereafter appropriated, or otherwise obtained for the carrying out of functions of Reconstruction Finance Corporation unless within estimates of such obligations and expenditures approved by the Director of the Budget; and, to the extent that the Secretary of the Treasury may consider practicable and under such rules and regulations as he may prescribe, there shall be maintained on the books of the Treasury Department such accounts as may be necessary to give full force and effect to this provision.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the reading of the bill and action on the committee amendments. The bill is still before the Senate and open to amendment.

Mr. FLETCHER. Mr. President, I desire to offer two or three amendments which I think will provide a little better arrangement for the bill.

On page 4, line 4, after "Sec. 4", I move to insert in parentheses the letter "(a)."

Mr. BARKLEY. On page 5, line 14, there is section 4 (a).

Mr. FLETCHER. I propose to move to change that to "Sec. 4 (b)." The amendment now offered is, on page 4, line 4, after "Sec. 4", insert "(a)." It is an unimportant change.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. FLETCHER. On page 5, line 13, I move to change the period to a colon. That does not change the substance of the language or intent.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. KING. Mr. President, may I ask the Senator if that would be proper if he proposes to have in line 14 a new paragraph which appears as "Sec. 4 (a)"?

Mr. FLETCHER. No; I was going to move, on page 5, line 14, to strike out "section 4 (a)" and insert "(b)."

Mr. BARKLEY. Mr. President, if the Senator will yield, the colon is necessary after line 13, because in the original act there is some language that has been omitted in this bill and that was overlooked.

Mr. FLETCHER. And I am asking, instead of having it read "section 4 (a)", to insert "(b)", which will connect it up with the other paragraph.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. FLETCHER. I wish also, Mr. President, to amend the title. It is very long and cumbersome as it is.

The PRESIDING OFFICER. The amendment of the title will come after the passage of the bill.

Mr. FLETCHER. Very well; I will do it later. Those are all the suggestions I have to make at this time.

Mr. SCHWELLENBACH. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following as a new section:

SEC. 10. (a) The first sentence of section 5d of the Reconstruction Finance Corporation Act, as amended, is amended by adding after the words "fishing industry" the words "and any business operating ferryboats or other craft solely on inland tidal waters."

(b) The second paragraph of section 5d of the Reconstruction Finance Corporation Act, as amended, is amended by striking out "1935" wherever it appears and inserting in lieu thereof "1937."

Mr. FLETCHER. Mr. President, in reference to those amendments, I think the last one is already covered in extending the functions of the Corporation for 2 years, but I have no objection to the amendment. It is probably just as well to make that change. The first part of the amendment refers to loans to business of operating ferryboats, and that sort of thing; and, while I have no particular objection to it, it is a matter entirely within the discretion of the R. F. C. whether they will make loans on business of that kind or not; and, of course, security will have to be given as the bill provides. I do not particularly object to the amendment.

Mr. KING. It is not intended, is it, that this is to be mandatory but merely within the sound discretion of the R. F. C., and loans are to be made upon adequate security?

Mr. SCHWELLENBACH. I will say that the authorities at the R. F. C. have felt that the present law would cover cases of this kind, but their legal counsel have advised them that the terms "industrial" and "commercial" do not cover

cases of this kind. They are perfectly willing to have them included, and they think it was intended to cover them under the old law.

Mr. BARKLEY. Have they made any such loans under the old law?

Mr. SCHWELLENBACH. No; they have not made any such loans, because their counsel said that the terms of the law did not include boat companies operating on inland tidal waters. They are perfectly willing to have this particular amendment considered, and are favorable to it, as I understand.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. SCHWELLENBACH].

The amendment was agreed to.

Mr. LONERGAN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed, at the end of the bill, to insert the following new section:

SEC. 11. The second sentence of the first paragraph of section 5(d) of the Reconstruction Finance Corporation Act, as amended, is amended by striking out "adequately secured" and inserting in lieu thereof "so secured as to reasonably assure repayment of the loans."

Mr. LONERGAN. I may say that this amendment meets with the approval of the directors of the R. F. C. and the Chairman of the Committee on Banking and Currency of the Senate [Mr. FLETCHER].

Mr. COUZENS. Mr. President, I should like an explanation as to how the Senator from Connecticut proposes to change the authority of the R. F. C. as between the language now in the act and the language he proposes to use.

Mr. LONERGAN. My amendment would give discretionary power to the directors of the Reconstruction Finance Corporation as to whether the security was such as to reasonably assure repayment of the loan.

Mr. COUZENS. What is the difference between that and "adequate security"?

Mr. LONERGAN. I will give the Senator from Michigan an illustration. Take a manufacturer who has exhausted all his resources, whose plant has been closed 2 or 3 years. He is now in position to get orders to keep his plant in operation for 6 or 8 months. He cannot borrow money at the bank with which he and his concern may have been associated for 40 or 50 or even 75 or 100 years. The only security the manufacturer can offer is a mortgage on the plant. That would have to be regarded as "reasonable security" as against "adequate security", because in these times, if conditions are to continue as they are, the average manufacturing plant sold under the hammer probably would sell for 25 cents on the dollar. The only way to encourage industry is to liberalize the law and give discretionary authority to the officers of the R. F. C. to exercise their judgment and say what is reasonable and what is adequate.

Mr. BARKLEY. Mr. President, will the Senator from Connecticut yield?

Mr. LONERGAN. Certainly.

Mr. BARKLEY. The object is, as I understand, to authorize them to accept less than adequate security.

Mr. LONERGAN. Yes; to let them exercise their discretion. The moral risk is an important element.

Mr. COUZENS. Mr. President, will the Senator from Connecticut yield so that I may ask him a question?

Mr. LONERGAN. Certainly.

Mr. COUZENS. Is there any distinction between "adequate security" and the possible means of payment? In other words, I understand if the Senator's amendment should be agreed to, the Reconstruction Finance Corporation would have to use judgment in the matter to determine whether the loan is going to be made out of the profits of the business or out of the security which is for the moment put up.

Mr. LONERGAN. That is correct.

Mr. COUZENS. The amendment of the Senator from Connecticut assumes that the prescience of the directors of the R. F. C. will enable them to tell whether the business will be run at a profit or otherwise?

Mr. LONERGAN. That is perhaps true. I think we should take a more liberal view of the situation. We have a large number of manufacturers in the country, particularly in the East, who are unable to borrow money at local banks. If they can get money elsewhere, they can operate their factories, and they ought to be helped.

Mr. COUZENS. The Senator is not explaining anything that we do not already know. The point I want to make is that the chairman of the committee and, I understand, the Chairman of the R. F. C., have stated that there is no difference between the language the Senator from Connecticut proposes to use and the language now in the law. I want the Senate to understand there is a clear and distinct difference between the language now in the law and the language proposed by the Senator from Connecticut. I am not interposing any particular objection to the amendment, but I do not want the amendment agreed to without a clear understanding of the distinction between what the law now provides and what it will provide if the amendment of the Senator from Connecticut shall be agreed to.

Mr. RUSSELL. Mr. President, I heartily favor the amendment of the Senator from Connecticut. I favor it because I think it will have a tendency to make the R. F. C. liberalize its present loan policy as it relates to industry. Under the regulations which have been sent out to the various district offices of the country under existing law, any industry that could obtain a loan from the R. F. C. could obtain it through regular banking channels.

Mr. BARKLEY. In order even to apply to the R. F. C. they have to state they are unable to get it through regular channels.

Mr. RUSSELL. Yes; I understand perhaps that might have been provided in the regulations, but, as a matter of fact, the last Congress authorized the R. F. C. to loan to industries something like $300,000,000 in order to enable them to rehabilitate themselves and to employ men, to give more employment; but I understand that less than $40,000,000 of that fund has been authorized to be loaned or is covered by applications filed with the R. F. C. The purpose and intent of Congress in making the loans more liberal and more easily obtainable has been absolutely defeated by restrictions thrown about it by the district offices of the R. F. C. throughout the country.

Mr. BARKLEY. About $36,000,000 has been loaned. It is not altogether the fault of the R. F. C. that more money has not been loaned. It developed in the hearings the other day that only about 1,400 applications have been made for loans out of the $300,000,000 which we authorized them to loan. Most of those applications have been passed upon. The fault has not been entirely with the R. F. C. We evidently overestimated the amount of money that would be applied for when we fixed $300,000,000 as the amount available. If the Senator will get the testimony taken a day or two ago as to the reason for the small amount of loans as compared to what we thought would be required, I think he will be reasonably satisfied it has not been really the fault of the Reconstruction Finance Corporation.

Mr. RUSSELL. When we consider the machinery that is involved in the making of loans, I am amazed that as many as 1,400 applications were filed. A prospective borrower goes to the regional office of the Reconstruction Finance Corporation and confers with those in authority there to ascertain whether or not there is any probability of his obtaining a loan. He is shown the regulations which have been issued and which govern loans of this type. After reading those regulations I am confident that at least 90 percent of them throw up their hands, depart, and never come back, leaving with the thought in mind, "There is no opportunity for me to obtain a loan there." I am amazed to learn that 1,400 have gone ahead and filed applications for loans in the face of the policy and the regulations of the R. F. C.

Mr. BARKLEY. I do not know whether, after seeing and reading the regulations, they abandoned their desire for a loan. Certainly no one has been brought to my attention

who threw up his hands because he became discouraged after reading the regulations. They went as far as they could to get an application on file with the Reconstruction Finance Corporation. I doubt whether anybody could tell how many were discouraged by reason of the regulations.

There has been criticism of the Reconstruction Finance Corporation because, out of the $300,000,000 we made available, only about $36,000,000 has been loaned. That looked like an infinitesimal sum compared to what we authorized them to use, but when we got into the facts we discovered it was not altogether the fault of the R. F. C. It was a combination of circumstances of which they were a part.

Mr. RUSSELL. I agree wholly with the Senator. I think the provision of the act requiring adequate security, with the construction placed on "adequate security" in the regulations issued by the R. F. C., has contributed more than any other factor to the result which is that only $36,000,000 has been really loaned out of $300,000,000 authorized by Congress in response to a wide-spread demand for easier credit for industry to enable more people to be employed in private channels and taken off the public relief rolls.

Mr. BARKLEY. The question of what is really adequate security is a sort of combination of facts and opinion.

Mr. RUSSELL. Of course.

Mr. BARKLEY. The R. F. C., having in mind the mandatory obligation of Congress to require adequate security, should look forward to the coming of the time when, if they did not require adequate security and great losses were sustained by the Government, we would be more critical probably of the losses sustained by the Treasury because of their failure to require adequate security than we now are because of the small amount of money loaned by them.

On the amendment pending I think it is fair to state while there may be no great amount of difference technically between the description of the security as to whether it is adequate or reasonably likely to produce repayment, yet it is not the same. It does liberalize the provision and does require a less strict interpretation of what is adequate security if the amendment shall be adopted. I have no objection to the amendment if it will liberalize or open up or unfreeze any funds available anywhere for legitimate industry that is now on the ragged edge and which, if humored along, may be able to survive.

I have no doubt under the interpretation of the amendment that the Reconstruction Finance Corporation would go as far as possible to conserve the credit of the Government and at the same time give a chance for life to a considerable number of industries that may need this long credit.

Mr. RUSSELL. When we are spending sums absolutely staggering in amount for necessary relief for people who are unable to find employment, it is far better that the Government run some slight hazard or risk of losing some part of the $300,000,000 made available last year by the Congress for loans to industry in the effort to see if people cannot be reemployed in legitimate business rather than through made work at an enormous cost to the Federal Treasury when there is absolutely no hope on earth of it being repaid.

We know there is no possibility of the repayment of the funds paid out for relief except by the taxpayer who contributes to retire the bonds issued to obtain the money. When we loan money to private business to enable it to carry on and reemploy people, we at least stand some chance of getting the money back.

Mr. GLASS. Mr. President, the Senator from Kentucky will recall that when the late Governor Black was before our committee when this bill was being considered by the committee, I asked the specific question if the requirements for direct loans to industry had not been greatly exaggerated. He made a rather conservative reply to the inquiry, admitting that he thought the necessity for such loans had been somewhat exaggerated, but he still ventured to think that there was considerable need for such loans. I was firmly convinced that the need for such loans had been greatly exaggerated, and the history of these transactions confirms my thought at that time.

I have no objection to the proposed amendment. It is just a different term meaning the same thing. No loan is reasonably safe that is not adequate, and no loan should be made without adequate security. If the interest of the taxpayer, which is quite as great as that of the people who apply for the loans, is to be considered at all, adequate security ought to be required for these loans.

There are three processes open to any industry desiring to borrow money. First, they may apply to the individual banks in their own communities, or anywhere else in the country. Failing to secure a loan there, they may apply directly to the regional reserve banks of their own district or any other district; and I have known industries which, failing to get accommodations in their own regional district, have secured accommodations in other regional districts, and finally, failing to get loans in the regular banking channels, have applied to the Reconstruction Finance Corporation. Time and time again this has occurred.

Objection has been made that the Reconstruction Finance Corporation has not been sufficiently liberal with the taxpayers' money upon these applications. The facts in each case have been stated by the Chairman of the Reconstruction Finance Corporation to those who have thus complained; and in every single, solitary instance the complainants have said that they, had they been Chairman of the Reconstruction Finance Corporation, would not have complied with the applications.

Mr. BARKLEY. Mr. President, in that connection I wish to say also that there was another inevitable restriction that probably held down loans. It never was the intention of Congress to transfer existing obligations from banks to the Treasury of the United States. Many small industrial concerns desired to borrow money with which to pay debts they already owed to somebody else. It was not the object of Congress to have that done; and at first the Reconstruction Finance Corporation was very tender-footed, and properly so, with respect to making loans to industrial concerns in order that they might just swap obligations.

Then the question arose as to whether loans would be made for what is known ordinarily as capital investment, for building additions to plants or for the mechanization of plants which might result in an increase in output. The Reconstruction Finance Corporation finally liberalized the debt provision of their regulations, I believe, so as to provide that they would permit as much as 20 percent of any loan to be used for the repayment of debts already in existence. Then they have recently liberalized their regulations with respect to capital investment so that now, under certain conditions, they will make loans of money to be put in capital investment or in plant improvement or in mechanization, I believe subject to a restriction that such improvement and modernization shall not materially increase the output of a commodity of which there is already an unsalable surplus in the United States.

I think that restriction is to be commended, because it is of no use to loan Government money to an individual to increase an output for which there is already no market, but the Reconstruction Finance Corporation has liberalized both those restrictions, which at an earlier time were placed on these industrial loans, so that without this amendment they probably would go further in extending the use to which the money might be put than they did at first under the authorization of Congress.

That may have been responsible in the beginning for the inability of some concerns to get money from the Reconstruction Finance Corporation, because they wanted to use a large portion of it to pay some debts they owed to other people, and just shift the credit from private sources to the Government.

Mr. COUZENS. Mr. President, I apologize to the Senate for starting any debate on this amendment, because it is only academic. The extension of authority to the Reconstruction Finance Corporation is not really necessary, because under

House Joint Resolution 117, as introduced, there is a provision on page 6 (a) to guarantee loans to, or payments of, needy individuals; (b) to make grants and/or loans and/or contracts.

Mr. BARKLEY. "And/or."

Mr. COUZENS. Yes; to do either one. There is no limitation in this; so, Mr. President, there is no use in combating these amendments. They are not necessary. They are academic, because the President under House Joint Resolution 117 can take care of everybody in the United States, with or without security.

Mr. BARKLEY. Who is the author of that joint resolution?

Mr. COUZENS. I understand that the President denies the authorship, according to the press; but I understand that the real authors are Mr. Donald Richberg and Mr. Benjamin Cohen.

Mr. BARKLEY. What joint resolution is it?

Mr. COUZENS. It is a joint resolution that was introduced over in the House.

Mr. KING. The $5,000,000,000 measure.

Mr. BARKLEY. Oh! That is the relief bill.

Mr. COUZENS. Yes; and so is this a relief bill; is it not?

Mr. BARKLEY. Of course the relief bill was intended for the relief of individuals. I do not see that there is any analogy between that and money loaned to corporations.

Mr. COUZENS. The Senator from Kentucky is always anxious to liberalize, because he knows how good Kentucky whisky liberalizes us; but——

Mr. BARKLEY. Am I to gather that all the liberality of the Senator from Michigan is caused by Kentucky whisky? [Laughter.]

Mr. COUZENS. Whenever I am exceedingly liberal that is true. [Laughter.]

Mr. BARKLEY. I think I will order a barrel or two for the Senator.

Mr. COUZENS. I desire to point out, though, that this discussion is academic.

Mr. GLASS. Mr. President, is it academic? Has that joint resolution become a law?

Mr. COUZENS. No; but we have orders to pass it.

Mr. GLASS. The Senator from Michigan has?

Mr. COUZENS. Yes; I have orders to pass it.

Mr. GLASS. I am not in the Senator's class.

Mr. KING. Mr. President, perhaps all has been said that ought to be said; but I venture the assertion that the Reconstruction Finance Corporation has acted wisely and prudently in the interpretation of the authority conferred upon it with respect to industrial loans.

A number of officials of banks are now serving terms in the penitentiaries because they mistakenly believed that certain loans which they made, while the security might not have been all that was desired, might enable industries to continue and that the loans would ultimately be paid. By making such loans they depleted the funds which had been placed in their charge and thus contributed to the failure of banks with which they were connected. Their mistaken judgment ruined banks and brought criminal prosecutions.

I think Congress acted wisely when it said to the Reconstruction Finance Corporation that industrial loans should be made upon adequate security.

We are not handling, and the Reconstruction Finance Corporation is not handling, private funds. As the Senator from Virginia [Mr. GLASS] has just stated, it is handling the taxpayers' money. Where boards are created to act in a fiduciary capacity, to handle the funds of the taxpayers and the funds of the Government, they ought to act with prudence, with care, and with judgment; they should conserve the interests of the people of the United States.

I think the language "adequate security" was proper; and if the construction is placed upon the amendment offered by the Senator from Connecticut [Mr. LONERGAN] that that provision is to be modified so as to permit inadequate security for loans, the Congress may be criticized, and the Government may suffer heavy losses.

With the interpretation which has been placed upon the amendment, I shall feel constrained to vote against it. If it is conceded that the amendment tendered does not alter the meaning of the interpretation to be placed upon the word "adequate", then, of course, there is no necessity for adopting it.

Mr. CONNALLY. Mr. President, without passing on the merits of this particular matter, I desire to say that it seems to me the Reconstruction Finance Corporation, instead of being criticized, ought to be commended for the manner in which it has administered this particular grant of power to make loans to industry. Within my own knowledge a great many of these applications have been made, not for the purpose of operating an industry, but, as suggested by the Senator from Kentucky, to pay a lot of banks which are already holding the paper of the applying corporations. Of course, the mere shifting of obligations from banks to the Government would not have any effect at all on reviving the operation of a dormant or a somewhat lagging industry.

As I understand, the purpose of this particular legislation was to afford working capital to industries, so as to speed them up, and not to afford them money for capital investment. If the Reconstruction Finance Corporation has been lax at all, it has been lax in insisting on the requirements being met which the Congress put in the act. If there is any fault with the kind of security that has been offered, it has been because the Reconstruction Finance Corporation has construed the language "adequate security" to mean that it ought to have security that would be adequate whether offered to the Reconstruction Finance Corporation or offered to any other banking institution.

So I think there is no just ground for Congress to enact a law to cuss out the Reconstruction Finance Corporation for not loaning three hundred millions instead of thirty millions.

Mr. LEWIS. Mr. President, I rise to impose upon the Senate for a moment, in which I wish to enlarge upon the views expressed by the Senator from Utah [Mr. KING] and the Senator from Texas [Mr. CONNALLY], who has just taken his seat, referring particularly to the original organization which we describe as the Reconstruction Finance Corporation.

I was one of this honorable body when this creation received its birth at the hands of this branch of the legislature. There were very dubious expressions and very serious reflections as to whether the enterprise, being novel, would be successful. There were those who feared that its administration might bring some serious reflection upon the financial institutions of the country, and open a possibility of great dishonor by officials executing the trust.

Today, I am sure it would not be regarded foreign to the present subject before the Senate for us to dwell upon this organization and its work.

When one recalls that there was not a parallel institution in all the world, that there was not a precedent for such authority invested in any governmental financial body of all civilization; when we also, sir, must assume the conditions as they then prevailed; and when one revives to memory, referring to the observations just now expressed before us, the many demands which must have been made, and then recalls that $7,000,000,000—a figure almost impossible for the mind to comprehend, much less for the tongue to describe and define—has been the amount of money disposed of by this great body of administrators, one can feel that this honorable body of legislators pays its respects and its compliments to those who have administered this vast sum of money in behalf of industry and that source of commercial need whose perils we have often heard described in this body.

Sir, when we recall the work of the honorable chairman of this Corporation, Jesse H. Jones, and when we recall with great pride that here in the United States of America was an institution without precedent, administered through the intelligence of its officials, in which the honor was so great and so thoroughly and wholly kept and maintained that in the fury of the late political campaign not one voice was

heard anywhere reflecting on the integrity of the membership, the honor of the discharge of its duty, or in anywise subjecting it to the slightest reflection so frequently heard and so constantly indulged in in all political campaigns as to those in whom has been vested the administration of great sums of money, we extend our compliments; we send forth our praise. We recall, sir, in the Odyssey of Homer, the expression of Penelope, when, being inquired of concerning Ulysses, she replied:

Ulysses is done and has gone. There is none left in Ithaca to bend his bow.

The work of this Corporation has been done. I venture to say few men could have been found in all America who could have done it so well. None could have done it better. To Chairman Jones and his associates of the Corporation, we delight, sir, to extend our praise, and, while we are in the consideration of this measure, to express that his work, with that of his associates, has been an honor to his country; and for his services we express the pride of his countrymen.

I thank the Senate.

Mr. COUZENS. May I ask whether the amendment offered by the Senator from Connecticut [Mr. LONERGAN] has been acted on yet?

Mr. FLETCHER. No; it has not. I ask that it be again stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to insert the following new section:

SEC. 11. The second sentence of the first paragraph of section 5 (d) of the Reconstruction Finance Corporation Act, as amended, is amended by striking out "adequately secured" and inserting in lieu thereof "so secured as to reasonably assure repayment of the loans."

Mr. FLETCHER. Mr. President, the Senator from Connecticut spoke to me about the amendment, and it seemed to me on first impression that it was almost a case of Tweedledum and Tweedledee. That is to say, the whole matter is in the discretion of the R. F. C. They can consider an application offering adequate security practically on all fours with an application offering security which is reasonably safe.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. COUZENS. It does not say that at all. It does not say "reasonable security." It says "so secured as to reasonably assure repayment."

Mr. FLETCHER. "To reasonably secure repayment", which is the same thing as reasonably safe, it seems to me.

I realize some of the difficulties of applying a technical construction. The use of the words "adequate security" gives the Board a chance to reject applications on technical grounds, and that was not the intention of Congress. We do not need to be technical about this thing. There was a considerable demand all over the country, as the Senator from Georgia [Mr. RUSSELL] said, for loans for the benefit of industries, to start them up, to start them going, to give people employment. We had in mind more particularly—at least I did—the smaller industries. Applications have been made, however, by very large industries, with plants running into many millions of dollars. The Corporation is limited by the strict construction of the language of the law, "adequate security", and it has not been making many loans.

The Congress also authorized these loans to be made by the Federal Reserve banks, which extended their power to make loans for the benefit of industry. I thought at the time the banks were not going to make many loans, and they have not. As a matter of fact, the banks are extremely cautious, and I do not blame them, and I am not criticizing them about that; but they are taking scarcely any chances at all on any loan which they make. So the people have not been able to qualify, to show themselves eligible for loans from the banks. It was for that reason, at the time we passed the act extending the authority of the Federal Reserve banks to make loans for the benefit of industry that I was desirous that we should extend that authority to the Reconstruction Finance Corporation, because I was satisfied the banks were not going to accommodate many people, and they have not done so. Therefore, we provided in the law that where the applicants could not secure accommodations from the local banks or the Federal Reserve banks under that statute, they could apply to the R. F. C.

Some applications have been made, but we have not by any means reached the amount of money intended to be used in that connection—$300,000,000. One thousand four hundred applications have been made, and probably less than 100 of them have been granted. Probably not over 10 percent of the amount of money that was provided for that purpose has been used by the R. F. C. The R. F. C. stands, of course, upon the law that there must always be adequate security. There must be a showing of that sort, and a showing that the applicant has been unable to obtain a loan from the Federal Reserve bank or from his local bank, and that he has nowhere else to go except to the R. F. C.

Mr. KING. Mr. President, will the Senator yield?

Mr. FLETCHER. I yield.

Mr. KING. Does the Senator think the R. F. C. should make loans or should have made loans upon inadequate security?

Mr. FLETCHER. No; I do not say that at all, but upon security which is reasonably certain to be sufficient to bring about the repayment of the debt. That is a matter for the R. F. C. to pass upon. It seems to me that it relieves an applicant of any technical requirement about adequate security, and at the same time it gives the R. F. C. discretion to pass upon the question of whether there is reasonable security that the debt will be paid when secured in the manner suggested.

For that reason I am not disposed to quarrel with the amendment. I think it liberalizes the provision of the present law somewhat and relieves it of a technicality, and at the same time it does not jeopardize the interests of the Government, because the R. F. C. still has the power to say whether or not the security offered is satisfactory to it as reasonably certain to take care of the debt.

Mr. BARKLEY. Mr. President, I desire to make a technical suggestion. There is a split infinitive in the amendment. That sentence should be corrected. The words "to" and "reasonably" ought to be transposed. I make that suggestion.

Mr. LONERGAN. I accept that modification of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. COUZENS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 5, at the end of line 21, it is proposed to insert a colon and the following:

*Provided*, That not more than $100,000,000 may be used for this purpose.

Mr. FLETCHER. I cannot quite follow my good friend, the able Senator from Michigan, in that connection. I am afraid that he puts some handicap on the R. F. C. and jeopardizes some transactions that might reasonably and very properly take place. I think we had better leave that matter as it is. The R. F. C. has certain funds set aside for the purpose in mind. The Senator from Kentucky, myself, and others have already discussed that. I think the Senator's amendment would unnecessarily cripple and handicap the Corporation in the matter of handling these kinds of loans or guaranties. It would be very advantageous to the public and to everyone concerned if the R. F. C. were allowed a rather free hand in that connection. The amendment now offered is to limit loans to the railroads, as I understand.

Mr. COUZENS. To limit to $100,000,000 the additional authority to be given to the R. F. C. to make railroad loans.

Mr. FLETCHER. Does that mean $100,000,000 in addition to loans already made and commitments already made?

Mr. COUZENS. In addition to loans already made and commitments already made.

Mr. FLETCHER. It would be in addition to that?

Mr. COUZENS. Not any more than that; yes. Will the Senator yield to me for a moment, Mr. President?

Mr. FLETCHER. I yield.

Mr. COUZENS. As I said before, I have not consulted the R. F. C., or Mr. Jones. I have great respect for the administration of the R. F. C. However, I pointed out in committee that there is no mention in this bill of Mr. Jones' name; there is no assurance that the same management will continue indefinitely; and I personally resent Congress adopting a policy of drafting legislation for one individual. We cannot determine who will administer these functions in the future. Therefore, Congress should exercise all possible care in passing legislation so that anybody may administer it, and not have to rely upon the great abilities of Mr. Jones or any other individual.

This amendment limits to $100,000,000 the loans the R. F. C. may make in excess of what it has already made or is committed to make for railroad purposes. In view of what the Senator from Kentucky says about the withdrawals for relief, and the limited amount left for other purposes—industry, mortgages, banks, insurance companies, or what not—it seems to me that an argument against the proposed limitation is simply in the interest of the railroads alone.

Mr. BYRNES. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. BYRNES. Does the amendment specify that it is in addition to loans and commitments already made?

Mr. COUZENS. I have put it down at the end of section 4 (a), which the Senator from Florida has amended now, so that it is to be 4 (b); and that is the section which extends the authority of the R. F. C. to guarantee railroad loans to receivers, to purchase railroad equipment trust certificates, and to purchase bonds, which is new authority. They have not heretofore had the authority to do this. Their authority has been restricted to making loans direct to railroad companies. This is an extension of authority, and for that extension of authority I want to limit them to $100,000,000.

Mr. BULKLEY. Mr. President, will the Senator yield?

Mr. COUZENS. I yield.

Mr. BULKLEY. Does the amendment impose a limitation only on the exercise of the new authority?

Mr. COUZENS. Yes.

Mr. BULKLEY. Then, of course, it would be in addition to the commitments already made.

Mr. COUZENS. Certainly. That is why I put it in at the end of this paragraph, because it is my intention wholly to limit the amount of money to be used for the additional purposes specified in this bill.

Mr. BULKLEY. I hope the chairman will accept some limitation, because any demands made under this new authority will necessarily be a subtraction from funds available for other purposes.

Mr. BARKLEY. Mr. President, the new language set forth in the bill authorizes the purchase by the Reconstruction Finance Corporation, or on its account, of obligations of railroads engaged in interstate commerce. It authorizes the guaranty of obligations already in existence, in order to save two financial transactions. It authorizes the Corporation to make loans upon full and adequate security to such railroads, or to the receivers or trustees thereof, for the purpose aforesaid. Then, on page 5, it authorizes the R. F. C. to make commitments. So there are four distinct things they are empowered to do under that section.

I think it is unfortunate that this discussion should revolve around the Chairman of the Reconstruction Finance Corporation or any other member of the Reconstruction Finance Corporation. We are all unanimous in our high estimation of the wonderful work which has been done by the entire board of the Reconstruction Finance Corporation, presided over by Mr. Jones as its Chairman. In that praise and encomium we might include the general counsel of the Reconstruction Finance Corporation and many of the other subordinates, all the way down the line, who have devoted themselves assiduously to the protection of the Government and of the Corporation in making loans.

I realize how easy it is to rise on the floor of the Senate and cast aspersions upon railroads and the loans that have been made to railroads, both by banks and by the Reconstruction Finance Corporation, if someone desires to find fault with them. However, we cannot lose sight of the fact that one of the most serious problems that confronts the United States and the people and our Government today is what we are going to do with respect to the railroads. What is going to happen to them? Is a situation going to arise or to be precipitated which will require that for its own protection and for the protection of transportation and the people the Government of the United States must take over the railroads and operate them? We cannot lose sight of the fact that many railroads probably never ought to have been constructed; but they have been constructed, and towns have been built around them, and they are serving a useful purpose.

I do not know whether or not the Reconstruction Finance Corporation would ever loan or obligate itself to guarantee loans of as much as $100,000,000 under this new authority.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. BARKLEY. I will yield in just a moment. I understand that the Corporation now has out about $400,000,000, if I am not mistaken, in these loans to railroads. Of course, it is a revolving fund like all the rest of the Corporation's moneys; but, in all likelihood, a smaller proportion of railroad loans have been repaid than loans generally to industry, banks, and other borrowers. But with $400,000,000 already out, and with the railroad situation as it is, not knowing how much may be needed or how little may be needed, I think, in view of the history of the Reconstruction Finance Corporation and its conservative protection of the interest of the Government, we can well leave to its discretion the amount which it would loan under this section, in view of the limitations as to the loan of money in the aggregate to all borrowers to whom it might make loans.

I now yield to the Senator from Michigan.

Mr. COUZENS. The Senator will recall that I predicated my offer of this amendment on the theory and on the statement that if it would embarrass the operation of the R. F. C. in connection with railroad loans I would be perfectly willing to have the Senate recede, and, of course, the bill has got to go to conference.

Mr. BARKLEY. It is difficult for Members of the Senate or even members of the Banking and Currency Committee, which tries to go reasonably into these matters, to answer on the floor a specific question as to whether a limitation would embarrass the Reconstruction Finance Corporation. Frankly, I do not know whether it would or not. I do not believe anybody on the floor knows. The amendment was not brought up in the committee, and the question was not discussed. We have no statement upon which to base the conclusion that it would be embarrassing and I am willing to leave it to the Reconstruction Finance Corporation.

Mr. COUZENS. Will not the Senator let the amendment go in so that it may go to conference, and if the R. F. C. satisfies the conferees that the limitation should not be there, I think that the Senate, upon such a statement of fact, would recede from the amendment.

Mr. BARKLEY. Of course the Senate might not be able to do so, because this bill has not as yet passed the House, and if we put this limitation in and it goes to the House and is agreed to, then there is nothing in conference about it and we could not change it. I think if the idea is to put it in for the purpose of merely looking into it, with a view to striking it out if it is not a wise amendment, it ought to be put in somewhere else and not on the floor of the Senate.

Mr. COUZENS. I still insist that we are using the taxpayers' money notwithstanding the constant reiteration that

they are not asking for an additional appropriation, and whatever money is lost through the administration of the R. F. C. comes out of the taxpayers. So far as the administration up to date is concerned, I think they have done a pretty good job, with the possible exception of the so-called "Dawes loan", which my friend from Illinois [Mr. LEWIS] did not mention when he eulogized the R. F. C. Nevertheless, on the statement of the Senator from Kentucky, there is a limited amount of money still available, but that limit is not known because there are constant repayments being made; and I am advised, on what I believe to be good authority, that the principal amounts loaned by the R. F. C. will be eventually returned; that is, in large part.

Mr. FLETCHER. Mr. President, would the Senator be willing to make the figure in his amendment three hundred and fifty million instead of one hundred million?

Mr. COUZENS. That is all they have left, according to the statement of the Senator from Kentucky.

Mr. BARKLEY. Of course, the Senator from Michigan proved that I was mistaken by calling attention to the fact that they have these repayments which he indicates will amount to several billion dollars.

Mr. FLETCHER. Loans and commitments now amount to some $400,000,000, and there are refunding and refinancing and other operations coming up by reason of which they might need as much as $750,000,000 for the railroads. I do not know about that.

Mr. COUZENS. The statement of the Senator that we do not know but that the requirements may go as high as $750,000,000 is the soundest argument which has yet been made in favor of the amendment.

Mr. FLETCHER. I refer, of course, to the total at any one time.

Mr. COUZENS. Yes. Therefore, it seems to me that, as the $100,000,000 which I suggest is merely a guess, and as the bill has not passed the House, if it is demonstrated that that is not a proper amount or would handicap the Reconstruction Finance Corporation, the matter can be straightened out either in the House or in conference. However, I should like the Senate to go on record as setting a limitation upon how much of this money that is left may be used for the railroads; otherwise, obviously, if all their reserve funds are called upon by some particular class which is authorized to borrow from the Reconstruction Finance Corporation, the money will have to be denied other classes of borrowers.

Mr. FLETCHER. The Senator has not answered whether he would be willing to make the figure $350,000,000.

Mr. COUZENS. Yes; I am willing to make it $350,000,000, with the idea that the matter will be considered in conference as to whether it is too much or too little. I will modify my amendment as the Senator from Florida has suggested.

Mr. FLETCHER. I suggest to the Senator also that it would be better to insert the amendment on page 5, line 13, instead of at the end of the section, where he proposes to insert it. So I suggest at that point to strike out the period after the word "loans" and insert in lieu thereof a colon and the following additional proviso:

*Provided further,* That the total amount of loans and commitments to railroads, receivers, and trustees, and purchases and guaranties of obligations of railroads, under the paragraph, as amended, shall not exceed at any one time $350,000,000.

Mr. COUZENS. I accept that amendment as read by the Senator from Florida as a substitute for mine.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan, as modified.

The amendment, as modified, was agreed to.

Mr. PITTMAN. Mr. President, in view of the adoption of the amendment recently offered by the Senator from Connecticut [Mr. LONERGAN], I should like to move to amend section 14 of the act relating to direct loans for industrial purposes, and so forth, so as to incorporate there the words suggested by him instead of the words "adequate security" and let both of them go to conference. Therefore, I offer the following amendment:

At the end of the bill insert the following new section:

SEC. 12. Section 14 of the act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934 (Public, No. 417, 73d Cong.), is amended to read as follows:

"The Reconstruction Finance Corporation is authorized and empowered to make loans, so secured as to reasonably assure repayment of the loans, to recognized and established corporations, individuals, and partnerships engaged in the business of mining, milling, and smelting ores."

The PRESIDING OFFICER. Without objection——

Mr. BARKLEY. Wait a minute, Mr. President. I do not understand this method of amending the bill in important particulars "without objection." We might want to see what it is about. This amendment has not been discussed or offered heretofore, has it, I will ask the Senator from Nevada.

Mr. PITTMAN. It was referred to the Reconstruction Finance Corporation.

Mr. BARKLEY. It has not yet been the policy of Congress to authorize loans to individuals for any purpose under the Reconstruction Finance Corporation Act. The matter was brought up day before yesterday in the committee in connection with the testimony of the Chairman of the Reconstruction Finance Corporation, and it was felt that it was not wise to make loans to individuals, because it is so easy to incorporate in order to comply with that piece of wise precaution, I think. I do not recall that we have heretofore authorized loans to individuals. If I am mistaken about that, the Senator will correct me.

Mr. FLETCHER. There is no question about that. All we have ever done along that line in connection with loans from the R. F. C. has been through loans to mortgage companies. That is provided for now. We have not been making loans to individuals. I presume the Senator from Nevada has reference to classifying mining as an industry of some kind.

Mr. PITTMAN. Section 14, as I recall, of the act to which I have referred specifically provides for the loaning of money to corporations and associations engaged in the mining industry. It was offered and passed through Congress at the last session for the express purpose of meeting the various objections that were raised by one of the Senators here, the Senator from Washington, in regard to certain other matters.

Mr. FLETCHER. The Senator wants to change that section now so as to substitute for the words "adequate security" the language he has offered?

Mr. PITTMAN. That is what I desire.

Mr. FLETCHER. I am sorry these matters were not presented to the committee. As I have said, we had this bill under consideration since last Friday. We held sessions for 2 days on it and none of these amendments were offered to us. This amendment is something new.

Mr. BARKLEY. I move to amend the amendment by striking out the word "individuals."

Mr. PITTMAN. I accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kentucky to the amendment of the Senator from Nevada.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate and open to further amendment. There being no further amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. I move that the title be amended so as to read: "A bill to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes."

The motion was agreed to.

## INDEPENDENT OFFICES APPROPRIATIONS—CONFERENCE REPORT

Mr. GLASS submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, and 6, and agree to the same.

CARTER GLASS,
JAMES F. BYRNES,
FREDERICK HALE,
*Managers on the part of the Senate.*
C. A. WOODRUM,
JOHN J. BOYLAN,
RICHARD B. WIGGLESWORTH,
*Managers on the part of the House.*

Mr. GLASS. I may state that the House receded on all the amendments made to the bill by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

SURVEY OF LAND AND WATER POLICIES AND PROJECTS

Mr. BYRNES. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably the resolution (S. Res. 58) submitted by the Senator from Wyoming [Mr. O'MAHONEY] on the 21st instant, and referred to the Committee on Irrigation and Reclamation, which reported it back with various amendments, and it was then referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The latter committee now reports it back favorably without further amendment. I ask unanimous consent for its immediate consideration.

There being no objection, the Senate proceeded to consider the resolution.

The amendments of the Committee on Irrigation and Reclamation were, on page 1, line 2, to strike out "three" and insert "two"; in line 4, to strike out "and three" and insert "two"; and in line 5, after the word "reclamation", to insert "and two of whom shall be members of the Committee on Agriculture and Forestry", so as to make the resolution read:

*Resolved*, That a special committee of 7 Senators, to be appointed by the President of the Senate, 2 of whom shall be members of the Committee on Public Lands and Surveys, 2 of whom shall be members of the Committee on Irrigation and Reclamation, and 2 of whom shall be members of the Committee on Agriculture and Forestry, is authorized and directed to make a survey and study of all land and water policies and projects of the several executive agencies and establishments of the Government and to report to the Senate, as soon as practicable, the results of its survey, together with its recommendation for necessary legislation in connection therewith.

The committee or any duly authorized subcommittee thereof is authorized to attend the National Grazing Conference to be held under the auspices of the Department of the Interior at Denver, Colo., February 11, 1935.

For the purposes of this resolution the committee or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, including expenditures for travel, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The amendments were agreed to.

The resolution as amended was agreed to.

RECESS TO MONDAY

Mr. ROBINSON. I move that the Senate take a recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate took a recess until Monday, January 28, 1935, at 12 o'clock meridian.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 25 (legislative day of Monday, Jan. 21), 1935*

UNITED STATES CIRCUIT JUDGE

Charles B. Faris to be United States circuit judge for the eighth circuit.

COLLECTOR OF CUSTOMS

Austin J. Mahoney to be collector of customs for customs collection district no. 8, Rochester, N. Y.

APPOINTMENTS IN THE REGULAR ARMY

*To be brigadier generals*

Dana True Merrill, Infantry.
Robert Cherry Foy, Field Artillery.

*To be Chief Signal Officer with the rank of major general*

James Breadner Allison, Signal Corps.

*To be assistant to the Chief of the Air Corps with the rank of brigadier general*

Henry Gibbins, Quartermaster Corps.

*To be Assistant to the Chief of the Air Corps with the rank of brigadier general*

Augustine Warner Robins, Air Corps.

*To be professor of physics at the United States Military Academy*

Gerald Alford Counts

MEDICAL CORPS

*To be captain*

Otto Christian.

*To be first lieutenants*

Gordon G. Bulla
William Albert Todd, Jr.
Floyd Lawrence Wergeland
Robert Stultz Brua
James Willis Howard
James Sherwood Taylor
Jenner Garnett Jones
Eaton Wesley Bennett
Burt Held
Alfonso Michael Libasci
Frank Owings Alexander
Reinhardt Ludwig Schmidtke
John Edwin Granade
Clifford Otto Bishop.
Robert Estes Blount
Emmett Leroy Kehoe
William Joseph Power
Lawrence Carter Ball
John Knox Cullen
Kenneth Ross Hagen
Allan Arthur Craig
James Emile Graham
Jay Franchel Gamel
Paul Byron Reis
William Hugh Latimer Westbrook, Jr.
William Fred Patient
James Leslie Snyder
Raymond Richard Johanson
Thair Cozzens Rich
Frank Hugh Lane
Byron Glen McKibben
John DeWitt Morley
Frederic Ebelhare Cressman
Robert Tuthill Gants
Edward Beebe Payne
George Foster Peer
Robert LaShore Callison
William Sterling Hargan
Charles Edwards Spellman
James Bowdoin Stapleton
Tom French Whayne
Joseph Garber Cocke
Ralph Torrey Stevenson
John Benson Brow
Byron Ludwig Steger
Louie Render Braswell
Paul Hamilton Jenkins
Ray Edward Currie
Heinz Kuraner
Raphael Allen Edmonston
Knox Dunlap
Stephen Dominic Berardinelli
Clarence Harold White
Eugene Rhea Chapman
Fred William Seymour
Joseph Arthur Baird
Aubrey L. Jennings
William Titus Sichi
William Warren Roe, Jr.
Wayne Ross Weaver
Donald Davis Flickinger
Albert Marion Richmond
Donald Meyers Ward
Angvald Vickoren
Irving Hoos Schwab
William Earl Barry
Edmund Oliver Gates
Kenneth Malcolm Soderstrom
George Walter McCoy, Jr.
John William O'Donnell
Fred Howenstine Mowrey
Lucius George Thomas
Hubert Thaddeus Marshall
Robert Denton Smith
William Byrd Stryker
James Leo Tobin
William Langford Spaulding
Allen Nelson Bracher

DENTAL CORPS

*To be first lieutenants*

John Castle Hampson
Charles Joseph Cashman
Dean Stirling Beiter

VETERINARY CORPS

*To be second lieutenants*

William Edwin Jennings
Curtis William Betzold
James Bernhard Nichols
Albert Arthur Roby, Jr.
Andrew Jesse Sirilo
Daniel Stevens Stevenson
Ray Swartley Hunsberger
William Francis Collins

MEDICAL ADMINISTRATIVE CORPS

*To be second lieutenants*

Wilfred Arthur Emond
Harland William Layer
Eugene Gordon Cooper
Arthur Melville Henderson
William Robert Chamberlain
Everett Walter Partin
Andy Vaughan Little
Richard Case
Omar Kenneth Andrews
Eli Egbert Daman

CHAPLAINS

*To be chaplains with the rank of first lieutenant*

John Simeon Kelly
John Thomas Kilcoyne
Stanley Joseph Reilly

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Carl Herndon Seals.
Maj. Edward Fuller Witsell.

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. Eugene Mead Caffey.
Capt. Edgar Ambrose Jarman.
Capt. Guy Malcolm Kinman.
Capt. Francis Harold Vanderwerker.

TO QUARTERMASTER CORPS

Lt. Col. John Ashley Warden.
Maj. John McDonald Thompson.
Capt. James Horace Barbin.
Capt. Howard Haines Cloud.
Capt. Richard Woodhouse Johnson.
Capt. William Francis Marshall, Jr.
Capt. Senius John Raymond.
Capt. Herbert Edson Willis.
Capt. Barlow Winston.
Capt. Lloyd Raymond Wolfe.
First Lt. Kester Lovejoy Hastings.
First Lt. Charles Andrew Jones, Jr.
First Lt. Gustave Harold Vogel.
Second Lt. Carl Morton Sciple.
Second Lt. Jesse Huckett Veal.

TO FINANCE DEPARTMENT

Capt. Columbus Bierce Lenow.
Capt. Sidney Cushman Page.

TO SIGNAL CORPS

First Lt. Samuel Selden Lamb.
First Lt. William Milstead Talbot.
First Lt. Terence John Tully.

TO CHEMICAL WARFARE SERVICE

Capt. William Mayer.
First Lt. John Robert Burns.

TO CAVALRY

First Lt. David Andrew Watt, Jr.

TO FIELD ARTILLERY

Second Lt. James Ernest Beery.

TO COAST ARTILLERY CORPS

First Lt. Merson Leon Skinner.
Second Lt. Frank Ward Ebey.

TO INFANTRY

Lt. Col. James Blyth.
Second Lt. Merrick Hector Truly.

TO AIR CORPS

First Lt. Henry Malone Bailey.
Second Lt. John Glenn Armstrong.
Second Lt. Harry Nelson Burkhalter, Jr.
Second Lt. Douglas Moore Cairns.
Second Lt. Gabriel Poillon Disosway.
Second Lt. Dwight Divine, 2d.
Second Lt. Robin Bruce Epler.
Second Lt. Percival Ernest Gabel.
Second Lt. Winton Summers Graham.
Second Lt. Sydney Dwight Grubbs, Jr.
Second Lt. Thomas Burns Hall.
Second Lt. Millard Loren Haskin.
Second Lt. Franklin Stone Henley.
Second Lt. Travis Monroe Hetherington.
Second Lt. Frank Patterson Hunter, Jr.
Second Lt. Nelson Parkyn Jackson.
Second Lt. Richard Thomas King, Jr.
Second Lt. Victor Haller King.
Second Lt. Stephen B. Mack.
Second Lt. Harold Roth Maddux.
Second Lt. Edward Deane Marshall.
Second Lt. Donald Gordon McGrew.
Second Lt. Richard John Meyer.
Second Lt. Richard Mattern Montgomery.
Second Lt. Thomas Samuel Moorman, Jr.
Second Lt. Carlyle Walton Phillips.
Second Lt. Charles Hoffman Pottenger.
Second Lt. Bruce von Gerichten Scott.
Second Lt. William Oscar Senter.
Second Lt. Jewell Burch Shields.
Second Lt. Earl Francis Signer.
Second Lt. Vernon Cleveland Smith.
Second Lt. Milton Fredrick Summerfelt.
Second Lt. Cordes Fredrich Tiemann.
Second Lt. William Livingston Travis.
Second Lt. Karl Truesdell, Jr.
Second Lt. James Dennis Underhill.
Second Lt. Felix Louis Vidal, Jr.

APPOINTMENTS IN THE NATIONAL GUARD

GENERAL OFFICERS

*To be major general, National Guard of the United States*

Daniel Needham

*To be brigadier generals, National Guard of the United States*

Albert Henry Beebe
Washington Bowie, Jr.
Roger Weed Eckfeldt
Sumter de Leon Lowry, Jr.
Carlos Alden Penington

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS

GENERAL OFFICER

*To be brigadier general, Reserve*

Cornelius Vanderbilt

PROMOTIONS IN THE REGULAR ARMY

*To be colonels*

Joseph Fulton Taulbee, Quartermaster Corps.
Hiram Marshall Cooper, Infantry.
Troup Miller, Cavalry.
Benjamin Franklin Miller, Field Artillery.
William Waller Edwards, Cavalry.
John Alexander Barry, Cavalry.
William Whitelaw Gordon, Cavalry.
Raymond Sidney Bamberger, Adjutant General's Department.
Malcolm Peters Andruss, Coast Artillery Corps.
Albert Hecker Mueller, Cavalry.
Samuel James Sutherland, Infantry.
Franc Lecocq, Coast Artillery Corps.
Charles Leslie Mitchell, Infantry.
Emery Sherwood Adams, Adjutant General's Department.
Alfred Brandt, Infantry.
Charles Augustine Thuis, Infantry.
Townsend Whelen, Ordnance Department.
Charles Smith Hamilton, Infantry.
Harry Lightfoot Jordan, Infantry.
Ralph Willcox Kingman, Infantry.
Donald Davie Hay, Infantry.
Claire Raymond Bennett, Quartermaster Corps.
Henry Wyatt Fleet, Infantry.
Francis Henry Burr, Infantry.

Robert Truman Phinney, Infantry.
Charles Haynes Mason, Infantry.
Nicholas William Campanole, Infantry.
Reginald Heber Kelley, Infantry.
Joseph Oswald Mauborgne, Signal Corps.
Joseph Michael Cummins, Infantry.
Thomas Cebern Musgrave, Infantry.
Converse Rising Lewis, Infantry.
Max Clayton Tyler, Corps of Engineers.
Ulysses Simpson Grant, 3d, Corps of Engineers.
Julian Larcombe Schley, Corps of Engineers.
Richard Curtis Moore, Corps of Engineers.
Frederic Harrison Smith, Coast Artillery Corps.
Marion William Howze, Judge Advocate General's Department.
Olan Cecil Aleshire, Quartermaster Corps.
George Arthur Lynch, Infantry.
George Wilbur Cocheu, Coast Artillery Corps.
Charles Herman Patterson, Coast Artillery Corps.
Lewis Turtle, Coast Artillery Corps.
Clifford Jones, Coast Artillery Corps.
Louis Cass Brinton, Jr., Coast Artillery Corps.
Robert Morgan Lyon, Infantry.
William Mechling Colvin, Coast Artillery Corps.
Benjamin Edwards Grey, Infantry.
Elvid Hunt, Infantry.
Dorsey Read Rodney, Cavalry.
Alexander Mortimer Milton, Cavalry.
Campbell Blackshear Hodges, Infantry.
Jacob Winfield Scott Wuest, Air Corps.
Stephen Wilson Winfree, Cavalry.
Arthur Emmett Ahrends, Infantry.
Charles Franklin Severson, Infantry.
Harry Surgisson Grier, Infantry.
Charles Beatty Moore, Infantry.
Clark Lynn, Adjutant General's Department.
Ben Frazer Ristine, Infantry.
Albert Gilmor, Coast Artillery Corps.
Stuart Ainslee Howard, Adjutant General's Department.
John Francis Franklin, Infantry.
John Southworth Upham, Infantry.
Irving Monroe Madison, Infantry.
Ellery Farmer, Infantry.
Everett Newton Bowman, Infantry.
Jesse Duncan Elliott, Infantry.
Daniel Murray Cheston, Infantry.
James Madison Churchill, Infantry.
Luther Rice James, Infantry.
Andrew Davis Chaffin, Infantry.
Frederick Wegener Boschen, Finance Department.
Louis Farrell, Infantry.
Augustine Aloysius Hofmann, Infantry.
James Blyth, Infantry.
Edwin Gunner, Infantry.
Charles Otto Schudt, Finance Department.
William Franklin Robinson, Jr., Infantry.

*To be lieutenant colonels*

Roy Howard Coles, Signal Corps.
Henry Dorsey Farnandis Munnikhuysen, Quartermaster Corps.
Philip Stearns Gage, Coast Artillery Corps.
Robert Lawrence Eichelberger, Adjutant General's Department.
Monte Jackson Hickok, Coast Artillery Corps.
Robert Charles Frederick Goetz, Field Artillery.
Edwin Forrest Harding, Infantry.
Theodore Mosher Chase, Coast Artillery Corps.
Arthur Rutledge Underwood, Infantry.
Robert Sears, Ordnance Department.
Joseph Plassmeyer, Cavalry.
Lee Dunnington Davis, Infantry.
Edwin Russell Van Deusen, Field Artillery.
Frank Leroy Purdon, Infantry.
Merl Paul Schillerstrom, Infantry.
Carlin Curtis Stokely, Infantry.
Louis Philip Ford, Infantry.
John May McDowell, Field Artillery.
Clifford Bluemel, Infantry.
William Hood Simpson, Infantry.
William Charles Koenig, Coast Artillery Corps.
John Charles Fremont Tillson, Jr., Cavalry.
Vernon George Olsmith, Infantry.
Ralph Ernest Jones, Infantry.
Herbert Hamilton Acheson, Coast Artillery Corps.
Willis Shippam, Coast Artillery Corps.
Frank Dexter Applin, Signal Corps.
Rollin Larrabee Tilton, Coast Artillery Corps.
Raymond Eliot Lee, Field Artillery.
Louis Blaine Bender, Signal Corps.
Francis Page Hardaway, Coast Artillery Corps.
Frederic Alton Price, Coast Artillery Corps.
Edward Prescott Noyes, Coast Artillery Corps.
William David Frazer, Coast Artillery Corps.
George Fleming Moore, Coast Artillery Corps.
George Lane Van Deusen, Signal Corps.
Leopoldo Mercader, Infantry.
Cuthbert Powell Stearns, Cavalry.
Courtney Hicks Hodges, Infantry.
Rollo Curtin Ditto, Chemical Warfare Service.
Charles Carter Reynolds, Quartermaster Corps.
Frederick Martin Armstrong, Infantry.
Isaac Joshua Nichol, Infantry.
William Patrick Kelleher, Infantry.
Robert Menees Milam, Field Artillery.
Gordon Louis Finley, Judge Advocate General's Department.
Herbert Joseph Wild, Corps of Engineers.
Harleigh Parkhurst, Field Artillery.
Alvin Colburn, Infantry.
Walter Preston Tyler, Infantry.
John Douglas Kilpatrick, Quartermaster Corps.
Sheppard Blunden Philpot, Infantry.
Shields Warren, Infantry.
Charles Clement Cresson, Judge Advocate General's Department.
William Richards Blair, Signal Corps.
Drury Kemp Mitchell, Quartermaster Corps.
George Francis Lemon, Ordnance Department.
Clarence Herbert Tingle, Quartermaster Corps.
John Quincy MacDonald, Ordnance Department.
Leon Elie Lyon, Corps of Engineers.
Neill Edwards Bailey, Quartermaster Corps.
Francis Marion Maddox, Infantry.
Le Roy Reeves, Judge Advocate General's Department.
Charles Stephen Buck, Infantry.
Theodore Hall, Judge Advocate General's Department.
Alfred Wainwright Bloor, Infantry.
Walter Michael Krimbill, Judge Advocate General's Department.
Frederick William Browne, Finance Department.
Lee Stephen Tillotson, Judge Advocate General's Department.
Frank Wade Halliday, Judge Advocate General's Department.
Frank M. Holmes, Finance Department.
Clarence McCain McMurray, Infantry.
Guy Ichabod Rowe, Quartermaster Corps.
George Stevens Gay, Field Artillery.
John Magruder, Field Artillery.
Per Ramee, Infantry.
Harrison Cressy Browne, Infantry.
Harley Cleveland Dagley, Cavalry.
William Nichols Porter, Chemical Warfare Service.
George Howard Brett, Air Corps.
Maurice Benjamin Willett, Chemical Warfare Service.
Robert Edward Jones, Infantry.
Alexander Warner Cleary, Infantry.
George Marshall Parker, Jr., Infantry.
John Herman Hood, Coast Artillery Corps.
Richard Stearns Dodson, Coast Artillery Corps.
Christopher Dudley Peirce, Coast Artillery Corps.
Joseph Fredrick Cottrell, Coast Artillery Corps.

Wallace Loring Clay, Ordnance Department.
Walter Lucas Clark, Ordnance Department.
Charles McHenry Steese, Ordnance Department.
Richard Ferguson Cox, Coast Artillery Corps.
James Luke Frink, Quartermaster Corps.
Creswell Garlington, Corps of Engineers.
Beverly Charles Dunn, Corps of Engineers.
Donald Hilary Connolly, Corps of Engineers.
Raymond Foster Fowler, Corps of Engineers.
David McCoach, Jr., Corps of Engineers.
Edgar Warren Taulbee, Cavalry.
Dwight Knowlton Shurtleff, Ordnance Department.
Francis Henry Miles, Jr., Ordnance Department.
Fred Clute Wallace, Field Artillery.
Burton Oliver Lewis, Ordnance Department.
Herbert Raymond Odell, Field Artillery.
Reginald Bifield Cocroft, Coast Artillery Corps.
Clyde Andrew Selleck, Field Artillery.
Kenneth Bailey Harmon, Ordnance Department.
Ernest Joseph Dawley, Field Artillery.
Elmore Beach Gray, Coast Artillery Corps.
Herbert O'Leary, Ordnance Department.
Harry Dwight Chamberlin, Cavalry.
James Irvin Muir, Infantry.
John Julius Waterman, Field Artillery.
Frank Drake, Coast Artillery Corps.
Meade Wildrick, Coast Artillery Corps.
Frederick Arthur Holmer, Coast Artillery Corps.
Daniel Huston Torrey, Adjutant General's Department.
John Millikin, Cavalry.
Durward Saunders Wilson, Infantry.
Maurice Duncan Welty, Infantry.
Charles Albert Chapman, Coast Artillery Corps.
Frank Floyd Scowden, Quartermaster Corps.
Herbert Edgar Marshburn, Infantry.
Charles Hines, Coast Artillery Corps.
Jack Whitehead Heard, Cavalry.
Walter Kilshaw Dunn, Coast Artillery Corps.
Walter Hale Frank, Air Corps.
Guy Woodman Chipman, Cavalry.

*To be majors*

Christiancy Pickett, Field Artillery.
Luis Felipe Cianchini, Infantry.
Roy Carter Hilton, Infantry.
John Cooper Adams, Field Artillery.
Theodore Besson Apgar, Cavalry.
Ernest Terrill Barco, Field Artillery.
Lester Amiel Daugherty, Field Artillery.
Leland Adrian Miller, Ordnance Department.
Raymond Edward O'Neill, Air Corps.
Robert Alexander Laird, Corps of Engineers.
Frank Melvin S. Johnson, Corps of Engineers.
Porter Prescott Lowry, Coast Artillery Corps.
Jerome Jackson Waters, Jr., Field Artillery.
William Almond Shely, Infantry.
John Urban Ayotte, Infantry.
Charles Heyward Barnwell, Jr., Infantry.
Thomas Grafton Hanson, Jr., Cavalry.
Edward George Herlihy, Infantry.
George Albert Moore, Cavalry.
James Madison Shelton, Cavalry.
Arnold John Funk, Infantry.
Alexander Shepherd Quintard, Field Artillery.
Harry Allen Skerry, Corps of Engineers.
John Battista La Guardia, Corps of Engineers.
Roscoe Stewart Parker, Cavalry.
Norman Minus, Infantry.
Heywood Shallus Dodd, Cavalry.
Kent Craig Lambert, Cavalry.
George Edward Huthsteiner, Cavalry.
Maurice Morgan, Coast Artillery Corps.
Sylvester Emery Nortner, Corps of Engineers.
Frank Wiltshire Gano, Corps of Engineers.
John Leonard Pierce, Infantry.
John Joseph Atkinson, Field Artillery.
Charles Frederick Houghton, Cavalry.
Lowell Warde Rooks, Infantry.
Samuel Davies Bedinger, Field Artillery.
Malcolm Vaughn Fortier, Infantry.
John Walter Nicholson, Infantry.
Thomas Allan Young, Infantry.
Ray Bradford Conner, Finance Department.
John Lloyd McKee, Infantry.
Glenn Luman Allen, Infantry.
Charles Rouse Jones, Infantry.
Willard Stewart Paul, Infantry.
Robert Henry Chance, Infantry.
Harry Augustine Buckley, Cavalry.
March Hugo Houser, Chemical Warfare Service.
Willfred Rowell Higgins, Infantry.
Jesse Plez Green, Infantry.
Howard Winthrow Turner, Field Artillery.
William Audley Taber, Infantry.
Henry Garner Sebastian, Infantry.
Wesley Crowell Brigham, Field Artillery.
Cyrus Higginson Searcy, Infantry.
Leon Edward Norris, Infantry.
Frederick Irving Eglin, Air Corps.
Jack Lester Meyer, Quartermaster Corps.
Turner Ransom Sharp, Quartermaster Corps.
Ira Augustus Correll, Cavalry.
Clay Irvin Hoppough, Signal Corps.
Remi Paul Hueper, Finance Department.
William Joshua Jackson, Quartermaster Corps.
Walter Earl Seamon, Infantry.
Fred During, Infantry.
John Robert Francis, Infantry.
Rene Eugene Fraile, Adjutant General's Department.
Allan Johnson, Infantry.
Peter Francis Meade, Quartermaster Corps.
Clinton Rush, Infantry.
Barret DeTuberville Lambert, Infantry.
Arthur Jack Stark, Infantry.
George Louis Danforth, Field Artillery.
Ward Currey Goessling, Field Artillery.
Harold Burton Gibson, Cavalry.
Victor Roland Woodruff, Field Artillery.
Gustav Adolph Mellanchton Anderson, Infantry.
Melvin Selmer Williamson, Cavalry.
Robert William Yates, Field Artillery.
Dana Caswell Schmahl, Field Artillery.
Wilbur Granville Dockum, Field Artillery.
Clinton Mansfield Lucas, Field Artillery.
Harry Adamson, Infantry.
Samuel Gilbert Fairchild, Field Artillery.
Leslie Leonard Connett, Infantry.
Owen Rivers Rhoads, Infantry.
Carl Russell Adams, Coast Artillery Corps.
Joe L. Ostrander, Infantry.
George Walter Hovey, Coast Artillery Corps.
Elmer Forrest Wallender, Infantry.
Carl Eugene Driggers, Infantry.
Harry Vincent Hand, Infantry.
Ben Menadue Sawbridge, Field Artillery.
Dominic Joseph Sabini, Field Artillery.
Herman Feldman, Quartermaster Corps.
Ned Blair, Infantry.
Ernest Alvin Kindervater, Quartermaster Corps.
Jared Irwin Wood, Infantry.
Gordon Cogswell Irwin, Signal Corps.
Everett Marion Yon, Infantry.
Grady Henry Pendergrast, Infantry.
Robert Earle Frye, Infantry.
John Harvey Fye, Field Artillery.
George Mood MacMullin, Infantry.
Nicholas Szilagyi, Infantry.
Frederick Weston Hyde, Infantry.
Charles Royal Lehner, Field Artillery.
Rosser Lee Hunter, Infantry.
Carroll Arthur Powell, Signal Corps.
Feodor Otto Schmidt, Infantry.
James Francis Brittingham, Field Artillery.

Frank Clide De Langton, Cavalry.
Oscar Bergstrom Abbott, Infantry.
George Seymour McCullough, Infantry.
Carter Roderick McLennan, Cavalry.
Geoffrey Galwey, Cavalry.
Louis Garland Gibney, Cavalry.
David Seth Doggett, Field Artillery.
Thomas Grady Jenkins, Infantry.
Roy Dayton Burdick, Corps of Engineers.
Leslie Carlyle Wheat, Infantry.
Lawrence Harold Bixby, Field Artillery.
Walter Compere Lattimore, Field Artillery.
Charles James Booth, Cavalry.
Russell Hubbard Dixon, Field Artillery.
Everett Marshall Graves, Field Artillery.
William Tuttle Hamilton, Cavalry.
William Valentine McCreight, Infantry.
John Henry Ringe, Infantry.
Virgil Bell, Infantry.
Frederick Vernon Edgerton, Infantry.
William Granville Purdy, Infantry.
Chesley Ray Miller, Infantry.
Frederick Francis Duggan, Cavalry.
Walter Lee Mitchell, Infantry.
Robert Franklin Dark, Infantry.
Mimucan Dabney Cannon, Infantry.
Harry Howard Baird, Cavalry.
Ralph Slate, Infantry.
Nathan Eugene McCluer, Field Artillery.
Ernest John, Infantry.
Ralph Marshal Caulkins, Infantry.
William Taylor Bauskett, Jr., Cavalry.
Claudius Leo Lloyd, Infantry.
Carlisle Barksdale Cox, Cavalry.
Joseph Lester Brooks, Quartermaster Corps.
Carlos Watkins Bonham, Field Artillery.
Sidney James Cutler, Field Artillery.
William Mathew Cline, Quartermaster Corps.
Theodore James Sledge, Infantry.
Henry Hardy Slicer, Coast Artillery Corps.
Stanley Gloninger Saulnier, Infantry.
Will Hughes Gordon, Infantry.
Thomas Cole Brown, Infantry.
Thomas Joseph Johnston, Chemical Warfare Service.
John Marion Rhodes, Quartermaster Corps.
George Everett Hill, Jr., Signal Corps.
Dudley Blanchard Howard, Air Corps.
Willard Wadsworth Irvine, Coast Artillery Corps.
Charles Emerson Boyle, Field Artillery.
William Doughty Evans, Coast Artillery Corps.
William Benjamin Tuttle, Infantry.
Donald Armpriester Stroh, Infantry.
Edwin Adolph Henn, Field Artillery.
Russell Thomas George, Coast Artillery Corps.
Thomas Clyde McCormick, Field Artillery.
Alfred Mynderse Goldman, Field Artillery.
Erskine Ashley Franklin, Cavalry.
Albert Miller Jackson, Coast Artillery Corps.
George Raymond Owens, Coast Artillery Corps.
Andrew Davis Bruce, Infantry.
John Edward Maher, Cavalry.
Joseph Philip Kohn, Coast Artillery Corps.
Dallas Loyd Knoll, Quartermaster Corps.
Robert Justin Van Buskirk, Coast Artillery Corps.
Floyd Emerson Galloway, Air Corps.
John Edwin Selby, Cavalry.
Herbert Everett Watkins, Cavalry.
Henry Yost Lyon, Infantry.
Joseph Anthony Cistero, Infantry.
Thomas William Freeman, Infantry.
Paxton Sterrett Campbell, Infantry.
William Ross Irvin, Cavalry.
Alfred Lyons Baylies, Cavalry.
Roy Leo Schuyler, Infantry.
Charles Torrance McAleer, Signal Corps.



Louis DeSaussure Hutson, Infantry.
Lathan Hunter Collins, Cavalry.
Loren Prescot Stewart, Infantry.
Frederick Linwood Topping, Coast Artillery Corps.
Nathaniel Lewis Simmonds, Quartermaster Corps.
William Florence O'Donoghue, Infantry.
Alan Walter Jones, Infantry.
Myron Weldon Tupper, Quartermaster Corps.
Charles Richard Doran, Field Artillery.
Candler Asbury Wilkinson, Cavalry.
John Adams Hettinger, Cavalry.
William Byron Wilson, Infantry.
Stanley Young Kennedy, Infantry.
William Wilson Belcher, Field Artillery.
Paul Houston Morris, Cavalry.
John Richard Williams, Field Artillery.

*To be captains*

Hugh Chester Downey, Air Corps.
John Joseph Powers, Quartermaster Corps.
John Canning Wade, Corps of Engineers.
George William Goddard, Air Corps.
Charles Wingate Reed, Ordnance Department.
William John McCarthy, Coast Artillery Corps.
Jack Greer, Air Corps.
Guy Kirksey, Air Corps.
Thomas Herbert Chapman, Air Corps.
John Michael McDonnell, Air Corps.
Harry Hobson Mills, Air Corps.
Robert Van Thomas, Quartermaster Corps.
Angier Hobbs Foster, Air Corps.
Harry Grattan Dowdall, Infantry.
Edwin Sullivan, Air Corps.
Carroll Ray Hutchins, Quartermaster Corps.
John Raymond Drumm, Air Corps.
Oliver Kendall Robbins, Air Corps.
John Fidelis Connell, Finance Department.
John Sherman Gullet, Air Corps.
Roy Judson Caperton, Infantry.
Paul Kellam, Infantry.
John Raglan Glascock, Air Corps.
Enoch Graf, Quartermaster Corps.
Isaac Devaus Van Meter, Quartermaster Corps.
Ray L. Owens, Air Corps.
Charles Benjamin Leinbach, Field Artillery.
Henry Leonard Kersh, Field Artillery.
Lloyd Russell Garrison, Field Artillery.
Charles Gage Brenneman, Air Corps.
Raymond George Miller, Field Artillery.
Clyde Milton Hallam, Field Artillery.
Nicoll Fosdick Galbraith, Field Artillery.
William Adrian Enos, Field Artillery.
Norman Joseph Eckert, Field Artillery.
Hugh Cort, Field Artillery.
George Vardeman McPike, Air Corps.
Jasper Ewing Brady, Jr., Infantry.
George Good Cressey, Air Corps.
Clarence Edgar Crumrine, Air Corps.
Harry Kirsner, Quartermaster Corps.
Corley Perry McDarment, Air Corps.
Russell Hay Cooper, Air Corps.
Gaylord Leon Phipps, Infantry.
Henry Guy Woodward, Air Corps.
Clifford James Moore, Quartermaster Corps.
John Ross Morgan, Air Corps.
Roscoe Caleb Wriston, Air Corps.
Charles Edwin Thomas, Jr., Air Corps.
Frederick Andrew Johnson, Air Corps.
Henry William Brandhorst, Infantry.
Leonard Roberts Smith, Infantry.
Stanley Noble Partridge, Infantry.
James Bumer Jordan, Air Corps.
Albin Nace Caldwell, Quartermaster Corps.
Arvel Joshua Monger, Infantry.
John Hamilton Judd, Infantry.
Thomas Jefferson Ford, Chemical Warfare Service.

Charles Richardson Smith, Infantry.
Raymond Edward Shum, Infantry.
Kenton Parkes Cooley, Infantry.
Lester Erasmus Gruber, Infantry.
Fay Smith, Infantry.
Alfred Nelson Taylor, Infantry.
Jack Edmund Rycroft, Infantry.
Ben Robert Jacobs, Infantry.
Mark Christian Neff, Infantry.
Jefferson Buckner Willis, Infantry.
Lewis Dabney Hixson, Infantry.
Clyde Girard Banks, Infantry.
Ivan Downes Yeaton, Field Artillery.
Thomas Everett Winstead, Infantry.
Harry Cullins, Infantry.
Alfred Edwin McKenney, Infantry.
Henry Bosard Ellison, Infantry.
Joe Arthur Hinton, Infantry.
William Paul Hayes, Infantry.
Earl Monroe Miner, Infantry.
Eugene Lemuel Miller, Infantry.
Reuben Ellis Jenkins, Infantry.
Patrick Francis Powers, Chemical Warfare Service.
Howard E. Pulliam, Infantry.
Millard Fillmore Willet Oliver, Infantry.
Thomas Alfred Northam, Infantry.
James Robert Manees, Infantry.
Roland Samuel Henderson, Infantry.
James Cecilius White, Infantry.
Norman Drysdale Gillet, Chemical Warfare Service.
Jack Clemens Hodgson, Air Corps.
Walter L. Reynold, Infantry.
Carlisle Clyde Dusenbury, Infantry.
James Leland Bolt, Infantry.
John Harvey Becque, Chemical Warfare Service.
Theodore Thomas Teague, Signal Corps.
Eugene Vincent Elder, Signal Corps.
Carter Weldon Clarke, Signal Corps.
Ralph Gordon Richards, Quartermaster Corps.
Paul La Rue Neal, Signal Corps.
Ray Guy Harris, Air Corps.
Harry Earl Reed, Infantry.
Kameil Maertens, Infantry.
James Cole Shivley, Air Corps.
Clifford Smith, Quartermaster Corps.
Charles Vernon Barnum, Infantry.
James Culver Cluck, Air Corps.
Richard Geter Rogers, Quartermaster Corps.
Joseph Felix Routhier, Finance Department.
Robert Taylor Strode, Field Artillery.
Russell Dean Powell, Field Artillery.
Charles Rudolph Carlson, Field Artillery.
Harold Charles Raymond, Field Artillery.
Charles Herbert Day, Field Artillery.
Thomas Oscar Foreman, Field Artillery.
Harry Lee Watts, Jr., Field Artillery.
Harold Engerud, Cavalry.
Raymond Thomas Joseph Higgins, Field Artillery.
Walter Talcott Wilsey, Quartermaster Corps.
Albert James Hastings, Field Artillery.
Seward Lincoln Mains, Jr., Field Artillery.
Herbert Glendonne Messer, Signal Corps.
Charles Kellogg McAlister, Field Artillery.
Thomas Francis Keefe, Field Artillery.
Edward Harold Metzger, Field Artillery.
Clinton Steele Berrien, Field Artillery.
John Edward McCarthy, Infantry.
Courtland Moshier Brown, Air Corps.
Keith Kirkman Tatom, Infantry.
Harry Walter Killpack, Infantry.
Paul Revere Taylor, Infantry.
William Noel Amis, Air Corps.
Alva Edison McConnell, Quartermaster Corps.
Hez McClellan, Air Corps.
Harold Hibbard Carr, Air Corps.
Carley Lawrence Marshall, Infantry.
William Ernest Donegan, Infantry.
Rufus Benjamin Davidson, Air Corps.
Stanley Milward Umstead, Air Corps.
Robert Smith Williams, Quartermaster Corps.
Roland Birnn, Air Corps.
Stanton Thomas Smith, Air Corps.
Harry Leo Zeller, Quartermaster Corps.
Stephen Edward Stancisko, Field Artillery.
Edward Vincent Freeman, Quartermaster Corps.
Norman Crawford Caum, Infantry.
Earl Thomas McCullough, Infantry.
Clarence Lee King, Infantry.
Evers Abbey, Air Corps.
Otto Lucratus McDaniel, Field Artillery.
Allan Francis Sullivan, Infantry.
William Clarkson Huggins, Field Artillery.
Thomas Walter Roane, Infantry.
Herbert Hunter Harris, Infantry.
James Alva Murphey, Infantry.
William Daniel Schas, Infantry.
William Robert Schaefer, Field Artillery.
Moses Alexander, Infantry.
Kenneth Edgar Kline, Infantry.
Donald Dewey McCaskey, Infantry.
Allen Agee Goodwyn, Infantry.
Ralph Elmer Alexander, Infantry.
Robert Howard Wylie, Quartermaster Corps.
Charles Drysdale Simmonds, Infantry.
Albert Pierson, Infantry.
Sylvian Gaston Kindall, Infantry.
John Hancock Holder, Quartermaster Corps.
Joseph Popenjoy Bailey, Air Corps.
Francis Pat Booker, Air Corps.
Kenneth Campbell McGregor, Air Corps.
Rafael Louis Salzmann, Infantry.
Riley Finley Ennis, Infantry.
Clarence Frost Horton, Air Corps.
George Francis Wooley, Jr., Field Artillery.
Clarence Edward Jones, Quartermaster Corps.
Lawrence Cornwallis Collins, Infantry.
John Joseph Johnson, Coast Artillery Corps.
Porter Tate Gregory, Coast Artillery Corps.
George Henry Bardsley, Ordnance Department.
Ray Edward Dingeman, Coast Artillery Corps.
Harry Albert Kuhn, Chemical Warfare Service.
Arthur Edmond Wilson, Coast Artillery Corps.
George Cobb Wynne, Quartermaster Corps.
George Franklin Nichols, Coast Artillery Corps.
Harry Frederick Meyers, Coast Artillery Corps.
Ola Aloysius Nelson, Coast Artillery Corps.
Thomas North, Field Artillery.
William Chauncey Hutt, Quartermaster Corps.
Arthur Nicholas Ziegler, Infantry.
Henry Lee Kinnison, Jr., Cavalry.
Robert Homer Soule, Infantry.
Pardoe Martin, Air Corps.
John Augustus Hunt, Quartermaster Corps.
Raymond Rudolph Brown, Air Corps.
William Ernest Griffin, Coast Artillery Corps.
Edwin Charles Lickman, Infantry.
Rudolph George Schmidt, Quartermaster Corps.
Frank Williard Bullock, Signal Corps.
Ralph Willerton French, Quartermaster Corps.
David Lyddall Hardee, Infantry.
Joseph Elmer Monhollan, Infantry.
Whitfield Putnam Shepard, Infantry.
Clifton Tredway Hunt, Corps of Engineers.
Helmuth Ernest Beine, Infantry.
Robert Scurlark Moore, Finance Department.
Aloysius Joseph Tagliabue, Infantry.
Cleon Lyle Williams, Infantry.
David Ray Nimocks, Infantry.
Archie Bird Whitlow, Infantry.
William Thrower Fitts, Jr., Infantry.
Fredrik Lorentsen Knudsen, Jr., Infantry.
Jesse Thomas Harris, Infantry.
Crowell Edward Pease, Field Artillery.
Claude Bertram Avera, Quartermaster Corps.

William John McKiernan, Jr., Air Corps.
Newton Wesley Jones, Field Artillery.
Elden Quincy Faust, Quartermaster Corps.
Arthur Ellis Dewey, Quartermaster Corps.
Edwin Ray McReynolds, Air Corps.
David Glenn Lingle, Air Corps.
Michael Vincent Gannon, Field Artillery.
Emmett Augustus Niblack, Field Artillery.
Harry Van Horn Ellis, Quartermaster Corps.
Robert Morris Webster, Air Corps.
Ralph Hamilton Tate, Chemical Warfare Service.
Harold Spigelmyre, Quartermaster Corps.
Frank Harl Curtis, Infantry.
William Stanard Keller, Finance Department.
Thomas Harold Christian, Infantry.
Paul Revere Smith, Chemical Warfare Service.
Thearl Ward Essig, Infantry.
Frank Blanton Lindley, Infantry.
Carter Marion Kolb, Infantry.
Harold Almon Gardyne, Finance Department.
Grover Adlai Summa, Infantry.
Sam Purswell, Infantry.
George Jackson Rawlins, Cavalry.
Charles Backes, Air Corps.
Kent J. Nelson, Infantry.
Jesse Earl Canary, Infantry.
Richard Evans Glasson Opie, Infantry.
John Weckerling, Infantry.
Forbie Hiram Privett, Infantry.
James Bowcott Howat, Infantry.
Sigmund Franklin Landers, Air Corps.
Lawrence Eugene Heyduck, Field Artillery.
Milo Neil Clark, Air Corps.
Ernest Anthony Elwood, Field Artillery.
Lewis Peyton Jordan, Infantry.
Frederick Reinhold Undritz, Infantry.
Franklin Harwood Canlett, Field Artillery.
John DeLorme Eason, Infantry.
Richard Randolph Winslow, Infantry.
Charles Franklin Hudson, Infantry.
George Alfred MacKay, Chemical Warfare Service.
Harrison Gage Crocker, Air Corps.
John Myres Rooks, Quartermaster Corps.
Frank Scott Frickelton, Quartermaster Corps.
Ole Gunnar Hoaas, Corps of Engineers.
Dorcy LeRoy Decker, Quartermaster Corps.
Edward John Morris, Quartermaster Corps.
Fernand George Dumont, Infantry.
John James Carney, Infantry.
Ned Schramm, Air Corps.
Joseph Mathew Matson, Quartermaster Corps.
Don McNeal, Signal Corps.
Victor Lafayette Robinson, Quartermaster Corps.
Milton Edward Wilson, Quartermaster Corps.
Jesse Anthony Madarasz, Air Corps.
Edward Morris Robbins, Air Corps.
James Weston Hammond, Air Corps.
Leonard Francis Felio, Quartermaster Corps.
Robert Emmet Coughlin, Corps of Engineers.
Gaylord Burnam Kidwell, Quartermaster Corps.
Edwin Joseph McAllister, Infantry.
Albert Pierpont Barnes, Field Artillery.
William James Daw, Signal Corps.
Otto Ellis, Field Artillery.
Chester Arthur Horne, Field Artillery.
David Wood Griffiths, Corps of Engineers.
Arthur William Pence, Corps of Engineers.
Leslie Richard Groves, Jr., Corps of Engineers.
Frederic Bates Butler, Corps of Engineers.
Leverett Griggs Yoder, Corps of Engineers.
Harry Alexander Montgomery, Corps of Engineers.
Mark Mayo Boatner, Jr., Corps of Engineers.
David Ayres Depue Ogden, Corps of Engineers.
Karl Browne Schilling, Corps of Engineers.
Elmer Ellsworth Barnes, Corps of Engineers.
William Wesley Wanamaker, Corps of Engineers.
Beverly Carndine Snow, Corps of Engineers.
Richard Lee, Corps of Engineers.
Howard Louis Peckham, Corps of Engineers.
Charles Richard Bathurst, Corps of Engineers.
Wendell Phillips Trower, Corps of Engineers.
Robert Gilbert Lovett, Corps of Engineers.
Cornman Louis Hahn, Corps of Engineers.
Edwin Potter Lock, Jr., Corps of Engineers.
George Brooke McReynolds, Field Artillery.
Morris Williams Gilland, Corps of Engineers.
David Terrill Johnson, Corps of Engineers.
Randolph Piersol Williams, Air Corps.
Newell Lyon Hemenway, Corps of Engineers.
Arthur Joseph Sheridan, Corps of Engineers.
James George Christiansen, Corps of Engineers.
Benjamin Franklin Chadwick, Corps of Engineers.
Heath Twichell, Corps of Engineers.
Joseph Jones Twitty, Corps of Engineers.
Harrison Shaler, Ordnance Department.
Edmund Wilson Searby, Field Artillery.
Roger Manning Wicks, Field Artillery.
Robert Everett York, Corps of Engineers.
Chester Krum Harding, Corps of Engineers.
William Clarence Bennett, Jr., Corps of Engineers.
Claude Henry Chorpening, Corps of Engineers.
George Vernon Keyser, Field Artillery.
Frank Otto Bowman, Corps of Engineers.
Joseph Shirley Gorlinski, Corps of Engineers.
Albert Riani, Corps of Engineers.
Orville Ernest Walsh, Corps of Engineers.
Peter Paul Goerz, Corps of Engineers.
William Aylett Callaway, Infantry.
Howard Voorheis Canan, Corps of Engineers.
Vere Alfred Beers, Corps of Engineers.
Doswell Gullatt, Corps of Engineers.
John Bell Hughes, Corps of Engineers.
Lawrence Bradford Bixby, Field Artillery.
Harry Crawford, Field Artillery.
William Washington Webster, Field Artillery.
John Hamilton Hinds, Field Artillery.
John Marks Moore, Coast Artillery Corps.
George Gage Eddy, Ordnance Department.
Charles Edward Morrison, Cavalry.
William Powell Blair, Field Artillery.
William James Epes, Field Artillery.
John Hinton, Field Artillery.
Eric Spencer Molitor, Field Artillery.
Richard August Ericson, Coast Artillery Corps.
James Vincent Carroll, Field Artillery.
Arthur Emil Mickelsen, Signal Corps.
Paul Boyle Kelly, Coast Artillery.
Ernest Calhoun Norman, Field Artillery.
Christian Knudsen, Cavalry.
William Bobbs Miller, Infantry.
Charles Rolland Gildart, Field Artillery.
Richard Carrick Babbitt, Infantry.
Francis Bassett Valentine, Air Corps.
Charles Edward Hixon, Field Artillery.
Hammond McDougal Monroe, Infantry.
Bryan Evans, Field Artillery.
Bonner Frank Fellers, Coast Artillery Corps.
John William Middleton, Infantry.
Melton Adams Hatch, Coast Artillery Corps.
Kenneth Seymour Stice, Signal Corps.
Francis Andrew March 3d, Field Artillery.
George Maurice Badger, Coast Artillery Corps.
John Sheridan Winn, Jr., Field Artillery.
Marion Van Voorst, Signal Corps.
Frank Johnstone Cunningham, Coast Artillery Corps.
Thomas Tipton Thornburgh, Cavalry.
Hobart Reed Yeager, Air Corps.
Stuart Millikin Bevans, Field Artillery.
John Hiram Lewis, Jr., Field Artillery.
Gervais William Trichel, Coast Artillery Corps.
Vincent John Conrad, Infantry.
Thomas William Munford, Coast Artillery Corps.

*To be first lieutenants*

John Bourke Daly, Field Artillery.
William Henry Tunner, Air Corps.
Robert Tryon Frederick, Coast Artillery Corps.
Ralph Edward Koon, Air Corps.
Verdi Beethoven Barnes, Field Artillery.
Howard Graham Bunker, Air Corps.
Edward Cassel Reber, Field Artillery.
Henry Leo Flood, Infantry.
Allison Richard Hartman, Coast Artillery Corps.
Stuart Glover McLennan, Air Corps.
John Alexander Samford, Air Corps.
Douglas Glen Ludlam, Ordnance Department.
Legare Kilgore Tarrant, Coast Artillery Corps.
Harry Warren Halterman, Infantry.
William Mattingly Breckinridge, Infantry.
Arthur Richard Thomas, Coast Artillery Corps.
Paul Anthony Leahy, Coast Artillery Corps.
Madison Clinton Schepps, Infantry.
James Lowman Hathaway, Cavalry.
Douglas Crevier McNair, Field Artillery.
Fred Obediah Tally, Air Corps.
Walter Emerson Finnegan, Cavalry.
Russell Blair, Infantry.
Charles Ralph Pinkerton, Ordnance Department.
Edwin Augustus Cummings, Infantry.
Powhatan Moncure Morton, Cavalry.
Lionel Charles McGarr, Infantry.
James Melvin Lamont, Infantry.
Montgomery Breck Raymond, Coast Artillery Corps.
Noble James Wiley, Jr., Infantry.
Wilhelm Paul Johnson, Infantry.
Roger Maxwell Ramey, Air Corps.
Horace Lincoln Beall, Jr., Infantry.
Carl Ferdinand Fritzsche, Infantry.
John Peter Doidge, Infantry.
Forrest Gordon Allen, Air Corps.
Leigh Austin Fuller, Jr., Infantry.
John Thomas Murtha, Jr., Air Corps.
Ralph Joseph Butchers, Infantry.
John Severin Knudsen, Infantry.
Samuel Egbert Anderson, Air Corps.
Everett Davenport Peddicord, Coast Artillery Corps.
James Gallagher Bain, Coast Artillery Corps.
August William Schermacher, Coast Artillery Corps.
Robert Franklin Tomlin, Coast Artillery Corps.
Louis Test Vickers, Coast Artillery Corps.
Joseph Arthur Bulger, Air Corps.
Kilbourne Johnston, Infantry.
Robert Bernard Beattie, Infantry.
Ralph Harold Sievers, Quartermaster Corps.
John Raymond Gilchrist, Infantry.
Frank Rudolph Maerdian, Infantry.
George Francis Will, Infantry.
George Ferrow Smith, Air Corps.
Allen Wilson Reed, Air Corps.
Arthur William Meehan, Air Corps.
Frank Leonard Bock, Infantry.
Thomas Joseph Moran, Infantry.
James Elmer Totten, Infantry.
Truman Hempel Landon, Air Corps.
Charles Frank Howard, Infantry.
Hampden Eugene Montgomery, Jr., Infantry.
Elmer Wentworth Gude, Infantry.
Maurice Clinton Bisson, Air Corps.
Harry Edgar Wilson, Air Corps.
Charles Bowler King, Infantry.
Robert Williams Warren, Air Corps.
John Francis Wadman, Air Corps.
Delmar Taft Spivey, Air Corps.
Maury Spotswood Crallé, Infantry.
Ramon Antonio Nadal, Infantry.
Carroll Huston Prunty, Cavalry.
August Walter Kissner, Air Corps.
Edgar Elliott Enger, Infantry.
LaVerne George Saunders, Air Corps.
Tito George Moscatelli, Infantry.
Louis Russell Delmonico, Infantry.
George Henry Lawrence, Infantry.
George Clinton Willette, Infantry.
Francis Henry Boos, Infantry.
Gaulden McIntosh Watkins, Infantry.
Thomas Lilley Sherburne, Jr., Field Artillery.
John Francis Farra, Jr., Infantry.
Stanhope Brasfield Mason, Infantry.
Eugene Thomas Lewis, Infantry.
Allen Thayer, Infantry.
Emmett O'Donnell, Jr., Air Corps.
John Oliver Williams, Infantry.
Richard Wetherill, Jr., Infantry.
Donald Winston Titus, Air Corps.
Emmett Felix Yost, Air Corps.
Alfred Henry Parham, Infantry.
James William Lockett, Infantry.
Paul DeWitt Adams, Infantry.
Evan McLaren Houseman, Infantry.
Ralph Thomas Nelson, Infantry.
Robert Kinder Taylor, Air Corps.
James Morrow Ivy, Infantry.
Gellert Arthur Douglas, Infantry.
William Grant Caldwell, Infantry.
William Thomas Moore, Infantry.
Paul Jones Mitchell, Infantry.
Alfred Benjamin Denniston, Quartermaster Corps.
James Wilson Brown, Jr., Air Corps.
William Columbus Sams, Air Corps.
Robert Harper Kelly, Air Corps.
Joseph Franklin Trent, Infantry.
Edward Felix Shepherd, Quartermaster Corps.
Andrew Thomas McNamara, Infantry.
Thomas Mason Tarpley, Jr., Infantry.
James Francis Olive, Jr., Air Corps.
Edgar Alexander Sirmyer, Jr., Air Corps.
Thomas Webster Steed, Air Corps.
Paul Elliott MacLaughlin, Infantry.
Robert Edward Lee Pirtle, Air Corps.
Wilbur Erickson, Air Corps.
Lilburn Dimmitt Fator, Air Corps.
Archibald Meyer Kelley, Air Corps.
Ralph Orville Brownfield, Air Corps.
Joel Edward Mallory, Air Corps.
Lindsay Mansfield Bawsel, Air Corps.
Donald Russell Lyon, Air Corps.
Warren Herbert Higgins, Air Corps.
Stanley Keith Robinson, Air Corps.
Willard Reno Shephard, Air Corps.
George Washington Hansen, Air Corps.
Minton William Kaye, Air Corps.
Aubry Lee Moore, Air Corps.
Ronald Roosevelt Walker, Air Corps.
Lloyd Harrison Tull, Air Corps.
Francis Marion Zeigler, Air Corps.
Frederic Ernst Glantzberg, Air Corps.
Eugene Herbert Rice, Air Corps.
Leland Samuel Stranathan, Air Corps.
Ernest Keeling Warburton, Air Corps.
LeRoy Hudson, Air Corps.
Roland Ogden Strand Akre, Air Corps.
Paul Ellis Shanahan, Air Corps.
Roger Vincent Williams, Air Corps.
Andrew Fred Solter, Air Corps.
Frederick Archibald Pillet, Air Corps.
William Hugh McArthur, Air Corps.
Reginald Heber, Air Corps.
Homer LeRoy Sanders, Air Corps.
Draper Frew Henry, Air Corps.
Robert Dilger Johnston, Air Corps.
Walter Robertson Agee, Air Corps.
Hansford Wesley Pennington, Air Corps.
Guy Frost Hix, Air Corps.
Donald Wells Buckman, Air Corps.
Murray Clarke Woodbury, Air Corps.

Norman Herbert Ives, Air Corps.
Paul Bernard Wurtsmith, Air Corps.
William Alexander Robert Robertson, Air Corps.
Robert Edward Lee Choate, Air Corps.
Edwin Roland French, Air Corps.
John Williams Persons, Air Corps.
William Chamberlayne Bentley, Jr., Air Corps.
Sam Williamson Cheyney, Air Corps.
Max Harrelson Warren, Air Corps.
Edwin Lee Tucker, Air Corps.
Ralph Columbus Rhudy, Air Corps.
Isaac William Ott, Air Corps.
Edward Holmes Underhill, Air Corps.
Trenholm Jones Meyer, Air Corps.
John Joseph Keough, Air Corps.
William Houston Maverick, Air Corps.
William Pryor Sloan, Air Corps.
George Frost Kinzie, Air Corps.
Albert Boyd, Air Corps.
James Wayne McCauley, Air Corps.
Thomas Robert Starratt, Air Corps.
Edward Harrison Alexander, Air Corps.
Frank Alton Armstrong, Jr., Air Corps.
William Albert Matheny, Air Corps.
John Patrick Kenny, Air Corps.
Lambert Spencer Callaway, Air Corps.
Reginald Franklin Conroy Vance, Air Corps.
William Lecel Lee, Air Corps.
David Dunbar Graves, Air Corps.
Haywood Shepherd Hansell, Jr., Air Corps.
William Truman Colman, Air Corps.
Paul Mueller Jacobs, Air Corps.
Dudley Durward Hale, Air Corps.
Herbert Leonard Grills, Air Corps.
Benjamin Scovill Kelsey, Air Corps.
Thomas Lee Mosley, Air Corps.
Raymond Lloyd Winn, Air Corps.
Leonard Franklin Harman, Air Corps.
Kingston Eric Tibbetts, Air Corps.
Richard Henry Lee, Air Corps.
Robert Wilson Stewart, Air Corps.
Lewis R. Parker, Air Corps.
Walter Archibald Fenander, Air Corps.
William Maurice Morgan, Air Corps.
Richard Irvine Dugan, Air Corps.
Edwin Minor Day, Air Corps.
Jack Weston Wood, Air Corps.
James Herbert Wallace, Air Corps.
Horace Fennell Sykes, Jr., Corps of Engineers.
Raymond Leslie Hill, Corps of Engineers.
Frank Lee Blue, Jr., Corps of Engineers.
George Arthur Lincoln, Corps of Engineers.
Kenneth David Nichols, Corps of Engineers.
Don Zabriskie Zimmerman, Air Corps.
Ernest Ward Carr, Corps of Engineers.
James Adolph Ostrand, Jr., Corps of Engineers.
Charles Theodore Tench, Corps of Engineers.
Frank Hartman Forney, Corps of Engineers.
Frederick Rodgers Dent, Jr., Air Corps.
Harold Huntley Bassett, Air Corps.
Paul Williams Thompson, Corps of Engineers.
Howard Moore, Air Corps.
John Floyd McCartney, Corps of Engineers.
Carl Roemer Jones, Corps of Engineers.
Alvin Galt Viney, Corps of Engineers.
Walter King Wilson, Jr., Corps of Engineers.
Bruce Douglass Rindlaub, Corps of Engineers.
Herbert Milwit, Corps of Engineers.
Ward Terry Abbott, Corps of Engineers.
Benjamin Richard Wimer, Corps of Engineers.
John Lloyd Person, Corps of Engineers.
Harry Gage Montgomery, Jr., Air Corps.
Frank Eugene Fries, Corps of Engineers.
Thomas Atkins Adcock, Corps of Engineers.
Thomas Jahn Sands, Field Artillery.
John Stein Walker, Field Artillery.
James Burt Evans, Field Artillery.
Frederic Henry Chaffee, Field Artillery.
Roger James Browne, Air Corps.
Joseph Jennings Ladd, Air Corps.
Richard David Wentworth, Field Artillery.
Robert George Henry Meyer, Signal Corps.
William Jonathan Thompson, Field Artillery.
James Percy Hannigan, Field Artillery.
John Gresham Minniece, Jr., Cavalry.
DeVere Parker Armstrong, Field Artillery.
Merle Russell Thompson, Coast Artillery Corps.
Douglas Golding Dwyre, Field Artillery.
Clayton Earl Hughes, Field Artillery.
Paul Singer Thompson, Field Artillery.
Franklin Pierce Miller, Field Artillery.
Dominick Joseph Calidonna, Signal Corps.
David Ferdinand Brown, Field Artillery.
Thomas Ludwell Bryan, Jr., Air Corps.
John Knox Poole, Air Corps.
Philip Henry Draper, Jr., Field Artillery.
Richard Lee Scott, Infantry.
Paul Elias, Coast Artillery Corps.
Paul William Shumate, Cavalry.
Harold Quiskie Huglin, Air Corps.
William Lewis Bell, Jr., Infantry.
James Theodore Barber, Coast Artillery Corps.
Andrew Samuels, Jr., Coast Artillery Corps.
Lawrence McIlroy Guyer, Coast Artillery Corps.
Harold George Hayes, Signal Corps.
Joseph Horridge, Coast Artillery Corps.
Carl Henry Jark, Field Artillery.
Donald Philip Graul, Signal Corps.
Charles Blake McClelland, Jr., Cavalry.
Robert Emzy Chandler, Field Artillery.
Edwin Hugh John Carns, Cavalry.
Charles Sommers, Air Corps.
Joseph Milton Colby, Cavalry.
Roy Eugene Hattan, Field Artillery.
John James LaPpage, Cavalry.
Wayland Henry Parr, Coast Artillery Corps.
John Elliot Theimer, Field Artillery.
William Price Connally, Jr., Field Artillery.
John Coleman Horton, Air Corps.
George William Peake, Field Artillery.
Dale Raymond French, Field Artillery.
Walter Elmer Kraus, Field Artillery.
Marshall Stanley Roth, Air Corps.
David Mural Perkins, Field Artillery.
Rudolph Fink, Air Corps.
Robert Maurice Kraft, Air Corps.
Oliver Hardin Gilbert, Coast Artillery Corps.
Ralph Robert Mace, Field Artillery.
Edwin George Griffith, Coast Artillery Corps.
William Lewis McCulla, Coast Artillery Corps.
Norman Edwin Poinier, Field Artillery.
Laurence Hilliard Brownlee, Coast Artillery Corps.
John David Francis Phillips, Field Artillery.
Sidney Andrew Ofsthun, Air Corps.
George Richard Carey, Coast Artillery.
William Evens Hall, Air Corps.
Frederic Harrison Smith, Jr., Air Corps.
William James Latimer, Jr., Field Artillery.
Donald John Keirn, Air Corps.
Luster Azil Vickrey, Field Artillery.
Airel Burr Cooper, Signal Corps.
William Miller Vestal, Coast Artillery Corps.
Myles Wilkenson Brewster, Field Artillery.
Dwight Bahney Schannep, Air Corps.
George Waite Coolidge, Cavalry.
James Franklin Brooke, Jr., Signal Corps.
Kenneth Johnson Woodbury, Coast Artillery Corps.
Norman Alverton Congdon, Coast Artillery Corps.
Robert Moffat Losey, Air Corps.
Daniel Norman Sundt, Field Artillery.
James Lee Beynon, Field Artillery.
William Tremlett Kirn, Field Artillery.

William Hopkins Greear, Cavalry.
Harold Stevens Whiteley, Field Artillery.
John Jackson O'Hara, Jr., Air Corps.
John Spencer Nesbitt, Field Artillery.
Milton Andre Acklen, Cavalry.
James Gordon Harding, Field Artillery.
Chandler Prather Robbins, Jr., Cavalry.
Emery Scott Wetzel, Air Corps.
Frank M. Steadman, Field Artillery.
William Lafayette Fagg, Infantry.
Jacob George Reynolds, Coast Artillery Corps.
William Darwin Hamlin, Signal Corps.
Francis Emmons Fellows, Field Artillery.
John Myron Underwood, Infantry.
Thomas West Hammond, Jr., Infantry.
Henry Ray McKenzie, Coast Artillery Corps.
Edmund Chauncey Rockefeller Lasher, Quartermaster Corps.
Paul Donal Harkins, Cavalry.
Thomas Fowler Taylor, Cavalry.
Edward Jamet McNally, Cavalry.
Eric Hilmer Frithiof Svensson, Jr., Cavalry.
Donald Alexander Poorman, Infantry.
William Milstead Talbot, Coast Artillery Corps.
George Milton Beaver, Infantry.
George Elial Bush, Infantry.
William Carson Bullock, Infantry.
Calvin Luther Partin, Coast Artillery Corps.
Robert William Ward, Infantry.
Frank Dow Merrill, Cavalry.
Louis Mortimer deLisle deRiemer, Cavalry.
George Eldridge Keeler, Jr., Coast Artillery Corps.
Hugh Warner Stevenson, Cavalry.
Leroy William Krauthoff, Infantry.
Robert Loomis Anderson, Coast Artillery Corps.
James Leitch Grier, Infantry.
Joseph Reisner Ranck, Cavalry.
Joseph Marcellus Lovell, Infantry.
Edward Blackburn Hempstead, Coast Artillery Corps.
William Ernest Karnes, Air Corps.
George Rich Barnes, Infantry.
Robert Gordon Crandall, Field Artillery.
Donald Manzanato Schorr, Cavalry.
Kai Eduard Rasmussen, Coast Artillery Corps.
John Wesley Hammond, Infantry.
Laurence Neville Buck, Infantry.
Paul Wyatt Caraway, Infantry.
William Fulton McKee, Coast Artillery Corps.
Elmer Elsworth Kirkpatrick, Jr., Quartermaster Corps.
Wayne James Dunn, Cavalry.
William Gilmer Bowyer, Air Corps.
Eugene Louis Moseley, Infantry.
Edgar Thomas Conley, Jr., Infantry.
Kenneth Milton Briggs, Coast Artillery Corps.
Ezekiel Wimberly Napier, Air Corps.
Richard Claire Carpenter, Infantry.
Paul William Steinbeck, Jr., Coast Artillery Corps.
Charles Clarke White Allan, Cavalry.
Harlan Robinson Statham, Infantry.
James Bernard Quill, Cavalry.
William Kerr Ghormley, Quartermaster Corps.
Robert Little Cook, Infantry.
James Maurice Gavin, Infantry.
Fred Winchester Sladen, Jr., Infantry.
Ralph Nisley Woods, Infantry.
Russell Lowell Vittrup, Infantry.
Dale Joel Kinnee, Infantry.
John Drury Cone, Infantry.
Samuel Victor Stephenson, Air Corps.
Lester Skene Bork, Infantry.
Ralph Bishop Strader, Infantry.
Ernest Fred Heidland, Coast Artillery Corps.
Ralph Van Strauss, Infantry.
Charles Greene Calloway, Coast Artillery Corps.
George Robert Evans, Infantry.
William Hastings Francis, Coast Artillery Corps.
Thomas Benton McDonald, Air Corps.
Charles Theodore Arnett, Air Corps.
Louis Anderson Hammack, Infantry.
Daniel William Quinn, 3d, Infantry.
John Russell Seward, Coast Artillery Corps.
Melie John Coutlee, Air Corps.
Thomas Jefferson DuBose, Air Corps.
Daniel Campbell Doubleday, Air Corps.
Harlan Clyde Parks, Coast Artillery Corps.
Paul Lamar Freeman, Jr., Infantry.
James Joseph Mathews, Infantry.
Marshall Stubbs, Chemical Warfare Service.
Joseph Allen McNerney, Infantry.
Clarence Renshaw, Quartermaster Corps.
Frederick Giddings, Infantry.
Charles Newton Hunter, Infantry.
Jerald Worden McCoy, Air Corps.
Logan Clarke, Infantry.
Randolph Bolling Hubard, Infantry.
George Edward Lynch, Field Artillery.
Hugh Mackintosh, Infantry.
David Xavier Angluin, Infantry.
William Erwin Maulsby, Jr., Infantry.
Donald Archibald Stevning, Infantry.
Carl Bascombe Herndon, Infantry.
Charles Guthrie Rau, Infantry.
Pearl Harvey Robey, Air Corps.
Charles Glendon Williamson, Air Corps.
James Julius Winn, Infantry.
Wesley Carlton Wilson, Infantry.
John Lyford Hornor, Jr., Quartermaster Corps.
Daniel Fulbright Walker, Field Artillery.
John Kauffman Bryan, Field Artillery.
George Putnam Moody, Air Corps.
Nelson Marquis Lynde, Jr., Infantry.
Charles Dudley Wiegand, Infantry.
Charles Howard Treat, Infantry.
Thomas Bolyn Smothers, Jr., Infantry.
John Francis Regis Seitz, Infantry.
Bruce Easley, Jr., Infantry.
Edgar Wright, Jr., Infantry.
William Lester Nave, Infantry.
Edwards Edgecombe Cruise, Infantry.
Brendan McKay Greeley, Infantry.
Ralph Copeland Cooper, Field Artillery.
John Ambrose Geary, Infantry.
John Warren Joyes, Jr., Infantry.
Everett Clifton Hayden, Quartermaster Corps.
William Henry Shimonek, Infantry.

MEDICAL CORPS

*To be colonel*

William Lee Hart

*To be lieutenant colonel*

Fletcher Olin McFarland

*To be major*

Hubert Maurice Nicholson

*To be captains*

Albert Russel Driesbach
William Weaver Nichol
Richard Paul Johnson
Joseph Upton Weaver
George Darsie McGrew
Leonard Frank Wilson
Major Samuel White
Robert James Wilson
Llewellyn Lancelot Barrow
Leonard Theodore Peterson
George Prazak
Fred Rueb, Jr.
Alfred Henry Brauer
Roger Hubbard Allbee
Urho Robert Merikangas
John Bernard Herman
Clifford Gordon Blitch

DENTAL CORPS

*To be lieutenant colonel*

Raymond William Pearson

VETERINARY CORPS

*To be colonel*

Alfred Lewis Mason

*To be captains*

Charles Stunkard Greer
John Lloyd Owens

*To be first lieutenant*

George Townley Price

MEDICAL ADMINISTRATIVE CORPS

*To be captain*

Edward Martin Wones

*To be first lieutenants*

Lewis Miller Gould
Paul Nixon

CHAPLAINS

*To be chaplains with the rank of major*

Frank Lewis Miller
Ralph Conrad Deibert
Ralph Winfred Rogers

*To be chaplains with the rank of captain*

Christian Anthony Wachter
Leo James McDonald

PROMOTIONS IN PHILIPPINE SCOUTS

*To be lieutenant colonel*

John Adoniram Sterling

*To be captains*

Charles Herbert Lantz
Joseph Luther Walecka
Frank Christian
Walter Lenius Dencker
Wilbur Nease Haltiwanger
Paul Adamson Hollister
Francis Marion Wilson
James Russell Brownell
Harold Russell Jordan
Charles Edgar Burchett
Henderson Wilcox Allen
Howard James Edmands

POSTMASTERS

NEBRASKA

Clara L. Bennett, Broken Bow.
Arnold W. Sorensen, Dannebrog.

OKLAHOMA

James W. Gilbert, Sallisaw.

TEXAS

Benjamin A. Borskey, Alvin.
Sam Hagin, Anna.
Richard P. Park, Aransas Pass.
Alton C. Barnes, Arlington.
Marshall L. Felker, Avinger.
Ogden Johnson, Beaumont.
Richard E. Trenckmann, Bellville.
C. Collins Moorhouse, Benjamin.
Lawrence C. Galbraith, Big Sandy.
Maurene E. Whiteside, Blackwell.
A. Burton Reagan, Brady.
Joseph H. Wright, Byers.
John R. Hays, Cameron.
Guy J. Harp, Canyon.
Faye D. Fite, Carthage.
Sarah E. Burns, Center.
Ambrose J. Denman, Channing.
Estelle Gibson, Chico.
Robert A. Goelzer, Chilton.
Bertram D. Wren, Clarksville.
Carl W. Appling, Claude.
Anna V. Smith, College Station.
Marion L. Garvin, Jr., Como.
Albert R. Racer, Crystal City.
J. Frank Weaver, Cumby.
Charlie L. Pratt, Daingerfield.
Daniel C. Atkinson, Dalhart.
Tom B. Lenox, De Kalb.
Zettie Kelley, Diboll.
Thomas F. Bice, Dimmitt.
Mary B. Harper, Eagle Pass.
William P. Slaton, Electra.
Fronie R. Allen, Emory.
Noel J. Reynolds, Ennis.
Noma N. Lokey, Farwell.
Sloan H. Osborn, Friona.
Melmoth Y. Stokes, Jr., Goldthwaite.
James L. Tally, Goliad.
Sue B. Mullins, Grapevine.
Jeff Gray, Groom.
James G. Ponder, Happy.
Hugh E. Minshew, Hawkins.
Tena N. Draper, Hebbronville.
Ross Kenner, Hemphill.
Burris C. Jackson, Hillsboro.
Alice W. Dotson, Jewett.
John T. Holmes, Joaquin.
David W. Thompson, Keltys.
Clarence L. Wood, Killeen.
William P. Dowling, Kirbyville.
Richard J. Crow, Kountze.
Marcellus P. Adams, Lampasas.
James M. Edwards, Lewisville.
Carl A. Shipp, Liberty Hill.
Lula J. Moreland, Lindale.
Augustus A. Storey, Lockhart.
William C. Dowell, Lone Oak.
William H. Burns, Louise.
J. William Dyer, Mabank.
John J. Faubion, Marble Falls.
Fay F. Spragins, Martindale.
J. Alexander Able, Melvin.
Lou A. Wright, Milford.
Dallas S. Lankford, Mineola.
Grady W. Harris, Mobeetie.
Loyal N. Tyer, Mont Belvieu.
Ruth Norman, Morgan.
Louis O. Muenzler, New Ulm.
Mary S. Strong, Nocona.
Mardie J. Bennett, Normangee.
William T. Henderson, Odessa.
Jesse R. Thigpen, Omaha.
Lloyd O. Waldron, Panhandle.
Thomas W. Russell, Paris.
Rufus L. Hybarger, Pineland.
William G. Carlisle, Plano.
Ray S. Wait, Port Isabel.
Billie W. Sorey, Refugio.
Lino Perez, Riogrande.
Jesse H. Harris, Rogers.
Smith W. Ribble, Roxton.
Alexander M. Bowie, San Benito.
William A. Smith, San Saba.
Wallace B. Alexander, Seymour.
Flake George, Shamrock.
Marion R. Alexander, Silverton.
Plummer M. Barfield, Sourlake.
Russell M. Chaney, Sulphur Springs.
Mary E. Holtzclaw, Tatum.
Frank Folsom, Teague.
Ida Bowers, Tenaha.
Otto Hegar, Tomball.
Hugh E. Weir, Troy.
James G. Simms, Valley Mills.
Pearson P. Pollard, Waskom.
Balser B. Hefner, Weimar.
Revis F. Curry, Wellington.
Samuel M. Gupton, West Columbia.
Fred W. Hines, Wiergate.
John B. Gibson, Winnsboro.
Olen T. Little, Woodson.
Annie H. Hughes, Woodville.
Tom H. Hood, Wortham.
Della Duncan, Wylie.

# HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 25, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we wait at the altar of Him whose name is above every name, the name at the sound of which every knee shall bow and every tongue shall confess as Lord, to the glory and honor of God. By Him we are taught that it is better to give than to receive and that blessed are the merciful, for they shall obtain mercy. Do Thou inspire the very soul of the Republic to let a burst of radiance come through the dim, open doors of a remembered happiness. Let disappointment and privation, sickness and wounded affection work in us all a blessed and a spiritual enrichment. May we understand that through sorrow we find joy, through poverty we inherit true riches, and through humiliation we ascend to the seat of honor. Almighty God, increase our scope of thought and the magnitude of those sources by which we order our conduct. In the name of our Savior.

The Journal of the proceedings of yesterday was read and approved.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

COMMITTEE ON FOREIGN AFFAIRS

Mr. McREYNOLDS. Mr. Speaker, I offer the following resolution and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

House Resolution 71

*Resolved*, That for the purposes of obtaining information necessary as a basis for legislation the Committee on Foreign Affairs of the Seventy-fourth Congress is authorized, as a committee, by subcommittee or otherwise, to continue the investigation begun under authority of House Resolution 404 of the Seventy-third Congress, and for such purposes said committee shall have the same power and authority as that conferred upon the Committee on Foreign Affairs by House Resolution 404 of the Seventy-third Congress. The unexpended balance of the appropriation of $10,000 under House Resolution 444, Seventy-third Congress, is hereby continued for such purposes.

Mr. SNELL. Mr. Speaker, reserving the right to object, may I ask the gentleman a question? How much longer does the gentleman think it will be necessary to continue this investigation?

Mr. McREYNOLDS. Simply long enough for the drafting of the report.

Mr. SNELL. The investigation itself, then, is practically completed?

Mr. McREYNOLDS. Yes; and we have some $4,000 left of the appropriation.

Mr. SNELL. That is a good record.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I should like to ask a question or two. How much is it contemplated will be spent out of this balance of $4,000 that remains now?

Mr. McREYNOLDS. We are trying to save as much as $2,500 out of the $10,000, if possible.

Mr. BLANTON. Will it cost $1,500 to make this report?

Mr. McREYNOLDS. No; I think not; but there are some expenses already incurred that will have to be met. I could not tell the gentleman the exact amount.

Mr. BLANTON. There is not going to be any personnel employed?

Mr. McREYNOLDS. We have some personnel employed now.

Mr. BLANTON. I mean, any further personnel?

Mr. McREYNOLDS. No; but there are some expenses already incurred.

Mr. BLANTON. Then it is simply a matter of using whatever money is necessary out of this $4,000 to prepare and present this report?

Mr. McREYNOLDS. Yes; and some little incidental expense already incurred.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SECOND LIBERTY BOND ACT

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4304) to amend the Second Liberty Bond Act, as amended, and for other purposes; and pending that, I ask unanimous consent that there may be 1 hour of general debate, one-half to be controlled by the gentleman from Massachusetts [Mr. TREADWAY] and one-half by myself.

Mr. TREADWAY. Mr. Speaker, the request of the Chairman of the Ways and Means Committee is entirely agreeable to this side.

Mr. PATMAN. Mr. Speaker, reserving the right to object, I have asked the chairman of the committee for 5 minutes of time and I hope he has taken that into consideration in arriving at the amount of time to be used in general debate.

Mr. DOUGHTON. That will be arranged in a way agreeable to the gentleman.

Mr. BLANTON. Mr. Speaker, I reserve the right to object to ask the gentleman some questions.

Will the measure we are going to consider now, with 1 hour of general debate, authorize the issuance of $4,000,000,000 of bonds additional to those in existence now?

Mr. DOUGHTON. It authorizes the issuance of $25,000,000,000 of bonds, but this is in lieu of the existing authorization of $28,000,000,000. This supplants the present authorization.

Mr. BLANTON. But it will authorize the issuance and sale of $4,000,000,000 of bonds that, incidentally, is connected with the legislation we passed yesterday?

Mr. DOUGHTON. No; not necessarily. Under this bill there can only be outstanding under the proposed amendment of the Second Liberty Bond Act at any one time $25,000,000,000. There is outstanding now about $13,000,000,000.

Mr. BLANTON. May I ask the gentleman this question? Is the income from all of the bonds that are to be issued to be tax exempt?

Mr. DOUGHTON. There has been no change, so far as I am aware, of the law relating to tax-exempt securities.

Mr. BLANTON. Then the income from them all will be exempt from taxation?

Mr. SAMUEL B. HILL. Mr. Speaker, will the gentleman yield to me?

Mr. DOUGHTON. I yield.

Mr. SAMUEL B. HILL. The principal purpose of this legislation is the refunding, largely, of the existing bonds, and the bonds which take the place of those retired will have the same provisions as to taxes and tax exemptions as the ones outstanding.

Mr. BLANTON. I presumed that, but I am talking about whatever bonds are necessary to be issued to raise the $4,000,000,000 that we are going to expend for public works. Are those bonds going to provide that the income be tax exempt?

Mr. DOUGHTON. Those bonds, like the other bonds, will have to be issued in accordance with existing law at that time.

Mr. BLANTON. Which provides that the income is exempt from taxation.

Mr. DOUGHTON. The measure that the gentleman mentions, providing for the issuance of $4,000,000,000 of additional bonds, has not yet been enacted into law.

Mr. BLANTON. I should like to know as a matter of information whether it is possible for this Government to sell

$4,000,000,000 of bonds without making the income tax exempt.

Mr. DOUGHTON. Under present law?

Mr. BLANTON. I mean, is it possible to have the law require the income to be taxable?

Mr. MARTIN of Massachusetts. Regular order, Mr. Speaker.

Mr. BLANTON. Oh, the gentleman must not be in too great a hurry. I am entitled to the information I seek, and I intend to get the information.

Mr. MARTIN of Massachusetts. The gentleman can get the information when we go into committee.

Mr. BLANTON. The information I want is from the chairman of the committee. I want to get it now. Is it possible for us to raise $4,000,000,000 without making the income from such bonds tax exempt. If it is, I want to vote to stop the issuance of tax-exempt securities.

Mr. DOUGHTON. I think a good many of us have that purpose in mind.

Mr. BLANTON. But, of course, if that is not possible and we cannot raise the money without it, we will have to do the best we can.

Mr. DOUGHTON. The gentleman yesterday voted for a law that would make the issuing of this $4,000,000,000 possible.

Mr. BLANTON. Yes; because the President of the United States requested us to do it.

Mr. DOUGHTON. Why did he not do it then?

Mr. BLANTON. Because the President requested Congress to pass that bill without amendment, but I raised the question in the committee of taking steps at the first opportune moment to stop the issuance of any further tax-exempt bonds. I am in dead earnest about carrying on a determined fight here to stop tax-exempt securities.

Of course, I realize full well that this $4,000,000,000 must be raised to carry out this public-works project of the President. And if it is a fact that we cannot raise the money on bonds that are not tax exempt, and that the only way to raise it is under the present existing law, and I see that the committee indicates that that situation exists, then there is left nothing else for us to do except to vote for this bill. But before this session of Congress adjourns I am going to do everything that is possible to stop the issuance of tax-exempt securities, and to provide some legal way to tax the income from all tax-exempt securities.

Mr. BOILEAU. Reserving the right to object, I should like to ask the gentleman from North Carolina if it is possible to have more time on this very important bill than 1 hour for debate?

Mr. CULLEN. Mr. Speaker, I ask for the regular order.

Mr. DOUGHTON. I will say that I conferred with the gentleman from Massachusetts, the ranking minority Member, and he agreed that 1 hour was sufficient. There will be debate under the 5-minute rule.

Mr. TREADWAY. I have had requests for about half an hour. I thought that was ample, and it is ample so far as I am concerned on this side.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The motion of Mr. DOUGHTON was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. SUTPHIN in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of the bill of which the Clerk will read the title.

The Clerk read as follows:

H. R. 4304, to amend the Second Liberty Bond Act as amended, and for other purposes.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mr. DOUGHTON. Mr. Chairman, the purpose of the bill under consideration is to amend the Second Liberty Bond Act so as to permit the Government needs and requirements to be more economically financed.

Under the present Liberty Bond Act the amount of bonds that may be outstanding at any one time is limited to $28,000,000,000. This bill, if it becomes a law and supplements that act, makes the amount that may be outstanding at any one time not over $25,000,000,000.

At present there has been issued under existing law, the Second Liberty Bond Act, about $25,000,000,000, and there is about thirteen and one-half billion dollars outstanding. Bonds to the amount of eleven and one-half billion dollars have been retired, and there is no authority for other bonds to be issued in their place.

Under the terms of this bill the $25,000,000,000 of bonds would become a revolving fund; and of the bonds retired, other bonds could be issued in their place.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. MARTIN of Colorado. When these bonds are retired, how are they financed? The gentleman said eleven and one-half billions were retired. How were they retired? By what means? Were they paid off?

Mr. DOUGHTON. They were retired by redemption, I suppose.

Mr. MARTIN of Colorado. I understand that the outstanding indebtedness of the Government now is about $27,000,000,000.

Mr. DOUGHTON. About $28,000,000,000.

Mr. MARTIN of Colorado. That is what I am getting at. They have not really been paid off. They have been refinanced by other forms of Government obligations.

Mr. DOUGHTON. Treasury notes, certificates of indebtedness, and Treasury bills.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. TREADWAY. Is not this the situation, that certain bonds have been paid and, one might say, canceled by the Treasury, and others have been refunded. Is not that what the gentleman from Colorado has in mind—the refunding process?

Mr. MARTIN of Colorado. They have been refunded, but not paid out.

Mr. TREADWAY. That is correct. Many have been retired.

Mr. DOUGHTON. Some have been retired and others have been refunded. Under existing law we have issued approximately twenty-five and one-half of the twenty-eight billions authorized, leaving approximately two and one-half billions which still may be issued. Yet only thirteen and one-half billions' worth of these bonds are now outstanding, and practically eleven and one-half billions have been retired which, under existing law, cannot be replaced. The bill also amends existing law with respect to Treasury notes, certificates, and other forms of Government obligations. Under existing law $20,000,000,000 can be issued in Treasury notes, certificates of indebtedness, bills, and so forth, but the law is so written that not more than $10,000,000,000 can be issued in Treasury notes and $10,000,000,000 in certificates of indebtedness and Treasury bills. The purpose of this is to consolidate these two authorizations, so that if it is to the advantage of the Government to issue more of one form than another, it would have the privilege of doing so. One form of indebtedness is sometimes more favorable at a low rate of interest than another form, and this bill is intended to make the authorization more flexible, and not to increase the amount that may be issued for Treasury notes, bills, and so forth. It is the purpose to consolidate so that at the option of the Government the Treasury Department can issue more of one form than another.

The bill also provides for the issuing of a new form of bonds known as "Government savings bonds", that can be purchased by small investors who wish to invest their earnings in Government securities. These bonds, under the provisions of this bill, may be issued in denominations as low as

$25. They are intended ultimately to replace the issuing of Postal Savings bonds.

In other words, there are about 88 million dollars of Postal Savings bonds now out, and it is the purpose of the Treasury Department to discontinue issuance of those bonds, and issue these United States savings bonds which may be purchased by people of small means who desire to invest their savings in governmental bonds.

At the present time Liberty Loan bonds and other forms of bonds may be used as surety bonds, but bonds issued by the Home Owners' Loan Corporation and other forms of bonds are not usable in that way. This bill provides that any bonds, the principal and interest of which are guaranteed by the Government, may be used as surety bonds. If it is necessary for one to give a bond to the Government, and he has these bonds that are not now usable as surety bonds, he will not be forced to go into the market and purchase surety bonds, but can use these bonds in lieu of a bond sold by some bonding company.

It is thought the adoption of these amendments will enable the Secretary of the Treasury to issue the type of securities which, in his judgment, are best suited to meet the conditions of the market and the needs of the Government. In addition it will allow a further refunding of outstanding obligations. There are at the present time some $5,000,000,000 of Liberty bonds bearing high interest rates which could be called in and refunded if the Treasury now had the authorization which is provided in this bill.

The benefits that would be derived are best shown by what has been accomplished since January 31, 1933, at which time the annual interest rate on the interest-bearing debt was 3.407 percent, whereas on December 31, 1934, the average rate was reduced to 2.96 percent. In other words if the average rate of 3.407 percent on January 31, 1933, had continued up to the present time, the amount of the interest charge would today be approximately $125,000,000 greater than we are now paying.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. Yes.

Mr. RICH. If we should reduce the interest rate to 2.96, then supposing an individual had a million dollars invested in these bonds, he would not necessarily pay any income tax upon them. Does not the gentleman believe that we could have these bonds not exempt from taxes and still get a low interest rate and thereby have those people with great income assist in paying the Government's obligations and debts. Does the gentleman not think it would be a good thing to have these bonds subject to taxation?

Mr. DOUGHTON. Yes; but not at as low a rate of interest. But we didn't deem it wise to make so radical a change as that in this bill. I think that is a subject that should be considered by this Congress; and so far as I know, no one objects to considering whether we should adopt such a policy.

Mr. RICH. When nobody objects, and we have the opportunity, why not take advantage of it and make them taxable?

Mr. DOUGHTON. We might ask the same question as to why that had not been done in the years past. I hope it will be done by this Congress.

Mr. RICH. If we have made mistakes in the years past, why continue?

Mr. COOPER of Tennessee. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. COOPER of Tennessee. I may say for the information of the gentleman from Pennsylvania [Mr. RICH] that several measures seeking to accomplish that purpose are now pending before the Ways and Means Committee. I also invite the gentleman's attention to the fact that this committee has, in the past on two different occasions, reported such legislation to the House. That matter is not being neglected. It is receiving attention and consideration.

Mr. TREADWAY. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. TREADWAY. I wish to corroborate what the gentleman has said, as well as what the gentleman from Tennessee [Mr. COOPER] has said. In addition to the bills that are before the Ways and Means Committee, there is a constitutional-amendment suggestion that is now before the Committee on the Judiciary, which I have introduced, and I hope to be able to speak on it during the day.

Mr. COOPER of Tennessee. Will the gentleman yield further?

Mr. DOUGHTON. I yield.

Mr. COOPER of Tennessee. I just want to point out one other point in connection with the so-called "savings bonds"—that is, the small bonds that are to be authorized under this legislation, which is something new; and that is that the limit that anyone may acquire of those bonds in 1 year's time is $10,000.

Mr. DOUGHTON. That is correct.

Mr. COOPER of Tennessee. So that one individual may not buy up unduly large amounts of those small bonds, but they will be handled so as to meet the requirements, wishes, and needs of the small investors generally throughout the country.

Mr. DOUGHTON. That is a correct statement.

Mr. COOPER of Tennessee. And the further fact that the purpose is that those small bonds may be purchased at post offices throughout the country, so as to make them more accessible to the small investors.

Mr. DOUGHTON. That is a correct statement.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. VINSON of Kentucky. Further, in connection with the United States savings bonds, whatever that total will be is within the $25,000,000,000 limitation?

Mr. DOUGHTON. In all there cannot be issued and outstanding at any one time more than $25,000,000,000, but the purpose of this bill is to make it more flexible.

Mr. VINSON of Kentucky. The United States savings bonds are included within that $25,000,000,000 limit?

Mr. DOUGHTON. That is correct.

Mr. CRAWFORD. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. CRAWFORD. May I ask if there is any provision in this bill which will take care of the small investors after they have invested their savings in these certificates, if the market begins to break on them and starts heading toward a loss of 16 or 18 percent, which occurred some time ago when the bonds of the United States were scattered through the holdings of individuals throughout the country, who were not in a position to protect their holdings, but through fear, forced their holdings on the market as low as $82 a hundred?

Mr. DOUGHTON. I yield to the gentleman from Kentucky.

Mr. VINSON of Kentucky. Those savings bonds are sold at a discount. If the condition obtains such as the gentleman just suggested, the price paid, plus the interest compounded semiannually, may be received by the purchaser of those savings bonds. It is in the nature of the war-savings stamps which were issued during another great fight the United States was in.

Mr. DOUGHTON. When anyone invests his money in bonds, of course, it is the same as any other investment.

Mr. VINSON of Kentucky. But the chairman knows full well that these savings bonds are sold at a discount, and the face value or maturity value is much larger, because there is included in that face value the interest that would accrue on the price paid. At any time before maturity date, the owner of those savings bonds may secure the discount price, plus the accrued interest.

Mr. CRAWFORD. Is that not similar to the way war-savings stamps were sold during the war?

Mr. VINSON of Kentucky. Very similar.

Mr. DOUGHTON. Of course, the gentleman would not expect there would be provided in any legislation any guarantee by which bonds cannot decline or advance. You have the advantage of the rise in value, and in all affairs of mankind there is always a risk of some kind. You cannot guarantee a man against loss and then give him the benefit of the gains.

Mr. RICH. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. RICH. Last year we passed a law in this House which gave the Secretary of the Treasury $2,000,000,000 to stabilize the bonds of this country. Until we lose that money it will be used for that purpose.

Mr. DOUGHTON. And they have been stabilized to the extent they have been advancing in price all the time, and the interest rate has been getting lower all the time.

Mr. CRAWFORD. But will the price of these certificates be so stabilized to the small investor?

Mr. KENNEY. Will the gentleman yield?

Mr. DOUGHTON. I yield.

Mr. KENNEY. Does the gentleman know what rate of interest is expected to be paid on these small bonds?

Mr. DOUGHTON. I do not think there is any fixed rate.

Mr. VINSON of Kentucky. The savings bonds yield not in excess of 3 percent compounded semiannually.

Mr. DOUGHTON. Yes. That is a correct statement.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to insert in the RECORD a table showing the amount of bonds that are now outstanding under the Second Liberty Loan, also the rate of interest prevailing on Government securities since January 1933.

The CHAIRMAN (Mr. SUTPHIN). Is there objection to the request of the gentleman from North Carolina [Mr. DOUGHTON]?

There was no objection.

*Statement showing present authority to issue bonds, notes, certificates of indebtedness, and Treasury bills under the Second Liberty Bond Act, as amended, and under proposed amendments (Dec. 31, 1934)*

| | | |
|---|---|---|
| Bonds, under present authority: | | |
| Total issuable | | $28,000,000,000 |
| Total issued: | | |
| Liberty bonds | $14,948,096,150 | |
| Treasury bonds | 10,502,390,965 | |
| | | 25,450,487,115 |
| Balance now issuable | | 2,549,512,885 |
| Total authorized | | 28,000,000,000 |
| Total issued | | 25,450,487,115 |
| Total retired | | 11,975,539,465 |
| Total outstanding | | 13,474,947,650 |
| Under proposed amendment: | | |
| Total which may be outstanding at any one time | | $25,000,000,000 |
| Now outstanding: | | |
| Liberty bonds | $3,194,086,650 | |
| Treasury bonds | 10,280,861,000 | |
| | | 13,474,947,650 |
| Balance issuable | | 11,525,052,350 |
| Notes, certificates of indebtedness, and Treasury bills under present authority: | | |
| Notes: | | |
| Total which may be outstanding at any one time | | 10,000,000,000 |
| Now outstanding, Treasury notes | | 9,586,377,400 |
| Balance issuable | | 413,622,600 |
| Certificates of indebtedness and Treasury bills: | | |
| Total which may be outstanding at any one time | | 10,000,000,000 |
| Now outstanding: | | |
| Certificates of indebtedness | $158,300,000 | |
| Treasury bills | 1,954,168,000 | |
| | | 2,112,468,000 |
| Balance issuable | | 7,887,532,000 |
| Under proposed amendments, notes, certificates of indebtedness, and Treasury bills: | | |
| Total which may be outstanding at any one time | | 20,000,000,000 |
| Now outstanding: | | |
| Notes | $9,586,377,400 | |
| Certificates of indebtedness | 158,300,000 | |
| Treasury bills | 1,954,168,000 | |
| | | 11,698,845,400 |
| Balance issuable | | 8,301,154,600 |

*Public debt data*

[In millions of dollars]

| | Gross debt | Interest-bearing debt | Annual interest charge | Annual average interest rate |
|---|---|---|---|---|
| 1933 | | | | |
| Jan. 31 | 20,801.7 | 20,454.1 | 696.9 | 3.407 |
| Feb. 28 | 20,934.7 | 20,584.3 | 698.8 | 3.395 |
| Mar. 31 | 21,362.5 | 20,991.6 | 719.2 | 3.427 |
| Apr. 30 | 21,441.2 | 21,087.0 | 721.3 | 3.421 |
| May 31 | 21,853.4 | 21,498.8 | 732.5 | 3.412 |
| June 30 | 22,538.7 | 22,157.6 | 742.2 | 3.350 |
| July 31 | 22,609.9 | 22,239.8 | 743.7 | 3.344 |
| Aug. 31 | 23,098.5 | 22,722.6 | 754.9 | 3.318 |
| Sept. 30 | 23,050.8 | 22,671.8 | 751.2 | 3.313 |
| Oct. 31 | 23,050.3 | 22,668.9 | 750.3 | 3.310 |
| Nov. 30 | 23,534.1 | 23,161.4 | 771.7 | 3.332 |
| Dec. 31 | 23,814.5 | 23,450.3 | 773.0 | 3.296 |
| 1934 | | | | |
| Jan. 31 | 25,071.1 | 24,716.9 | 797.1 | 3.225 |
| Feb. 28 | 26,055.1 | 25,707.3 | 822.5 | 3.200 |
| Mar. 31 | 26,157.5 | 25,698.2 | 831.1 | 3.234 |
| Apr. 30 | 26,118.3 | 25,699.1 | 817.1 | 3.192 |
| May 31 | 26,155.0 | 25,587.8 | 813.0 | 3.178 |
| June 30 | 27,053.1 | 26,489.5 | 842.3 | 3.181 |
| July 31 | 27,189.2 | 26,604.6 | 845.1 | 3.177 |
| Aug. 31 | 27,079.9 | 26,495.1 | 843.1 | 3.182 |
| Sept. 30 | 27,189.6 | 26,626.1 | 830.2 | 3.118 |
| Oct. 31 | 27,188.0 | 26,643.0 | 809.6 | 3.039 |
| Nov. 30 | 27,298.9 | 26,761.0 | 808.4 | 3.021 |
| Dec. 31 | 28,478.7 | 27,944.0 | 827.1 | 2.960 |

Mr. TREADWAY. Mr. Chairman, very little can be said on this measure. The principal reason why so little can be said is that so little information has come to the Ways and Means Committee.

It may be of interest to the House to know that the Chairman of the Ways and Means Committee introduced this bill last Monday. On Tuesday morning the Secretary of the Treasury, accompanied by a group of his assistants, appeared at an executive meeting of the Ways and Means Committee. There was no reporter present; only a few members of the committee were present. The honorable Secretary was in the room possibly a half or three-quarters of an hour, and before he departed, a motion was made by a member of the majority to report this bill. That was last Tuesday morning. Yesterday afternoon the report, which is now being read by the Members for the first time, was available.

So that is the method of procedure, and it is the amount of information available to the House when a measure of this importance is brought to your attention. I do not pretend to know very much about it. But I am extremely critical of the manner in which important legislation reaches this floor without the slightest effort to give any explanation thereof.

I took exception to some of the remarks made by the Secretary of the Treasury during that executive hearing. It may not be quite in keeping to make one or two references to that hearing. For instance, the chairman of our committee has just referred to the reduction of the interest rate on Government securities. Why, it is no credit to the Treasury that the interest rate has been reduced. The Secretary of the Treasury seemed to take great credit to himself for this reduction. It is easily apparent why that reduction has taken place over the period of 2 years. There is not a man in this room but who knows that the business world has no confidence whatsoever in putting any capital into business; and, therefore, an investor naturally turns to his Government and says: "Here, the only thing I put any confidence in is the stability of the Federal Government, and, therefore, I want to buy some of your bonds. Keep my capital until such time as there is an opportunity to invest it with some degree of confidence in business."

Now, this is the explanation of the reason for the reduction in interest rates: The demand for Government bonds by investors.

Another remark that was made in answer to some questions by my colleague, the gentleman from New York [Mr. CROWTHER], was that no effort had been made on banks to force investment in Government securities. The Secretary of the Treasury, perhaps, was correct in saying that during

his administration since January 1, 1934, that had not been done; but any Member of Congress, or any man connected with a bank which was closed on the 4th of March 1933, knows perfectly well that in order to get capital to reopen that bank, the bank was obliged to issue new stock and get capital from the Federal Government.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. DOUGHTON. The purpose of that was to make the banks sound, safe, and secure and not for the purpose of selling Government obligations. Many of the banks could not be opened in the condition they were in; they were not sufficiently solvent.

Mr. TREADWAY. I am not making any reference to why it was done.

Mr. DOUGHTON. That is why it was done, as the gentleman will recall.

Mr. TREADWAY. I simply am saying what was done; and the Secretary of the Treasury did not seem to want to back up the action of his predecessor.

Mr. DOUGHTON. It was done for the interest of the banks and not for the interest of the Treasury.

Mr. TREADWAY. It was forced upon the banks in order to reopen the banks.

Mr. DOUGHTON. In order to make them sound so they could reopen.

Mr. TREADWAY. I went to the R. F. C. with enough bank officials to know the manner in which they got permission to reopen.

Mr. DOUGHTON. Mr. Chairman, if the gentleman will yield further——

Mr. TREADWAY. Certainly.

Mr. DOUGHTON. The gentleman is fair and he is intelligent. Now, was not the prime purpose to make the banks safe for the depositors' money and not for the benefit of the Treasury of the United States?

Mr. TREADWAY. The gentleman from North Carolina has one view of why it was done and I am entitled to my opinion as to another reason why it was done.

It was done, Mr. Chairman, in order that the Government itself could control all the banks of the country. That is the reason it was done. It is a further fact that today from 50 to 60 percent of the depositors' money in our banks is in Government securities and not in funds that are being used for commercial purposes.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. JENKINS of Ohio. Is it not true also that more than 50 percent of all Government securities are in the hands of the banks?

Mr. TREADWAY. Well, it is the same thing; the money of the depositors has come into the Treasury; and the reverse is, of course, true, as the gentleman says. It represents securities that have gone into the hands of the banks.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. DOUGHTON. Will not the gentleman also be kind enough to tell the House how much more money there is on deposit in the banks now than there was before the bank holiday, the great increase of deposits resulting from the confidence that has been reestablished in the banks?

Mr. TREADWAY. The gentleman may think there is increased confidence in North Carolina, but it does not exist among the business people in Massachusetts.

Mr. DOUGHTON. It exists all over the world.

Mr. TREADWAY. On the contrary, the business people of the country have not the confidence in the financial structure of this country today that he thinks they have.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. FORD. The gentleman stated that this action was taken for the purpose of putting the Government in control of the banks. In view of the banking structure we had prior to 1933, will not the gentleman admit that it was about time the United States Government took control of the banks?

Mr. TREADWAY. The banking structure then existing, the Federal Reserve System, was established by the Wilson administration. It may not have been perfect, but I will say for it that it was a blamed sight better than what is being done now.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to my colleague from Massachusetts.

Mr. HEALEY. The gentleman does not want to leave the impression that there has not been an increase of confidence in the depositors in his own State of Massachusetts as reflected by the great increase of deposits in the banks of Massachusetts?

Mr. TREADWAY. I think the savings banks of Massachusetts are in splendid shape, and, of course, the national banks are now. I am not criticizing.

Mr. HEALEY. But the gentleman realizes that within the last year or two the deposits in the banks of Massachusetts have increased.

Mr. TREADWAY. The bank deposits have increased very largely, not, however, because the people have more confidence in our financial structure, but because they put their money in the banks rather than put it into industry.

Mr. CRAWFORD. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Is it not a fact that the deposits in the banks are very much larger today than heretofore by reason of the F. D. I. C.?

Mr. TREADWAY. Which one of the alphabetical deals is that?

Mr. CRAWFORD. That is the Federal Deposit Insurance. Is it not also true that money is being kept in the banks under the Federal Deposit Insurance rather than being invested in industry because those small depositors know they can get the full face value of the deposits while in connection with investment in the certificates proposed by this bill they will be subject to market depreciation and may have to dump their certificates at a big loss?

Mr. TREADWAY. The gentleman from Michigan [Mr. CRAWFORD] is showing a very definite knowledge of business conditions, and such opinions as he expresses I am sure are of great value to this House.

Mr. TAYLOR of Tennessee. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Tennessee for a question, but I should like to allow some of the time to be used by other gentlemen on this side.

Mr. TAYLOR of Tennessee. Is there any valid reason why provision should not be written into this bill providing that the bonds to be issued shall not be subject to taxes? That is, the interest on the bonds issued?

Mr. TREADWAY. That is a question by itself, and I dislike to try to bring up the tax-exempt feature in the consideration of this measure. I think we had better let that pass for the time being.

Mr. RICH. Is it the duty of the Secretary of the Treasury to say what interest rate is to be paid on these bonds?

Mr. TREADWAY. The only direct reference to interest rates comes under this new issue of savings bonds.

Mr. COOPER of Tennessee. I think the gentleman is correct; but, if the gentleman will permit, of course, the question of market controls the matter of the interest rate.

Mr. RICH. Also the length of time in which these bonds are to run is left to the Secretary of the Treasury.

Mr. COOPER of Tennessee. Of course, there are four different types of Government securities issued, varying in periods of time.

Mr. DOUGHTON. That is for the purpose of taking advantage of whichever type may bring the lower rate. Sometimes the sale of one is to be obtained more readily than another with a lower rate of interest.

Mr. TREADWAY. The answer to the gentleman from Pennsylvania [Mr. RICH] appears on page 5, paragraph (b). I think that fully answers the gentleman's inquiry.

Mr. Chairman, my objection to the bill is to the manner in which it comes before the House, the lack of information, and the further curtailment of congressional power. We gave up yesterday all the legislative authority that was in existence. Here is just a little further example, and the probability is that this will continue to be the policy of the present administration, namely, to keep curtailing our power as representatives of the people and increasing the power of the Executive.

Mr. LORD. Will the gentleman yield for a question?

Mr. TREADWAY. I yield to the gentleman from New York very briefly.

Mr. LORD. The question has been brought up whether these bonds are going to be put out in such a way that the poor people may buy them. Is there any guaranty that the poor people will get back the amount of money they put in those bonds?

Mr. TREADWAY. I think that is a very pertinent inquiry, but I will have to refer you to the authority issued to the Secretary of the Treasury under paragraph (b). He could guarantee them and make rules and regulations that they may not be redeemed at less than the man put in them, but whether he will do that or not is a question to ask him, not me.

Mr. COOPER of Tennessee. And with 3-percent compound interest.

Mr. LORD. He is guaranteed to get back as much as he put in?

Mr. TREADWAY. No; there is no such guaranty.

Mr. COOPER of Tennessee. That is covered in paragraph (b), page 5, of the bill itself.

Mr. TREADWAY. That does not guarantee the return of the principal. Under existing law, the Treasury has been authorized to issue a total of $28,000,000,000 of United States bonds.

This authority has been exhausted to the extent of $25,500,000,000, leaving only $2,500,000,000 that can still be issued without additional authorization from Congress.

The pending bill seeks to amend existing law by authorizing the Treasury to have outstanding at any one time $25,000,000,000 of bonds.

Of the $25,500,000,000 issued under the present authority, only $13,500,000,000 are still outstanding. Thus the bill in effect authorizes the issue of $11,500,000,000 of new bonds and gives the Treasury the right to reissue these bonds upon their maturity, as well as those now outstanding, without further authorization from Congress.

In other words, the bill gives the Treasury a permanent revolving fund of $25,000,000,000.

In addition to its authority to issue bonds, the Treasury has the power under existing law to have outstanding at any one time $10,000,000,000 of short-term Treasury bills and certificates and $10,000,000,000 of 1-to-5-year Treasury notes.

There are now outstanding some $9,500,000,000 of notes, but only $2,000,000,000 of bills and certificates.

Under the pending measure, the present authority would be combined in one $20,000,000,000 authorization, thus permitting the Treasury to issue short-term obligations with that total without restriction as to class.

Section 6 of the bill provides for the issuance of a new type of small-denomination bonds, to be known as "United States savings bonds." They would be issued under the general $25,000,000,000 authority.

Mr. Chairman, I reserve the balance of my time.

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

GOVERNMENT POLICY

Mr. PATMAN. Mr. Chairman, this bill will establish the policy of the Government in the future as to issuance of its own credit or as to the issuance of further tax-exempt, interest-bearing bonds. I am against the further issuance of tax-exempt, interest-bearing bonds, but not for the same reason that many people are advocating eliminating from our laws the provision that permits their issuance.

My reason is that I do not want more bonds issued by the Government. Their reason is that they want the people in the States where they are owned to pay taxes to those municipalities, counties, and States. There is a big difference.

Any time you have $28,000,000,000 worth of bonds outstanding and you permit them to be taxed locally, you will pay at least $400,000,000 a year additional subsidy or bonus to the holders of these bonds, which they will in turn pass on to the taxing power in New York and other States, from the State government on down to the city government. The reason I am opposed to the further issuance of tax-exempt bonds is because I do not want any more bonds issued, but if you are going to issue them, there is a serious question in my mind as to whether they should be tax exempt.

Mr. Chairman, we have a national debt today of $28,000,000,000. At 3-percent compound interest which this Government pays, we will pay during the next 30 years $38,000,000,000 interest on the $28,000,000,000 and we will still owe the $28,000,000,000. During the next 60 years we will pay $130,000,000,000 on the $28,000,000,000 and we will still owe the original $28,000,000,000.

Mr. Chairman, may I ask the Members to seriously consider what we are doing here? We are adopting a policy of issuing more tax-exempt, interest-bearing bonds and paying people for the use of the Government's own credit.

You are endorsing the principle of further farming out to the private corporations of this country, the banking institutions, the greatest privilege on earth—issuing and distributing the Nation's credit. Instead of further farming out to them this great privilege, I should like to vote to take away from them the privilege they have today.

The Federal Reserve banks are owned by private corporations. Not one dollar of stock is owned by the Government or by the people. Every dollar of stock in these money-issuing institutions, receiving their money from the Bureau of Engraving and Printing for 27 cents a thousand dollars, which is the cost of printing and is all that they pay—these banks are owned by private corporations. Therefore, you are farming out to a corporation that is owned by private corporations, the greatest privilege on earth that you can give—the power to issue blanket mortgages against all the property of all the people and the power to issue mortgages against every dollar that the people of this country earn.

This is what you are doing. Do you want to further extend this privilege and enlarge upon this power? If you do, pass this bill as it is here today. But I do not want to do this, and I am going to offer an amendment, and I am going to seriously insist upon the adoption of the amendment. This amendment will restrict the interest rate that will be permitted on these bonds to not exceeding one-half of 1 percent. [Applause.]

[Here the gavel fell.]

Mr. TREADWAY. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I am sorry we have not had more time to consider this bill. It is very fundamental to me for this reason: At the present time the banks of our country have taken the money which you and I and the other depositors placed in those banks and have purchased somewhere between $12,000,000,000 and $15,000,000,000 worth of Government bonds. They took this money and bought these bonds because the depositors let them do so.

This proposition is now submitted to us to change the picture because they figure that somewhere down this long lane the depositors will go to the bank cashiers and say, "I want my money", and when the bank cashiers meet that demand they will have to dump Government bonds on the bond market or place the bonds with the Treasury for collateral to secure currency. I do not believe the Secretary of the Treasury has enough money at his disposal to support the bond market; twelve to fourteen billions of dollars are offered by the banks in order to meet the demands of the depositors at a time when our people are again willing to

venture in industry and away from Government bonds. I am suspicious that someone else feels the same way.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I am sorry, I cannot yield.

Now, they propose to have "baby bonds" issued and sold to the washerwoman, the bellhop, the ditchdigger, and others who perform the stoop labor of the country, without any guarantee in the bill that this investment will be protected against loss by some racket or some manipulation of the bond market that may be imposed upon the small investors who take their earnings and invest in these "baby bonds" or savings certificates.

If you will put in this bill a proviso which guarantees the little investor the return of his principal so invested at any time he desires to "cash in", that will be something and that will create a market for some of this money which is now being carried by the depositors in the banks of this country.

I have two or three dollars in the bank and I am leaving it there, because it is guaranteed in principal, and I propose to leave it there until I can find that the Government will let me alone for 5 or 10 or 15 or 20 minutes, so I can draw the money out and invest it in property and put people back to work. I feel this so keenly that I must make this statement: In 1932, when business stopped and men lost hope and banks closed, I took my life-insurance policies, put them in hock, drew the money out, and helped put 7,000 men back to work, and risked and staked everything I had on earth or expected to have in order to keep people at work. As a result of this operation we paid into this Treasury Department nearly $100,000 in income taxes on the operations of that year, and the group that went in with me, who were a group of 2,700 farmers, netted nearly $700,000 out of the operation. [Applause.] That is the kind of relief we need in this country.

Mr. Chairman, coming from the industrial and agricultural walks of life, I have the past few days listened with great interest to the prejudiced statements which have been uttered from the floor of this House against organized business and the men who are charged with the responsibility of industrial leadership and to whom this Government and this administration and the majority now in this House look for relief in the placing on the pay rolls of this country some eleven million workers. One day we are asked to vote for the spending of $4,000,000,000 in order to "prime the pump" and thus encourage industry to take hold and go about its business of employing people at living wages. The next day we are asked to vote for a measure which discourages industry and leads people away from industrial activity. This may all be "good politics", but it is very poor business.

Hurriedly reading this bill, I come to the conclusion that the Secretary of the Treasury now feels that the banks of this Nation will no longer support the purchase of Government bonds to the extent called for by House Joint Resolution 117 and which this House passed only yesterday and that now we must take steps to place the bonds in the hands of someone other than the banks. To carry out this request of the Secretary, it is now proposed to issue "baby bonds", or savings certificates, to be sold through the post-office windows and from other places and in denominations of as low as $25 to the end that the poor of our country may even participate in the holdings of these "baby bonds." It is a truth that our poor people, when they are frugal enough to save from $25 to $50 or $100, most all have an economic structure so constituted that it is only a short time until they have to liquidate their savings in order to meet some emergency.

Accordingly they are not in a position to place these "baby bonds" in a vault and forget them for 5 or 10 or 20 years and then cash them in. These bonds will not be negotiable instruments; instead, they will be as exchangeable in a way as is a $5 bill. Therefore it will be very risky for the holders to leave them unprotected from thieves or other dangers of loss. When they have purchased these certificates or bonds, the next thing they will need is a safety deposit box, and how that does cost money. If I understand section 1 and section 22, part (a) of this bill, the Secretary may issue up to $25,000,000,000 of these "baby bonds." I wish to inquire of this House: If even one-fourth of this sum is issued in "baby bonds", how much of a loss will be suffered by the small purchasers of those bonds when the market runs down and they are forced to sell their holdings in order to meet actual living expenses? I wish to ask who will benefit through this loss on the account of that "bearish" market? I wish to ask why this bill does not carry a provision whereby the Secretary of the Treasury is specifically commanded to guarantee the principal cost of these "baby bonds" to those poor people who will invest their savings therein?

Is it not true that a stabilization fund is now in the hands of the Secretary with which to help protect the market at par on the bonds now held by the banks and the high and mighty of this country? Is it not also true that the extravagant spending program of this Government is now calling for such a vast issue of bonds that the Secretary now seeks other fields in which to place his issues, fearing that the bonds now held by the banks will eventually be dumped by the banks? Is it not true that when our people desire to return to their normal walks of life and again engage in producing food, clothing, and building shelter that the deposits now placed in banks by our people will be called back from the banks and invested in lands and factories and machinery and farm mortgages and goods on the shelf and our people thus put back to work and removed from the dole, from the welfare list, and from the Public Works pay rolls?

Is it not true that in seeking this "unorganized" purchasing power the Secretary is now going to the small wage earners and small-salary recipients to the end that he may now shift this burden of "market risks" away from the banks and to the small "baby-bond" holder? Is it not true that when this deal shall have been consummated it will again be possible for the "organized" money machine to bear down the price on these bonds and again scalp the small and weak holder through the purchase of these bonds at a price far below that paid by the original purchaser, who is in no way prepared to hold these bonds until maturity? Who is it that can purchase only in $25 and $50 lots and who is at the same time able to carry these "baby bonds" for a minimum of 10 years before they can cash in as this bill provides in section 22, paragraph (b)?

Mr. Chairman, often Members of this House stand here and malign the activities of some of our corporations for the nefarious practices they carry on against our people who cannot help themselves. Down through the years, while I have been engaged in industry, I have bitterly assailed the practice of corporations issuing stocks and bonds to their employees on an installment-purchase contract and without a guarantee to the employee against loss of principal invested. I have always contended that the corporation was in position to use duress on its employees through the offering of stocks and/or bonds on this basis, and that if offered at all, on a basis which would guarantee the unsuspecting employee against loss. So at this time I cannot refrain from calling to the attention of this House that it is very fundamental that this Government, in making an issue of securities of this nature, be very specific in providing against this loss to the small investor.

Recently this very Membership to a very great majority has voted a strict rule against those who would sell stocks and/or bonds to the investing public of this country. Through that legislation safeguards were attempted to be created which would protect the untrained and unsuspecting investor against loss through the "rigging" of the market. Can this Government fail to do as much in the issuance of its securities? Shall the great United States of America now be guilty of passing an act of this kind, designed to sell billions of dollars' worth of Government securities to poor people, small investors, the unsuspecting public without giving as much protection to them as the Government would have the corporations of this country give to the investors for those corporate securities? Ownership carries risk. This country cannot go on forever selling its bonds to banks only.

No doubt the Secretary now thinks it is time for the public to enter the Government-bond market. If that be true, then why does not the Secretary ask this House to grant the same protection to that public as has been granted to the banks which purchased the twelve to fifteen billion dollars' worth of Government securities? If this administration is now willing to ask the public to back up its faith in the new deal through the purchase of bonds issued to carry out the program of the new deal then why does not the administration go along and guarantee that part which is to be issued to the small purchaser, to the end that faith may be retained down through the years, and not only until the scalping takes place? The Secretary knows full well that so long as the great majority of bank credits, life-insurance premiums, and corporate-surplus savings are invested in Government bonds that little credit can be extended to so-called "organized" industry and to agriculture. If all savings are invested in bonds issued by the Government, then other lines of industry must suffer, farm values must remain at low ebb, production must decline, unemployment must increase, and Government costs must increase.

Wealth calls for production. Production gives people work. Work should be compensated by paying wages and salaries that enable the worker to maintain an American standard of living. When our people are thus engaged it will not be necessary for the Government to issue all these billions of dollars of securities, and then our poorer people will have a warmer place in the sun.

Mr. Chairman, I am opposed to the bill as it is now written.

[Here the gavel fell.]

Mr. DOUGHTON. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. SAMUEL B. HILL].

Mr. SAMUEL B. HILL. Mr. Chairman, under existing law the Secretary of the Treasury has authority to issue Government securities in the form of Government bonds to a total of $28,000,000,000. Under that authorization every issuance of a bond counts in making up the total of $28,000,000,000, regardless of the fact that such an issuance may retire an equal amount of existing bonded indebtedness.

What this bill proposes to do is to authorize the Secretary of the Treasury to issue Government bonds to a total amount of $25,000,000,000 that may be outstanding at any one time, so that when a refunding bond is issued and an existing bond is retired, that retired bond shall not count in the total limit that may be outstanding.

In addition to that, under the existing authority the Secretary of the Treasury has the right to issue Treasury notes to a total amount of $10,000,000,000, and has the authority to issue Treasury certificates and Treasury bills to a combined total amount of not exceeding $10,000,000,000.

Mr. MARTIN of Colorado. That would total $45,000,000,000 outstanding.

Mr. SAMUEL B. HILL. Yes. This bill proposes to place the Treasury notes, Treasury bills, and Treasury certificates in one class, so far as the authorized amount of outstanding short-term securities at one time is concerned. Instead of having ten billion in notes and ten billion in certificates and bills we may have a total of twenty billion in notes, certificates, and bills.

Under the authorization existing at this time of a total of $28,000,000,000 there has been issued from time to time a total amount of $25,450,457,115, leaving an authorization at this time in the issuance of bonds only about two and one-half billion dollars.

Notwithstanding the fact that in the issuance of these bonds under this authority there have been retired bonds to the amount of $11,975,539,000, leaving a total of outstanding bonds at this time of thirteen and one-half billion dollars in round unmbers.

Of this total limit of $28,000,000,000 there remains now in the Treasury authority to issue only about two and one-half billion dollars of additional bonds.

Mr. CARLSON. Will the gentleman yield?

Mr. SAMUEL B. HILL. Yes.

Mr. CARLSON. In case the bonus is authorized to be paid will this be sufficient to pay that bonus without additional authorization?

Mr. SAMUEL B. HILL. It will permit the issuance of bonds for the financing of any expenditure authorized by Congress.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. Yes.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. SAMUEL B. HILL. Mr. Chairman, I ask unanimous consent to extend by remarks in the RECORD and to insert a statement by the Treasury Department showing just the status of the outstanding bonds and what this bill would do if enacted, in the matter of authorization of the total amount that might be outstanding, both as to bonds and Treasury notes, as well as Treasury certificates and Treasury bills.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD and to insert a certain statement from the Treasury Department. Is there objection?

There was no objection.

The statement is as follows:

*Satement showing present authority to issue bonds, notes, certificates of indebtedness, and Treasury bills under the Second Liberty Bond Act, as amended, and under proposed amendments, Dec. 31, 1934*

| | | |
|---|---|---|
| Bonds, under present authority: | | |
| Total issuable | | $28,000,000,000 |
| Total issued: | | |
| Liberty bonds | $14,948,096,150 | |
| Treasury bonds | 10,502,390,965 | |
| | | 25,450,487,115 |
| Balance now issuable | | 2,549,512,885 |
| Total authorized | | 28,000,000,000 |
| Total issued | | 25,450,487,115 |
| Total retired | | 11,975,539,465 |
| Total outstanding | | 13,474,947,650 |
| Under proposed amendment: | | |
| Total which may be outstanding at any one time | | 25,000,000,000 |
| Now outstanding: | | |
| Liberty bonds | $3,194,086,650 | |
| Treasury bonds | 10,280,861,000 | |
| | | 13,474,947,650 |
| Balance issuable | | 11,525,052,350 |
| Notes, certificates of indebtedness, and Treasury bills under present authority: | | |
| Notes: | | |
| Total which may be outstanding at any one time | | 10,000,000,000 |
| Now outstanding, Treasury notes | | 9,586,377,400 |
| Balance issuable | | 413,622,600 |
| Certificates of indebtedness and Treasury bills: | | |
| Total which may be outstanding at any one time | | 10,000,000,000 |
| Now outstanding: | | |
| Certificates of indebtedness | $158,300,000 | |
| Treasury bills | 1,954,168,000 | |
| | | 2,112,468,000 |
| Balance issuable | | 7,887,532,000 |
| Under proposed amendments, notes, certificates of indebtedness, and Treasury bills: | | |
| Total which may be outstanding at any one time | | 20,000,000,000 |
| Now outstanding: | | |
| Notes | $9,586,377,400 | |
| Certificates of indebtedness | 158,300,000 | |
| Treasury bills | 1,954,168,000 | |
| | | 11,698,845,400 |
| Balance issuable | | 8,301,154,600 |

Mr. TREADWAY. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, this bill looks rather simple on the face of it. Neither the reading of the bill nor the discussion of it here has aroused any great interest or deep concern. I do not know how the rest of you gentlemen feel, but I feel quite as great a sense of responsibility when I think of my people who sent me here as I have at any time since I have been in the Congress of the United States. It is not what the bill says on the face of it that disturbs me. It is what the bill portends so far as the future of the country is concerned. Mr. Secretary Morgenthau, when he appeared before the committee, admitted it would be impossible for this Government to finance the appropriation which the Democratic majority made yesterday of nearly $5,000,000,000 without the aid of this or similar legislation. Just what does this bill mean? Let us look just for a moment behind the curtain, and I am not attempting to arouse any suspicion, and I realize that anything I may say will not change a vote in this House. I expect to vote for the bill, but I would feel derelict in my duty toward my constituents if I were not to express my honest views as to the actual purposes of the bill.

The bill provides that the Government can increase its borrowing power to $45,000,000,000. What does that mean? It means that the Government expects eventually to use the power that is granted and that it will be necessary to use it. Another very significant clause in the bill is in regard to these "baby bonds," to be sold through the post offices in every part of the country. They are to be sold in small denominations and they are to be sold at a discount. These bonds will run for a longer time than the buying public—that is, the banks—care to buy at this time. I want the people in my district to take notice in regard to these so-called "baby bonds." I do not want them to be deceived at all as to just where the country is going and just what this bill seeks to anticipate when we arrive at the time, as we surely will, when the banks have no confidence in United States bonds, unless men pause to think and slow down this spending program that we are following at the present time. It means that we are headed for inflation, and I pray to God it may not be extreme or uncontrolled inflation, but all the signs of the times point in that direction, and thoughtful men, shrewd financial men all over this country, know that we are getting a little closer all the time to the precipice. It will not take a whole lot to shove us over. I hope that our country can be saved from what other countries have suffered.

I hope that the great working classes and the middle class, the thrifty, may be saved from the pestilential curse that has been visited on other splendid, enterprising civilized countries because the legislatures and the legislators in them have lacked the courage to face conditions and facts. The time is coming when the banks as trustees of their depositors will no longer buy these Government bonds. Remember that. Such a bill as that which the Democratic majority passed yesterday appropriating $5,000,000,000 and some more bills which Congress has in contemplation, is going to hurry the day when wise investors will refuse to buy the bonds of Uncle Sam. This bill is anticipating that very grave zero hour. It is now proposed to approach the little man with a splendid bargain in "baby bonds" at a discount that will not mature until after that event occurs.

We have had an experience in the sale of "baby bonds." In April 1933, $500,000,000 of notes or "baby bonds" were offered to the public in denominations of $100 each, so that the little man, the laboring man, the school teacher, the doctor, could buy these bonds. To encourage the purchase of the bonds a statement was issued by the Secretary of the Treasury that the bonds would all be paid, principal and interest, in gold of the then standard. Within 3 months this Government that had made that promise through its official repudiated that promise. Time will tell and the courts will determine whether that repudiation stands or not. Are we, through the process of inflation, going to relieve the strain on the banks and depositors' funds, the stress and strain that is now causing the banks to hesitate to take our bonds, and unload the uncertain and precarious burden upon the shoulders of thrifty people of moderate means? When I say this I am not an alarmist. I am revealing facts. I have here on the desk a report, the result of an exhaustive research carried on by one of the great, one of the very great universities of this country, looking to its self-preservation. I refer to Duke University, located in the State of my beloved chairman. The officials of the university thought they saw, and they still think they see, the approaching catastrophe. They know that the life of Duke University, as well as other endowed universities in this country, its very life, its very existence, and its ability to serve young America and to help underwrite the future of the United States, depends upon whether we have inflation or not. This great university caused to be made a most exhaustive research here and abroad so that every thoughtful man in the United States, every man interested in endowed institutions of any kind or character might see what would happen if inflation should come.

This research shows that in Germany, the University of Frankfort had 38 gilt-edge endowments, largely in the Government bonds of Germany, guaranteed. After the inflation was over and the money was revalued, the University of Frankfort found itself practically in bankruptcy. It realized less than 14 percent on what was supposed to be perfectly sound endowments.

The time has come, gentlemen—and I am not speaking politically, but I am speaking for my country and your country—when we cannot afford to have a bill of this character brought to the floor of this House unless a committee, such as the Ways and Means Committee, which, omitting myself, is composed of men of marked ability, with minds of keen power of analysis, financial experts, who should at least feel not only responsibility to this generation but, as Members of Congress and under the oath of office, should assume some responsibility for posterity. This bill should have been scrutinized with the utmost care, and we should have known the implications and purposes of the bill, not as written in the bill in technical language, but we should have a picture of where we are going and where it is all going to end, and just why this legislation has been asked for by the Treasury Department.

I will support the bill, because we are now driven to the point where we must have this legislation to meet the exigencies which the haste and waste of this administration have created. This bill is a danger signal hoisted in front of this great legislative body, that you may not go on in this manner of legislating with undue haste on these important matters lest inflation engulf the Nation. [Applause.]

The CHAIRMAN. The time of the gentleman from New York [Mr. REED] has expired.

Mr. DOUGHTON. Mr. Chairman, I yield the remainder of my time to the gentleman from Kentucky [Mr. VINSON].

Mr. VINSON of Kentucky. Mr. Chairman, I feel that the distinguished gentleman from New York [Mr. REED] is somewhat unduly alarmed.

I want to call the attention of the House to the fact that no one opposes this measure. No one as yet has spoken in opposition to the measure.

It is a measure of necessity, due to the money mechanics of our Government.

Yesterday we passed an authorization calling for $4,000,000,000 expenditure in long-term obligations, Government bonds, and we only have authority to issue two and one-half billion dollars. It is not only a necessity, but every person who heard the splendid statement of the gentleman who graces the Treasury and in whom this country has confidence was impressed with the fact that it was a money-saving device. People may laugh off the fact that $125,000,000 in interest was saved from January 1, 1933, to December 31, 1933, but this country recognizes that as an outstanding achievement.

One gentleman said he feared for the depositors in banks, and in the next breath he said he had $2 or $3 he was going to keep there because he was not afraid to leave them there. This country has confidence in our banking structure today. It has confidence in the administration. It has confidence

in the man in the White House, President Roosevelt, and this is a measure complementary of that passed yesterday, one of necessity, and a money-saving measure.

Mention was made about the limit of $45,000,000,000 in indebtedness. May I call attention to the fact that under other administrations the limits were $48,000,000,000; $28,000,000,000 in long-term obligations and $20,000,000,000 in short-term obligations. This bill does not increase the indebtedness of this country one single dime. It does not create any power to issue bonds or short-term obligations unless the Congress of the United States makes the authorization.

Mr. MARTIN of Massachusetts. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. MARTIN of Massachusetts. Will the gentleman tell us what administration had $48,000,000,000?

Mr. VINSON of Kentucky. It has it now. The outside figure now is $28,000,000,000 of long-term obligations and $20,000,000,000 short term.

Mr. MARTIN of Massachusetts. But the gentleman said another administration. I am trying to find out what administration that was.

Mr. VINSON of Kentucky. It may be some gentlemen may not understand why it is necessary for the change with the $28,000,000,000 authorization in the law. It is necessary because when those bonds were retired, they could not be reissued. We have outstanding now under long-term obligations thirteen and one-half billion dollars. I may say to the gentleman that this present law has been on the books far longer than the gentleman has been in Congress.

Mr. MARTIN of Massachusetts. I want to know what administration it was.

Mr. VINSON of Kentucky. It came into being under the war, the Wilson administration, and it stayed here under Mr. Harding. It stayed here under Mr. Coolidge, under Mr. Hoover, and now we are correcting the matter today under Mr. Roosevelt.

Mr. MARTIN of Massachusetts. It was under the Wilson administration.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. VINSON] has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

*Be it enacted, etc.*, That the Second Liberty Bond Act, as amended, is further amended as follows: The first paragraph of section 1 is amended to read as follows:

"The Secretary of the Treasury, with the approval of the President, is hereby authorized to borrow, from time to time, on the credit of the United States for the purposes of this act, to provide for the purchase, redemption, or refunding, at or before maturity, of any outstanding bonds, notes, certificates of indebtedness, or Treasury bills of the United States, and to meet expenditures authorized for the national security and defense and other public purposes authorized by law, such sum or sums as in his judgment may be necessary, and to issue therefor bonds of the United States: *Provided*, That the face amount of bonds issued under this section and section 22 of this act shall not exceed in the aggregate $25,000,000,000 outstanding at any one time."

Mr. DIES. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. DIES: Page 2, line 8, after the word "aggregate", strike out "$25,000,000,000 outstanding at any one time" and insert in lieu thereof the following: "At any one time three times the total amount of all outstanding currency of the United States."

Mr. DIES. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DIES. Mr. Chairman, the purpose of this amendment is to limit the amount that the Government can issue in bonds to not exceed at any one time three times the amount of all outstanding currency of the United States Government. In other words, we have today $5,500,000,000, approximately, of United States currency outstanding. Under the terms of this amendment, in order for the Government to issue $25,000,000,000 in bonds, it would be necessary to increase the total amount of currency outstanding in the United States to about $8,000,000,000.

I know that there are gentlemen who will immediately say that this would be inflationary, but, as a matter of fact, we have in the Treasury today approximately eight and one-half billion dollars of gold and nearly a billion dollars of silver.

Against this gold we have an outstanding currency issue of approximately $5,500,000,000. So we can safely issue currency against the gold profit that we have in the Treasury of the United States to the extent of $2,500,000,000 in case we wanted to have a 100-percent reserve back of our currency; or in case we desired to issue currency based upon 40-percent metallic reserve, we could expand the currency issue much greater than that. We can preserve the stabilization fund and still issue against the gold a billion dollars of new currency.

Gentlemen talk about the harmful effect of inflation, but they should remember that the issuance of these bonds is inflationary, for we are creating an artificial purchasing power that is being borrowed on the future, a purchasing power that must eventually be paid by generations yet unborn, and a purchasing power that is exempt from all taxation. Not only are we creating an artificial purchasing power which must be paid for by the American people but we are, as an inducement to those who have capital, making these bonds exempt from all taxation.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. VINSON of Kentucky. Government bonds are not exempt from all taxation; they are subject to the surtax.

Mr. DIES. That is true.

Mr. VINSON of Kentucky. The gentleman's statements carry so much weight that I know he wants to be strictly accurate.

Mr. DIES. The gentleman is correct, and I accept the gentleman's amendment. But they are exempt from most taxes, are they not? Anyway they are exempt from municipal and State taxes and from a majority of Federal taxes. The effect is that we are transferring the burden of this indebtedness to the middle class and to the wage earners and farmers of the country because those who should share the responsibility of the Government, who should share their responsibility of this economic crisis and the tremendous expenditures incurred, will evade taxation, and the burden of this expenditure must be met by the middle classes in the United States.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. PATMAN. Is it not true that corporations do not pay the surtax? As the gentleman knows, I am very much interested in this subject.

Mr. VINSON of Kentucky. There is no surtax on the corporations.

Mr. DIES. I hope I may be permitted to continue. The gentleman on the other side has said that this is inflation. As I have pointed out, our present outstanding currency could be redeemed 100 percent in metal. Not only is that true, but, in carrying out my plan, we would in no way depart from sound currency, for we would still have 100-percent backing. It must not be forgotten that practically every country on the face of the earth has been compelled to expand its currency in order to meet the unusual situation throughout the world. France reduced its franc to one-fifth of its original weight and wiped out four-fifths of the debt of France, and they repudiated their foreign indebtedness. England, the country which has always represented conservatism in finance, not only resorted to drastic currency expansion and entirely wiped out a large percentage of its indebtedness—not only did it do that, but England captured the markets of the world by cheapening her currency below the currencies of other countries.

And so gentlemen talk about inflation. At least this amendment I am offering gives the House an opportunity to say that if you are going to have $25,000,000,000 of bonds then you must have at least $8,000,000,000 of currency outstanding and you must issue the currency on the basis of the gold profit that we made. [Applause.] Why did we revalue it; what was the purpose of revaluing the dollar if we did not intend to utilize that revaluation to lift from the backs of the American people the crushing tax burden and the crushing burden of indebtedness that is paralyzing industry in the United States? For what purpose have we now idle in the Treasury of the United States $2,800,000,000 (with the exception of the limited amount used for the stabilization fund) if we do not intend at this moment of crisis to utilize it in order that we may put more money into circulation in the United States, not fiat money, not so-called "printing-press money", but money that has behind it an adequate metallic base? Not only will this enable us to take full advantage of the gold revaluation, but it will relieve to the extent of nearly $3,000,000,000 the interest paid by the American people on that much indebtedness.

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. DIES. I yield.

Mr. SAMUEL B. HILL. What is the logic in money economics of basing the inflation of the currency upon another form of Government indebtedness instead of upon the metallic base?

Mr. DIES. If we issue the currency upon the metallic base we have in the Treasury, we certainly meet the objections of every conservative and reactionary money advocate who denounces every form of currency with the exception of that which has a metallic base.

Mr. SAMUEL B. HILL. That question is not involved in this bill and we ought not to include it.

Mr. DIES. But we are providing in this bill for a possible bond issue of $25,000,000,000, which, I understand, is to refinance outstanding bonds and notes. Are we not at least entitled to say that if the Treasury issues $25,000,000,000 of bonds, then it must also issue and have outstanding at least $8,000,000,000 of currency in the United States?

Mr. SAMUEL B. HILL. The gentleman is recognized as an authority.

Mr. DIES. No; I am not an authority.

Mr. SAMUEL B. HILL. What is the logic of that kind of argument?

Mr. DIES. The logic of that kind of argument is to make effective the Gold Revaluation Act, to lift from the backs of the taxpayers the burden of some of the tax-exempt securities, securities which exempt the people who ought to be bearing their share of the burdens. They are not bearing their proportionate share of the burdens of this depression but are escaping responsibility simply by buying tax-exempt securities. [Applause.]

Who is going to pay for this? The wage earners and the middle class and farmers who are not buying bonds. The people who cannot escape the burdens of this depression will bear the burden and pay the debt. I bring this matter before the House now, because sooner or later it is coming to a showdown. We cannot continue to issue in the United States bonds and tax-exempt securities.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Texas [Mr. DIES] has made a very able speech, one which I enjoyed listening to and one which at another time might be pertinent to a pending bill, but it was a speech absolutely irrelevant to the bill now before the House. The gentleman made a speech which causes an emotional reaction, but we have to look at this bill sanely, calmly, and coldly. This is not a bill that should be used as a vehicle for expanding the currency. Personally, I am not afraid of a controlled expansion of the currency, carrying with it velocity, but I will vote on that matter when the proper bill comes before us.

This bill has nothing for its immediate objective other than saving money to the taxpayers of this country. Its immediate purpose is to enable a refinancing of our outstanding indebtedness and to convert some short-time indebtedness into long-term indebtedness in a manner that will be beneficial to the taxpayers of this country. There has been some refinancing by the Treasury Department during the last year or year and a half, which has brought about a saving in interest payments to this country on its outstanding indebtedness of well over $100,000,000. This has been done by the present able and distinguished Secretary of the Treasury, but it takes time to accomplish these things. It requires machinery, and this bill proposes to give the Secretary of the Treasury the machinery through which that might be accomplished in the future.

The gentleman from Texas [Mr. DIES] talks about bonds and currency being in a ratio of 3 to 1. I do not know much about the currency or the money question, although I have given it study in order to try to form an honest opinion in my own mind as to how I should vote when the matter comes before this House. My opinion as expressed by my vote may be wrong, but at least I am striving for evidence that will, so far as my own mind is concerned, satisfy me that it is an honest opinion. One of the things I have learned from my study is that currency is subject to the law of supply and demand, and the amendment of the gentleman from Texas [Mr. DIES], so far as this bill is concerned, does not give consideration to that question.

Mr. PETTENGILL. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Indiana.

Mr. PETTENGILL. If there was a great demand for currency, there would be a greater supply?

Mr. McCORMACK. Yes.

Mr. DIES. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. DIES. The gentleman said that we ought to vote on this as an independent measure. The gentleman knows, does he not, that we will probably not have that opportunity?

Mr. McCORMACK. Oh, that is not the point.

Mr. DIES. That is practically the legislative situation.

Mr. McCORMACK. The gentleman from Texas is one of the leaders of the House of Representatives.

Mr. DIES. The gentleman flatters me.

Mr. McCORMACK. The gentleman has been recently elected to the Committee on Rules, and as a leader of the Democratic Party he certainly does not want to put himself in the position of offering an amendment which will defeat the very purpose the administration has in mind in presenting this bill, because I am sure the gentleman wants to collaborate with his own administration.

Mr. DIES. The President is requesting a bill to be passed by Congress authorizing him to issue $3,000,000,000 in currency and in bonds. Will it be defeating the administration's policy to merely make effective the gold revaluation policy and put into effect laws that have already been passed? [Applause.]

Mr. McCORMACK. The gentleman is discussing a bill which has no relation to this bill. If a bill for that purpose is brought in, where it is a straight issue before the House, then the gentleman's argument is probably pertinent, but this is simply a bill the immediate objective and purpose of which is to permit the refinancing of the present outstanding indebtedness of the country and one which will result in a saving to the Government and to the American people.

Mr. ZIONCHECK. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Washington.

Mr. ZIONCHECK. If there are $20,000,000,000 in currency today outstanding, will that bring about prosperity?

Mr. McCORMACK. That is a moot question.

[Here the gavel fell.]

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ZIONCHECK. Has the gentleman heard anyone who advocated the increase of currency tell how this money would get into the pockets of the unemployed or the workingmen?

Mr. McCORMACK. I do not want to get into a moot question. I do not want to have this bill put in a controversial position, and I do not want the bill to be misunderstood.

The arguments of the gentleman from Texas [Mr. DIES] impresses me, although I am not saying that I agree completely with them. I am also impressed by my own independent study which gives justification to a controlled expansion of the currency carrying with it velocity. That is why I believe payment of the bonus is the proper vehicle by and through which such velocity may be obtained.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. VINSON of Kentucky. The statement of the distinguished and learned gentleman from Texas was in regard to the bond issue being three times the currency in circulation. Why does he not use the figures three and a half, four, or five times?

Mr. McCORMACK. I do not want to have that injected either. I want to have this bill presented to the Members in its true light. I think the gentleman from Kentucky analyzes and appreciates my state of mind correctly.

The amendment, no matter how praiseworthy, is a controversial amendment. I know the motives of my friend are high and sincere, but the ultimate result of the amendment, if adopted, would be to defeat a measure which the administration proposes and the operation of which will be beneficial to the taxpayers of this country.

Mr. KENNEY. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KENNEY. The gentleman is a member of the committee, and I have been trying to find out some information about the bill; and although it has been stated it is in the bill, I do not read it there. Does the gentleman know what the intention is as to the rate of interest on these bonds? Is it intended to pay at the rate of 3 percent, or something less than that?

Mr. McCORMACK. I cannot answer that question. All I can say to my friend is that there has been some refinancing by the Secretary of the Treasury, and the average annual interest rate on interest-bearing debt on January 31, 1933, was 3.407 percent, whereas——

Mr. KENNEY. I am talking about the savings bonds.

Mr. McCORMACK. On savings bonds I think it is 3 percent.

Whereas on December 31, 1934, the average rate of interest was 2.96, a reduction of .447 percent, and a saving of well over $100,000,000.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Briefly, yes.

Mr. CRAWFORD. It is proposed to save an interest charge by paying interest to these baby-bond holders at the rate of 3 percent when the Treasury is selling bonds to the banks today at much less than 3 percent. Do you then propose to saddle that saving on the holders of these baby bonds, who will undoubtedly be forced to dump their bonds on the market with a loss in principal?

Mr. McCORMACK. The gentleman is drawing a conclusion.

Mr. CRAWFORD. The gentleman seems to know so much about this bill, I should like to have some information on it based on experience and study.

Mr. McCORMACK. The gentleman is drawing a supposition and a conclusion with which I am not in accord. The baby-bond provision is only a minor matter. The gentleman is advancing, as major opposition to this bill, something which is really only a minor matter.

I simply want to conclude with this statement: There is nothing political in this bill. As the gentlemen on the Republican side have well said, it is a simple bill. There is not anything controversial about the bill. The bill was reported unanimously by the committee, my Republican colleagues on the committee voting for it as well as my Democratic colleagues. It does not change in any material way existing law.

The bill has a simple purpose. However, its simple purpose becomes dangerous when it is proposed to be used as a vehicle for amendments to be offered which are highly controversial, and which involves the currency subject.

Clearing away all unnecessary verbiage, this measure simply gives to the Treasury Department the right to issue bonds up to $25,000,000,000, a sort of revolving fund. It reduces the present outstanding maximum from $28,000,000,000 to $25,000,000,000. It does not in any way change the short-term indebtedness except instead of $10,000,000,000 being in notes and $10,000,000,000 in Treasury certificates, there is a maximum of $20,000,000,000 for any form of short-term indebtedness, which maximum exists at the present time, although divided as I have stated.

The bill is simple, the bill has a definite purpose in view, and there is nothing controversial about it. It is aimed to benefit the Government and the taxpayers, and I hope the bill will go through in the form in which it has been reported by the entire Committee on Ways and Means. [Applause.]

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, I offer an amendment to the Dies amendment.

The Clerk read as follows:

Mr. PATMAN offers an amendment to the Dies amendment: After the last word in the Dies amendment add a comma and insert " not including currency deposited or held by the Treasury."

Mr. PATMAN. Mr. Chairman, I hope the amendment is acceptable to the gentleman from Texas, and I am sure it is, because, as it is now, we have about $10,000,000,000 in actual money, but about one-half of it is hoarded or held by the Treasury of the United States and is never in circulation.

So if we do not put this provision in, the additional money will be hoarded as the other has been hoarded for many years.

The gentleman from Massachusetts and the gentleman from Kentucky say why not make it three and a half or five to one. The distinguished gentleman from Texas [Mr. DIES] is seeking to make a definite step in the right direction. We cannot have a perfect bill by amending it on the floor but we can make a step—a definite, positive step—in the right direction, and that is what we are attempting to do.

The gentleman from Massachusetts [Mr. McCORMACK] says that it will interfere with the refunding operations. It will save the Government interest on money paid out.

Let the Government issue $5,000,000,000 in currency and no one will be paying a penny of interest on the money outstanding. The taxpayer will not be required to pay one penny of interest, but if you issue bonds and sell the bonds to the banks—a mere matter of bookkeeping—the banks give the Government credit and the Government pays interest on the credit.

The proposition of the gentleman from Texas, Mr. DIES, and that of Mr. McCORMACK is the difference in the interest rate.

The proposition of the gentleman from Texas will save an enormous sum of money.

I dislike to amend a bill like this, but you can stay here 25 years and you will never have the question directly brought to you. You can be here 25 years, under the rules of this House, and you will never have a chance to vote directly on the proposition. If you want to make a step in the right direction, do it by voting for the amendment of the gentleman from Texas [Mr. DIES].

Oh, I know that Members will say, " If it had been brought up in the right way, I would have been glad to have voted for it." That is a good storm cellar. I do not know much

about parliamentary procedure, but that is a good storm cellar with all modern conveniences.

Mr. McCORMACK. I think the gentleman will agree that when I made the statement I could refer to evidence in the past in support of that statement.

Mr. PATMAN. Not when this question was being agitated. If this question were to die down and there was no agitation about it, no danger, possibly they would bring something up; but there is danger now, and the gentleman knows that no legislation will be brought out on the floor of this House that will permit this question to be voted on directly, and I ask the Members to vote for the Dies amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SAMUEL B. HILL. Mr. Chairman, if you want to kill this bill, then vote for the amendment offered by the gentleman from Texas [Mr. DIES], supported by the gentleman from Texas [Mr. PATMAN]. The amendment that Mr. DIES has offered here has no relevancy to the subject matter of this bill at all. He is talking about expanding the currency in accordance with legislation heretofore passed, but the purport of the amendment is to expand the volume of the currency upon the basis of another form of Government credit. That is not in keeping with the legislation to which he refers, the gold-devaluation legislation, and so forth. Here is a bill designed to enable the Secretary of the Treasury to refinance to the very best advantage of the country the outstanding indebtedness as it becomes due, and if you are going to give him that authority this bill should be passed as it is presented here, and the amendment of the gentleman from Texas should not be adopted. I understand very well that my friend, the gentleman from Texas [Mr. PATMAN], is opposed to Government bonds, or to the further issuance of Government bonds. I have no quarrel with him on that, but we have that system now, and you cannot change it in this bill at this time. This amendment does not propose to make that change, but if we are to enable the Secretary of the Treasury to do the things obviously necessary for him to do, then we must let this bill pass and vote down this amendment.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. Yes.

Mr. MASSINGALE. What amount of bonds does this bill contemplate shall be issued in excess of the amount required to refund outstanding Government bonds?

Mr. SAMUEL B. HILL. Only such amount as shall be necessary to finance by bond issue the expenditures authorized by Congress in subsequent legislation.

Mr. MASSINGALE. Can the gentleman tell me approximately what that might be?

Mr. SAMUEL B. HILL. Any authorized expenditure which it might be necessary to meet by bonds can be made in that way under this bill up to the outside limit of $25,000,000,000.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SAMUEL B. HILL. Yes.

Mr. McCORMACK. Of course the Secretary of the Treasury cannot issue new bonds unless the Congress authorizes it.

Mr. MASSINGALE. I get that. In addition to that I should like to be informed, if I may, in respect to this. The gentleman made a statement a while ago that this is not the time to offer an amendment or to entertain an idea of stopping the issuance of interest-bearing Government bonds. If not, why not?

Mr. SAMUEL B. HILL. Because we have that system in force. We have these bonds. They must be taken care of. The only way that you can do it is under the provisions of the bill that we have here or a similar bill. If you want to change the entire system, come in at some subsequent time and from that time on proceed without the issuance of bonds.

Mr. CONNERY. Mr. Chairman, I move to strike out the last word. Mr. Chairman, the financial aspects of this amendment have been thoroughly discussed today by the gentlemen from Texas [Mr. PATMAN and Mr. DIES] and by my good friend and colleague the gentleman from Massachusetts [Mr. MCCORMACK], and by the committee. There is one thing that is very clear in my mind, however. I understand we have some $36,000,000,000 worth of tax-exempt securities in the United States. I do not believe these securities should be tax exempt. It seems to me that any move in the direction of a controlled expansion of the currency, any move which will allow us to get some new currency out against the $8,000,000,000 worth of gold that we have in the Treasury, would be a good thing, provided it does not go merely to the bankers of the country. We should get this money out amongst the people and get it in circulation. This amendment would not interfere with the financing of this $5,000,000,000 bill that we passed yesterday. It simply gives the Treasury, you might say, an option on a certain amount of bonds being issued and a certain amount of currency being issued, thereby cutting down the issuance of more billions in bonds upon which the Government must pay interest.

I am not going to take the time of the House further, except to say that I have read a great deal on this subject, and I have listened to some learned discussions on the matter, and I have finally come to the point where I am in favor of a controlled expansion of the currency. You might call it "mild inflation." I do not see why, every time the Government wants to finance its expenditures, we have to turn out ten or twelve or twenty or thirty million dollars' worth of bonds and turn them over to the bankers, pay them interest on them, and then in the final analysis the working people of the country and the consumers of the country pay that debt, and very few workers or farmers can afford to purchase any bonds.

I simply close by saying that I intend to vote for the Dies amendment as amended by the Patman amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONNERY] has expired.

Mr. VINSON of Kentucky. Mr. Chairman, I rise in opposition to the pro forma amendment. My good friends the gentlemen from Texas, Messrs. PATMAN and DIES, are presenting amendments, and these gentlemen at no place in this debate have given you any authority for or the effect of their amendments. Now, I ask this House seriously where do they get the figure "three times the currency"? Nobody from the Treasury gives authority for that figure; no one else does. They do not tell you how many bonds will be permitted to be issued if these amendments are adopted. With the Patman amendment to the Dies amendment I do not know whether there would be authorized more than the thirteen and one-half billion in bonds now outstanding or not. Under the Dies amendment, I could make a computation. I could take five and one-half billion dollars in currency and multiply it by three and get sixteen and one-half billion dollars. In other words, there could be bonds issued to the extent of sixteen and one-half billion dollars. With thirteen and a half billion dollars of long-time bonds outstanding, there would be $3,000,000,000 left. Now, where could we get the money to finance this authorization which we made yesterday of more than $4,000,000,000 for relief to the needy public works in furtherance of the President's recovery program?

Mr. PATMAN. Will the gentleman yield for a question?

Mr. VINSON of Kentucky. In just a minute. Then they have some sort of a "presto change" tying it in with the $800,000,000 of gold resulting from gold devaluation. One of the gentlemen said a small part of this gold is tied up with the stabilization fund. That is true. Two billion dollars is tied up in the stabilization fund. In other words, the larger part of this additional credit is already allocated.

It is a serious proposition when someone takes a lead pencil and writes the figure 3 in an amendment of this kind. It is time to stop and think whether it should be 3¼, 3½, 4, or 5 times, or what not, in order to effectuate the purpose of the authors of the amendments.

Mr. Chairman, I say in conclusion that there is no financial authority that justifies really serious consideration of

such amendment by men who were elected to represent great districts in this Congress. It is a most dangerous thing to legislate in the dark.

Mr. DOUGHTON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 53, noes 97.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the Dies amendment.

The amendment was rejected.

Mr. BOILEAU. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: On page 2, line 9, at the end of the section, add a new section, as follows:

"SEC. 2. Subsection (b) of section 5 and all of section 7 are hereby repealed."

Mr. McCORMACK. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill or to the section to which it is offered.

The CHAIRMAN. The Chair will hear the gentleman from Wisconsin on the point of order.

Mr. BOILEAU. Mr. Chairman, in my opinion there is no justification for the point of order raised by the gentleman from Massachusetts. The bill now under consideration begins with the statement that "the Second Liberty Loan Act as amended is further amended as follows"; and all of the amendments in this bill are amendments to that particular act.

The two sections proposed to be repealed by my amendment are now in the Second Liberty Loan Act. They deal with bonds that are issued and to be issued under authority of the Second Liberty Loan Act. That act provides that bonds issued under the authority of that act shall be tax-exempt, and bonds so issued have been tax-exempt. Bonds and securities issued under the authority of this bill, should it be enacted, would be tax-exempt because of the provisions of section 7 and subsection (b) of section 5 of the Second Liberty Loan Act; and it is these two sections that my amendment proposes to repeal so that no longer will we have this system of tax-exempt bonds. It will apply to all of the $45,000,000,000 of bonds and Government securities authorized under the provisions of this bill. It directly affects this question by striking out the tax-exempt features. So I fail to see why it is not germane to this particular bill.

Mr. COOPER of Tennessee. Mr. Chairman, if I may be heard briefly on the point of order, I may say in support of the argument offered by the gentleman from Massachusetts that the subject matter presented by the amendment offered by the gentleman from Wisconsin relates to the question of revenue. This question is not involved in the pending measure. Therefore, the amendment is not germane to the bill as it is now presented, and I submit that the point of order should be sustained.

Mr. BOILEAU. Mr. Chairman, if I may be heard further in connection with the point of order, and very briefly, the bill we are now considering proposes to amend section 5 in many places. My amendment further amends this section; it strikes it out.

The CHAIRMAN. The Chair is ready to rule. The Chair is of the opinion that the amendment of the gentleman from Wisconsin applies not only to bonds to be issued but to bonds that have been issued.

The Chair, therefore, sustains the point of order.

Mr. BOILEAU. Mr. Chairman, may I be heard further on the point of order?

Mr. COOPER of Tennessee. Mr. Chairman, I make the point of order that the Chair having ruled, the gentleman from Wisconsin is not in order.

The CHAIRMAN. The Chair has sustained the point of order.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 2, line 9, after the word "time" and the period, insert *"Provided further,* That the annual rate of interest shall not exceed one-half of 1 percent on all issues of bonds, the proceeds of which are to be used to pay due indebtedness or to meet public expenditures authorized by law of the Government."

Mr. COOPER of Tennessee. Mr. Chairman, I make a point of order against this amendment on substantially the same ground offered against the amendment just disposed of. The amendment of the gentleman from Texas is not germane to the bill; and the purposes to be accomplished by this amendment are in no way within the scope of the bill now presented to the House for consideration.

The CHAIRMAN. The Chair will hear the gentleman from Texas on the point of order.

Mr. PATMAN. Mr. Chairman, my amendment is a limitation on the bill. In other words, section 1 provides that bonds may be issued by the United States Government. This is a limitation stating that in the event the bonds are issued that the rate of interest shall not exceed one-half of 1 percent except, of course, where it is for a refunding operation, purely a refunding operation, in which case the rate of interest may exceed one-half of 1 percent. This is the effect of the amendment, and certainly I do not see why it should be questioned.

The CHAIRMAN. May I ask the gentleman from Tennessee [Mr. COOPER] if the first section applies to all bonds or just to bonds to be reissued?

Mr. COOPER of Tennessee. It is my understanding that the first section applies to all bonds.

The CHAIRMAN. Then the gentleman's amendment is a limitation; therefore the Chair overrules the point of order.

Mr. PATMAN. Mr. Chairman, the 12 Federal Reserve banks now hold about $3,000,000,000 in Government bonds. These bonds were purchased with Government credit; and the Federal Reserve banks, after purchasing the bonds with our Government's credit, continues to charge the Government interest on the bonds.

We will not have the least trouble on earth financing the Government through the Federal Reserve Banking System as now constituted; and if there should be any question about it, we can pay the member banks $140,000,000 which they have invested and take over the Federal Reserve System and finance all the operations of the Government. The fundamental question involved here is: Are you going to continue to farm out to corporations owned by private corporations the greatest privilege on earth—issuing and distributing the Nation's credit—or are you willing to reassume that duty as required of you under the Constitution of the United States that you are sworn to uphold and defend? That is the question before you at the present time.

If you want this Congress to assume that privilege, vote for this amendment. Of course, this will not completely accomplish what we have in mind, I must confess, but it will be a long step in that direction. Remember that you cannot do everything in this House that you would like. There are certain rules to go by and very seldom will a bill come up here that will permit you to offer a germane amendment in order to do what you would really like to do. And furthermore, you are handicapped because there is a Rules Committee that will bring out a closed rule. Furthermore, you go into the Committee of the Whole House when they take down that mace. They are in Committee now. There is no way to have a record vote. Therefore this gives you another storm cellar. There are plenty of storm cellars with all modern conveniences for the Members of Congress who do not want to change our monetary system. It is so arranged that whenever you argue you should not do it in this way you are arguing in effect that it should not be done at all.

Mr. Chairman, I have other amendments that I propose to offer after this one, and I hope the Chairman of the Ways and Means Committee will bear with me, will be patient and allow us to discuss this fundamental principle before the House.

[Here the gavel fell.]

Mr. SAMUEL B. HILL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from Texas is endeavoring to change the system that we are operating under now, and the system that is now in existence, to that of issuing currency in lieu of bonds.

As stated in my previous remarks with reference to the amendment offered by the gentleman from Texas [Mr. DIES], we are not now quarreling with him upon that proposition. We have here at the present time a bill to authorize the Secretary of the Treasury to carry out certain refunding and refinancing operations, together with the refinancing of certain other obligations which this Congress is imposing upon the Government. It is evident that we must continue under the system we now have until it is changed. We must, through the issuance of bonds, finance this program that is now being projected. You cannot finance it through bonds bearing interest not to exceed one-half of 1 percent. If you place that limitation upon these bonds, the only possible way in which you could market the bonds would be at a discount below the par or face value of the bonds.

Mr. PATMAN. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield to the gentleman from Texas for a question.

Mr. PATMAN. Is it not a fact we have this morning $8,300,000,000 of gold in the Treasury, which would authorize the issuance of more than $20,000,000,000 in money and still have more than a 40-percent gold coverage?

Mr. SAMUEL B. HILL. I am not quarreling with the gentleman on that question, but that is not in this bill, and the gentleman from Texas [Mr. PATMAN] knows that we cannot have that in this bill.

Mr. PATMAN. The gentleman knows very well that we will never have a better opportunity than this to make a long, positive, and definite step in that direction.

Mr. SAMUEL B. HILL. The gentleman from Texas knows that to put his amendment in this bill simply kills the legislation and will absolutely prevent the Secretary of the Treasury from carrying out these financial operations.

Mr. McCORMACK. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What is the gentleman's opinion as to the effect which this amendment will have upon the financing of the relief bill that was passed yesterday?

Mr. SAMUEL B. HILL. It would make the carrying out of the provisions of that bill absolutely impossible unless the bonds were discounted below their par value.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 38, noes 92.

So the amendment was rejected.

Mr. PATMAN, Mr. BOILEAU, and Mr. DOUGHTON rose.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina.

Mr. DOUGHTON. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

Mr. PATMAN. Will the gentleman withhold that just a minute? I have two amendments to offer and the gentleman from Wisconsin has an amendment to offer.

Mr. DOUGHTON. Mr. Chairman, I modify the motion previously made. I move that all debate on this section and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. BOILEAU. Mr. Chairman, I have an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: On page 2, line 9, after the word "time", insert "*Provided*, That none of the interest on bonds issued under the authority of this act shall be exempt from income taxes."

Mr. COOPER of Tennessee. Mr. Chairman, I make a point of order against the amendment. This is not a tax measure, it is not a revenue bill, and the purpose sought to be accomplished by the amendment does not come within the scope of the measure. It is certainly not germane to the bill or to this section, and I therefore make a point of order against it.

Mr. BOILEAU. Mr. Chairman, I may state that this is simply a limitation upon the authority of the Secretary of the Treasury with respect to the issuance of the bonds, prohibiting him from putting certain provisions in the bonds that the Congress does not want put in them.

The CHAIRMAN. There is nothing in this section pertaining to tax-exempt securities.

Mr. BOILEAU. I appreciate that; but the section does provide for the issuance of bonds, and the amendment simply restricts the Secretary of the Treasury and prevents him from putting such tax-exempt provisions in the bonds.

The CHAIRMAN. There is another section of this bill that contains language with respect to what the gentleman is now discussing, namely, a provision for tax exemption.

Mr. COOPER of Tennessee. Mr. Chairman, if the Chair will indulge me, this is not a limitation but an affirmative direction.

The CHAIRMAN. The Chair sustains the point of order made by the gentleman from Tennessee.

Mr. PATMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: On page 2, line 9, after the word "time", insert "The provisions of this act shall not be construed as a policy of the Government to issue bonds instead of currency."

Mr. COOPER of Tennessee. Mr. Chairman, I make a point of order against the amendment.

This is not a measure for the issuance of currency, and quite a bit of the argument advanced so far has been entirely irrelevant to this measure. The amendment is certainly not germane to this bill or to this section. There is nothing here that declares any policy or embraces within its scope any phase of the issuance of currency.

Mr. PATMAN. Mr. Chairman, the Agricultural Adjustment Act that was passed in 1933 provides that the President may issue $3,000,000,000 in United States notes or Treasury notes. It provides further that he may issue as much as $3,000,000,000 in money and exchange this money for existing or outstanding Government obligations. Section 1 establishes a policy of the Government with respect to issuing more tax-exempt interest-bearing bonds, and we want to make it plain that this is not a nullification of the provisions now in existing law with regard to the issuance of currency instead.

The CHAIRMAN. The section of the bill under consideration relates to bonds and not to currency. The Chair therefore sustains the point of order.

Mr. PATMAN. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 2, line 9, after the word "time", insert "*Provided further*, That United States notes shall be issued to the extent of $5,000,000,000 and deposited in the general fund of the Treasury, to be used in paying the expenses and debts of the Government before another bond is issued by the Government."

Mr. COOPER of Tennessee. Mr. Chairman, I make a point of order against the amendment for substantially the same reasons and on the same grounds heretofore stated. This measure does not in any way relate to the issuance of currency or the issuance of notes.

Mr. PATMAN. Mr. Chairman, I should like to be heard on the point of order.

This is a limitation. Section 1 provides that bonds may be issued, and this places a limitation to the effect that these bonds cannot be issued until $5,000,000,000 in United States notes has been issued. No one will be paying interest on the United States notes while they are outstanding, while interest will have to be paid on the bonds for every day they are outstanding.

The CHAIRMAN. The Chair sustains the point of order.

Mr. MASSINGALE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MASSINGALE: On page 1, section 1, strike out in line 8, all words after the word "authorized", all of line 9, up to the word "for" after the word "States", and insert: "For such amount only as may be equal to the outstanding bonds, but the amount required under provisions of this act in excess of the amount to refund outstanding bonds shall be raised by the issuance of Treasury notes not bearing interest by the Secretary of the Treasury."

Mr. COOPER of Tennessee. Mr. Chairman, I make a point of order against the amendment.

Mr. MASSINGALE. Mr. Chairman, I should like to be heard on the point of order. I presume the point of order is that it is not germane.

Mr. COOPER of Tennessee. Yes; certainly. The amendment seeks to bring something into the bill which is not within the scope of the measure at all.

The CHAIRMAN. The Chair sustains the point of order, as the amendment pertains to the issuance of currency, while the section pertains to the issuance of bonds.

The Clerk read as follows:

SEC. 2. The first sentence of subsection (a) of section 5 is amended to read as follows: "In addition to the bonds and notes authorized by sections 1, 18, and 22 of this act, as amended, the Secretary of the Treasury is authorized, subject to the limitation imposed by section 21 of this act, to borrow from time to time, on the credit of the United States, for the purposes of this act, to provide for the purchase, redemption, or refunding, at or before maturity, of any outstanding bonds, notes, certificates of indebtedness or Treasury bills of the United States, and to meet public expenditures authorized by law, such sum or sums as in his judgment may be necessary, and to issue therefor (1) certificates of indebtedness of the United States at not less than par (except as provided in section 20 of this act, as amended) and at such rate or rates of interest, payable at such time or times as he may prescribe; or, (2) Treasury bills on a discount basis and payable at maturity without interest."

Mr. PATMAN. Mr. Chairman, I move to strike out the last word. I should like to ask the chairman of the committee, does this provision apply to baby bonds?

Mr. DOUGHTON. It does not.

Mr. PATMAN. Which provision does apply to baby bonds?

Mr. DOUGHTON. Section 6.

Mr. PATMAN. Under the present law, as I understand it, only $400,000,000 in Treasury notes may be issued legally, and this will open it up wide so long as it is within the limit of $25,000,000,000.

Mr. SAMUEL B. HILL. The present authorization is for $10,000,000,000 Treasury notes and $10,000,000,000 in Treasury certificates and Treasury bills.

Mr. VINSON of Kentucky. The gentleman from Texas is right in saying that it is included in the $25,000,000,000 limit.

Mr. PATMAN. This will open it up wide for Treasury notes.

Mr. SAMUEL B. HILL. The total is $20,000,000,000 for Treasury notes, certificates, and bills. As it is now it is divided between Treasury notes and Treasury bills. There is an authorization for $10,000,000,000 in notes and $10,000,000,000 in certificates and bills. This bill proposes to put the Treasury notes and the Treasury certificates and bills in one class with a total limit of $20,000,000,000.

Mr. PATMAN. And furthermore, as they are retired additional ones can be issued.

Mr. SAMUEL B. HILL. Yes.

Mr. PATMAN. Under existing law, if they are retired, they cannot be reissued, but this will allow 25 billion to be reissued when retired.

Mr. DOUGHTON. The gentleman is right.

Mr. PATMAN. In regard to this section, I had other amendments prepared, but I think we have tested the will of the House, and I shall not insist on my other amendments.

You would be surprised at the number of Members of the House who want to vote directly on this proposition. They tell me that they cannot vote for my amendment, because they are afraid it will interfere with the refunding operations of the Government or interfere with relief. They are mistaken, but they have been told that. I believe that they would like to nationalize credit and take over the Federal Reserve banks, but they have various sundry reasons for voting against these amendments that are leading in that direction. I believe we have tested the sense of the House, and I believe that at least 60 percent of the Members of the House would change the present monetary system of issuing currency and bonds if they had an opportunity. [Applause.]

The Clerk read as follows:

SEC. 5. The Second Liberty Bond Act, as amended, is further amended by adding a new section, as follows:

"SEC. 21. The face amount of certificates of indebtedness and Treasury bills authorized by section 5 of this act, certificates of indebtedness authorized by section 6 of the First Liberty Bond Act, and notes authorized by section 18 of this act shall not exceed in the aggregate $20,000,000,000 outstanding at any one time."

Mr. FISH. Mr. Chairman, I move to strike out the last word. Unfortunately I have not heard the debate upon this bill. I understand that the members of the Ways and Means Committee on the Republican side have generally approved the bill, at least are not opposing it. Ordinarily that would mean to me a certificate of righteousness, and I could well afford to follow the Members on the Republican side of that great committee. It appears to me, however, that this is a pure inflationary measure. If it were merely setting up machinery to carry out the purpose of the House to turn $4,000,000,000 over to the President for relief purposes that would be one matter, but it apparently is an inflationary measure so that the Government can issue notes and bonds up to $45,000,000,000. At the present time we have issued only up to twenty-eight billion. If the bill merely permitted the Government to issue up to thirty-four billion to take care of what the House proposed to do by its action yesterday, I might not vote against the bill.

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. SAMUEL B. HILL. I think the gentleman is in error. The authorization at the present time under existing law is $28,000,000,000 of bonds and a total of $20,000,000,000 of Treasury notes and bills. This proposes to put an outside limit of $25,000,000,000 on bonds and the same $20,000,000,000 on notes.

Mr. FISH. That means a total of $45,000,000 and that is what I said, but they do not have to come back to the Congress to issue these bonds and notes. You place in the hands of the Executive that power. This is an inflationary measure taking away the power from Congress to control the issuance of bonds and certificates.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am sorry, I have only 5 minutes. I may be the only Member of the House who is going to vote against it, but I propose to vote against it because it takes that power away from the Congress and gives it to the Executive to issue these bonds and notes, about thirteen billion more than they have the right to issue at the present time.

What I also want to point out in these few minutes is this: The administration talks about the credit of the United States and how sound it is. As I told you the other day, it will remain sound just as long as you can issue Treasury notes totally tax exempt, so that the banks, the big corporation, the big interests, and wealthy men of America can buy these Treasury notes and escape taxation. It is a perfectly apparent proposition and creates a vicious circle. The credit of the United States will be good just as long as we throw away that power of taxation affecting the wealthy people and let them come in and buy these notes and bonds, principally the notes that are wholly tax exempt, and so escape paying 60 percent on the higher incomes and not pay any income taxes by merely buying the bonds and notes.

The only policy of the Democratic Party today—and I want the people to understand it—the only one we know about, is borrowing, more borrowing, and still more borrowing. That is the only policy that has been presented to Congress. This bill will not help restore confidence in America; it will not help to restore confidence in industry, commerce, or trade, or among business men, small or large. This bill

carries out the main policy of the Democratic Party to borrow more billions, still more billions, and yet more billions of American dollars without making any provision to raise revenue or levy taxes.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. McCORMACK. Mr. Chairman, it is not my purpose to answer the remarks of the gentleman from New York [Mr. FISH], whom I personally respect, but who has shown himself to be possessed of what might be considered as a partisan mind in his discussion of certain features of this bill. I am frank in stating that there are occasions when I am possessed of a partisan mind, but there are some limits to it. I am not going to close my eyes to the truth and take the floor of this House and undertake to say that a bill intends something that a plain and simple reading of the bill shows it does not contemplate. My friend from New York [Mr. FISH] is a keen gentleman. He is able. If he has read the bill, he knows that the bill does not mean that the President of the United States or the Secretary of the Treasury can borrow ten or fifteen billion dollars more by merely issuing bonds, notes, and Treasury certificates. There is a $20,000,000,000 maximum now on notes and Treasury certificates; and this bill does not change that maximum. It merges both of them into one group with the same limitation as to amount. Under existing law there is a $28,000,000,000 maximum on bonds, and the bill provides for a $25,000,000,000 maximum. The maximum of all at the present time is $48,000,000,000. This bill makes the maximum of all $45,000,000,000. Nobody can issue bonds or Treasury notes or certificates at will. There must be authority in law for the Secretary to issue additional bonds and notes increasing our outstanding debt. There must be legislation passed by the Congress authorizing the issuance. The broad question of the advisability of borrowing on notes and bonds I shall not discuss at this time, as it is not relevant to this bill. When my friend from New York makes a statement that the bill gives blanket authority for the promiscuous issuance of bonds without authority of law, he is incorrect; and I cannot permit such remarks to be incorporated in the RECORD and go out to the country as another scarecrow of a condition that does not exist.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RANKIN. Mr. Chairman, I have just listened to the self-appointed spokesman of the Republican Party, the gentleman from New York [Mr. FISH] on this all-important question of tax-exempt securities. He admits that under our present system the great bulk of the wealth of this country is permitted to find a storm cellar in tax-exempt securities and thereby escape its part of the burdens of taxation, but he studiously avoids suggesting the logical remedy.

We find ourselves today in the midst of a paradoxical depression that is without a parallel in all history. We live in the richest country in all the world. With a gentle climate, a fertile soil, and an abundant rainfall, we produce every agricultural commodity necessary for the maintenance of mankind. Our natural resources are unlimited, and the inventive genius of America has given to us a control over the forces of nature never before attained in all the history of the human race.

We have more wheat, more corn, more hogs, more cotton—in fact, more of all agricultural commodities, as well as manufactured products—than the American people can use. We have been destroying livestock, reducing grain production, and plowing under cotton, as well as curtailing the production of manufactured articles, and yet millions of our people are hungry and other millions are insufficiently clothed.

Bread lines are lining the streets of our principal cities, while farmers are having their homes sold from under them for debts or confiscated for taxes. Practically every individual who owns a home, or who tries to own a home, is burdened with debts and taxes that he finds himself unable to pay. Practically every county, every municipality, every school district, every drainage district, every road district, every State, and even the Federal Government itself, is burdened with debts and bonded with obligations that it seems almost impossible to pay. And yet we scarcely owe a single dollar beyond the confines of the United States. But, on the other hand, billions of dollars are owed to our country by other nations and other billions are owed by foreign countries and foreign individuals to private individuals and private enterprises in America.

What is the trouble? Why all this financial distress in the richest land in all the world, practically the only country that does not owe any debts beyond its own borders?

It is maldistribution of wealth. We are cursed with a system of economic feudalism that has overawed, browbeaten, or controlled by insidious methods or continuous pressure the forces of democracy and so dominated the legislative program of this country during the last 60 years that it has concentrated the wealth of this Nation into the hands of a few families.

We are told that less than 10 percent of our population now own more than 90 percent of our wealth. They are pyramiding their fortunes and passing them on down from generation to generation, even increasing them by the natural accretion of interest accumulations, while the rest of the 120,000,000 Americans are literally grinding their lives out to even meet the interest they have to pay.

They began by accumulating vast fortunes out of the Civil War. They accumulated more through a high protective tariff, which levied tribute upon every human being in America. Through this method they sapped the economic vitality of the agricultural States, using the powers of government through Federal pensions and political patronage to hold enough of those States in line to guarantee them supreme control.

More fortunes were accumulated and therefore more wealth concentrated through a manipulation of public utilities, gambling on the stock market, overcapitalization, sale of watered stocks, and exorbitant service charges that the people were compelled to pay. They even manipulated the currency by expanding through the Federal Reserve System and contracting in the same way—raising prices for a period until people adjusted themselves to higher price levels, incurred debts, fixed their tax rates, and floated bonds for necessary improvements—then contracted that currency, drove down prices, and are now demanding that those debts be paid with inflated dollars and on deflated commodity prices.

The people have about reached the limit of their endurance. They know there is something wrong with our present system, and they are beginning to realize what it is. They are demanding and are going to continue to demand that there be a redistribution of the wealth of this country in some way. That can be done in two ways: Either by taxation or through a disastrous revolution. A revolution would not redistribute wealth, but would only destroy it, and probably destroy our civilization as well.

There is a sane and orderly way to meet this question, and that is to place the burden of taxation where it belongs—on the ones most able to pay.

If you will let me write one section of the tax bill, I will balance the Budget, pay a reasonable old-age pension, pay off the soldiers' adjusted-service certificates, and pay off the national debt in 25 years. I would place the same burden of taxes on the rich and opulent in proportion to their wealth that we are now placing upon the poor.

Today, the man most heavily burdened with taxes is the farmer and the home owner, whose entire profits and invariably the equity in whose property is taken to pay his local taxes.

The reports of the Bureau of Internal Revenue show that in 1921 there were 21 individuals in the United States with incomes of $1,000,000 a year. That was the year the Republican Party took control. By 1929 there were 513 individuals with incomes of $1,000,000 a year. In 1921 there were 444,000 individuals reporting incomes of $1,000 or less, and in 1928 that number had dwindled to 114,000. The ones making $1,000 or less had dropped off 75 percent, while the ones in the million-dollar class had multiplied 25 times. There has

never been such a concentration of wealth since the world began. The rich grew richer and the poor, poorer.

Today, as I said, less than 10 percent of our people own more than 90 percent of our wealth. There is only one way to reach them, and that is through inheritance taxes, since many of them have their fortunes invested in tax-exempt securities and cannot be reached in any other way.

But men who represent that element in Congress are urging us to prohibit the further issuance of tax-exempt securities. That is the plan of the gentleman from New York [Mr. FISH]. However desirable that may be, it would not reach the ones whose wealth is now invested in tax-exempt securities, but, on the other hand, it would raise the values of those outstanding securities and increase the wealth of the ones who hold them.

But these gentlemen who have always represented the predatory interests of the country, and who now vociferously proclaim their desire to prevent the further issuance of tax-exempt securities, scrupulously refrain from advocating the real remedy, and that is the raising of inheritance taxes and making the ones who own these securities now bear their part of the burdens of government.

Our inheritance taxes are ridiculous. They are infinitesimal compared with the taxes which the average American has to bear.

Just before the passage of the last tax bill I secured copies of the inheritance-tax rates for both France and Great Britain and compared them with the inheritance-tax rates in the United States at that time. I am going to insert a table containing the tax rates of the United States, Great Britain, and France in the RECORD at this point, so that the Members of the House and others who read the RECORD may make their own comparisons.

There have been a few changes in these rates, but this table shows the correct rates as they existed at the time these figures were compiled.

The table is as follows:

| Net estate before exemption | Tax in United States | Tax in Great Britain | Tax in France |
|---|---|---|---|
| $1,000 | | $10 | $65.88 |
| $5,000 | | 150 | 539.27 |
| $10,000 | | 300 | 1,296.47 |
| $15,000 | | 450 | 2,226.47 |
| $25,000 | | 1,000 | 6,942.58 |
| $50,000 | | 2,500 | 16,160.98 |
| $100,000 | $1,500 | 9,000 | 36,997.78 |
| $150,000 | 5,000 | 18,000 | 59,197.78 |
| $200,000 | 9,500 | 28,000 | 81,589.78 |
| $300,000 | 19,500 | 51,000 | 130,789.78 |
| $400,000 | 30,500 | 76,000 | 180,373.78 |
| $500,000 | 42,500 | 105,000 | 234,373.78 |
| $600,000 | 55,500 | 138,000 | 288,373.78 |
| $800,000 | 84,500 | 200,000 | 396,373.78 |
| $1,000,000 | 117,500 | 270,000 | 504,373.78 |
| $2,000,000 | 315,500 | 660,000 | 1,046,293.78 |
| $3,000,000 | 553,500 | 1,110,000 | 1,634,293.78 |
| $5,000,000 | 1,149,500 | 2,050,000 | 2,823,253.78 |
| $10,000,000 | 3,094,500 | 5,100,000 | 5,823,253.78 |

You will note from this table that if a man died in the United States and left an estate of $100,000, his estate would pay a tax of $1,500. In England it would pay $9,000; and in France, $36,997.78.

In this country an estate of $500,000 would pay an inheritance tax of $42,500; in England, $105,000; and in France, $234,373.78.

In this country an estate of $1,000,000 would pay $117,500; in England it would pay $270,000; and in France, $504,373.78.

Men talk about taxing the profits of the next war. I want to adequately tax the profits of the last war. Then there will not be any next war, at least in your day and mine.

The people of large fortunes, as a rule, are the ones who invest their money in tax-exempt securities. They are the ones who seek and find that storm cellar. They are the ones who made fortunes out of the war, coining their millions out of the blood and tears of the suffering men, women, and children of the world. They are the ones who made their millions out of the tariff by levying tribute upon every farmer and every laborer; in fact, on every man, woman, and child under the flag. They are the ones that we must reach if we ever expect to balance the Budget and meet the responsibilities of this Government and redistribute the wealth of the Nation, so as to give the rising generation a chance in this world. [Applause.]

Mr. PATMAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

There is so much being said about tax-exempt securities that I hope we get our definitions straight.

Many of us are opposed to tax-exempt securities, I repeat, for an entirely different reason than the reason which the gentleman from New York [Mr. FISH] is opposed to tax-exempt securities. If I thought our monetary system would not be changed at the same time, I think the best interests of this country would probably be served by allowing it to remain as it is, and I will tell you the reason for it. Personal property is taxed where it is located. A United States Government bond or a Government note or certificate is personal property, and when that note or bond is purchased from the Government and deposited in New York City or Pittsburgh, Pa., or Chicago, Ill., that is where it is taxed. Gentlemen like the gentleman from New York [Mr. FISH], representing a great district in New York, can tell his banker friends there, "I am in favor of eliminating the issuance of further tax-exempt securities because the Government will have to pay an additional interest rate to you, and that will enable you to pay the tax, and when you pay the tax it will go to the city of New York, it will go to the different counties of New York, the road districts and school districts, and other political subdivisions." In other words, the people all over the Nation would be paying an additional tax rate in order to support the larger cities in this country where those bonds are actually physically located and where they will be taxed.

The reason I do not want any more tax-exempt securities is because I want to issue currency instead of bonds. We have $41,000,000,000 in deposits in the banks. We have less than $1,000,000,000 in money in the banks to pay those depositors.

I feel that it should be made up in Government credit in some way, if not in actual physical money in that which is the same as actual physical money upon which no one will be paying interest while it is outstanding. There is the difference between us; and do not go off now on the theory that we should change the tax-exempt interest-bearing bonds without first considering who is going to get it and who is going to pay it. Will your district, a country district, get anything out of it? Not a thing in the world; but the people in that district will have to pay the additional taxes which will be necessary to pay more interest in order to pay the rate of interest required by the New York banks so they can pay their local taxes. With proper safeguards I am opposed to the issuance of more tax-exempt interest-bearing bonds if our present bond system continues. However, I much prefer currency to all bonds.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. CHURCH. In what States do they assess Government bonds?

Mr. PATMAN. They do not assess them at all.

Mr. CHURCH. What State laws assess Government bonds?

Mr. PATMAN. That is what we are talking about. They cannot be assessed. But if you remove the limitation the States will remove the limitation and tax them for all State and local purposes; certainly they will.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. CONNERY. In connection with the remarks of the gentleman from Mississippi on the question of the inheritance tax, I should like to ask the gentleman from Texas if it is not a fact that under our present inheritance and gift taxes, attorneys have found a way by putting money in trust a couple of years before a man dies and the beneficiary escapes the inheritance and gift taxes?

Mr. PATMAN. That is my understanding. The gentleman from Washington [Mr. HILL], I understand, is chairman of a subcommittee that has been investigating loop-

holes in our tax laws; and I have been told that some shocking disclosures have been made along the line suggested by the gentleman from Massachusetts.

The Clerk read as follows:

SEC. 6. The Second Liberty Bond Act, as amended, is further amended by adding a new section, as follows:

"SEC. 22. (a) The Secretary of the Treasury, with the approval of the President, is authorized to issue, from time to time, through the Postal Service or otherwise, bonds of the United States to be known as 'United States Savings Bonds.' The proceeds of the savings bonds shall be available to meet any public expenditures authorized by law and to retire any outstanding obligations of the United States bearing interest or issued on a discount basis. The various issues and series of the savings bonds shall be in such forms, shall be offered in such amounts within the limits of section 1 of this act, as amended, and shall be issued in such manner and subject to such terms and conditions consistent with paragraphs B and C hereof, and including any restriction on their transfer, as the Secretary of the Treasury may from time to time prescribe.

"(b) Each savings bond shall be issued on a discount basis to mature not less than 10 nor more than 20 years from the date as of which the bond is issued, and provision may be made for redemption before maturity upon such terms and conditions as the Secretary of the Treasury may prescribe: *Provided*, That the issue price of savings bonds and the terms upon which they may be redeemed prior to maturity shall be such as to afford an investment yield not in excess of 3 percent per annum, compounded semiannually. The denominations of savings bonds shall be in terms of their maturity value and shall not be less than $25. It shall not be lawful for any one person at any one time to hold savings bonds issued during any one calendar year in an aggregate amount exceeding $10,000 (maturity value).

"(c) The provisions of section 7 of this act, as amended (relating to the exceptions from taxation both as to principal and as to interest of bonds issued under authority of sec. 1 of this act, as amended), shall apply as well to the savings bonds; and, for the purposes of determining taxes and tax exemptions, the increment in value represented by the difference between the price paid and the redemption value received (whether at or before maturity) shall be considered as interest. The savings bonds shall not bear the circulation privilege.

"(d) The appropriation for expenses provided by section 10 of this act and extended by the act of June 16, 1921 (U. S. C., title 31, sec. 761), shall be available for all necessary expenses under this section; and the Secretary of the Treasury is authorized to advance, from time to time, to the Postmaster General from such appropriation such sums as are shown to be required for the expenses of the Post Office Department, in connection with the handling of the bonds issued under this section.

"(e) The board of trustees of the Postal Savings System is authorized to permit, subject to such regulations as it may from time to time prescribe, the withdrawal of deposits on less than 60 days' notice for the purpose of acquiring savings bonds which may be offered by the Secretary of the Treasury; and in such cases to make payment of interest to the date of withdrawal whether or not a regular interest-payment date. No further original issue of bonds authorized by section 10 of the act approved June 25, 1910 (U. S. C., title 39, sec. 760), shall be made after July 1, 1935.

"(f) At the request of the Secretary of the Treasury the Postmaster General, under such regulations as he may prescribe, shall require the employees of the Post Office Department and of the Postal Service to perform, without extra compensation, such fiscal agency services as may be desirable and practicable in connection with the issue, delivery, safe-keeping, redemption, and payment of the savings bonds."

Committee amendment: Page 5, line 7, strike out the words "paragraphs B and C" and insert in lieu thereof "subsections (b) and (c)."

Mr. SAMUEL B. HILL. Mr. Chairman, I call attention to the fact that this amendment and the other committee amendments are simply clerical corrections.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 2, strike out in the parentheses the word "exceptions" and insert in lieu thereof the word "exemptions."

Mr. PATMAN. Mr. Chairman, I rise in opposition to the committee amendment.

Mr. Chairman, during the war Liberty bonds were sold on the installment plan. People all over the country bought these bonds as a patriotic duty. They were told they were sending their money to war instead of going themselves. When the war was over the Liberty bonds that had been sold to the public were not supported by the financial interests of the country and the bonds dropped in value to 95, 90, 87, and even down to 85. The large banks of the country sent agents all over this Nation and purchased those bonds for as low as 85 cents on the dollar. Then the bonds rose in value because they had got into what is known as "strong hands." When they got into strong hands they went back to 100 cents on the dollar.

The veterans, the soldiers in the Army, were told not only that they should pay for their insurances and for other charges against them during the war but after making all these deductions for dependents, for insurance, and these other charges they were told if they had any money that it was their duty to purchase a Liberty bond; and if they did not, there was considerable pressure brought to bear against them. They were referred to as slackers, despite the fact they wore the uniform of their country. They purchased these bonds on the installment plan. They had to take their loss just like the other people and sell their bonds for 85 cents, and in some cases for less than that, on the dollar.

Now, remember this: You are designating a certain bond issue here. This bond issue is going to be widely distributed. No one person can own more than $10,000 of the issue. If these bonds are not supported by strong financial interests, who is going to keep the price up?

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. SAMUEL B. HILL. We have the Postal Savings bonds and the bonds here provided for are practically the same.

Mr. PATMAN. No; I beg to differ with the gentleman from Washington. You can get your money 100 cents on the dollar on the Postal Savings bond. There is considerable difference between those bonds and the bonds provided for in this bill.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. VINSON of Kentucky. The United States Government is obligated to pay interest compounded semiannually not in excess of 3 percent on the Postal Savings bonds. The Government is required to redeem them at par.

Mr. PATMAN. This does not require that; there is no such requirement here.

Mr. VINSON of Kentucky. Yes; it does require it.

Mr. PATMAN. Where is it?

Mr. VINSON of Kentucky. The Treasury will redeem them.

Mr. PATMAN. This bill, I say, does not require the Secretary of the Treasury to do it. There is no language in here requiring that; it is merely permitted if the Secretary of the Treasury desires to so redeem them.

Mr. VINSON of Kentucky. The gentleman from Texas is in error on that.

Mr. PATMAN. Oh, no. These people are being placed in the position where they will not have these bonds supported by strong hands, by strong financial interests. There will be every incentive for certain interests to whip down and beat down the prices of these bonds, buy them up, and run the price back. The only redeeming feature is that one person cannot buy more than $10,000 of bonds issued in one single year.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. DOUGHTON. The gentleman from Texas in his remarks stated that in connection with the sale of Liberty Bonds pressure was brought to bear on people to buy them. I understand the Secretary of the Treasury now has not and does not expect to request anyone to put any pressure on anyone else to purchase these bonds.

Mr. PATMAN. May I say to the gentleman that I am in sympathy with the distribution of small bonds. I am not talking against that feature, but I want proper safeguards put around the law to protect the people who do invest their money in them.

During the last administration of the Honorable Ogden Mills as Secretary of the Treasury he authorized the issuance of baby bonds, but all of the New York banks objected, and they were withdrawn. Now, you are coming back and doing in a way what he withdrew, which is all right if you

properly protect the people. There is something else in there that is hazardous for the investor. All of the banks purchasing other bonds, including the Federal Reserve banks, may deposit the bonds with the Government and receive new money in return. They cannot do that with these bonds.

[Here the gavel fell.]

Mr. PATMAN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Chairman, these bonds then will not be as much in demand. They are not so good unless properly safeguarded either by law or by regulations. In connection with all other issues you may use them to better advantage. You say to the bank on all other issues, "You are a favored son of our Government. We will let you take $10,000 worth of the bonds and deposit them with the Government and get $10,000 in money in return." Of course, I refer to a Federal Reserve bank. There is no tax, only the payment of 27 cents per $1,000 for the cost of printing the money.

Any national bank in this Nation can buy all other bonds that pay up to 3⅜-percent interest, and there are a few outside of that, and none very soon, and they may deposit those bonds up to the amount of the capital stock of the institution and receive new money in return. But in connection with these particular bonds you are putting a penalty on the holders because they are not as good as the other bonds. There will not be the demand there would be for the other bonds, and they will not be supported by the financial interests.

Mr. SAMUEL B. HILL. Will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Washington.

Mr. SAMUEL B. HILL. Upon what does the gentleman from Texas base the statement that these bonds will depreciate in value in the market?

Mr. PATMAN. I base it upon the fact that in connection with bonds which are generally held by the people and not supported by the strong financial interests, there is an inducement for those particular issues of bonds to be whipped and beat down in value by the strong financial interests, and when the value of the bonds go down they are bought up as much as possible.

Mr. SAMUEL B. HILL. On page 6, line 9, of the bill, there is this provision:

> The saving bonds shall not bear the circulation privilege.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Chairman, I offer a preferential motion, which I send to the desk.

The Clerk read as follows:

> Mr. BOILEAU moves that the Committee rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. BOILEAU. Mr. Chairman, I made two unsuccessful attempts to offer an amendment that would discontinue the practice of issuing tax-exempt securities. I find no fault with the ruling of the Chair on the question of germaneness to the bill and to the sections to which I offered the two amendments. I do want to say, however, that we have heard much in the last 4 years about tax-exempt securities, and it seems to me it is about time the Ways and Means Committee or some other committee of this House bring in a bill which will prohibit the practice of issuing tax-exempt securities and permit us to vote on the question.

In discussing a point of order a short time ago the distinguished gentleman from Kentucky suggested that there was in this bill a place where such an amendment would be germane; that there was a place in the bill where an amendment could be offered restricting the issuance of tax-exempt securities. I understood him to make that statement, and we had considerable colloquy with reference to that matter. I am going to admit that he was absolutely accurate.

Mr. VINSON of Kentucky. May I say to the gentleman that he does me too much honor. It was the chairman who made the statement.

Mr. BOILEAU. The gentleman from Kentucky suggested that I might read the bill. May I say to the distinguished gentleman that I have read the bill, and I find at the top of page 6, paragraph (c), where such an amendment would be germane. In other words, it would be germane to knock out the tax-exempt feature of the baby bonds but not the big bonds. The bill is in such shape that we could knock out the tax-exempt feature of the small bonds which will be sold to the small fellow, the one who will buy a $25 or $50 bond, but there is no provision which will enable us to offer an amendment striking out the tax-exempt feature of the big bonds and the big bondholders.

Mr. COOPER of Tennessee. Will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Tennessee.

Mr. COOPER of Tennessee. May I say to the gentleman that many Members share views similar to the gentleman.

Mr. BOILEAU. I appreciate that fact and I am wondering why. In all the 4 years I have served here we have heard speech after speech denouncing the policy of issuing tax-exempt bonds, but we cannot get the matter before the House.

Mr. COOPER of Tennessee. Was the gentleman present when that question was raised in general debate on this bill?

Mr. BOILEAU. I was.

Mr. COOPER of Tennessee. And when it was pointed out to another gentleman raising the question, that several measures of that type are now pending before the Committee on Ways and Means.

Mr. BOILEAU. Yes; and the gentleman said that twice before the Ways and Means Committee had reported out such bills.

Mr. COOPER of Tennessee. Yes.

Mr. BOILEAU. Then why can we not get a vote in this House on such a measure and record the opinion of the Members on that question? I am satisfied that if some such measure were presented to this House it would pass on a roll-call vote two to one. I believe there is a very strong sentiment in favor of that change of policy.

I believe it is about time that the leadership of this House should be fair with a vast majority of the Members who want such legislation reported out and action taken at the earliest possible date.

I regret very much that in this bill the only opportunity that is afforded to strike out the tax-exemption feature of these Government securities is with reference to these baby bonds. For one I should like to have a chance to stop this practice with reference to the big bonds and the bondholders who hold more than $10,000 worth of Government securities that are now tax exempt. [Applause.]

[Here the gavel fell.]

Mr. DIES. Mr. Chairman, I rise in opposition to the motion to strike out the enacting clause.

Mr. Chairman, a great deal has been said in reference to baby bonds. If we are going to issue bonds and if we are committed to the course of defraying the expenditures of the Government by the issuance of bonds, it is preferable to issue bonds in small denominations so as to give the rank and file of the American people an opportunity to buy the bonds and in this manner obtain some benefit from the tax-exempt phases of it, rather than to continue to issue bonds in large denominations.

I think it is sometimes forgotten that the reason that tax-exempt bonds are bought is because when you increase your income tax and when the tax burden becomes heavy, those possessing vast capital and large means resort to the purchase of tax-exempt bonds in order to escape the obligations of government.

During normal times when the income tax is not high and when the other burdens of government are not great, it is usually estimated that the Government, by using the tax-

exempt feature of Government bonds, is able to obtain the use of money at a lower rate of interest, but it should not be forgotten that the manner in which we are floating bonds in the United States is not by taking from the American people a given amount of purchasing power and transferring that purchasing power to the Government. The operation that we usually pursue is to enable banks, by a bookkeeping transaction, to artificially create a purchasing power of, say $4,00,000,000, and enable those banks or those interests who are financing the bonds to escape taxation. The inducement for them to buy the bonds is great, on account of the high tax rate or the increasing income tax.

By confining the issue to small bonds, the rank and file can purchase bonds and they are relieved to that extent of the burdens of taxation. But, Mr. Chairman, we might as well recognize the fact that we cannot continue the issuance of these bonds. To merely increase income taxes in an effort to make those of large means bear their proportionate share of the burdens of this depression is nullified by our action in issuing tax-exempt bonds. We are transferring the burden of this entire economic crisis to the people who are least able to bear the burden, and not only this, but we are promoting inflation, because we are not taking purchasing power away from people who now have it and transferring it to the Government, but, by a process of bookkeeping, we are artificially creating a purchasing power that is abnormal and in the course of time will create the very inflation that gentlemen who oppose currency inflation are always crying against, with the inevitable, subsequent deflation. The consequence is that those who cry aloud against currency inflation, by their votes in Congress, are voting for a different type of inflation, it is true. They are voting for an inflation that inures to the benefit of a privileged few, an inflation that enables those of vast means to reap the benefit of the inflation in the form of tax exemption.

The point I want to make specifically, however, is this. It is a virtue in this bill that it provides for financing these operations by making it possible for men of small means or moderate means to participate in the tax exemption, for in doing so, you relieve the masses of the people to that extent of the burdens of taxation.

It is amusing to me to hear gentlemen cry aloud that it would be inflationary to issue currency backed up by adequate reserves. Why, bank notes have been issued in this country, or were issued prior to the Federal Reserve Act. We permitted the banks to issue their bank notes and in doing so they borrowed the capital of people without paying any interest on it. A bank note was the act of a bank in obtaining the benefit of the savings of other people without paying interest. I am not advocating fiat money. I merely propose that we utilize the excess gold valuation to lighten the crushing burden of public indebtedness.

Mr. SAMUEL B. HILL. Mr. Chairman, I ask for a vote on the motion of the gentleman from Wisconsin [Mr. BOILEAU] to strike out the enacting clause.

The question was taken, and the motion was rejected.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 6, line 13, strike out "sec." and insert "secs. 760 and".

The committee amendment was agreed to.

Mr. LORD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 5, line 16, after the word "they", strike out the word "may" and insert the word "shall", and in line 19 strike out the period after word "semiannually" and insert "and at face value."

Mr. LORD. Mr. Chairman, this section provides for the payment of the small bonds before maturity. I want to provide in this section that when these bonds are paid before maturity they shall be paid at cost value, or, in other words, what the purchaser paid for them. The bonds will be purchased by poor people; they are very small bonds, to run for 10 to 20 years. The purchaser may encounter hard times and need the money. There is a provision that they can cash the bond before maturity. These bonds will be sold or traded in for motor cars, clothing, and so forth, and the purchaser will sell them on the market at a discount—no telling at what price. The price will go down on the market and poor people may have to sell their holdings at much less than they paid for them unless they are protected. I think this amendment ought to be adopted to allow them to return the bond to the Post Office and get cost for them, plus accrued interest.

Mr. COOPER of Tennessee. Let us see if we understand the gentleman. These bonds are to be sold at certain prices, and when they mature they are worth the face value of the bonds. The gentleman understands that.

Mr. LORD. I do.

Mr. COOPER of Tennessee. The gentleman does not mean to advance the proposition here that a man may buy a bond and the next week or the next day go back and get the full value of the bond?

Mr. LORD. He should get exactly what he paid for it.

Mr. COOPER of Tennessee. He purchased the bond with the understanding that it would be worth its face value at a certain time. If the gentleman seeks to provide that he may secure the face value before the time agreed upon, he is getting something that he did not pay for.

Mr. LORD. No; he should not get the face of the bond but he should get what he paid for the bond.

Mr. COOPER of Tennessee. But the gentleman's amendment does not provide for that. It provides that he shall get something that he did not pay for.

Mr. LORD. He should get his money back, what he paid for it, plus interest accrued.

Mr. VINSON of Kentucky. The face value of the bond would be much larger than the redemption price a short time after the purchase.

Mr. JENKINS of Ohio. Why does not the gentleman use a concrete example such as was given before the committee? For instance, a man buys a bond for $78, and if he keeps that bond until it matures, he will get $100 for it, or, if he keeps it half the time, he will get half the price between $78 and $100.

Mr. VINSON of Kentucky. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. DIRKSEN. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. DIRKSEN: Page 6, line 25, after the word "Treasury", insert the following: "*Provided*, That with respect to time deposits a similar privilege shall be extended to all banks and banking institutions which operate under the supervision and control of the Secretary of the Treasury."

Mr. DIRKSEN. Mr. Chairman, if I can have the attention of the members of the committee for just a moment and state a hypothetical case, I think that they will agree with the substance of this amendment. Let us take the case of John Jones, who tomorrow deposits $500 in a bank and $500 in the Postal Savings System. Under the old law governing Postal Savings, he cannot withdraw the money until after 60 days. He, however, will have privilege by the terms of the proposal in this bill. Under the operations of the banking laws under which almost every State bank and member of the Federal Reserve System now operates, if he puts $500 in the bank on time deposit, he cannot under any circumstances get his money until the end of that deposit period. He may even waive the interest, but he cannot get his money. I had a number of such instances, and took it up with the Federal Deposit Insurance Corporation, and I believe that, upon the advice of their general counsel, they are seeking to change that condition so as to eliminate the disparity between the little country banks and the Postal Savings institutions that you find in almost every country post office. So far as the average purchaser of these small bonds is concerned, here is the way it would operate: If he had $500 in the Postal Sav-

ings, under the terms of the bill, he could withdraw it and buy these bonds. If he had another $500 on time deposit, he would have to leave it there for 90 days, or for whatever the time period might be, before he could buy one of these bonds, if he so desired.

Let me read this language from the bill:

The Board of Trustees of the Postal Savings System is authorized to permit, subject to such regulations as it may from time to time prescribe, the withdrawal of deposits on less than 60 days' notice, etc.

Deposits in what? In the Postal Savings System. So that John Jones can take his money out of the Postal Savings System and buy these bonds, but he cannot take his money out of the bank if it is there on a time deposit and buy the same bond.

Mr. VINSON of Kentucky. Mr. Chairman, I believe the gentleman from Tennessee was referring to the fact that no further issues of Postal Savings bonds would be had.

Mr. COOPER of Tennessee. That is what I had in mind. I misunderstood the gentleman's purpose.

Mr. DIRKSEN. This amendment goes to the substance of paragraph (e).

It is my observation that there has been too little coordination between the Treasury Department and the Postal Savings System, with the result that too often regulations and rules are promulgated which operate as a penalty on the small banking institutions of the country and create decided advantages in behalf of such Government institutions as Postal Savings. This is decidedly unfair. I hold no brief for banks or bankers as such, but I do believe they are entitled to fair and equitable treatment.

Just now virtually every bank in the Nation, whether a State bank or a member of the Federal Reserve System, operates under the provisions of Regulation Q of the Federal Reserve System. This regulation closely governs time deposits and says to a bank that it can under no circumstances relinquish a time deposit until after the expiration of the time period. When folks undertake to deposit money in a bank on a time certificate and find they cannot withdraw their money at will, they at once rush to the post office and place it with Uncle Sam. The bank not only loses a customer but it creates in the mind of the people in communities everywhere the notion that bankers are imposing regulations and rules relative to deposit and withdrawal that imbreed suspicion in the minds of the people. This is entirely unfair. Moreover, it is unfair for Uncle Sam to set up a competing business and by law and authority resolve advantages in behalf of such agencies as Postal Savings. What is fair for one should be fair for the other. No question of safety is involved. Under the Federal deposit insurance regulations money is equally safe in banks as in Postal Savings, and I submit that if rules and regulations now obtaining are in anyway modified or altered, so far as Postal Savings are concerned, banks and banking institutions are fully entitled to the same benefits. Therefore, Mr. Chairman, I press upon the committee the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was rejected.

Mr. PATMAN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. PATMAN: Page 5, line 19, after the word "semiannually", insert a comma and the following: "And shall be redeemed by the Secretary of the Treasury at par or purchase price and accrued interest, after 90 days' written notice to the Secretary of the Treasury of the holder's intentions."

Mr. PATMAN. Mr. Chairman, this will not cause the Government any trouble or inconvenience. At the same time it will keep these bonds at par value. The Secretary of the Treasury will receive 90 days' written notice before he will have to take up one of them.

Mr. DOUGHTON. Does the gentleman expect the bond to be at par value when the interest has been calculated on the face value of the bond?

Mr. PATMAN. That is a matter of definition.

Under this bill the Secretary may issue bonds at par value or he may discount them, whichever way he wants. Anyone who holds one of these bonds, if he pays $80 for it on a discount basis, should be allowed to give written notice for 90 days to the Secretary of the Treasury, and receive that $80 back, with the accrued interest, and not 100 percent face value.

Mr. DOUGHTON. Why not make it payable to start with?

Mr. PATMAN. Oh, no.

Mr. DOUGHTON. It would be just the same thing exactly.

Mr. PATMAN. Oh, no, it would not. You see, people will put their money into these bonds, and we want to protect the people. We want to assure them that they are not going down below the value they should be.

Mr. DOUGHTON. Suppose they go above?

Mr. PATMAN. That is all right; let them get the benefit of it, just as all Liberty bonds are above par now. The gentleman is not objecting to the banks collecting that increase now. There is no objection to that. If he is entitled to a premium on it, let him have it. The Government will not have to pay the premium, but protects him from having it go down, because they will be so generally distributed all over this Nation that if they are not properly protected by strong financial interests there is every incentive to beat down the price.

Now, the Government issues 90-day notes all the time, and they are all right. This will have the same effect, except that they will not have to go through that same procedure every 90 days. They will remain outstanding until the holder gives 90 days' written notice. It will be a great convenience to the Treasury. It will protect the people who buy these bonds in small quantities, and it will not cost the Government a penny extra.

I think the chairman of this committee should agree to this amendment, because it protects the investor. You are going out to the little fellows over the country. They are unorganized. They have no big interests to look after them. They have no lawyers and they have no lobbyists down here looking after their interests. They are unorganized and unprotected. Therefore, it is our duty as Members of Congress, representing those people, to place the proper safeguards around their interests. That is what we are doing, and at the same time it will not be an inconvenience in any way to the Treasury of the United States, because 90 days' written notice is required. These will be good bonds. They will remain outstanding until maturity, but this will be protecting the people. I think the members of this committee should agree to the amendment. Let us protect the rights of the people on these bonds.

Mr. SAMUEL B. HILL. If you make these 90-day bonds, does the gentleman think the Government will pay as high a rate of interest as if you make them 10-year bonds, as provided in the bill, and if the bonds bear a lower rate of interest, because of the short term, will it not be a less attractive investment to the small investor, who may want to sell it to someone else?

Mr. PATMAN. That does not answer the objection I have, that the general public, unorganized and unprotected, should have their rights safeguarded. That is all I am asking.

Mr. COOPER of Tennessee. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. COOPER of Tennessee. I know the gentleman will agree that we all want to accomplish the purpose he has in mind, but I want to point out one distinction, that these are not considered in the strict sense investment bonds. They are savings bonds. The whole plan is based upon the idea that the people will put their money in these bonds as a savings proposition.

Mr. PATMAN. I thoroughly agree with the gentleman.

Mr. COOPER of Tennessee. There can be no doubt that this Government of ours will certainly give every man his money when he is entitled to it.

Mr. PATMAN. Knowing the gentleman from Tennessee as I do, I am sure he is willing to protect the interests of the

people. That is all I am trying to do. I hope the gentleman will vote to adopt the amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. SAMUEL B. HILL. Mr. Chairman, I ask that the amendment offered by the gentleman from Texas [Mr. PATMAN] be voted down. It is not in harmony with the provisions and purpose of the bill. This bill proposes 10-year bonds; and if we make a 90-day proposition out of it, we will simply take out from under this particular kind of bond the proposal that the Treasury has in providing this savings fund for the investor, and also helping to raise the necessary revenues for carrying on the emergency operations of the Government.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. SAMUEL B. HILL. I yield.

Mr. JENKINS of Ohio. I take it that the provision after the word "provided" is much more favorable to the investor than the provision offered by the gentleman from Texas [Mr. PATMAN], because that says "any time."

Mr. SAMUEL B. HILL. Yes; when the Treasury wants to redeem, it pays all the money paid plus all accrued interest.

Mr. PATMAN. But will the gentleman yield there?

Mr. SAMUEL B. HILL. I yield.

Mr. PATMAN. That is up to the Secretary of the Treasury. That is not mandatory.

Mr. SAMUEL B. HILL. I ask that the amendment offered by the gentleman from Texas be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. PATMAN].

The amendment was rejected.

Mr. KENNEY. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. KENNEY: On page 7, lines 2 to 5, strike out "no further original issue of bonds authorized by section 10 of the act approved June 25, 1910 (U. S. C., title 39, sec. 760), shall be made after July 1, 1935."

Mr. KENNEY. Mr. Chairman, I have been trying to get information from the committee, but the gentleman from Washington [Mr. HILL] declined a moment ago to yield. What I am trying to get at is this: We are now about to issue these savings bonds. At the present time the Post Office Department sells bonds or 90-day certificates upon which interest at 2½ or 3 percent is paid and which are redeemable at any time at par or face value. I should like to know whether with the issuance of these bonds that practice is going to be discontinued. Today a man may put his savings in the Postal Savings by purchasing these bonds or certificates and get his 2½- or 3-percent interest and be assured of getting his money back at any time.

I should like to know from the committee in charge of this bill whether that practice is going to be discontinued upon the issuance of these bonds, which tie up the purchaser for a long term.

Mr. SAMUEL B. HILL. It will be as to the certificates now outstanding, but there will be no further ones issued.

Mr. KENNEY. The Post Office Department will not continue to issue the postal bonds or certificates it is issuing now?

Mr. SAMUEL B. HILL. Not after July 1 next.

Mr. KENNEY. In other words, a person may not deposit his money in the Postal Savings System and get one of these Postal Savings bonds that pay him 2½- or 3-percent interest?

Mr. SAMUEL B. HILL. He can up to the 1st of July 1935, but not afterward.

Mr. KENNEY. I believe the public should continue to have the benefit of the Postal Savings bonds, which permit a purchaser to make what amounts to a time deposit. Otherwise, this type of depositor will be compelled to buy these savings bonds upon which he may be called upon to take a loss. The amendment should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was rejected.

The Clerk read as follows:

SEC. 7. Section 1126 of the Revenue Act of 1926 is amended by adding at the end thereof the following: "In order to avoid the frequent substitution of securities, such rules and regulations may limit the effect of this section, in appropriate classes of cases, to bonds and notes of the United States maturing more than a year after the date of deposit of such bonds as security. The phrase 'bonds or notes of the United States' shall be deemed, for the purposes of this section, to mean any public-debt obligations of the United States and any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States."

Mr. FISH. Mr. Chairman, I move to strike out the last two words, "United States."

Mr. Chairman, those are pretty large words to strike out, but this bill certainly starts them on their way through providing the machinery for a gigantic inflation.

I understand that while I was absent getting a few refreshments downstairs the gentleman from Texas [Mr. PATMAN] referred to me as coming from the city of New York, from Wall Street, or from a wealthy district in that great and glorious city.

Mr. PATMAN. Not Manhattan.

Mr. FISH. I am a farmer. [Laughter.] I am a dirt farmer like the President. How do you like that? And I come from his own congressional district, that great district up the Hudson River. I am sorry to say that due to the Democratic Party there are very few millionaires left in my district, but whoever are left, I think, are supporting the President. They will not support me, because I am against these tax-exempt securities from beginning to end. [Applause.]

Now, as to my friend from Massachusetts, and he is a very good friend, and there is no abler or squarer Member in the House; he has the right to his views. He is a fair man. I know he wants to be fair. I think he admits that I have a right to my views; and I have a very definite view that is entirely different from the gentleman's, that this bill actually gives the Secretary of the Treasury and the President the right to issue $13,000,000,000 more of Government bonds. That is written right into the report, and that is what the gentleman denies. It is very easy to prove; it is right here. It says we have issued $25,000,000,000, but we have redeemed $12,000,000,000. Subtract that which is redeemed from that which was issued and it gives you the right to issue $13,000,000,000 more bonds. I do not see how any sensible man is going to differ with those facts, because they are facts, and very obstinate ones.

Mr. SAMUEL B. HILL. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. SAMUEL B. HILL. The Secretary of the Treasury will not have authority to issue bonds except for expenditures authorized by the Congress.

Mr. FISH. He has the right without coming to Congress to issue these bonds. That is the very purpose of this legislation or it would not have been brought in here.

Now, just one other word. The reason I object to the whole performance is that it destroys what has been going on in this country for 150 years. We are just rushing into debt without providing any means to extinguish the debt. There is no means in this bill of providing revenue, nor has there been any such means in any other bill appropriating these huge sums of money. This is the most popular but at the same time the most insane way to legislate that has ever been devised. All you do is to go ahead and say, "We will borrow more billions and still more billions up to $13,000,000,000 additional, and we will not tax the American people one cent." That is just what you are doing; that is the real Democratic policy. You are afraid to tell the people the truth by calling upon them for additional taxes to extinguish these debts which you are piling on top of each other by the billions without any regard for the day of reckoning.

The first message of George Washington to the Congress contained the statement that if the Government borrowed money it should provide means of extinguishing the debt. Here you provide means to borrow $13,000,000,000 additional,

but do not provide one cent of revenue. It is the most popular scheme of government ever devised, but it is totally crazy except for political purposes. Sooner or later the public will find out what is going on and call a halt to such a method of high financing equal to Ponzi or the "Wolf of Wall Street", and, if not, we are headed for the rocks of insolvency. I am surprised that any member of the Republican Party intends to vote for this bill. I cannot see why he should. I hope there will be a roll call and that we will have a record vote on this inflationary measure that likewise takes additional powers away from Congress over the control of the purse strings and turns them over to the Chief Executive and the Secretary of the Treasury.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, when I stated that the distinguished gentleman from New York was representing New York City or the Wall Street district—I do not recall just the phrase I used—I did not look it up. I will admit I made no investigation, but I was quite sure many New York City people resided in his district.

With reference to this bill I am interested on a motion to recommit, in one amendment particularly.

There is one amendment I think the House would favor if they had an opportunity to vote on it, and that is the amendment of the gentleman from Texas [Mr. DIES], as amended by me.

You know, there are several ways in which to gag Members. You may gag them first by bringing in a bill and getting a rule. You may gag them next by going into committee, as we are now, where there is no record vote. Then you may gag them by cutting off debate—and I may say to the gentlemen on this committee that they have been very liberal and generous so far as time is concerned. There is another way in which Members may be gagged, and that is by somebody getting up and offering a pro forma motion to recommit in order to prevent the House from passing on a material and important question. I should like to ask the gentlemen of the committee whether they contemplate offering a motion to recommit on this bill?

Mr. DOUGHTON. The gentleman does not suppose I would offer a motion to recommit.

Mr. PATMAN. Or any member of the committee? May I ask the gentleman from Massachusetts, the ranking Republican member, if he intends to offer a motion to recommit?

Mr. TREADWAY. I may say to the gentleman from Texas that the time to find out about a motion to recommit is after the Committee rises, and not in the Committee of the Whole.

Mr. PATMAN. I thank the gentleman for the information.

Mr. TREADWAY. That is all the information I will give the gentleman.

Mr. PATMAN. I hope the gentleman will not make an effort to unduly gag the Members of the House and that he will not introduce some gag in order to prevent the offering of a motion that is really constructive.

Mr. TREADWAY. It may happen, I will say to the gentleman from Texas, that some people would think what he would offer might not be so tremendously important.

Mr. PATMAN. The same thing may be said about the gentleman's suggestions and amendments.

Mr. COCHRAN of Missouri. Is the gentleman from Texas trying to gag the members of the committee at this time?

Mr. PATMAN. No; I am not trying to gag the members of the committee, but I do not want the committee members to gag us.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I move to strike out the last section.

Mr. Chairman, I offered this motion in order that I might say a few words to ease my conscience for voting for this bill, if I do vote for it, and I most likely will. When I saw the stupendous figures carried in this bill I said, "My God, shades of James B. Weaver and William J. Bryan, whose voices have sounded in this Hall, and shades of all the greenbackers, all the silverites, populists, expansionists, and inflationists that ever lived." In this year of progress, 1935, and in the second year of the new deal, we are here reorganizing the mechanics of a national-debt structure in the stupendous, inconceivable, and astronomical sum of $45,000,000,000.

This recalls to my mind a campaign that happened before a lot of these kids here were ever born, the campaign of 1888. The paramount issue in that campaign was whether $100,000,000—just a measly, lousy $100,000,000—of Government bonds coming due should be retired and paid off. The Democrats were for retiring them. The issue got pretty hot. They smoked the Republicans out on that issue and the Republican Party in its platform, if I am not mistaken, pledged itself to retire the $100,000,000 of Government bonds. Of course, after election they repudiated the pledge. [Laughter.]

May I tell you a little incident that has remained in my memory all through the years. I was a kid living down in Missouri and was interested in national affairs when I was a pretty small boy. At that time we subscribed to the St. Louis Globe-Democrat, which was a Republican paper, in spite of its Democratic name. However, it was the best newspaper in Missouri, so we subscribed for it. About 2 weeks after Harrison had defeated Cleveland in 1888, there was a three-line editorial squib in the Globe-Democrat, and I can almost remember the exact words after all these years. It said:

> Of course, these national bonds will not be retired. Platforms were made to get in on, not to stand on.

I took my boyish pen in hand and wrote a letter to the Globe-Democrat stopping our subscription to that paper.

We have progressed since those days. We have progressed from $400,000,000 of outstanding indebtedness to reorganizing the mechanics of a debt structure to the extent of $45,000,000,000.

[Here the gavel fell.]

Mr. DIES. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MARTIN of Colorado. Mr. Chairman, I shall not take the 5 minutes, but I do want to mention one other incident recalled by this bill which carries with it a little word of warning. I am not going back quite as far as I did on the other campaign. I refer to the campaign of 1892 and to a time when the credit of the United States Government was not worth $100,000,000.

It was going to be necessary to raise $100,000,000. President Harrison was running for reelection. They say that the plates were engraved to strike off this $100,000,000 worth of bonds, when some astute, long-headed national Republican politician—and they have always had that type of men in their fold—said: "Now, look here, let us just let this thing rest until after election. If Harrison is reelected we will strike off the bonds and issue them. If he is not, we will pass them over to Grover Cleveland", and they did.

When Grover Cleveland assumed the Presidency, he was confronted with an empty Treasury and the necessity of raising a measly, lousy, utterly inconsequential sum of $100,000,000, and could not sell that amount of United States bonds at popular subscription, and what happened? To my mind this is the most disgraceful episode I know of in the history of any American President, and Grover Cleveland, with his monumental obtuseness, told this on himself in the Philadelphia Saturday Evening Post after he had retired from the Presidency. He said that J. Pierpont Morgan came here to Washington, went to the White House and showed him an obscure, long-forgotten statute under which these bonds could be sold at private sale to him. They were sold at private sale to him. He underwrote them. He got them at 96 and turned them over for about 104 or 105. J. Pierpont Morgan made seven or eight million dollars' profit on that transaction. What a shameful thing that the

credit of one man, a Wall Street banker, was worth more than the credit of the United States of America, but this is a historical fact.

The point I am trying to drive home is this: Just 40 years ago the credit of the United States Government was not worth $100,000,000. Now, today, we are reorganizing a debt structure up to $45,000,000,000.

Various amendments have been ruled out as not germane or as not relevant and I think, perhaps, they were not, but that does not disturb me. The thing about this bill that disturbs me, and I believe it is going to disturb the country before we get through with it, is that it is indicative of a policy. The question is asked, Where are we drifting? Apparently, on the money question, the bond question, and the question of financing, we are not drifting anywhere. The good, old ship of state is tied up to the same old rotten interest-bearing, tax-exempt bond dock it has always been tied to. There are only two things in the United States that are worth a tinker's dam—interest-bearing, Government bonds and money. You have got to stop this bond issuing eventually, and go to issuing money against this nine or ten billion dollars' worth of gold and silver that is lying locked up down here in the United States Treasury. [Applause.]

Mr. DOUGHTON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SUTPHIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4304) to amend the Second Liberty Bond Act, as amended, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. DOUGHTON. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed, read a third time, and was read the third time.

Mr. PATMAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman a member of the committee?

Mr. PATMAN. No; I am not.

The SPEAKER. Is there any member of the committee opposed to the bill who desires to offer a motion to recommit? If not, the Clerk will report the motion.

Mr. COOPER of Tennessee. Mr. Speaker, may I ask if the gentleman from Texas qualifies?

The SPEAKER. Is the gentleman opposed to the bill?

Mr. PATMAN. I cannot say I am opposed to the bill, but I do prefer its present form changed.

Mr. COOPER of Tennessee. Mr. Speaker, I make the point of order that does not qualify the gentleman to offer the motion.

Mr. BLANTON. If there is no other Member who desires to offer a motion to recommit, I submit, Mr. Speaker, the gentleman from Texas [Mr. PATMAN] qualifies.

The SPEAKER. If there is no one opposed to the bill who desires recognition to offer a motion to recommit, the Chair recognizes the gentleman to offer his motion.

The Clerk read as follows:

Mr. PATMAN moves to recommit the bill (H. R. 4304) to the Committee on Ways and Means, with instructions to immediately report the same back to the House with the following amendment:

On page 2, line 8, after the word "aggregate", strike out "$25,000,000,000 outstanding at any one time" and insert "at any time three times the total amount of all outstanding currency of the United States, not including the money held in the United States Treasury."

Mr. COOPER of Tennessee. Mr. Speaker, I make a point of order against the motion that it is not germane to the section or to the bill. It relates to the subject of currency, which is not treated in this section or in the bill.

Mr. PATMAN. Mr. Speaker, it was held in order in the committee and, of course, we were led to believe it would be held in order in the House.

Mr. COOPER of Tennessee. Mr. Speaker, there was not a point of order made against it in committee.

Mr. PATMAN. I understood there was, but anyway I should like to be heard on the point of order.

Section 1 deals with the issuance of bonds by the United States Treasury. This places a limitation on that provision. The limitation is that bonds may be issued, but only to the extent that they do not have outstanding at any one time more than $3 of bonds to $1 in money. It is a limitation upon section 1 of the bill.

In other words, to make it clear what I am driving at, we have outstanding about $5,000,000,000 in currency in circulation, $28,000,000,000 in United States bonds, notes and certificates. This would require the issuance of additional currency so there would be a ratio of 3 to 1 based on the gold in the Treasury of the United States.

Mr. COOPER of Tennessee. That is the very point, that is something that is not in here. It is not a limitation, it does not stop at the point of a limitation, but goes farther and is an affirmative direction as to the relation of the currency—an expansion of the currency, which is not dealt with in this section or in the bill.

Mr. McCORMACK. Mr. Speaker, in connection with what the gentleman from Tennessee has said, it seems to me that under the guise of a limitation this is an attempt to inject the currency question into a bill which relates to bonds and the indebtedness of the Government.

In other words, this is an attempt to inject in a direct way the currency question by providing for a relationship of bonds issuable to outstanding currency, and that it shall be at a ratio of $3 in bonds to $1 in currency. I submit that such is not a limitation, but an affirmative action with relation to currency, a direct injection of the currency into a bill which in no way relates to the currency or monetary question of the country.

Mr. BLANTON. Mr. Speaker, I desire to be heard on the point of order. Mr. Speaker, this whole bill deals with the subject of limitation of bond issues. There is no question about that. It limits the amount of bonds that may be issued by the Treasury Department. The motion to recommit made by the gentleman from Texas [Mr. PATMAN] is nothing in the world but a different form of limitation. It says that it shall be of a ratio of 3 to 1 of the outstanding currency of the Government. It certainly is germane to the bill, it deals with the subject matter of the bill.

Mr. O'MALLEY. Mr. Speaker, as far as I can see, the gentleman's motion provides only a means of mathematical calculation on the amount of bonds that can be issued and has nothing to do with currency beyond the fact that it mentions the word "currency." It provides a means of mathematical calculation, the same thing the original section does.

Mr. PATMAN. Mr. Speaker, the object, of course, is to cause an expansion of more money directly by the Government. That is true, but section 1 provides that these bonds may be issued to the amount of $25,000,000,000. The Federal Reserve bank purchasing one of these bonds may redeposit that bond with the Government and get new currency. That may be done to the full amount of those bonds. I am placing a limitation on that, so that when there is need for additional currency, the money shall be issued directly by the Treasury instead of selling the bonds to the banks, and letting the banks redeposit the bonds with the Treasury and getting the money in return and getting the interest on the bonds at the same time they use the money—in other words, giving the banks a bonus amounting to tens of millions of dollars and yet not putting money in circulation. I want it issued directly.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. BLANTON. And the bank, when it deposits the bond and has money issued, not only gets the interest on the bonds but lets the money out at another high rate of interest.

Mr. PATMAN. That is correct, and the bank can lend $10 to every $1 of such money it has at its disposal.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. Yes.

Mr. RANKIN. The gentleman from Massachusetts [Mr. McCORMACK] raised the point that this measure has nothing to do with currency. That is what we are trying to do—to pay a part of the national debt with these bonds. If we had the money to pay these bonds, there would be no necessity for issuing others in their places. To say that this motion to recommit is out of order simply because this is not a currency bill, per se, is, it seems to me, entirely too fine-spun for the practical affairs of legislative procedure in the House of Representatives.

The SPEAKER. The Chair is ready to rule. The gentleman from Texas [Mr. PATMAN] has offered a motion to recommit with instructions to add an amendment to section 1 as follows:

Page 2, line 8, after the word "aggregate" strike out "$25,000,000,000 outstanding at any one time" and insert "at any one time, and three times the total amount of all outstanding currency of the United States, not including the money held in the United States Treasury."

The bill before the House relates solely to the reissue of bonds. The motion to recommit seeks to tie up with the reissue of bonds the question of the issuance of currency. The Chair does not think, therefore, that the motion to recommit is in order or that it can be properly construed as a limitation, or as being germane to the pending bill.

Mr. PATMAN. Would the Speaker bear with me for another suggestion?

The SPEAKER. Certainly.

Mr. PATMAN. As the bill is written it deals with the currency. It provides that these bonds may be issued. Existing law provides that these bonds may be redeposited and currency issued in return for them. Therefore, the currency problem is mixed up with this, and you cannot separate them because under existing law these bonds may be redeposited by the banking corporation and new money issued in return. The sole question is whether or not we shall issue the money directly by the Treasury or shall issue bonds to the banks and let the banks redeposit the bonds and get the money in return and continue to get the interest on the bond.

The SPEAKER. As the Chair reads the motion to recommit, it would compel the Treasury to issue currency against the issue of bonds.

Mr. PATMAN. I submit, Mr. Speaker, there is nothing in the language of the motion to recommit which, to my knowledge, would lead the Speaker to believe that. The President of the United States under existing law has the right to issue up to $3,000,000,000 in United States notes. He has the right to issue $3,000,000,000 more in payment of United States bonds to Federal Reserve banks, and this amendment would require him to either issue that money in order to bring the ratio up or to provide for its issuance in some other way.

The SPEAKER. But the issue of the bonds, as the Chair construes the motion to recommit, is based on the issuance of currency, and in that sense it does undertake to tie up with this bill which relates to the reissue of bonds the subject of the issuance of currency. The Chair therefore sustains the point of order made by the gentleman from Tennessee.

The question is upon the passage of the bill.

The question was taken; and on a division (demanded by Mr. PATMAN) there were ayes 152 and noes 30.

Mr. FISH. Mr. Speaker, I make the point of no quorum.

Mr. WOODRUM. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. WOODRUM. I call the Speaker's attention to the fact that a great many Members did not vote either way on the question.

The SPEAKER. The Chair will count. [After counting.] Two hundred and nineteen Members are present, a quorum.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. FISH. Mr. Speaker, I ask for a teller vote.

The SPEAKER. The Chair will state that the bill has been passed and a motion to reconsider was laid on the table. So the request of the gentleman comes too late.

Mr. BULWINKLE. Mr. Speaker, the gentleman from New York did not make that motion. The gentleman did not object to the vote. He simply made a point of no quorum, and that is all he did.

Mr. FISH. That is correct; but I asked for a teller vote.

The SPEAKER. The gentleman's request for a teller vote comes entirely too late, because the bill has been passed, and a motion to reconsider has been laid on the table.

### THE NEW GOVERNMENT WORK PROGRAM SUBSTITUTES JOBS FOR DOLES

Mr. ELLENBOGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ELLENBOGEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

Mr. Speaker, last week the House of Representatives passed a measure which I sincerely believe will stand out as one of the greatest and one of the most encouraging events of these trying times. By a vote of 329 to 78 it passed House Resolution 117, which provides $4,880,000,000 for the use of the President in combating unemployment.

You are, I know, familiar with the chief provisions of that measure. Of this sum, $880,000,000 is for direct relief, to be allocated to the States and tide them over until the program under which the $4,000,000,000 will be expended begins to function. Authority to expend this money is left solely to the discretion of the President.

### THIS BILL IS AN INTEGRAL PART OF A GREAT NATIONAL PROGRAM OF SOCIAL AND ECONOMIC SECURITY

These are the essentials of this bill. I should like to discuss its significance, why I consider it of such great importance, and how it fits in with an even far greater program for the betterment and financial restoration of this country to definitely better times.

When I addressed my colleagues last Wednesday during the debate on this measure, I suggested that we should not overlook the fact that this bill is one part of a vast program; and we must always keep a complete picture before us in order to see clearly how all these parts fit into the complete whole.

I ask this again now, because everything that we do in Congress during this session will be for the purpose of shaping up that entire program.

The goal of this program is national security—social and economic. It consists of two parts. One is to end the dole system of relief and to give employment to all those who are unemployed. The second part of the program is to care for those who are unemployed but unable to work. This we intend to do through the program of social security which was presented to Congress by the President.

### WE ARE GOING TO GIVE PEOPLE JOBS

Now, let us look at the first part of that program—for which we appropriated $4,000,000,000. I can tell you what this amounts to in seven words. We are going to give people job. These words are of tremendous significance. They mean salvation—mental, physical, and spiritual salvation—for three and one-half million people. They mean that we are going to discard—and I fervently pray that we will never return to it—a dole system whereby when a man came to us and said, "I want work", the best we could say in reply was, "We have no work, but here is a little something to keep you from absolute starvation."

### RELIEF IS NO ADEQUATE SUBSTITUTE FOR EMPLOYMENT

Do not misunderstand me. Our relief system did keep people from starvation. It did, insofar as it was able, shelter

people from cold, feed them, and offer the bare necessities of life. For one of the first things Franklin D. Roosevelt recognized when he was sworn into office as the President of the United States was the sacred obligation of this country to see that no one goes hungry. Relief was not the best way, but it was the quickest then. We hoped that this depression would not last so long. We hoped that private industry would help to assume the national burden of recovery, that it would pitch in and do its part.

Well, we were wrong. One, two, three, four, five years have gone by, and our hopes have not been realized. Private industry has not shared the load. I am not placing blame here; I am simply making a statement of fact.

THE GOVERNMENT'S MESSAGE TO THE UNEMPLOYED

And from this we have now come to a new stage of responsibility, and one which I welcome with great happiness, because I advocated and fought for it ever since I have been a Member of Congress.

Now we say, "Until private industry, until your former employer, until the field of work for which you have been trained and prepared, and for which you are qualified, furnishes you a job, we, the Government, will furnish that job. You are not going to come to us empty handed. To the best of our ability, with every means at our disposal, we are going to give you work to do—useful work—work which will add to the material wealth and to the greatness of our country, and, above all, work which will restore to you your self-respect."

THE EFFECTS OF ENFORCED IDLENESS

Mr. Speaker, I hope that all of us can realize how much this means. I do not think that we will ever know the tremendous loss beyond all possible computation which this country has suffered because of its millions who have had their morale and their energies numbed, their eagerness and desire to contribute to the well-being and prosperity of their community and of their Nation stifled. This is what unemployment means, and to try to make up for that unemployment by offering a man relief to provide for bare subsistence is a sorry substitute. It is one which we never want to see again.

Everyone has the right to live decently and to live happily, and through this legislation which we have passed in the House and which I hope will soon become the law of the land we are going to begin to have that decency, that happiness in this country again.

THE WAGE SCALE UNDER THE NEW PROGRAM

My friends, there was much discussion last week on the floor of the House and in all the newspapers regarding the scale of wages which is to be paid under this new program. I want to point out to you that the bill sets up no specific wage scale. It contemplates that wages paid should be lower than those received for similar work from private industry, but at the same time should be fair enough to permit decent living.

It has been widely published that this wage will be $50 per month. This statement should be qualified and explained. For one thing, as I said before, there has been no official pronouncement regarding wages. One Government official who testified before the committee holding hearings on the bill did mention an average wage of $50 per month. This might mean that for large industrial centers and in big cities, where the cost of living is higher than in smaller places, the scale would be more than $50 per month.

WAGES SHOULD GIVE THE WORKER MORE THAN HE RECEIVES FROM RELIEF

As far as I am concerned, it will absolutely have to be more than that. Why, if we were to pay in Pittsburgh only $50 a month to people who are doing real jobs and who are adding to the wealth of this country, through the public works that will be built, they would not be much, if at all, better off than under the present system of relief.

Right now the head of a family of four in Allegheny County can earn, under the work-relief system in effect, $14.25 a week. I do not mean that the wage earner for all families of this size receives this amount, but this is the maximum which he can receive. The average cash relief to a similar family where no one is working amounts to about $10 a week. You will, therefore, clearly see that $50 a month is much too low, and I am going to advocate and press as hard as possible for a scale of wages higher than this.

I hope that such adjustments will be made, but most important is that at last the unemployed can know that idleness is going to end—the un-American dole is to be thrown overboard. Instead, people will again be able to use their hands, their minds, and hearts to earn their daily bread.

NOW WE HAVE AN EQUALLY GRAVE RESPONSIBILITY—WE MUST GIVE ADEQUATE AID TO THE UNEMPLOYED WHO ARE NOT ON RELIEF

And now, Mr. Speaker, I ask that we consider another part of this picture, and one just as important. I say to you that after this bill has passed the Congress of the United States we have an equally grave and sacred obligation before us. Our task is twofold. In this bill we care for the unemployed who are on relief rolls. There is also that vast army of unemployed who are not on relief rolls, but whose condition is just as precarious and just as desperate. We must turn our thoughts and our actions to these. To some extent they will be helped by the removal from the field of unemployment of people on relief, and therefore will have a better chance to be called to private industry, but we must not repeat again our mistake of the past.

We are not going to assume that private industry will take care of them, for unless we care for them we will simply be working in a vicious circle. These unemployed who are not now on the relief rolls and who have done everything in their power to keep off relief, will be forced to go on relief, thus simply taking the place of those we are going to take off. No; we are not going to have that again. The same principle which is good, true, and just for one group is just as true for the others. We should not—and shall not—make a distinction between those who are on relief rolls and those who are not.

The relief roll is no criterion of need. There are between 5,000,000 and 6,000,000 unemployed in this country today who are not on relief rolls. Who are we to say that these people are not just as desperately in need as the others? We dare not and shall not say that their need is less and their plight is no concern of ours. It is our concern. It is a sacred one, and we must attend to it at once.

INDEPENDENT OFFICES APPROPRIATION BILL—CONFERENCE REPORT

Mr. WOODRUM, from the Committee on Appropriations, presented a conference report on the bill (H. R. 3410) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes, for printing.

ORDER OF BUSINESS

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the acting majority leader what the program is for Monday and Tuesday?

Mr. TAYLOR of Colorado. Monday is District of Columbia day, but I understand they have no business, so I assume we will go ahead with the Treasury and Post Office Departments appropriation bill.

REPLY TO THREATENING LETTER

Mr. BLANTON. Mr. Speaker, I have received from some constituents in my district a letter threatening me and attempting to intimidate me into voting for the Townsend old-age pension plan. This afternoon's Washington Star, which is just off the press, on page 6, reports that at a luncheon yesterday at the National Press Club, Dr. F. E. Townsend told them that his 30,000,000 followers will insist on his pension plan, or they will stage a revolution. I quote from the article the following:

> The casual prediction that his followers will overturn the Government of the United States if it refuses to put into effect his old-age revolving pension plan was voiced by Dr. F. E. Townsend at a luncheon at the National Press Club yesterday.

It is very significant that in this threatening letter I have received from one of these Townsend Clubs in my district there is a threat of revolution. Can it be possible that

"revolution" is becoming a preachment of this Townsend propaganda?

Believing, Mr. Speaker, that it will be of interest to my colleagues and to the country generally, I ask unanimous consent to extend my own remarks in the RECORD at this point, and to print a letter that I wrote in answer to the threats made by this Townsend Club in my district, threatening me and Congress if we did not pass that bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. BLANTON]?

There was no objection.

The following is the reply referred to:

HOUSE OF REPRESENTATIVES,
*Washington, D. C., January 25, 1935.*

Mr. J. B. LEATH, *President,*
Mr. J. R. BARRETT, *Vice President,*
Mr. D. C. DOVE, *Secretary,*
*The Townsend Club, Mineral Wells, Tex.*

GENTLEMEN: I have your communication of the 21st instant, stating that you represent 1,500 voters in Mineral Wells and have the signatures of 2,000 voters in Palo Pinto County and the signatures of 40,000 of the best people in my congressional district, who demand that I support the Townsend old-age pension bill or resign my position; and that, if I refuse to help pass it, you will defeat me for reelection and that the Townsend followers will become radicals and "wreck the Government."

It would seem that your Dr. Townsend has already become a radical and is seeking to wreck the Government. This afternoon's Washington Star, just off the press, with the headlines, "Townsend talks about revolution" and "Tells Press Club 30,000,000 followers will insist on pension plan", states:

"The casual prediction that his followers will overturn the Government of the United States if it refuses to put into effect his old-age revolving pension plan was voiced by Dr. F. E. Townsend at a luncheon at the National Press Club yesterday."

When you and Dr. Townsend threaten revolution, you don't represent the same splendid people I represent. They don't wreck governments. They believe in an orderly government. They believe in a stable government. They are not Dillingers, who with drawn guns say "Stand and deliver." They want a government that pays its debts and is good for its obligations. They want to preserve their government, and they know I will do all I can to preserve it.

My constituents elected me, and have kept me in office, because they have learned that they can depend upon me absolutely to fearlessly perform my duty at all times and under all circumstances regardless of consequences.

Threats do not scare me. I have been threatened many times for doing my duty. Opposition doesn't scare me. I have been opposed many times for doing my duty. Abuse doesn't scare me. I have been abused many times for doing my duty. Attacks do not scare me. I have been attacked many times for doing my duty. I have received threats of violence and even of death because I did my duty.

I am against the Townsend plan because there is no possible way under heaven to raise that much money. I am against it because it would bankrupt and wreck the Government.

Dr. Townsend claims that there are only 8,000,000 persons over 60 years of age in the United States, and to pay them $200 per month would cost the Government $19,200,000,000 per year. But our reliable expert Government actuaries all agree that to pay every person in the United States over 60 years of age $200 per month, together with the administration expense necessary and incident thereto, would require the sum of $24,000,000,000 per year. Dr. Townsend does not deny it. All are now agreed that it will cost $24,000,000,000 per year.

It might be possible, if the Government had the money. It might be possible, if by some means the Government could raise that much money. But there is no possible way on earth or under heaven for this Government to raise $24,000,000,000 extra per year. All of the governments on earth put together could not raise $24,000,000,000 per year.

Our entire combined revenues from all sources of taxation last year amounted to only $3,700,000,000, which is less than one-sixth of what Dr. Townsend proposes to pay each year in old-age pensions alone. If we had paid these total revenues for last year of $3,700,000,000 on old-age pensions, we would have had to raise an additional $20,300,000,000 more in order to have been able to pay $200 per month to all persons over 60 years of age. Where would we have got it? The proposed sales tax mentioned by Dr. Townsend wouldn't raise enough to pay the actual expense of administering it, and is so utterly ridiculous and absurd to any person posted on Government finances, business, and taxation that it is not worthy of consideration.

I wish that you gentlemen could know just how very hard it is for your Government to raise the $3,700,000,000 it received in total revenues last year, and then you would understand just how absolutely impossible it would be for this Government to raise $24,000,000,000 extra to pay the Townsend pensions.

After taxing incomes, inheritances, gasoline, tobacco, liquors of all kinds, the nuisance taxes, the excise taxes, the 2-cent tax on bank checks, extra postal rates, and all other taxes, this Government last year could not raise but $3,700,000,000 in total revenues from all sources. Now compare that with the stupendous sum of $24,000,000,000 needed for the Townsend plan. Can't you see that it is simply out of the question? Can't you see that it is impossible? Can't you see that it is ridiculous? Can't you see that it is absurd?

You wouldn't have any respect for me if I voted for such a monstrosity. You would not have any confidence in me if I told you I would vote for it and help to pass it. Because if it were passed, it could not be executed. It would not be possible to raise the money. The Government could not make the payments. The people would not receive their $200. They would find out that Congress had handed them a gold brick. Don't you think that it is cruel and unpardonable for any person to attempt to fool and disappoint eight or ten million old men and women and lead them to believe that they will be paid $200 per month when there is no possible chance on earth to pay them? I am not going to fool my constituents. I am not going to mislead them. I am not going to disappoint them. I want them to have confidence in me. I want them to believe in me. I want them to know that they can depend on me. And they do know it.

Some constituents insist that the minimum age should be 58; some demand that it be 55; some threaten that it must be 50; and even some want it to begin at 45 years; and some have insisted that the amount should be $250; and a few have written that they think the pension should be $300 per month, as that would put more money in circulation. As a matter of fact, $300 per month at 45 years and over would be just as possible as $200 per month beginning at 60 years and over, because both are absolutely impossible.

A prominent former official of Palo Pinto County writes me that he signed under a misapprehension of facts.

A prominent official of Eastland County, who is a man of strict honor and integrity and an unusually high-class citizen, writes me:

"Some time during the month of November an attorney from Fort Worth came to this county and made several talks favoring the Townsend old-age pension plan, and urged our people to secure all signatures possible to petitions urging you and the Senators to support the plan. A dozen or more petitions were circulated over the county and 3,000 signatures were secured."

I feel sure that none of them knew that the Townsend plan would cost each year $20,300,000,000 more than our entire total revenues were last year from all sources of taxation.

It is immaterial whether or not Dr. Townsend has collected anything from his followers. On October 15, 1934, he wrote me respecting his Townsend clubs: "The only demand of members is that they purchase a booklet at 25 cents." That came from his office. That was his statement, not mine. In his address yesterday he claimed he now has 30,000,000 members. So far as I know he may not have collected 25 cents from any of them. He was the one who said he collected 25 cents from members. What he has collected is immaterial. That which is material is the fact that it is impossible for the United States to raise $24,000,000,000, or $19,200,000,000, or even $10,000,000,000 additional to the revenues we now raise, which altogether last year totaled only $3,700,000,000.

As I have said many times before, I am in favor of a sane, possible old-age pension such as was outlined by the President the other day. I have been in favor of it for several years. We must care for our aged men and women. I am far more concerned about the aged men and women in my district than is Dr. Townsend. I know them. He doesn't. I am their Representative. He is not. I sympathize deeply with all of their many problems, about which he knows practically nothing. We would have passed an old-age pension in the last Congress, but the President wasn't ready for it. But he then promised us that he would approve it this session. He is ready for it now. And we are going to pass it this session. And we would pass it if Dr. Townsend had never been born.

Your friend,

THOMAS L. BLANTON.

## FEDERAL CONTROL OF MONEY AND CREDITS

Mr. BUCKLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. BUCKLER. Mr. Speaker, I rise in support of the Dies amendment to House Resolution 4304.

One of the most important questions before this Congress is the money question.

I believe that the Federal Government should take over the Federal Reserve banking system and control the money and credit of this Nation for all the people, instead of "farming" it out to the big bankers and money lenders.

The Constitution provides that Congress should issue the money and control the value thereof. The present system provides issuing bonds and borrowing the money to finance the Government. The Federal Reserve banks and big bankers can buy a bond drawing 3-percent or 4-percent interest, then deposit it with the Government Treasury and this Government Treasury issues the face value of the bonds in currency at a cost of less than one-half of 1 percent. They can loan this money to the people from 6-percent to 8-percent interest or more. In other words, they draw 3

percent or 4 percent on the bonds as well as getting the interest on the money which they loan out to the people.

National banks can buy bonds equal to their capital stock and deposit with the United States Treasury, and in return the Treasury will issue them currency for face value of bonds. For every dollar the banks have on deposit they can issue 10 times the amount in credit, and people pay interest on that credit. Under this arrangement the banks can inflate the currency or deflate it at their will. You remember the way the Federal Reserve bank and the banks inflated the currency "to win the war."

You remember in 1919 when they advised farmers of this Nation to "be patriotic and increase the number of livestock and machinery to help feed the world, as it will take 5 years to catch up with production." Farmers went to the bank, as they were advised, and borrowed the money, went in debt, and inside of 12 months this same Federal Reserve bank, in the fall of 1920, deflated the currency, taking the money out of circulation, out of the agricultural districts. The country bankers endeavored to collect the money and the farmers' prices went down to one-half—in some cases, one-third of what his produce was worth 6 months before. They broke the farmers of this Nation as well as most of the country bankers.

It has been estimated that 2,000,000 farmers lost their farms and their life savings through the control of the money and credits by the big financial money changers. The big financial interests now seem to get excited and are terribly afraid of mild and controlled inflation, but they never say anything about when they deflated the currency and bankrupted the farmers of this Nation.

I say again, this system bankrupted the farmers of this Nation, caused 2,000,000 farmers to lose their farms, caused people to commit suicide, and caused 10,000,000 unemployed. It also has caused people to go ragged and hungry, and drove people to despair and the depths of hell and crime. The money system and the way it is handled by international bankers is responsible for the ills of this Nation.

There is only $5,500,000,000 in actual money in the United States. However, at the present time, there is on deposit in the banks about $41,000,000,000, of which a big percent is credit and not actual money.

Banks can inflate the currency by extending credit. They can contract currency by refusing credit, which they have been doing the last few years, as most of the business is done on credit. Without credit you have nothing to do business.

Therefore it is essential for the Government to take over the money and credit of this Nation, so that people will not have to pass through another period like the one we are just passing through.

### THE SECRETARY OF THE INTERIOR

Mr. STUBBS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD regarding my defense of the Secretary of the Interior, Mr. Ickes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STUBBS. Mr. Speaker, I am prompted to rise in the defense of Secretary of the Interior Ickes, the trusted and capable right bower of President Roosevelt, and who has been "under fire" during the past few days from Members of the House.

I do not believe it is necessary for me to hold any particular brief for the honorable Secretary of the Interior, for he has often proved himself very willing and highly capable in the art of matching wits during verbal skirmishes and pitched political battles, but since the rules of the House bar him from answering any criticism here, it occurs to me that it is my duty as a gentleman to report that I am not totally in harmony with the charges which have been directed at him, and to recount some of the experiences which I have had with him and his Department.

Of course, I cannot speak for others; but in my considerable dealings with Secretary Ickes and the executives and subordinates of his Department I have not always obtained that which I have sought, but in every instance I have received the utmost consideration and ready cooperation.

No one, to my knowledge, has ever seriously attempted to impeach the rugged honesty and simpleness of purpose for which our Secretary of the Interior is noted. He has proved his ability to handle an extraordinary huge sum of money without the usual leakages associated with such expenditures. The attacks upon him seem to center around patronage and the disposition of the $3,000,000,000 placed at his command. Not in a position to know about his allocation of funds on a national basis, it is not my place to defend the distribution of this money on a sectional basis, but I do believe that I can understand his patronage difficulties.

It seems to me that his position is not unlike ours. We are hounded by thousands of folks back home for jobs—jobs which it is not possible for us to find. We plague the Secretary of the Interior, as Administrator of the Public Works Administration, and he is placed in the unfortunate position of being besieged by Members of Congress for jobs just as we are besieged by our people back home. We dislike to turn down our constituents, as we are forced to do every day in the week, and I have no doubt it would please Secretary Ickes to satisfy all of us in all our requests, but that, too, obviously is not possible.

I am a member of the Public Lands, the Irrigation and Reclamation, and the Indian Affairs Committees, all of which deal directly with the Department of the Interior. In my committee work I have been obligated to contact Secretary Ickes repeatedly, and I have failed to note any sign of the discourtesy for which he is being blamed.

As stated before, it is not necessarily my place to speak for this very able member of our Cabinet; but in view of the fact that he is a trusted lieutenant of our President, it appears to me that those of us who have had more than usual dealings with him and his Department should voice their knowledge of his actions. Secretary Ickes has exerted a great deal of energy in advancing legislation sponsored by the administration, before committees and otherwise, and he always has conducted himself in a fair and agreeable fashion.

Thus it is, in the midst of this intraparty political turmoil, which is embarrassing for all concerned, I am prompted to register my views in his defense.

### THE LOW LEVEL OF EMPLOYMENT IN THE MARBLE, GRANITE, AND SLATE INDUSTRIES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend in the RECORD as a part of my remarks a letter from Mr. John Finch, of the Bureau of Mines, which speaks of the great unemployment in the marble, limestone, granite, and slate industries, which have been very much discriminated against in the P. W. A. building program.

The SPEAKER. Is there objection to the request of the lady from Massachusetts?

Mr. BULWINKLE. Reserving the right to object, from whom is the letter?

Mrs. ROGERS of Massachusetts. The letter is from Mr. John Finch, of the Bureau of Mines, Department of the Interior. It contains some very valuable information. It speaks of the granite, limestone, slate, and marble industries in the United States. It also shows the Members of Congress who have these industries in their districts and who will be vitally interested in having this information. [Laughter.]

Mr. BULWINKLE. I have no objection.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following statistics regarding the low ebb of employment in the marble, granite, and slate industries:

DEPARTMENT OF THE INTERIOR,
BUREAU OF MINES,
*Washington, January 24, 1935.*

Mrs. EDITH NOURSE ROGERS,
*House of Representatives, Washington, D. C.*

MY DEAR MRS. ROGERS: In accordance with your telephone request this afternoon, I am enclosing a list of the congressional districts

with their Representatives covering areas where important marble and building-limestone industries are centered.

Regarding your question on the employment situation in the building-stone industries, I would state that the best information available is that given in the reports of the Bureau of Labor Statistics. The latest figures published are for November 1934. Of the 107 groups into which industry is divided, the group designated "Marble, granite, slate, and other products" was the very lowest in employment of them all. The number employed in these industries in November 1934 was only 28.6 percent of the 1923–25 average.

I trust that the data submitted will be of service to you.

Cordially yours,

JOHN W. FINCH, *Director.*

*Chief centers of building-limestone production*

| State | Congressional district | Representative |
|---|---|---|
| Alabama | Seventh | William A. Bankhead. |
| Indiana | do | Arthur H. Greenwood. |
| Do | Ninth | Eugene B. Crowe. |
| Kentucky | Second | Glover H. Cary. |
| Minnesota | First | August Herman Andresen. |
| Do | Second | Elmer James Ryan. |
| Texas | Tenth | Martin Dies. |

CHIEF CENTERS OF MARBLE PRODUCTION

| | | |
|---|---|---|
| Tennessee | First | B. Carroll Reece. |
| Do | Second | J. Will Taylor. |
| Vermont | At large | Charles Albert Plumley. |
| Georgia | Ninth | B. Frank Whelchel. |
| Missouri | Sixth | Reuben Terrell Wood. |
| Do | Seventh | Dewey Short. |
| Do | Eighth | Clyde Williams. |
| Alabama | Fourth | Sam Hobbs. |
| New York | Twenty-sixth | Hamilton Fish. |
| Do | Thirty-first | Bertrand H. Snell. |
| California | Second | Harry L. Englebright. |
| Arkansas | do | John E. Miller. |
| Colorado | Fourth | Edward Thomas Taylor. |
| Maryland | Second | William P. Cole, Jr. |
| North Carolina | Eleventh | Zebulon Weaver. |

*Congressional districts in which granite appears*

| State | District | Name of Congressman |
|---|---|---|
| Vermont | At large | Charles Albert Plumley. |
| Massachusetts | Second | William Joseph Granfield. |
| Do | Fourth | Pehr G. Holmes. |
| Do | Fifth | Edith Nourse Rogers. |
| Do | Sixth | A. Piatt Andrew. |
| Do | Thirteenth | Richard B. Wigglesworth. |
| Do | Fourteenth | Joseph William Martin, Jr. |
| Minnesota | Sixth | Harold Knutson. |
| Do | Ninth | Richard Thompson Buckler. |
| North Carolina | Fifth | Franklin Wills Hancock, Jr. |
| Maine | First | Simon Moulton Hamlin. |
| Do | Second | Edward Carleton Moran, Jr. |
| Do | Third | Ralph O. Brewster. |
| Georgia | Fifth | Robert Ramspeck. |
| Do | Sixth | Carl Vinson. |
| Do | Tenth | Paul Brown. |
| Wisconsin | Seventh | Gerald John Boileau. |
| Do | Eighth | George J. Schneider. |
| Do | Tenth | B. J. Gehrmann. |
| New Hampshire | First | William Nathaniel Rogers. |
| Do | Second | Charles William Tobey. |
| New York | Twenty-fifth | Charles D. Millard. |
| California | Ninth | Bertrand Wesley Gearhart. |
| Do | Second | Harry Lane Englebright. |
| Maryland | Sixth | David John Lewis. |
| Do | Fifth (Baltimore city). | Stephen Warfield Gambrill. |
| South Dakota | First | Fred H. Hildebrandt. |
| Rhode Island | Second | John Matthew O'Connell. |
| Connecticut | First | Herman Paul Kopplemann. |
| Do | Second | William Lincoln Higgins. |
| Do | Third | James Andrew Shanley. |
| Pennsylvania | Ninth | Oliver W. Frey. |
| Do | Tenth | J. Roland Kinzer. |
| Do | Fourteenth | William E. Richardson. |
| Texas | Tenth | James P. Buchanan. |
| Do | Twenty-first | Charles L. South. |
| South Carolina | Fifth | J. P. Richards. |
| California | Fourth | E. T. Taylor. |
| Missouri | Eighth | Clyde Williams. |
| Washington | Fifth | S. B. Hill. |
| Oklahoma | Seventh | S. C. Massingale. |
| Montana | First | J. P. Monaghan. |
| Do | Second | R. E. Ayers. |

SWEARING IN OF MEMBER

Mr. OLIVER. Mr. Speaker, I ask unanimous consent for the present consideration of a joint resolution which I have sent to the desk.

The Clerk read as follows:

House Resolution 72

Whereas WILLIAM B. BANKHEAD, a Representative from the State of Alabama, has been unable from sickness to appear in person to be sworn as a Member of the House, and there being no contest or question as to his election: Therefore be it

*Resolved*, That the Speaker be, and he is hereby, authorized to administer the oath of office to said WILLIAM B. BANKHEAD at the Naval Hospital in the city of Washington, and that the said oath, when administered as herein authorized, shall be accepted and received by the House as the oath of office of the said WILLIAM B. BANKHEAD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. OLIVER]?

There was no objection.

The resolution was agreed to.

Mr. OLIVER. Mr. Speaker, the resolution was presented simply in order to follow the regular procedure. Mr. BANKHEAD is rapidly improving and hopes to leave the hospital very soon.

DEMOCRATIC CAUCUS POSTPONED

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point and to insert a resolution which I have offered, together with the condition of apportionment of employees at the close of January 15, 1935.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Reserving the right to object, where did this come from?

Mr. McFARLANE. From the Civil Service Commission.

The SPEAKER. Is there objection?

There was no objection.

Mr. McFARLANE. Mr. Speaker, last week I circulated a petition among the Democrats of the House for the purpose of calling a caucus of the Democratic Membership of the House to discuss the present status of patronage and departmental personnel distribution and other affiliated matters. In a short while 75 Members had signed this petition, when only 25 were required under caucus rules. This caucus was first called for 7:30 p. m. January 24, but because of the late adjournment on yesterday, together with extremely bad weather conditions, it was decided to postpone the caucus until January 29, 7:30 p. m., at which time the caucus will be held in the House of Representatives. All Democratic Members of the House are urged to be present at that time.

I have offered the following resolution to investigate the distribution of patronage under appointments of the Civil Service Commission:

*Resolved*, That for the purpose of obtaining information necessary as a basis for legislation the Committee on Civil Service, as a whole or by subcommittee, is authorized to investigate the Civil Service Commission, the heads of all of the departments, commissions, and independent offices, to determine whether the third paragraph of section 2 of the act of January 16, 1883, being an act to regulate and improve the civil service of the United States, as follows: "Third. Appointments to the public service aforesaid in the departments at Washington shall be apportioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained at the last preceding census" has been enforced and whether each State has its quota of Federal employees in the District of Columbia in the several departments, commissions, or independent offices as required by said act.

The committee shall report to the House the results of its investigation, including such recommendations for legislation as it deems advisable.

The committee, or any subcommittee thereof, is authorized to hold such hearings, to require the attendance of such witnesses, and the production of such books, papers, and documents, and to take such testimony and report its recommendations to the House.

It will be remembered that last session the gentleman from Oklahoma, Mr. Hastings, called to the attention of the Membership paragraph (b) of section 8 of the independent offices appropriation bill, H. R. 5389, which provided that in making reductions of personnel due regard should be given to the apportionment of appointments as provided in the Civil Service Act. This provision was in keeping with the third paragraph of section 2 of the Civil Service Act, January 16, 1883, as quoted in the above resolution:

Appointments to the public service aforesaid in the departments at Washington shall be apportioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained at the last preceding census.

I have just received the following apportionment from Mr. C. C. Hathway, personnel officer of the United States Civil Service Commission, which shows the exact condition of the apportionment at the close of business Tuesday, January 15, 1935, as administered by said Commission under said law. The report of the Civil Service Commission was that there are 33,156 Federal employees in the city of Washington. Of this number, the District of Columbia, Maryland, Virginia, and Vermont have a total of 13,442, or over 40 percent of the entire number. Massachusetts, South Dakota, Iowa, Maine, Rhode Island, Delaware, Utah, West Virginia, and New Hampshire all, as you will note from the list, have received practically their quota. At this point I desire to place in the RECORD the total each State is entitled to and the number each State has received and the number each State is in arrears:

*Condition of apportionment at the close of business Tuesday, Jan. 15, 1935*

| State | Entitled | Received | Arrears | Percent filled |
|---|---|---|---|---|
| Puerto Rico | 410 | 24 | 386 | 6 |
| Hawaii | 98 | 11 | 87 | 11 |
| California | 1,509 | 394 | 1,115 | 26 |
| Texas | 1,548 | 482 | 1,066 | 31 |
| Alaska | 16 | 5 | 11 | 31 |
| Oklahoma | 637 | 241 | 396 | 38 |
| Arizona | 116 | 44 | 72 | 38 |
| Michigan | 1,287 | 499 | 788 | 39 |
| Louisiana | 559 | 219 | 340 | 39 |
| New Jersey | 1,074 | 428 | 646 | 40 |
| Arkansas | 493 | 218 | 275 | 44 |
| Alabama | 703 | 348 | 355 | 50 |
| South Carolina | 462 | 236 | 226 | 51 |
| Mississippi | 534 | 274 | 260 | 51 |
| Georgia | 773 | 417 | 356 | 54 |
| Nevada | 24 | 13 | 11 | 54 |
| Ohio | 1,767 | 992 | 775 | 56 |
| North Carolina | 843 | 479 | 364 | 57 |
| Wisconsin | 781 | 449 | 332 | 57 |
| Oregon | 253 | 150 | 103 | 59 |
| Illinois | 2,028 | 1,203 | 825 | 59 |
| Tennessee | 695 | 417 | 278 | 60 |
| New Mexico | 112 | 68 | 44 | 61 |
| Connecticut | 427 | 261 | 166 | 61 |
| New York | 3,346 | 2,054 | 1,292 | 61 |
| Kentucky | 695 | 476 | 219 | 68 |
| Montana | 143 | 99 | 44 | 70 |
| Wyoming | 60 | 43 | 17 | 72 |
| Florida | 399 | 285 | 105 | 73 |
| Pennsylvania | 2,560 | 2,019 | 541 | 79 |
| North Dakota | 181 | 143 | 38 | 79 |
| Washington | 416 | 335 | 71 | 81 |
| Idaho | 118 | 98 | 20 | 83 |
| Indiana | 861 | 733 | 128 | 85 |
| Missouri | 965 | 830 | 135 | 86 |
| Minnesota | 681 | 598 | 83 | 88 |
| Colorado | 275 | 246 | 29 | 89 |
| Kansas | 500 | 448 | 52 | 90 |
| Nebraska | 366 | 342 | 24 | 93 |
| New Hampshire | 124 | 118 | 6 | 95 |
| West Virginia | 460 | 442 | 18 | 96 |
| Utah | 135 | 130 | 5 | 96 |
| Delaware | 63 | 61 | 2 | 97 |
| Rhode Island | 183 | 179 | 4 | 98 |
| Maine | 212 | 208 | 4 | 98 |
| Iowa | 657 | 648 | 9 | 99 |
| South Dakota | 184 | 183 | 1 | 99 |
| Massachusetts | 1,129 | 1,124 | 5 | 99.6 |
| | | | | *Percent excess* |
| States in excess: | | | | |
| Vermont | 96 | 117 | 21 | 22 |
| Virginia | 644 | 2,008 | 1,364 | 212 |
| Maryland | 434 | 1,875 | 1,441 | 332 |
| District of Columbia | 129 | 9,442 | 9,313 | 7,219 |

NOTE.—Number of employees occupying apportioned positions who are excluded from the apportionment figures under sec. 2, rule 7, and the Attorney General's opinion of Aug. 25, 1934, 6,611.

I call to your attention that the District of Columbia is entitled to 129 and has received 9,442; Maryland is entitled to 434 and has received 1,875; Virginia is entitled to 644 and has received 2,008; Vermont is entitled to 96 and has received 117. You will note that we in Texas are entitled to 1,548 and have received only 482.

One of the purposes of calling the Democratic caucus for next Tuesday evening is to decide what steps, if any, shall be taken to correct these and similar abuses in the distribution of patronage. For the past 52 years the United States Civil Service Commission has ignored the above-quoted law of this Congress. Should the law Congress enacts be respected or is the Civil Service Commission more powerful than the law?

The Democratic caucus next Tuesday evening will, no doubt, properly consider ways and means of determining what method of selection, the kind and character of personnel, and so forth, that is now existing in all departments of government, as well as on Capitol Hill. It is common knowledge to the Democratic Membership of the House that practically all key positions in the entire emergency set-up created by the Seventy-third Congress are held by Republicans. Practically all positions paying more than $4,000 per year in all the regular departments of government here in Washington as well as out in the field are held by Republicans, many of whom supported Mr. Hoover in the last election.

It is known to many Members of Congress that quite a number of those in charge of the personnel selection in the different emergency departmental divisions have ignored recommendations of Members of Congress in the selection of their personnel and have so instructed their employees in considering patronage matters. Rumors have been coming in in increasing numbers as to the many discriminations being made by employees in the selection of their personnel on Capitol Hill, of the abuse of power of these same employees, of downright graft of some of these employees. If these charges and rumors are true, a general shake-up should be made in the employees of the House. Certainly a thorough investigation by a proper committee appointed by the Democratic caucus to be held Tuesday night should be made. It is well known that rank discrimination by some of the departments has been made favoring recommendations of certain Members of Congress over other Members of Congress in the selection of their personnel. All Members of Congress should be treated equally by all departments of Government in the selection of their personnel. Certainly the coming Democratic caucus should thoroughly investigate and make an early report in this regard. The whole system of patronage as it has been handled under the Democratic administration should be carefully investigated and an early report made back to this Congress, to the end that the facts be known and that the responsibility for the existing condition be made public.

We are daily being besieged by our constituents with applications for positions running into large numbers and filed. They cannot understand why so few positions under this administration have been given to the Democrats. They know, as we know, that many of these positions are not under civil service; that someone is receiving these positions. We should be able to definitely tell them the reasons why our recommendations of them are being ignored.

All such patronage questions should rightly come before the Democratic caucus and this caucus should appoint proper committees to see that this information is immediately made available to the membership.

### ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 112. Joint resolution to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended.

### JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 112. Joint resolution to clarify the definition of disagreement in section 19, World War Veterans' Act, 1924, as amended.

### ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 19 minutes p. m.), the House, pursuant to its order previously entered, adjourned until Monday, January 28, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

165. Under clause 2 of rule XXIV a letter from the Chairman of the Securities and Exchange Commission, transmitting the Commission's report of the investigation of stock-exchange government, together with its recommendations (H. Doc. No. 85), was taken from the Speaker's table, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. MONAGHAN: Committee on Interstate and Foreign Commerce. H. R. 2030. A bill authorizing the States of Washington and Idaho to construct, maintain, and operate a free highway bridge across the Snake River between Clarkston, Wash., and Lewiston, Idaho; with amendment (Rept. No. 26). Referred to the House Calendar.

Mr. TERRY: Committee on Interstate and Foreign Commerce. H. R. 2874. A bill granting the consent of Congress to the State highway commission to construct, maintain, and operate a free highway bridge across Eleven Points River in section 17, township 23 north, range 2 west, approximately 12 miles east of Alton, on route no. 42, Oregon County, Mo.; with amendment (Rept. No. 27). Referred to the House Calendar.

Mr. CORNING: Committee on Interstate and Foreign Commerce. H. R. 3018. A bill to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; with amendment (Rept. No. 28). Referred to the House Calendar.

Mr. TERRY: Committee on Interstate and Foreign Commerce. H. R. 3057. A bill granting the consent of Congress to the State of Oklahoma for constructing a bridge across the Arkansas River south of the town of Sallisaw in Sequoyah and Le Flore Counties at a point approximately 15 miles north of Keota, in the State of Oklahoma; with amendment (Rept. No. 29). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 3983. A bill to legalize a bridge (known as "Union Street Bridge") across the Dan River at Danville, Va.; with amendment (Rept. No. 30). Referred to the House Calendar.

Mr. BULWINKLE: Committee on Interstate and Foreign Commerce. H. R. 3891. A bill to extend the times for commencing and completing the construction of a bridge across the Waccamaw River at Conway, S. C.; with amendment (Rept. No. 31). Referred to the House Calendar.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1619) for the relief of Emil Gathmann; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 1908) for the relief of M. F. Powers; Committee on Claims discharged, and referred to the Committee on War Claims.

A bill (H. R. 4365) for the relief of Anna Lilly; Committee on Naval Affairs discharged, and referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SUMNERS of Texas: A bill (H. R. 4742) to amend section 103 of the Code of Criminal Procedure for the Canal Zone and section 542 of the Code of Civil Procedure for the Canal Zone; to the Committee on Interstate and Foreign Commerce.

By Mr. LAMNECK: A bill (H. R. 4743) to reduce the internal-revenue tax on beer and other malt liquors; to the Committee on Ways and Means.

By Mr. SANDERS of Texas: A bill (H. R. 4744) to increase the public revenue of the United States of America by amending the Revenue Act of 1932; to the Committee on Ways and Means.

By Mr. DEEN: A bill (H. R. 4745) to provide for the cooperation by the Federal Government with the several States and Territories and the District of Columbia in meeting the crisis in education; to the Committee on Education.

By Mr. DOUGHTON: A bill (H. R. 4746) to terminate the special excise tax imposed by section 701 of the Revenue Act of 1926; to the Committee on Ways and Means.

By Mr. EICHER: A bill (H. R. 4747) to amend section 16a of the Interstate Commerce Act so as to provide for right of appeal from orders of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. FULMER: A bill (H. R. 4748) to provide for research work in connection with the utilization of southern agricultural products other than forest products, particularly whole cotton, for the purpose of providing new markets for the South's cotton crop other than as lint cotton; to the Committee on Agriculture.

By Mr. KNUTSON: A bill (H. R. 4749) to authorize the erection of a tablet to commemorate the discovery of the headwaters of the Mississippi River; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 4750) to provide further for the maintenance of United States Soldiers' Home; to the Committee on Military Affairs.

By Mr. RAYBURN: A bill (H. R. 4751) to amend section 24 of the Interstate Commerce Act, as amended, with respect to the terms of office of members of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. CONNERY: A bill (H. R. 4752) to incorporate the National Yeomen F; to the Committee on the District of Columbia.

By Mr. FADDIS: A bill (H. R. 4753) to authorize the issuance of a medal and ribbon for members of the army of occupation of Germany; to the Committee on Military Affairs.

Also, a bill (H. R. 4754) to provide for the protection and preservation of domestic sources of tin; to the Committee on Military Affairs.

By Mr. ALLEN: A bill (H. R. 4755) to provide minimum pay for postal substitutes; to the Committee on the Post Office and Post Roads.

By Mr. BOLAND: A bill (H. R. 4756) for the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, and for other purposes; to the Committee on Naval Affairs.

By Mr. CULKIN: A bill (H. R. 4757) to prevent the obstruction of and burdens upon interstate trade and commerce in copyrighted motion-picture films and to prevent restraint upon free competition in the production, distribution, and exhibition of copyrighted motion-picture films (a) by prohibiting the compulsory block booking of copyrighted motion-picture films; (b) to compel the furnishing of accurate synopsis of all pictures offered to theater operators before the same have been released and reviewed; and (c) to amend section 2 of the Clayton Act to make it apply to license agreements and leases as well as sales in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DREWRY: A bill (H. R. 4758) to authorize an exchange of lands between the Richmond, Fredericksburg & Potomac Railroad Co. and the United States at Quantico, Va.; to the Committee on Naval Affairs.

Also, a bill (H. R. 4759) to amend section 1 of the act of February 14, 1927, entitled "An act authorizing the Secretary of the Navy to accept, on behalf of the United States, title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek in South Carolina"; to the Committee on Naval Affairs.

By Mr. FERNANDEZ: A bill (H. R. 4760) to increase the statutory limit of expenditure for repairs or changes to naval vessels; to the Committee on Naval Affairs.

By Mr. GASSAWAY: A bill (H. R. 4761) to validate certain conveyances by Kickapoo Indians of Oklahoma made prior to February 17, 1933, where a full and fair consideration has been paid, and to provide for actions in partition in certain cases, and for other purposes; to the Committee on Indian Affairs.

Also (by request), a bill (H. R. 4762) to create a commission to correct the membership rolls of the Five Civilized Tribes of Oklahoma (including the Mississippi Choctaw Indians), and for other purposes; to the Committee on Indian Affairs.

Also (by request), a bill (H. R. 4763) to enroll on the citizenship rolls certain persons of the Choctaw and Chickasaw Nations or Tribes; to the Committee on Indian Affairs.

By Mr. KNIFFIN: A bill (H. R. 4764) for the relief of the officers and men of the United States Naval and Marine Corps Reserves who performed flights in naval aircraft in connection with the search for victims and wreckage of the United States dirigible *Akron*; to the Committee on Naval Affairs.

Also, a bill (H. R. 4765) to amend the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902; to the Committee on Naval Affairs.

Also, a bill (H. R. 4766) to provide for the payment of allowances and gratuities to naval prisoners; to the Committee on Naval Affairs.

Also, a bill (H. R. 4767) to amend section 1383 of the Revised Statutes of the United States; to the Committee on Naval Affairs.

By Mr. FISH: Resolution (H. Res. 73) requesting the names and addresses of all persons and corporations who own tax-exempt securities in the amount of $100,000 or over; to the Committee on Ways and Means.

By Mr. BLANTON: Resolution (H. Res. 74) requesting the names and addresses of all persons and corporations who own Federal tax-exempt securities in the amount of $50,000 or over; to the Committee on Ways and Means.

By Mr. McCORMACK: Joint resolution (H. J. Res. 136) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

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PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHNE: A bill (H. R. 4768) for the relief of O. H. Kreuzberger; to the Committee on Claims.

Also, a bill (H. R. 4769) for the relief of Henry N. Heironimus and Edwin D. Miller; to the Committee on Claims.

By Mr. BRUNNER: A bill (H. R. 4770) for the relief of Elinora Fareira; to the Committee on Claims.

By Mr. BULWINKLE: A bill (H. R. 4771) granting an increase of pension to William E. Norton; to the Committee on Pensions.

Also, a bill (H. R. 4772) for the relief of Elmer Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 4773) for the relief of Taylor Marlor; to the Committee on Military Affairs.

Also, a bill (H. R. 4774) granting an increase of pension to Charles L. Stewart; to the Committee on Pensions.

Also, a bill (H. R. 4775) granting an increase of pension to Henry G. Jones; to the Committee on Pensions.

Also, a bill (H. R. 4776) granting an increase of pension to Benjamin F. Shelton; to the Committee on Pensions.

Also, a bill (H. R. 4777) to provide for the advancement on the retired list of the Army of Vincent P. Rousseau; to the Committee on Military Affairs.

Also, a bill (H. R. 4778) granting an increase of pension to Guss Hughes; to the Committee on Pensions.

By Mr. BURNHAM: A bill (H. R. 4779) for the relief of Capt. Chester Gracie; to the Committee on Claims.

Also, a bill (H. R. 4780) for the relief of the widow and five minor children of Arturo Guajardo; to the Committee on Claims.

By Mr. CARTER: A bill (H. R. 4781) for the relief of Reginald Richard Dawson; to the Committee on Military Affairs.

By Mr. COCHRAN: A bill (H. R. 4782) granting an increase of pension to Elizabeth Barton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4783) for the relief of George E. Stuckey; to the Committee on Military Affairs.

By Mr. COLLINS: A bill (H. R. 4784) for the relief of J. T. Slayback; to the Committee on Claims.

By Mr. CROSS of Texas: A bill (H. R. 4785) for the relief of Abigh E. Norris; to the Committee on Claims.

By Mr. CUMMINGS: A bill (H. R. 4786) granting a pension to Margaret M. Boardman; to the Committee on Pensions.

By Mr. DARROW: A bill (H. R. 4787) to correct the naval record of Robert Nelson Campbell; to the Committee on Naval Affairs.

By Mr. DIMOND: A bill (H. R. 4788) authorizing the sale and lease of certain lands near Homer, Alaska, for use in connection with the Jesse Lee Home; to the Committee on the Public Lands.

By Mr. EKWALL: A bill (H. R. 4789) for the relief of the Coast Fir & Cedar Products Co., Inc.; to the Committee on Claims.

Also, a bill (H. R. 4790) for the relief of Squire Hensley; to the Committee on Military Affairs.

Also, a bill (H. R. 4791) for the relief of the Hauser Construction Co.; to the Committee on Claims.

By Mr. FLETCHER: A bill (H. R. 4792) granting an increase of pension to James E. Walker; to the Committee on Pensions.

Also, a bill (H. R. 4793) granting an increase of pension to Lucinda Lauck; to the Committee on Invalid Pensions.

By Mr. HOUSTON: A bill (H. R. 4794) for the relief of Zachara T. Edwards; to the Committee on Military Affairs.

By Mr. KENNEDY of Maryland (by departmental request): A bill (H. R. 4795) to reimburse officers, enlisted men, and civilian employees of the Army and their families and dependents, or their legal representatives, for losses sustained as a result of the hurricane which occurred in Texas on August 16, 17, and 18, 1915; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4796) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects destroyed in a fire at the naval radio station, Libugon, Guam, on April 15, 1932; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4797) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed during a hurricane in Samoa on January 15, 1931; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4798) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4799) to provide for the reimbursement of certain officers and enlisted men or former officers and enlisted men of the Navy and Marine Corps for personal property lost, damaged, or destroyed as a result of the earthquake which occurred at Managua, Nicaragua, on March 31, 1931; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4800) to authorize the settlement of individual claims for personal property lost or damaged arising out of the activities of the Civilian Conservation Corps, which have been approved by the Secretary of War; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4801) to authorize settlement, allowance, and payment of certain claims; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4802) authorizing adjustment of the claim of Schutte & Koerting Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4803) authorizing adjustment of the claim of the Rio Grande Southern Railroad Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4804) authorizing adjustment of the claim of the Pennsylvania Railroad Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4805) authorizing adjustment of the claim of the Adelphia Bank & Trust Co. of Philadelphia; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4806) authorizing adjustment of the claim of Frank Spector; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4807) authorizing adjustment of the claim of the Wilmot Castle Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4808) for the relief of the Richmond, Fredericksburg & Potomac Railroad Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4809) for the relief of the Western Electric Co., Inc.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4810) for the relief of Elda Geer; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4811) for the relief of George W. Miller; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4812) for the relief of Mrs. Carlysle Von Thomas, Sr.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4813) for the relief of certain disbursing officers of the Army, and for other purposes; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4814) for the relief of Lt. Col. Russell B. Putnam, United States Marine Corps; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4815) for the relief of Jasper Daleo; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4816) for the relief of A. Bruce Bielaski; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4817) for the relief of Matthew E. Hanna; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4818) for the relief of the First National Bank of Chicago; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4819) for the relief of the Western Union Telegraph Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4820) for the relief of Lawrence S. Copeland; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4821) for the relief of Ward J. Lawton, special disbursing agent, Lighthouse Service, Department of Commerce; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4822) for the relief of Thomas F. Olsen; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4823) for the relief of Korber Realty, Inc.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4824) for the relief of Capt. George W. Steele, Jr., United States Navy; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4825) for the relief of Robert D. Baldwin; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4826) for the relief of the heirs of Burton S. Adams, deceased; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4827) for the relief of Don C. Fees; to the Committee on Claims.

Also, (by departmental request), a bill (H. R. 4828) for the relief of John L. Summers, disbursing clerk, Treasury Department, and for other purposes; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4829) for the relief of Weymouth Kirkland and Robert N. Golding; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4830) for the relief of the Washington Post Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4831) for the relief of L. E. Geary; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4832) for the relief of Dr. George W. Ritchey; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4833) for the relief of Ciriaco Hernandez and others; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4834) for the relief of Sanford A. McAlister and Eliza L. McAlister; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4835) for the relief of the West India Oil Co.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4836) for the relief of the Western Electric Co., Inc.; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4837) for the relief of Jay Street Terminal; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4838) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4839) for the relief of Alfred W. Kliefoth; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4840) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4841) for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4842) for the relief of certain disbursing officers of the Army of the United States and for the settlement of an individual claim approved by the War Department; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4843) for the relief of certain officers and employees of the Foreign Service of the United States who, while in the course of their respective duties, suffered losses of personal property by reason of catastrophes of nature and other causes; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4844) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval radio station, Eureka, Calif., on January 17, 1930; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4845) to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval training station, Hampton Roads, Va., on February 21, 1927; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4846) to provide for the reimbursement of certain enlisted men and former enlisted men of the Marine Corps for the value of personal effects lost, damaged, or destroyed by fire at the Marine Barracks, Quantico, Va., on October 5, 1930, to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4847) to allow credits in the accounts of certain disbursing officers of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and United States Veterans' Bureau (now Veterans' Administration); to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4848) for the relief of Charles E. Molster, disbursing clerk, Department of Commerce, and Dr. Louis H. Bauer, a former employee; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4849) for the relief of White Bros. & Co., a partnership composed of John W. White, Jr., Will J. White, A. P. White, and Madison White; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4850) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4851) to provide for the reimbursement of certain civilian employees of the naval operating base, Hampton Roads, Va., for the value of tools lost in a fire at Pier No. 7, at the naval operating base, on May 4, 1930; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4852) to authorize the settlement of individual claims of military personnel for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army; to the Committee on Claims.

Also (by departmental request), a bill (H. R. 4853) for the relief of Charles H. Holtzman, former collector of customs, Baltimore, Md.; George D. Hubbard, former collector of customs, Seattle, Wash.; and William L. Thibadeau, former customs agent; to the Committee on Claims.

By Mr. McLEOD: A bill (H. R. 4854) for the relief of Earl Kratz; to the Committee on Military Affairs.

By Mr. McREYNOLDS: A bill (H. R. 4855) for the relief of Jack C. Allen; to the Committee on Claims.

By Mr. MOTT: A bill (H. R. 4856) for the relief of Horace G. Wilson; to the Committee on Claims.

Also, a bill (H. R. 4857) for the relief of John Andrew Ramsdell, Jr.; to the Committee on Naval Affairs.

By Mr. RAMSPECK: A bill (H. R. 4858) for the relief of Edward Shippen West; to the Committee on Military Affairs.

Also, a bill (H. R. 4859) for the relief of John Thomas Veitch; to the Committee on Naval Affairs.

Also, a bill (H. R. 4860) for the relief of Judson Stokes; to the Committee on Claims.

By Mr. RANSLEY: A bill (H. R. 4861) to confer jurisdiction on the Court of Claims to hear and determine the claim of Francesco Pacifico; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 4862) granting a pension to Miles S. Catchings; to the Committee on Pensions.

Also, a bill (H. R. 4863) granting a pension to Richard B. Hammer; to the Committee on Pensions.

Also, a bill (H. R. 4864) granting a pension to Eliza S. Rhodes; to the Committee on Pensions.

Also, a bill (H. R. 4865) granting a pension to Robert O. Higginbotham; to the Committee on Pensions.

By Mr. SHORT: A bill (H. R. 4866) granting a pension to Frank A. Boster; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 4867) granting a pension to Neil Francis McKendry; to the Committee on Pensions.

By Mr. WELCH: A bill (H. R. 4868) conferring upon the United States District Court for the Northern District of California, southern division, jurisdiction of the claim of Minnie C. de Back against the Alaska Railroad; to the Committee on Claims.

By Mr. DIMOND: Joint resolution (H. J. Res. 137) authorizing a preliminary examination or survey of Valdez Harbor, Alaska; to the Committee on Rivers and Harbors.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

434. By Mr. BOILEAU: Resolution of the Wausau Division, No. 207, Order of Benefit Association of Railway Employees, favoring enactment of legislation as recommended by the Federal Coordinator and covered in House bill 8100 of the Seventy-third Congress; to the Committee on Interstate and Foreign Commerce.

435. By Mr. BRUNNER: Resolution of the supreme board of directors of the Knights of Columbus, held on January 13, 1935, in the city of New York, regarding the conditions in Mexico; to the Committee on Foreign Affairs.

436. By Mr. BUCKLER of Minnesota: Petition of Norman Dall, W. W. Adams, and 175 other citizens of Fergus Falls, Minn., and vicinity, requesting the support and the enactment of the Townsend old-age pension plan into Federal legislation; to the Committee on Ways and Means.

437. By Mr. CULKIN: Petition of certain citizens of Oneida, N. Y., favoring the Townsend old-age revolving pension; to the Committee on Ways and Means.

438. By Mr. GOODWIN: Petition of Thomas H. Purcell and other residents of Columbia County, N. Y., opposing the entrance of the United States into the World Court; to the Committee on Foreign Affairs.

439. By Mr. KENNEDY of New York: Memorial in the nature of a resolution of the Ancient Order of Hibernians in America, Division No. 29, located in the city of New York, that—whereas the year 1935 marks the one hundred and fiftieth anniversary of the termination of the services of Commodore John Barry, the father of the American Navy to the Revolutionary Navy, and whereas it has been thought that a postage stamp in commemoration of the deeds of valor on land and sea rendered to our infant Republic would be a fitting tribute to this gallant Irishman, be it resolved that the members of Division No. 29, Ancient Order of Hibernians, are heartily in accord with this method of honoring the father of the American Navy, and be it further resolved that we request our Representative in Congress and the two United States Senators from the State of New York to use their influence with the Post Office Department of the United States and in their respective Houses of Congress to the end that a stamp be issued in commemoration of Commodore John Barry; to the Committee on the Post Office and Post Roads.

440. By Mr. KVALE: Petition of the Townsend Club of Glenwood, Minn., endorsing the Townsend plan for old-age pensions; to the Committee on Labor.

441. By Mr. MEAD: Petition of Erie County (N. Y.) Board of Supervisors, urging passage of the $4,000,000,000 Federal Public Works appropriation bill; to the Committee on Appropriations.

442. Also, petition of the Senate of the State of New York, regarding the persecution of religious people in Mexico; to the Committee on Foreign Affairs.

443. Also, petition of the directors of the Knights of Columbus of New York City, regarding the persecution of religion in Mexico; to the Committee on Foreign Affairs.

444. By Mr. PATMAN: Petition of Maggie Forsyth, Charles Hutchinson, and eight other citizens of Red River County, Tex., for an old-age-pension law, and particularly the Townsend plan; to the Committee on Ways and Means.

445. Also, petition of J. A. Evans, F. R. Stubbs, and eight other citizens of Red River County, Tex., for an old-age pension law, and particularly the Townsend plan; to the Committee on Ways and Means.

446. Also, petition of J. W. Wiley, D. M. Stone, and seven other citizens of Cass County, Tex., for an old-age pension law; to the Committee on Labor.

447. By Mr. PFEIFER: Petition of the Central Trades and Labor Council of Greater New York and vicinity, New York City, protesting against the continuance of the Federal pay cut of postal employees; to the Committee on the Post Office and Post Roads.

448. By Mr. RUDD: Petition of the Central Trades and Labor Council of Greater New York and vicinity, concerning House bill 2786, to repeal Government wage cuts as of January 1, 1935; to the Committee on Expenditures in the Executive Departments.

449. By Mr. SMITH of West Virginia: Petition of John Peters and other citizens of Raleigh County, W. Va., urging the passage of House bill 2856, providing for an old-age pension; to the Committee on Ways and Means.

450. By Mr. SWEENEY: Resolution passed by Cleveland Deanery Council of the National Council of Catholic Women, favoring legislation for the humanizing of the immigration laws; to the Committee on Immigration and Naturalization.

451. Also, resolution of the order of Benefit Association of Railway Employees, favoring support of the Pettengill bill (H. R. 8100); to the Committee on Interstate and Foreign Commerce.

452. By Mr. TREADWAY: Petition of employees of L. L. Brown Paper Co., Adams, Mass., protesting against the Black-Connery bill or similar 30-hour labor legislation; to the Committee on Labor.

453. By Mr. TRUAX: Petition of the Disabled American Veterans of the World War, Cuyahoga Chapter, Cleveland, Ohio, by their adjutant, David Wise, representing the sentiments of the 4,500 disabled veterans of Cuyahoga County, favoring the immediate payment of the adjusted-service certificates with the cancelation of all interest charges, and that they are 100 percent back of the American Legion and the Veterans of Foreign Wars in their fight for this cause; to the Committee on Ways and Means.

454. Also, petition of Jeff D. Patterson and many others from Toledo, Ohio, urging the Congress of the United States to enact the old-age-pension bill as sponsored and approved by Dr. J. E. Pope, editor of the National Forum and president of the National Old Age Pension Association and the Nonpartisan Voters' Secret League, as embodied in House bill 2856, introduced by Representative WILL ROGERS, of Oklahoma, embracing the following: A Federal pension of $30 to $50 per month to every man and woman above the age of 55, financed on a contributory basis or a tax on the earnings of persons between the ages of 21 and 45; same to be free from State and local administration or interference; to be a Nation-wide, impartial, and uniform system of old-age pensions; to the Committee on Ways and Means.

455. Also, petition of Orphan's Hope Lodge, No. 466, Brotherhood of Locomotive Firemen and Enginemen, Dennison, Ohio, by their recording secretary, L. E. Barth, requesting that the Congress of the United States support and enact into law the following measures: Soldiers' bonus bill, full-crew bill, 6-hour day, unemployment insurance, pension bill, bus and truck regulations by Interstate Commerce Commission, train-length limit bill, and the modification of the hours-of-service law; to the Committee on Labor.

456. Also, petition of the United Brotherhood of Carpenters and Joiners of America, Local Union No. 224, Cincinnati, Ohio, by their secretary, Carl Poppe, strenuously opposing the applying of bulletin P. W. 23709, dated December 4, 1934 (sent to all State engineers of the Federal Emergency Administration of Public Works, outlining principles in order to facilitate the application of Public Works Administration labor and wage provisions and wage scale on open-shop carpentry work), on carpentry work on any Public Works Administration project, as this would be the ruination of union labor throughout the United States; to the Committee on Labor.

457. By Mr. WEAVER: Petition of various citizens of the Eleventh Congressional District of North Carolina, favoring the enactment of the Townsend old-age-pension legislation; to the Committee on Ways and Means.

# SENATE

## MONDAY, JANUARY 28, 1935

*(Legislative day of Monday, Jan. 21, 1935)*

The Senate met at 12 o'clock meridian, on the expiration of the recess.

### THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day of Friday, January 25, 1935, was dispensed with, and the Journal was approved.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed a bill (H. R. 4304) to amend the Second Liberty Bond Act, as amended, and for other purposes, in which it requested the concurrence of the Senate.

### EXECUTIVE SESSION

Mr. ROBINSON. Mr. President, I presume under the unanimous-consent agreement——

The VICE PRESIDENT. The Senate resolves itself into executive session under the order of the Senate.

Mr. ROBINSON. I was just about to state, Mr. President, that automatically, under the agreement, the Senate will proceed to the consideration of executive business.

### EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

### EXECUTIVE REPORTS OF COMMITTEES

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. McCARRAN, from the Committee on the Judiciary, reported favorably the nomination of William Denman, of California, to be United States circuit judge for the ninth circuit to succeed William B. Gilbert, deceased.

The VICE PRESIDENT. The reports will be placed on the Executive Calendar.

### BUSINESS TRANSACTED AS IN LEGISLATIVE SESSION

During the executive session the following legislative business was transacted by unanimous consent:

### REPORT OF WAR FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Treasury, reporting, pursuant to law, relative to the War Finance Corporation (in liquidation) covering the period from January 1, 1934, to December 31, 1934, which, with the accompanying papers, was referred to the Committee on Finance.

### WARD J. LAWTON

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting a draft of proposed legislation for the relief of Ward J. Lawton, special disbursing agent, Lighthouse Service, Department of Commerce, which, with the accompanying paper, was referred to the Committee on Claims.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the Senate of the State of Nebraska, memorializing Congress to include the building of free interstate bridges across the Missouri River as Public Works Administration projects, which was referred to the Committee on Commerce.

(See resolution printed in full when presented today by Mr. NORRIS.)

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Oklahoma, which was referred to the Committee on the Library:

House Concurrent Resolution 3

A concurrent resolution memorializing the President and Congress of the United States to establish a national memorial park on the site of the Battle of the Washita, near Cheyenne, in Roger Mills County

Whereas the United States Public Works Administration, under the direction of the Department of the Interior, is at the present time engaged in the acquisition of a site for, and the construction of, a dam on the Washita River for flood-control and irrigation purposes; and

Whereas adjacent to the site of said proposed dam lies the site of the Battle of the Washita, fought in 1868 between the Seventh United States Cavalry, under the command of Gen. George A.

Custer, and members of the Cheyenne, Arapaho, Kiowa, Comanche, and Apache Indians, under the lead of Chiefs Black Kettle, Little Rock, Little Raven, Roman Nose, Lone Wolf, Santanta, and other prominent chiefs of these tribes; and

Whereas the outcome of said battle had the effect of making safe the frontier of western Oklahoma for white settlement and the advancement of civilization; and

Whereas the indomitable spirit, courage, and fortitude of both the American pioneers and the Indian natives is typified by the noble stand made by each of them; and

Whereas the site of said battle is at the present time undergoing settlement; and

Whereas this battle should be commemorated as an occasion of great historical interest, both to the people of Oklahoma and the United States: Now, therefore, be it

*Resolved by the House of Representatives of the Fifteenth Legislature of the State of Oklahoma (the senate concurring therein)*, That the President and Congress of the United States be memorialized by the people and Legislature of Oklahoma, to complete as soon as possible the acquisition of the site for, and the construction of, the irrigation and flood-control dam on the Washita River, and to establish, maintain, and improve a national memorial park on the site of the historical Battle of the Washita, fought between the Seventh United States Cavalry, under the command of Gen. George A. Custer, and members of the Cheyenne, Arapaho, Kiowa, Comanche, and Apache Indians, under the lead of Chiefs Black Kettle, Little Rock, Little Raven, Roman Nose, Lone Wolf, Santanta, and other prominent chiefs of these tribes; and be it further

*Resolved*, That copies of this resolution be mailed by the secretary of state to the President of the United States, and to the Chief Clerk of both the House of Representatives and the Senate of the United States; to each Member of the Oklahoma delegation in Congress; to the Secretary of the Department of the Interior; to the Chief Administrator of the Public Works Administration; to the Director of National Parks, Buildings, and Reservations; and to the Chief of the Historical Division of the Department of the Interior.

Adopted by the house of representatives on the 18th day of January 1935.

Adopted by the senate on the 17th day of January 1935.

LEON C. PHILLIPS,
*Speaker of the House of Representatives.*

JAMES E. BEERY,
*President of the Senate.*

Correctly enrolled.

LOUIE W. BECK,
*Chairman Committee on Enrolled and Engrossed Bills.*

The VICE PRESIDENT also laid before the Senate a telegram from the secretary of the Senate of the State of Washington, embodying a memorial of the State legislature, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

OLYMPIA, WASH., *January 23, 1935.*

Hon. FRANKLIN D. ROOSEVELT,
*President of the United States,*
*Washington, D. C.:*

The Legislature of the State of Washington has just passed the following memorial:

"We, your memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, most respectfully represent and petition as follows:

"Whereas there is in the eastern section of the State of Washington a tract of approximately 1,200,000 acres of arid land which if brought under cultivation would greatly increase the wealth of the Nation generally and the Northwest in particular; and

"Whereas the irrigation of this tract is desirable for the reason that such improvement will immediately furnish direct employment for thousands of men in its construction and when completed will furnish thousands of small farms of high productivity; and

"Whereas farmers in many parts of the United States are suffering for want of regular annual crops because of loss of soil through erosion, exhaustion, drought, and other causes; and

"Whereas the national administration already is bringing about the withdrawal of so-called 'marginal and submarginal' lands of the kind described and the substitution of fertile lands where lack of moisture, barrenness, and similar drawbacks do not present themselves; and

"Whereas the so-called 'Columbia Basin tract' of 1,200,000 acres offers the greatest opportunity in the Nation for the establishment of a new empire with a truly electrified rural community, better homes, and a deserved place in the finally adopted national plan for long-range-power farm and rural-life development; and

"Whereas President Roosevelt already has taken a step for the building of a great combined power and irrigation project by making an initial allocation of $63,000,000 for a key dam over the Columbia River at Grand Coulee; and

"Whereas to provide for completion of the combined power and irrigation project will require an immediate order for alterations in the dam foundations and for other orders for starting work on the irrigation phases of the development; and

"Whereas the Senate and House of Representatives of the State of Washington does herewith commend President Roosevelt for his vision in conceiving the Columbia River project in its entirety as a vital component part in a rounded plan of national resources development and projection and for his courage and wisdom in translating this vision into the course of action along which he is proceeding: Therefore

"Your memorialists, the Senate and House of Representatives of the State of Washington, adopting all contained in the preamble hereof most earnestly declare in favor of the Federal Government immediately proceeding with the project in its entirety as was contemplated by President Roosevelt when he allocated $63,000,000 for the unit for which contract has been let and which is now under construction;

"That the foundation plans be immediately altered as may be necessary to proceed with construction of the dam to the ultimate height contemplated by the United States Army Engineers; and further

"That provision be made for proceeding immediately with the work of building dams for reservoir and laterals for irrigation.

"Now, therefore, the secretary of the Senate of the State of Washington is authorized and directed to transmit without delay a copy herewith to the President of the United States and to each branch of the Congress and to each Senator and Representative in Congress from the State of Washington.

"And your memorialists will ever pray."

HARRISON W. MASON,
*Secretary of State Senate.*

The VICE PRESIDENT also laid before the Senate a letter in the nature of a memorial from Fanny T. Pickrell, of San Mateo, Calif., remonstrating against the enactment of the so-called "Townsend old-age pension bill", which was referred to the Committee on Finance.

He also laid before the Senate petitions of sundry citizens of Republic and Uniontown, Pa., praying for the enactment of legislation empowering the Bureau of Investigation of the Department of Justice to investigate all subversive activities of individuals and organizations, alien or otherwise, seeking or planning the overthrow of the Government by force or violence or other unlawful means, and also the deportation of all aliens advocating or planning the overthrow of the Government by force or violence, which were referred to the Committee on Immigration.

He also laid before the Senate a petition of sundry citizens of Roberts, Wis., praying for continuance of the investigation of the munitions industry, which was referred to the Special Committee on Investigation of the Munitions Industry.

He also laid before the Senate a letter in the nature of a memorial from William Evers, of Chicago, Ill., remonstrating against the ratification of the World Court protocols, which was ordered to lie on the table.

He also laid before the Senate numerous telegrams in the nature of memorials from sundry citizens of the States of Connecticut, Illinois, Kentucky, Massachusetts, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, and Pennsylvania, remonstrating against the ratification of the World Court protocols, which were ordered to lie on the table.

Mr. CAPPER presented a letter in the nature of a petition from the Kansas State Protective League of Women, Topeka, Kans., praying for the enactment of antilynching legislation, which was referred to the Committee on the Judiciary.

Mr. ASHURST presented the following memorial of the House of Representatives of the State of Arizona, which was referred to the Committee on Finance:

STATE OF ARIZONA,
TWELFTH LEGISLATURE,
HOUSE OF REPRESENTATIVES,
REGULAR SESSION.

House Memorial 1

To the PRESIDENT AND CONGRESS OF THE UNITED STATES OF AMERICA:

Your memorialist, the Legislature of the State of Arizona, respectfully represents:

Our Nation is suffering from the paralysis of industry and trade. The normal flow of commerce is obstructed, causing untold loss to basic industries and suffering and want to millions of citizens deprived of employment.

These deplorable conditions are so wide-spread that they are breeding a dangerous discontent, fostering un-Americanisms, and destroying the morale of the people to such an extent as to occasion apprehension for the safety of the Government.

It should be apparent that so long as the people have neither buying power nor the opportunity to create it, any effort to stimulate trade or industry must end in failure. All efforts to date have been either local in character or applied to the relief of certain classes of citizens, or designed to stabilize or stimulate certain trades or industries. Without decrying the limited and temporary benefits derived from such measures, we believe that in the end they can only fail to meet the Nation's needs.

The Townsend old-age revolving pension plan, which is simple, self-executing, self-liquidating, and Nation-wide in its application, is suggested as a practical means by which purchasing power may be immediately created, industry revived, and want and suffering dissipated. It contemplates no changes in the governmental structure nor the establishment of any new departments.

In support of this constructive proposal, we submit that the Townsend old-age revolving pension plan will fulfill the primary duty of the Government to provide a flexible, liquid, rapid-moving medium of exchange; make immediate openings for approximately 5,000,000 men to take the places vacated by as many pensioners; create 8,000,000 new jobs to supply the needs of that many persons who will be regularly expending $200 per month each, thus practically reestablishing normal conditions of employment, and will greatly lessen necessary expenditures for relief and do away with a large part of the crime, as it will do away with the incentive for the crime which now curses the land. Wherefore your memorialist prays:

1. That careful investigation be made of the provisions of the Townsend old-age pension plan, and if the claims made for said plan are found to be justified, that it be enacted into the law.

2. That the proposed legislation be so drawn as to merely suspend and not repeal existing pension laws.

And your memorialist will ever pray.

Adopted by house January 22, 1935.

THOS. D. TWAY,
*Speaker of the House.*
LALLAH RUTH,
*Chief Clerk of the House.*

Mr. NORRIS presented the following resolution of the Senate of the State of Nebraska, which was referred to the Committee on Agriculture and Forestry:

Resolution requesting the United States Government to establish a national arboretum at Nebraska City, Nebr.

Introduced by Senator Fred L. Carsten, of Cass

Whereas the rapid destruction of our forests and entirely inadequate reforestation efforts are bringing our State and Nation face to face with the serious dangers involved in wood shortage, rapidly increasing soil erosion, loss of subsoil moisture, and destruction of wildlife, not to mention the aesthetic values and opportunities for recreation lost by our lack of trees and shrubs; and

Whereas the United States Government has established a national arboretum near Washington where trees and woody shrubs from different parts of the world may be brought together, tested and compared to determine their relative merits for timber production, ornamental, and other purposes. There the laws of tree growth, reproduction, water conduction, nutrition, etc., and their relation to soil and other environmental conditions can be studied to excellent advantage; and

Whereas the Forest Service of the United States Department of Agriculture said in its recent report to Congress on the forest problem of the United States: "Since many of the results to be obtained in arboreta are applicable only in the climatic regions within which the arboreta are located, there should be arboreta in all such regions"; and

Whereas Nebraska City, Nebr., would be an ideal location for a national arboretum that would furnish the whole Middle West with the inspiration and information needed for a reforestation program; and Nebraska City has the additional advantages of having near it a great variety of terrain, so that within the bounds of the five hundred to a thousand acres needed could be found hill and valley, dry land, and streams, as well as being already widely known as the home of J. Sterling Morton, the founder of Arbor Day: Be it therefore

*Resolved*, That we, the Senate of the State of Nebraska, do hereby urge the United States Government to establish a national aboretum at Nebraska City, Nebr., and thus create an institution which will go far to assure the permanent success of the forestry program so badly needed in the Middle West.

Mr. NORRIS also presented the following resolution of the Senate of the State of Nebraska, which was referred to the Committee on Commerce:

Resolution memorializing the Congress of the United States to include building of free interstate bridges across the Missouri River as Public Works Administration projects

(Introduced by Senators Neumann, Dafoe, Howell, Sullivan, Carsten, Wells, Crowley, Jelen, and McMahon)

Whereas in many instances the United States of America, through its Public Works Administration, has considered Federal aid, in whole or in part, on intrastate bridges within the State of Nebraska feasible projects to alleviate distress of the inhabitants of this State, accentuated by the 1934 destructive drought; and

Whereas the effect of the withering drought still pinches our people, and work relief is imperative if our State is effectively to carry on until private industry can absorb our employables now out of jobs: Now, therefore, be it

*Resolved by the Senate of the State of Nebraska in fiftieth session assembled,*

1. That this house hereby respectfully petitions and memorializes the Congress of the United States to provide further assistance through its Public Works Administration to consider the immediate public necessity of 100-percent Federal participation in free interstate-bridge projects across the Missouri River at South Sioux City, Nebr.; Blair, Nebr.; Omaha, Nebr.; Plattsmouth, Nebr.; Nebraska City, Nebr.; Louisville, Nebr.; Decatur, Nebr.; Brownville, Nebr.; and Rulo, Nebr., or at such other locations across said river as good engineering and public necessity require.

2. That the secretary of the senate is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to the United States Senators representing the State of Nebraska, and to the Congressmen in the House of Representatives of the United States representing the State of Nebraska, to take such steps as may be necessary to provide for free interstate bridges across the Missouri River and thus afford the citizens of our State immediate relief which is desperately needed.

Mr. NORRIS also presented the following resolution of the Senate of the State of Nebraska, which was ordered to lie on the table:

Resolution—participation in the World Court

(Introduced by Senators Edward Gillette, of Phelps; A. L. Neumann, of Burt; Charles J. Warner, of Lancaster; W. C. Bullard, of Red Willow; Rolla C. Van Kirk, of Lancaster; Frank J. Brady, of Holt; A. T. Howard, of Scotts Bluff; and Sam J. Howell, of Douglas)

Whereas the United States Senate is discussing the proposal that this Nation enter the World Court and subject its citizens to foreign interference in disputes involving international policy; and

Whereas it has been the policy through the history of this Nation for its citizens to reach their own decisions in international affairs through their duly elected representatives; and

Whereas we believe a majority of the citizens of Nebraska strongly oppose entrance of the United States into foreign entanglements: Be it

*Resolved*, That the Senate of the State of Nebraska record itself in opposition to United States participation in the World Court, and that the secretary of this senate immediately forward copies of this resolution to Nebraska's representatives in the United States Senate, Senators GEORGE W. NORRIS and EDWARD R. BURKE.

## FUNDS OF HOME OWNERS' LOAN CORPORATION

Mr. BARBOUR. Mr. President, I ask unanimous consent to have printed in full in the RECORD and appropriately referred a brief resolution adopted by the council of the town of Harrison, N. J., urging an additional appropriation for the Home Owners' Loan Corporation.

There being no objection, the resolution was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

TOWN OF HARRISON,

Resolution by Councilman O'Malley

Whereas an appreciable number of residents of the town of Harrison, Hudson County, N. J., who have made application to the Home Owners' Loan Corporation for a mortgage loan upon their homes have received notice that their applications for a mortgage loan cannot be acted upon because the funds appropriated by Congress for the use of Home Owners' Loan Corporation has become exhausted: Therefore be it

*Resolved by the council of the town of Harrison, in the County of Hudson and State of New Jersey:* That the council respectfully petition and urge our duly elected Senators and Representatives to take such action as may be necessary to effectuate an additional appropriation of funds for use of the Home Owners' Loan Corporation; be it further

*Resolved*, That copies of this resolution be forwarded to United States Senators A. HARRY MOORE and WARREN A. BARBOUR and Representative FRED A. HARTLEY.

JOHN F. O'MALLEY.

JANUARY 22, 1935.

I, Francis J. McDonald, town clerk of the town of Harrison, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the council of the town of Harrison, N. J., at a meeting held January 22, 1935.

In testimony whereof I have hereunto set my hand and the corporate seal of the town of Harrison this 24th day of January, A. D. 1935.

[SEAL] FRANCIS J. McDONALD,
*Town Clerk.*

## THE WORLD COURT

Mr. WHITE. Mr. President, I ask unanimous consent to have inserted in the RECORD in full and to lie on the table resolutions adopted by the faculty of Colby College, in my State, favoring the ratification of the World Court protocol.

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

Whereas the United States has advocated the judicial settlement of certain types of international disputes since the time of the First Hague Conference in 1899; and

Whereas the World Court has been successfully applying the judicial method to the settlement of international disputes for 12 years; and

Whereas the Senate voted for our adherence to the Court in 1926 if certain conditions were met, and the United States signed, under Executive authority, the three pending World Court treaties, because, in the judgment of the Department of State and other competent bodies, they do fully meet the Senate's conditions and will, when ratified, complete our adherence: Therefore be it

*Resolved*, That the faculty of Colby College expresses its earnest hope that the Senate of the United States will give its consent early in the 1935 session to ratification of the three pending World Court treaties so that the United States may complete its adherence to the Court and thus make clear to all the world its support of the settlement of international disputes by judicial process.

REPORT OF A COMMITTEE

Mr. AUSTIN, from the Committee on the District of Columbia, to which was referred the bill (S. 406) to amend an act approved May 1, 1906, entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes", reported it with an amendment and submitted a report (No. 28) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 1454) to authorize the Secretary of War to furnish bronze markers for certain graves; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 1455) granting a pension to Hannah Collins; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 1456) to compensate the heirs of James Taylor, a deceased Cherokee Indian, for all their title, interest, or claim to certain lands in the State of North Carolina now held by the United States as a part of the forest reserve, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 1457) granting a pension to Jack E. Teele (with accompanying papers); to the Committee on Pensions.

By Mr. DAVIS:

A bill (S. 1458) to empower the Government to write into the specifications and contracts the compensation to be paid to laborers and mechanics employed by contractors and subcontractors on public works of the United States and of the District of Columbia; to the Committee on Education and Labor.

By Mr. COOLIDGE:

A bill (S. 1459) for the relief of Ralph Adams Cram, Lydia B. Kimball, executrix under the last will and testament of Bertram G. Goodhue, deceased, and Donald G. Ferguson, administrator of the estate of Frank W. Ferguson, deceased (with accompanying papers); to the Committee on Claims.

By Mr. BYRD:

A bill (S. 1460) to fix standards for till baskets, Climax baskets, round-stave baskets, market baskets, drums, hampers, cartons, crates, boxes, barrels, and other containers for fruits or vegetables, to consolidate existing laws on this subject, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 1461) authorizing the Secretary of the Treasury to pay subcontractors for material and labor furnished in the construction of Government buildings at Fort Myer, Va.; to the Committee on Public Buildings and Grounds.

A bill (S. 1462) for the relief of the Butler Lumber Co., Inc., Richmond, Va.; and

A bill (S. 1463) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on certain claims of Norfolk Southern Railroad Co.; to the Committee on Claims.

By Mr. WALSH:

A bill (S. 1464) for the relief of Frank P. Hoyt; to the Committee on Military Affairs.

By Mr. BULOW:

A bill (S. 1465) to create an Indian Claims Court for the immediate settlement of Indian tribal and band claims, defining the powers and functions thereof, and for other purposes; to the Committee on Indian Affairs.

By Mr. LA FOLLETTE:

A bill (S. 1466) to fix the hours of duty of postal employees, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. WHITE:

A bill (S. 1467) granting a pension to Berger H. Shorey; to the Committee on Pensions.

By Mr. NYE:

A bill (S. 1468) for the relief of Charles Augustus Lathrop; to the Committee on Claims.

By Mr. HAYDEN:

A bill (S. 1469) to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of Yavapai Indians, Arizona; to the Committee on Military Affairs.

By Mr. BYRD:

A joint resolution (S. J. Res. 47) authorizing the President to present in the name of Congress a medal of honor to James A. Austin; to the Committee on Military Affairs.

HOUSE BILL REFERRED

The bill (H. R. 4304) to amend the Second Liberty Bond Act, as amended, and for other purposes, was read twice by its title and referred to the Committee on Finance.

INVESTIGATION OF FEDERAL LAND BANK, WICHITA, KANS.

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 61), which was referred to the Committee on Agriculture and Forestry:

*Resolved*, That the Committee on Agriculture and Forestry of the United States Senate be, and is hereby, authorized and directed to investigate the Wichita (Kans.) Federal Land Bank and allied institutions and departments located at such bank, and more particularly as follows:

(a) The extent and nature of the supervision exercised over said Wichita (Kans.) Land Bank and allied institutions by the Farm Credit Administration located at Washington.

(b) The alleged illegal and detrimental influence used by the said Farm Credit Administration over the members of the board of directors of said Wichita Land Bank in the selection and election of a president of the said land bank.

(c) The charge that alleged influence of an improper kind is being used, knowingly or unknowingly, by the Farm Credit Administration located at Washington in an attempted coercion of the members of the board of directors of the said Wichita (Kans.) Land Bank to force such members to vote for a president selected by such Farm Credit Administration in advance and contrary to the wishes of the members of said board of directors, and the charge that the said person suggested for election is being promoted by banking and commercial influences.

(d) The extent, if any, of the alleged coercion of officials of said Wichita (Kans.) Land Bank in relation to matters of the selection and the discharge of employees.

(e) The alleged existence of a ring within the said Wichita, Kans., institution which is alleged to be in full control of the said institution and that said institution is being managed and manipulated from partisan political considerations.

(f) The alleged detrimental influence upon such institution exerted by the Farm Credit Administration located at Washington in keeping on the board of directors of the said Wichita Land Bank a member who is alleged to be disqualified to hold such position under the law, rules, and regulations governing said institution.

(g) The alleged interference of the Farm Credit Administration located at Washington with the board of directors and other administrative officials of said institution in the proper discharge of their duties under the law, rules, and regulations governing said institution.

(h) The cause of the alleged failure of said Wichita Land Bank in giving attention to and taking care of the applications for loans arising from the territory embraced within such Federal land-bank district.

(i) The extent, if any, to which detrimental partisan politics has influenced the policies and activities of said Wichita institution.

(j) The extent, if any, of the alleged charge that partisan politics has dictated and controlled the selection and employment of attorneys to represent the said Wichita Land Bank and allied institutions in the conduct of its business.

(k) The committee is authorized and directed to investigate all matters connected with said Wichita (Kans.) Federal Land Bank and allied institutions with a view to the formulation and submission of legislation for the consideration of the Congress.

For the purposes of this resolution the committee or any subcommittee thereof is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Congress until the final report is submitted, to require by sub-

pena, or otherwise, the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

HEARINGS BEFORE COMMITTEE ON CIVIL SERVICE

Mr. BULOW submitted the following resolution (S. Res. 62), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Committee on Civil Service, or any subcommittee thereof, hereby is authorized during the Seventy-fourth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be held in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

INQUIRIES INTO DISASTERS AT SEA

Mr. WAGNER submitted the following resolution (S. Res. 63), which was referred to the Committee on Commerce:

Whereas on September 8, 1934, the steamship *Morro Castle*, within 6 hours of its scheduled arrival in the port of New York, was swept by fire at sea with the loss of many lives; and

Whereas on January 24, 1935, the steamship *Mohawk* went down at sea with the loss of many additional lives; and

Whereas various investigations already held and now being held in connection with the *Morro Castle* disaster and the loss of the *Mohawk*, when combined with the records of other maritime tragedies in recent years, create a prima facie case that remediable conditions exist which do not tend to produce the utmost practicable degree of safety from the perils encountered upon the sea; and

Whereas it is imperative that life and property be accorded the utmost attainable degree of safety from such perils: Therefore be it

*Resolved*, That a special select committee of five Senators, to be appointed by the President of the Senate, is authorized and directed (1) to collect, collate, coordinate, and make available to the Senate the results of (a) the inquiry into the *Morro Castle* disaster conducted by the Secretary of Commerce through the Steamboat Inspection Service of the Department of Commerce; (b) the inquiry into the *Morro Castle* disaster, and the actions taken in connection with or subsequent to such inquiry, by the United States attorney for the southern district of New York; (c) such inquiries into the *Mohawk* disaster as have been or may be conducted by the Secretary of Commerce through the Steamboat Inspection Service of the Department of Commerce and by the United States attorney for the southern district of New York, and the actions taken in connection with or subsequent to such inquiry; and (d) such other inquiries into the *Morro Castle* disaster, the *Mohawk* disaster, and other maritime tragedies as would, in the discretion of the committee, be helpful for the purposes of this resolution; (2) to make such further investigations of the *Morro Castle* and the *Mohawk* disasters, including the rescue operations carried on in connection therewith, as the committee shall deem advisable and necessary for the purposes of this resolution; (3) to investigate the adequacy and enforcement of the present legal standards of safety of ship construction and operation; (4) to investigate the prevalent methods and practices in the complementing of sea-going vessels, including all conditions of employment; (5) to investigate the adequacy and efficiency of the Steamboat Inspection Service; (6) to investigate whether the laws governing liability for loss of life and property at sea, the laws and usage of salvage, and the laws, usages, and practices of the business of marine insurance tend to encourage the installation and utilization of such devices and the promotion of such practices as are conducive to safety and to a paramount concern at all times for the preservation of life; and (7) to make a preliminary report of the results of its investigations as soon as practicable, to make further reports from time to time, but at least once during each regular session of the Senate until it has completed its investigations, and to submit a final report to the Senate, together with its recommendations for necessary legislation. The President of the Senate shall appoint members to fill any vacancies that may occur in the committee.

For the purposes of this resolution such committee or any duly authorized subcommittee thereof is authorized to hold such hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-fourth and succeeding Congresses until the final report is submitted, to employ such counsel, experts, and clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of such committee, which shall not exceed $50,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

JUDICIAL DISTRICTS IN MICHIGAN

Mr. VANDENBERG submitted the following resolution (S. Res. 64), which was referred to the Committee on the Judiciary:

Whereas there is great congestion in the district courts of the United States for the eastern district of Michigan; and

Whereas there is an apparent need for a fourth district judge in said eastern district of Michigan; and

Whereas the eastern and western districts of Michigan cover vast geographical areas; and

Whereas great inconvenience in conducting the business of the district courts of said districts results from the traveling made necessary by the vastness of such areas; and

Whereas it may be advisable to redistrict the State of Michigan, creating three judicial districts therein, instead of providing for a fourth judge in the eastern district of said State: Therefore be it

*Resolved*, That the Department of Justice is requested to investigate the advisability of such redistricting and to report to the Senate, as soon as practicable, the results of its investigation.

THE WORLD COURT

The Senate, in executive session, resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Permanent Court of International Justice.

Mr. JOHNSON obtained the floor.

CALL OF THE ROLL

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Costigan | La Follette | Reynolds |
| Austin | Couzens | Lewis | Robinson |
| Bachman | Cutting | Logan | Russell |
| Bailey | Davis | Lonergan | Schall |
| Bankhead | Dickinson | Long | Schwellenbach |
| Barbour | Dieterich | McCarran | Sheppard |
| Bilbo | Donahey | McGill | Shipstead |
| Black | Duffy | McNary | Smith |
| Bone | Fletcher | Maloney | Steiwer |
| Borah | Frazier | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Guffey | Murray | Truman |
| Byrd | Hale | Neely | Vandenberg |
| Byrnes | Harrison | Norbeck | Van Nuys |
| Capper | Hastings | Norris | Wagner |
| Caraway | Hatch | Nye | Walsh |
| Carey | Hayden | O'Mahoney | Wheeler |
| Clark | Johnson | Pittman | White |
| Connally | Keyes | Pope | |

Mr. AUSTIN. I wish to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines upon business of the Senate.

Mr. LEWIS. I beg to announce that the senior Senator from New York [Mr. COPELAND] and the Senator from Kentucky [Mr. BARKLEY] are necessarily detained from the Senate; that the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON] are absent on account of illness; and that the Senator from California [Mr. McADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. McKELLAR] are absent on business of the Senate as members of the Philippine Commission.

The PRESIDING OFFICER (Mr. LA FOLLETTE in the chair). Eighty-seven Senators having answered to their names, a quorum is present. The question is on agreeing to the resolution of ratification, and the Senator from California [Mr. JOHNSON] is entitled to the floor.

Mr. JOHNSON. Mr. President, as a very humble Member of this body, I wish, in the closing hours of this debate, to congratulate the Senate on the character of the debate that has been had here, to congratulate the individuals who have participated in it, and generally those who have been a part of the decision in this memorable question. I recognize, of course, that differences of opinion may exist; I recognize, of course, the right of any man upon this floor to his opinion and to have that opinion accorded the same respect that I hope may be accorded me for mine. I disagree emphatically, of course, with some things that have been said upon this floor and I disagree with those gentlemen who would undertake the policy that is now before us,

fraught with such potential difficulties and perils to our country. Disagreeing with them, however, I recognize that they present their case in the same fashion that I endeavor to present mine. They are wrong, of course, but finding them thus wrong we will pass them by and, with Stern's recording angel, we "will drop a tear and blot it out of the page of life."

Mr. President, we have presented to us now the end of what has been another memorable contest in the Senate, and at the end of that contest there are a few things to which I wish to advert in order that they may be impressed upon the minds and the memories of those who desire to conserve their country's welfare. I bring them to you lest you forget; I bring them to you with the knowledge that your patriotism is as high as mine and that you desire as I desire, to do naught which shall detract from the future prosperity, the future glory, the future greatness or the future character of the great Nation to which both of us yield our adherence.

I recognize that outside this Chamber some of the things that I will advert to are old stuff; I recognize that some of the names that I will mention are mentioned now by certain editorial writers, and some others, and by those who arrogate to themselves a knowledge greater than that possessed ever before by man, only sneeringly and in contempt. I recognize that this discussion in the last few years has developed a peculiar psychology on the part of a number of people in this land, a number of people who forget all the wisdom of the past and all the men of the days gone by who made it possible for you and me to sit here in this body and made it possible that there should be a United States of America and a lasting people's government in this world.

The utterances of the distinguished gentlemen who are forever indulging in their jibes of those of bygone days you have read as I have read, and perhaps you understand, as I do not, the strange gyrations mentally of the minds of the internationalist writers of today and of those people who have grown so great that the limits of the United States of America no longer can confine their overgrown personalities and their marvelous mentalities.

Senators realize, as I do, that the gentlemen who write and who talk about "old stuff" and "forgotten men" in the history of this land, write themselves the great of today and the great of the past, and no wisdom of the years can affect them for they know it all. They, with their sneers for those whom we have ever honored, with their sneers regarding our experience or history, would strike from the memories of our youth the patriots who gave us the Republic.

We are dealing today with one simple proposition—shall we go into foreign politics? Phrase it as you will, belittle it as you may, minimize as you see fit anything in this discussion, the question in the last analysis is: Shall we go into foreign politics? That is the real question. As Mr. Beveridge said in that very excellent work of his of a few years ago:

> The manner of going in is not important. Once we are in we are in. We can depend upon that. We shall find it hard to get out after we make the plunge, no matter what style of bathing suit we wear.

There is the problem. Shall we go into politics foreign to ourselves and our institutions? Once we are in it does not make any difference whether we are in a little way or whether we are in a long way, or whether we have gone into one appendage of the League or whether we have gone into the League—once we are in, we are in. That is all there is to it. The difficulty of getting out will be obvious to the thoughtful and disinterested.

Of course—

Said Mr. Beveridge—

> Europe wants us in on any pretext. There is no doubt about that. Mr. Lloyd George declared in the House of Commons that "What really matters is getting the Americans in, with or without the League of Nations."

Getting us in! Getting us in! Oh, Senators may not have my antiquity of years, but if they will recall what transpired before the Great War they will remember that there were certain propagandists in this country with just a thought in mind—the single thought to get us in. That was the theory and that was the idea which was presented. Some of those propagandists are today yet propagandizing to get us into Europe.

> The latest English book in defense of the League, published this year—

It was 1924 that Beveridge was writing—

> admonishes the British people that they should do everything possible to facilitate American adhesion to the International Court and participation in such League activities as may interest her. It we can do these things, it is certain as anything can be that in 3 or 4 years at most the United States will be putting at the service of the League all the immense prestige conferred upon her by her size and her power.

I know that statement is undoubtedly true. It is written, of course, by one abroad, but it is the fact that none who are familiar with the history of this Nation in recent years can for an instant gainsay. Get us in! That is the point. American adhesion to the International Court or participation in the League—that is the point. Get us in; and when we are in, then, of course, all the internationalists of this land will tell of the necessity that exists for us to perform our moral obligations and, if necessary, become a part of the intrigue, the controversies, the broils, and possibly ultimately the wars on the other side of the ocean.

Today my text is "The Forgotten Men of American History." I would not dare stand here and read, because of its offensiveness to editorial writers in this land, George Washington's Farewell Address. It is out of date, say they. It is outworn, say they. Oh, Washington, they say, lived in another age, and he should not be heard. It is "old stuff", they repeat again and again. But I have prepared, from George Washington to Theodore Roosevelt, what has been said by these who have gone before, concerning matters abroad and concerning our participation in difficulties across the sea. I ask leave that these excerpts may be included in the RECORD, that I may not have to read them all, and then, with a reference here and there, I want to demonstrate that until 20 years ago there never was such a psychology in this country as the last 20 years has brought about; and the last 20 years bringing it about has brought a peculiar sort of people among us, with whom we had not been familiar, with a different attitude toward our country.

The PRESIDING OFFICER. Without objection, the request of the Senator from California is granted.

(See exhibit A.)

Mr. JOHNSON. Senators will remember, of course, Hamilton and his position, Washington and his position. Senators will recall, because it has been printed so often, Thomas Jefferson's admonition to us. I recall, too, as other Senators probably do, old John Adams' statement in reference to our attitude toward Europe. Then Senators remember, doubtless, his remarkable son, who expressed himself in language that lasts today as the most eloquent probably that has been uttered in respect to the question, lasts all over this land, and ought to be all-controlling with our people. Adams, while Secretary of State, spoke his mind in no uncertain fashion. Emerson, out of Massachusetts, spoke his as well. Then came Andrew Jackson, and following Andrew Jackson came the great Democratic President, Grover Cleveland. William McKinley followed him, and Theodore Roosevelt, the last of the illustrious line who insisted upon the character of our foreign relations and the maintenance inviolate of the policy first declared by Washington.

I want to read an article on this subject by one who has been mentioned here often during this debate. I mention this article, and I read it, because John Bassett Moore is today, with an enriched experience and ability and an integrity that none questions, and with a learning that equals that, in his particular sphere, of any man on the face of the earth, still one of the greatest of Americans.

In Foreign Affairs, an American Quarterly Review, for July 1933, he wrote An Appeal to Reason, and he wrote this appeal because he saw, with his ripe experience, exactly the trend there was in the peculiar psychology of this country from those who call themselves internationalists.

Mr. Moore, in the course of this article, referred, first, to the doctrine as announced by Mr. Stimson.

In order to ensure entire precision I have explained the new psychology in the very words used by Mr. Stimson, its authoritative exponent and sponsor, in two issues of Foreign Affairs. Mr. Stimson, just as might have been expected, has not changed front on the Kellogg Pact. He still says that its efficacy must depend on public opinion and not on force. It is only when the sanctions of the Covenant and the alleged "decisions" of the League are invoked that he welcomes, as agencies of peace, the menaces and measures of war which the Covenant prescribes. I have no quarrel with Mr. Stimson. He is present in my reflections only as the spokesman, and as a sincere spokesman, of a group identified with a certain type of mind and thought, and with a belief in methods and measures which I, who modestly pray for peace in my own time, profoundly distrust not only because they have no visible moorings on earth or in the sky but also because they have infected many of my countrymen with confused notions of law and conduct which, while they endanger our most vital interests, hold out hopes of partisan intervention that encourage European governments to defer the readjustments which only they can make and which are essential to peace and tranquillity in that quarter. As long as we persist in our misguided role, so long will discussions of disarmament be dominated by thoughts of war rather than of peace.

Again, Mr. Moore takes up the thread of our birthright. Oh, it is a terrible thing to speak of our birthright now. According to the internationalists outside this Chamber, we have no birthright. Ours is simply to do, under some undisclosed, mysterious, spiritual mysticism, something for all the rest of the world rather than something first for our own.

In speaking on our birthright, he quotes, first, Washington's Farewell Address, which I dare not read, of course, because it is old stuff, and it "comes from a man who lived long ago"; as if wisdom were dependent upon the last few years, and had to emanate from some internationalist who believed that the duty of all of us was, first, to go abroad and attend to people over there.

Wisdom, like many other things, with age becomes better defined and better understood, and is of more value unto peoples. But the gentlemen who prate about what our duty is abroad can find no wisdom in all the past experience that counts for aught. What has been said by those who have been ours counts for nothing; there is nothing, indeed, that counts with them except some jittery organization which has not any understanding whatsoever of the question at issue or of its details.

Sagacious John Adams—

Writes Mr. Moore, after quoting Washington and Jefferson—

who spent many years in Europe and signed our first treaty with Holland, as well as the treaty with Great Britain, acknowledging our independence, when a European diplomatist remarked that he seemed to be afraid of being made the tool of the powers of Europe, exclaimed, "Indeed I am."

What a terrible thing that is! I think I heard somebody upon this floor ask, "Are you afraid of these judges who sit in this sacrosanct Court?" I answer him that I am afraid of some of these judges who sit in this sacrosanct Court, and I am more afraid of their chancellories that direct their activities and command their services.

Old John Adams, when spoken to regarding the powers of Europe, and asked if he was afraid of being made a tool by the powers of Europe, exclaimed:

Indeed I am.

And when asked—

What powers?

Replied—

All of them.

What a terrible thing to say! Awful! But he had been there, and he had dealt with them, and he understood; and he added:

It is obvious that all the powers of Europe will be continually maneuvering with us to work us into their real or imaginary balances of power.

Why, of course! I read to you the other day the dispatch to the New York Times in 1926, when the word first came that America had joined the World Court, or was about to do so. Briand, the apostle of peace, said, "It is a beau geste; it is the first step"; and Chamberlain, the wily diplomat of Britain, said, "Don't say that! Sh-h-h-h! Don't say that", and Mr. Briand said nothing more; and the correspondent, in commenting upon it, said that after all, Europe regarded the joining of the World Court as perhaps not a particularly important matter, but Europe regarded our joining the World Court as all-important from the standpoint of our participation in world politics and European affairs. That is the point of what we are doing today, and that is the thing that I would prevent, were it possible to do so.

Said John Adams:

They will all wish to make of us a makeweight candle, when they are weighing out their pounds. Indeed, it is not surprising; for we shall very often, if not always, be able to turn the scale. But I think it ought to be our rule not to meddle; and that of all the powers of Europe not to desire us, or perhaps even to permit us, to interfere if they can help it.

Nothing more profoundly true was ever said—

Says Judge Moore—

and this was fully recognized by all our national administrations and by our greatest statesmen down to 20 years ago, when, to the disturbance of our interests and our happiness, we began to swing on the trapeze at international political performances and even to pay for the privilege of so doing.

Not long ago—

Says Judge Moore—

a callow stripling, when I mentioned the name of George Washington, curtly remarked that his ideas were out of date and unsuited to the modern world.

This international press says, "It is old stuff; old stuff by an old man, a forgotten man, a forgotten American!"

Not long ago a callow stripling, when I mentioned the name of George Washington, curtly remarked that his ideas were out of date and unsuited to the modern world. This is an essential postulate of the shallow dupes who, prating of our having lately become a "world power", urge that we blindly don an imported livery of "world service", to be paid for, on demand, in unestimated installments of blood and treasure. But it is a sad day when the children of a nation are taught to prattle ignorant and perverted slights of the men who, with steady and skillful hands, laid the foundations of its greatness and prosperity; men to whom, by reason of their exemplary valor, integrity, and wisdom, an understanding world has awarded the highest place among the immortals. Thomas Jefferson, who spoke with the authority of an intimate official association and with an intelligence that embraced all times and all climes, declared that in elevation of character, in sureness of judgment, in firmness of purpose, in inflexible justice, and in scrupulous obedience to the laws, civil and military, throughout his whole career, Washington furnished an example unparalleled in history. Jefferson himself stands before the world as a great political genius, whose ideas still stir men's minds. Alexander Hamilton, soldier, jurist, great administrator, of whom Webster said that "he touched the dead corpse of public credit, and it sprung upon its feet", is still studied as a profound political theorist at home and abroad. And what of Benjamin Franklin, discoverer, inventor, philosopher, consummate diplomatist at home and in all lands, of whom Charles Phillips eloquently said that his fame would revive the hopes of men in ages yet to come?

Such are the men whom our vaporers of current sublimities would shelve as fossils in our museums of natural history, on the hasty supposition that by various modern devices, by which men may more rapidly and more frequently communicate, and more quickly hurt or help one another, discordant races and people have been harmoniously united in thought and in action and in brotherly love.

* * * The times must be out of joint when a warlike ardor for peace depreciates the glory that was Greece and the grandeur that was Rome; when new and untried visions are held superior to the proved philosophies of Plato and Aristotle, of Cicero and Seneca, of Bacon and John Locke; and when the wisdom of great statesmen, heard with reverence only 20 years ago, is suddenly rejected as having no current value.

Then, Judge Moore discusses the question of our being a world power and shows that always we have been:

It is useless—

He proceeds—

to continue the specification of instances. Nations, like individuals, may increase their power by combining with a due attention to their own business the extension of their friendly offices to brethren in trouble, and by conserving their militant resources for occasions when their vital interests are at stake. A nation that undertakes to meddle with every foreign disturbance is bound to become an international nuisance, to its own detriment as well as

to the annoyance of other countries. Power is neither gained nor kept by such methods. Although megalomania may be sincere, it is noted for its mistakes.

He deals then with the question of isolationists, and says that we should not resent being called "isolationists", and that we have good ancestral justification, which he describes; and then, at the conclusion of that paragraph:

It would be as sensible to condemn as an "isolationist" a man who did not tie himself up with unnecessary contracts, and especially of the kind that were likely to impoverish or ruin him, without benefit to himself and perhaps with injury to others. Such epithets serve only to exemplify the want of knowledge and of understanding of those who employ them.

* * * * * * *

We also hear much of the "international mind." Would to God that we had more of it! But in devoutly expressing this wish I do not confine it to my own country, nor do I lack a definite conception of what an international mind ought to be. Having for many years been connected with the administration of foreign affairs, I can truthfully affirm that there is no nation toward which I cherish a feeling of enmity. I have always been a peacemaker; and, as an international judge, I am willing to stand on my record as one who strove to act without fear or favor. But I confess—

Oh, what a confession is this! Oh, how down upon our devoted heads will it draw the anathema of all these international writers and all these international newspapers.

I have always been—

He says—

a peacemaker * * *. But I confess—

I confess it, too, my friends—

that of all countries I love my own the best.

Of all countries, I love my own the best!

No international mind is, in my opinion, to be desired or to be trusted that is not built on a national foundation. The man who cannot sing his national anthem with a whole heart is not fit to be entrusted with negotiations with foreign powers. No experienced diplomatist would trust out of his sight an adversary who did not seek to obtain for his own country a square deal. Only those who are disposed to maintain the rights and interests of their respective countries can treat with one another on the basis of mutual self-respect. The best diplomatists are those who are willing to give as well as to take; who can grasp and apply the equitable solution that assures to each that which is justly due; who, in leaving behind them no heart burning and resentments, conserve the interests of all. It is a pleasure to remember the men of this type with whom I have dealt.

We are told that invention and trade and industrial organization cannot be reversed. But nobody wishes or proposes to reverse them. We are told that the world has become too dependent on comforts to be willing to give them up; but, although dependence on comforts is not a sign of strength, either physical or mental, no one is specially advocating their abandonment. But the culmination is reached when we are told that we cannot "retire within our borders" and lead a life of "isolation."

When have we ever done such a thing, or proposed to do it?

The late Grand Duke Alexander of Russia, on revisiting the United States in 1928 after an absence of 13 years, said that on his return the impression he had got was that what he had admired as the robustness of American life "had given place to the sickening self-consciousness of an hysterical idealism", and had been superseded by the "same hodge podge of badly digested ideas" as had characterized the Guards Barracks in St. Petersburg 30 years back. "So this", he exclaimed, "was the American share of the Versailles spoils! It seemed bewildering that any nation should send 2,000,000 men across the ocean to fight for something that did not concern it in the least, tear up the map of the world, and lend billions of dollars to its competitors", all for the purpose of acquiring the worse traits of pre-war Europe.

I cannot, within the limits of the time that is mine, read to you all that I should like to read; but one further brief passage:

Esau, thinking that he was about to die, sold his birthright for a mess of pottage; but the Bible censures him for having despised his birthright. What would have been the nature of the censure if he had thrown his birthright wantonly away or had allowed himself to be cheated out of it? Europe is the victim of history, a seething mass of hereditary feuds. They exist in the western part as well as in the eastern, and they are peculiarly bitter in the southeastern where the war in 1914 originated. The Balkan Peninsula may be likened to a Vesuvius, always in danger of eruption. Once when I asked an Albanian to meet a Serbian he did not know, he hissed in reply: "He i-s-s my en-e-my!" The United States may, if it should unhappily see fit to do so, associate itself with these feuds and henceforth help to fight them out. It may embitter and help to perpetuate them, but it cannot end them.

I read that because it is the utterance of a philosopher and author, a man of tremendous ability, and a man of service and experience, and he expresses a view that I reecho. After all, where are our memories; where are our recollections of what occurred?

I remember sitting in this body with the solemn call of war upon us. I remember the men who came from abroad and talked to us from that platform. I recall the distinguished Englishman who told us, in words that brought tears to the eyes of all of us, how his nation was fighting, as ours, he hoped, would be fighting—fighting for the rest of humankind; not for aggrandizement, not for selfishness, not for pelf, not for power, not for territory, not for having new peoples; and at the very time he was talking to us thus, his pockets were bulging with secret treaties by which he and those who were associated with him had divided up the earth and all the lands they expected to come from the victory that we were to win for them!

That is a part of the game abroad. It is not a part of our game at home. We do not believe in that sort of thing. It is an altruism, a mysticism, and I think indeed it is an altruism which misses its mark, that takes so many people in their enthusiasms and their emotions into a contest such as that in which we are now engaged—doing it for what? Not for their country; not to solve all the ills that exist abroad, because none have been solved in the last 14 years as they should have been solved by those who were parties to them; not, indeed, for the benefit of humankind, but to go into that maelstrom with a misdirected emotional urge in order to play their part in world affairs—world affairs with which we have naught to do.

I will not yield to the longest-haired man there is in America who is prating about peace in the desire for peace. I want peace. I fought for peace as long as I could, and I will continue in the same attitude in the days to come as in the days gone by.

I recall during the war—and I have watched with great interest what the munitions investigation has been doing, and I congratulate the members of that committee upon their work—I recall during the war, young as I was then in service in this body, standing here and presenting an amendment to the tax bill to take 80 percent of excess profits from those who were making those excess profits during the war. I stood here and I saw, just as I have seen it in fights of this sort, both sides of the Chamber arrayed against me; and I recall how proud I was, when, after the long fight to take 80 percent of excess profits from men who were profiting out of the killing of our youth abroad, I received 17 votes in the United States Senate. Seventeen votes, and that was all! The RECORD will bear me out in that regard; and the RECORD will give the names, if Senators desire them, of those who voted the one way and those who voted the other way.

I am for peace. No man dare tell me I am not. I am not for taking this country into Europe, for it does not mean peace. When we have gone in there has always been difficulty; there has always been trouble; there always will be difficulty and trouble. Why go? Why go?

Oh, they tell us in ethereal tones, and in language soft and sweet, that we go solely for the purpose of stopping wars and bringing peace unto mankind; and yet they have not in all these 14 years stopped a single war nor done a single deed that looked toward the permanency of peace.

We have too many people in this country who want to look beyond our boundaries. We need have no feeling of prejudice or hostility to any other country on the face of the earth. I have none, never have had, and never will have. That is not the point that is involved here. They would not, however, think of coming over here to join us for the preservation of anything of ours in which they had no interest. If we are periling our institutions, or if in any degree we change the characteristics of our particular form of government, or if we are to be embroiled in Europe's interminable strife, troubles, and controversies, we ought not to go abroad in any way, in any shape, in any fashion, little or big, to join some foreign contraption over there.

Theodore Roosevelt in one of his very apt expressions said this on one occasion:

I do not believe that the United States should enter into a world-wide career of disinterested violence for the right; because where both the lands and the issues involved are remote from us our people wouldn't know with certainty where the right lay and wouldn't feel that we ought to go into the quarrel. We have enough to do that is our business.

Good God, have we not enough to do in this particular time that constitutes our own business? How about our 11,000,000 unemployed? How about our relief rolls? Stand here and talk upon the subject of going over to Europe, when there is legislation awaiting, and not only that, but when the highest thought and best statesmanship there is in this land should be devoted to the men in this country, Americans here, who need our aid.

Theodore Roosevelt again said—and I read these things so that the Senate may know that there has been no difference in the attitude of statesmen who have gone before from Washington to Roosevelt—Theodore Roosevelt said:

The professed internationalist usually sneers at nationalism, at patriotism, and at what we call Americanism.

Why, we see it every day, we read it every day, we have it before us, and dished out to us constantly by those who would take us abroad. Theodore Roosevelt said:

The professed internationalist usually sneers at nationalism, at patriotism, and at what we call "Americanism." He bids us forswear our love of country in the name of love of the world at large. We nationalists answer that he has begun at the wrong end; we say that, as the world now is, it is only the man who ardently loves his country first who in actual practice can help any other country at all.

Are we quite so supine and indifferent that we look upon the right to go abroad as something bestowed upon us as a favor? The only man who can render service in this time and render it well is the man who loves his own country first, and who would not go abroad except it be at his country's behest and in his country's behalf.

William McKinley stated the policy—if he still has any weight among the Republicans upon this side:

It has been the policy of the United States since the foundation of the Government to cultivate relations of peace and amity with all nations of the world, and this accords with my conception of our duty now.

We have cherished the policy of noninterference with the affairs of foreign governments wisely inaugurated by Washington.

Oh, if McKinley were here today and he made a remark about Washington of that sort, how he would be held up to contempt, ridicule, and obloquy by the internationalists who edit papers and who look forward, some of them, to a decoration from a foreign power.

We have cherished the policy of noninterference with the affairs of foreign governments wisely inaugurated by Washington * * * content to leave undisturbed with them the government of their own domestic concerns.

There is another statement by Grover Cleveland that I want to read also. Grover Cleveland once penned a message when the Venezuelan dispute was before the world—a message that will last after every man who stands upon this floor is long forgotten. It rang with the truest patriotism, with firmness, devotion to peace, and devotion to country. That message every Senator should read if he wants to be stirred by the patriotism of a really great President. Cleveland said on another occasion:

The genius of our institutions, the needs of our people in their home life, and the attention which is demanded for the settlement and development of the resources of our vast territory dictate the scrupulous avoidance of any departure from that foreign policy commended by the history, the traditions, and the prosperity of our Republic. It is the policy of independence, favored by our position and defended by our known love of justice and by our own power. It is the policy of peace suitable to our interests. It is the policy of neutrality, rejecting any share in foreign broils and ambitions upon other continents and repelling their intrusion here. It is the policy of Monroe and of Washington and Jefferson, "Peace, commerce, and honest friendship with all nations; entangling alliance with none."

Oh, in the last 20 years a strange psychology has assailed us in this land. These, all these to whom I have referred, are the forgotten men of the Republic of America. These are the men whom you dare not now quote, and whom, if you do, you are quoting "old stuff", and you are being told by gentlemen of the internationalist press that these men have become merely anachronisms in the history of the world. These are now the forgotten men of our history, Mr. President.

You, sirs, over there may win the vote in this contest—I do not know. You, sirs, over there may be able in one fashion or another to be successful in what you design. You may, in your view, win. But the victory, sirs, is ours, for we stand with the forgotten men of American history, the forgotten men who made the American Republic.

EXHIBIT A

George Washington to Thomas Jefferson, 1788: "We shall feel more than ever the want of an efficient general government to * * * connect the political views and interests of the several States under one head in such a manner as will effectually prevent them from forming separate, improper, or, indeed, any connection with the European powers which can involve them in their political disputes. For our situation is such as makes it not only unnecessary but extremely imprudent for us to take a part in their quarrels."

George Washington: "I hope the United States of America will be able to keep disengaged from the labyrinth of European policies and wars. It should be the policy of the United States to administer to their wants without being engaged in their quarrels."

Gen. George Washington to C. C. Pinckney, July 8, 1796: "It is a fact too notorious to be denied that the greatest embarrassments under which the administration of this Government labors proceed from the counteraction of people among ourselves, who are disposed to promote the views of another nation than to establish national character of their own."

John Adams: "The moral character of the United States is of more importance than any alliance."

John Adams, after leaving the Presidency, wrote: "National defense is one of the cardinal duties of a statesman. On this head I recollect nothing with which to reproach myself. The delightful imaginations of universal and perpetual peace have often amused but have never been credited by me."

Thomas Jefferson, extracts from his writings: "We have a perfect horror of everything like connecting ourselves with the politics of Europe." (To Wm. Short, 1801.)

"Commerce with all nations, alliance with none, should be our motto." (To T. Lomax, March 1799.)

"We wish not to meddle with the internal affairs of any country nor with the general affairs of Europe." (To W. F. Dumas, 1793.)

"The fundamental principle of our Government is never to entangle us with the broils of Europe." (To M. Coray, 1823.)

"I know that it is a maxim with us, and I think it a wise one, not to entangle ourselves with the affairs of Europe." (1787.)

"Better keep together as we are, haul off from Europe as soon as we can, and from all attachments to any portion of it." (To John Taylor, 1798.)

"All entanglements with that quarter of the globe (Europe) should be avoided if we mean that peace and justice shall be the polar stars of the American societies." (To J. Correa, 1820.)

"I join you in a sense of the necessity of restoring freedom of the ocean. But I doubt, with you, whether the United States ought to join in an armed confederacy for that purpose; or, rather, I am satisfied they ought not." (To George Logan, 1801.)

"Our Nation has wisely avoided entangling itself in the system of European interests, has taken no side between its rival powers, attached itself to none of its ever-changing confederacies." (Reply to address of Baltimore Baptists, 1808.)

"I have ever deemed it fundamental for the United States never to take active part in the quarrels of Europe. Their political interests are entirely distinct from ours. Their mutual jealousies, their balance of power, their complicated alliances, their forms and principles of government, are all foreign to us. They are nations of eternal war." (To President Monroe, 1823.)

"It ought to be the very first object of our pursuits to have nothing to do with the European interests and politics. Let them be free or slaves at will, navigators or agricultural, swallowed into one government or divided into a thousand, we have nothing to fear from them in any form." (To George Logan, March 1801.)

Thomas Jefferson, from his first inaugural address: "Peace, commerce, and honest friendship with all nations, entangling alliances with none."

John Quincy Adams, while Secretary of State: "The political system of the United States is also essentially extra-European. To stand in firm and cautious independence of all entanglements in the European system has been a cardinal point of their policy under every administration of their government, from the peace of 1783 to this day. If at the original adoption of their system there could have been any doubt of its justice or wisdom, there can be none at this time (July 25, 1820.) Every year's experience rivets it more deeply in the principles and opinions of the Nation. Yet in proportion as the importance of the United States as one of the members of the general society of nations increases in the eyes of the others, the difficulties of maintaining this system and the temptations to depart from it increase and multiply with it."

Letter of Adams to Addington, November 19, 1923: "No congress" (referring to the Holy Alliance) "he maintained, could

give Europe a right 'to stretch the arm of power across the Atlantic'" * * * "The very atmosphere of such an assembly must be considered by this Government as infected—and unfit for their plenipotentiary to breathe in." "The ground I wish to take", he wrote in his diary, "is that of earnest remonstrance against the interference of the European powers by force in South America—but to disclaim all interference on our part with Europe."

"As the Holy Alliance has come to edify and instruct us with their principles, it is due in candor to them and in justice to ourselves to return the compliment" (p. 122, Holy Alliance).

Emerson on the Holy Alliance: "Aloof from contagion during the long progress of their decline, America hath ample interval to lay deep and solid foundations for the greatness of the New World.

"Let the young American withdraw his eyes from all but his own country, and try, if he can, to find employment there * * *. In this age the despots of Europe are engaged in the common cause of tightening the bonds of monarchy about the thriving liberties and the laws of men; and the unprivileged orders, the bulk of human society, gasping for breath beneath their chains, and darting impatient glances toward the free institution of other countries. To America, therefore, monarchs look with apprehension, and the people with hope."

Ralph Waldo Emerson: "Let the passion for America cast out the passion for Europe. Here let there be what the earth waits for—exalted manhood. What this country longs for is personalities, grand persons, to counteract its materialities. For it is the rule of the universe that corn shall serve man, and not man corn.

"They who find America insipid—they for whom London and Paris have spoiled their own homes—they can be spared to return to those cities. I not only see a career at home for more genius than we have, but for more than there is in the world."

Andrew Jackson: "Cultivate free commerce and honest friendship with all nations, but make entangling alliances with none. Our best wishes on all occasions, our good offices when required, will be afforded to promote the domestic peace and foreign tranquillity of all nations with whom we have any intercourse. Any intervention in their affairs further than this is contrary to our principles."

Grover Cleveland: "The genius of our institutions, the needs of our people in their home life, and the attention which is demanded for the settlement and development of the resources of our vast territory dictate the scrupulous avoidance of any departure from that foreign policy commended by the history, the traditions, and the prosperity of our Republic. It is the policy of independence, favored by our position and defended by our known love of justice, and by our own power. It is the policy of peace suitable to our interests. It is the policy of neutrality, rejecting any share in foreign broils and ambitions upon other continents and repelling their intrusion here. It is the policy of Monroe, and of Washington, and Jefferson—'Peace, commerce, and honest friendship with all nations; entangling alliance with none.'"

William McKinley: "It has been the policy of the United States since the foundation of the Government to cultivate relations of peace and amity with all the nations of the world, and this accords with my conception of our duty now.

"We have cherished the policy of noninterference with the affairs of foreign governments, wisely inaugurated by Washington * * * content to leave undisturbed with them the settlement of their own domestic concerns."

Theodore Roosevelt: "I do not believe that the United States should enter into a world-wide career of distinterested violence for the right; because where both the lands and the issues involved are remote from us our people wouldn't know with certainty where the right lay and wouldn't feel that we ought to go into the quarrel. We have enough to do that is our business." Theodore Roosevelt in his book The Great Adventure: "The professed internationalist usually sneers at nationalism, at patriotism, and at what we call 'Americanism.' He bids us foreswear our love of country in the name of love of the world at large. We nationalists answer that he has begun at the wrong end; we say that, as the world now is, it is only the man who ardently loves his country first who in actual practice can help any other country at all."

Hamilton's letter of March 17, 1783: "We have, I fear, men among us and men in trust who have a hankering after British connection. We have others whose confidence in France savors of credulity. The intrigues of the former, the incautiousness of the latter may be both, though in different degrees, injurious to the American interest, and make it difficult for prudent men to steer a proper course."

Mr. LONG. Mr. President, I call up at this time the reservation submitted by me to the resolution of adherence on the part of the United States to the World Court protocols. I send the reservation to the desk and ask to have it read.

The PRESIDING OFFICER. The proposed reservation will be read for the information of the Senate.

The proposed reservation was read, as follows:

*Resolved further*, That adherence to the protocols and statute is upon the express condition and understanding that the doctrine pronounced by President James Monroe, known and commonly called the "Monroe Doctrine", is and shall in no manner be affected or modified by the said World Court, and that the rights and duties assumed and heretofore exercised by the United States under said Monroe Doctrine shall never be affected by the said World Court.

The PRESIDING OFFICER. Does the Senator offer the reservation?

Mr. LONG. I do.

The PRESIDING OFFICER. Does the Senator desire to be recognized on the resolution of adherence or upon his reservation? Under the unanimous-consent agreement, which comes into force at 1 o'clock, the Senator may be recognized either upon the resolution or upon his reservation, upon the resolution for 30 minutes, upon the reservation for 15 minutes.

Mr. LONG. I wish to take up the reservation and speak on that first. Then I will have the right to take my 30 minutes on the resolution itself if I shall desire to do so.

The PRESIDING OFFICER. The Senator will have that right.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Montana?

Mr. LONG. I yield.

Mr. WHEELER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Costigan | La Follette | Reynolds |
| Austin | Couzens | Lewis | Robinson |
| Bachman | Cutting | Logan | Russell |
| Bailey | Davis | Lonergan | Schall |
| Bankhead | Dickinson | Long | Schwellenbach |
| Barbour | Dieterich | McCarran | Sheppard |
| Bilbo | Donahey | McGill | Shipstead |
| Black | Duffy | McNary | Smith |
| Bone | Fletcher | Maloney | Steiwer |
| Borah | Frazier | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Guffey | Murray | Truman |
| Byrd | Hale | Neely | Vandenberg |
| Byrnes | Harrison | Norbeck | Van Nuys |
| Capper | Hastings | Norris | Wagner |
| Caraway | Hatch | Nye | Walsh |
| Carey | Hayden | O'Mahoney | Wheeler |
| Clark | Johnson | Pittman | White |
| Connally | Keyes | Pope | |

Mr. LEWIS. Mr. President, I rise to announce the absence of the junior Senator from Louisiana [Mr. OVERTON] caused by illness, the absence of the senior Senator from Georgia [Mr. GEORGE] caused by illness, and to announce again the fact that the Members of the Senate comprising the Philippine Commission have not returned from their duties in that connection.

The PRESIDING OFFICER (Mr. POPE in the chair). Eighty-seven Senators having answered to their names, there is a quorum present.

STANDARD OIL OR MONROE DOCTRINE, WHICH?

Mr. LONG. Mr. President, I have called up for consideration at this time a reservation to the World Court resolution. For the benefit of the Senators who have returned to the Chamber under the quorum call, I wish to read the reservation so that they may hear it and have it in mind. It is as follows:

*Resolved further*, That adherence to the protocols and statute is upon the express condition and understanding that the doctrine pronounced by President James Monroe, known and commonly called the "Monroe Doctrine", is and shall in no manner be affected or modified by the said World Court, and that the rights and duties assumed and heretofore exercised by the United States under said Monroe Doctrine shall never be affected by the said World Court.

I do not know whether there is going to be any opposition to this reservation or not. I do not think there ought to be. If there is not going to be any opposition to the Monroe Doctrine being kept intact as it has been for a hundred years, I shall not now take any time of the Senate. In other words, I hope it is to be accepted more or less in a formal manner, and if I can be assured that there is to be no opposition to it, I do not care to take any time of the

Senate. May I inquire of the Senator from Arkansas how he feels about it?

Mr. ROBINSON. Mr. President, so far as I am authorized to speak, I cannot accept the reservation offered by the Senator from Louisiana.

Mr. LONG. I regret that very much, Mr. President. Whether that is the only objection we will have I cannot say; nevertheless, I will have to take it as being serious.

Mr. ROBINSON. The Senator may be assured that it is a serious statement. I would not want to deprive the Senator of the opportunity to discuss his proposed reservation on the theory that I was not sincere. I am sincere. I do not believe the reservation is either necessary or would be helpful.

Mr. LONG. Mr. President, we have been living in this country under the Monroe Doctrine for a little over a hundred years. It is a democratic principle. It was promulgated by the President of the United States to save this country and contiguous territory from aggression, from involvement. Said President James Monroe to Europe—and I translate his words into the common parlance of the layman's understanding—"Stay out of America"; and only last year the United States Senate went on record as extending the Monroe Doctrine by saying to America, "Stay out of the Orient."

Many years ago, when President Theodore Roosevelt was faced with the proposition of German warships cruising in and about South America, he said to them, "Stay out of America"; said Roosevelt to Europe, "Stay out of America." Said Monroe to Europe, "Stay out of America." Said Washington to America, "Stay out of Europe." Said the United States Senate to America, "Stay out of the Orient."

Now, are we going to make all these words meaningless that have been affirmed here up to 12 months ago? Are we going to take the cornerstones of every one of these principles that were intended to keep America from being involved in strife and turmoil and protected from foreign aggression on contiguous territory and on this continent and smash them today and hold them to be nonexistent? Has anyone dared to stand on the floor of the Senate and inform the Members of this body and the people of the United States in general that the League of Nations or the World Court, or whatever it may be called—and I care not under what kind of label it comes; I have a label that I will give it in a few minutes of my own [laughter]—intends to do away with the Monroe Doctrine? Who is there here so bold as will admit what I conceive to be the truth, whether it is admitted or not, and which I will prove to be true and practically to be recognized by this resolution—who is there so bold as to stand here now and say, "I am casting my vote to abrogate the Monroe Doctrine and to do away with America's sovereignty over that principle"? That is what we are doing. If you doubt that we are doing that, why would there be any opposition to a proposed reservation which says that the World Court shall not affect the Monroe Doctrine or the traditions under which we have lived as a result of that doctrine?

The Monroe Doctrine has not been used, unfortunately, in its broad sense for the purpose for which it was originally promulgated. It was originally promulgated and inhered as a tradition of this country on the ground that America was a strong brother, lending his arm to the protection of the weaker brother to the south, but as time went on the big capitalistic interests of this country perverted the principles of the Monroe Doctrine to their own use and made it an instrument for the protection of their aggressions, in many instances under the guise of United States protection. That was the principle under which the United Fruit Co. operated; it was the principle under which the United States allowed the Standard Oil Co. to operate; and today, with the Standard Oil Co. having gone as far as it can, with the port of New Orleans formerly used for its aggressions, murders, and war, but now bottled against it; today they have got to transfer the scene of activity and of sovereignty to a foreign shore in order that they may carry on the immediate aggressions at hand.

I showed on the floor of the Senate something no one has undertaken to dispute. I said on the floor of the Senate on a certain day and date that the League of Nations is undertaking to do the bidding of the Standard Oil Co. I showed on the floor of the Senate what no one questioned—and I am almost ashamed, Mr. President, to say that even those who understand the facts may yet vote in favor of the World Court—as to the activities of the Standard Oil Co. of Louisiana and the Standard Oil Co. of New Jersey. I say "the Standard Oil Co. of Louisiana", but it is the Standard Oil Co. of Texas; it is the concern that was convicted and held to be a criminal, that ran out of the State of Texas, came to Louisiana, and rechartered its existence as the Standard Oil Co. of Louisiana; and today, when one drives eastward, coming from Texas into Louisiana, he finds a great big sign on or over the public road where Texas joins Louisiana, where the best part of Texas may be found, a sign, intended, perhaps, as a benediction upon the tourist coming our way, which reads:

> You are now entering the State of Louisiana, where Standard Oil products may be purchased.

A few days ago I presented the facts about the Standard Oil Co. I produced on the floor of the Senate, which no one would question, the award which had been made in 1878 by the President of the United States giving and granting and conceding, with the consent of all South American countries, to the Republic of Paraguay, the territory known as the "Chaco."

Mr. LOGAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kentucky?

Mr. LONG. I yield to my friend.

Mr. LOGAN. I want to challenge the facts and the conclusions the Senator has presented. I do not think that he can say, or that the record will support him if he says it, that the consent of all the states of South America was given to the awarding of the Chaco to Paraguay. I undertake to say that the records will show that Paraguay itself recognized in the treaty when the matter was submitted to President Hayes that the rights of Bolivia were not at all involved in that matter.

Mr. LONG. Correct. Bolivia drew a map in 1848 showing that that territory belonged to Paraguay. I put that map in the CONGRESSIONAL RECORD. The rights of Bolivia were not involved because Bolivia, with its own published map, published to the United States and the world by metes and bounds, gave that territory, and more than was involved in the Hayes award, to the Republic of Paraguay.

Mr. LOGAN. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Louisiana yield further to the Senator from Kentucky?

Mr. LONG. I yield.

Mr. LOGAN. I will ask the Senator if it is not true that when President Hayes had the matter under consideration Bolivia filed a claim and a brief claiming that territory, but because Bolivia was not a party to the original treaty submitting the matter to President Hayes, her claims were not then considered by the President at all?

Mr. LONG. I do not know about that particular point, but I do know that Villa Hayes, formerly called Villa Occidental and which following that award was changed to the name of Villa Hayes, was awarded to Paraguay and was published in the map by Bolivia itself in 1878. Not only that, but following that award made in that dispute in 1878, Bolivia sent representatives to Paraguay to recognize the award and to consent to it. It has never been heard from since.

Mr. LOGAN. Mr. President, will the Senator yield further?

Mr. LONG. Certainly.

Mr. LOGAN. But was not that an arbitration between the Argentine Republic and Paraguay? The Senator is talking about an award made as against the Argentine Republic, and says that President Hayes did hold and his judgment was that Argentina had no claim to the Chaco and that it

belonged to Paraguay. But was not Bolivia insisting then that it belonged to her and her rights were not determined, and did not Paraguay in the letters of her Premier and Secretary of State specifically say, before they reached a conclusion with Argentine, that the rights of Bolivia were not to be affected by the arbitration at all?

Mr. LONG. That is not in it at all. On the contrary, the facts are just the opposite.

Mr. LOGAN. If the Senator will be so kind as to permit me to do so, at the first opportunity I shall submit the letter of the Secretary of State of Paraguay, in which he specifically states, not once but two or three times, that the rights of Bolivia are reserved from consideration.

Mr. LONG. The Senator might submit that, but I shall submit to him the official map of Bolivia from 1848 on down showing that territory as being Paraguayan territory, together with the history of a recorded visit made by Bolivian officials, following the Hayes award, in which they recognized the award.

Not only that, but they have been recognizing that for 60 years. If Bolivia was not satisfied with the award made in 1878, where has Bolivia been for a period of 60 years with its map showing all the time that the territory belongs to Paraguay? It is not the map of Paraguay. It is not the map of the United States. It is the official map of the Republic of Bolivia which has been filed with or seen in every country in the world showing the metes and bounds of the Bolivian and the Paraguayan territory and showing the Paraguayan territory to include the Chaco.

Mr. LOGAN. Mr. President, will the Senator from Louisiana yield further?

The PRESIDING OFFICER. Does the Senator from Louisiana yield further to the Senator from Kentucky?

Mr. LONG. I yield.

Mr. LOGAN. What interest has the United States Senate or any Senator of the United States in a controversy between two friendly nations? What interest has the Senator from Louisiana in a controversy between Paraguay and Bolivia? I ask that particularly because he is making an argument against our becoming involved with any foreign countries at all, yet he is taking sides in favor of Paraguay and against Bolivia to make a speech in the United States Senate, where Bolivia cannot answer it through diplomatic channels or otherwise. He is making a speech in favor of Paraguay and against Bolivia and taking advantage——

The PRESIDING OFFICER. The time of the Senator from Louisiana on the amendment has expired.

Mr. LONG. I will take my 30 minutes on the resolution of adherence.

Mr. LOGAN. It seems to me he is taking advantage of the opportunity to make a speech for Paraguay without giving Bolivia a chance at all to be heard.

Mr. LONG. I should not object to Bolivia being heard if the Senator from Kentucky knows anything in her favor. I do not know of anyone who knows anything in her favor.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Arkansas?

Mr. LONG. I yield.

Mr. ROBINSON. Have the boundaries between Bolivia and Paraguay ever been fixed?

Mr. LONG. Yes; by a map of Bolivia, for one thing, fixing the boundaries.

Mr. ROBINSON. I am asking if there has not been a dispute from the very creation of the Governments as to the boundaries? The dispute became concrete when the two began to advance and open up unoccupied territory which had never been assigned or determined as belonging to either. I do not wish to take the Senator's time if he would prefer me not to do so.

Mr. LONG. That is all right. I will get 5 minutes additional if the Senator takes too much time.

Mr. ROBINSON. No; I could not consent to that.

Mr. LONG. Very well; go ahead and I will take my time.

Mr. ROBINSON. The Senator realizes that the Paraguay River runs substantially north and south, and the Pilcomayo River runs substantially southeast by northwest, from the northwest. The territory which President Hayes arbitrated was assigned to Paraguay in an arbitration between Paraguay and Argentina, but Bolivia was not a party to that arbitration. My information is, and I have made some investigation into the matter, that the oil fields about which the Senator has spoken are approximately 400 miles, the distance from Washington, D. C., to Columbus, Ohio, from the limitations of the Hayes award, and that the League of Nations, or its committee, in efforts to work out a peaceful settlement of the dispute, actually excluded from consideration for the purpose of settlement the award that was made by President Hayes.

Mr. LONG. No; that is not my understanding.

Mr. ROBINSON. I shall not press that further in the time of the Senator from Louisiana.

Mr. LONG. When the Senator from Arkansas looks into the question he will find that the fight did not come up over the oil fields that were at that time being developed. That is where the Senator is confused.

Mr. ROBINSON. No; I am not confused.

Mr. LONG. The fight came up over the fact that the Republic of Bolivia demanded a right to transport oil by pipe line to the deep water of the Paraguay River, and in order to do that they had to go through the Villa Hayes itself. When I made the speech on the floor of the Senate last year the Bolivian envoy said that Bolivia was fighting because it would not recognize an award made by President Hayes. That was a statement from Bolivia. There is no way of getting around this thing. They have hemmed it in tightly.

Mr. LOGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kentucky?

Mr. LONG. Certainly.

Mr. LOGAN. Of course Bolivia does not recognize that award because Bolivia was not a party to the arbitration at all and never was called upon to recognize the award.

Mr. LONG. Then the Senator from Kentucky agrees with me and not with the Senator from Arkansas! [Laughter.]

Mr. LOGAN. No; I agree with the Senator from Arkansas fully. The Senator from Arkansas is absolutely correct.

Mr. LONG. Mr. President, it is going to be impossible to get these two minds together in the time I have at my disposal. I shall have to proceed or else concede that I am out of understanding with both of them.

The Standard Oil Co. went a little bit further. They were not satisfied. This land stood placid and peaceful. My friend from Arkansas said he understands they are not contesting the Hayes award and my friend from Kentucky said he understands they are; but whichever the case may be, both will vote together whether they agree with the conclusions on this question, so I shall not have to try to reconcile them for the ultimate result.

The fact of the matter is that the situation had been absolutely peaceful for a period of 54 years and there was not a breath of excitement, Bolivia standing on the map which she had published in 1848—a map published not by Paraguay, not by President Hayes, but by Bolivia itself in the year 1848—until they found oil on the soil of Bolivia, whereupon Bolivia said that they could not go across the territory of Argentina, because Argentina was too big a country for them to attack, but that they would go to the Paraguay River by taking the Paraguayan territory for their route to deep water. That is what they did.

As a result of that we could not afford to have the Standard Oil Co. changing America's own award, so, therefore, this "big brother" doctrine, which we announced in order that we might take care of these little countries, became a Standard Oil doctrine to pervert the principle. When they had gone as far as they could, when they had gone to where they did not dare to come back to Washington because nobody in Washington itself dared to dispute the award of the President made in this city in 1878, partly in view of the fact that Bolivia had sent envoys down to Paraguay to recognize it and made trade arrangements after that time—therefore they hiked over to the League of Nations with the Standard Oil Co.

How did this award start? Here is the map [indicating] to which I have been referring. My friend from Kentucky [Mr. LOGAN] is going to learn something, even if I do offer it myself. I am going to hand him the map. This is the Bolivian map. We have not heard any dispute about that map which I placed in the CONGRESSIONAL RECORD at least a year ago. There is Bolivia's map. The Standard Oil Co. wanted that territory. When the Standard Oil Co. made its agreement with Bolivia it was stipulated as to any oils which they took from the Republic of Bolivia during peace time they should pay the Republic of Bolivia a royalty of 11 percent on the oil taken from the ground, and during war times they should pay 14 percent. In other words, they made a war agreement in the beginning, realizing that they had to go to war in order to extend the pipe line to the Paraguay River.

How did they start this war? Bolivia's credit was very bad. They had sold $68,000,000 worth of bonds in the United States through Dillon, Reed & Co. and used that money down there for various and sundry purposes. Most of it, I suppose, had been squandered. That is the charge made in this country.

After they had spent $68,000,000, how were they going to carry on the war? They used Standard Oil scrip. Bolivia's money would not buy anything down in that South American territory because Bolivian currency had been depreciated by reason of the fact that they owed $68,000,000 and were in default even then. Some of their wall-paper bonds had been sold throughout the United States. In order to get money they went into other countries like Argentina and Brazil and used the scrip of the Standard Oil Co. as money. The great imperialistic Standard Oil Co., trampling upon the award that had been made by the President of the United States, trampling upon a recognition that had been given by the Republic of Bolivia, trampling upon the recognition of its own map made 30 years before he had made the award—finding Bolivia with $68,000,000 worth of unpaid bonds in default in the United States, the imperialistic Standard Oil Co. went down to Argentina and established a radio station in order to help that war against Paraguay and gave this scrip to be used by Bolivia for the purchase of supplies.

I am informed by reliable authorities, and it will be proved if ever this matter is gone into by the investigation of the Senate, as I am told it will be, that in order to ship the war material down into Bolivia it went in there consigned to the Standard Oil Co. as drilling machinery for exploitation, when in fact and in truth it was guns and ammunition for the use of Bolivia, to conquer for the Standard Oil Co.'s ownership territory that belonged to Paraguay, that had been awarded by America!

Why, Mr. President, this ex-convict that came from Texas to Louisiana, this dastardly angel of crime and murder that has raised its fangs of woe not only on the soil of Bolivia and Paraguay but here in America, this—the Standard Oil Co.—again takes the law. Wherever there is law that it is made to observe, it undertakes to have itself made the master of the law that it has to observe. Wherever it neither becomes the law nor the master of the law, there is in the wake of its aggression and prosperous drive, murder, assassination, and whatever else has become necessary for its control. So its agents hie themselves to Europe. They cannot come to the United States.

Somebody wants to know why this drive is on in America, at this time of our peril and distress, to ratify the World Court protocols. Why this hurry, hurry, hurry to ratify the World Court protocols at a time when one-half the people of the United States are unemployed, at a time when babies starve and cry and die for the same milk that is poured into the Mississippi River, because we have too much; at a time when people shiver and cry for clothes to put on their backs when the cotton from which they might be made is plowed under or not allowed to be planted, to keep down an oversupply; at a time when the cattle and the hogs are slaughtered in order that we may not have too much meat, while people are crying for the food and dying and starving for the lack of it? Why, under circumstances of that kind, is the United States Senate faced today with all these things sidetracked, with the demand to hurry, hurry, hurry to get the United States into the World Court in time for the World Court to pass on the territory that the United States formally gave to Paraguay, but which the Standard Oil Co. of the United States is calling upon the World Court to give to Bolivia? "Hurry, hurry, hurry!" The drive is not to feed twenty to thirty to forty million unemployed, starving people. The drive is to give two or three billion dollars more to the Standard Oil Co. through aid to the Bolivian arms. That is why it is being done.

So I have offered a reservation.

The character of this Standard Oil Co. is shown domestically. If I might be permitted to read to the Senate for a moment, I will read you the words of a Standard Oil agent in Louisiana, uttered on last Saturday, the 26th day of January. I will read to you what was uttered by a Standard Oil agent, sent out before an armed mob gathering, largely composed of Standard Oil employees, armed with grenades and with guns. I will read to you what the agent in charge of the Standard Oil Co. of Louisiana said to his gathering on this occasion, and I will read from the Baton Rouge Morning Advocate, a paper owned and controlled, body and soul, by the Standard Oil Co.

Here is what he said—Mr. O'Rourke, chief agent of the Standard Oil Co. in charge of revolutionary activities inside the United States, on their pay roll, is quoted as follows in the newspaper:

"The reason for this protest meeting", Mr. O'Rourke declared, "is that a man by the name of Sidney Songy was arrested by city police and questioned with the view of obtaining information to swear out conspiracy warrants against myself and about 70 more persons.

"The idea was that a group of us were conspiring to kill HUEY P. LONG, and said I had advocated as much."

Does he deny it? Just listen a minute, gentlemen of the Senate. I continue his statement as quoted in the Standard Oil Co. journal. Says this Standard Oil agent:

Now, I want my position clearly understood. I have hidden nothing I have said, but have declared it on Third Street and publicly. I hereby pronounce HUEY LONG public enemy no. 1.

[Laughter.]

Just a moment. Continuing to quote the Standard Oil gathering, their leader, Mr. O'Rourke, who is still a leader in charge of their revolutions inside America right now, says:

When he goes, Louisiana will again have a republican form of government.

In other words, he says, "They have a man around there named Songy that they are questioning to find out if 70 others have this conspiracy of murder; and I here and now make my position clear, that I pronounce HUEY LONG a public enemy, and that he must be killed for the benefit of this country."

That is this Standard Oil hired agent. They do not only go to Bolivia and have them killed by the thousands and near millions; they have come to America. If coming back to America for the purpose of murder will save any voice being raised to contest their aggressions in the Chaco, they will come to America to do it.

And so it seems I am chosen for their elimination.

What boots it for them if, having flaunted the awards made under the Monroe Doctrine, they come back now in order to avoid them, and, with their controlled World Court—I say that advisedly—with their controlled World Court they undertake to wipe out what has been adjudicated?

So I have proposed this reservation, Mr. President, not only for this case, not for Paraguay, not for Bolivia, but for the sanctity of the men and women of 150 years ago who handed down to this country and to this generation and to those to come after us a country on a principle that "We have guaranteed you against foreign entanglements and against foreign aggression; we have guaranteed the life and blood of humanity under the Monroe Doctrine, that it shall never be held to the hazard of foreign exploitation."

Now, in this day and time, with the Panama Canal constructed, which I am told can be destroyed by one bomb, are

we going to let the Germans, the Japanese, the English, the French, the Hindus, the Chinese, or anybody else decide upon the rights of the territory necessary for the existence of this country, by having these disputes, already settled by proper awards of the United States, transferred to The Hague or to Geneva or to the foreign powers for other settlements? Are we going to let Japan and England, owing us money, and France, owing us money, and Germany, owing us money, and Russia, owing us money, have votes in a court that will determine the integrity of the Panama Canal, and even rights affecting our own borders? Or are we going to hold in violate the sacred Monroe Doctrine, which is one of the foundation stones of this country? Unless we adopt this amendment, Mr. President, that is what the ratification of this World Court protocol means.

I again read this reservation:

*Resolved further*, That adherence to the protocols and statute is upon the express condition and understanding that the doctrine pronounced by President James Monroe, known and commonly called the "Monroe Doctrine", is and shall in no manner be affected or modified by the said World Court, and that the rights and duties assumed and heretofore exercised by the United States under said Monroe Doctrine shall never be affected by the said World Court.

I hope, Mr. President, that this reservation will be ratified by a majority of the Members of the Senate.

Mr. ROBINSON. Mr. President, I address myself to the reservation of the Senator from Louisiana [Mr. LONG].

The reservation proposed by the Senator from Michigan [Mr. VANDENBERG] embraces in general language all the traditional policies of the United States. On a previous occasion I expressed the opinion that that reservation was not necessary, for the reason that entry into the World Court does not affect or involve any domestic question of the United States, or any traditional policy of this Government. Now, the Senator from Louisiana says, "If that is so, why not reaffirm the Monroe Doctrine?"

The answer to that is that there are many things that are true that have no relation to the World Court, and therefore have no appropriate place in an arrangement concerning it. For instance, there are the Ten Commandments, in which the Senator from Louisiana and I both believe, and which the Senator from Louisiana observes. [Laughter.] No one proposes to incorporate the Ten Commandments in this resolution of adherence. It is impracticable to do that.

There is another reason which I think is controlling, and that is that the language which is already incorporated in the resolution of adherence in better form preserves the understanding that the United States, in entering the World Court, does not abandon its principles and policies.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Louisiana?

Mr. ROBINSON. I yield.

Mr. LONG. Do I understand the Senator to say that the Monroe Doctrine is reserved in the previous reservation?

Mr. ROBINSON. All the traditional policies of the United States are reserved; certainly.

Mr. LONG. Does the Senator mean that the Monroe Doctrine is reserved?

Mr. ROBINSON. I have said it many times, and I shall not say it again. I have said that all the traditional policies of the United States are reserved.

Mr. LONG. Does the Senator say that the Monroe Doctrine is reserved—"yes" or "no"?

Mr. ROBINSON. I have said it over and over again. The Monroe Doctrine is one of the traditional policies of the United States.

Mr. LONG. All right. Then——

Mr. ROBINSON. Mr. President, I have only 15 minutes, and I have to use a little of my time myself.

Mr. LONG. Then my reservation will not do any harm.

Mr. ROBINSON. It will not do any good, and I shall not support it.

Mr. President, I think the entire discussion of the Senator from Louisiana is irrelevant to the issues that are before the Senate. He is a great advocate. No one can state a subject or a matter more impressively than can the Senator from Louisiana; but I am going to point out now a consideration which shows that all his talk of war, whether in Louisiana between the Senator from Louisiana and the Standard Oil Co. or in the world at large, has nothing in God's world to do with the World Court. I might suggest, however, that perhaps one of the best things that could be done by the Senate would be to refer the war in Louisiana between the Senator from Louisiana and the Standard Oil Co. and others to the World Court; and then we might hope for at least temporary peace, if not permanent peace. [Laughter.]

The jurisdiction of the World Court is limited to cases which nations refer to it, which nations agree it shall consider. If Bolivia and Paraguay, who are in dispute about the Chaco, agree that the question in dispute shall be referred to the World Court, it will go there; but there is no power to compel the Court or to permit the Court to take jurisdiction unless those nations do so agree, either through signing the compulsory clause or through a special agreement for consideration of the matter.

Mr. LONG. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. LONG. Does not the Senator remember that the League of Nations said the other day that they were going to take punitive steps against Paraguay if they did not agree to arbitration?

Mr. ROBINSON. Mr. President, the World Court has nothing to do with the League of Nations in that matter. The idea that it has is the fundamental mistake which is running all through this debate. In some mysterious and strange manner the opponents of the World Court are attempting to attach to it the duties and responsibilities of the League of Nations; but the League of Nations, as I explained on a former occasion, is taking this attitude because of the refusal of one of the parties to the controversy to submit to a peaceful settlement of the dispute, that action being construed to be in violation of their agreement and undertaking not to resort to war as an instrument of national policy, and to pursue only pacific methods in the settlement of their disputes.

It would be a good thing—good for the peace of the world, for the happiness of the people of Bolivia and Paraguay—if they would give the World Court jurisdiction of their controversy; far better than that they should pursue the course which has been followed during the past few years, in which great suffering, devastation, waste, and destruction of life and property have been occurring because of the war. I know of no better instance in which peace-minded persons might encourage the use of the World Court than in the case of the controversy between Paraguay and Bolivia. It would be very helpful if they should submit the controversy to the World Court, and it would encourage peace lovers throughout the world.

It is a strange thing to me how the Senator from Louisiana reaches the conclusion that we have been in a great hurry to get into the World Court. The question has been before the Senate in one way or another during the last 10 or 11 years, and no final action has been taken. I point out now, as I did on a recent occasion, that the only agency which has come out of the smoke and thunder of the conflicts of the past for the judicial settlement of international disputes is the Permanent Court of International Justice; and they who do believe in peace, who do hope for the prevention of war, ought either to support the World Court or to suggest some substitute for it.

Must humanity go staggering down the future carrying the unbearable burdens of past conflicts in fright and fear of future wars? Is there no power or strength in the statesmanship of the world to demonstrate that courage which was displayed by valiant soldiers in action during the World War? If we do that, if we display the courage they showed when they sank to their last resting place beneath the white and black crosses that lift their arms in mute appeal to Almighty God—if we do our duty, we shall do something to safeguard humanity against the wars of the future.

The PRESIDING OFFICER. The question is on agreeing to the reservation proposed by the Senator from Louisiana.

Mr. LONG. May we not have the yeas and nays on the reservation?

Mr. ROBINSON. Yes; let us have the yeas and nays.

Mr. LONG. I ask for the yeas and nays.

Mr. BORAH. Mr. President, I ask that the reservation be read.

The PRESIDING OFFICER. The clerk will read the reservation.

The legislative clerk read the reservation submitted by Mr. LONG, as follows:

*Resolved further*, That adherence to the protocols and statute is upon the express condition and understanding that the doctrine pronounced by President James Monroe, known and commonly called the "Monroe Doctrine", is and shall in no manner be affected or modified by the said World Court, and that the rights and duties assumed and heretofore exercised by the United States under said Monroe Doctrine shall never be affected by the said World Court.

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Coolidge | King | Radcliffe |
| Ashurst | Costigan | La Follette | Reynolds |
| Austin | Couzens | Lewis | Robinson |
| Bachman | Cutting | Logan | Russell |
| Bailey | Davis | Lonergan | Schall |
| Bankhead | Dickinson | Long | Schwellenbach |
| Barbour | Dieterich | McCarran | Sheppard |
| Bilbo | Donahey | McGill | Shipstead |
| Black | Duffy | McNary | Smith |
| Bone | Fletcher | Maloney | Steiwer |
| Borah | Frazier | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Guffey | Murray | Truman |
| Byrd | Hale | Neely | Vandenberg |
| Byrnes | Harrison | Norbeck | Van Nuys |
| Capper | Hastings | Norris | Wagner |
| Caraway | Hatch | Nye | Walsh |
| Carey | Hayden | O'Mahoney | Wheeler |
| Clark | Johnson | Pittman | White |
| Connally | Keyes | Pope | |

Mr. LEWIS. I announce the absence of the Senator from Kentucky [Mr. BARKLEY] and the Senator from New York [Mr. COPELAND], these Senators being necessarily detained on official business.

I make reannouncement of the absence of the Senators whose absence was suggested on previous roll calls.

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. COSTIGAN. Mr. President, merely expressing in passing my concurrence with the views expressed by the able Senator from Arkansas [Mr. ROBINSON] that since the adoption of the so-called "Vandenberg reservation" the reservation tendered by the Senator from Louisiana [Mr. LONG] is not helpful, I will take this opportunity to speak very briefly on the broad issue before the Senate.

In recording my judgment it may be useful to preface it by an extract from an address on the World Court delivered in New York City before a group of members of the bar on June 2, 1930, by the present Chief Justice of the Supreme Court of the United States. It goes without saying that he is exceptionally qualified to speak from intimate association as a former member of the World Court; also patriotically, without any suspicion of undue radicalism; and authoritatively, as an experienced advocate and expounder of America's Constitution and laws.

On the date mentioned, Chief Justice Hughes declared that the then proposed conditions of adherence to the World Court, which are essentially those which the Senate now has before it, supported by administration spokesmen, fully protect the interests of the country. He concluded as follows:

> The judicial settlement of international disputes cannot be adequately secured by mere sporadic, occasional efforts. There should be continuity, permanency, the opportunity for the growth of confidence, and for the firm establishment of the tradition both of competency and judicial independence. As a nation devoted to the interests of peace, we have the utmost concern in this development. To hold aloof is to belie our aspiration and to fail to do our part. * * * In supporting the World Court in the manner proposed we lose nothing that we could otherwise preserve; we take no serious risks that we could otherwise avoid; we enhance rather than impair our ultimate security; and we heighten the mutual confidence which rests on demonstrated respect for the essential institutions of international justice.

It will be noted that the President and Chief Justice of the Supreme Court of the United States are not divided.

Mr. President, there is little that is new to be said on the important subject of the proposed adherence of the United States to the Permanent World Court of International Justice. Indeed the debates here, so far as they either advance unanswerable logic or echo tempestuous emotion—except for an occasional touch in some of the addresses of the golden age of American eloquence—appear to be less original contributions than reflections of earlier days and battles long ago. The contest is ended. The essential argument is concluded. Possibly a few declarations of faith are still in order but no other justification can be urged for prolonged postponement of the balloting.

The reasons specially appealing to my judgment for adherence to the World Court are these:

First. In the history and experience of mankind, for the most part, and certainly where property has been the chief subject matter of controversy, the judicial settlement of disputes has tended to survive both conciliation and arbitration as a sound and better method of guarding society against appeals to violence.

Second. The age-old flaw and continuously fatal defect in international relations has been the absence of authoritative agencies for determining issues in the war-breeding "no man's land" between sovereign states which, because of their conceded theoretical independence, have felt free to proceed against other sovereign states with lawless aggression. Just outside the horizon of national laws still stretches the crime-infested jungle of international anarchy. It, therefore, is increasingly important that there should be a common meeting place for discussion and settlement of disputes in the full light of informed national and world public opinion, with the aid of the most useful types of fair, able, and independent agencies.

Third. Our own national history provides conclusive evidence of the indispensable value of a continuing tribunal established to stand impartially between the threats and rivalries and temporary blindness of competing sovereignties. Practically every reason advanced against the World Court was at one time or another seriously urged in this country against our Supreme Court by those who feared to see the 13 colonies united under a national banner. Able spokesmen in certain colonies even insisted that our Supreme Court would be composed of foreigners, residing in other American colonies which eventually joined the Union, who would with deliberate hostility pass upon problems of primary interest to the respective colonies when they became States of the Union under the Federal Constitution. Happily time and experience have dissipated those fears.

Fourth. The proposed experiment is not calculated to disturb any but the most sensitive among our citizens, for America is not committed by the proposed protocols and the cautious reservations accompanying them to any adjudication of its disputes with other nations except with its own consent. Indeed, our sole unescapable commitment would appear to be an indication of our willingness to bear our share in the moderate expense of an international tribunal to which controversies between nations may by mutual agreement be referred.

Fifth. Our country has been the principal advocate of the desirability and was the original promoter of a permanent world court, and the names and records of American leaders who have endorsed it sufficiently testify to the intelligence and patriotism of the proposal. All Presidents from McKinley and Theodore Roosevelt to Franklin Roosevelt have, without exception, endorsed such a tribunal as worthy of American adherence, and during the past 15 years, again without exception, our Presidents of both political parties

have urged adherence to the existing World Court as consistent with and even required by true loyalty to American ideals, traditions, and practices.

Sixth. Leaders of local, State, and American bar associations, among whom are included the most technically equipped and critical analysts of the significance and binding effect of language, have given the present protocols a clean bill of health, and public opinion generally may, I believe, be regarded as sustaining the pending proposal as a desirable initial effort to advance peace in the world, to substitute reason for the violence which in our destructive scientific age literally threatens to engulf the human race in suicide, and to promote a world of more cooperative and more prosperous relations and living conditions for all the sons and daughters of men.

Seventh. The World War conclusively demonstrated that no past war, even that which afflicted mankind from 1914 to 1918, has been comparable to the sum of all evils which will afflict mankind in lost and ruined lives and annihilated property if another such titanic struggle begins. It, therefore, proved that unless we recognize in principle the existence of a world community and lend the influence of our mighty Nation to sound institutional devices for promoting peace and economic well-being, world security in the future will be far less than the past.

Eighth. The ills in which some argue the World Court may involve us are the identical ills which have overtaken us in the absence of such a court—an unparalleled World War; millions of the bravest and best of the young men of America fighting and leaving their—and our—heroic dead on foreign soil, toward which, without recourse, we were irresistibly drawn in spite of all our heartfelt declarations of pacific neutrality; and all the resulting human wreckage and widening paralysis which still knock for remedial legislation at the doors of Congress. Surely we are imperatively ordered by common sense to forge new instrumentalities with which to shield ourselves from these age-old perils.

Finally, we are called upon by the most solemn pledges the living can give the dead to do our part by every reasonable device to put an end to war. Those who served at home and those of us who during the World War crossed seas, in every lane of which lurked mortal treachery, and who returned from foreign battlefields, gas, shell-shock, and other hospitals, and front-line trenches determined to give our all to the prevention of such recurring horrors, have no illusions about the hungry quicksands that lie in wait to bury civilization, unless we promptly bridge their ancient menace for the safe passage of the feet of coming generations. We have no alternative. We must do our part, building for the future ethically, materially, institutionally, and, of course, more and more equally and humanely, under the warning guidance of overwhelming experience.

If there were justification for believing that in the coming Senate test we are called upon to vote against the maintenance of America's system of government and our achieved and growing share in the world's proper evolution, or if our developed constitutional system of rights and duties could be regarded as in essentials threatened by our action, our support should, of course, be withheld. The truth rejects that contention. Adherence to the World Court, through the often determining weight of our country on the side of peace and under the conditions to be specified, will be distinguished by one concession only—an indication of our willingness to join other nations in maintaining a tribunal to which resort may voluntarily be had in lieu of war to seek to settle international disputes by practical, peaceful, and impartial means. And if, unhappily, after turning in the direction of a permanent World Court, this Nation ever deems it necessary to revert to its present uninsured independence, let us do so in the full light of recent history with its clear proof that such a step, however unavoidable, is backward and not forward. For just as surely as our informed Nation concludes that its true path follows the ancient claim of an unreasoning right to draw the sword, our ultimate destiny will be as certainly written as that of the Roman Empire, which perished by the sword.

Mr. President, beyond these general observations, in which there is little novelty, I have no desire to continue the discussion, and will conclude my remarks by asking that, following them, out of countless endorsements sent me, there be placed in the RECORD various resolutions of the American Bar Association and, as illustrative expressions of supporting western public sentiment, favorable resolutions of the Bar Association of Denver, my home city, and of the Bar Association of Larimer County, one of Colorado's most noted agricultural regions; also certain other representative resolutions, from which will be omitted any attempt to list the names of many prominent individual Colorado endorsers, urging America's prompt adherence to the World Court.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matters referred to are as follows:

RESOLUTION OF THE AMERICAN BAR ASSOCIATION

(1) RESOLUTION OF AUGUST 10, 1922

The American Bar Association, at its forty-fifth annual meeting, held in the city of San Francisco on the 10th day of August 1922, expresses the hope that a way may be found by which the Government of the United States may avail itself of the Permanent Court of International Justice.

(2) RESOLUTION OF AUGUST 31, 1923

*Resolved*, The American Bar Association joins in what it believes to be the wise judgment of the American people that the United States ought to become one [of the supporters] of the Permanent Court of International Justice at The Hague, and that our Government should therefore adhere to the protocol establishing the Court in the manner set forth by the President in his message of February 24, 1923.

(3) MOTION OF OCTOBER 24, 1929

SILAS H. STRAWN, of Illinois. I move that the report of the committee on international law be received and approved.

The motion was seconded.

Chairman WHITMAN. It has been moved and seconded that the report of the committee on international law be received and approved. The adoption of this report carries with it the approval of the American Bar Association of the World Court as to the terms and conditions set forth in the report. With that in mind, are you ready for a vote?

The motion thereupon was carried and the report approved.

(4) MOTION OF SEPTEMBER 18, 1931

Mr. SCOTT. The desire of your committee [on international law] at the present time is that the former action taken by this association be reaffirmed by this meeting by formal approval of the last paragraph of the report, which reads:

"Your committee, believing that the Permanent Court of International Justice is the greatest of international instrumentalities for the preservation of peace and of justice between nations, recurs to the approval given to the participation of the Government of the United States in the World Court, upon the terms and conditions set forth in the protocol of accession of the United States. It requests the American Bar Association to reaffirm at its forthcoming session in Atlantic City the action taken at the meeting of the association in Memphis in 1929; that the Government of the United States shall adhere to the Permanent Court of International Justice, upon the terms and conditions as stated in the protocol of adherence, to which it is a signatory; and the association respectfully requests and earnestly urges the Senate of the United States to advise and consent to the protocol of signature of the statute of the Permanent Court of International Justice, executed December 16, 1920, to the protocol of revision of the statute of the said Permanent Court, and to the protocol of accession of the United States, signed September 14, 1929, to which the Government of the United States became a signatory on December 9, 1929, which protocols were transmitted to the Senate on December 10, 1930, by the President of the United States."

On behalf of the committee, composed of George W. Wickersham, John W. Davis, William Cullen Dennis, Manley O. Hudson, and its chairman, I have the honor to request that the bar association, in its meeting on this occasion, reaffirm its attitude in the terms of the recommendation which I have had the honor of laying before you. I move the adoption of the report and the recommendation which it covers.

SILAS H. STRAWN, of Illinois. I second the motion.

The motion was carried and report adopted.

(5) RESOLUTION OF AUGUST 28, 1934

*Resolved by the American Bar Association*, That the association urges the Senate of the United States to give its consent and advice to the prompt ratification of the protocols already laid before it by the President providing that the United States join the treaty which establishes the Permanent Court of International Justice.

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RESOLUTION OF THE DENVER BAR ASSOCIATION, JANUARY 13, 1930

Whereas the representative of the United States at Berne, acting under the direction of the President of the United States, has

signed the protocol of signature of the Statute of the Permanent Court of International Justice, the protocol of adherence of the United States to said protocol of signature, and also has signed the protocol of revision of the statute referred to, all to the end that the United States may become a member of said Court; and

Whereas the Permanent Court of International Justice, or World Court, as it is more commonly called, is a great constructive agency for the maintenance of international peace, needs increasing support from the public opinion of the world, and is needed in turn, not only by other nations but, from the standpoint of enlightened self-interest, by our own Nation as well; and

Whereas the United States may now safely become a member of said Court under the protocols referred to without either sacrifice of sovereignty or violation of traditional policies in international affairs: Now, therefore, be it

*Resolved*, That the Denver Bar Association earnestly favors the ratification of these protocols by the Senate of the United States; that a copy of this resolution, together with a copy of the report of the committee of the association, which is hereby approved, be sent to the Senators representing Colorado at Washington; and that a copy of the resolution be sent to the President of the United States.

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RESOLUTION OF THE LARIMER COUNTY BAR ASSOCIATION, OCTOBER 20, 1932

*Resolved*, That it is the consensus of opinion of this association that the United States should adhere to the three protocols of accession to the World Court, and that the secretary be instructed so to advise the Members of Congress and United States Senators from Colorado.

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NOVEMBER 3, 1932.

The following resolutions were unanimously adopted by the Synod of Colorado of the Presbyterian Church in the United States of America at its meeting in Denver, Colo., October 4–6, 1932:

"Whereas for 6 years now the question of our entry into the World Court has remained unsettled, in spite of the fact that the United States Senate, by a vote of 76 to 17, passed a resolution in 1926 providing for our entry into the World Court; and

Whereas there are now awaiting the Senate's ratification three treaties which are expected to come up for action in the Senate at the session opening in December 1932; and

Whereas these treaties, in the judgment of the administration and the Department of State, amply protect the United States in every possible contingency and successfully meet the reservations which the Senate attached to its 1926 resolution of adherence: Now, therefore, be it

*Resolved*, That the Presbyterian Synod of Colorado hereby urges early ratification of these treaties by the Senate of the United States.

Attest:

GEO. R. EDMUNDSON, *Stated Clerk.*

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[Telegram]

DENVER, COLO., *March 19, 1932.*

Senator E. P. COSTIGAN,
*Washington:*

In behalf of international relations section League Women Voters have been requested to express to you their hope you will support World Court protocols, and, if longer delayed, you will urge they be reported out of committee for favorable Senate action.

ELIZABETH L. FACKT.

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MARCH 21, 1932.

It is my privilege as secretary of the Colorado Committee on the Cause and Cure of War, representing 10 affiliated women's organizations, to write urging that you cast your vote in favor of the Root protocol allowing for the United States' entry into the World Court.

Yours very sincerely,

MARY W. RUFFNER, *Secretary.*

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THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION,
*Denver, Colo., December 19, 1931.*

SIR: The Young Women's Christian Association have made a careful study of the World Court, and urge you to vote for the entrance of the United States into the Court of International Justice, believing that it is one of the first steps toward the recovery of our Nation, and for better relations among all people.

Respectfully yours,

MRS. HAROLD D. ROBERTS, *President.*

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NATIONAL COUNCIL OF JEWISH WOMEN,
*Denver, Colo., June 19, 1932.*

The Denver section, Council of Jewish Women, ask you to use your influence to have the Senate act favorably on the ratification of the protocols concerning the World Court when such action comes before you, and we sincerely hope you may use your good offices to have a definite date fixed for debate on this subject before adjournment.

Sincerely,

FLORA A. HORNBEIN,
*Chairman Committee on Peace.*

RESOLUTION ENDORSING THE WORLD COURT TREATIES UNANIMOUSLY ADOPTED IN JUNE 1933 BY THE COLORADO FEDERATION OF WOMEN'S CLUBS

Whereas the General Federation of Women's Clubs is on record as approving the adherence of the United States to the World Court; and

Whereas both the Republican and Democratic national platforms of last June endorsed ratification of the pending treaties which have already been signed by the United States; and

Whereas the completion of our adherence to the Court, as one of the outstanding agencies for the pacific settlement of international disputes, would contribute to the restoration of international confidence and freedom from the fear of war which, in turn, would contribute to economic recovery throughout the world; and

Whereas the World Court has functioned successfully for 11 years, in that time settling 45 questions, some of them delicate and difficult; and

Whereas the Court was established along lines suggested by the United States to the other nations so long as the First Hague Conference in 1899: Therefore be it

*Resolved*, That the Colorado Federation of Women's Clubs commends the favorable attitude toward the Court shown by Senators COSTIGAN and ADAMS and urges them to use their best efforts to secure ratification of the Court treaties at the earliest practicable time; and be it further

*Resolved*, That Senator COSTIGAN is hereby requested to read this resolution into the CONGRESSIONAL RECORD.

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RESOLUTION PRESENTED TO THE COLORADO FEDERATION OF WOMEN'S CLUBS IN JULY 1933 BY THE DEPARTMENT OF INTERNATIONAL RELATIONS

Whereas the General Federation of Women's Clubs is on record as approving the adherence of the United States to the World Court; and both the Republican and Democratic platforms of last June endorsed ratification of the pending treaties which have already been signed by the United States; and the completion of our adherence to the Court as one of the outstanding agencies for the pacific settlement of international disputes would contribute to the restoration of international confidence and freedom from the fear of war which, in turn, would contribute to economic recovery throughout the world; and because the World Court has functioned successfully for 11 years, in that time settling 45 questions, some of them delicate and difficult; and because the Court was established along lines suggested by the United States to the other nations so long ago as the First Hague Conference in 1899: Therefore be it

*Resolved*, That the Colorado Federation of Women's Clubs commends the favorable attitude toward the Court shown by Senators COSTIGAN and ADAMS and urges them to use their best efforts to secure ratification of the Court treaties at the earliest practicable time; and be it further

*Resolved*, That Senator COSTIGAN is hereby requested to read this resolution into the CONGRESSIONAL RECORD.

MRS. SCOTT CAMPBELL, *Chairman.*
MRS. C. H. JACOBSON, *Vice Chairman.*

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THE DENVER COUNCIL OF FEDERATED CHURCH WOMEN,
*Denver, Colo., February 24, 1934.*

SIR: At the quarterly meeting, February 20, of the Denver Council of Federated Church Women, a group from 15 denominations representing approximately 34,000 votes, a resolution was passed that we respectfully urge you to vote for the bill whereby the United States will become a member of the World Court.

Very truly yours,

MRS. HENRY G. DIETZ,
*First Vice President.*
MRS. JOHN CONNELL,
*Corresponding Secretary.*

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DENVER, COLO., *January 13, 1935.*

In behalf of the members of the Committee on International Relations of the Denver branch of the American Association of University Women, I solicit your active cooperation in securing the adherence of the United States to the World Court protocol.

Respectfully yours,

FLORETTE (MRS. J. P.) NORDLUND,
*Chairman, International Relations,*
*Denver Branch, American Association of University Women.*

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[Night letter]

JANUARY 18, 1935.

President FRANKLIN D. ROOSEVELT,
*White House, Washington, D. C.:*

Colorado World Court Committee, consisting of 125 outstanding citizens of both parties in Colorado, earnestly express hope that Senate act promptly and favorably upon resolution for adherence to World Court reported by Committee on Foreign Relations January 10.

L. WARD BANNISTER,
*Chairman.*
MRS. OWEN E. LE FEVRE,
*Vice Chairman.*
PLATT R. LAWTON,
*Secretary.*

JANUARY 15, 1935.

Whereas the Foreign Relations Committee of the United States is again committed to the consideration of the adherence of the United States to the World Court; and

Whereas there has been an overwhelming expression of opinion favorable to our adherence to the World Court on the part of the outstanding leaders of American life in the political, social, educational, religious, and business organizations of the country; and

Whereas under present world conditions we believe that this country should strengthen wherever possible the machinery for international peace: Therefore be it

*Resolved*, That the Church Men's Planning Commission of Denver, Colo., petition the United States Senate to take prompt and favorable action in the ratification of the World Court protocols and that copies of this resolution be sent to Senators ROBINSON, COSTIGAN, AND ADAMS.

THE CHURCH MEN'S PLANNING
COMMISSION OF DENVER, COLO.,
ALFRED G. BROWN, *Chairman*.

Mr. RUSSELL. Mr. President, during the almost 16 years which have elapsed since the proposition of committing this country to the League of Nations or some of its instrumentalities was first raised in this body, the question has been discussed thoroughly from almost every angle. It is with some trepidation that I approach it here today, for I realize that the debate has been conducted by men who have been here this entire period and are more familiar with the subject than I could possibly be. But, sir, I would not feel that I was true to those whom I seek to represent here if I did not raise my voice to protest with every power of my being against the adoption of the pending resolution of adherence to the World Court. I would feel, sir, that I was false to my own convictions and had betrayed my own conscience did I not oppose the resolution of adherence, viewing it, as I do, as an abandonment of the time-honored foreign policy under which our country has prospered and grown great and populous.

I realize, sir, that we are led to understand from the press of the country that the die is already cast, that the question is already decided, and that those who oppose the World Court or the League Court speak here only by sufferance. We are told that in a short while more than two-thirds of this body will vote to commit our beloved country to this undertaking. I pray that this is not true. If it comes to pass it will be sad news to millions of people throughout the length and breadth of the United States who, though they may not understand all the complex issues involved, feel that today the admonitions of George Washington and the other founders of the Republic are just as applicable as they were when our Nation was launched upon the sea of time 150 years ago.

### A PART AND PARCEL OF THE LEAGUE OF NATIONS

Perhaps those who oppose the adoption of the pending resolution serve a useful purpose here for the future, for when further steps shall be taken to commit this Nation to full membership in the League of Nations, perhaps some of this debate will be of avail. The World Court is surely but the first step of those who, having endeavored for years and years to commit this country to the League of Nations, having failed by direct methods, in their new program now attempt to take the question up piecemeal and step by step, lulling the people of this country into a false sense of security by talk of reservations and of duty to humanity, and thus to project us into this alien body. When we shall have gone into the World Court and sit with the other countries that are parties to the League and join in the election of judges and the adjudication of disputes referred to the Court by foreign countries, we will have taken a long step toward membership in the League of Nations. If we should ever go all the way, as many of those who urge us to adopt this resolution would have us go, and commit this country to membership in the League of Nations, we will pledge the lives of the youth of this country and the wealth of America to enforcing the sanctions of the League and perhaps the judgments of the World Court in settling Asiatic brawls and European quarrels that are of no remote concern to us. I do not know of a single individual or organization that through all these years has been laboring to force this Nation into the League of Nations that is not today endeavoring to secure the adoption of the pending resolution for our adherence to the World Court.

As an illustration of that, I have here some of the propaganda that is going the rounds. Every Member of this body has received a letter to the same tenor and effect. It reads:

Now, at last, when a vote is pending in the Senate on the adherence of the United States to the World Court, hundreds of thousands of us are looking to you with hope and confidence for your favorable vote.

May I call your attention to the fact that all political parties for many years in their platforms have gone on record as being in favor of the World Court?

Does that come, sir, from a World Court association? It is headed "The League of Nations Association, Inc." and comes from its national headquarters.

No one in this debate has denied that the World Court is a creature of the League of Nations and that it came into existence by virtue of article 14 of the Covenant of the League. How can it be said that it is not part of the League of Nations when the judges are elected by the League, when they are paid by the League, and their salaries are prescribed by the League, and when the Court cannot even determine a matter that is submitted to it by mutual consent without notifying the Secretary General of the League? The Secretary General conducts the election of the judges of the World Court for the League of Nations, and the League has the power to pension the judges who preside upon this Court. Even the money America will send to pay the expenses of operation of this Court will pass through the coffers of the League of Nations.

It will be exceedingly difficult to convince an ordinary mind that the Court is not part of the League, when the League created the Court, names the judges, fixes the amount of their compensation, and pays them.

We are told we are protected by reservations; that America's vital interests and traditional policies are safeguarded by those reservations and understandings. The mere fact that it was necessary to attach reservations to the protocol of accession and to the resolution this body passed in 1926 is sufficient to put any American on guard that there are many dangers lurking in our future pathway if we adhere to the Court.

But, sir, when we consider the reservations that were adopted by the Senate in 1926 and the shape and form in which this matter comes before us today, it is easy to see that the whittling process is already under way; that we are not to be permitted to go into the Court on our own terms but on the terms of Europe; and that there is a great deal of doubt as to whether or not these reservations and understandings, which were considered the very minimum of protection to the people of the United States in joining this Court, have not been emasculated or confused, and are today capable of two constructions.

### RESERVATIONS DO NOT PROTECT

I cannot agree with those who say there is no question about all of the reservations being embraced in the pending resolution. I wish every Member of this body would read the brief on this subject submitted to the Committee on Foreign Relations by an eminent international lawyer, Hon. Reuben Clark. To my mind practically every reservation in its present form is capable of misunderstanding and double construction. We must remember that it was said by an eminent British statesman, "Let them come in; we will construe their reservations"; and that under the articles this Court is the judge of whether or not it has jurisdiction. There is likely to be misunderstanding as to each and every one of the reservations unless it be the one which provides that the United States shall defray its part of the cost of the Court. I doubt not there will be no misunderstanding on that score so long as we are sending money over to Europe to pay the expenses of their Court.

Why is there any pressing reason at this hour for America to seek to become a party to European affairs? It cannot be to protect the interests of the United States. We have no quarrels to adjudicate. It cannot be to protect the interests of any other nation from aggression by the United States. We have never been a militaristic people. There is nothing in our history or background that would tend to show that we are ever likely to be a militaristic people.

We have no differences to submit to the Court. America has a proud record of arbitration with foreign countries. It has been said here in the last few days that our controversy with Canada over the sinking of the *I'm Alone* was a matter that could have been properly referred to the World Court of the League of Nations for adjudication. To my mind, it is one of the most striking reasons and illustrations why we should not go into the Court. How much better it was for an American jurist and a Canadian jurist to sit down and quietly work out the matter without arousing national passions and prejudices through a great open hearing before the World Court, 3,000 miles from our shores. How much better it was for those whose interests were involved to pass upon the matter than to have judges from 15 countries, of different tongues and nationalities and systems of law, decide the dispute. There two men worked out the matter amicably and without the slightest indication of international feeling. Could the members of the World Court do better?

Mr. President, I ask at this point to place in the RECORD as a part of my remarks the names of the officers, judges, and members of the World Court.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

OFFICERS, JUDGES, AND MEMBERS OF THE WORLD COURT (AS OF JAN. 1, 1934)

A. Officers and judges of the Permanent Court of International Justice.

1. President of the Court, Sir Cecil James Barrington Hurst (Great Britain).
2. Vice president of the Court, J. Gustavo Guerrero (Salvador).
3. Registrar of the Court, Ake Hammarskjold (Sweden).
4. Deputy registrar of the Court, M. L. J. H. Jorstad (Norway).
5. Judges: Mineitciro Adatci (Japan), Rafael Altamira y Crevea (Spain), Dionisio Anzilotti (Italy), Antonio Sanchez de Bustamante y Sirven (Cuba), W. Jan Mariu van Eysinga (Netherlands), Henri Fromageot (France), J. Gustavo Guerrero (Salvador), Cecil James Barrington Hurst (Great Britain), Frank Billings Kellogg (United States), Demetre Negulesco (Rumania), Edouard Rolin-Jaequemyns (Belgium), Michel Rostworowski (Poland), Walter Schuecking (Germany), Francisco Jose Urrutia (Colombia), Wang Chung Hui (China).

OUTNUMBERED, OUTVOTED, AND DESPISED

Mr. RUSSELL. America's interests will be protected more fully by direct arbitration with any nation with which we might be engaged in a controversy than it would be by submission to such a court. In the selection of the judges who might be called on to decide the fate of America, England would have 7 votes in the Assembly of the League of Nations to our 1, and our great Republic would have no more voting strength in the Assembly than the small Negro Republics of Haiti and Liberia.

We are told, sir, that though we may not need this Court, though we have no questions to submit to it, though no perils immediately await us or any other nation at our hands, yet it is a matter of duty to the rest of the world to go into the Court and make our contribution to peace. Mr. President, how any man in this Nation can be under any illusion today that our meddling in the affairs of Europe promotes peace or is in anywise appreciated is, in the light of very recent experience, more than I can understand.

Within the lifetime and recollection of every person here today America's sons marched away from these shores and went 3,000 miles to fight in the great war that was to end all wars. Some of them did not thoroughly understand the issued involved, but all had held up before them this ideal of a war that was to bring everlasting peace. In that war we gave the blood of our sons and we gave lavishly of our national wealth. We saw the hearts of mothers broken; we saw thousands of men return so maimed on the cruel wheel of war that theirs is a living death. But what has been the result? We asked for nothing out of that war but peace and good will. Our allies were not so idealistic. Italy dismembered Austria; France took Alsace-Lorraine and forged a ring of steel around her ancient enemy, Germany, with corridors and buffer states; England picked up colonies in every quarter of the globe; Japan secured valuable concessions in China and the mandated islands of the Pacific.

Today, when we merely ask for a portion, and a small portion, of the honest debts the European nations owe us, we are met with a flat refusal and scorned and despised by our debtors. Who would say they would not be delighted to get us into a Court where they could procure a judgment that these debts were not debts at all, but were merely America's contribution to the war? We hear this argument advanced by many of our debtors today.

Men talk today of maintaining peace when there is no peace. There has been but a brief period since the armistice of November 11, 1918, when guns have not been fired in anger in some part of the world. Will our mere entry into the World Court, with all the hazards involved to our country, change the character of human passions and harness the prejudices of thousands of years, and thereby bring peace to all the nations?

There is no peace today in South America. There is no peace today in Asia. There is no peace today in Africa. If peace is brought where war now rages, it will only be by the action of armed forces. I will not commit America to such an enterprise.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Louisiana?

Mr. RUSSELL. I yield.

Mr. LONG. I want to ask the Senator if there has not been more war in South America since the League of Nations started than during any similar period before the League of Nations came into existence?

Mr. RUSSELL. I am not an expert on South American history. I do know that a very bloody war has been raging there between two members of the League of Nations and adherents to the World Court. That war started since those countries entered this combine that we are told will end all war and bring on an era of everlasting peace. It is only in this country that men stand on the floors of their parliaments and contend that America's action in entering the Court or the League will bring peace. It is well known throughout the length and breadth of the other nations of the world that any nation that had the power to do so has defied the League and trampled upon its rulings.

The PRESIDING OFFICER. The time of the Senator from Georgia on the amendment has expired.

Mr. RUSSELL. I shall take my time on the resolution.

I heard the great leader of our party here make an appeal that would touch the hearts of all mankind who are praying for peace, and say that our action in entering this organization will contribute to that end. How do those who have been in the League and who are members of the World Court, both in the Council and in the Assembly, since its inception, view the possibilities of peace that flow from those bodies?

Instead of depending on the League of Nations for peace, they maintain the greatest armies and armaments which the world has ever seen. Without resorting to open discussions in the halls of the League and the forum of the Court, we still hear the age-old cry of a balance of power and secret treaties of offense and defense.

AMERICA AT PEACE; EUROPE WAR-MINDED

It is easy to know what Europe is thinking today because most of the nations there are ruled by the iron hand of a single man and when he speaks he voices the thought of the great majority of his people. To my mind Mussolini is today the strongest character in Europe, whether he and his policies are worthy of admiration or not. What does he say when he comes to define the system of government that he has imposed upon Italy? Here is what he said:

> Fascism * * * does not believe either in the possibility or the utility of perpetual peace. It, therefore, repudiates pacifism, which betrays a tendency to give up the struggle and implies cowardice in the face of the necessity of sacrifice.

Those of you who expect peace to come from joining hands with Europe listen to this:

> Only war raises all human energies to the maximum and sets a seal of nobility on the peoples which have the virtues to undertake it. All other tests are mere substitutes, which never place man face to face with himself in the alternatives of life or death.

Any doctrine, therefore, which starts from the initial postulate of peace is foreign to fascism.

Equally unrelated to the spirit of fascism are all those international and League of Nations institutions—even if they are accepted for the usefulness they may have in certain political situations—which, as history proves, may be scattered to the winds when sentimental, ideal, or practical elements cause storms to rage in the hearts of peoples.

Here is war glorified by an entire nation. This is the view of one who dominates a member of the Assembly and of the Council of the League, and a nation that has a judge on the Court. We are asked to join this in the cause of peace. This reflects the spirit of a Europe which is today an armed camp. And yet honest and misguided people insist that if we will only join the League and its Court the time of the millennium would be at hand, and peace would reign permanently on earth.

Mussolini tells us differently. He frankly puts us on notice that he intends to adhere to the League of Nations and its actions only as long as it will serve his political ends, but that when it comes in conflict with material interests, it will be scattered to the winds.

It might be said that that is only the viewpoint of the stronger nations and it is our duty to go into the Court and these other international supergovernments to protect the welfare of the weaker nations of the earth. Mr. President, I believe that no American citizen today would doubt the probity of the character of the people of Finland. If there is any nation today that has respect for international understandings, that lives up to the letters of its obligations, it is Finland. Of all the nations we loaned hundreds of millions of dollars after the war was over to rebuild that which had been destroyed and to develop resources and new industries, only Finland has repaid us in full according to the terms of her agreement. They are a people who believe in international understanding. Have they any faith or confidence in the World Court or the League of Nations or any of these other organizations which we are told are panaceas for all the ills of mankind and will bring about everlasting peace?

Listen to the words of Gen. Justus Mannerheim, the President of the Council of National Defense of Finland, and the man who conducted military operations which restored order in that country:

General Mannerheim emphasized that Finland's peaceable disposition is an insufficient guarantee of peace. * * *

"Recently there has been much talk of settling international conflicts by peaceful means, but it is still futile to base our independence on international agreements, as is seen by numerous recent disputes which despite mediation have been ultimately settled by arms."

So I say, sir, that even those who today are carrying on the operations of the League of Nations have no hope that it will bring peace. If we would stay out of the next European war, we had best leave it and its creatures alone.

Mr. President, as I view our relation to the other nations of the world, these United States can be a more powerful factor for peace outside the World Court and without membership in the League of Nations than we could possibly be by joining these bodies. In the League or Court our great influence would be necessarily limited or greatly circumscribed.

As 1 of 60 nations participating in these matters, it would be almost lost or dissipated. When foreign nations shall have exhausted the means provided by the Court and by the League, giving those bodies full credit for a sincere desire to adjust their controversies according to the dictates of right and justice, where shall they appeal if there is still disagreement? Only to the arbitrament of the sword. The United States, standing aloof, and with other nations knowing that we have no reason to take sides for or against one or the other, might then have an opportunity to speak with the voice of reason and be heard at least long enough to delay hostilities until a cooling time could come about.

We have no secret compacts or alliances. All of our foreign questions are treated where all the world may hear. We are far removed from the touchous problems which are likely to cause war, and this places us in an enviable position where we may really be an instrumentality for peace if we do not surrender this advantage for a political connection with those who have problems which are likely to cause difficulties.

I realize, sir, that we live in an age of change. I know that this Congress believes in departing to some extent from the paths this Nation has followed in the past. Some of these changes I shall support; but if we make an error on some purely domestic question, we have within our own hands the means of correcting it. If we violate our Constitution, the Supreme Court of these United States, a wholly American institution, can declare our action void, as they have done within the past few days, and doubtless will do again. If we should enact some law that was constitutional but injurious to the people of the United States, this Congress or the succeeding Congress would have the right to repeal it. But if we should deceive ourselves on this issue, if we should err and adhere to a tribunal established in Europe and largely dominated by European nations, what man can foretell the full consequences of our action?

### "AMERICA FIRST" THE WATCHWORD

Mr. President, my views are frankly those of a nationalist. For that I have no apologies to make. I cannot understand the processes of thought of some of the internationalists of this country today. Some of them say that "a man is proud of his country when he has nothing else to be proud of." I read those words in print but a few weeks ago. I cannot see that it is honest to take all the blessings of American citizenship and not appreciate the sacrifices that have been made in order that we might enjoy them.

I am a citizen of the United States of America first. After America's best interests have been served, I am a citizen of the world. I desire peace on earth among all mankind; but my first concern is to keep America out of wars. I am interested in the welfare of humanity wherever the race of mankind is found; but I would not sacrifice the life of one American youth, in a quarrel in which he has no stake and which he does not understand, to save the lives of 10,000 citizens of another land.

There is no doubt in my mind, sir, as to my duty in this matter. If there were doubt in my mind, I should resolve it in favor of America's traditional policy of good will toward all people, and entangling political commitments with none.

If there were a question in my mind as to whether or not the utopia that has been painted here could be achieved, if there were even a semblance of fear that it would prove to be a mirage that would lead us off into the desert of foreign complications, I would decide this issue in favor of the foreign policy which has enabled us to reach the exalted position we occupy today.

In my humble way I believe that the mature thought of Washington, Jefferson, Monroe, and the other founders has been vindicated by every happening since they left us their wise advice. Despite economic cycles and recurrent depressions, we have done very well as a Nation in the past 150 years. We have made more progress than any other country has ever made in, I might say, a thousand years. We have largely contributed to carry all civilization forward with us. My faith in this policy, under which we have prospered and grown great, is as deep as it is in these modern-day prophets who advise us to abandon it. When I look about me today I can see no reason presented by the condition of world affairs that would justify us in projecting the United States into a foreign body that cannot possibly benefit the American people, and may result in incalculable confusion and woe.

Mr. LONG. Mr. President, I desire to modify my reservation, just changing the verbiage, so that it will read according to the draft, which I send to the desk.

The PRESIDING OFFICER. The clerk will read the modified amendment.

The Chief Clerk read as follows:

*Resolved further*, That adherence to the protocols and statute of the Permanent Court of International Justice is upon the express condition and with the clear understanding that the American policy commonly known and referred to as the "Monroe

Doctrine" is and shall in no matter be affected or in any respect modified, nor shall the United States, by reason of such adherence, be regarded as waiving or in any respect changing its attitude toward the policy known as the "Monroe Doctrine."

The PRESIDING OFFICER. The question is on the modified reservation offered by the Senator from Louisiana.

Mr. LONG. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DICKINSON (when his name was called). On this question I have a pair with the senior Senator from Kentucky [Mr. BARKLEY], who is necessarily absent from the Senate today, and, therefore, withhold my vote. If at liberty to vote, I should vote "yea." If the Senator from Kentucky were present and at liberty to vote, he would vote "nay."

Mr. HASTINGS (when his name was called). On this question I have a pair with the senior Senator from New York [Mr. COPELAND], and, therefore, refrain from voting. If the Senator from New York were present, my understanding is that he would vote "nay." If I were at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. LEWIS. I reannounce the absences announced by me upon the previous roll call and the reasons therefor.

I wish further to announce that the Senator from Utah [Mr. THOMAS], the Senator from Montana [Mr. WHEELER], and the Senator from Washington [Mr. BONE] are detained from the Senate on official business.

Mr. AUSTIN. I announce the absence of my colleague [Mr. GIBSON] on account of public business. I am informed that he has a general pair with the Senator from California [Mr. MCADOO]. I am not informed how either Senator would vote on this question if present.

The result was announced—yeas 35, nays 46, as follows:

YEAS—35

| | | | |
|---|---|---|---|
| Austin | Donahey | McGill | Schall |
| Barbour | Frazier | McNary | Shipstead |
| Borah | Gore | Murphy | Steiwer |
| Capper | Hale | Murray | Thomas, Okla. |
| Caraway | Johnson | Norbeck | Townsend |
| Carey | Keyes | Norris | Trammell |
| Couzens | La Follette | Nye | Walsh |
| Cutting | Long | Reynolds | White |
| Davis | McCarran | Russell | |

NAYS—46

| | | | |
|---|---|---|---|
| Adams | Byrnes | Hatch | Pittman |
| Ashurst | Clark | Hayden | Pope |
| Bachman | Connally | King | Radcliffe |
| Bailey | Coolidge | Lewis | Robinson |
| Bankhead | Costigan | Logan | Schwellenbach |
| Bilbo | Dieterich | Lonergan | Sheppard |
| Black | Duffy | Maloney | Smith |
| Brown | Fletcher | Metcalf | Truman |
| Bulkley | Gerry | Minton | Van Nuys |
| Bulow | Glass | Moore | Wagner |
| Burke | Guffey | Neely | |
| Byrd | Harrison | O'Mahoney | |

NOT VOTING—13

| | | | |
|---|---|---|---|
| Barkley | George | McAdoo | Tydings |
| Bone | Gibson | Overton | Vandenberg |
| Copeland | Hastings | Thomas, Utah | Wheeler |
| Dickinson | | | |

So Mr. LONG's reservation, as modified, was rejected.

Mr. DAVIS. Mr. President, I offer the reservation which I send to the desk.

The PRESIDING OFFICER. The clerk will read the reservation proposed by the Senator from Pennsylvania.

The legislative clerk read as follows:

On line 10, page 2, after the comma, strike out "over an objection by" and insert in lieu thereof the following: "without the consent of."

Mr. DAVIS. Mr. President, the purpose of the amendment which I offer is to clarify beyond doubt the meaning of the resolution.

On line 10, page 2, of the resolution, my amendment proposes to strike out the phrase "over an objection by" and to insert in lieu thereof the phrase "without the consent of."

I refer, of course, to the consent of the United States in the event the resolution shall be adopted.

A casual perusal of the phrase "over an objection by" may not create in the mind of the reader any serious doubt as to its meaning, but literally it would mean that if the United States took negative action, or no action whatsoever, the Court could proceed on the theory that silence gives consent. In such event, we would be committed to a judgment or decree of the Court, perhaps against our desire and pleasure. Therefore, it seems to me that great clarification is embodied in the phrase "without the consent of."

This means, Mr. President, that the United States must take an affirmative and a positive action, and in so doing would commit this Government to cooperation with the Court and adherence to its decrees.

The phrase "without the consent of" was originally incorporated in the resolution in the Walsh-Fess report, but has been omitted in the report submitted by the senior Senator from Arkansas.

The PRESIDING OFFICER. The question is on agreeing to the reservation.

Mr. ROBINSON. Mr. President, I ask the attention of the Senate for just a moment. The language incorporated in the resolution, and which the Senator from Pennsylvania seeks to change, is, in my judgment, preferable to the language he offers, for the reasons which I shall attempt to give.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. NORRIS. I wish the Senator would point out the line and the place where the amendment is proposed to be inserted.

Mr. DAVIS. Mr. President, in my remarks I stated that the amendment would come on line 10, page 2 of the resolution.

Mr. ROBINSON. Mr. President, I wish to have the opportunity, within the 15 minutes I may occupy, to explain why the language in the pending resolution is preferable to the language the Senator offers.

Under the language which the Senator from Pennsylvania has offered, all requests for advisory opinions must be consented to by the United States. Under the language I have incorporated in the resolution, unless the United States shall object, there will be opportunity for the entertainment of a request for an advisory opinion.

From a practical standpoint, this is the way it will operate. Under the Root formula, notice must be served on the United States of every request for an advisory opinion. Under the language which the Senator from Pennsylvania proposes, the United States must consent before any advisory opinion may be entertained or rendered. Under the language I have proposed, unless the United States shall have an objection, it need not take any action.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. NORRIS. Will the Senator point out in the protocol just where is to be found, or state without pointing it out, the language whereby it is provided that the United States must have this notice?

Mr. ROBINSON. Yes. I can state it from memory, though I cannot number the paragraph from memory. When a request for an advisory opinion is pending before either the Assembly or the Council, notice must be served on all states' members of the Court, including the United States, and that provision has been carried over into the statute. If the request comes before the Court, notice is given. So that in every instance of a request for an advisory opinion, the United States is given the opportunity to object to it. What I am seeking to do is to save the United States the inconvenience of consenting to the entertainment of an opinion or the rendition of an opinion when it feels that there is no interest on our part in the subject matter.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. ROBINSON. Yes.

Mr. NORRIS. I think the Senator has answered now the question that interested me. If the United States has notice

of a request and does not object, I can see no reason why they should not go ahead.

Mr. ROBINSON. That is exactly my position.

Mr. NORRIS. If it were a case where the United States did not have notice or there was no notice provided for, it would be a different case.

Mr. ROBINSON. Oh, certainly; but the interest of the United States in that respect is amply safeguarded. It must have notice of every request for an opinion, and it is given the opportunity to file a statement with the Court and to make objection in every case. It is my thought that there is no occasion to require the United States to delve into every question affected by a request for an advisory opinion, for many of them will relate to subjects matter in which we have no interest or concern whatever.

I think that is all I care to say about it.

The PRESIDING OFFICER. The question is on agreeing to the reservation proposed by the Senator from Pennsylvania [Mr. DAVIS].

Mr. DAVIS. On that question I ask for the yeas and nays.

Mr. ROBINSON. I do not object to a roll call on the reservation if the Senator asks for it.

Mr. JOHNSON. I ask for the yeas and nays because the Senator from Pennsylvania requested it, and so that a yea-and-nay vote may be recorded.

Mr. ROBINSON. I do not object to a record of it. I shall be glad to have the Senate go on record about the matter. The issue is very clear to me.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). On this question I have a pair with the senior Senator from New York [Mr. COPELAND]. It is my understanding that if he were present he would vote "nay" on this question. If I were at liberty to vote, I should vote "yea." I withhold my vote.

Mr. AUSTIN. I repeat the announcement of the general pair with my colleague [Mr. GIBSON] on this question.

The roll call was concluded.

Mr. DICKINSON (after having voted in the affirmative). I have a general pair with the senior Senator from Kentucky [Mr. BARKLEY]. If he were present, I understand that he would vote "nay." If I were at liberty to vote, I should vote "yea." I withdraw my vote.

Mr. HASTINGS. I transfer my pair with the senior Senator from New York [Mr. COPELAND] to the senior Senator from Oregon [Mr. MCNARY], who is temporarily detained on official business, and will vote. I vote "yea."

Mr. LEWIS. I rise to reannounce the absences of the Senators whose names I have given on the previous roll calls, and again announce the reasons for their absences.

I also wish to announce that the junior Senator from Kentucky [Mr. LOGAN], the junior Senator from Montana [Mr. MURRAY], and the junior Senator from Georgia [Mr. RUSSELL] are detained on official business of the Senate.

The result was announced—yeas 27, nays 54, as follows:

YEAS—27

| | | | |
|---|---|---|---|
| Austin | Frazier | McCarran | Shipstead |
| Barbour | Gerry | McGill | Steiwer |
| Borah | Gore | Murphy | Townsend |
| Capper | Hastings | Norbeck | Trammell |
| Carey | Johnson | Nye | Vandenberg |
| Davis | La Follette | Reynolds | White |
| Donahey | Long | Schall | |

NAYS—54

| | | | |
|---|---|---|---|
| Adams | Clark | Hayden | Radcliffe |
| Ashurst | Connally | Keyes | Robinson |
| Bachman | Coolidge | King | Schwellenbach |
| Bailey | Costigan | Lewis | Sheppard |
| Bankhead | Couzens | Lonergan | Smith |
| Bilbo | Cutting | Maloney | Thomas, Okla. |
| Black | Dieterich | Metcalf | Thomas, Utah |
| Brown | Duffy | Minton | Truman |
| Bulkley | Fletcher | Moore | Van Nuys |
| Bulow | Glass | Neely | Wagner |
| Burke | Guffey | Norris | Walsh |
| Byrd | Hale | O'Mahoney | Wheeler |
| Byrnes | Harrison | Pittman | |
| Caraway | Hatch | Pope | |

NOT VOTING—13

| | | | |
|---|---|---|---|
| Barkley | George | McAdoo | Overton |
| Bone | Gibson | McNary | Russell |
| Copeland | Logan | Murray | Tydings |
| Dickinson | | | |

So the reservation proposed by Mr. DAVIS was rejected.

Mr. ROBINSON. Mr. President, there are some reservations which have not as yet been disposed of. I find that it will not be possible to take the final vote on the resolution of adherence today. There is a matter of legislative importance that should be disposed of, and, after the Executive Calendar shall have been acted upon, it is my purpose to move to proceed to consider legislative business, with the expectation that the remaining issues pertaining to the World Court may go over until tomorrow, when ample time probably will be afforded to conclude the whole subject.

Mr. BORAH. Mr. President, may I ask what is the legislative matter to which the Senator refers?

Mr. ROBINSON. It is a deficiency appropriation carried in House Joint Resolution 88, and it is necessary to have it disposed of before the 1st of next month.

The PRESIDING OFFICER. The clerk will state the first nomination in order on the calendar.

FEDERAL POWER COMMISSION

The legislative clerk read the nomination of Frank R. McNinch, of North Carolina, to be a member of the Federal Power Commission.

Mr. ROBINSON. Mr. President, the Senator from North Carolina [Mr. BAILEY] has requested that that nomination go over for the day. I make the request, on his behalf, that it be passed over.

The PRESIDING OFFICER. The nomination will be passed over.

Mr. MCCARRAN subsequently said: Mr. President, the matter of the first nomination to the Federal Power Commission was read when my attention was distracted. Am I to understand it was confirmed?

Mr. ROBINSON. No; it was passed over at the request of the Senator from North Carolina [Mr. BAILEY].

Mr. MCCARRAN. I want to join in that request.

FEDERAL TRADE COMMISSION

The legislative clerk read the nomination of W. A. Ayres, of Kansas, to be Commissioner of the Federal Trade Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Garland S. Ferguson, Jr., of North Carolina, to be a member of the Federal Trade Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NATIONAL MEDIATION BOARD

The legislative clerk read the nomination of John Carmody, of New York, to be a member of the National Mediation Board, for the term expiring February 1, 1935.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John Carmody, of New York, to be a member of the National Mediation Board, for the term expiring February 1, 1938.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of James W. Carmalt, of the District of Columbia, to be a member of the National Mediation Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of William M. Leiserson, of Ohio, to be a member of the National Mediation Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RAILROAD RETIREMENT BOARD

The legislative clerk read the nomination of Lee M. Eddy, of Missouri, to be a member of the Railroad Retirement Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Murray Latimer, of New York, to be Chairman of the Railroad Retirement Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of John T. Williamson, of Illinois, to be a member of the Railroad Retirement Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Alex Smith to be United States marshal, northern district of Alabama.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I ask that the nominations of postmasters be confirmed en bloc with the exception of the nomination of Samuel M. Glading to be postmaster at Wenonah, N. J., and I ask that his nomination be recommitted to the Committee on Post Offices and Post Roads.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the post-office nominations, with the exception requested, are confirmed en bloc, and the nomination of Samuel M. Glading is recommitted to the Committee on Post Offices and Post Roads.

LEGISLATIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to.

ADDITIONAL APPROPRIATIONS FOR FEDERAL COMMUNICATIONS AND OTHER COMMISSIONS

Mr. ADAMS. I move that the Senate proceed to the consideration of House Joint Resolution 88.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 88) making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935.

The Chief Clerk proceeded to read the joint resolution, which had been reported from the Committee on Appropriations with amendments.

The first amendment of the committee was, at the top of page 2, to insert:

SENATE

For miscellaneous items, exclusive of labor, fiscal year 1935, $140,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 3, to insert:

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1935, $75,000: *Provided*, That no part of this appropriation shall be expended for services, personal, professional, or otherwise, in excess of the rate of $3,600 per annum: *Provided further*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

The amendment was agreed to.

The next amendment was, on page 2, after line 15, to insert:

DISTRICT OF COLUMBIA-VIRGINIA BOUNDARY COMMISSION

For an additional amount for the purpose of carrying out the provisions of Public Act No. 125, Seventy-third Congress, entitled "An act to provide for the appointment of a commission to establish the boundary line between the District of Columbia and the Commonwealth of Virginia", approved March 21, 1934, including salaries, travel, and subsistence expenses as authorized by law, fiscal year 1935, $4,000.

The amendment was agreed to.

The next amendment was, on page 4, line 22, to strike out "$825,000" and insert "$975,000", so as to read:

For all authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law and for other personal services, including employment of experts when necessary; contract stenographic reporting services; supplies and equipment; purchase and exchange of law books, books of reference, directories, periodicals, newspaper and press clippings; travel expenses, including the expense of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Securities and Exchange Commission; garage rental; foreign postage; mileage and witness fees; rent of building and equipment at the seat of Government and elsewhere; and other necessary expenses; $975,000.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. ADAMS. Mr. President, by direction of the committee, I ask to submit an additional amendment. I may say that the amendment has to do with the clarification of the present law in reference to the payments of salaries of Senators for short terms and following appointments. Mr. Pace, the financial officer of the Senate, says that this amendment is essential in order that his books may be kept straight. It does not involve any additional appropriation whatsoever, but it is merely a clarifying amendment. I move its adoption.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, after line 5, it is proposed to insert the following:

Salaries of Senators appointed to fill vacancies in the Senate shall commence on the day of their appointment and continue until their successors are elected and qualified: *Provided*, That when Senators have been elected during a sine die adjournment of the Senate to succeed appointees, the salaries of Senators so elected shall commence on the day following their election.

Salaries of Senators elected during a session to succeed appointees shall commence on the day they qualify: *Provided*, That when Senators have been elected during a session to succeed appointees, but have not qualified, the salaries of Senators so elected shall commence on the day following the sine die adjournment of the Senate.

When no appointments have been made the salaries of Senators elected to fill such vacancies shall commence on the day following their election.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ADAMS].

Mr. NORRIS. Mr. President, I should like to have the Senator from Colorado explain the amendment.

Mr. ADAMS. Mr. President, the situation as to that amendment is perhaps best explained by the very terms of the amendment itself. The finance officer of the Senate, as I understand, has explained that in the statute as it now exists there is some slight ambiguity in reference to the times of payment of salary when Senators are appointed to fill a vacancy caused by death and when they are elected for less than a full term, and he has asked that that ambiguity be clarified by this amendment, which, as I have said, makes no difference whatever in the pay scale of any Senator and involves no additional obligation on the part of the Government. The amendment is made up of three sections, one of which refers to the salaries of Senators appointed to fill vacancies in the Senate, and provides that—

Salaries of Senators appointed to fill vacancies in the Senate shall commence on the day of their appointment and continue until their successors are elected and qualified: *Provided*, That when Senators have been elected during a sine die adjournment of the Senate to succeed appointees, the salaries of Senators so elected shall commence on the day following their election.

Then the second paragraph reads as follows:

Salaries of Senators elected during a session to succeed appointees shall commence on the day they qualify: *Provided*, That

when Senators have been elected during a session to succeed appointees, but have not qualified, the salaries of Senators so elected shall commence on the day following the sine die adjournment of the Senate.

The third paragraph reads:

When no appointments have been made, the salaries of Senators elected to fill such vacancies shall commence on the day following their election.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. DUFFY in the chair). Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. NORRIS. I wanted the floor in my own right. If the Senator from Colorado has not concluded, I will wait.

Mr. ADAMS. I have concluded.

Mr. NORRIS. Then, Mr. President, let me say that the law regarding the oath of office and the commencement of the term of office of a Senator needs clarification; it needs some amendment. Ridiculous situations arise. I am not sure whether it is the fault of the Federal law or of the State laws. I have had the question under consideration for a good while, but I have never examined it fully. For instance, we have had a case, this time from my State, where an appointment was made after the death of my recent colleague, the late Senator Howell, and subsequently a different man was elected to fill the vacancy in the term ending on the 3d day of January. The situation arose that the appointee, who had been serving here, retired upon the election of a person to fill out the unexpired term which expired on the 3d of January, and a new Senator, my present colleague [Mr. BURKE], was elected for the full term beginning on the 3d of January.

We had this predicament: A man was elected as a Senator from the State commencing the day after the election and serving until the 3d day of January, or not quite 2 months. During that time there was no session of the Senate, and, as a matter of fact, he never took the oath of office, but he had been elected and served for those 2 months. He was entitled to have a full office force and entitled to draw the salary. I am not complaining about that. He would have made a very fine Senator if he had served the full term.

A similar case came up in recent years from the State of Georgia where a person was appointed to fill a vacancy, the appointment expiring upon the election of the successor who in that case, as in the one I have been discussing, was elected to fill the unexpired term. It all occurred during a recess of Congress. The person given the certificate of election would have had no opportunity in that case to present it, of course. In the Georgia case, by courtesy of the elected Senator, the appointee was given an opportunity to submit her certificate of election, take her seat, be recognized by the Chair, and make a speech. At the conclusion of her speech the Senator-elect presented his credentials and was sworn in, and the lady went out of office.

In the case I have mentioned, which came later from the State of Nebraska, the appointed Senator for the 2 months' period did not even have the privilege or the opportunity of being sworn in because the Senator who was elected for the whole term very properly presented his credentials and was sworn in. The other gentleman, who had been drawing the salary and who had a complete office force at his command, was not sworn in at all.

I bring this to the attention of the committee because of the amendment they have brought before us. We ought to amend the law, it seems to me, so that instead of the appointee's term expiring the day after election in November and the new Senator being elected to hold office from November to January, the appointee's term ought not to expire until the 3d of January. Unless we should have a special session in the interim between election day in November and the 3d of January, the elected Senator never could be sworn in. Such an amendment would get us out of the ridiculous position in which we have found ourselves twice and which may happen many times in the future.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado on behalf of the Committee on Appropriations.

The amendment was agreed to.

Mr. McCARRAN. Mr. President, I have on the table an amendment which I ask to have reported.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The CHIEF CLERK. The Senator from Nevada proposes at the end of the joint resolution to insert the following new section:

COMPENSATION OF GOVERNMENT OFFICERS AND EMPLOYEES

SEC. 2. (a) Section 3 (b) of title II of the act entitled "An act to maintain the credit of the United States Government", approved March 20, 1933, as amended, is amended by striking out "shall not exceed 5 percent during the fiscal year ending June 30, 1935", and inserting in lieu thereof "shall not, during the portion of the fiscal year 1935 prior to January 1, 1935, exceed 5 percent, and after December 31, 1934, there shall be no such reduction."

(b) Subsections (b) and (c) of section 21 of the Independent Offices Appropriation Act, 1935, are amended by striking out "the fiscal year ending June 30, 1935", wherever such phrase appears, and inserting in lieu thereof "that portion of the fiscal year ending June 30, 1935, prior to January 1, 1935."

(c) Nothing in this resolution shall be construed as permitting any reduction in rates of compensation in effect at the time of the passage of this resolution.

Mr. BYRNES. Mr. President, I do not desire to make a point of order against the amendment. I ask the Senator from Nevada if he would not agree to modify his amendment fixing the date for the restoration of pay at the beginning of the next quarter, April 1, instead of the retroactive date of January 1?

I know the Senator prefers the date of January 1, but it would involve administrative difficulties, the preparation of pay rolls, and the sending of checks to men no longer in the Government service, the calculation of the 5 percent on the amount of compensation of day laborers throughout the country, and similar difficulties. It is exceedingly difficult to comply with the retroactive feature. If the Senator could agree to modify his amendment, I certainly should be glad to give it my support; and I am satisfied it will find greater support in the Senate if it were modified in that regard.

Mr. McCARRAN. In reply to the learned Senator from South Carolina, I desire to say that it has been my desire all the time to make to the toiling masses of the country a full restoration of their pay. I believe the conditions prevailing in the country today warrant full restoration of pay. I believe the call which has been made, and legitimately made, by the administration upon private concerns and private industry for an increase of pay warrants an increase of pay to Federal employees.

Nevertheless, I am never so content with my position, however secure I might feel myself, that I would not yield to a fair, legitimate, honest compromise. The suggestion made by the learned Senator from South Carolina whereby the great mass of Federal employees will be restored to their full pay on April 1 is entirely acceptable to me. I am willing to accept the modification suggested by him.

Mr. BYRNES. Mr. President, will the Senator from Nevada yield further?

Mr. McCARRAN. Certainly.

Mr. BYRNES. Would the Senator further accept an amendment to make certain that which I know will meet his approval, that the language of subsection (a) does not restore to those officials of the Government who receive more than $10,000 per year the amount of money in excess of $10,000?

In order to make that clear, by virtue of the Treasury-Post Office Department Appropriation Act of 1933 a limitation of $10,000 was placed upon the salary of any official in the Government, with the exception of Members of the Supreme Court and members of the Cabinet and, as I recall, the Director of the Veterans' Administration. The language of the amendment as drawn would, I am afraid, restore such salaries in excess of $10,000. If that language were eliminated, then the amendment of the Senator would simply pro-

vide for restoration of the 5 percent to every employee of the Government upon whom it was imposed. If that be the purpose, I ask the Senator to agree to the amendment to the amendment which I send to the desk.

Mr. McCARRAN. I understand the purpose of the amendment offered by the Senator from South Carolina to my amendment, and I am entirely content to accept it so far as I may.

The PRESIDING OFFICER. The amendment offered by the Senator from South Carolina to the amendment of the Senator from Nevada will be stated.

The CHIEF CLERK. It is proposed, in the amendment of the Senator from Nevada, on page 2, in line 1, to strike out "January" and insert "April"; in line 2, to strike out "December 31, 1934," and insert "March 31, 1935"; in line 8, to strike out "January" and insert "April"; and after the numerals "1935" in line 8, to insert:

Except that this amendatory provision shall not apply to section 107 (a) (1), (2), (3), and (4) of part II of the Legislative Appropriation Act, fiscal year 1933 (relating to certain special salary reductions).

So as to make the amendment read:

At the end of the bill to insert:

"COMPENSATION OF GOVERNMENT OFFICERS AND EMPLOYEES

"SEC. 2. (a) Section 3 (b) of title II of the act entitled 'An act to maintain the credit of the United States Government', approved March 20, 1933, as amended, is amended by striking out 'shall not exceed 5 percent during the fiscal year ending June 30, 1935,' and inserting in lieu thereof 'shall not, during the portion of the fiscal year 1935 prior to April 1, 1935, exceed 5 percent, and after March 31, 1935, there shall be no such reduction.'

"(b) Subsections (b) and (c) of section 21 of the Independent Offices Appropriation Act, 1935, are amended by striking out 'the fiscal year ending June 30, 1935,' wherever such phrase appears and inserting in lieu thereof 'that portion of the fiscal year ending June 30, 1935, prior to April 1, 1935; except that this amendatory provision shall not apply to section 107 (a) (1), (2), (3), and (4) of part II of the Legislative Appropriation Act, fiscal year 1933 (relating to certain special salary reductions).'

"(c) Nothing in this resolution shall be construed as permitting any reduction in rates of compensation in effect at the time of the passage of this resolution."

The PRESIDING OFFICER. The question is on the amendment of the Senator from South Carolina to the amendment of the Senator from Nevada.

The amendment to the amendment was agreed to.

Mr. BYRNES. Mr. President, may I ask the Senator from Nevada if he included in his amendment a provision for the necessary appropriation?

Mr. McCARRAN. I did not.

Mr. BYRNES. By reason of the adoption of the amendment of the Senator from Nevada it is necessary to provide the funds to effectuate its purpose. To provide those funds I send to the desk the following amendment.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 5, after the amendment heretofore agreed to, insert:

(d) There is hereby appropriated so much as may be necessary for the payment of sums due, and payable out of the Treasury of the United States, by reason of the discontinuance of the reduction of compensation provided for in this resolution; and limitations on amounts for personal services are hereby respectively increased in proportion to the increase in appropriations for personal services made in this subsection. In the case of officers and employees of the municipal government of the District of Columbia, such sums shall be paid out of the revenues of the District of Columbia and the Treasury of the United States in the manner prescribed by the District of Columbia Appropriation Act for the fiscal year 1935.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Carolina.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to further amendment. If there be no further amendment, the question is, Shall the amendments be engrossed and the joint resolution be read a third time?

The amendments were ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

The title was amended so as to read: "Joint resolution making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935, and for other purposes."

EXECUTIVE SESSION—THE WORLD COURT

Mr. ROBINSON. I move that the Senate resume the consideration of executive business.

The motion was agreed to; and the Senate resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Permanent Court of International Justice.

RECESS

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 27 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Tuesday, January 29, 1935, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate Monday, January 28 (legislative day of Monday, Jan. 21), 1935*

PROMOTION IN THE FOREIGN SERVICE OF THE UNITED STATES

TO BE SECRETARY IN THE DIPLOMATIC SERVICE

Franklin B. Atwood, of Massachusetts, now a Foreign Service officer of class 8 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

UNITED STATES MARSHAL

Jesse Jacobs, of New York, to be United States marshal, northern district of New York, to succeed William N. Cromie, resigned.

PROMOTIONS IN THE PUBLIC HEALTH SERVICE

TO BE SENIOR SURGEON

Surg. Louis L. Williams, Jr., to be senior surgeon in the United States Public Health Service, to rank as such from April 8, 1935.

TO BE SURGEON

Passed Asst. Surg. Lucius F. Badger to be surgeon in the United States Public Health Service, to rank as such from March 26, 1935.

PROMOTIONS IN THE COAST GUARD OF THE UNITED STATES

TO BE COMMANDERS

Lt. Comdr. Robert Donohue, to rank from October 1, 1934.
Lt. Comdr. Earl G. Rose, to rank from October 1, 1934.
Lt. Comdr. Loyd V. Kielhorn, to rank from October 1, 1934.
Lt. Comdr. Edward H. Smith, to rank from October 1, 1934.

TO BE LIEUTENANT COMMANDER

Lt. Robert H. Furey, to rank from October 1, 1934.

TO BE DISTRICT COMMANDER WITH RANK OF LIEUTENANT COMMANDER

Dist. Comdr. Oswald A. Littlefield, to rank from October 24, 1934.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY OF THE UNITED STATES

TO SIGNAL CORPS

First Lt. William Wesson Jervey, Cavalry (detailed in Signal Corps), with rank from August 21, 1923, effective June 1, 1935.

TO COAST ARTILLERY CORPS

Lt. Col. Rufus Foote Maddux, Chemical Warfare Service, with rank from February 1, 1933.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONEL

Lt. Col. Resolve Potter Palmer, Adjutant General's Department, from January 21, 1935.

TO BE LIEUTENANT COLONEL

Maj. Frederick Elwood Uhl, Infantry, from January 21, 1935.

POSTMASTERS

ALABAMA

James D. McEachern to be postmaster at Brundidge, Ala., in place of V. B. Huff, resigned.

Levie C. Sirmon to be postmaster at Dozier, Ala., in place of L. L. Mallette, removed.

Willie W. Whittaker to be postmaster at Flomaton, Ala., in place of A. L. Boutwell, resigned.

ARKANSAS

Will W. Coffman to be postmaster at Harrison, Ark., in place of J. L. Russell. Incumbent's commission expired May 2, 1934.

Jordan B. Lambert to be postmaster at Holly Grove, Ark., in place of H. L. Kelley. Incumbent's commission expired December 18, 1934.

CALIFORNIA

Robert L. Windsor to be postmaster at Bellflower, Calif., in place of H. A. Canfield, removed.

Franklin M. Whiting to be postmaster at Berkeley, Calif., in place of C. D. Heywood. Incumbent's commission expired February 5, 1933.

Ralph N. Swanson to be postmaster at Hollydale, Calif., in place of F. A. S. Robeson. Incumbent's commission expired September 30, 1933.

Hazel G. Woodson to be postmaster at Hondo, Calif., in place of W. R. Harriman, resigned.

Solomon H. W. C. Geer to be postmaster at Live Oak, Calif., in place of W. B. Barber, removed.

Hazel B. Stites to be postmaster at Maxwell, Calif., in place of C. E. Wells. Incumbent's commission expired June 24, 1934.

Charles L. Hollar to be postmaster at Maywood, Calif. Office established.

Asa E. Bishop to be postmaster at Mendocino, Calif., in place of A. E. Bishop. Incumbent's commission expired March 2, 1933.

Harold B. Byron to be postmaster at Pasadena, Calif., in place of W. F. Knight. Incumbent's commission expired April 16, 1934.

Frances M. C. Enos to be postmaster at Pescadero, Calif., in place of G. C. Gianola. Incumbent's commission expired February 10, 1934.

Florence E. Cornelius to be postmaster at Piru, Calif., in place of F. E. Cornelius. Incumbent's commission expired December 18, 1934.

Leigh H. Dunning to be postmaster at Santa Paula, Calif., in place of Clarence Beckley, resigned.

James E. Pharr to be postmaster at Scotia, Calif., in place of J. E. Pharr. Incumbent's commission expired December 16, 1934.

Rosa A. Printz to be postmaster at Simi, Calf., in place of R. A. Printz. Incumbent's commission expired December 16, 1934.

Eugene S. Franscioni to be postmaster at Soledad, Calif., in place of E. S. Franscioni. Incumbent's commission expired May 29, 1934.

Charles B. Pearson to be postmaster at Stockton, Calif., in place of E. R. Hawley, transferred.

Susan M. Sigler to be postmaster at Universal City, Calif., in place of S. M. Sigler. Incumbent's commission expired February 6, 1934.

Cynthia P. Griffith to be postmaster at Wheatland, Calif., in place of C. P. Griffith. Incumbent's commission expired June 4, 1934.

CONNECTICUT

Walter B. Johnson to be postmaster at Seymour, Conn., in place of W. S. Tifft, transferred.

FLORIDA

Helen B. Giessen to be postmaster at Orange Park, Fla., in place of Pauline Wylie. Incumbent's commission expired January 4, 1932.

A. J. Victor Johnson to be postmaster at Pierson, Fla., in place of J. D. Peterson. Incumbent's commission expired April 8, 1934.

Mildred Hanks to be postmaster at Port Tampa City, Fla., in place of M. M. Folsom. Incumbent's commission expired May 7, 1934.

GEORGIA

Robert E. Wilson to be postmaster at Homerville, Ga., in place of J. O. Rodgers, removed.

IDAHO

Louella R. Hollenbeck to be postmaster at Fruitland, Idaho, in place of L. S. Enberg. Incumbent's commission expired March 22, 1934.

Mack H. Shotwell to be postmaster at Gooding, Idaho, in place of F. G. Hill. Incumbent's commission expired December 18, 1932.

ILLINOIS

Jay R. Cooper to be postmaster at Chapin, Ill., in place of W. S. Brownlow, resigned.

Edward G. Mochel to be postmaster at Clarendon Hills, Ill., in place of E. G. Mochel. Incumbent's commission expired June 24, 1934.

John J. Welch to be postmaster at Deerfield, Ill., in place of F. H. Meyer. Incumbent's commission expired May 13, 1934.

Ferd H. Gibler to be postmaster at Freeport, Ill., in place of C. W. Meier, retired.

H. Earl Ballein to be postmaster at Hanover, Ill., in place of M. S. Williams. Incumbent's commission expired June 24, 1934.

Francis L. Wright to be postmaster at Henry, Ill., in place of A. P. Brown. Incumbent's commission expired January 10, 1932.

Charles W. Rimsnider to be postmaster at Hinckley, Ill., in place of L. K. Valentine. Incumbent's commission expired December 18, 1933.

Florence E. Kelley to be postmaster at Iuka, Ill., in place of W. L. Bauman. Incumbent's commission expired May 29, 1934.

J. Walter Lowrey to be postmaster at Joliet, Ill., in place of W. R. Fletcher. Incumbent's commission expired April 30, 1932.

Patrick H. McKeone to be postmaster at Lacon, Ill., in place of R. A. Blackmon. Incumbent's commission expired April 28, 1934.

Raymond A. Kennedy to be postmaster at Libertyville, Ill., in place of E. E. Ellsworth. Incumbent's commission expired January 28, 1934.

James D. Larry, Sr., to be postmaster at Melrose Park, Ill., in place of L. W. Richter. Incumbent's commission expired December 20, 1932.

Otto F. Giehl to be postmaster at Metamora, Ill., in place of L. A. Willman. Incumbent's commission expired October 31, 1933.

Paul H. Ryan to be postmaster at New Holland, Ill., in place of J. W. Sheary. Incumbent's commission expired April 2, 1934.

Garnett M. Farthing to be postmaster at Odin, Ill., in place of W. J. West, removed.

L. Maude McBride to be postmaster at Pawpaw, Ill., in place of E. F. Guffin. Incumbent's commission expired April 2, 1934.

Ernest Swanson to be postmaster at Paxton, Ill., in place of W. R. Watts, resigned.

Margaret Bradbury to be postmaster at Perry, Ill., in place of R. L. Witham, removed.

Marguerite D. Long to be postmaster at Princeville, Ill., in place of W. M. Hoag. Incumbent's commission expired December 18, 1933.

Jacob Sand to be postmaster at Roanoke, Ill., in place of R. A. Full. Incumbent's commission expired May 29, 1934.

Lester L. Boyle to be postmaster at Roberts, Ill., in place of O. B. Sanders. Incumbent's commission expired January 16, 1934.

Lawrence P. Luby to be postmaster at Rockford, Ill., in place of A. L. Johnson. Incumbent's commission expired April 2, 1934.

Joseph E. Pruett to be postmaster at St. Elmo, Ill., in place of F. E. Mattix. Incumbent's commission expired May 29, 1934.

West M. Rourke to be postmaster at Springfield, Ill., in place of A. L. Pickel, retired.

William E. Hollerich to be postmaster at Spring Valley, Ill., in place of A. L. Faletti. Incumbent's commission expired May 7, 1934.

Joseph J. Morrissey to be postmaster at Utica, Ill., in place of C. C. Cary, removed.

INDIANA

Iliff W. Lewis to be postmaster at Fairmount, Ind., in place of L. H. Ribble, removed.

Ralph F. Yeoman to be postmaster at Hanna, Ind., in place of O. J. Gibson. Incumbent's commission expired December 13, 1932.

Thomas W. Hall to be postmaster at Medora, Ind., in place of Logan Motsinger, removed.

George F. Coyle to be postmaster at Tell City, Ind., in place of Lee Herr, removed.

IOWA

Mollie J. E. Kachelhoffer to be postmaster at Ackley, Iowa, in place of F. B. Moreland, removed.

Anna Reardon to be postmaster at Auburn, Iowa, in place of Anna Reardon. Incumbent's commission expired January 22, 1935.

Mary McCoy Wilson to be postmaster at Colo, Iowa, in place of G. A. Hall. Incumbent's commission expired May 16, 1934.

Ralph A. Kelley to be postmaster at Early, Iowa, in place of L. J. Garrett, resigned.

Eva L. Ochs to be postmaster at Garwin, Iowa, in place of F. E. Morrison. Incumbent's commission expired December 13, 1932.

Amanda J. Belt to be postmaster at Glenwood, Iowa, in place of R. W. Rhoades, transferred.

Mary G. Harker to be postmaster at Grand Junction, Iowa, in place of E. M. Henery. Incumbent's commission expired January 31, 1934.

William Stover to be postmaster at Hospers, Iowa, in place of Marinus Jansma, deceased.

James B. Gilroy to be postmaster at Lost Nation, Iowa, in place of C. J. Rutenbeck. Incumbent's commission expired May 20, 1934.

Patrick H. English to be postmaster at Monona, Iowa, in place of H. S. Rittenhouse. Incumbent's commission expired June 24, 1934.

Gladys M. Heiland to be postmaster at Panora, Iowa, in place of E. P. Tucker. Incumbent's commission expired April 9, 1934.

Carrie M. Skromme to be postmaster at Roland, Iowa, in place of A. M. Michaelson. Incumbent's commission expired February 28, 1933.

Clara C. Lockner to be postmaster at Terril, Iowa, in place of J. H. Lewis. Incumbent's commission expired July 3, 1934.

KANSAS

Etta Le Ford to be postmaster at Argonia, Kans., in place of Lewis Thomas, removed.

Christian Biesterfeld to be postmaster at Dorrance, Kans., in place of Mae Boyd. Incumbent's commission expired April 16, 1934.

William F. Decker to be postmaster at Newton, Kans., in place of Josiah Foltz, deceased.

Emmett E. Conzelman to be postmaster at Republic, Kans., in place of W. H. Polley. Incumbent's commission expired December 18, 1933.

KENTUCKY

Jack Smith to be postmaster at Compton, Ky., in place of T. P. Sewell, resigned.

Maria T. Fish to be postmaster at Frankfort, Ky., in place of David Goin. Incumbent's commission expired March 8, 1934.

Christine Alexander to be postmaster at Salt Lick, Ky., in place of R. M. Wood, removed.

William J. Smith to be postmaster at Stearns, Ky., in place of Lewis Heisler, removed.

H. Harvey Denham to be postmaster at Vanceburg, Ky., in place of T. G. Thoroughman, removed.

MAINE

Louis A. White to be postmaster at Eastport, Maine, in place of C. E. Davis, transferred.

John H. McSweeney to be postmaster at Old Orchard Beach, Maine, in place of M. E. Hill. Incumbent's commission expired January 16, 1934.

Henry J. Saucier to be postmaster at Van Buren, Maine, in place of R. L. Cyr, resigned.

Mary Freeman to be postmaster at Washburn, Maine, in place of D. L. Duncan. Incumbent's commission expired March 8, 1934.

MARYLAND

James J. Ohler to be postmaster at Glenarm, Md., in place of T. G. Pearce, removed.

Jacob T. Hartle to be postmaster at Hagerstown, Md., in place of E. M. Tenney. Incumbent's commission expired June 4, 1934.

John T. French to be postmaster at Owings Mills, Md., in place of Charles Roemer, Jr. Incumbent's commission expired December 18, 1933.

William H. Condiff to be postmaster at Solomons, Md., in place of W. H. Condiff. Incumbent's commission expired December 20, 1934.

MASSACHUSETTS

Henry L. Pierce to be postmaster at Barre, Mass., in place of H. L. Pierce. Incumbent's commission expired December 18, 1934.

Esther K. Whitcomb to be postmaster at Bolton, Mass., in place of E. K. Whitcomb. Incumbent's commission expired December 9, 1934.

Celia R. St. John to be postmaster at Cohasset, Mass., in place of E. E. H. Souther. Incumbent's commission expired April 28, 1934.

Merritt C. Skilton to be postmaster at East Northfield, Mass., in place of M. C. Skilton. Incumbent's commission expired January 23, 1935.

Douglas H. Knowlton to be postmaster at South Hamilton, Mass., in place of D. H. Knowlton. Incumbent's commission expired January 22, 1933.

John W. Mitchell to be postmaster at South Lancaster, Mass., in place of H. B. Sampson. Incumbent's commission expired January 11, 1934.

MINNESOTA

N. Elmie Lewis to be postmaster at Bertha, Minn., in place of G. H. Payne. Incumbent's commission expired April 28, 1934.

Charles B. Seipp to be postmaster at Hanley Falls, Minn., in place of G. E. Ristvedt, resigned.

Florence D. Markham to be postmaster at Hopkins, Minn., in place of William Perbix, resigned.

Harry W. Simpson to be postmaster at Jasper, Minn., in place of B. O. Stime. Incumbent's commission expired February 25, 1933.

Justin I. Brown to be postmaster at Nevis, Minn., in place of W. W. Person. Incumbent's commission expired April 2, 1934.

Leo F. Groos to be postmaster at North St. Paul, Minn., in place of W. R. Gates, removed.

Harold T. Colbjernsen to be postmaster at Parkers Prairie, Minn., in place of J. A. Fridgen. Incumbent's commission expired January 31, 1934.

MISSISSIPPI

Malcolm E. Wilson to be postmaster at Marks, Miss., in place of M. E. Wilson. Incumbent's commission expired June 19, 1933.

Henry W. Mangum to be postmaster at Mendenhall, Miss., in place of Z. L. Gibson. Incumbent's commission expired December 19, 1933.

Singleton C. Tanner to be postmaster at Mize, Miss., in place of J. D. Glisson. Incumbent's commission expired July 1, 1934.

Olive Alexander to be postmaster at Rolling Fork, Miss., in place of M. O. Sharbrough, deceased.

MISSOURI

Fred R. Morrow to be postmaster at Buffalo, Mo., in place of P. H. Hawkins. Incumbent's commission expired June 20, 1934.

George K. Spalding to be postmaster at Chesterfield, Mo., in place of Edward Burkhardt. Incumbent's commission expired December 18, 1933.

Orion J. L. Brookhart to be postmaster at Harrisonville, Mo., in place of Joseph Volle. Incumbent's commission expired June 2, 1934.

Clarence C. Wilkins to be postmaster at Hornersville, Mo., in place of G. S. Brown. Incumbent's commission expired March 18, 1934.

Jesse M. Hawkins to be postmaster at Ironton, Mo., in place of J. C. Forshee, removed.

John E. Craig to be postmaster at Mansfield, Mo., in place of M. E. Gorman. Incumbent's commission expired May 23, 1933.

Fred J. Jacobi, Jr., to be postmaster at Martinsburg, Mo., in place of D. L. Blanchfield. Incumbent's commission expired March 8, 1934.

William Arthur Girdner to be postmaster at Mercer, Mo., in place of J. H. Somerville. Incumbent's commission expired April 8, 1934.

Herbert L. Wells to be postmaster at Republic, Mo., in place of J. D. A. Hood, Jr. Incumbent's commission expired April 8, 1934.

W. Rufus Jackson to be postmaster at St. Louis, Mo., in place of A. J. Michener, retired.

Marl L. Gamble to be postmaster at Sheldon, Mo., in place of F. R. Jones, removed.

John J. Henderson to be postmaster at Valley Park, Mo., in place of C. C. Lloyd. Incumbent's commission expired April 8, 1934.

MONTANA

Peter Peterson to be postmaster at Fort Peck, Mont. Office became Presidential January 1, 1935.

Thomas J. Somerville, Jr., to be postmaster at Gardiner, Mont., in place of J. M. Tripp. Incumbent's commission expired March 8, 1934.

NEBRASKA

John F. Lewis to be postmaster at Arnold, Nebr., in place of G. W. Bennett, Jr., resigned.

Irving E. Tilgner to be postmaster at Lewellen, Nebr., in place of I. E. Tilgner. Incumbent's commission expired December 9, 1934.

Louis R. Vejraska to be postmaster at Odell, Nebr., in place of Clarence Rosecrans, resigned.

Berniece B. Simmons to be postmaster at Silver Creek, Nebr., in place of Floyd Buchanan. Incumbent's commission expired May 29, 1934.

Thomas Glen Roberts to be postmaster at Sterling, Nebr., in place of Henry Pickett. Incumbent's commission expired June 20, 1934.

NEVADA

Ernest H. Bath to be postmaster at Carson City, Nev., in place of F. E. Meder. Incumbent's commission expired December 18, 1934.

NEW HAMPSHIRE

Harry Frank Smith to be postmaster at Center Harbor, N. H., in place of R. E. Kelley. Incumbent's commission expired April 16, 1934.

Charles E. Tanner to be postmaster at Milton, N. H., in place of S. G. Blaisdell. Incumbent's commission expired March 22, 1934.

NEW JERSEY

John R. Snedeker to be postmaster at Atlantic Highlands, N. J., in place of David Tumen. Incumbent's commission expired January 10, 1933.

August F. Schweers to be postmaster at Little Silver, N. J., in place of C. P. Kemp, removed.

Harry Kramer to be postmaster at Metuchen, N. J., in place of A. L. Quint. Incumbent's commission expired December 18, 1933.

Frank H. Moran to be postmaster at Middlesex, N. J., in place of Lucy Lesser, removed.

Russell J. Noncarrow to be postmaster at Morristown, N. J., in place of C. W. Bodine, removed.

Patricia B. Hanlon to be postmaster at Mountain Lakes, N. J., in place of S. H. Dayton. Incumbent's commission expired April 22, 1934.

Abraham G. Nelson to be postmaster at New Market, N. J., in place of Fanny Jenner. Incumbent's commission expired December 11, 1933.

James F. Creamer to be postmaster at Parlin, N. J., in place of Samuel Locker. Incumbent's commission expired January 16, 1934.

Charles F. Haussermann to be postmaster at South River, N. J., in place of Charles Herrmann, removed.

Mary G. Appleby to be postmaster at Spotswood, N. J., in place of M. M. Hodapp. Incumbent's commission expired May 13, 1934.

Henry M. Dunham to be postmaster at Toms River, N. J., in place of W. B. Havens, removed.

NEW MEXICO

Herman E. Kelt to be postmaster at Carrizozo, N. Mex., in place of E. A. Gumm, deceased.

Charlotte Kohlhousen to be postmaster at Cimarron, N. Mex., in place of N. M. Lodge. Incumbent's commission expired October 10, 1933.

George W. Dexter to be postmaster at Deming, N. Mex., in place of C. J. Kelly, removed.

Frank J. Wesner to be postmaster at Las Vegas, N. Mex., in place of J. H. York, deceased.

Theodore Raff to be postmaster at Los Lunas, N. Mex. Office became Presidential July 1, 1934.

Emmet J. Corn to be postmaster at Tucumcari, N. Mex., in place of R. H. Smith, removed.

Vera Clayton to be postmaster at Tularosa, N. Mex., in place of R. M. McNatt. Incumbent's commission expired March 16, 1921.

NEW YORK

John Foye to be postmaster at Brockport, N. Y., in place of G. W. Steele, removed.

Frank W. Junior to be postmaster at Chazy, N. Y., in place of G. W. North. Incumbent's commission expired February 6, 1934.

James E. Dailey to be postmaster at Deposit, N. Y., in place of H. A. McMurray. Incumbent's commission expired May 29, 1934.

Peter J. Carpenter to be postmaster at Dobbs Ferry, N. Y., in place of W. C. King, retired.

Clarence F. Dilcher to be postmaster at Elba, N. Y., in place of C. F. Dilcher. Incumbent's commission expired May 9, 1934.

Edward F. Higgins to be postmaster at Great Neck, N. Y., in place of H. W. Smith. Incumbent's commission expired March 22, 1934.

Mary A. McGoey to be postmaster at Hartsdale, N. Y., in place of W. H. Secord. Incumbent's commission expired July 1, 1934.

Maurice F. Maloney to be postmaster at Haverstraw, N. Y., in place of E. S. Turner. Incumbent's commission expired May 29, 1934.

Glen H. Smith to be postmaster at Mexico, N. Y., in place of E. P. Taylor. Incumbent's commission expired May 9, 1934.

James J. Moroney to be postmaster at Pleasantville, N. Y., in place of F. C. Stadler. Incumbent's commission expired March 22, 1934.

George J. O'Brien to be postmaster at Sandy Creek, N. Y., in place of G. L. Hadley. Incumbent's commission expired March 22, 1934.

Frank T. More to be postmaster at Walton, N. Y., in place of E. S. St. John. Incumbent's commission expired May 16, 1934.

NORTH CAROLINA

George Carroll Sales to be postmaster at Fletcher, N. C., in place of G. W. Lance, deceased.

Wayne A. Mitchell to be postmaster at Kinston, N. C., in place of R. B. Dunn, retired.

NORTH DAKOTA

Ralph E. Ulrich to be postmaster at Balfour, N. Dak., in place of R. P. Semrau, resigned.

Arthur Shelton to be postmaster at Bowdon, N. Dak., in place of F. E. Wollitz, resigned.

Freda A. Sempel to be postmaster at Braddock, N. Dak., in place of Kathryn Savage, resigned.

Maude I. Burbeck to be postmaster at Cathay, N. Dak., in place of M. I. Burbeck. Incumbent's commission expired January 22, 1935.

Nels A. Anderson to be postmaster at Finley, N. Dak., in place of T. S. Overby. Incumbent's commission expired February 14, 1934.

G. Ralph Rohr to be postmaster at Gladstone, N. Dak., in place of Jacob Krier, removed.

John A. Schieb to be postmaster at Kensal, N. Dak., in place of A. J. Dunnum, resigned.

Alf A. Ringen to be postmaster at Kindred, N. Dak., in place of L. D. Larsen. Incumbent's commission expired March 18, 1934.

Anna M. Wagner to be postmaster at Lidgerwood, N. Dak., in place of F. W. Mashek, resigned.

William G. McBride to be postmaster at Milton, N. Dak., in place of M. D. Pratten. Incumbent's commission expired May 29, 1933.

M. Florence Klessig to be postmaster at Page, N. Dak., in place of N. M. Chamberlain, resigned.

William J. Gust to be postmaster at St. Thomas, N. Dak., in place of D. G. McIntosh. Incumbent's commission expired December 18, 1933.

John M. Klein to be postmaster at Strasburg, N. Dak., in place of Cornelius Rowerdink. Incumbent's commission expired May 29, 1934.

Grace C. Wheeler to be postmaster at Tower City, N. Dak., in place of H. H. Roberts. Incumbent's commission expired December 10, 1932.

William S. McCabe to be postmaster at Walhalla, N. Dak., in place of A. H. Allan. Incumbent's commission expired June 13, 1933.

George G. Harvey to be postmaster at Williston, N. Dak., in place of A. G. C. Strom, removed.

Clarence O. Uggen to be postmaster at Woodworth, N. Dak., in place of W. H. Wright. Incumbent's commission expired December 16, 1933.

Bernhard Ottis to be postmaster at Wyndmere, N. Dak., in place of Arnold Lien. Incumbent's commission expired December 19, 1931.

OHIO

Beulah G. Roshon to be postmaster at Baltimore, Ohio, in place of F. W. Helmick. Incumbent's commission expired May 16, 1934.

Florent G. Orr to be postmaster at Basil, Ohio, in place of H. M. Shook. Incumbent's commission expired April 16, 1934.

Mollie M. Morrow to be postmaster at Bergholz, Ohio, in place of H. A. Carson. Incumbent's commission expired May 2, 1934.

Elden E. Schott to be postmaster at Brewster, Ohio, in place of J. H. C. Goodhart, deceased.

Charles A. McCrate to be postmaster at Columbus Grove, Ohio, in place of A. G. Bogart. Incumbent's commission expired March 8, 1934.

Elmer E. Eller to be postmaster at Cuyahoga Falls, Ohio, in place of A. A. Billman. Incumbent's commission expired June 19, 1933.

Lloyd K. Heckman to be postmaster at Ellet, Ohio, in place of P. J. Knight. Incumbent's commission expired May 16, 1934.

Christ M. Rose to be postmaster at Fort Jennings, Ohio, in place of E. M. Cumming. Incumbent's commission expired December 16, 1933.

Paul E. Ruppert to be postmaster at Franklin, Ohio, in place of J. R. Miller. Incumbent's commission expired April 15, 1934.

Arthur C. Battershell to be postmaster at Hicksville, Ohio, in place of F. M. Birdsall. Incumbent's commission expired May 29, 1934.

Frederick B. Mowery to be postmaster at Kingston, Ohio, in place of A. F. Hosler, resigned.

Ernest A. Rowland to be postmaster at Lodi, Ohio, in place of S. M. Brogan. Incumbent's commission expired December 16, 1933.

C. Wood Bowen to be postmaster at Logan, Ohio, in place of A. E. Huls, deceased.

Neal D. Roshon to be postmaster at Medina, Ohio, in place of W. E. Gates, transferred.

Carl V. Beebe to be postmaster at Mount Gilead, Ohio, in place of H. E. Griffith, resigned.

Iva A. Falls to be postmaster at Shawnee, Ohio, in place of R. D. Weedy, resigned.

Hattie D. Hufford to be postmaster at West Mansfield, Ohio, in place of M. H. Bell. Incumbent's commission expired May 16, 1934.

OKLAHOMA

Rosa B. Britton to be postmaster at Cyril, Okla., in place of R. B. Britton. Incumbent's commission expired January 28, 1934.

Edwin B. Minich to be postmaster at Eldorado, Okla., in place of E. B. Minich. Incumbent's commission expired December 18, 1934.

Frank S. DeWolfe to be postmaster at Guymon, Okla., in place of B. F. Rarick. Incumbent's commission expired December 14, 1932.

Arthur A. Westbrook to be postmaster at Idabel, Okla., in place of J. M. Tyler. Incumbent's commission expired April 28, 1934.

R. Waldo Wettengel to be postmaster at Rush Springs, Okla., in place of J. L. Coyle. Incumbent's commission expired April 28, 1934.

Nell M. Dilks to be postmaster at Temple, Okla., in place of E. G. Etzold, resigned.

OREGON

Ralph B. Stanfield to be postmaster at Echo, Oreg., in place of R. C. Hale, resigned.

Benjamin H. Davies to be postmaster at Gresham, Oreg., in place of E. E. Johnson, removed.

Charles B. Cox to be postmaster at Heppner, Oreg., in place of W. W. Smead. Incumbent's commission expired June 17, 1934.

Frank DeSouza to be postmaster at Medford, Oreg., in place of W. J. Warner, retired.

Mabel Cummings to be postmaster at Philomath, Oreg., in place of G. W. Cummings. Incumbent's commission expired June 17, 1934.

E. Lee Chenault to be postmaster at Union, Oreg., in place of T. D. Smith, resigned.

William Gregory to be postmaster at Westport, Oreg., in place of A. W. Hodgman. Incumbent's commission expired December 8, 1932.

PENNSYLVANIA

Joseph W. Manon to be postmaster at Charleroi, Pa., in place of S. D. R. Hill. Incumbent's commission expired May 2, 1934.

Henry Bourns to be postmaster at Ellsworth, Pa., in place of Henry Bourns. Incumbent's commission expired January 28, 1935.

Claude O. Meckley to be postmaster at Hanover, Pa., in place of A. S. Hollinger. Incumbent's commission expired May 29, 1934.

Marie Bengele to be postmaster at Loretto, Pa., in place of Tillie Bradley, resigned.

Frank B. Kunselman to be postmaster at Meadville, Pa., in place of G. A. Speakman. Incumbent's commission expired January 16, 1934.

George A. Lehman to be postmaster at Patton, Pa., in place of Thomas Powell, removed.

W. Norman Freed to be postmaster at Richlandtown, Pa. Office became Presidential July 1, 1934.

James V. Brush to be postmaster at Sewickley, Pa., in place of T. E. Sweeney, resigned.

Roy L. Stover to be postmaster at Shrewsbury, Pa., in place of G. F. Klinefelter. Incumbent's commission expired May 13, 1934.

John J. Verbos to be postmaster at Steelton, Pa., in place of Mark Mumma, removed.

John M. Braden to be postmaster at Washington, Pa., in place of T. J. Langfitt, transferred.

PUERTO RICO

Alfredo F. Irizarry to be postmaster at Cabo Rojo, P. R., in place of A. F. Irizarry. Incumbent's commission expired December 18, 1934.

Julio Ramos to be postmaster at Cayey, P. R., in place of Julio Ramos. Incumbent's commission expired December 18, 1934.

Francisco R. Fernandez to be postmaster at Guayama, P. R., in place of C. D. Vargas. Incumbent's commission expired May 23, 1933.

Jose Carrera to be postmaster at Humacao, P. R., in place of Jose Carrera. Incumbent's commission expired December 18, 1934.

Eduvigis de la Rosa to be postmaster at Isabela, P. R., in place of Eduvigis de la Rosa. Incumbent's commission expired December 18, 1934.

Pedro Muniz Rivera to be postmaster at Manati, P. R., in place of Pedro Muniz Rivera. Incumbent's commission expired December 18, 1934.

Antonio Godinez to be postmaster at Rio Piedras, P. R., in place of Antonio Godinez. Incumbent's commission expired December 18, 1934.

Felipe B. Cruz to be postmaster at Visques, P. R., in place of F. B. Cruz. Incumbent's commission expired December 7, 1932.

RHODE ISLAND

Joseph E. Murray to be postmaster at Ashaway, R. I., in place of L. B. Langworthy. Incumbent's commission expired April 22, 1934.

Andrew J. McKeon to be postmaster at Hillsgrove, R. I., in place of J. C. Sheldon, deceased.

William F. Harkins to be postmaster at West Barrington, R. I., in place of L. S. A. Cook. Incumbent's commission expired December 19, 1933.

SOUTH CAROLINA

Glen O. Howe to be postmaster at Great Falls, S. C., in place of M. C. Stroud. Incumbent's commission expired April 30, 1934.

Martin H. Moore to be postmaster at La France, S. C., Office became Presidential July 1, 1932.

Josephus S. Nichols to be postmaster at Leesville, S. C., in place of J. H. Bodie. Incumbent's commission expired January 16, 1932.

Eva H. Groce to be postmaster at Lyman, S. C., in place of E. H. Groce. Incumbent's commission expired December 20, 1934.

J. Sidney McNeill to be postmaster at Ninety Six, S. C., in place of J. E. D. Tolbert. Incumbent's commission expired February 14, 1931.

Crayton C. Crenshaw to be postmaster at Pendleton, S. C., in place of C. C. Crenshaw. Incumbent's commission expired December 20, 1934.

SOUTH DAKOTA

Nicholas DeBilzan to be postmaster at Andover, S. Dak., in place of W. B. Poe, removed.

Fred C. Wetterberg to be postmaster at Arlington, S. Dak., in place of C. T. Chester. Incumbent's commission expired December 16, 1933.

Milton W. Butts to be postmaster at Belle Fourche, S. Dak., in place of S. G. Mortimer. Incumbent's commission expired June 16, 1934.

Ernest A. Schlup to be postmaster at Hudson, S. Dak., in place of H. H. Cable. Incumbent's commission expired March 22, 1934.

Charles R. Dean to be postmaster at Rockham, S. Dak., in place of H. M. Bardon, deceased.

Mary V. Breene to be postmaster at Seneca, S. Dak., in place of M. V. Breene. Incumbent's commission expired June 26, 1934.

TENNESSEE

Rebecca Jennings to be postmaster at Alamo, Tenn., in place of R. J. Tatum. Incumbent's commission expired April 3, 1934.

LaVerne Gearhiser to be postmaster at Big Sandy, Tenn., in place of J. G. McKenzie. Incumbent's commission expired May 2, 1934.

Mary E. Birdwell to be postmaster at Chuckey, Tenn., in place of C. L. Bitner. Incumbent's commission expired April 22, 1934.

Fred C. Lindsay to be postmaster at Greeneville, Tenn., in place of C. H. Bewley, removed.

Shelbin C. Malone to be postmaster at Henderson, Tenn., in place of C. L. Parrish. Incumbent's commission expired May 29, 1934.

Howard Long to be postmaster at Kingsport, Tenn., in place of J. E. Miller. Incumbent's commission expired February 6, 1934.

Bedford T. Transou to be postmaster at Mason, Tenn., in place of B. G. Taylor, removed.

Charles P. Fults to be postmaster at Monteagle, Tenn., in place of H. L. Lappin. Incumbent's commission expired April 9, 1934.

Eugene L. McDade to be postmaster at Mountain City, Tenn., in place of H. M. Miller. Incumbent's commission expired February 28, 1933.

TEXAS

John E. Morris to be postmaster at Borger, Tex., in place of F. G. Bowers, resigned.

Alfred H. Clark to be postmaster at Bremond, Tex., in place of Jacob Bennett. Incumbent's commission expired May 2, 1934.

James A. Hilburn to be postmaster at Childress, Tex., in place of McDougal Bybee, removed.

Alvin L. Clements to be postmaster at Copperas Cove, Tex., in place of J. M. Brooks. Incumbent's commission expired May 2, 1934.

Walter E. Holloway to be postmaster at Detroit, Tex., in place of W. E. Holloway. Incumbent's commission expired December 20, 1934.

William W. Sloan to be postmaster at Falfurrias, Tex., in place of W. W. Sloan. Incumbent's commission expired May 9, 1934.

William D. Reed to be postmaster at Holland, Tex., in place of C. B. Starke. Incumbent's commission expired January 16, 1934.

James S. Griffith to be postmaster at Houston, Tex., in place of R. B. Nichols. Incumbent's commission expired May 29, 1934.

George F. Sheppard to be postmaster at Italy, Tex., in place of J. W. Johnson. Incumbent's commission expired April 15, 1934.

Eldon C. Wade to be postmaster at Jayton, Tex., in place of George Rice, deceased.

Lois H. Knox to be postmaster at Justin, Tex., in place of J. F. Range. Incumbent's commission expired April 15, 1934.

Ray H. Griffin to be postmaster at Kosse, Tex., in place of A. L. Jennings, resigned.

William B. Collins to be postmaster at Llano, Tex., in place of E. W. Tarrence. Incumbent's commission expired June 20, 1934.

Louis E. Phillips to be postmaster at Lott, Tex., in place of O. R. Porterfield. Incumbent's commission expired April 3, 1934.

Ben C. McElroy to be postmaster at Marshall, Tex., in place of H. O. Wilson. Incumbent's commission expired December 8, 1932.

Joe December to be postmaster at Orange Grove, Tex., in place of Lydia Teller, resigned.

Marcus E. Jud to be postmaster at Riesel, Tex., in place of C. L. Wiebusch. Incumbent's commission expired March 18, 1934.

Alejo C. Garcia to be postmaster at San Diego, Tex., in place of E. R. Gallagher. Incumbent's commission expired January 16, 1934.

Edward A. Beckman to be postmaster at Sealy, Tex., in place of W. J. Kveton, deceased.

William F. Sellers to be postmaster at Walnut Springs, Tex., in place of M. P. Grieve. Incumbent's commission expired December 20, 1934.

UTAH

Nello Christoffersen to be postmaster at Brigham, Utah, in place of W. L. Holst, removed.

James L. Willardsen to be postmaster at Ephraim, Utah, in place of A. W. Thomson. Incumbent's commission expired December 16, 1933.

N. Stanley Brady to be postmaster at Fairview, Utah, in place of L. L. Peterson, resigned.

Richard B. Porter to be postmaster at Ogden, Utah, in place of R. A. Garner, retired.

Ralph H. Jacobshagen to be postmaster at Helper, Utah, in place of H. B. Simonsen, removed.

Cantril Nielsen to be postmaster at Hyrum, Utah, in place of J. A. Israelsen, resigned.

John C. Root to be postmaster at Milford, Utah, in place of C. T. Martin, removed.

Gerald Cazier to be postmaster at Nephi, Utah, in place of J. E. Lunt. Incumbent's commission expired January 8, 1933.

Carl W. Empey to be postmaster at Price, Utah, in place of J. F. MacKnight. Incumbent's commission expired January 31, 1934.

VIRGINIA

Mary Ann Nichols to be postmaster at Hamilton, Va., in place of R. E. Orrison, removed.

Troy J. Weeks to be postmaster at Willis, Va., in place of J. L. Earles. Incumbent's commission expired May 20, 1934.

WASHINGTON

Daniel B. McGovern to be postmaster at Renton, Wash., in place of Thomas Harries, resigned.

William T. Davis to be postmaster at Toppenish, Wash., in place of W. F. Cantrell, resigned.

WEST VIRGINIA

Effie L. Hedrick to be postmaster at Mabscott, W. Va., in place of M. E. Hill, resigned.

WISCONSIN

Thomas J. Weiler to be postmaster at Auburndale, Wis., in place of G. E. Grob. Incumbent's commission expired May 7, 1934.

Selmer M. Alvey to be postmaster at Bruce, Wis., in place of C. V. Walker. Incumbent's commission expired June 4, 1934.

John Agnew to be postmaster at Cadott, Wis., in place of Illma Dugal. Incumbent's commission expired April 2, 1934.

Florence Kuehl to be postmaster at Genesee Depot, Wis., in place of B. E. Miller. Incumbent's commission expired July 3, 1934.

Paul Bernhagen to be postmaster at Junction City, Wis., in place of P. O. Virum. Incumbent's commission expired June 2, 1934.

Harry A. Victora to be postmaster at Middleton, Wis., in place of L. G. Clark, deceased.

Joseph W. Hanley to be postmaster at Roberts, Wis., in place of A. E. Hafer. Incumbent's commission expired May 2, 1934.

Leo E. Doll to be postmaster at Soldiers Grove, Wis., in place of D. C. McDowell. Incumbent's commission expired June 17, 1934.

Tillie E. Brennan to be postmaster at Valders, Wis., in place of G. K. Berge. Incumbent's commission expired March 22, 1934.

Joseph N. Thiele to be postmaster at Whitewater, Wis., in place of E. F. Sweeney, deceased.

Arthur N. Donnellan to be postmaster at Winter, Wis., in place of T. E. Noyes. Incumbent's commission expired May 2, 1934.

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 28 (legislative day of Jan. 21), 1935*

MEMBERS OF THE FEDERAL TRADE COMMISSION

W. A. Ayres to be a member of the Federal Trade Commission.

Garland S. Ferguson, Jr., to be a member of the Federal Trade Commission.

MEMBERS OF THE NATIONAL MEDIATION BOARD

John Carmody to be a member of the National Mediation Board.

John Carmody to be a member of the National Mediation Board. (Reappointment.)

James W. Carmalt to be a member of the National Mediation Board.

William M. Leiserson to be a member of the National Mediation Board.

MEMBERS OF THE RAILROAD RETIREMENT BOARD

Lee M. Eddy to be a member of the Railroad Retirement Board.

Murray Latimer (chairman) to be a member of the Railroad Retirement Board.

John T. Williamson to be a member of the Railroad Retirement Board.

UNITED STATES MARSHAL

Alex Smith to be United States marshal, northern district of Alabama.

POSTMASTERS

NEW JERSEY

John Russell, Barnegat.
Benjamin F. Butler, Bayville.
John M. Timcoe, Bradley Beach.
John B. Johnson, Freehold.
John L. Cagni, Lavallette.
Lucy M. Buckbee, Manahawkin.
Whilmena A. Harvey, Oakhurst.
Walter I. Gaul, Oceanport.
Luella Brown, Old Bridge.

NEW YORK

Nicholas J. O'Prey, Buchanan.
William J. Porr, Cochecton.
Fred A. Wagner, Delevan.
Bert W. Wood, Dexter.
William L. Koch, Dunkirk.
Frank M. Rouis, Eastview.
Louise P. Danner, East White Plains.
Flora M. Matty, Evans Mills.
William G. Mollitor, Hicksville.
John W. Beggs, Jefferson.
Marion E. Moran, Jeffersonville.
Catherine E. Pratt, Mooers.
Edward I. Glickman, South Fallsburg.

OHIO

Clarence T. Zwickel, Bremen.

SOUTH DAKOTA

Rolland L. Marlett, Ashton.
Edith A. Sproat, Bradley.
Perry W. Waltz, Brookings.
Edward E. Colgan, Edgemont.
Ruel E. Dana, Hartford.
Mattie W. Funk, McIntosh.
Aaron N. Kautz, Menno.
Inez M. Bruner, Sanator.
Charles F. Barg, White.

WEST VIRGINIA

Arthur G. Martin, Fairmont.

WISCONSIN

William F. Schreiber, Hales Corners.

# HOUSE OF REPRESENTATIVES

## MONDAY, JANUARY 28, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, conscious that there is a power in the earth which transcends the works of man, we linger here in prayer and breathe "Abba Father." By faith, hope, and love may we discern Thy presence, recognizing the invisible world, its glory and inspiration. Holy Spirit, render divinely solemn our obligations and our obedience. Keep us, blessed Lord, from the tragedy of that love that never finds an object, from that ability that never finds a sphere, and from that life that never finds a mission. We beseech Thee to save us from that blind worldliness that closes the windows of the soul and shuts its door on God. O may we make with Thee a perpetual covenant which shall never be forgotten. Ever keep alive in us aspirations that need not be ashamed. Let them never be mocked or denied. Through Christ. Amen.

The Journal of the proceedings of Friday, January 25, 1935, was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1175. An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3410) entitled "An act making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes."

### AMENDMENT TO BANKHEAD BILL

Mr. WHELCHEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a copy of an amendment to the Bankhead bill which I have just filed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. WHELCHEL. Mr. Speaker, under leave granted I extend my remarks in the RECORD in regard to an amendment that I am today introducing to the Bankhead bill, and also as a part of my remarks I extend in the RECORD, a copy of the amendment so introduced.

In the outset let me say that I have given this bill a great deal of thought because it so vitally affects that portion of Georgia that I represent, the ninth district, and it is only now that I have satisfied my mind that there is a solution that will correct the greatest evil emanating from the control of cotton production.

I regard the outstanding feature of this H. R. 4882 to be that portion giving to the small farmer raising cotton an exemption or freedom from tax, sufficient to at least help him in defraying his expenses for fertilizer and actual necessaries of life for himself and family, this to be in keeping with the number of his dependents. It is not the small farmer or producer that is causing an overproduction of cotton, and this amendment will in no way vitiate the effect of the Bankhead bill. I have personal knowledge of several instances in my district where the allotment was so inadequate that it really caused want and suffering, this being where the producer was poor and had a very large family. In one case in particular a man with eight children was only given 1,180 pounds of lint cotton.

This amendment will at least give relief to these small farmers in a small way, and yet the effect of the Bankhead bill will remain and serve the purpose for which it was intended. If this bill is permitted to remain in its present status, it will be in the future, as it has in the past, very hurtful to these small producers.

Another feature of this amendment that would be of value to the proper handling of this measure is the selection of the committees and community committees by the local authorities of the different counties, who are acquainted with the parties at interest, and can more equitably make the allotments, they knowing the surroundings of each of the parties to be dealt with.

The last portion of the amendment provides for adequate compensation to be paid to the ginners of the counties who are compelled to make reports and otherwise assist in the collection of these taxes. The amount of work required of them has been tremendous, and it is not in keeping with the policy of the administration, I am sure, that they should be compelled to do this work and receive no compensation for it.

Below I quote a resolution passed by the Georgia Legislature in regard to this last:

Whereas the terms of the Bankhead bill makes no provision for the payment for the collection of taxes imposed thereunder by cotton ginners; and

Whereas the Treasury Department required that the operators of cotton ginneries should collect such taxes and did not stipulate any compensation therefor; and

Whereas the collection of taxes at ginneries for account of the United States Government entailed an enormous amount of time and effort and necessitated the employment of additional salaried help in connection with the operation of ginneries, which, under no conception, could be construed as legitimate expense imposed upon the owner and/or operators of cotton ginneries: Be it

*Resolved*—

1. That the Congress of the United States is earnestly requested to enact such legislation as will fairly compensate the extra expense incurred in the collection of taxes imposed upon the ginneries during the years 1934 and 1935.

2. That a copy of this resolution be transmitted to the Senators and Congressmen from the State of Georgia.

The Bankhead bill as a whole is, in my opinion, the solution to the overproduction of cotton and with the evils corrected as set out in the amendment I have today introduced, truly believe it will prove to be of inestimable value to the Nation.

A bill to exempt a limited quantity of cotton produced by small producers from the cotton ginning tax; to fix a reasonable compensation to be paid where the operators of cotton gins are required to collect such tax, and to provide for the selection of members of county and community committees under the Cotton Act of 1934

*Be it enacted, etc.*, That section 4 of the act entitled "An act to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, to provide funds for paying additional benefits under the Agricultural Adjustment Act, and for other purposes", approved April 21, 1934, as amended, is amended by inserting at the end thereof the following new subsection:

"(h) Where during the crop year 1935–36 cotton is harvested on land with respect to which an allotment of tax-exempt cotton has been made to the producer thereon (or on his behalf as share cropper or tenant), if the allotment made is less than 5 bales (500 pounds), the tax shall be imposed under this act upon cotton so produced on the following basis: Two bales exempt for head of each family; one-half bale for each dependent of said producer, exclusive of himself and wife, said exemption not to exceed 5 bales. Exemption certificates shall not be issued representing cotton exempt from tax under this subsection, but the Secretary of Agriculture and the Secretary of the Treasury shall prescribe regulations providing for the identification of such cotton and for establishing the right to such exemption. The person establishing his right to such exemption in accordance with such regulations shall be entitled to receive bale tags for such cotton under section 10. The amount of cotton which the Secretary of Agriculture ascertains under section 3 (a) should be allotted for marketing from production during the crop year 1935–36 shall include the amount which he estimates will be tax-exempt under the provisions of this subsection and the amount of cotton apportioned in pursuance of section 3 (b) shall be reduced by the amount of his estimate under this subsection.

The last sentence of section 23 of such act, as amended (relating to the definition of "bale"), is amended by inserting "4 (h)", after "3."

SEC. 2. That section 6 of the act entitled "An act to place the cotton industry on a sound commercial basis, to prevent unfair competition and practices in putting cotton into the channels of interstate and foreign commerce, to provide funds for paying addi-

tional benefits under the Agricultural Adjustment Act, and for other purposes", is amended by adding at the end thereof the following paragraph:

"Where the operators of cotton gins are required to collect such taxes imposed under such act that said operators of said gins be paid a reasonable compensation for their services, said compensation to be paid out of the taxes collected on cotton subject to penalty under said act for and during the year 1934–35."

SEC. 3. That section 6 of the aforesaid act be further amended by adding the following paragraph:

"Members of county committees and community committees authorized to make allotments within any county or community shall be selected by the county commissioners, and in the event there are no county commissioners, that the ordinaries (or officials holding like office) of the respective counties or communities in which such members are authorized to act make the selection, under regulations to be prescribed by the Secretary of the Treasury."

### WILLIAM B. BANKHEAD

The SPEAKER. The Chair desires to inform the House that by reason of the authority conferred upon him by House Resolution 72, he did on January 26, 1935, administer the oath of office to Hon. WILLIAM B. BANKHEAD at the Naval Hospital in the city of Washington.

In this same connection the Speaker wishes to say that he was very happy to find the gentleman from Alabama improving and very hopeful of being able to be back in the House before a great while; and the gentleman from Alabama wished me to convey his regards to all of his colleagues in the House. [Applause.]

Mr. TAYLOR of Colorado. Mr. Speaker, I offer the following resolution for immediate consideration.

The Clerk read as follows:

House Resolution 75

Whereas William B. Bankhead, a Representative for the State of Alabama, has been unable from sickness to appear in person to be sworn as a Member of this House but has sworn to and subscribed the oath of office before the Speaker, authorized by resolution of this House to administer the oath, and that said oath of office has been presented in his behalf to the House, and there being no contest or question as to his election: Therefore

*Resolved,* That said oath be accepted and received by the House as the oath of office of the said William B. Bankhead as a Member of this House.

The resolution was agreed to.

Mr. LUCKEY. Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a resolution passed by the Nebraska State Senate January 22, 1935, memorializing the Congress of the United States to include building of three interstate bridges across the Missouri River as public works projects.

Mr. SNELL. Mr. Speaker, reserving the right to object, we have always inserted these matters in the RECORD.

Mr. O'CONNOR. Mr. Speaker, reserving the right to object, those petitions which come to us from States are usually referred to the end of the RECORD after the day's proceedings. It is not customary to insert them in the body of the RECORD because there are so many of them. I, personally, however, have no objection.

Mr. SNELL. I have no objection in this instance but we do not want to start this habit.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The resolution referred to follows:

Resolution

Memorializing the Congress of the United States to include building of free interstate bridges across the Missouri River as Public Works Administration projects

(Introduced by Senators Neumann, Dafoe, Howell, Sullivan, Carsten, Wells, Crowley, Jelen, and McMahon)

Preamble

Whereas in many instances the United States of America, through its Public Works Administration, has considered Federal aid, in whole or in part, on intrastate bridges within the State of Nebraska feasible projects to alleviate distress of the inhabitants of this State accentuated by the 1934 destructive drought; and

Whereas the effect of the withering drought still pinches our people and work relief is imperative if our State is effectively to carry on until private industry can absorb our employables now out of jobs: Now, therefore, be it

*Resolved by the Senate of the State of Nebraska in fiftieth session assembled—*

1. That this house hereby respectfully petitions and memorializes the Congress of the United States to provide further assistance through its Public Works Administration to consider the immediate public necessity of 100 percent Federal participation in free interstate bridge projects across the Missouri River at South Sioux City, Nebr.; Blair, Nebr.; Omaha, Nebr.; Plattsmouth, Nebr.; Nebraska City, Nebr.; Louisville, Nebr.; Decatur, Nebr.; Brownville, Nebr.; and Rulo, Nebr.; or at such other locations across said river as good engineering and public necessity require.

2. That the secretary of the senate is hereby ordered and directed forthwith to forward a copy of this resolution, properly authenticated and suitably engrossed, to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives, and to the United States Senators representing the State of Nebraska and to the Congressmen in the House of Representatives of the United States representing the State of Nebraska, to take such steps as may be necessary to provide for free interstate bridges across the Missouri River and thus afford the citizens of our State immediate relief, which is desperately needed.

### RECONSTRUCTION FINANCE CORPORATION

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that it shall be in order tomorrow to consider the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes.

Mr. SNELL. Mr. Speaker, reserving the right to object, and I am not going to object to taking up this bill, because I think it is very important that it should be taken up right away, can the gentleman inform the House whether hearings on the bill are available at the present time?

Mr. STEAGALL. Mr. Speaker, the hearings have just been concluded. We hope to have them available very shortly. I may say for the information of the gentleman from New York that the hearings are short. Because the House bill has just been reported we are going to take up the Senate bill in order to expedite passage.

Mr. SNELL. Will the hearings be printed in plenty of time to give us an opportunity to study the provisions of the bill?

Mr. STEAGALL. I am sure the gentleman will be satisfied with the provisions of the bill.

Mr. SNELL. Has there been a liberalization of the powers of the R. F. C. with reference to granting loans to industry, and so forth?

Mr. STEAGALL. We think we have liberalized the provisions of the law in a way that will meet the wishes of the gentleman from New York and the rest of us who have found greater difficulty in obtaining industrial loans than we had hoped would be the case under the law passed in the last session.

Mr. SNELL. How much general debate will there be on the bill?

Mr. STEAGALL. That I am unable to say; the House has not yet decided that.

Mr. SNELL. There is no objection on this side so far as I know.

Mr. PATMAN. Mr. Speaker, reserving the right to object, I would like to ask the chairman if he would ask for sufficient time in general debate to give some of us opportunity to be heard. I am interested and would like some time.

Mr. STEAGALL. I think we can accommodate the situation.

Mr. PATMAN. I would be very glad if the gentleman could assure me that I may have some time.

Mr. STEAGALL. I should be glad to do so, but I cannot say to the gentleman just what arrangements will be made about the time.

Mr. PATMAN. But the gentleman will keep it in mind?

Mr. STEAGALL. I certainly will.

The SPEAKER. Is there objection to the request of the gentleman from Alabama that it shall be in order tomorrow to consider the bill (S. 1175) extending the life of the Reconstruction Finance Corporation under the general rules of the House?

There was no objection.

### COMMITTEE ON BANKING AND CURRENCY

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. STEAGALL. Mr. Speaker, I wish also to ask unanimous consent that the Committee on Banking and Currency have until midnight tonight to file a report on the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 1175. An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes; to the Committee on Banking and Currency.

THE TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1936

Mr. ARNOLD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes.

Pending this motion, may I suggest to the gentleman from New York [Mr. TABER] that we let general debate continue throughout the day without limit of time, one-half to be controlled by the gentleman from New York and one-half by myself.

Mr. TABER. That is satisfactory to me.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes, with Mr. BULWINKLE in the chair.

The Clerk read the title of the bill.

The first reading of the bill was dispensed with.

Mr. ARNOLD. Mr. Chairman, I yield 15 minutes to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. Mr. Chairman, one of the most important pieces of legislation passed by the Seventy-third Congress was that which extended the financial aid of the Government to the help of distressed small businesses and industries. Such aid had been available to larger industries, financial institutions, and railroads through the functions of the Reconstruction Finance Corporation. The small business man and small manufacturer, however, whose business in many cases forms the main commercial enterprise of many small towns, found himself strapped so far as credit was concerned. He had no recourse for the financial aid which he so sorely needed. Thousands of these concerns went bankrupt, in many instances paralyzing the commercial activities of entire communities.

As recovery began to take form, stimulated and encouraged by the new deal legislation, new orders and increased business offered hope for renewed activity to countless of these small businesses and industries which had survived the depression. Ordinarily they would have gone to their banks, obtained the credit and loans which they needed, expanded their operations which had been dormant or greatly curtailed during the previous 3 or 4 years, added to their employment rolls, and, in general, contributed materially to the returning prosperity of the community in which they were located.

But there were no credit facilities to be had. Banks either could not or would not loan to these small businesses and industries, which form the background of the commercial enterprise of this country. They cried aloud for help, and help was not forthcoming where ordinarily it would have been.

It was to save the situation that Congress passed in the closing days of the last session the loans-to-industry law, which opened up the resources of the Reconstruction Finance Corporation and the Federal Reserve System to the small industrial concerns.

A new hope spread through industry and business. Thousands who had been hanging on literally by the "skin of their teeth" breathed again freely, seeing in this far-sighted and liberal legislation a chance to go on, to develop, and to give employment and join with other concerns in the prosperity which was returning to America.

Applications for loans poured into the Reconstruction Finance Corporation and the Federal Reserve banks. Within a few weeks after the passage of the law the facilities of these two agencies were opened up to the industrialists who applied for loans.

It is 7 months since the law was passed; it is fully 6 months since the offices set up under the law began operating. The law was passed as an emergency legislation to relieve a situation existing 6 months ago and not some time in the distant future. How many concerns which have applied for help, to which they were entitled under the provisions of the law, have actually received such help? The figures of the Reconstruction Finance Corporation and the Federal Reserve banks combined indicate that something around 20 percent of the total amount of money authorized by Congress for the purpose of aiding America's small businesses and industries has been so used up to the present time. At that rate it would require something like 5 years to use up all the money which was authorized and which sum of money was intended for immediate use to help American business which needed that help at once. They will not need help 5 years from today—many of them will be beyond help 5 months from today.

In my own district I know of a number of concerns which applied for help under the provisions of this law and did not receive it. In some of these instances a conservative banker reviewed the cases for me and advised they were good risks. That situation must be true in other parts of the country because of the appallingly low number of loans which have been granted by the Reconstruction Finance Corporation and Federal Reserve banks.

The information which is available at this time concerning the extent of assistance which has been given to the small manufacturer and the small business man under the provisions of the loans-to-industry law indicate that in round figures $34,522,000 has been loaned by the Reconstruction Finance Corporation and $55,000,000 has been loaned by the Federal Reserve banks.

May I say here that that $55,000,000 represents both the amount of commitments actually made and the loans which have been approved but the funds of which have not yet been disbursed.

In other words, whereas the law authorized the Reconstruction Finance Corporation to use up to $300,000,000 of its funds for the purpose of loaning direct to industry and authorized the Federal Reserve banks to loan up to $280,000,000 for this purpose, to date but a total of $89,522,000 has been so used. About 20 percent of the assistance which Congress intended that it should receive during the past 7 months has actually been given to the small American industry and business.

Obviously something has to be done, and done immediately. The law must be liberalized along lines which will enable the small business man and manufacturer, whom it is intended to aid, to secure that assistance—first, without suffering the long delay which applications thus far submitted for the most part have had to endure; secondly, without the great expense which the preparation of data and information for submission to the loaning agency in connection with the application has entailed to the manufacturer and business man; and, third, a more personal attitude on the part of the loaning agency toward the applicant. We must deviate from the hard-boiled methods of making such unreasonable demands for collateral as automatically rule the applicant out. The emergency has not yet passed, and in the administration of this law we have no right to be more stringent

than reasonable care and the adequate protection of the loan requires.

In this connection it might be advisable to consider the establishment of intermediate-credit banks to handle this matter of loaning direct to industry. Such intermediate banks would be set up only for the purpose of dealing with trade and industry. Their functions would be quite apart from those of the ordinary commercial bank. They would operate solely for the purpose of investigating applications for loans, advising the applicants; and if the loan were granted, act in a supervisory capacity until such time as the loan was repaid and the concern back on its feet. Theirs would be the exclusive task of assisting American trade and industry to regain its foothold on American enterprise.

In connection with credit banks for industry, it is analogous to cite the existence of the Federal intermediate-credit banks which have been established for agriculture and which operate solely for the relief and the assistance of agricultural enterprise.

Mr. Chairman, I ask unanimous consent to have inserted in the RECORD an analysis of the report of an investigation which has been made on the credit requirements of the small industry for recovery, which was prepared for the Small Industries Committee Business Advisory and Planning Council by Dr. Theodore N. Beckman, who was in charge of the survey.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The matter referred to is as follows:

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

From data submitted herewith it is apparent that a strong feeling has been prevalent for some time that the "small business man" has suffered unduly during the depression and that he has not benefited substantially from new-deal legislation. Especially numerous were complaints against the present credit situation. Serious charges have been made to the effect that it is virtually impossible for the small industrialist to obtain needed capital for working purposes or for long-time requirements, that banks and other normal credit sources have refused to extend necessary and justifiable accommodations, and that industrial recovery will come to naught unless recognition is given to the needs of small business and adequate provision is made to meet them.

This survey was undertaken by the Department of Commerce, with the cooperation of the Business Advisory and Planning Council, in response to a growing demand for the real facts. It was done in the hope that needed light will be thrown on this dark spot of our economic life, and that the findings, if corroborative of the allegations, may suggest constructive measures which will speed recovery and extricate the small business man from his financial difficulties.

SCOPE OF THE SURVEY

For the sake of simplicity and homogeneity, it was decided to limit the investigation to industry and not to include trade, construction, etc. Questionnaires prepared by the Bureau of the Census were sent to every manufacturer employing on an average of from 30 to 190 wage earners in 1933, but for final tabulation purposes returns were included from concerns employing no less than 21 and no more than 250 wage earners. The response was immediate and enthusiastic. Such keen interest was displayed in this inquiry that of the 16,500 firms to which the questionnaire was sent, over 46 percent submitted returns. Of these, 6,158 have been found satisfactory for tabulation purposes. Further evidence of unusual interest in the survey is revealed by the fact that 829 manufacturers took advantage of the space provided on the schedule for comments, while several hundred others submitted supplemental letters, expressing their views of the situation at considerable length. The material contained in many of these letters was deemed so valuable and pertinent that 263 of them were excerpted for special study.

Small manufacturer in American industrial life: An analysis of the place of the small manufacturer in American industry disclosed the startling information that of all the manufacturing establishments in existence in 1929, 97.1 percent operated on a small scale, employing no wage earners or less than 250 per establishment. These small industrialists absorbed 48.1 percent of the wage earners employed in industry, in addition to a large number of proprietors and firm members.

In some industries the small manufacturer loomed even larger as an employer of labor. In 7 of the 13 industrial groups into which the concerns have been divided, over one-half of the wage earners were absorbed by the small manufacturer, and in 3 of the major industrial divisions they cared for more than two-thirds of all employees in their respective industries.

On the other hand, less than 3 percent of the manufacturing establishments employed almost 52 percent of the wage earners in industry. This represents a concentration of power in the distribution of employment that is fraught with grave danger.

The existence of the small manufacturer is necessary to prevent monopolistic abuses unless undue Federal regulation and control of industry is resorted to. Thus, continued welfare of the small manufacturer is socially desirable and wholesome. It tends to deflect criticism from the industrial giants, allays fear of control by the few, and maintains a balance in our economic life. Benefits from their continued profitable operation also inure to the numerous small communities in which small manufacturers are located, through deposits of funds in local banks, stabilization of employment, and through the consumption of locally produced materials. Small industry is so intimately woven into the economic and social fabric of the Nation that no recovery is possible without assurance of its economic well-being.

Extent of the credit problem: This study does not deal with the problem of trade credit; it concerns itself entirely with credit from banks and other financial sources. Whether adequate credit of this type is available to small business men is no longer a matter of debate or opinion. Of the 6,158 concerns included in this analysis, 71.2 percent have been classified as borrowers of capital and 28.8 percent as nonborrowers or as concerns with no credit experience. From data it is evident that restrictive policies of financial institutions have exacted a heavy toll from small manufacturers. Of the 4,387 concerns with borrowing relationships, 44.8 percent reported credit difficulty, i. e., they were unable to secure any credit or their credit lines were unduly and dangerously restricted. Projecting this percentage to embrace all manufacturers employing less than 250 wage earners each, it is estimated that at least 65,000 are restricted in their operations by unusual credit stringency. It is probable that manufacturers employing less than 21 wage earners have suffered to a greater extent from credit restriction; hence, this estimate is deemed very conservative.

In nine of the Federal Reserve districts the percentage of borrowing manufacturers experiencing credit difficulty was over 40 and in no district did this figure fall below 32 percent. Nor was this situation confined to a few industries. On the contrary, practically every phase of American industrial life was affected by the restrictive influence of our financial structure. Manufacturers of food products and textiles suffered as heavily as producers of heavy goods. In most instances the smaller firms in each group studied suffered to a proportionately greater extent, indicating possible size discrimination even among the relatively small concerns included in this survey.

Future credit requirements: Of the 1,964 manufacturers reporting credit difficulty, 1,253 estimated that they would need during the present year $50,915,000 to meet maturing obligations; 517 estimated that they will require $14,779,000 during 1935 for the same purpose. Annual estimated requirements were thus made through 1938. Projection of these estimates to include all manufacturers of similar size and position in the United States indicates over $2,000,000,000 will be required during the 5-year period from 1934 through 1938 by manufacturers employing from 21 to 250 wage earners to meet maturing obligations already contracted at the close of 1933 and those expected to be incurred under normal operations. Assuming that the average length of these loans is at the medial between 1 and 5 years, a revolving fund of at least $1,100,000,000 would be required to meet anticipated needs of small manufacturers having credit difficulty. In addition, they will require funds for working capital, the amount of which could not even be approximated from the data now available.

Financial position and credit standing of small manufacturers reporting credit difficulty: It has been often stated that banks are anxious to make loans to sound concerns but such firms do not want to borrow. An analysis has therefore been made of the financial condition and credit standing of the firms whose applications for credit were refused or whose credit limits were seriously restricted. Financial data submitted by each firm included in the survey were carefully edited to make sure of their contents and were next subjected to analysis.

Two of the most important ratios normally used in the analysis of credit risks were developed for each concern for 1933 and, wherever given, also for 1929 and 1926. Similar ratios were also developed for concerns reporting no such difficulty in order that comparisons may be made between the two classes of risks. Surprising as it may seem, a great many of the manufacturers who could secure but limited funds or none at all were financially sound and would normally be regarded as most acceptable credit risks. Of the 1,964 firms reporting credit difficulty, no less than 450 or 22.9 percent had current ratios of 3, and over 818 or 41.7 percent had current ratios of 2 or more. Furthermore, 644 or 32.2 percent of these firms enjoyed net worth of debt ratios of 3 or more and 49.5 percent of the establishments had such ratios of 2 or better.

Again, 17.5 percent of the firms reporting credit difficulty had both current ratios and net worth to debt ratios of 3 and over, and 32.7 percent of the firms had both ratios as high as 2 or better. It would appear, therefore, that at least one-third of the firms suffering from credit refusal or restriction had $2 in current assets for every dollar of current liabilities and had $2 of their own funds in the business for every dollar owed to creditors which is the equivalent of saying that they had $3 in assets to meet every dollar of liabilities. Certainly such a financial condition should entitle the manufacturers to reasonable credit accommodations, particularly in view of the fact that a large percentage of the manufacturers who reported no credit difficulty were in no better financial condition. It is indeed an economic mystery of

mysteries. It is a financial puzzle that baffles the sincerest thought.

A further analysis of data submitted by 1,346 identical firms for 1926 and 1929, as well as for 1933, showed that the change in their financial condition has been rather small. Approximately 13 percent of the firms registered a decline in their current ratios from 3 or better to a lower ratio grouping, and the firms with a ratio under 1.0 increased from 11.4 percent in 1926 and 10.1 percent in 1929 to 21.8 percent in 1933. The shifts in the intermediate groups were also slight, indicating that most of these establishments were in as good a financial condition in 1933 as they were in the prosperous year of 1929, or in the normal year of 1926, yet were unable to secure needed accommodations from banks.

In order to check the credit worthiness of these manufacturers further, a test was made of 620 firms each of which enjoyed both a current ratio and a net worth to debt ratio of 2 or better. Credit ratings were examined for each of these firms in Dun & Bradstreet's rating book. Although these are only small industrialists, it was found that 236, or 38.1 percent, of the firms were rated high and 157, or 25.5 percent, were rated good. In other words, almost two-thirds of these firms were most acceptable credit risks not only on the basis of their sound financial position, but also on account of their credit worthiness as judged by character or willingness to pay their obligations at maturity and by their capacity as determined by efficient business management. Another 78 of the firms were rated fair. Many of these are normally acceptable credit risks. It is therefore certain, on the basis of this analysis, that at least one-half of the manufacturers reporting credit difficulty would have enjoyed normal credit accommodation had it not been for a drastic and sudden change in the standards, policies, and requirements of banks and other financial organizations, and that probably many others would have qualified under normal competitive conditions.

Normal sources of credit: This survey furnishes valuable information as to the sources normally used by small manufacturers to finance their businesses. Of the 1,964 concerns reporting credit difficulty, 1,872 indicated sources normally used by them. Study of these data shows that 81.9 percent of the firms normally depended upon banks for credit accommodations for working-capital requirements. Approximately 8 percent supplied their own working capital, while 6.1 percent used personal and private loans, and 3.1 percent obtained such funds from the sale of stocks.

Likewise, 2,217 of the 2,423 firms reporting no credit difficulty reported on this item. Their reliance upon banks was even greater, 89.5 percent of the establishments advising such a source for working capital loans. Only 5.7 percent financed their own requirements, while 3 percent obtained personal or private loans.

It is apparent, therefore, that the dependence of small manufacturers on banks as a source of credit for working capital has been of the first magnitude. Sudden disruption of their industrial life necessarily has resulted from credit restriction.

Further than this, the small manufacturer has been encouraged by banking institutions to use them for both intermediate and long-term loans, as well as for short-term credit. Of the 1,153 firms suffering from credit restriction which reported sources used for long-term requirements, 17 percent were dependent upon commercial banks, notwithstanding the fact that commercial banks are not technically regarded as investment-credit sources. Bonds or stocks and mortgage companies were used by only 25 percent of the firms reporting difficulty.

The data are much the same for firms reporting no credit difficulty. Of the 724 concerns supplying information on this point, 19.9 percent used commercial banks and approximately 25 percent used normal investment-credit sources for long-term loans.

The most tragic story was told, however, by the 47.9 percent of the firms having credit difficulty and the 40.1 percent experiencing no commercial-credit difficulty which reported that no sources were available to them for long-term credit. Stated otherwise, it appears that while 44.8 percent of all firms reporting credit experience either could secure no loans or were severely restricted, an additional 40 percent of the remainder who considered their credit unrestricted had no available sources for long-term credit. Conservation in the preparation of this survey has led to the consideration of only 44.8 percent of the firms borrowing as having credit difficulty because this number so replied to a direct query concerning difficulty in obtaining credit. It is manifest, however, that restriction of long-term credit was a fact insofar as 40.1 percent of the firms reporting no commercial-credit difficulty is concerned. If these concerns were included with those experiencing difficulty, the number of manufacturers affected by credit stringency would be 66.9 percent of all borrowing concerns.

Complaints by manufacturers: Criticism of the inadequacy of the present sources of capital credit was received from a large number of small manufacturers. Contrary to what might have been expected, serious criticisms were advanced by all classes of manufacturers regardless of whether they had credit difficulty or whether they customarily borrowed. The nature and extent of these criticisms are an excellent barometer of the credit problems of small industry. Very few appear to be sarcastic or vindictive. On the whole, they appear to be the result of careful thought and are sincerely prepared expositions of manufacturers who have been the foundation of our industrial order. They are the prayerful appeal of men who have faced the depression with stolid faith, hoping against hope that their business could survive. The bias manifested by them is trivial compared with the faith and courage expressed.

Their criticisms are principally leveled against the sudden changes in bank policy, the attitude of bank examiners, the failure of the Federal Reserve System to meet the situation, and the utter collapse of the Reconstruction Finance Corporation as a means of direct aid to industry.

They contend, and from the factual material available there is much merit to their argument, that the mania for liquidity on the part of certain bankers and fostered by Federal bank examiners is largely responsible for the failure of other heroic efforts on the part of the present administration to bring prosperity out of chaos. They further contend that the amassing of large sums in the hands of bankers without distribution of these moneys to industry through loans reduces employment, restricts production, and curtails consumption.

They also complain that such new-deal legislation as the class amendment to the Federal Reserve Act and the industrial loan amendment to the Reconstruction Finance Corporation Act are not put into effect by those responsible for their enforcement because they, too, are bankers and cannot, or will not, use the discretionary powers envisioned by the administration and Congress to assist industry.

These are not an expression of the views of the author of this report, but are a summation of the thought of small industrialists.

That there is justification for some of these criticisms is indicated by the urgent needs of small industry as viewed by the manufacturers themselves. Many reported unfilled orders now on hand for which working capital cannot be secured. Others require funds to purchase machinery and equipment, to expand their plants, conduct sales campaigns, etc. Still others require funds to continue their whole-hearted compliance with National Recovery Administration codes which necessitate increased employment and purchase of raw materials at higher costs. Indeed, in many cases the urgency of immediate credit aid is so great that some firms, with large unfilled orders already on hand, face complete shut-down of their plants with consequent unemployment and bankruptcy.

Recommendations: While the factual data presented in this survey deal entirely with small industrialists, their predicament is undoubtedly also shared by establishments in other economic activities. It is believed that channels of trade and commerce are likewise affected by the lack of financial aid for small wholesale and retail establishments. Due in part to N. R. A. codes, it is claimed, even normal trade-credit accommodations have been restricted. In the consideration of remedies, therefore, their position should also be taken into account and adequate provision be made to meet their needs.

Chapter IX of this report sets forth in some detail policy and regulatory measures to be taken and permanent legislative remedies, the former of which, it is recommended, be placed in immediate effect.

In general, capital requirements of small business enterprises now operating may be divided into three types. First, there are seasonal and other temporary capital requirements incident to current operations. Second, there is the capital required to maintain goods in process of production or trade, aside from fluctuations of a seasonal nature. Third, there is the capital required for maintenance of plant and equipment or for the procurement of additional plant and equipment to meet growing needs. The distress now experienced by small business is apparently equally severe in all three of these fields of credit.

Obviously there is no panacea for the present ills. Progressive action must be taken on a wide front to meet and overcome the obstacles faced by industry. No one of the three-policy or regulatory recommendations made herein will in itself solve the present predicament of small industry, nor will any one of the legislative measures proposed accomplish this purpose alone, but the effect of all of them will go far toward mitigating this suffering.

Federal bank examiners: It is recommended that—

(1) Federal examining policy be immediately changed by specifically instructing bank examiners to stop marking as "slow loans" notes now held by banks and made by small manufacturing establishments of character and which are properly secured;

(2) Bank examiners be instructed to consider the stable character of small manufacturing establishments when auditing bank records with a view of extending rather than restricting credit;

(3) Bank examiners cease their insistence upon loans of a self-liquidating nature until such time as new and permanent sources of intermediate-term credit are made available;

(4) Bank examiners be instructed to obtain the viewpoint of industrialists in carrying out their duties and not maintain only the financial outlook; and

(5) Provision be made to supervise the activities of bank examiners to assure compliance with these regulations rather than leaving the matter to their individual discretion.

Federal Reserve banks: Whether or not the Federal Reserve System should engage in making loans directly to industry is not a question under consideration in this survey. Such loans have been authorized by law and an attempt has been made by the Federal Reserve Board to make the law effective. To date, however, the results are highly unsatisfactory. It is therefore recommended that the Federal Reserve Board amend its policy toward industrial loans by directing all affiliates to—

(1) Appoint to Federal Reserve district industrial advisory committees men who are in fact representatives of small industry and who have no official banking connections;

(2) Grant loans on a "reasonable and sound basis", as provided by law, including in this judgment not alone present ability to repay loans but character and credit standing as normally applied in the analysis of credit risks;

(3) Change the present policy of insisting upon an unusual degree of liquidity and requiring that loans be fully repaid within 3 or 6 months, which is in direct contravention to the intent of Congress in legislating that such loans be granted up to 5 years; and

(4) Encourage affiliates when passing upon applications of small manufacturers to use a latitude of discretion conducive to the expansion of credit.

Reconstruction Finance Corporation: It is further recommended that the Reconconstruction Finance Corporation take immediate steps to change its present policy to carry out the intent of the law "for the purpose of maintaining and increasing the employment of labor" by:

(1) Simplifying the machinery by which applications for loans to industry are considered.

(2) Setting a definite time limit by which officials of the Corporation must take action upon applications.

(3) Eliminating some of the red-tape as reflected by the size of the application and the number and variety of documents of which it is composed, thereby reducing the cost incident to the filing of applications and the complexity of the process.

(4) Reducing the collateral and other requirements to a minimum commensurate with reasonable safety.

(5) Considering on a just basis the character and credit standing of applicants for loans as differentiated from a consideration of present financial strength or profitable operation.

(6) Permitting the refinancing of present obligations, so as to carry out the intent of the law as emergency legislation.

Coordination of our banking system: Commercial banking in the United States is now being administered by 61 different authorities. About 40 percent of all banking is conducted under divergent laws of 48 States and the District of Columbia; the remaining 60 percent, in actual practice, is under the jurisdiction not of one Federal Reserve System, but of 12 such systems, because of the great latitude under which each Federal Reserve bank operates. Consequently, no national-bank credit policy is possible, nor is it possible for banks to exercise the necessary regulatory or controlling influence over economic activity.

In order to speed economic rehabilitation and establish banking on a sound basis, it is recommended that legislation be enacted to coordinate and unify our commercial banking system so as to eliminate free competition in banking, lax and divergent supervision, and strong local influence. This can be done, first, by encouraging banks to join the Federal Reserve System, and second, by coordinating all such banking under the System.

To accomplish the first step, Congress should amend the Federal Deposit Insurance Act to:

(1) Require all banks operating under this act to become members of the Federal Reserve System; and

(2) Make bank operation without the benefit of Federal deposit insurance unprofitable by placing a sufficiently heavy tax upon such operations.

The second step is not so much a matter of legislation as it is a problem of administration. The Federal Reserve System should be administered in the spirit of the law creating it by—

(1) Assuming the responsibilities given to it under the law; and

(2) Bringing about greater homogeneity in the development and promulgation of all national credit policies.

The growing tendency on the part of officials of the Federal Reserve Board to pass on to each district the responsibilities which by law rest primarily upon it probably has contributed to a large extent to present ultraconservative banking practice. For example, the regulations and instructions issued by the Board dealing with the industrial and commercial loan provisions of the Glass Act of June 19, 1934, in effect give to each Federal Reserve bank the authority to interpret the act in any manner it sees fit, while at the same time it places responsibility upon each bank that is fundamentally only the prerogative of the Federal Reserve Board. This attempt to place discretion with full responsibility upon each bank has resulted in no discretion, to the great detriment of industry and commerce.

Securities Act: A limited number of manufacturers have expressed their belief that an amendment to the Securities Act is desirable in order that security flotations by small manufacturing establishments may be facilitated. On the basis of a study of the facts in the situation, it is recommended that—

(1) Registration of securities be simplified and adapted to the special needs of each type of security issue and each type of issuer. It is probable that after the first period of experimentation the Securities and Exchange Commission will so modify the requirements for registration that the task will be simplified for small concerns. No change in the law is necessary to accomplish this purpose.

(2) In the examination of the registration statement and the prospectus that is prepared for prospective purchasers of the security, less weight than at present be placed on the financial statement of the issuer and more on the management ability. It is probable that in the long run more failures in business are caused by inefficiency than by lack of capital. Inability to operate a business properly may result in a rapid dissipation of capital, to the detriment of investors. This, again, is a matter of policy which in time the Commission may adopt of its own accord, and which requires no further legislation.

(3) The Securities Act be modified so as to eliminate penalties for the "omission of material facts", unless such information is specifically requested by the Commission. No responsible business man should object to those parts of the act which require that information given in the registration statement and in the prospectus be true and representative of actual conditions. Issuers furnishing false and misleading information in connection with the sale of a security should be subject to punishment just as those who use false or fraudulent methods in other respects. It is also not unreasonable to require that sellers of securities to the public furnish information to the public with reference to such securities, just as it is required of sellers of commodities sold in interstate commerce. But to punish issuers for the "omission of material facts" is just as harsh as to punish vendors of merchandise for failure voluntarily to point out the weakness or undesirable features of their products.

Industrial and commercial intermediate-credit banks: As has been pointed out in a previous connection, approximately 20 percent of the manufacturers reporting on the subject utilized banks for intermediate needs extending over a period of 1 to 5 years. The virtual cessation of lending by banks, except for short-term purposes and that on a restricted scale, has had an especially disastrous effect upon small enterprises. In an effort to remain solvent and to protect depositors, borrowers have been sadly neglected.

Assuming that the remedial measures recommended up to this point will be adopted, the problem of securing capital for intermediate-term needs will still remain unsolved, although in a large percent of the cases it represents the most urgent need. Loans for 60 to 90 days will not help to finance the large volume of more or less permanent working capital necessary to start raw materials through a long productive process or to replace depleted current assets resulting from the depression. The withdrawal of commercial bankers from this field leaves the small firm in an unusually precarious position. It is, therefore, recommended that an intermediate-term credit system be established for industry and trade. The need for such a system has long been recognized by authorities, bankers, and business men.

In the report of the National Industrial Conference Board on "The Availability of Bank Credit", published in 1932, it was pointed out, first, that commercial banks prior to the depression extended "a considerable volume of intermediate credit", and second, "that it is natural that business demands for such credit should be greater after 3 years of operating reverses than formerly", due to an impaired working capital condition. The question is then raised whether there is not a "real defect in the American banking system because of the absence of specialized" institutions dealing in intermediate credit, just as in the case of the Federal Intermediate Credit Banks established for agriculture.

Therefore, the recommendation is made that an Industrial and Commercial Intermediate Credit System be established by an act of Congress, so that the small industrial and commercial borrower may have credit facilities similar to those already in existence to finance agriculture, urban real estate, railroads, and large industrial enterprises. This system is to consist of a Central Intermediate Credit Bank and 12 regional Intermediate Credit Banks as follows:

1. The Central Intermediate Credit Bank to be located in New York City so as to obviate the necessity for a separate fiscal agent and to be in close proximity to industry and trade.

2. The Central Intermediate Credit Bank to be managed by a governor and a board of directors.

3. Funds for lending purposes to be obtained by the Central Intermediate Credit Bank through—

a. An initial capital stock of $100,000,000 to be purchased by the Treasury of the United States.

b. An additional capital stock of $100,000,000 to be subscribed by the Treasury of the United States, subject to call, in whole or in part, by the directors of the central intermediate credit bank, on 30 days' notice to the Secretary of the Treasury.

c. Issue and sale of collateral trust debentures, with a maturity of not more than 5 years and not in excess of 10 times the paid-in capital and surplus.

4. It shall be the function of the Central Intermediate Credit Bank—

a. To make loans to the 12 regional Intermediate Credit Banks on terms and conditions prescribed by the governor, who is also to be chairman of the board of directors of the Central Intermediate Credit Bank.

b. To issue rules and regulations to the regional banks and to exercise complete supervision over them.

5. The 12 regional intermediate credit banks for industry and trade to be located in the same cities in which the Federal Reserve banks are located.

6. It shall be their function—

a. To make loans directly to industrial and commercial enterprises. Individual loans will be large enough to justify direct participation and thus eliminate the red tape which usually characterizes indirect procedure.

b. To discount paper for banks and trust companies arising out of intermediate loans to industry and trade.

7. Borrowers from the regional Intermediate Credit Banks to subscribe to the stock in the Central Intermediate Credit Bank an amount equal to at least 5 percent of the loan obtained.

8. Interest rates charged on intermediate loans by the regional banks to be at least 1 percent per annum higher than the redis-

count rate by the Central Intermediate Credit Bank, but not less than 3 percent nor more than 6 percent.

It is not the intention of this survey to present the legislative details of the laws proposed or to point out the exact form which the proposed regulatory or policy measures should take in the administration of existing laws. An attempt has been made merely to present the substance of the remedies proposed and of recommendations embodied in this report. To date, the march to economic recovery has been seriously retarded. It is believed that the remedies herein proposed point the way to lasting improvement in business and to increased employment along a wide front.

Mr. KOPPLEMANN. Mr. Chairman, this report substantiates the statements which I have made today. The material in this report is the compilation of information which has been gathered in a survey conducted to secure an accurate picture of the situation confronting the small industries of the United States. The purpose of this survey, as is the purpose of my criticism against the present functioning of the loans-to-industry law, is to arrive at an efficacious solution of this all-important problem to American commercial enterprise.

While it is not my intention to offer Dr. Beckman's report as the cure-all of American industrial credit evils, I do believe that it offers considerable provocation for serious thought which will bring about corrective steps at once. Bearing as it does the stamp of officialdom, it emphasizes the need for immediate remedial action. Again I repeat that American industry needs our help today and not some time in the distant future.

Mr. BOLTON. Will the gentleman yield?

Mr. KOPPLEMANN. I yield to the gentleman from Ohio.

Mr. BOLTON. I have listened very carefully to the gentleman's remarks, and I am wondering if his membership on the Banking and Currency Committee leads him to believe that the difficulty with industry lies either in the administration of the law or in the law itself?

Mr. KOPPLEMANN. Both. The law itself was intended, and the Congress intended in the writing of the law, that a liberal interpretation should be placed upon the law. Unfortunately the law contained the phrase "full and adequate security" which I may say to the gentleman has now been stricken out. Because this phrase left considerable to the judgment it obstructed the effective operation of the law. What I am calling to the attention of the Congress is that the law is being operated by the Reconstruction Finance Corporation, the Federal Reserve banks, and organizations which are primarily banking institutions and which have the bankers' attitude. Their interpretation of the law has in many cases been so harsh that applicants for loans, which in my opinion were justified, were unable to receive such loans. [Applause.]

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Chairman, I prefer not to yield until I have concluded my remarks.

Mr. Chairman, a practice has recently grown up that I feel should be brought to the attention of the Members of this House, and which I feel should perhaps be made the subject of an investigation by the members of the Committee on the Post Office and Post Roads, so that those responsible for it may be given an opportunity to defend themselves and to make an explanation.

During the present administration it has been the practice of the Postmaster General, when there were new issues of stamps, to requisition from the Bureau of Engraving and Printing the first few sheets printed, before they had been gummed and perforated, autograph them, and present them to a favored few of his friends. I am told that when the Mother's Day stamp was issued Mr. Farley autographed and presented the first full sheet of 200 subjects to Mrs. Roosevelt. Later he inscribed one of these imperforate sheets of stamps for the President, Colonel Howe, and one for his own children—Betty, Ann, and James Jr.

With the printing of the Wisconsin stamp which followed, sheets are said to have been autographed by the Postmaster General for the President, his secretary, Third Assistant Postmaster General, and this time one for each of Mr. Farley's three children.

When the National Park stamps were issued in July of last year the weekly Philatelic Gossip commented:

As usual, sheets were autographed for officials of the administration, including the President.

The first sheet having been presented to Mr. Secretary Ickes.

The American Philatelic Society feels that this new deal in philately is a discrimination against the rank and file of stamp collectors, because sheets of imperforate stamps are not made available to them for purchase, but are autographed and given to a favored few, and in most instances those few officials of the Government.

The president of the local chapter of the society in my own county informs me that he knows of collectors who have paid as high as $175 each for the imperforate stamps in pairs and in blocks. Two weeks ago, out of Norfolk, Va., there came a little dispatch for the papers saying that one of those special souvenir sheets of Mother's Day issue, unperforated and ungummed, had turned up in the philatelic market and was quoted at some outlandish price between $20,000 and $30,000. It develops that a sheet of imperforate and ungummed stamps is a museum piece and of great value. I am credibly informed that there are 9,000,000 stamp collectors in the United States who purchased stamps last year amounting to almost a million dollars. Any little irregularity in a stamp creates a value entirely unrelated to its nominal price. The Postmaster General has brought out a lot of new issues on the theory that the people are getting tired of the old ones. Up to the present time he has turned out 20 special issues. There were 10 of various denominations in the national parks series; 1 for the town of Newburgh, N. Y., 2 for the Chicago exposition, 1 for the N. R. A., 1 for Kosciusko, the Zeppelin flight stamp, the Byrd "Little America" stamp, the Maryland commemorative stamp, the Mother's Day issue, the Wisconsin Tercentenary stamp.

There has been considerable comment upon this practice in the press and a number of stamp clubs and chapters of the American Philatelic Society from Maine to California, including the Westchester County chapter, in my own home county, have passed several resolutions protesting it. In a resolution adopted January 18, 1935, the Westchester County Chapter No. 85, asked that the officers of the American Philatelic Society call to the attention of the Post Office Department the policy of issuing imperforate presentation sheets of stamps which they say causes confusion and is detrimental to the best interests of American philately. The members believe that the practice has continued to the further detriment of collectors of the United States' stamps, as some of those imperforate stamps have already been offered for sale and there is nothing to prevent any and all of them being offered at some future time. The resolution asks further that the Post Office Department recall and deliver to the Bureau of Engraving and Printing, for destruction, all such irregular and contraband productions. It was further resolved that a copy of the resolution be forwarded to President Roosevelt, a fellow member of the American Philatelic Society, with the request that he personally intervene in the matter in the interest of collectors in general and for the preservation of the credit of philately in the United States. This resolution was passed after it was absolutely authenticated several new stamps, including the Mother's Day and the National Parks stamps, had been issued before being perforated and had found their way into the hands of dealers. The members, in adopting the resolution, felt that such issuances and practices have a strong tendency to cast suspicion that favoritism is practiced by the head of an important department of our Federal Government, who, like Caesar's wife, should be above and beyond suspicion.

In a poll taken by the National Federation of Stamp Clubs it was found that the clubs are almost unanimously against

the policy of giving out imperforate sheets of stamps to favored individuals.

One of our colleagues has received a letter from a constituent commenting on the practice of the Postmaster General to which I have referred. I want to read from his letter:

Mr. RANKIN. Will the gentleman give the name of the writer of the letter?

Mr. MILLARD. I will give it to the committee later.

Mr. RANKIN. Will the gentleman give it now?

Mr. MILLARD. No.

Mr. RANKIN. Then, Mr. Chairman, I object to the gentleman reading the letter if he will not tell us who wrote it.

Mr. MILLARD. I am doing this in my own time.

Mr. RANKIN. The gentleman cannot read anything of that nature in his own time except by unanimous consent of the House.

Mr. SNELL. Will the gentleman yield for a question?

Mr. RANKIN. I do not have the floor.

Mr. MILLARD. I yield to the gentleman from New York.

Mr. SNELL. Mr. Chairman, I appreciate the objection which the gentleman from Mississippi makes may be sustained, but when the gentleman from New York [Mr. MILLARD] gives the information to the House and tells us he will give the writer's name to the committee, it seems to me that is fair and it seems to me he should be allowed to read the letter. I appreciate the gentleman may follow up his suggestion with an objection.

Mr. RANKIN. I think the gentleman from New York should give the name of the man writing the letter.

Mr. MILLARD. The name of the man is George R. M. Ewing, 52 Vanderbilt Avenue, New York City.

The CHAIRMAN. Does the gentleman from Mississippi withdraw his objection?

Mr. RANKIN. Yes; the gentleman has complied with my request.

Mr. MILLARD (reading):

Postmaster General Farley is presenting entire sheets of new stamps to some of his friends, including the President. These sheets are not perforated nor are they cut apart into small panes of 50 to 100 as we buy them in the post office. Consequently they constitute an entirely different variety of stamp from the perforated stamps sold in the post offices. It is absolutely impossible for any private citizen to buy any of these imperforate stamps. Consequently anyone getting one of these sheets pays Farley the face value and gets a sheet of stamps that is worth thousands of dollars in the philatelic market.

As an example, several weeks ago I saw an unperforated sheet of Mother's Day stamps—200 stamps on the sheet (when cut into panes, we bought them in small panes of 50) and it bore the signature of Mr. Farley on one of the sheet margins. The sheet of stamps was sent to the Scott Stamp & Coin Co., 1 West Forty-seventh Street, New York City, for them to purchase and the owner asked $20,000 for the sheet. They cost 3 cents a stamp and he asked $100 a stamp from the dealers. The Scott Co. refused to buy the sheet and sent it back. They will not divulge the name of the owner to private individuals, but Hugh M. Clark (head of the Scott Co.) has twice requested the local postal authorities to send up an inspector to question him, and he would give the inspector the information. His invitation has been absolutely ignored to date.

Not only sheets of Mother's Day issue but of every issue brought out under Farley's supervision has been distributed, and some day these are coming on the market—if not by the present holders, then by their estates—and stamp collectors are going to be forced to absorb United States stamps that they never had the opportunity to acquire when they were current. Naturally they will be forced to pay through the nose—as they are being asked to do at the present time.

I, personally, have been offered blocks of the 4-cent national parks and the 8-cent national parks imperforated (and these can only come from the presentation sheets) at $250 per stamp, $500 for a pair of stamps, and $1,000 for a block of four. They were offered to me by a dealer, and he said they were offered to him from a source in Washington in exchange for United States stamps that the owner desired for his collection. I refused to buy and the dealer later told me that he declined the order as he couldn't place the stamps at that price—but, a few days later, he received the same identical want list from a dealer in Washington. In other words, the owner found a Washington dealer he could do business with.

So that you will not think that it is a case of "sour grapes" with me relative to these unperforated sheets, I want you to know that I own a pair of unperforated 2-cent national parks stamps that I bought from a dealer (Eugene Klein) in Philadelphia in September and paid him $250 for them. This was before I was aware of what was going on, and they were represented to me as having been found in a post office out west. If we succeed in getting the Department to issue these sheets unperforated, the value of my pair will drop from $250 to 4 cents; nevertheless I want to see it done.

In my boyhood days, like most of the rest of us, I collected stamps but have never done so very seriously, and while I agree with the collectors that there is unfair discrimination here, I feel that a much more serious situation has arisen whereby an official of the Federal Government can make unlimited presentations of gifts not purchasable in the open market, but which have a value in that market of $20,000, or one even approximating that amount. From this it is quite obvious that the monetary value of Mr. Farley's gifts is tremendous.

I think my colleagues in the House will believe with me that the Postmaster General should be given an opportunity to make an explanation and I ask that this House authorize the Committee on the Post Office and Post Roads to call the Postmaster General and give him this opportunity, and that he place before the committee copies of all requisitions and invoices drawn by the office of the Third Assistant Postmaster General on the Bureau of Engraving and Printing by the Philatelic Agency or other sales agencies for imperforate stamps since March 4, 1933, or beginning with the Newburgh proclamation of peace commemorative stamp, and all correspondence connected therewith.

Following is copy of the resolution of inquiry which I have introduced today and which will be referred to the Committee on the Post Office and Post Roads:

*Resolved*, That the Postmaster General be, and he is hereby directed to furnish to the House of Representatives the following information:

1. Whether imperforate, incomplete, or specially marked stamps have, since January 1, 1933, been issued by the Bureau of Engraving and Printing at the request of or with the consent of the Post Office Department or any officer or employee of that Department.

2. Whether imperforate, incomplete, or specially marked stamps, since January 1, 1933, have been knowingly distributed by the Post Office Department, or any officer or employee of that Department, other than through the regular channels of the Post Office Department for sale to the public.

3. Whether any stamps of special issues, since January 1, 1933, have been distributed other than through the usual channels of the Post Office Department for sale to the public.

4. The name or names of officers or employees of the Post Office Department, if any, who have since January 1, 1933, authorized or consented to the distribution of imperforate, incomplete, or specially marked stamps or have distributed such stamps or any stamps other than through the regular channels of sale to the public, and the name or names of the person or persons to whom such distribution has been made and the price or prices, if any, paid by persons receiving such stamps.

This is a resolution which I placed on the desk this morning and which will be referred to the Committee on the Post Office and Post Roads. I think the rights of 9,000,000 stamp collectors should be protected, and therefore I am bringing this matter before the House at the present time.

Mr. FISH. Will the gentleman yield?

Mr. MILLARD. I yield to the gentleman from New York.

Mr. FISH. May I ask the gentleman if he has any information as to the accuracy of the statement that appeared in the public press as follows:

Mr. Roosevelt, Mr. Howe, and Mr. Farley each have received unperforated, ungummed sheets of all issues. There being few, if any, other such sheets in existence, each has received $340,000 worth of stamps.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from New York 3 additional minutes.

Mr. FISH (reading):

Mr. Ickes, with his 10 sheets of the park issues would have $200,000 worth of stamps, although for some reason the park issue seemed to command less money.

Mr. MILLARD. I have not all of that information, but I do have information that the President has received all 20 and that Mr. Ickes has received 10. After the Philatelic Society investigated, they gave me the information and the proof that other people have received these stamps. How

many I do not know. That is the idea of this inquiry I am suggesting.

Mr. McCORMACK. Will the gentleman yield?

Mr. MILLARD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Has the gentleman himself made any inquiry of the Post Office Department for information with reference to this matter?

Mr. MILLARD. I think my secretary called up there yesterday.

Mr. McCORMACK. Your secretary?

Mr. MILLARD. Yes.

Mr. McCORMACK. The gentleman himself has not called up, but has introduced this so-called "resolution." Is that correct?

Mr. MILLARD. That is correct.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. MILLARD. Yes.

Mr. RANKIN. Has this practice been indulged in by Postmasters General in the past?

Mr. MILLARD. I understand not.

Mr. RANKIN. Where did the gentleman get that information?

Mr. MILLARD. From the Post Office Department this morning.

Mr. RANKIN. From the Postmaster General?

Mr. MILLARD. Not from the Postmaster General, but from someone in the office there. I called up and wanted to know if this had been the practice and they said that never have they issued unperforated and ungummed stamps before this time.

Mr. KELLER. Did they admit it had been done this time?

Mr. MILLARD. Oh, yes; the Postmaster General admits that; and it is only a question of amount.

Mr. RANKIN. Mr. Chairman, will the gentleman yield further?

Mr. MILLARD. Yes.

Mr. RANKIN. As I understand from the gentleman's argument, he does not contend that the Government lost any money in these transactions?

Mr. MILLARD. The Government did not lose any money; no. They paid 3 cents apiece for them, but they got $60 instead of $20,000, which they would be worth to the philatelists.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. MILLARD. I yield.

Mr. O'CONNOR. The gentleman knows that by reason of the issuance of these stamps millions of dollars of revenue come into the Post Office Department. This is a very substantial source of income.

Mr. MILLARD. Not these stamps, I will say to the gentleman from New York.

Mr. O'CONNOR. Oh, yes; from these new stamps.

Mr. MILLARD. Not from unperforated and ungummed stamps.

Mr. O'CONNOR. I mean from the issuance of new stamps. I understand the issuance of the George Washington Bicentennial stamps brought in $1,000,000.

Mr. MILLARD. That is correct; but that has nothing to do with this argument. [Applause.]

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, I regret that the gentleman from New York [Mr. MILLARD] did not at least show the Postmaster General the courtesy to first take this proposition up with him. I am sure that the Postmaster General will be pleased to give the facts.

The gentleman from New York [Mr. MILLARD] admits that the Government lost nothing in this transaction; but from the headlines that appeared in the papers you would think there had been a raid on the Federal Treasury, and even from a reading of the gentleman's interview of last Sunday, until you got almost to the last of it, you would have received that impression.

If there has been anything done that should not have been done, I for one am more than willing to have it investigated; but it seems to me that the gentleman from New York is rather hurried in his attempt to rush into the Well of the House and raise this question against the present Postmaster General when he slept through a former administration, when a former Postmaster General was making mail contracts that were unconscionable, unreasonable, and by which the Government was losing millions of dollars.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Yes; I yield.

Mr. BOILEAU. The gentleman has stated there was no raid on the Treasury, but if what the gentleman from New York has stated on the floor here is true someone certainly received something that they should not have received.

Mr. RANKIN. As I said, I am not objecting to the investigation, but I am calling attention to the fact—and the gentleman from Wisconsin will agree with me—that the gentleman from New York was a Member of the House when these mail contracts were being made that no man in good conscience can defend on the floor of this House or elsewhere. I want to congratulate the gentleman from New York on his revival of righteousness; and now, while they can do so without losing any political prestige, I should like to see it spread through the entire Membership on the other side of the House. I should like to see it become retroactive. I hope it will even extend back as far as Teapot Dome, because they must get forgiveness for all their sins if they are going to be received back into the fold of righteousness by the American people. [Laughter and applause.]

Mr. BOILEAU. I have always regarded the gentleman from Mississippi as being very fair.

Mr. RANKIN. I thank the gentleman and return the compliment.

Mr. BOILEAU. I think, however, in this instance, the gentleman is apparently putting up a smoke screen of somebody else's misbehavior to cover up, apparently, what I would not say is misbehavior, but certainly an indiscretion.

Mr. RANKIN. I will say to the gentleman from Wisconsin that I am not objecting to this investigation at all, but I do think, in all fairness to the Postmaster General, the distinguished gentleman from New York [Mr. MILLARD] should have taken this up with him before coming into the well of the House and making this attack.

But the point to which I was calling attention is the fact that during all the days of a former administration, when mail contracts were being made by which subsidies were given to certain interests that were shown to have contributed heavily to the Republican campaign fund, the gentleman from New York [Mr. MILLARD] was as meek as a mouse so far as raising the question of the propriety of such dealings was concerned.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the distinguished gentleman from New Jersey.

Mr. PERKINS. The gentleman is not erecting a smoke screen, because a smoke screen obscures. The gentleman is drawing a herring across the trail, which detracts.

Mr. RANKIN. I will ask the gentleman from New Jersey not to follow the herring, as he did under the former administration.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. O'CONNOR. I have just looked at the resolution and I find it has no title on it as most resolutions have. Does not the gentleman think that for the benefit of the country in these days of relief measures it might be entitled "A bill for the relief of the distressed philatelists"?

Mr. SNELL. You can do almost anything under your present relief bill, and you can probably attend to that.

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield the gentleman from Mississippi 2 additional minutes.

Mr. RANKIN. I think the gentleman from New York [Mr. O'CONNOR] is entirely correct. He has made a good suggestion.

But you know it makes a great deal of difference whose ox is gored.

The point I am making is the fact that stamp collectors are being gouged, according to the statement of the gentleman from New York [Mr. MILLARD]; but in the other case I mentioned the American taxpayers were being gouged for millions of dollars, and the gentleman from New York took no notice of it, so far as the RECORD shows.

Mr. McCORMACK. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. McCORMACK. Something has been said about a smoke screen and dragging a herring across the path. The gentleman knows that the herring came from the Republican side because of the wonderful activities of the chairman of the Democratic committee.

Mr. RANKIN. Nobody discovered it until it was mentioned by the gentleman from New Jersey [Mr. PERKINS], whom I regard as one of the ablest men on the Republican side. Things must be bad when he rises to protest, for he sat here under Republican misrule for 12 years and said nothing.

Mr. ALLEN. Will the gentleman yield?

Mr. RANKIN. I will.

Mr. ALLEN. Are the rugs in the Postmaster General's office still there?

Mr. RANKIN.. I think the ones the Democrats bought are still there. The others probably disappeared with the Republican administration. [Laughter.]

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN. Mr. Chairman, the gentleman from New York [Mr. MEAD], Chairman of the Post Office Committee, and myself have introduced practically identical bills which would authorize the Secretary of the Treasury on recommendation of the Postmaster General to purchase closed State and national banks suitable for post offices and at the same time relieve bank depositors throughout the United States. We all know that throughout the United States there are hundreds of closed banks that are now empty. We know that it is practically impossible to sell these wonderfully constructed buildings to any business man to be used as a business house. They are lying idle, while the United States Government is renting inadequate buildings for postal use. In many instances the Government is building post offices in the same towns where these closed banks are located. In one town in my district—and there are probably similar cases in every district—a State bank has closed its doors. The cost of the bank building was $60,000. It was built about 10 years ago. It would cost the Government about 20 percent of the construction cost. It is located in the center of the town and would make an ideal post office. Under existing law the Government can only buy sites and build post offices. To me it seems ridiculous that the Government cannot buy a bank building at a cost of 20 percent, admitting that the particular bank would meet all the requirements for a post office. Most of the closed banks are in good condition, but for those that need repair or remodeling my bill provides that the Government can spend 10 percent for necessary repairs on closed bank buildings costing $50,000 or over; it provides for 20 percent of purchase price for repairs on buildings purchased for under $50,000.

Enactment of this bill will facilitate the payment of depositors, because, as I have stated, most bank buildings are unsuitable for general business, therefore would continue to be idle, thus making a continual drain on the depositors for taxes and continual repairs.

I would like to see this bill enacted into law.

Mr. ARNOLD. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. CROSS].

Mr. CROSS of Texas. Mr. Chairman, as a result of an utter collapse of their ancient, unscientific monetary systems, there is taking place in every enlightened country in the world rapid reformation of their monetary systems.

And we with more unemployment and more suffering than any other country as the result of the deficiencies of our system should quit hesitating and face the facts and reform our system before it is too late.

The subcommittee of the Banking and Currency Committee, of which I was a member, appointed at the last session of Congress to investigate our monetary system, held extended hearings and as a result of those hearings, as well as my personal investigations, I introduced H. R. 2747, and I earnestly hope every Member of this Congress will give it that serious, earnest consideration that the critical condition of our country and the importance of the subject demands.

Mr. Chairman, with its marvelous climate and fertile soil, its matchless rivers and harbors, the United States covers the choicest portion of the globe. Populated by 125,000,000 sturdy, industrious people, with its countless factories, its warehouses bursting with every fabric that goes to clothe, its graneries filled with every cereal, and its farms and ranches stocked with every animal to feed mankind, measured in true values it is richer than ever in its history, and should be enjoying an era of unparalleled prosperity.

The things that supply the necessities and comforts of men, the houses that shelter, the products that feed and clothe them are as valuable today as they were 10 or 100 years ago, and will be as valuable 10 or 100 years hence. Yet we are told that because the thing we attempt to measure value with, the dollar, has greatly increased in purchasing power, resulting from an increased demand for gold and consequently rapid credit contraction; this monetary unit, though of little intrinsic value, will exchange in the aggregate for twice as much of these essential things as it would 7 or 8 years ago, and therefore, we have lost nearly half of our national wealth.

It would be just as reasonable to say that the foot having expanded until it covers 24 inches, because still called a foot, the Washington Monument has lost half its height, or that the gallon measure had expanded and increased its capacity to double, and as a result a reservoir had lost half its water.

What is it that has so bewitched and confused the people, resulting in mental anguish, unemployment, want and hunger, filling our asylums with insane, and driving many to suicide and crime in this El Dorado with bountiful plenty on every hand?

Let us diagnose the patient and find the seat of trouble. The monetary system of a country is to its economic welfare what the circulation of the blood is to the body. The gold in the gold dollar has but little real value, and as such means little, but its purchasing power resulting from the statutory fiat making it legal tender for all debts means much. We cannot hope to have sustained prosperity with our monetary unit, the dollar, uncontrolled, and at intervals running amuck, expanding and contracting in purchasing power.

Our monetary metal, gold, like every other commodity, fluctuates in value in response to the law of supply and demand, and as the statutory debt-paying medium, that fluctuation is accentuated by fear and hoarding, credit inflation and deflation. The effect of supply and demand on the purchasing power of our unstabilized gold dollar was vividly demonstrated as a result of the World War. During that war 42 countries in Europe ceased to use gold as money, and as we continued to use it as money, it flooded here until we had practically half the gold available for monetary purposes in all the world, and, under the law of supply and demand, gold cheapened until the gold dollar had but small purchasing power, and as its purchasing power declined, the prices of property in the same ratio went up, and credit, uncontrolled, rapidly inflated as a result of the people being obsessed with the idea that prices would continue to rise; that is, that the purchasing power of the dollar would continue to decline, there being no standard for measuring the purchasing power of the dollar. Stabilize the purchasing power of the dollar and you stabilize credit.

The working of our present unstabilized gold dollar can be aptly illustrated by two buckets attached to the two ends of a chain which passes over a pulley as in a well, and as one bucket goes up the other bucket goes down. Let one of these buckets represent the commodity gold—that is, the

gold dollar—and the other bucket represent all property, buildings, homes, all products, and commodities that supply the necessities and comforts of the people, as well as the lands that produce them. Now, as the purchasing power of the unstabilized gold dollar decreased during and for several years after the World War, the bucket representing the commodity gold—that is, the gold dollar—went down in price or purchasing power, and the price of all things in the property bucket in the same ratio of necessity went up, until we saw cotton sell for 42 cents a pound, cottonseed $80 a ton, and most any kind of a steer in excess of a hundred dollars, and other things in proportion. Some years after the World War, when the 42 countries that had abandoned gold as money attempted to return to the use of gold as money, the demand for it became great, and as a result its purchasing power shot up, which is the same thing as saying that the price of all property represented by the property bucket of necessity plunged down. So those who had gone into debt during this period of high prices or cheap dollars and mortgaged their homes, farms, and ranches, and the cities and towns, the school and road districts that had voted bonds and exchanged them for 30-cent purchasing power dollars, compared with the present high purchasing power of the dollar, are now being called upon to pay several times in real value for what they received.

Our monetary unit, the dollar, uncontrolled as it is in purchasing power, is in no sense a measure of value. Properly stabilized in purchasing power, it would be a measure of value, as the lineal foot is a measure of length, or the pound is a measure of weight, or the cubic foot is a unit measure of volume. You can no more measure volume by a unit of weight, such as the pound, than you can measure value by the gold dollar, which is a fixed unit of weight. Before the dollar can be used as a unit to measure value, it must be stabilized in purchasing power by taking the mean or average price of a large number of commodities which supply the necessities and comforts of the people over any normally prosperous period, such as the year 1926, which average price is termed the "wholesale commodity price level." This means that while the price of various commodities may go up and down in response to supply and demand, yet when you take the price of the whole number of commodities used in determining the purchasing power of the dollar, its purchasing power must be kept in harmony with the wholesale commodity price level of that year which is taken as a standard. So that if one borrowed a thousand dollars, he will pay back when it falls due, whether it be 1 or 20 years later, a thousand dollars having the same purchasing power as the $1,000 he borrowed.

There are two kinds of inflation—credit inflation and currency inflation. We hear much about currency inflation, but little about credit inflation, and yet the latter is by far the more treacherous. Both uncontrolled work great injustices. Uncontrolled credit inflation has the effect of finally transferring the property of the great producing debtor class to the comparatively small opulent nonproducing money-lending creditor class, causing business stagnation and unemployment and leaving the former penniless and destitute. On the other hand, uncontrolled currency inflation has the effect of unjustly taking from the creditor class and giving to the debtor class. As credit uncontrolled inflates, the purchasing power of the dollar lessens, prices rise, and the owners of property, those who produce things on farms and in factories, borrow money and expand their operations. Home owners and others, as the result of rising prices and profits, are incited to borrow on their homes and other property and invest in stocks and what not. Cities and towns, school and road districts, vote bonds and exchange them for cheap purchasing power dollars. And then this inflated balloon like uncontrolled credit, deflates, contracts, and as it deflates fear and panic seize the people, and up shoots the purchasing power of the dollar, and those who borrowed are called upon to pay back in real values two and three times what they borrowed. Producers are ruined, factories close, and unemployment mounts.

Our dollar unstabilized in purchasing power is like a ship drifting without compass and rudder and its crew panic-stricken in constant fear of disaster.

If justice is to be done to both debtor and creditor classes and the country kept on an even keel of sustained prosperity, the dollar must be made a dependable measure of value.

Some 4 years ago Sweden, enmeshed in economic ruin, turned to a controlled currency, and as if by magic her financial skys cleared, and as a result, today, she is enjoying a prosperity unparalleled in her history. While shrewd old England, with her "sterlingaria", guided by what is known as the "economist index", is fighting to reach the same goal.

Under the mechanics of the bill introduced by me to accomplish this vital reform, the purchasing power of the dollar, as shown by the wholesale commodity price level for the year 1926, is taken as a standard, so that its purchasing power during that period is accepted as being at 100 percent, or par. Then, with this as a standard, this bill provides that whenever the purchasing power of the dollar is more than 2 percent above par, the stabilization board, provided for in the bill, and to consist of the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, and the Comptroller of the Currency, shall uniformly reduce the rate of income taxes; or, if they deem best, suspend income taxes entirely, while issuing, if necessary, "stabilization coin certificates" and paying all governmental expenses and obligations as they fall due until the purchasing power of the dollar returns to par; and should at any time the purchasing power of the dollar contract and thereby fall as much as 2 percent below par, the Secretary of the Treasury, acting on behalf of the currency stabilization board, is required to withdraw currency from circulation by gradually and uniformly increasing the income-tax rate until the purchasing power of the dollar is restored to par. This bill further provides that the gold dollar shall contain 11.61 grains of fine gold, and that the silver dollar shall contain 185.625 grains of fine silver. This would establish a ratio of 16 to 1 in the coinage of the two metals. Thus, by restoring silver as money and thereby broadening the metallic base and reducing the number of grains in the gold dollar by half, the Secretary of the Treasury would at all times be in possession of ample redemption metal so that he could expand the currency in circulation sufficiently to keep the purchasing power of the dollar at par with the 1926 wholesale commodity price level.

This bill further provides that all currency certificates of every description now outstanding shall be called in as rapidly as possible and replaced by stabilization coin certificates, which are to be redeemable in either gold or silver at the option of the currency stabilization board. But, with the exception of fractional parts of the silver dollar, neither gold nor silver shall be converted into monetary coin, and that no stabilization certificates shall be redeemable in quantities of less than $5,000.

Consumption is in proportion to employment and adequate wages, and when such conditions prevail as prevailed under the wholesale commodity price level of 1926 products can be sold for a profit, and then, and not until then, will demand keep pace with production and our imaginary nightmare of surpluses vanish. Under such conditions our standard of living will be raised and want and crime will become rare and panics things of the past.

Under the workings of this bill fair prices will be assured, and fair prices mean profits, and under such conditions an increase in income taxes is easily borne. There are in excess of $27,000,000,000 of Federal bonds outstanding which would gradually be paid off and an end brought to the folly of the Federal Government issuing bonds and longer lending its credit to private corporations that they might use that credit to tax the people to their profit. For why should the people be taxed to use their own credit?

There are two classes to whom we pay tribute to borrow on our own credit. On the one hand the banking corporations and on the other hand the nonbanking institutions and individuals, and between them practically equal amounts.

Before the use of paper currency, which consists of promissory notes based upon the credit of all the people, it was different. In that day and time when a government had to borrow money of the goldsmiths and silversmiths, the then bankers, or if it borrowed from individuals, it did so by giving its promissory notes, called bonds, in exchange for gold and silver coin. Today when this Government borrows it does not receive gold and silver coins but merely legal tender, promissory notes, or tokens of its own credit and pays tribute to a privately owned institution for the privilege of using its own promissory notes or credit tokens. To illustrate by putting it in a simplified form, if the Government wishes to borrow a billion dollars, the Treasurer of the United States, the agent of the people, orders its Bureau of Engraving and Printing to print two classes of promissory notes, both of which he signs. One set is called currency and draws no interest and by statute is made legal tender. The other set is tax exempt and draws interest, say 4 percent, called bonds. Both sets of these promissory notes being signed by their agent are based upon the credit of all the people.

Stripped of red tape, what the Treasurer in effect then does is to take these two sets of promissory notes, of a billion dollars each, across the street to a privately owned institution, called a Federal Reserve bank, and has it to make a book notation and then takes both sets of notes over to the Treasury and goes to taxing the people $40,000,000 annually and turns it over to this privately owned institution, called a Federal Reserve bank, as a pure gift.

On the other hand, let us look at the resulting effect when the Government borrows its own credit tokens from individuals and nonbanking corporations. Keep in mind paper currency is nothing more nor less than legal tender promissory notes, that do not draw interest, signed by the Secretary of the Treasury, obligating the people to pay them in monetary metal. The Secretary of the Treasury, being in need of funds or legal-tender notes, has printed a billion dollars of promissory notes, called bonds, tax exempt, and drawing 4-percent interest, and signs them, binding every man, woman, and child in the Nation to pay them. He then goes with these tax-exempt promissory notes, called bonds, drawing 4-percent interest to nonbanking institutions and individuals who hold the Government's legal-tender promissory notes that are taxable, and draw no interest, and they gladly exchange them for the billion dollars of bond promissory notes which draw interest and are tax exempt. And the people are taxed forty million a year to pay this interest.

And thus the vicious circle goes round and round. The more interest-bearing tax-exempt bonds the less currency for industry, the higher the purchasing power of the dollar, the less taxes to be paid by, and the more tribute to be paid to the creditor class. For the producing debtor class it means lower prices and higher taxes. You cannot blame the money changers for taking advantage of a law that invites them to do such a thing. It is but natural for them to do so. But what of us, the Representatives of the people, to permit such a law? When necessary to meet the obligations of the Government, why not permit the Secretary of the Treasury to issue legal tender, taxable, noninterest-bearing promissory notes—that is, paper currency—and use the income tax as a lever to stabilize the purchasing power of the dollar on the wholesale commodity price level of 1926, which is practically the same as was its purchasing power as shown by the wholesale commodity price level during the period from 1917 to 1929, when the great bulk of the indebtedness of the people was contracted.

If an individual were to do such a thing as this that the Government does, he would promptly be tried and convicted of insanity and a guardian appointed to look after his affairs, and yet that is the way we, as trustees, are looking after the affairs of the people.

"To coin money"—that is, to make money—"and to regulate the value thereof"—that is, to adjust and stabilize the value thereof—is a solemn demand of Congress by the Constitution. In the manner of the exercise of that power largely depends the happiness and prosperity of the people.

"To regulate the value of money"—that is, to cause it to reflect prices in response to the exchange values of supply and demand in relation to the purchasing power of the monetary unit, the dollar, as shown by the wholesale commodity price level covering the period taken as a standard. This responsibility Congress has shirked and is permitting a small group of Napoleonic money changers to manipulate it. And today, when the people in their anguish and distress are appealing to us to be delivered from their debt-ensnared bondage, we hear the inspired cry, "Don't tinker with the currency." And it comes from the lips of some who are honest but ignorant, and then from the lips of others who know better but are ever zealous to do the will and "crook the hinged knee" to the lords of Mammon. This cry is meant to intimidate and deter you from doing your duty. By it they mean, "do not regulate the value of money", do not stabilize the purchasing power of the dollar", for that would end its manipulation and dethrone its manipulators and reclaim to the Representatives of the people a most vital constitutional right. What think you of a shepherd that would surrender his guardianship over his flock to a pack of hungry wolves? What think you of a Congress, in violation of the Constitution, surrendering its right "to regulate the value of money" in the interest of the people and turning it over to a small aggregation of money barons that they might manipulate it to serve their greed?

By inflating and deflating credit and thereby decreasing and increasing the purchasing power of the dollar, they have garnered unto themselves the wealth of the country. And this they have been enabled to do by embezzling congressional power and tinkering with the currency. Drunk upon this embezzled power, is it any wonder that they fight and spread propaganda through press and air to retain control of the financial heart of the Nation? Others unlawfully tinker with the currency, but you, and you alone, are annointed by the Constitution to regulate the value of the currency, and I beg of you, my colleagues, not to be longer recreant in performing that duty.

Let us heed not those truculent tongues that shout "Don't tinker with the currency." It is but the voice of Mammon echoing down the centuries; the prayer of those who worship at the shrine of the golden calf. Today they feast with Belshazzar, but tomorrow—well, the conditions today in this country are similar to those that existed in France and Russia preceding the world's two most frightful revolutions. Incognito, we have in America Robespierres, Lenins, and Stalins, impatient to lead the storm. God grant this Congress the wisdom and courage to act before it is too late. [Applause.]

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. CROSS of Texas. Yes.

Mr. PATMAN. The gentleman is a distinguished member of the Committee on Banking and Currency. Will he tell us what opportunity we may have to vote on the bill which the gentleman has so ably discussed?

Mr. CROSS of Texas. If it is in my power and in the power of the majority of that committee, I think the gentleman will have a chance at this session of Congress.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent that House Joint Resolution 66, which I send to the desk, be read by the Clerk in my time.

The CHAIRMAN. Without objection, the Clerk will read the resolution.

There was no objection.

The Clerk read as follows:

House Joint Resolution 66

Proposing an amendment to the Constitution of the United States

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued, after the ratification of this article, by order or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of the United States or any other State.

"SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued, after the ratification of this article, by or under the authority of the United States, but without discrimination against income derived from such securities and in favor of income derived from securities issued, after the ratification of this article, by or under the authority of such State."

Mr. TREADWAY. Mr. Chairman, it is well settled by decisions of the United States Supreme Court going back to the earliest days of the Union that neither the States, on the one hand, nor the Federal Government, on the other, can tax the means and instrumentalities employed by each other in carrying on the functions of government.

The earliest decision in point is that of *McCulloch* v. *Maryland* (4 Wheat. 316), decided in 1819, in which the Court, speaking through the great Chief Justice Marshall, held that the State of Maryland was without power under the Constitution to tax the notes issued by the Bank of the United States. It was in connection with this decision that the Chief Justice uttered his famous and often-quoted remark that "the power to tax involves the power to destroy."

Ten years later, in the case of *Weston* v. *The City Council of Charleston* (2 Pet. 449), the Court held that the City Council of Charleston, S. C., was without power to tax securities issued by the United States. Chief Justice Marshall also wrote the opinion in that case.

In other cases the Federal Government has been restrained from taxing State and municipal bonds. See *U. S.* v. *Railroad* (17 Wallace 322); *Pollock* v. *Farmers' Loan & Trust Co.* (157 U. S. 429); and *Metcalf & Eddy* v. *Mitchell* (269 U. S. 514).

Thus, while the framers of the Constitution made no provision therein prohibiting one sovereignty from taxing the means and instrumentalities of the other, the Supreme Court has read such an inhibition into the fundamental law of the land. Speaking of this matter in the case of *Collector* v. *Day* (11 Wallace 113), decided in 1870, the Court said:

It is admitted that there is no express provision in the Constitution that prohibits the general Government from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication, and is upheld by the great law of self-preservation; as any government, whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government.

As a consequence of the decisions to which I have just referred, all State and municipal securities are exempt from Federal taxation, and all Federal securities are exempt from State and municipal taxation. Moreover, in order to put all governmental issues upon an equal footing, as well as for the purpose of securing the advantage of lower interest payments, the States and the Federal Government generally have exempted their own bonds from their own taxes. In the case of the Federal Government, some securities are issued on a wholly tax-exempt basis, while in the case of others the income therefrom is exempt from the normal income tax but not the surtax.

The total interest-bearing indebtedness of the Federal, State, and local Governments is estimated to be approximately $47,600,000,000 at this time. The annual interest charge on this amount is estimated to be approximately $1,770,000,000. The larger part of this latter sum is entirely free from Federal and State income taxes, although it is true that some of the Federal bonds are subject to surtaxes. Also, practically all of the bonds are subject to estate and inheritance taxes, and to the income tax insofar as a profit is realized upon the sale thereof.

Mr. Parker, chief of staff of the Joint Committee on Internal Revenue Taxation, has furnished me some interesting data. On January 1, 1935, the total interest-bearing debt of the United States, outstanding, amounted to $27,944,037,950, of which amount $14,010,962,150 was subject to surtax, and $13,933,075,800 was wholly tax exempt as to both income and surtax. It appears that the average annual interest charge on this Federal debt will be approximately $835,000,000, indicating an average interest rate of slightly more than 3 percent.

From incomplete data available, the staff of the joint committee estimates the present State and local indebtedness to be about $19,680,000,000. The annual interest charge on this sum is probably not less than $935,000,000, indicating an average interest rate of 4¾ percent.

It has already been pointed out that our present annual interest charge on the total Federal, State, and local debt will amount to approximately $1,770,000,000. In 1932 this interest charge amounted to considerably less—probably to about $1,447,000,000. Nineteen hundred and thirty-two is the latest year on which we have complete income-tax statistics, and in this year we can account for the following amounts of wholly or partially tax-exempt interest on the income-tax returns:

| | |
|---|---|
| 1. Individuals with net income of $5,000 and over: | |
| Interest on State and local bonds | $155,226,524 |
| Interest on wholly exempt United States bonds | 47,457,511 |
| Interest on partially exempt United States bonds (including farm-loan bonds) | 34,881,888 |
| Subtotal | 237,565,923 |
| 2. Corporations—all: Interest on Federal, State, and municipal bonds | 554,249,951 |
| 3. Individuals with $5,000 gross but no net income: Interest on partially exempt Government bonds | 4,234,789 |
| Grand total | 796,050,663 |

It is apparent, therefore, that the actual figures on the 1932 income-tax returns account for only $796,050,663 out of a total of probably $1,447,000,000 of wholly or partially tax-exempt interest paid out in that year. While we can account for some of this difference of $651,000,000 as going to the individuals with net incomes of less than $5,000, to tax-exempt corporations, and to foreign individuals and corporations, it must be admitted that the larger portion of the difference probably is the result of the tax-exempt interest not being reported on the returns. However, the figures seem sufficiently complete to form a basis for estimates.

It is believed from the figures already given that corporations hold about 65 percent of the total of Federal, State, and local obligations.

The wholly and partially tax-exempt interest reported by individuals with net incomes of over $5,000 has been computed for the years 1924, 1927, 1929, 1930, and 1932. This interest has been broken up into two groups: (1) United States securities and Federal farm-loan bonds; and (2) State and local obligations. The interest derived from each of these groups has been further classified so as to show the amount received in each case by individuals with net incomes of over $5,000 and not over $25,000, by individuals with net incomes of over $25,000 but not over $100,000, and by individuals with net incomes of over $100,000. These facts are shown in the following five tables covering, respectively, the 5 years already named:

*Wholly and partially tax-exempt interest reported by individuals with net incomes of over $5,000, by net-income classes*

| Net income class | United States securities and Federal farm-loan bonds | Percent of total | State and local obligations | Percent of total | Total |
|---|---|---|---|---|---|
| 1924: | | | | | |
| $5,000–$25,000 | $41,530,723 | 65 | $22,295,874 | 35 | $63,826,597 |
| $25,000–$100,000 | 42,885,531 | 48 | 46,548,494 | 52 | 89,434,025 |
| Over $100,000 | 35,558,241 | 42 | 49,803,812 | 58 | 85,362,053 |
| Total | 119,974,495 | 51 | 118,648,180 | 49 | 238,622,675 |

*Wholly and partially tax-exempt interest reported by individuals with net incomes of over $5,000, by net-income classes*—Con.

| Net income class | United States securities and Federal farm loan bonds | Percent of total | State and local obligations | Percent of total | Total |
|---|---|---|---|---|---|
| 1927: | | | | | |
| $5,000-$25,000 | $39,417,257 | 57 | $30,036,240 | 43 | $69,453,497 |
| $25,000-$100,000 | 35,550,097 | 41 | 51,589,027 | 59 | 87,139,124 |
| Over $100,000 | 39,579,448 | 36 | 70,710,492 | 64 | 110,289,940 |
| Total | 114,546,802 | 43 | 152,335,759 | 57 | 266,882,561 |
| 1929: | | | | | |
| $5,000-$25,000 | 32,222,421 | 53 | 29,018,872 | 47 | 61,241,293 |
| $25,000-$100,000 | 31,244,723 | 37 | 54,317,645 | 63 | 85,562,368 |
| Over $100,000 | 36,920,846 | 30 | 86,216,837 | 70 | 123,137,683 |
| Total | 100,387,990 | 37 | 169,553,354 | 63 | 269,941,344 |
| 1930: | | | | | |
| $5,000-$25,000 | 33,133,796 | 46 | 38,589,450 | 54 | 71,723,246 |
| $25,000-$100,000 | 30,699,843 | 33 | 61,954,130 | 67 | 92,653,973 |
| Over $100,000 | 25,608,143 | 26 | 72,297,538 | 74 | 97,905,681 |
| Total | 89,441,782 | 34 | 172,841,118 | 66 | 262,282,900 |
| 1932: | | | | | |
| $5,000-$25,000 | 39,239,174 | 46 | 45,265,788 | 54 | 84,504,962 |
| $25,000-$100,000 | 27,997,410 | 30 | 66,661,583 | 70 | 94,658,993 |
| Over $100,000 | 15,102,815 | 26 | 43,299,153 | 74 | 58,401,968 |
| Total | 82,339,399 | 35 | 155,226,524 | 65 | 237,565,923 |

The following facts may readily be noted from the above tables:

First. The interest received, and hence the amount of Federal securities held, by all our individual taxpayers with net incomes of over $5,000 has steadily declined. In 1924 the interest received amounted to about one hundred and twenty million; in 1927, to about one hundred and fifteen million; in 1929, to about one hundred million; in 1930 to about eighty-nine million; and in 1932, to about eighty-two million; a decline of 32 percent from 1924 to 1932.

Second. The interest received, and hence the amount of State and local obligations held, by all our individual taxpayers with net incomes of over $5,000 has somewhat increased. In 1924 the interest received amounted to about one hundred and nineteen million; in 1927, to about one hundred and fifty-two million; in 1929, to about one hundred and seventy million; in 1930, to about one hundred and seventy-three million; and in 1932, to about one hundred and fifty-five million; an increase of 31 percent from 1924 to 1932.

Third. The class of taxpayers with net incomes of from $5,000 to $25,000 do not find the Federal bonds unattractive. In 1924, 65 percent of their interest was received from such bonds and 35 percent from State and local bonds, while in 1932 the Federal interest received amounted to 46 percent and the State and local interest to 54 percent.

Fourth. In the case of the middle class of taxpayers with net incomes between $25,000 and $100,000, the proportion of Federal to State and local interest received is much less than in the smaller class and the shift to State and local investment greater. For instance, in 1924, of the total interest received by this class, 48 percent came from Federal securities and 52 percent from State and local obligations, while in 1932, 30 percent came from the former source and 70 percent from the latter.

Fifth. In the case of the wealthy taxpayers with net incomes of over $100,000, the unattractiveness of the Federal issues becomes even more pronounced and the shift to State and local issues still greater. In 1924 this class received 42 percent of their total interest from Federal securities and 58 percent from State and local obligations. In 1932, however, 26 percent came from Federal sources and 74 percent from State and local sources.

It is Mr. Parker's conclusion, from the above facts, that the small taxpayer finds Federal bonds quite as attractive as State and local bonds, because the greater security offered by the former offsets the higher interest rate of the latter. In the case of the larger taxpayers, however, we are forced to the conclusion that State and local issues are preferred over Federal issues, not because this class of taxpayers desire less security, but because the State and local issues are entirely free from surtax while the majority of the Federal bonds are subject to such tax.

What additional revenue could be secured by subjecting all this interest on the public debt to tax? Based on the data available and the existing tax rates, we believe the maximum revenue which the Federal Government could obtain would not exceed $180,000,000 annually. Of this amount, about $100,000,000 would come from individuals and about $80,000,000 from corporations.

The natural result of this exemption of Federal, State, and municipal bonds from taxation is to narrow the tax base and thereby shift the burden of taxation from the wealthy, who are best able to bear it, to the great masses of our population who have no funds to invest in such securities.

The continued issuance of tax-free securities whereby persons with large funds to invest are enabled to escape all taxation is an unwholesome and shameful feature of our governmental system. While the wage earner and the salaried man will pay an income tax to the Federal Government on the 15th day of March, many a person of means will take much delight over the fact that he does not even have to file a return, although his income may run into millions of dollars. Such a situation should never be permitted to exist in a free country.

I have introduced a joint resolution—House Joint Resolution 66—proposing an amendment to the Constitution to do away with the tax-exemption feature of all future issues of Federal, State, and municipal obligations. Among constitutional lawyers, the weight of opinion seems to be that a constitutional amendment is necessary for this purpose, although some contend that the sixteenth amendment already gives Congress this power.

I cannot agree with this latter position. In the first place, the sixteenth amendment was not proposed for the purpose of extending the Federal taxing power, since Congress already had the power to levy a tax on incomes. On the contrary, its sole purpose was to obviate the necessity of apportioning the income tax among the several States according to population, as is required of all direct taxes imposed by the Federal Government. In several cases construing the sixteenth amendment, the Supreme Court has taken this view—see, for example, *Brushaber* v. *Union Pacific Railroad Co.* (240 U. S. 1); *Evans* v. *Gore* (253 U. S. 245). Moreover, it is inconceivable that the States would have ratified the amendment if they had believed that it gave the Federal Government the right to tax State bonds without giving them an equal right to tax Federal bonds.

In view of the apprehension raised by the Supreme Court in the Day case regarding the destruction of one sovereignty by the other through taxation, I should, perhaps, point out that under my proposed amendment the Federal Government could not tax State bonds at a higher rate than it taxed its own. The same limitation would be imposed on the States as regards Federal bonds. Thus there would be no ground for fearing that one would tax the other out of existence.

No one, I think, will deny that the exemption of governmental securities from taxation is a vicious evil which never should have been allowed to gain a foothold. Since it favors the rich as against the poor, it tends to undermine the faith of the people in their Government and gives rise to class feeling. This country was founded upon the principle of equal rights for all and special privileges for none, yet language has been read into the Constitution which, though not intended for that purpose, gives one class of our citizens a privilege which others, more worthy, are unable to enjoy. We should not forget that it was class privileges and exemptions which helped to bring about the French Revolution.

It must be obvious that when one group of our people can take their money and invest it in tax-free securities, their share of the tax burden must be borne by others. I can

make this point a little clearer, perhaps, by using the example of tax-exempt real estate.

Suppose in a city the tax burden is $1,000,000 and the value of the property subject to taxation is $100,000,000. The tax is then distributed over the owners of taxable property on the basis of $1 for each $100. However, every time any property comes into the hands of tax-exempt organizations, such as churches, schools, colleges, and so forth, the amount of property subject to taxation is reduced, and in order to secure the same amount of revenue as before the rate of tax on the remaining property holders must be increased.

The same situation occurs when the wealthy invest their fortunes in tax-exempt securities. Their wealth is no longer taxable, and the tax that they formerly paid must necessarily fall on the less fortunate classes and be borne by them in addition to the great burden which they already bear.

In times like the present, when the calls upon the Government are so great and when revenues are being sought from every possible source, there is all the more reason for requiring this great tax-free reservoir of wealth to contribute its fair share of the general tax assessment. As it is, we have this paradoxical situation: The more the public debt is increased in meeting the growing cost of government, the more the wealthy are enabled to escape taxation; and as the necessity for tax revenues becomes greater, the property subject to taxation becomes less and less.

The indefinite continuance of the present system is not only unfair to the smaller taxpayer, but it will seriously endanger the revenues of the Federal Government, and of the States and municipalities as well.

While under my proposed constitutional amendment, all future issues of governmental securities would be subject to tax, those now outstanding would continue to be exempt. They have been issued on that basis, and of course it would be unfair to change the terms of the contract at this time. However, new bonds are being issued by the billions, particularly by the Federal Government, and all outstanding issues must some day be retired or reissued. Many are of short-term maturity. Thus, although the revenue from the taxation of these securities would be comparatively small at first, it would constantly increase.

The question is often asked, "How would the States benefit by the adoption of the proposed amendment?" The answer is quite obvious. They would benefit to the extent of being able to tax some $30,000,000,000 of Federal bonds, while subjecting less than $20,000,000,000 of their own bonds to Federal tax. Moreover, they could abandon the practice of exempting their own bonds from their own taxes, and thereby expand the property subject to State taxes by a total of approximately $50,000,000,000. Again, I should point out that this amount would not immediately become subject to taxation, but only as new bonds are issued and outstanding bonds are reissued. Even then, the States would have the advantage over the Federal Government, since the latter is issuing bonds at much the faster rate.

In spite of the apparent unfairness of the present tax exemption, there are many who are opposed to permitting the taxation of governmental securities on the ground that a higher interest rate would then have to be paid which would require additional taxes. The answer, of course, is that even if this be so, the additional taxes will be forthcoming from the great amount of wealth which would be made subject to taxation, and at the same time the tax burden would be distributed among the people in proportion to their ability to pay it.

In any event, it does not necessarily follow that a higher rate of interest will have to be paid in case governmental securities are made taxable. Government bonds, both Federal and State, are the safest form of investment, and will be in demand regardless of the tax feature. They commanded a premium before the income tax was ever enacted, and they will continue to do so.

It is generally conceded that even if increased-interest payments did become necessary, the rate probably would not be increased more than one-half of 1 percent. In return for this increase in interest payments, the Federal and State Governments would be able to tax the whole amount of the interest paid, which is now free of tax. Thus, if the Federal Government were compelled to increase the interest rate on its wholly tax-exempt First Liberty bonds from 3½ to 4 percent, it would be able to subject the entire 4-percent interest payment to income tax.

In testifying before the Ways and Means Committee in 1922, Dr. Edwin R. A. Seligman, of Columbia University, an acknowledged expert on taxation, made an interesting analysis of this phase of the problem of tax-exempt securities. By an intricate method of calculation, he estimated that if the then outstanding $30,000,000,000 of tax-exempt securities were made subject to Federal income tax, the revenues would be increased by some $300,000,000. From this sum, he deducted the additional one-half of 1 percent additional interest charge on the $20,000,000,000 of Federal bonds then outstanding, amounting to $100,000,000. He thereby arrived at a net gain of $200,000,000 to the Federal Government.

While the figures used by Dr. Seligman are somewhat out-of-date at this time, they indicate in a general way that the Government would still be much to the good by abolishing the present exemption.

I do not have any figures showing the possible net benefit to the States, but it can be assumed that they also would gain more in revenue than they would lose in increased interest payments, if any. It would, of course, cost the States nothing in the way of increased interest charges to be able to tax the income received by their citizens from Federal bonds.

The CHAIRMAN (Mr. COOLEY). The time of the gentleman from Massachusetts [Mr. TREADWAY] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman from Massachusetts 10 additional minutes.

Mr. TREADWAY. On May 3, 1922, after extensive hearings upon the subject, the Ways and Means Committee reported to the House a joint resolution, of which mine is an exact duplicate, providing for the submission to the States of a proposed constitutional amendment, as follows:

SECTION 1. The United States shall have power to lay and collect taxes on income derived from securities issued after the ratification of this article by order or under the authority of any State, but without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of this article by or under the authority of the United States or any other State.

SEC. 2. Each State shall have power to lay and collect taxes on income derived by its residents from securities issued after the ratification of this article by or under the authority of the United States, but without discrimination against income derived from such securities and in favor of income derived from securities issued after the ratification of this article by or under the authority of such State.

In its report accompanying the joint resolution the Committee on Ways and Means gave the following reasons for abolishing the system of tax-free securities:

(1) A large portion of property escapes taxation, thereby causing great loss of revenue.
(2) It violates the ability, principle of taxation, and unfairly discriminates between taxpayers.
(3) It impedes private financing.
(4) It discourages investment in new enterprises.
(5) It encourages extravagances of governmental agencies.
(6) It grants a private subsidy to certain interests.
(7) By withdrawing money from private enterprises it increases the rate of interest required for all enterprises not carried on by the Government and thereby adds to the cost of living.
(8) It creates social unrest; * * *.

Referring to the economics of the present tax exemption, the committee's report further states:

That some benefit is derived in certain directions by the issue of tax-exempt securities drawing a lower rate of interest is not to be denied, but the majority of the committee are satisfied that these benefits are slight compared to the injury inflicted by the present plan.

* * * * * * *

There is no doubt also that the direct advantage resulting from the issue of a tax-exempt bond to the governmental entity issuing it is usually much exaggerated.

As regards the social factors involved in the present tax exemption, the report of the committee has this to say:

In addition to these economic evils, tax exemptions create a grave danger to our social system and form of government. No principle of taxation is more generally accepted today than that taxes should as a rule be levied in accordance with ability to pay, and all citizens should pay in the same manner. The present condition violates every rule based upon these principles, and while we seek to create, as far as possible, equality in taxation, we find that the Constitution makes it impossible. There should be no privileged class under our Government, but a special privilege is granted to those who invest in tax-exempt securities. This situation is the ground of just complaint and creates discontent and prejudice against people of large means who use a lawful method to lessen their taxes. * * *

On January 23, 1923, the proposed amendment was approved by the House of Representatives by a vote of 223 to 101, which was well over the two-thirds majority required in the case of all constitutional amendments. The resolution then went to the Senate, where it was referred to the Committee on the Judiciary. That committee held extensive hearings on the proposed amendment, but failed to report the resolution to the Senate.

At the beginning of the Sixty-eighth Congress the Ways and Means Committee again reported the proposed amendment to the House, but this time it failed to receive the two-thirds majority necessary for its passage, the vote being 247 in favor to 133 against, with 51 Members not voting.

Since the Sixty-eighth Congress the matter has not been considered by either the House or Senate. However, it is worthy of note that in the Seventy-third Congress the Senate Judiciary Committee, which in the Sixty-seventh Congress prevented action on the proposed amendment, reported to that body Senate Joint Resolution 7, which is identical with the resolution passed by the House in 1923.

In support of the proposed amendment the Senate Judiciary Committee advanced practically the same arguments as are found in the Ways and Means Committee's report in 1922 and 1923. While the other body took no action on the proposed amendment at the last session of Congress, it is encouraging to know that there is strong sentiment in the other body favorable to the discontinuance of further issues of tax-exempt securities.

The Treasury Department for many years has advocated a constitutional amendment permitting the taxing of future issues of Federal and State bonds. In his annual report for the fiscal year 1919 the then Secretary of the Treasury, Hon. CARTER GLASS, now a distinguished Member of the other body, said:

It is intolerable that taxpayers should be allowed by purchase of tax-exempt securities, not only to obtain exemption with respect to the income derived therefrom but to reduce the supertaxes upon their other income and to have the supertaxes upon their other income determined upon the assumption, contrary to fact, that they are not in possession of income derived from State and municipal bonds.

Secretary Mellon, although himself reputed to be one of the world's richest men, strongly urged the abolition of tax-exempt securities. Under date of April 30, 1921, he addressed a letter to the then Chairman of the Ways and Means Committee, Mr. Fordney, in which he said in part:

I suggest for the consideration of Congress that it may also be advisable to take action by statute or by constitutional amendment, where necessary, to restrict further issues of tax-exempt securities. It is now the policy of the Federal Government not to issue its own obligations with exemptions from Federal surtaxes and profits taxes, but States and municipalities are issuing fully tax-exempt securities in great volume. It is estimated that there are outstanding, perhaps, $10,000,000,000 of fully tax-exempt securities. The existence of this mass of exempt securities constitutes an economic evil of the first magnitude. The continued issue of tax-exempt securities encourages the growth of public indebtedness and tends to divert capital from productive enterprises. Even though the exemptions of outstanding securities cannot be disturbed, it is important that future issues be controlled or prohibited by mutual consent of the State and Federal Governments.

The Secretary's reference to the $10,000,000,000 in bonds then wholly tax exempt as being "an economic evil of the first magnitude" is of particular significance in view of the fact that the present wholly tax-exempt issues are probably three times that amount.

Under date of September 23, 1921, the Secretary of the Treasury addressed a letter to our former colleague from Pennsylvania, Mr. McFadden, in which he said:

The issue of tax-exempt securities has a direct tendency to make the graduated Federal surtaxes ineffective and nonproductive, because it enables taxpayers subject to surtaxes to reduce the amount of their taxable income by investing it in such securities; and at the same time the result is that a very large class of capital investments escape their just share of taxation.

The Secretary here raised a point which is particularly applicable to the present time, when the maximum income-tax rates reach 63 percent. No man is going to pay such taxes if he can help it, and all he has to do is to invest his fortune in State bonds to escape all Federal tax. We wonder why the income tax is not more productive, particularly in the higher brackets, but the answer is readily available.

In his message to Congress of December 6, 1921, President Harding added his endorsement of the proposal to abolish tax-exempt securities, saying:

Many of us belong to that school of thought which is hesitant about altering the fundamental law. I think our tax problems, the tendency of wealth to seek nontaxable investment, and the menacing increase of public debt—Federal, State, and municipal—all justify a proposal to change the Constitution so as to end the issue of nontaxable bonds. No action can change the status of the many billions outstanding, but we can guard against future encouragement of capital's paralysis, while a halt in the growth of public indebtedness would be beneficial throughout our whole land.

President Coolidge voiced a similar view when in his message to Congress on December 6, 1923, he said:

Another reform which is urgent in our fiscal system is the abolition of the right to issue tax-exempt securities. The existing system not only permits a large amount of the wealth of the Nation to escape its just burden but acts as a continual stimulant to municipal extravagance. This should be prohibited by constitutional amendment. All the wealth of the Nation ought to contribute its fair share of the expenses of the Nation.

Although following the defeat of the proposal by the House in 1924, Congress has taken no further action, the Treasury Department has continued to adhere to its position favoring the elimination of tax-exempt bonds. In the hearings before the Ways and Means Committee held in connection with the 1926 tax revision, the views of the Department are thus reiterated:

Looking at the proposition logically, there is no reason for the existence of tax-exempt securities. There ought to be no refuge to which the wealthy man can go and avoid income taxes at times when the Federal Government needs the money. A constitutional amendment to make these securities taxable should be passed. The Treasury has consistently been the advocate of such reform.

The matter was referred to again in the annual report of the Secretary of the Treasury for 1927, where the following statement is made:

Taking the long-time view of the situation, I believe that the enactment of such a constitutional amendment is desirable, for I consider it inconsistent with our principles of democratic government that our laws be so framed as to permit any class of our citizens to escape their just obligations.

Again, in his annual report for 1930 the Secretary of the Treasury called the attention of Congress to the fact that the Department had previously—

Earnestly recommended the adoption of a constitutional amendment permitting the Federal and State Governments, respectively, to tax securities to be issued in the future.

The present Secretary of the Treasury, Hon. Henry Morgenthau, has joined his predecessors in advocating the adoption of a constitutional amendment to do away with tax-exempt securities. Only last year he made the following statement upon the subject:

The Treasury Department favors as a permanent policy the elimination of the exemption from Federal income tax now accorded to the interest on Federal, State, and municipal securities, insofar as future issues of such securities are concerned.

I consider it very important that when the exemption is eliminated it should be eliminated not only in respect to future issues of Federal securities, but in respect to future issues of State and municipal securities as well. The enactment of legislation requiring Federal obligations to be issued in the future on a fully taxable basis, in competition with wholly tax-exempt securities originating elsewhere, would be likely to react unfavorably on the market for Federal securities, to increase the cost of the Government's borrowing, and to complicate our financing operations.

I am advised that a constitutional amendment would be required to enable the Federal Government to tax the interest on State and municipal securities. In my judgment, such an amendment should

be drawn on a reciprocal basis; the States should be permitted to tax the income from Federal securities and the Federal Government to tax the income from State and municipal securities. I favor such an amendment.

The amendment which I have proposed meets these requirements laid down by the Secretary. In fact, it was originally drafted in 1922 in cooperation with the Treasury Department.

You will thus see that there is absolutely nothing partisan in the suggestion I am offering. This is a historical fact from 1922 on down, or even before that. Hon. CARTER GLASS, in 1919, advocated it, and from that time on this has been advocated by the Treasury.

Under date of January 12, I addressed a letter to the Chairman of the Committee on the Judiciary requesting that a hearing be held upon my joint resolution, and on the 15th I received from him a very courteous reply in which he said that he would bring the matter to the attention of the committee. I therefore expect the subject to be given early consideration, in order that the Congress may have a full understanding of the various phases of this problem.

The continued growth of tax-exempt securities presents not only a serious economic question but a grave social problem as well. From the standpoint of the smaller taxpayers, the present system is both indefensible and inequitable. From the standpoint of the Federal and State Governments, it constitutes a serious threat to the revenues. The longer that consideration of the subject is delayed, the less property there is subject to taxation and the more the tax burden is shifted from the rich to the poor.

The United States today is the only major country in which Government securities can be issued on a tax-exempt basis. With at least two recent Presidents definitely committed to the proposition of doing away with this exemption, and with the financial agency of the Government on record over a long period of years as being earnestly in favor of the proposal, I urge upon the Congress the desirability of submitting to the States at the earliest possible moment the amendment which is embodied in House Joint Resolution 66 now pending before the Judiciary Committee. If I correctly judge the sentiment of the House, I feel sure that if the amendment is reported it will receive well over the two-thirds majority necessary for its passage. [Applause.]

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. CHRISTIANSON. Does the gentleman know whether the Supreme Court of the United States, since the adoption of the sixteenth amendment, has passed upon the question whether Congress has power under that amendment to tax the income from securities of States and their municipal subdivisions?

Mr. TREADWAY. I am unable to definitely answer the question, but it is my impression that the question has never been before the Supreme Court since the sixteenth amendment was adopted.

Mr. CHRISTIANSON. So there is a possibility that we could save delay if, in addition to proposing to the States an amendment to the Constitution, we should adopt a statutory change in our income-tax law?

Mr. TREADWAY. I have thought of the statutory change myself, but in view of the absolute record that a constitutional amendment must be adopted, I think it would be very unfortunate to delay an effort for a constitutional amendment by adopting statutory regulations and then having it go to the Supreme Court and have the Court bear out its previous decisions.

Mr. CHRISTIANSON. I would not suggest any such delay. As a matter of fact, I offered a resolution 2 years ago proposing a constitutional amendment. I introduced one this year also; but 2 years ago, in addition to introducing a resolution for a constitutional amendment, I offered a bill which, if enacted, would reach this source of income by statutory law if it were sustained by the courts.

Mr. TREADWAY. I think the gentleman will agree with me that if we skate on as thin ice as the possibility of a new statute, it would undoubtedly immediately go to the Court, and might involve us in all kinds of trouble for the time being.

I wish to say further, however, I agree there is that possibility. Nevertheless, in view of all the studies that have been made by the Treasury Department, and from the opinions of our Presidents, and so on, I think it would be better for us to go about it in the right and proper manner. There are now before the Ways and Means Committee several bills covering the very idea which the gentleman mentions, and possibly we may come to their consideration.

Mr. CHRISTIANSON. I would not suggest anything that would make for delay, but I thought we might shoot this fellow by using both barrels of the gun.

Mr. TREADWAY. That is good.

Mr. CHRISTIANSON. I also thought, and still think, that there is nothing in the Constitution preventing Congress, by statute, from authorizing the States to tax interest income from Federal securities.

Mr. TREADWAY. The only difficulty would be muddying the waters a little bit, with interest in the subject matter defeated.

Mr. GIFFORD. Will not the gentleman let me buttress his argument by reading a very brief excerpt from that debate in 1922?

Mr. TREADWAY. Would not the gentleman from Massachusetts be kind enough to insert it as part of his remarks?

Mr. GIFFORD. It is brief; I should like to read it now as part of the general discussion.

Mr. TREADWAY. Very well.

Mr. GIFFORD. I read:

The National Government, after the adoption of this amendment, will probably not issue any more bonds in large quantities for a good many more years to come. The States, counties, and municipalities will continue issuing bonds, the income from which the Federal Government can tax without the States being able to collect a tax in anything like a proportionate amount on Federal bonds. Few States have an income-tax law. Counties, districts, and cities probably can never have an income-tax law, and must bear the disadvantage of having their bonds taxed by the Federal Government without any corresponding benefit to them.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, the gentleman from Massachusetts is the ranking minority member of the Ways and Means Committee. Would not the gentleman from New York yield him a little more time? There are a number of us who wish to ask questions of the gentleman.

Mr. TABER. Mr. Chairman, I yield 5 additional minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, I understood my colleague to read a statement to the effect that very few bonds would be issued in the future. Was that sentence in there?

Mr. GIFFORD. Yes.

Mr. TREADWAY. Who made that remark?

Mr. GIFFORD. I read it because of the irony of it.

Mr. TREADWAY. I join with the gentleman in that feature.

Mr. Chairman, I now yield to the gentleman from Texas.

Mr. BLANTON. Ever since I have been here I have wanted to see some such resolution as this passed, that would remove the exemption from tax-exempt securities. The gentleman from Massachusetts has been in Congress for 22 years, I believe. Am I right?

Mr. TREADWAY. The gentleman is correct.

Mr. BLANTON. He has been a distinguished member of the Ways and Means Committee for how many years?

Mr. TREADWAY. Seventeen, I think.

Mr. BLANTON. He is now the ranking minority member of the Ways and Means Committee; and if the minority were in power he would be the chairman of the committee; is not that so?

Mr. TREADWAY. Well, the gentleman is making assumptions.

Mr. BLANTON. Under the operation of the regular seniority rules, that would be the case. Now, why is it that with so distinguished a Member on the Ways and Means Committee as the gentleman from Massachusetts in favor of a proper resolution to tax all tax-exempt securities, when

Presidents have been in favor of it, why is it we cannot pass it here in Congress where 95 percent of the Members would vote for it? What is keeping it back every year?

Mr. TREADWAY. I yield to my friend from Texas to answer his own question; I cannot answer it.

Mr. BLANTON. Is the gentleman going to allow the same thing to keep this bill from passing?

Mr. TREADWAY. I may say to the gentleman from Texas that I am using every ability I have, mental and physical, to get it through.

Mr. BLANTON. Let us get after this business from both sides of the aisle and pass it this year.

Mr. TREADWAY. Will the gentleman help me get it through?

Mr. BLANTON. In every way on God's earth the gentleman can think of.

Mr. GIFFORD. If the gentleman will yield further, ask the gentleman from Texas how he voted on it in 1922.

Mr. TREADWAY. I do not want to embarrass the gentleman.

Mr. BLANTON. Oh, no vote I ever cast will embarrass me. I have been against tax-exempt securities for 18 solid years. My friend is referring to the Green bill in 1923.

Mr. GIFFORD. The gentleman from Texas voted against it that time.

Mr. BLANTON. Yes; I voted against the Green bill in 1923, but the gentleman from Cotuit does not know what he is talking about. That Green bill was a makeshift got up by Ogden Mills, whose family owned several hundred million dollars in tax-exempt securities, and it was approved by Andy Mellon who, with various members of his family, owned several hundred million dollars in tax-exempt securities, and the Green resolution would not have reached one single dollar of the income then being drawn by these multimillionaires. Naturally, I voted against it. And in voting against it, I had with me, voting as I did, such leading Democrats as Finis Garrett, of Tennessee, our majority leader; Jack Garner, who is now Vice President of the United States; Mr. Pou, then Chairman of the Committee on Rules; Mr. Buchanan, our present Chairman of the Committee on Appropriations; Connally, Hayden, and Byrnes, who are now Senators; Mr. Doughton, our present Chairman of the Ways and Means Committee; Jones, Lanham, Mansfield, Rayburn, Sanders, Sumners, and other colleagues from Texas; Mr. McSwain, Mr. Oliver, Mr. Rankin, Mr. Lea, Mr. Steagall, Mr. Vinson of Georgia, and other very prominent Democrats.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. CULKIN. When the present Secretary of State, Mr. Hull, was a Member of the Senate, he introduced a resolution similar to that the gentleman is speaking of now. Does the gentleman know whether or not anything was done with it?

Mr. TREADWAY. I referred to what the Senate did in my remarks; and the gentleman will find it in the RECORD tomorrow. Action was taken in the Senate in the Seventy-third Congress.

Mr. CULKIN. That was the Hull resolution.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. FOCHT. Did the gentleman mention Pennsylvania in the course of his remarks?

Mr. TREADWAY. No; my colleague did.

Mr. FOCHT. In considering this resolution, has the gentleman contemplated what will ultimately result from the principle of double taxation? And is not that the reason for the opposition: Double taxation?

Mr. TREADWAY. I think if we could get rid of double taxation as between the Federal Government and the State governments, this would be a much better country in which to live; but at present it is hopeless to think we can accomplish that.

Mr. HEALEY. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. HEALEY. My colleague has made a very splendid speech and I find myself in accord with many of his views, but I should like to ask him if it is not his opinion that in the final analysis removal of this wealth from taxation has resulted, especially in residential communities, in the poor little home owner having to bear an almost intolerable burden?

Mr. TREADWAY. The gentleman is absolutely correct; and I think I illustrated the case of the home owner in the example I gave of the removal from taxation of tangible property such as real estate. In such instances the property of religious organizations, schools, colleges, and so forth, which are exempt from taxation, throws, to the extent of the taxes represented, that additional burden onto the rest of the community. There is no question about that feature of it. [Applause.]

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. HARLAN].

Mr. HARLAN. Mr. Chairman, I always listen with a great deal of interest to the remarks of the distinguished gentleman from Massachusetts who just spoke, for they are always scholarly and show a great deal of preparation. Last Thursday, January 17, however, the same gentleman was discussing the reciprocity treaties and the reciprocity bill, and I do not believe that part of that very carefully prepared speech was quite up to standard. It is upon that issue I wish to discuss the matter before the Committee today.

I addressed a question to the gentleman at that time as follows:

> Just as a matter of information, I wonder if the gentleman would include in his remarks in listing the concessions that we have made to Cuba the concessions that Cuba has made to us?

His answer to that was:

> I am interested in our people, not the Cuban folks.

Now, that answer may have meant something to the gentleman who made it, but it certainly did not mean anything to me. Fearing that it might not have meant anything to the Committee, I thought it would be well at this time to discuss some of the concessions which Cuba made to the United States.

Mr. TREADWAY. Will the gentleman yield for a question?

Mr. HARLAN. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Relative to my answer to the gentleman's question, may I say I was carrying on my remarks in a chronological manner. I did not intend to be discourteous, and the gentleman I am sure appreciates that fact. I could add that the agreement arrived at under the reciprocal treaty between Cuba and the United States is a matter of public record, and, of course, it is very easy to find, and perhaps the gentleman is going to quote from the record the articles of interest.

Mr. HARLAN. I accept the gentleman's explanation. I know the gentleman meant no discourtesy; however, the intent of the remark was so absolutely devoid of reason to me in discussing such a question that I felt it merited discussion at this time.

It is very much like a merchant who complains constantly that his customers are taking away his merchandise and not considering or discussing the amount of money which he got for the merchandise. In the remarks which the gentleman from Massachusetts [Mr. TREADWAY] placed in the RECORD he included all of the concessions that the United States made to Cuba. He included the trade between Cuba and the United States, but said not a word as to what we had gained in exchange. I feel that that is not a fair discussion, even allowing for the intense political angle to the argument. For this reason, I wish to go over some of the advantages that the United States gained from this treaty.

In the first place, Cuba agreed in this treaty not to increase the duty on any American produce not mentioned in the treaty. She agreed to reduce a number of consumption taxes, which are as harmful as tariffs. She accepted a very definite

quota on her exports of sugar to us, so as not to injure our producers. She reduced the tariff on lard from $9.18 to $2.73, and this is to be again reduced to $1.45 in September of 1936. She removed the consumption tax on lard, amounting to $1 per 100 pounds. On crude vegetable oils, such as cottonseed and similar oils we produce, the tariff was reduced from $4.36 to 88 cents. On refined vegetable oils from $6.45 to $1.36. In addition to that, Cuba gave oils coming from the United States a preference over those of other countries of 35 percent on the crude and 30 percent on the refined. She removed the consumption tax on American flour and gave a substantial preference on American flour. On pork she reduced the tariff from $6.54 a hundred to $4.09 a hundred; bacon and smoked pork from $7.63 to $5.45 per hundred; ham, $8.72 to $5.45 per hundred; potatoes, $1.81 to 91 cents per hundred. And so on down the line.

The last item involved was cigarettes. Cuba reduced the tariff on American cigarettes so that cigarettes, which were previously selling in Habana for 75 cents a package, will now be sold at 25 cents a package. She cut the tariff in half on automobiles.

May I give a summary of what has happened since this reciprocity treaty went into effect. The gentleman from Massachusetts was crying about the great imposition that had been imposed upon our agricultural interests. The total value of agricultural products exported by us to Cuba, since these concessions were granted by Cuba, was $1,018,000 plus in September, as compared with $600,400 the month before, and $448,000 in September a year ago. In other words, we almost doubled our exports on these particular commodities.

On the nonagricultural produce, in the first month the value of the articles mentioned, including automobiles, canned salmon, and a lot of commodities like that, increased from $742,000 in August to $830,000 in the following month. To show the effect, Mr. Chairman, of good will in international trade, and this is just good will alone, we so obtained the good will of the people of Cuba by this act that we increased our export on things not specifically mentioned at all in the treaty. The total exports on commodities not changed in rate were $2,466,000 in September as against $1,835,000 the month before, or an increase of 34 percent.

The total exports were increased in September 1933 from $1,903,000 compared to September 1934 of $4,380,000. October 1934, as compared with October the year before, they went from $1,644,000 to $4,744,000. In November 1933, as compared with 1934, our trade increased from $2,005,000 to $4,213,000.

Mr. Chairman, we cannot look at one side of this picture and say that the United States has not gained anything. We have gained in good will, not only as far as Cuba is concerned, but we have gained good will in the whole of Latin America. Our trade outside of these treaties has doubled on practically all of our exports. The situation between the United States and Cuba is very much the same as it is between the United States and many other countries. We have peculiar conditions under which we may manufacture and grow certain commodities at a great profit. Cuba has peculiar conditions under which she can produce certain things at a great profit. Before the passage of the Grundy tariff we were exporting a great deal of pork to Cuba. We put an additional tariff on Cuban sugar and Cuba came back with an additional tariff on pork.

Now, we cannot very profitably grow sugar. Sugar to Cuba is the most productive crop, and they can grow it down there at the greatest profit of anywhere in the world. However, they cannot grow pork. We can grow pork profitably. Our farmers can make more money by converting corn into pork than almost anything else they grow in the field. Cuba did produce some pork down there, but it was a very poor imitation. They continued to eat this imitation food because we would not take their sugar. The climate down there is not suitable for the production of pork. Ours is not adaptable for the growing of sugar. When we enter into this reciprocity treaty, we open the Cuba market to the American farmer for the sale of hogs, bacon, and lard to Cuba, and in exchange we take her sugar. The American farmer is not going to lose anything by producing and selling those things out of which he can make the most money.

Mr. MICHENER. Will the gentleman yield?

Mr. HARLAN. I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman means that the sugar grower will lose but the pork grower will benefit?

Mr. HARLAN. In practically every case I know of, certainly in the Middle West, the sugar grower and the pork grower is the same. He can simply transfer from raising sugar beets to raising corn. That is all there is to the matter.

Now, Mr. Chairman, what was the condition that brought about the necessity for this reciprocity treaty with Cuba?

In 1924 Cuba was our sixth best customer. In 1933 Cuba was our sixteenth best customer. Our exports to Cuba had declined 89 percent and our imports had declined 63 percent. In 1924 two-thirds of Cuba's imports came from the United States; in 1933 a little more than one-half. In 1924 four-fifths of her exports went to the United States, and in 1933 it was reduced to two-thirds.

In other words, this country, that was our natural customer and our neighbor, had its profitable trade going into Europe and the South American countries. We did not have the sense to keep our ports open for this influx and outgo of a most profitable nature. Now this has been readjusted.

The whole thing is just a reflection of the condition the United States had allowed itself to get into during the depression. During that time world trade had dropped two-thirds of its value from 1929 to 1933. During this same time, however, our foreign trade had dropped three-fourths of its value.

In other words, we had lost a greater proportion of the world trade than other nations. Why? Because other nations were engaging in reciprocity treaties. They were fixing quotas, they were having exchange pools and everything else to boost their trade, while we were still using the horse-and-wagon methods we had used before in handling our trade protection through tariffs and nothing else, and the rest of the world was not only taking our trade away from us in our neighborhood here, but every other place as well.

I should like to go through the remarks of the gentleman from Massachusetts and comment a little more on some of his other statements. He said this:

> The State Department does not hope to get a balance of trade in our favor, because that would be virtually impossible. We simply increase our purchases in Cuba, and piously hope that Cuba will buy more from us. In the end, instead of spending $2 in Cuba for every dollar of trade we receive in return, we probably will be spending 3 or 4 dollars.

What a puerile, childish statement this does seem to be, with the utmost respect for the gentleman who made it. Certainly, we can never sell as much in Cuba in merchandise as Cuba sells to us. Why? Because we have extensive investments in Cuba and this must come back in the form of dividends. We do a lot of hauling for Cuba and that must come back in the form of dividends and it is because of the fact that Cuba has heavy foreign investments in their country and because she buys service from other countries that she is one of those countries on the globe that will always have a so-called "favorable balance of trade." We, in this country, during the last few years, have always been talking so much about our favorable balance of trade. We had a lot of tourists going to Europe spending money. We were paying dividends to foreign countries. We were hiring foreign countries to haul our goods and paying out for service and, naturally, we had to sell more than we could buy, because those bills had to be paid. We continued to have a favorable balance of trade as long as we lent money and there was no payment. Let Europe begin to pay our loans and our favorable balance of trade will disappear like a mist over a marsh at sunrise. We will never sell to Cuba as much as we buy from her unless we stop investing in Cuba and unless we also stop hauling Cuba's goods and rendering other kinds of service. We will always have a favorable balance of trade as long as we continue to lend money to Europe and they do not pay it back, as long as

we continue to send tourists over there and as long as we continue to buy their hauling.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. I may get a little more time, and if so, I shall be pleased to yield to the gentleman.

The gentleman from Massachusetts also made this statement:

> The preliminary negotiations are carried on in secret, behind closed doors. The public has no knowledge of what duties foreign nations seek to have reduced, nor of what concessions our representatives seek in return. The first notice given consists in an announcement by the State Department that negotiations are under way with a certain country.

I do not believe the gentleman could have made a sincere investigation of the way these treaties are negotiated before he made these remarks.

In the first place, our negotiators call in from the countries with which a reciprocity treaty is to be negotiated, our State and commercial representatives. They find out in a general way what commodity that country would like to sell to the United States and what she could sell to the United States. We get the picture of the foreign country in this way, just as they do with respect to us. Then we prepare a notice which is sent to the press, open to anyone who desires to see it, not only giving the reasons the treaty is desired, but giving every commodity that we trade with in that country, every commodity we buy and every commodity we sell. This is sent through the press to everybody who manufactures these commodities and they are all invited to come in and present, first, their written briefs, and then their oral arguments, every one of them who so desires is represented.

I am going to include in my remarks a summary of the notices that were sent out to the industries in the United States in negotiating the last treaties, with the dates given.

DEPARTMENT OF STATE,
*January 16, 1935.*

*Trade agreements calendar*

| Country | Date of issuance of notice | Latest date for submitting written statements | Date for oral presentation of views |
|---|---|---|---|
| Brazil | Aug. 31 | Oct. 15 | Oct. 22 |
| Haiti | do | Oct. 8 | Oct. 15 |
| Belgium | Sept. 4 | Oct. 22 | Oct. 29 |
| Colombia | Sept. 5 | Oct. 8 | Oct. 15 |
| Costa Rica | Sept. 7 | Oct. 15 | Oct. 22 |
| Guatemala | do | do | do |
| Honduras | do | do | do |
| Nicaragua | do | do | do |
| Salvador | do | do | do |
| Sweden | Sept. 10 | Oct. 29 | Nov. 5 |
| Spain | Sept. 17 | Nov. 5 | Nov. 12 |
| Switzerland | Oct. 23 | Dec. 10 | Dec. 17 |
| The Netherlands, including Netherland India, Netherland Guiana, and Netherland West Indian islands | Dec. 12 | Jan. 28 | Feb. 4 |
| Finland | Dec. 19 | Feb. 4 | Feb. 11 |
| Italy | Jan. 16 | Mar. 4 | Mar. 11 |

These negotiations are not particularly secret. In the first place, the Department of Commerce, gentlemen, knows more about any one industry all over the United States from years of statistics that they have, than any manufacturer knows himself about that particular industry, because they have been collecting it, impartially, for years, and they have it gathered from the entire country.

I was amused at a manufacturer of paper in my own district about 3 years ago when Canada went off the gold standard. You remember, at that time everybody was saying that with Canada going off the gold standard our markets were being flooded. A very vehement protest was sent to me urging me to go before the Tariff Commission and try to get a tariff on finished paper.

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. HARLAN. He asked for an increase in the tariff because the change of currency in Canada was flooding the country. I went to the Tariff Commission and the Department of Commerce and found that instead of a flood of paper coming into this country the imports were far less after Canada went off the gold standard than before, showing that the individual industrialist does not have the chance to know the conditions in his own industry that the Department of Commerce does.

May I say again that subsequently there came a movement from the Ways and Means Committee to increase the tariff on wood pulp because of the great influx of wood pulp coming in, and this same man, a buyer of wood pulp and a seller of paper, wrote me a letter saying that Canada going off the gold standard had not affected things at all.

As to the reciprocity treaty, what chance had the Stutz Motor Co. when we put a tariff on French tapestry, French china, and French perfumes—what chance had they for a hearing? France put a retaliatory tariff on automobiles. What chance had the Stutz Motor Co. for a hearing on that? They did not realize when we put the tariff on tapestry, china, and perfumes that they were going to be affected by it. How much different is this situation? The industry affected now gets adequate notice and can present any facts it desires.

Now, the gentleman from Massachusetts also said that this is a new type of legislation. Well, the first precedent on which the reciprocity bill was founded was our Embargo Act of 1794; then our Preferential Duty Act of 1798, and so on, through provisions of the Tariff Acts of 1870, 1897, 1909, and 1922. In many of these acts the President was authorized to do far more than we authorize here. Time will not permit a summary from that time up to this, but there is practically nothing new about it.

The gentleman from Massachusetts said this—and this is the most important:

> The gentleman from New York yesterday explained the situation as regards matches. It seems that there is a group of capitalists here urging a change of duty on Swedish matches. You do not suppose they want to raise the duty for the benefit of the American producer? On the contrary, their one object is to make some kind of a deal whereby our industry producing matches shall be wiped out.

I have looked up the report on the match industry and find this interesting thing.

In 1919 the net profits of the match industry amounted to three and a half million dollars, and the wages paid amounted to $3,000,000. In 1929 the net earnings were, in round numbers, $2,600,000, and the wages amount to $4,100,000. In 1931 the net earnings were $3,400,000 and the wages $3,400,000, and in 1933 the net earnings amounted to $3,400,000 and the wages $3,200,000. In other words, during those 4 typical years which I have picked out before the panic, during the panic, and since, as we think we are partly out of it, almost universally the profits of the match industry exceeded the amount of money they paid for wages. I am quoting from Moody's Reports on Corporations.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. ARNOLD. Mr. Chairman, I yield 5 minutes more to the gentleman from Ohio.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. Yes.

Mr. CULKIN. Will the gentleman add to the amount paid for wages in excess of $3,000,000 in the match industry the amount that it disbursed for American products, sulphur, wood, and other things going into the manufacture of matches?

Mr. HARLAN. I have not that here.

Mr. CULKIN. It is in excess of $10,000,000 per year.

Mr. HARLAN. That does not seem quite possible, because the entire value of all of the matches produced was less than $10,000,000. I shall try to put the entire value in. I have it some place, but not available right at this minute.

Mr. CULKIN. The gentleman will find that in the last report of the Tariff Commission on this question.

Mr. HARLAN. I am not interested in the portion of the total manufactured value of matches which goes to raw material. I am solely interested here in the proportion of the profits which goes to labor. As long as we protect back of tariff walls an industry that pays as much money for profits

as it does to labor we will never be able to keep the industrial machinery going.

For example, from 1923 to 1929 the total value of manufactured products in the United States increased $9,000,000,000, or approximately 16 percent. During the same years the amount of money paid to wages increased one-half billion dollars, or approximately 5 percent. This unhealthy ratio between profits and wages is largely responsible for our very overwhelming debt structure which has bogged down our industrial machine.

The gentleman from Massachusetts was also much worried about maintaining our standard of living. He says on page 603:

> If we are going to seek larger foreign markets, we must be prepared to meet world competition, and this means low production costs. Our standard of living would have to be lowered to that of Europe and the Orient, fewer men could be employed, sweatshop working conditions would prevail, and wages would have to be reduced to a fraction of what they now are. Is it worth the price?

This is a type of argument that has become standard for protectionists for a long time. Yet the answer is obvious. Even with the tremendous burden of ineffective industries tied around the necks of our efficient industries, with our efficient industries we are able now to sell throughout the world and to undersell foreign competition. It is because of that that foreign countries have built probably higher tariff walls against the United States than against any other one country.

We can make in the United States any commodity requiring tremendous power, mass production, and abundant natural resources, and in making that we can pay a wage scale higher than any place in the world because of the difference in value between our power and natural resources on the one hand and the value of the manufactured product on the other. Out of this differential we can and always have and always will pay higher wages. It is not the industry that cannot exist without tariff protection that fixes the wage scale. It is not the tariff-protected industry that goes out into the world market and carries American trade. It is not the United States that has to worry about the efficiency of our manufacturers. It is the foreign countries that are trying to keep them out through tariff walls. If, through reciprocity treaties, we can lower these tariff walls and buy those commodities which we cannot efficiently and effectively produce and sell those commodities which afford big profits and higher wages both we and our customers will prosper.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. HARLAN. I shall in a moment if I have the time. The American producer in exploiting labor and using the tariff to do that is not at all unusual. The Canadian Government last year appointed a so-called "royal commission" to investigate conditions in that country, and during the Christmas holidays that royal commission reported to the Canadian Parliament on the textile industry in Canada. Let me show you what that report says:

> The Dominion Textile Co., which employs 41 percent of the Canadian cotton workers and is one of the chief beneficiaries of high duties, was shown to have paid without interruption for 10 years dividends equal to 150 percent on its original investment and 22 percent on a second stock subscription in 1922. Yet it had reduced labor payments 10 and 20 percent in 1933 and they were still down 7 percent, although the company in 1934 earned the highest trading profits since 1929.
>
> The tariff has kept the Canadian textile industry out of red ink throughout the depression and it had decreased the textile imports from the United States from 75,638,000 square yards to 17,112,000.
>
> But it had produced wage scales varying from $11.50 to $15.71 per week, and that, as one member of the commission remarked, was a poor example of high tariffs as creators of employment.

Our American match industry compares very favorably in grinding down labor with the Canadian textile industry. From 1919 to 1933 the number of match factories had been reduced from 21 to 16. Wages in 1931 averaged $1,037 per man, whereas in 1933 they averaged $885 per man, although the profits in both years was approximately the same, three and four-tenths million dollars. They maintained their profits by reducing wages.

Mr. Chairman, the whole world is sick of the tariff walls with which we have surrounded all of our countries. They are tying up trade. They are keeping efficient industries from making profits they ought to be entitled to, and it is out of profits that wages are paid and in no other way. They talk about our American wage scales being due to the tariff. Why did we originally institute a rigid tariff policy? Because the wage scale already prevalent in our new country was so high in agriculture, in making rum, and in shipbuilding that we had to put a tariff on to induce laborers to go into other manufacturing business. That is why we put the first tariff on and brought the Du Pont Co. here to manufacture powder, because we could not pay our current wage scale and sell the powder in competition with Europe. We have put unprofitable industries around the necks of efficient profitable industries. But the tariff is here. Our industrial life has been built up around the tariff. Nobody at this time is radical or wild enough to think that we can wipe those out over night and bring the millennium here in international trade, but we can do one thing, and that is what the administration is doing. We can gradually, through reciprocity treaties, adjust our international trade so that profitable industries, efficient industries, can again function; and those industries which cannot exist without a tariff wall will have an opportunity to change their capital over into other industries that can. [Applause.]

We have heard a great deal in this Congress about the danger of communism and fascism. To any thoughtful person it is apparent that capitalism, not only in the United States but in the world, is at the crossroads. It must produce wages high enough to protect humanity from want or it will be replaced by some other form of civilization.

The reactionary element tells us that our way to salvation is by extreme nationalism; to build a wall around us so high that no goods can come in, and seek our own salvation. If this were true, it would bring questionable safety to our citizens, if by doing that the other white and yellow races of the world who are not so fortunate as to possess the immense free-trade market which we possess are reduced to starvation. Their hatred of us would inevitably lead us into war where our vaunted prosperity would sink with civilization.

But is it possible to procure comfort and happiness by cutting off world trade completely? Our experience in all past depressions did not so indicate, because, if so, the less foreign trade we have the greater our domestic prosperity ought to be. Yet it is obvious that as our own prosperity sinks into a panic, instantly foreign trade and commerce sink with it. The extent of our foreign trade furnishes an index, as it rises and falls, of the prosperity which we are enjoying in our domestic commerce.

The imperative thing that capitalism must do, not only in the United States but in the world, is to see that men eat, are clothed, and have a sense of security against the casualties of life; and the only way that that can be done is for all humanity to engage in those industries which produce the greatest profit, because out of great profits, with honest administration, high wages are paid.

Capitalism, furthermore, must develop some system of controlling human selfishness; at least to the extent of preventing exploitation by those in power over those who are defenseless. If we cannot stop exploitation, then fascism must do it with the big club, or communism must do it by dragging us all down to the same level, where there will be no incentive to save, no incentive to profiteer, because there is no investment which can be made of the ill-gotten gains.

If we cannot control this blood-thirsty demon of selfishness, then communism, fascism, or any other form of government must furnish an ultimate welcome relief.

Mr. MICHENER. How about developing any new industries?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MICHENER. Will there be opportunity to develop any new industries under this system?

Mr. HARLAN. I am sorry. I would like to answer that question, but my time has expired.

Mr. ARNOLD. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Chairman, it is a common practice of many orators and newspapers to speak in a belittling way of Postmaster General James A. Farley as the "political member of the Cabinet", as if to convey the sinister implication that he spends his entire time playing politics and hatching political schemes to the great injury and detriment of the public service. The constant effort seems to be to build up a popular mirage of Mr. Farley as "Old Man Politics incarnate", and thus to create the impression that the head of the greatest business establishment on earth—the United States Postal Service—is a scheming politician, pure and simple, devoid of business and administrative experience and qualifications, who is kept in office for one purpose only, and that is to handle the politics of the national administration.

It is my purpose in the brief time it would be proper for me to speak today to dispel this Farley myth and to show that while Mr. Farley undoubtedly does know a thing or two about politics he also is liberally endowed with business brains and executive capacity and that the Post Office Department under his guidance is economically conducted and wisely administered and that the character and quality of the administration of that great Department is such that it could well be taken as a pattern for all other Government departments and activities.

What I shall say about the administration of the Post Office Department, the opinions I shall express, will be based on the intimate contacts I have with that Department by reason of being a member of Mr. ARNOLD's subcommittee on Post Office Department appropriations. We are constantly in touch with the Department. Every year we have the most elaborate hearings. We call the postal officials, high and low, before us, seat them across the table from us and put them through a gruelling examination. We take the Department apart and watch it tick, so to speak. The information that has come to me by this delving process tells me that the Post Office Department is ticking like it ought to tick; that it is being conducted with high efficiency and on a basis of sound principles of economy that might well be copied by many of our other departments and new activities.

MY ONE PET EWE LAMB

My testimony, I believe, will be all the more impressive when I say that in patronage matters Mr. Farley and I have not clicked. He took away from me my one pet ewe lamb, the postmastership of Indianapolis, and turned it into the corral of my genial friend the senior Senator from Indiana on the theory that a Senator is entitled to name the postmaster of his home city.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. CULKIN. I was just going to ask if the gentleman's conciliatory remarks mean that he is trying to get the post office back?

Mr. LUDLOW. Not at all. That question will be answered a little later in my remarks.

I have always regarded that as a bum theory. [Laughter.] If I am ever elected to the Senate, I may think more of it; but for the present I disapprove of it. Then, after the Home Loan Bank Board had voluntarily, graciously, and kindly, and on its own initiative, invited me to name the manager of the Home Loan Corporation at Indianapolis, and in my perfect innocence I had appointed and notified the man of my choice, Mr. Farley waved his magic wand, and, presto, the appointment was turned over to the same genial friend, and I was not allowed even to name the attorneys and appraisers for my district, which were the humble crumbs that fell to all other Congressmen in that patronage shower, all of which I thought was in violation of the immutable principles of justice, to say nothing of the Constitution and the Bill of Rights. [Laughter.] When I pleaded with Mr. Farley to appoint a wonderful colored man of my district as minister to Haiti, a white man from a far-away State got the job. At the beginning of this administration I submitted a preferred list of appointments, and it was given a preferred place in a pigeonhole, where it still maintains its preferential status. [Laughter.] The dust on it is thick and getting thicker. I cite these facts merely to show that the encomiums I intend to hand to the Post Office Department are not inspired by any patronage largess heretofore bestowed or by the hope of any patronage largess yet to come, as all of the appointments in which I was especially interested have been filled. [Laughter.] Someone may arise to inquire in amazement why I, the forgotten man, should pat the hand that has failed to feed me the fruits of the patronage plum tree, but I hope that I am big enough and broad-minded enough not to allow selfish considerations to warp my vision. I hope I am big enough and broad-minded enough to recognize that efficient and economical public service should be our first and paramount aim, and that is the kind of service the Post Office Department is giving to the people of this country.

THE WATCHWORD OF OUR STATESMEN

Mr. Chairman, for a hundred years economy was the watchword of our statesmen. For a hundred years "We demand retrenchment in the cost of government" was a full, resounding phrase that was featured and exploited in every political platform of every political party, National, State, and local, as the greatest of all desiderata. Political action lost all of its virtue and its beneficent essence unless it was associated with economy. And then, Mr. Chairman, a change came over the spirit of our dreams. We began to ask ourselves not how much money we could save for the benefit of the taxpayers but how much money we could twist and pry out of the Government to appease the various groups and blocs that were hammering at the doors of the United States Treasury. The change in psychology swept not only over the Congress but over the Government departments and bureaus as well. The chiefs of services began to take the attitude that it was their bounden duty not to see how economically they could conduct their offices but to siphon as much money as possible out of the Treasury to propagandize their activities and swell their personnel. Years ago economy in the departmental service became also a lost art.

It is interesting and refreshing, therefore, to examine with some particularity the record made by the Post Office Department under Mr. Farley since Franklin D. Roosevelt became President. I am one of those who believe in less government in business and more business in government, and I have been genuinely pleased to note the extent to which the Postal Service is now operated on recognized sound business principles. The result of a business direction of the Department is strikingly attested by the fact that on June 30 last, the end of the fiscal year 1934, there was a surplus on hand of $12,161,415.03 after giving credit for franked and penalty mail and air and ocean mail subsidies.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. LUDLOW] has expired.

Mr. ARNOLD. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. CULKIN. Will the gentleman yield right there?

Mr. LUDLOW. I yield.

Mr. CULKIN. Did the gentleman see the article in the Washington Herald last week, discussing the administration of Postmaster General Farley, in which it was stated that the actual deficit in that Department during the last year was $84,000,000?

Mr. LUDLOW. I do not recall, but I know that is not true.

Mr. CULKIN. That was the statement made in that article.

Mr. LUDLOW. The article simply is incorrect. I do not charge and I do not believe that it is intentionally untrue, but I say it does not state the facts.

Mr. CULKIN. One of the distinguished paragraphers of that newspaper made that statement.

Mr. LUDLOW. I have no quarrel with him. He undoubtedly thought he was stating the fact, but I have taken the trouble to check up these figures, and I know that he is mistaken and that the figures I am giving are correct.

Mr. ARNOLD. Will the gentleman yield?

Mr. LUDLOW. I yield.

Mr. ARNOLD. That does not take into consideration the nonpostal functions that have been imposed upon the Post Office Department, and from the system of accounting as followed out, that was adopted by the law passed in 1930, the Post Office Department during 1934 did actually show a profit of $12,000,000, and with the same system of accounting that was in use since 1930 the Post Office Department on each and every one of the years prior to 1934 showed a large deficit.

Mr. CULKIN. That was the new type of bookkeeping that was initiated by the new Postmaster General.

Mr. ARNOLD. That is the new type of bookkeeping that was initiated by a law passed under the gentleman's administration.

Mr. CULKIN. Two sets of books.

Mr. LUDLOW. Mr. Chairman, I do not want all of my very limited time consumed by others.

FIGURES ARE ELOQUENT

Those figures are eloquent. They show that as far as the Postal Service is concerned—the largest single business in the world—the Budget is being balanced. The longing of every business man for a balanced budget is being realized in that department. Now, how was it in former years? Tongue and buckle have heretofore been far apart in the Postal Service. The spread between income and outgo reached its widest girth in the entire history of the Postal Service in 1932, the last year of the former administration, when after giving the same credits for franked and penalty mail and for air and ocean mail subsidies there was the enormous deficit of $153,581,408.20.

Under Mr. Farley's administration of the Post Office Department everlasting vigilance has been observed in trying to effect savings wherever possible. In the transportation of mail there was a decrease from $180,300,000 in 1933 to $167,296,000 in 1934, due largely to the fact that better contracts were made and better prices were obtained. On domestic air mail alone there was a saving of $6,500,000, and while there has been some criticism of the abrupt way the old air mail contracts were broken off and while it is possible that the transition might have been effected in a less blunt and in a more equitable way, the fact remains that the change was distinctly in the public interest, for it is now revealed that under the old order the air mail contractors were receiving entirely too much subsidy at the expense of the American taxpayers. For an average rate of pay under the new contracts the country is receiving as efficient air mail service for 26.802 cents per mile as cost 42.658 per mile under the contracts prior to annulment. Furthermore, the new system not only embraces 3,676 more route-miles than was embraced in the old system, but it serves 4 additional States and 41 cities which did not have air mail service at the time the old contracts were annulled. The proof of the pudding is in the eating. The proof of an administrative act is whether the public benefits by it, and judged by that test the cancelation of the air mail contracts has been justified.

In the darkest days of the greatest depression the world has known Postmaster General Farley managed to carry on his Department without dismissing an employee, which I maintain is quite an achievement. The necessary savings were obtained by administrative furloughs and by not filling vacancies. Every employee of the Department had a very satisfying feeling of security, knowing that when the storm blew over he would still have his job, with the certainty of full-time restoration.

MR. FARLEY'S ABLE ASSISTANTS

Now, I would not have it understood that I believe all the credit for a successful administration of the Post Office Department should go to Mr. Farley. I know that a good deal of it belongs to effective men in key positions. His four assistants—First Assistant W. W. Howes, Second Assistant Harllee Branch, Third Assistant Clinton B. Eilenberger, and Fourth Assistant Smith W. Purdum—are all capable men and comprise as fine a group of official advisers as any Postmaster General ever had, and I would not overlook my friend Ambrose O'Connell, who is not only a most capable administrative assistant but who knows all the politics Mr. Farley ever forgot. To borrow a favorite expression of Henry Van Porter, we were "charmed" by the breadth of vision and the intimate knowledge of the vast details of the Postal Service displayed by my old colleague of the fourth estate, Second Assistant Postmaster General Branch, when he appeared as a witness before our subcommittee.

To Smith Purdum, the Fourth Assistant Postmaster General, I doff my hat in unqualified admiration. He has a more wide-spread knowledge of the Postal Service than his associates in Mr. Farley's kitchen cabinet, because he has been longer in the Service. He is the soul of conscientiousness and the symbol of devotion to the public interest. Not only is he efficiency personified, but his capacity for work beats almost anything I ever knew. Furthermore, according to my notion, he has an idea that ought to possess all public servants, but which really possesses but very few in this era of spending, and that is that dollars represent the sweat and toil of the taxpayers and are not to be spent without receiving 100 cents of value for every dollar expended. Mr. Purdum is the author of an axiom that ought to be posted in every public office in America:

A dollar wisely expended is a good investment, but the wasting of a dollar is criminal.

MANY ECONOMIES ACCOMPLISHED

On the single item of equipment and supplies, rent, light, heat, and so forth, Mr. Purdum was able to save the taxpayers millions of dollars during the last fiscal year after receiving Mr. Farley's consent to put his economical ideas into effect. His ingenious methods of saving money make an interesting story of postal thrift. He was convinced that there was a waste in using electric lights in leased and rented quarters, and he set about to correct that condition. Once a month orders were printed in the Postal Bulletin calling on postmasters to economize on lights. This turned up a saving of $190,000. Postmasters were instructed to save used twine, knot the ends together, and roll the strings into balls for future use. The result has been a large saving in the twine bill. Another order prohibits trucks from making unnecessary trips, and before a truck can be sent out authority must be given by the proper official. Result, a handsome saving on gasoline as well as on wear and tear. Mr. Purdum ordered surveys made of large quantities of Government-owned second-hand furniture in storage, and he found that with small repairs much of this furniture, which is really of an excellent quality, could be reconditioned and made serviceable for postal needs. Result, another large saving. He enunciated the theory that a spick-and-span new mail sack is not necessary to carry the mails, but that a repaired one will do the work quite as well, and as a result more half-soled mail bags are going around these days than ever before. Postmasters are instructed to give personal attention to the conservation of supplies, such as pens, ink, blotters, lead pencils, and so forth; and the postmaster who carelessly leaves his electric lights turned on when they are not needed for illuminating purposes will sooner or later come to grief under the watchful eye of Mr. Purdum. All of the supplies for the Postal Service, both for the Department and for the field, are issued through Mr. Purdum's office. Every requisition is scrutinized with the utmost care by three capable and vigilant officials—Louis Y. de Zychlinski, Assistant Deputy Fourth Assistant; Frank J. Buckley, Deputy Fourth Assistant, and Mr. Purdum, and there is not a chance in a hundred that anything crooked or extravagant will get by that eagle-eyed triumvirate.

A MOST ENTHRALLING STORY

If I had more time I might go more fully into the intricacies of postal administration in the well-ordered set-up that is now controlling that branch of the public service which has its ramifications all over the world and which gives permanent employment to 237,636 human beings. It is a most enthralling story. Critics of Postmaster General Farley may abuse him, if they like, for alleged political atrocities. That is their funeral. But if they will examine the record as I

have done and are only half-way fair, they will have to admit that as Postmaster General Mr. Farley is doing an excellent job. As one American citizen, I should like to see every other department, agency, and activity take note of the healthful example of economical administration in the Post Office Department to the end that Postmaster General Farley's policy of putting business into Government may be emulated throughout the entire public service. I am wishing Mr. Farley all power in extending his administrative principles of careful economy to other governmental soil. I only hope that his example will become infectious. [Applause.]

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, a week ago I stated in the House that I would present certain evidence that Federal officeholders were contributing to a Communist veterans' organization, with its headquarters in the city of Washington. I propose merely to state the facts and not suggest any remedy. After the facts are presented, the matter will be in the hands of the Democratic Party for any action it desires to take. In order that there be no misunderstanding of the facts either on the floor or in the minds of the representatives of the press, I propose to read them.

I have in my pocket photostatic copies of the receipts for these contributions, which I will be glad to show to any Member of the House. They were given to me unsolicited, but given to me with the understanding that I would not disclose the source from which they came. However, I have investigated the source thoroughly and am glad to endorse it 100 percent, as well as the photostatic copies of the receipts to the same extent.

In accordance with the statement I made in the House of Representatives a week ago I am presenting photostatic copies of receipts for donations received by the Veterans Rank and File Committee, signed by Harold Hickerson, a prominent Communist, from Federal officeholders for the purpose of instigating a bonus march of Communists on Washington.

I have prepared my remarks carefully so that there can be no mistaking the facts or twisting them for ulterior purposes. I am prompted to do so in order to protect such recognized veteran organizations as the American Legion, Veterans of Foreign Wars, and Disabled American Veterans, who are bitterly opposed to the Communist Veterans Rank and File Committee, Veterans Liaison Committee, and Workers Ex-service Men's League, all of which are led and dominated by such well-known Communists as Emanuel Levin, Herbert Benjamin, and Harold Hickerson.

As Al Smith says, "Let's look at the record." Let us see what the record discloses about the largest single contributor—Robert Marshall—to the Communist Rank and File Committee in order to promote Communist activities and bring their bonus marchers to Washington. He contributed, according to the photostatic copies of receipts signed by Harold Hickerson, a total of $120, of which $100 was contributed on December 29, 1934, and $20 on December 18, 1934. Mr. Marshall is the Director of the Forestry Division, Bureau of Indian Affairs, Department of the Interior, drawing a salary of $5,600 from the Federal Government. He is chairman of the American Civil Liberties Union Committee of Washington, D. C., an organization that upholds the Communists in their advocacy of force and violence to overthrow the Government, replacing the American flag with the red flag, and erecting a Soviet government in place of our republican form of government guaranteed to each State by the Federal Constitution.

Mr. Marshall is one of the younger members of the "brain trust", most of whom are or have been active members and officials of the A. C. L. U., such as Prof. Rexford Guy Tugwell, A. A. A.; Donald R. Richberg, N. R. A.; Robert Fechner, C. C. C.; Prof. Paul H. Douglas, N. R. A.; Dr. Frederic C. Howe, N. R. A.; Henry T. Hunt, P. W. A.; Nathan R. Margold, Interior Department; James Landis, Federal Trade Commission; and John A. Lapp, N. R. A., impartial Presidential representative.

Another Federal officeholder who contributed to the Veterans Rank and File Committee is Gardner Jackson, senior administrative counsel, Consumer's Division, A. A. A., who made eight separate donations, according to photostatic copies of receipts, dating from September 19, 1934, to December 27, 1934, in sums of $5, with the exception of one donation of $10 on November 12, 1934. It is not surprising to find that Mr. Gardner Jackson is employed as counsel in the Consumer's Division of the A. A. A., of which Dr. Frederic Howe, formerly on the National Committee of the A. C. L. U. and correspondent of the Federated Press, which spread revolutionary propaganda through the Communist press, is the chief counsel.

In addition, Pauline Sherskersky, former assistant supervisor of the District Emergency Relief and now holding another governmental position in Maryland, made a contribution of $2 on November 7, 1934, according to the photostatic copy of a receipt signed by Harold Hickerson. There were about 25 other contributors whose names are now being checked up, including the following: B. Mercer, $30; J. Houghton, $25; Kermit Hooper, $23; B. Marshall, $20; R. Parmalee, $15; Miss M. Custer, $7.75; Miss L. Peabody, $5; I. Kastle, $5; and S. Sloan, $5.

I do not even pretend to suggest what action the Democratic administration should take against its own appointees in whom it placed its confidence by honoring them with positions of responsibility in the Federal Government. The attitude of President Roosevelt on the bonus is well known, but that is a minor consideration when compared to contributions to a Communist veteran organization, whose main purpose is to spread class hatred and propaganda for the destruction of American institutions.

As I stated on January 21, on the floor of the House, I proposed to submit uncontrovertible evidence given me unsolicited by highly reliable authority, and then that it would be the duty of the Democratic administration to clean its own house, because the man or woman in public office who contributes to a Communist organization is just as bad as a Communist, particularly for the purpose of bringing Communist bonus marchers to Washington.

Mr. HARLAN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. HARLAN. Does the gentleman seriously fear Communist activities in this country so long as our present industrialist and capitalist system of production is able to take care of those in need and want? In other words, so long as our present system is successful in taking care of need, does the gentleman fear the idea of communism in the United States?

Mr. FISH. I am very glad the gentleman from Ohio asked that question. I have never feared communism at any time. I do not believe in the possibility of a Communist revolution tomorrow morning at dawn, or the next day, or the next year. What I resent is the fact that there can be men in the Democratic administration, not Democrats or Republicans, who believe in free institutions, but men who contribute to a Communist organization for the very purpose of destroying free government in the United States of America, for destroying every single principle the Democratic Party has stood for for 150 years and for which I believe it stands today. Communism seeks not only to spread class hatred but to tear down and destroy representative government, and, if possible, to overthrow our republican form of government by force and violence.

I am sure the gentleman has no sympathy for communism, nor have his constituents. I am sure the gentleman, and I agree with him, does not fear any overthrow of the Government by force and violence. However, he surely does not desire in any way to be a party to encourage Communists who would destroy, if they had an opportunity, everything the gentleman himself believes in and everything the Democratic Party stands for.

Perhaps the reason I am opposed to communism as much as I am is the fact that I believe in democratic institutions; I believe in freedom of speech, and I believe in liberalism,

which is the extension of democracy; the right of the people to rule themselves. But I do not believe that Government officeholders, paid out of the Treasury of the United States, should donate money to promote communism and foreign revolutionary propaganda in the United States of America which seek to undermine, to tear down, and to destroy, if possible, by force and violence, everything that has been handed down and intrusted to us by our forefathers and which we as Members of Congress have taken an oath of office to uphold.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. TAYLOR of Tennessee. Communism also stands for the spread of atheism throughout the country, too; does it not?

Mr. FISH. Oh, yes. I did not expect to speak on communism; but as far as I am concerned, there are some things about the Communists that I admire. One is that they are much more steadfast and much more loyal to their fundamental convictions and the principles of their party than either Republicans or Democrats who make their party platforms one day and begin to forget about them the next. It is a fundamental principle of the Communist, whether he be at Moscow, New York, Los Angeles, or Peking, to teach hatred of God. They are not merely atheists or nonbelievers, but seek to wipe out all vestiges of religion. A man has a right to be an atheist if he wants to be. The Communists go way beyond atheism; they teach militant hatred of God and of all religions to the extent that 12,000,000 school children in Soviet Russia are taught hatred of God; and if their parents at home have the hardihood to maintain any religious faith whatever, their own children are called upon to hold them in contempt and to disobey them.

Yet there are to be found in this country, I may say to my friend from Tennessee [Mr. TAYLOR], some Protestant ministers who comprise and condone communism because they say: "Well, the old Greek Orthodox Church was filled with abuses and evils." That may be right; but the Communists are not after the old Greek Orthodox Church alone. They are against the Protestant religion, the Catholic religion, and every other religion. They teach hatred of God. The trouble is that these ministers confuse the communism of the early Christians based upon love and the kingdom of God with the communism of Soviet Russia, based upon hatred of God and hatred of every religion. Have I given the gentleman a sufficient answer to the gentleman's question?

Mr. TAYLOR of Tennessee. The gentleman has quite fully answered my question.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. PIERCE. Is the Marshall whom the gentleman mentioned a forestry man in the Indian Bureau?

Mr. FISH. He is the one.

Mr. PIERCE. Has the gentleman his personal acquaintance?

Mr. FISH. No; I do not know any Communists at all.

Mr. PIERCE. Mr. Marshall is one of my personal acquaintances. He is one of the highest-type men to be found in the city of Washington. I do not see why we should be concerned with what he does with his money, I know of no higher type of man in the city of Washington than this same Mr. Marshall.

Mr. FISH. I am not going to yield further, because I am making no recommendations to the Democratic Party. The gentleman may believe Mr. Marshall has the right to do what he wants with his money; but does the gentleman believe that receiving this money from the Democratic Party out of the Treasury of the United States, he has the right to contribute to the Communist cause ostensibly to overthrow the Government? The gentleman has the right to his views, and I have a right to mine; and I am not retracting my views one bit.

Mr. PIERCE. When the gentleman attacks Mr. Marshall, he attacks one of the highest-type men in this city.

Mr. FISH. I made no statement about Mr. Marshall's character or ability.

Mr. PIERCE. He is one of the ablest men I know of.

Mr. FISH. I am discussing the question of contributions.

Mr. PIERCE. I do not know what he did.

Mr. FISH. Mr. Chairman, if the gentleman does not know, I can furnish him with the information and photostat copies of receipts. I cannot yield to him further.

Mr. DUNN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FISH. I certainly yield to the gentleman from Pennsylvania, for I know his liberal views.

Mr. DUNN of Pennsylvania. The gentleman stated that Russia is teaching her children to hate God. What a wonderful display of the love of God was made by all Christian nations during the World War!

Mr. FISH. The gentleman and I served in the World War. He went to war, I suppose, in defense of our country; and I suppose that he and I would go again if necessary.

Mr. DUNN of Pennsylvania. Yes; but did not all Christian nations teach all soldiers to shoot men down?

Mr. FISH. The gentleman and I probably loathe and hate war more than anybody else does in Congress, if that is what the gentleman wants to know.

Mr. DUNN of Pennsylvania. I am opposed to it.

Mr. FISH. But I am sure the gentleman has no desire to defend the principles of communism.

Mr. DUNN of Pennsylvania. No; but I believe that hatred will be found to exist in every nation in the world. What is needed now is more people to preach the brotherhood of man instead of the selfishness of the individual.

Mr. FISH. Yes; and industrial peace also.

Mr. RANKIN. May I ask the gentleman where he got these photostatic copies of receipts?

Mr. FISH. I made the statement that they were given to me by certain people I know very well, but I am not at liberty to give their names.

Mr. RANKIN. There are only two sources from which the gentleman could secure this information.

Mr. FISH. I do not yield further. The gentleman probably was not here when I spoke at first, but I made that matter very clear.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. FISH. I yield to the gentleman from Texas.

Mr. BLANTON. At any time during the gentleman's experience in France, did he teach any of the men under him, or did any other officer over there teach the men under him, to hate God?

Mr. FISH. Never.

Mr. BLANTON. Why, of course not. The gentleman from New York was condemning Communists in Russia, who teach people to hate God, and I agree with him in such condemnation, which is very different from the matter mentioned by the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. It all depends on the gentleman's conception of God. What is the gentleman's idea of God? Is it one of these great monsters?

Mr. FISH. I will tell the gentleman my views. I do not believe in various creeds, dogmas, or articles of faith. They do not impress me very much. However, I believe that religion is the greatest moral force in the world. [Applause.] If you allow these Communists to have their way and destroy religion, you will go back to the Dark Ages.

Mr. DUNN of Pennsylvania. I agree with the gentleman.

Mr. FISH. I am glad the gentleman agrees with me on something.

Mr. DUNN of Pennsylvania. I do not maintain it is religion when we have national religious and race hatred in the world. That is not religion. Religion is the teaching of the brotherhood of man.

Mr. FISH. May I say to the gentleman that I served with colored troops in the World War and oppose all forms

of race hatred, and agree with the gentleman in teaching the brotherhood of man and the fatherhood of God.

Mr. DUNN of Pennsylvania. That prevails in every Christian nation in the world.

Mr. BOILEAU. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. BOILEAU. I should like to get the gentleman's conception of the Communist view with reference to God? I understand the gentleman to say that they teach and believe in God?

Mr. FISH. They teach hatred of God.

Mr. BOILEAU. Does that presuppose a belief that there is a God?

Mr. FISH. No. They want to dethrone God both in Heaven and out of every place in the World. They want to destroy all belief in God and in all religion. You have to respect them for one thing, and that is they stand for their convictions and do not make any attempt to hide them.

Mr. BOILEAU. The gentleman must assume they believed in God in the beginning.

Mr. FISH. No; I do not, and the gentleman knows very well they do not believe in God or any religion.

Mr. BOILEAU. I just want to get the gentleman's views.

Mr. FISH. I am not going to quibble about the attitude of the Communists regarding religion, and it is not necessary, as the Communists admit it. The gentleman knows how they stand as well as I.

Mr. BOILEAU. My only purpose was to get the gentleman's conception of the matter—that is all.

Mr. FISH. Mr. Chairman, my colleague, the gentleman from New York [Mr. MILLARD] spoke about what Postmaster General Farley has been doing recently in reference to making presentations of sheets of imperforate stamps to certain public officials and probably to others. I am sure that Members on both sides want the facts and that the American people back home will insist on having all of the facts. I am sure everybody wants to be fair to Mr. Farley and give him his day in court and an opportunity to come down to the Congress and give us the facts. He may have some adequate explanation, and he has a right to be heard. The charges which have been made today by my colleague [Mr. MILLARD] are very serious charges. It is not a question of petty graft. The charges involve hundreds of thousands of dollars. I am therefore introducing the following resolution:

*Resolved*, That the Postmaster General be, and he is hereby, directed to transmit to the House of Representatives the following information: The number of sheets of recent commemorative stamps in imperforate form issued since March 4, 1933, and presented to Government officials and all others; the names and addresses of all persons and corporations who have received imperforate stamps and the number of such stamps received by each individual or corporation; and a list of the names of all who were favored with sheets of imperforate stamps even though such sheets have been recalled.

Mr. ARNOLD. Will the gentleman yield?

Mr. FISH. For a very brief question.

Mr. ARNOLD. Has the gentleman made any effort to ascertain from the Post Office Department how many sheets of these stamps have been issued?

Mr. FISH. No. I know 20 commemorative stamps have been issued. I am a busy man, just like the gentleman, and I have to rely on the information that is handed to me, or that appears in the public press.

Mr. ARNOLD. If the gentleman would request this information from the Postmaster General, he would receive all the information the Postmaster General could give him without the necessity of an investigation.

Mr. FISH. I hope the gentleman is not objecting to a resolution of this kind requesting information.

Mr. ARNOLD. The gentleman certainly should have requested the Postmaster General for this information before resorting to an investigation.

Mr. FISH. May I say to the gentleman that I do not care to be criticized by him as I am not asking for an investigation but merely for information from the Postmaster General. Mr. Farley has admitted that he has given these stamps to different people. I have seen the stamps, too. I saw them a long time ago. I happen to know something about the first stamp issue under this administration, as it originated in my district. I have seen blocks of stamps which were given out months ago. I do not know just how many, and that is what I want to find out.

Mr. ARNOLD. Did the gentleman make any effort to find out from the Postmaster General how many of these stamps have been given out?

Mr. FISH. The Postmaster General has already admitted that in the public press.

Mr. ARNOLD. But I mean as to the number?

Mr. FISH. That is a matter for Congress, not for me, to find out and to get all the information available.

Mr. ARNOLD. The gentleman could get the information from the Postmaster General, if he wanted to.

Mr. FISH. There is no question about the fundamental fact that imperforate stamps have been given out, and they have been given out to a favored list. Of course, I do not know everybody Postmaster General Farley has given them to, but there is a favored list, including the President of the United States, Secretary Howe, and a number of others. Now, my recollection goes back to the last Congress. I remember about a certain preferred list in Wall Street when J. P. Morgan & Co. had a favored list of clients. The Democratic side denounced it as being perfidious, wicked, and vicious, and there were some Democrats on it, too. I remember that there was only one Member of Congress, and he was Senator MCADOO, of California. But that favored list is not half as bad as this, and I will explain why.

Mr. BOYLAN. Mr. Chairman, will the gentleman yield?

Mr. FISH. Yes.

Mr. BOYLAN. I wanted to ask the gentleman if he considers he is playing fair with his colleague from Westchester, who introduced a resolution this morning?

Mr. FISH. I am supporting it.

Mr. BOYLAN. The gentleman is now coming in with another resolution.

Mr. FISH. No; this is to help that resolution.

Mr. BOYLAN. And may I ask if this is 1 of the 20 issues raised by his distinguished leader or is this a new one?

Mr. FISH. This is the one hundred and first issue. This goes way beyond the original 20.

Mr. BOYLAN. The gentleman's leader issued a statement saying he had 20 issues.

Mr. FISH. Does the gentleman think the Republican Party is going to stand on just 20 issues? You give us an issue every day here.

Mr. BOYLAN. You have no issues, and you are simply groping in the dark now.

Mr. FISH. I do not yield further. I have just presented two new issues for the Democrats and propose to leave them on your lap.

Mr. TABER. Is not this an issue that the Democrats have raised?

Mr. FISH. I admit that the Democrats have no issues, and therefore I am giving them some. I gave you an issue on communism, and now I am giving you an issue on these imperforate stamps.

Mr. MILLARD. If the gentleman will yield, I appreciate the help from the gentleman from New York very much.

Mr. FISH. Now, let us see the difference between this Wall Street preferred list and the preferred list of the Postmaster General.

The Morgan preferred list gave to those who were in preferred positions, their friends, stock at $20, and it was issued to the public at $30, an increase of 50 percent; but in the Postmaster General's preferred list the public have not a chance to buy and the increase is not 50 percent, but 100 times the cost, according to the Stamp Dealers Association.

The Newburgh Stamp Club, in my district, has entered a very vigorous protest against this deplorable procedure. When I say that the President of the United States has received 20 sheets of these imperforate stamps, I only say what I have seen in the press. I will not know definitely until I get this information from Mr. Farley. The value of these stamps, for which was paid a few dollars or a few hundred

dollars, according to one of these stamp experts, has increased to $320,000. If this is so, of course, the President, when he finds out the facts, should return the stamps.

I am not vouching for the facts, and I shall not know them until they are presented here in open hearings. However, it is stated openly in the public press that President Roosevelt has received all 20 issues; Mr. Howe and members of the Cabinet have also received a number of these issues. Mr. Ickes received 10 of the issues at a profit of only $200,000 for the Secretary of the Interior. Of course, that is a mere detail. I apologize to the Democratic Party and to my friends on the Republican side for discussing any such small sum of money. I suppose we should not discuss anything under $1,000,000,000 these days.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield.

Mr. CULKIN. Does the gentleman believe, in view of the fact the Postmaster General presented some of these stamps or one sheet of these stamps to honest Harold Ickes, the relations between these two gentlemen are now cordial?

Mr. FISH. Well, they are two pretty artful politicians and manipulators. I have never worried about the relations between these two gentlemen. Those matters are just temporary.

I disclaim any personal feeling. The gentleman from New York has introduced a resolution and has put it squarely up to the Democratic Party. Personally, I like Mr. Farley. I think he is a genial politician. He lives in my State, and I want to see him given a chance to be heard before a committee of Congress. What are you going to do about it? Are you going to try to cover it up, or are you going to give him a fair hearing before a committee of this House? I do not know whether there is any spokesman here for the Committee on the Post Office and Post Roads on the Democratic side, but if there is I yield to him.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman 10 more minutes.

Mr. FISH. Mr. Farley is likewise the chairman of the Democratic National Committee and chairman of the New York Democratic State Committee. He is a very skillful political manipulator, who believes that patronage—and, of course, Democratic patronage—is synonymous with patriotism.

Mr. Farley has control of a large part of the patronage of this Government; and if these charges that have been made—and I am sure my colleague [Mr. MILLARD] made them in all sincerity—are not investigated, then you have the responsibility as a party of having a national chairman, with this vast control of patronage, who wallows in patronage like a rhinoceros in an African water hole, being above the law. Mr. Farley has done more to break down the civil service, to destroy the merit system, and to build a spoils system than any other man who has ever lived in America. I suppose every Republican on this side knows of such instances. I know in my district where Republican postmasters have been removed because they did not answer a letter 2 years ago or because they failed to put up the American flag on Christmas Day.

I am a partisan, and I believe in partisan politics, and I believe the party in power should have the plums, but never in all our days of Republican administrations, going back for many years, were postmasters thrown out all over the country as ruthlessly as Mr. Farley has thrown them out. This is really destroying civil service, and it is time that there should be some investigation of the various charges that have been made on the floor of the House.

I am a little loath to speak any further on Mr. Farley. Mr. Farley is also a great mathematician. He is able to produce a surplus when the Bureau of the Budget finds there is a deficit of $62,000,000 in the Post Office Department. Mr. Farley finds a surplus of $12,000,000.

And he parades it—that is what the Republicans do not like—he parades it all over the country to show the efficiency of the Post Office Department. He parades this new-found surplus of $12,000,000.

What is the truth? The truth is that he deducts the cost of the air mail and the ocean mail and the franking privilege. You Members of the House are blamed for everything.

Under Mr. Farley's Democratic administration in the last year the franking privilege for Government mail has increased from $14,000,000 in 1 year to $23,000,000. That is for the mail franking privilege of the Government, exclusive of Congress.

Now, both Republican and Democratic Members are blamed back home for the franking privilege. The American people think that everything that goes out under a frank is from Congress. They think that you are wasting the Government's money.

The fact is that the franking privilege of the House and the Senate costs only $700,000 a year, and it has not increased for many years, and yet you are blamed for everything that goes out under a frank. But the franking privilege of the Government, exclusive of Congress, has been increased in 1 year from $14,000,000 to $23,000,000 in the past year.

I am willing to admit that these different subsidies can be put into the extraordinary budget, for I see that the gentleman from Texas [Mr. BLANTON] is getting worried about it. But what is not proper is the fact that in the alleged surplus Mr. Farley does not refer to the fact that there were $8,000,000 transferred from the Treasury to the Post Office Department for the maintenance of post-office buildings, and then there was $2,000,000 carried on the budget for the Shipping Board which was likewise transferred to the Post Office Department. There will probably be $10,000,000 more to take care of the retirement pay of post-office employees which Mr. Farley has let out of the Government who come under the retirement bill, and that will cost $10,000,000 more. When you add all these sums up, instead of having a surplus of $12,000,000, you will find an enormous deficit. But do the people back home know about it? How can they know about it when Members of Congress do not know it? How can you expect the people back home to learn the facts?

Mr. ARNOLD. Will the gentleman yield?

Mr. FISH. Yes.

Mr. ARNOLD. Does the gentleman think that men should be kept on the pay roll in the Post Office Department when the service does not need them?

Mr. FISH. Certainly not, I am talking about the financial set-up. I do agree with the remarks on the floor of the House, that the Post Office Department is rendering efficient service at the present time.

Complaints are coming in every day about the loss of efficiency in the handling of Government mail, and I get that from Democrats, too. Of course you can have a surplus, if you throw out everybody in the Post Office Service. I do not know how many should be thrown out, but I do know that the public is entitled to an efficient service, and that the service today is not efficient.

Mr. ARNOLD. Can the gentleman tell us wherein it is not efficient? I think we should deal in facts now, and not generalities.

Mr. FISH. I can submit all kinds of complaints, and every other Member of Congress on this side can submit complaints from his own constituents about the increasing inefficiency of the Post Office Department.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield further?

Mr. FISH. I cannot yield further, but let me say this. My time is drawing to a close. How in the name of goodness can you expect to have an efficient Post Office Department when the Postmaster General is never in Washington. He is around making Democratic speeches as national chairman, attending dinners given to Democratic governors, and attending sessions of the New York State Legislature to whip recalcitrant Democrats into line. The only time he ever comes to Washington is to give some of these imperforate sheets of stamps to some of his friends on the preferred list.

Mr. ARNOLD. Mr. Chairman, will the gentleman yield?

Mr. FISH. I have already yielded three times and I cannot yield any more.

Mr. ARNOLD. If the gentleman knew these conditions existed and there was not efficiency in the Post Office Department, why did he not come before our committee, who have charge of such matters, and tell the committee wherein there was a lack of efficiency? I am sure that the committee would have given consideration to anything that the gentleman has said along that line. Instead of that, he did not come to our committee.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. FISH. Mr. Chairman, the gentleman knows more about the Post Office Department than I know, and he knows that these complaints are broadcast all over the country, not in my own district alone.

Inasmuch as this seems to be a field day, and we have included almost everybody, for the sake of some of my Democratic friends from New York, I want to complain now about the attitude taken by Mr. Ickes, Secretary of the Interior, in refusing to loan any more money to the Tri-Borough Bridge Authority in the city of New York, because Robert Moses, who was the Republican candidate for Governor in the last election in New York, is on that board. Mr. Ickes gave no reasons whatever, but the press back home in New York are unanimously opposed to this action as being cheap peanut politics, refusing to give the allotment that has already been made to the Tri-Borough Bridge Authority because there is a Republican member on that board. Mr. Moses is a man of the highest character, ability, and training, satisfactory to the mayor of New York City, and the citizens of that city. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. ARNOLD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, I am very much interested, of course, in the pending measure, and in my capacity as Chairman of the Post Office Committee, I intended to make some observations with regard to the salient features of the bill, which I feel should be brought to your attention, but I shall deviate from the items I originally intended to discuss with you for a moment or two to answer, if I can in part at least, what has been said during the course of the debate this afternoon. I preface my remarks by telling you of the friendship and regard which I have for my two distinguished colleagues from New York, who have resented in righteous or unrighteous wrath the activities of our genial Postmaster General. I say to my distinguished friend [Mr. FISH] that I shall not enter into a controversy with him with regard to the unusual ability of our Postmaster General to handle so efficiently more than one important and responsible post. That is an exceptional feat which can only be accomplished by few men. I will allow some one else to make answer to that particular subject.

I want to talk about items that particularly affect the appropriation for the conduct of the Post Office Department, which have been mentioned here this afternoon. We have had some discussion with regard to increased cost of handling free and penalty mail, and I exonerate the Postmaster General and the Department from being in any way responsible for any increase in that connection. You can find an adequate reason for that increase in your own office and I can in mine.

Never in all the history of the American Congress have the people of this Republic been awakened to such an intense interest and concern with their Government as is the case today. The depression, the economic situation, and above all the magnetic personality in the White House that guides the destinies of this country have brought the people into close contact with their Government. The efforts at recovery on the part of the N. R. A. and other emergency agencies have filled the mail, and of course have added expense in the operation of this Department. So the increase in expenditures chargeable to free and franked mail is both justifiable and reasonable.

The transfer of funds from the Treasury Department to the Post Office Department for the custodial care of post offices and Federal buildings is a reasonable charge and the Department will be called upon to spend more money in the future. The Post Office Department will be called upon to take care of Federal buildings in which are housed other governmental activities. It is just another load the Post Office Department will have to carry.

The increased cost as a result of retirements, the voluntary and involuntary separation from the service of postal employees is in my judgment no cause for worry. Many men who labor for a living have been hoping for the day when they could enjoy surcease from their labors after being employed for 30 years in any one given job. In the Post Office Department, as a result of a law enacted by Congress, men, who, because of some physical incapacity or because of some apparent inefficiency, are now able to take their retirement after 30 years and enjoy in dignity and comfort their later years.

It makes for a more efficient personnel. We have a more efficient personnel now than at any time in the recent history of the Department.

Something was said about the free distribution of ungummed and unperforated stamps. Of course, I have no argument with anybody who would raise that question on the floor of the House, but I have made a search for a law which makes an act such as that illegal, and up to the present time I have failed to find such a law. So the Postmaster General was perhaps within his rights in buying and presenting to his personal friends such stamps as he might have distributed. It may have been contrary to the rules of certain philatelic societies. As to that I do not know. But I do know that the stamps were given to personal friends out of the generosity of heart of the Postmaster General. Men who know the Postmaster General know that he has been a very generous giver for many years. I do know from the record, however, that the Postmaster General has increased the activity of the philatelic division just as he has increased the activity and efficiency of other bureaus of the Department. When he became Postmaster General the receipts of the philatelic division amounted to about $300,000 a year. Last year the receipts of that agency exceeded $900,000, which, in my judgment, indicates that he has been reasonable in his treatment of the stamp collectors of the country, and popular with them as well.

Now that I have made a partial and probably inadequate reply to some of the criticism that has been made I want to say something about the surplus and deficit which we hear so much about. This should not be a partisan discussion, as far as the surplus and deficit are concerned. We have had this subject before our committee ever since I became associated with it, some 14 or 15 years ago. It was a former Republican Member of this House, and a distinguished Republican Member, who because of the bitter criticism aimed at the Department year after year that sponsored the legislation directing the Department to charge off certain subsidies and free services. It was the Kelly postal policy bill, which authorized the Postmaster General to credit the Department with the cost involved in handling these services. Is it fair to force the Department to assume the burdens which we imposed upon them when we passed the air-mail subsidy, the ocean-mail subsidy, a combined subsidy of some $42,000,000? Is it fair to condemn and criticize them for bad business practices when they are unable to develop a surplus under such conditions? Is it not enough to hold the Department responsible for the development of aviation and the maintenance of American flagships on the seven seas of the world? There is not a business in America, let alone a public enterprise, that could hope to be successful and at the same time to carry on so many activities, as is the case with the Post Office Department.

Yes; the Postmaster General indicated that a surplus of $12,000,000 would be possible in the last fiscal year.

The CHAIRMAN. The time of the gentleman from New York [Mr. MEAD] has expired.

Mr. ARNOLD. I yield the gentleman 5 additional minutes.

Mr. MEAD. The Postmaster General indicated that the fiscal year would show a surplus of $12,000,000. His figures were based on the record and the law which shows that the surplus was in excess of $12,000,000. The Treasury Department indicated that a deficit amounting to upward of $50,000,000 obtains. Both figures are right. The Treasury Department, of course, is interested in the dollars and cents cost of running the Department. The Post Office Department, in keeping with the law, absorbed the bill for the subsidies, defrayed the cost of distributing franked and penalty mail, assumed the charge for distributing mail matter for the blind, as well as that resulting from the distribution of newspapers free in counties and some other costly services from which there was no revenue at all for the Department, and then, in keeping with the law which Congress enacted, it charged off those free services, and the record then indicated a surplus. The Postmaster General was absolutely within his rights, and if he did anything different he would be doing so in violation of law.

Mr. ARNOLD. Will the gentleman yield?

Mr. MEAD. I yield.

Mr. ARNOLD. As a matter of fact, did not the former Republican Postmaster General recommend this law that is known as "the Kelly postal policy law", which was written upon the statute books, and under which these credits have been taken?

Mr. MEAD. Yes. The report accompanying the Kelly bill, which was passed on June 9, 1930, indicated that it was presented with the support and approval of the Postmaster General.

Mr. ARNOLD. And this same system of accounting was adopted by the then Postmaster General, Mr. Brown, and has been in vogue ever since that time?

Mr. MEAD. The gentleman is correct. This is not the first time. This is the fourth time that this method of reporting postal expenses and revenues has been carried out.

Now, Mr. Chairman, I wish to say something about what we on the committee intend to do during the course of the session this year. We have been investigating the Post Office Department for a period of 2 years, seeking a basis for legislation which will increase the efficient operation of this great Department of the Government. It was our committee which recommended that the Government purchase substations, garages, and postal annexes. We found, for example, that the Quincy Street Station in the city of Chicago was leased to the Government at such an exorbitant rate that we were paying for that building every 5 years. That was one of the many instances in which the Government was being mulcted out of millions of dollars.

As a result of this activity of our committee, legislation was finally enacted which permits the Government to purchase or construct substations where the lease is in excess of $6,000 a year. That is in the P. W. A. Act, but it is only temporary. We desire permanent legislation, and we will recommend such legislation before the end of this session.

Our committee recommended that the mail boxes, such as those located in your hallway and mine, be receptacles for postal matter and for postal matter alone. They were formerly stuffed with circulars, advertising matter, papers, and everything one could think of which in no way added any revenue to the Department. Some years ago we enacted a law which prevented the stuffing of rural letter boxes, and last year we succeeded in securing the enactment of a law that prohibits the stuffing of city letter boxes. This has resulted in a noticeable increase of the revenues of the Post Office Department. The cancelation of exorbitant leases has also increased indirectly the revenues of the Post Office Department.

Last year we passed a measure that would prevent an outside company from competing with the Department on what is primarily a postal monopoly. We stopped outsiders from delivering mail matter, and as a result we have diverted millions of dollars in revenue to the Department. In one case a corporation paid back to the Post Office Department $900,000 as a result of this law.

So, my friends, during the coming Congress we want your support and cooperation to make it possible for the Department to buy, own, and maintain its own substations, branches, and garages. I personally would welcome your help in securing the passage of a bill that would enable the Department to buy abandoned National and State bank buildings. I should like your help also to secure the passage of a bill to enable the Comptroller General to review contracts before they are actually let, particularly contracts with regard to the purchase of motor trucks by the Post Office Department.

The Postmaster General in the preceding administration, during the last 2 years of his service, came before the Appropriations Committee and secured appropriations sufficient to buy trucks, automobiles, and supplies that will, in my judgment, last for years. Today there are some 250 trucks stored away—yes; rusting away, if you will—in the various garages located at post offices throughout the country. A great loss has been sustained because of the unnecessary purchases of trucks and supplies by this Department. Not a truck has been purchased by the present administration of the Post Office Department, because they are trying to use this surplus. We want legislation which will prevent such a thing from occurring in the future, even though it is not occurring at the present time. [Applause.]

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I am afraid that our distinguished friend from New York [Mr. FISH] is degenerating.

When he was in Harvard and did the unusual thing there of graduating in 3 years, he had his head high up in the air; he was not playing mumble-the-peg down in the dirt.

When he was captain of his great Harvard football team and was their great right tackle, from all of their huddles he had his head up. His orders were: "Up!" He did not grovel in the dirt.

When he was a member of his general assembly for three terms, he was not groveling in the dirt. Head up!

When he went to France serving his flag and his country under, I will not say any easy conditions, obeying orders like a soldier, serving under difficulties—his head was up; he did valiant service for his country, had the Croix du Guerre conferred upon him for his distinguished service.

Since he has been in Congress he has not been groveling in the dirt until now. He has done wonderful work fighting the Communists of the country that have been seeking to undermine this Government and other governments.

What has come over him? Is he disintegrating; is he degenerating? He says that the Postmaster General bought the first few sheets of stamps of these special issues and possibly gave one or two to his children, possibly gave one to the President who presides in the White House, possibly gave one to some other Cabinet officers—stamps bought and paid for at the same price that other people paid for them, with money which went into the Treasury of the United States.

Mr. FISH. The gentleman does not want that to go in the RECORD, surely, when no individual could buy imperforated stamps except those on the favored list of the Postmaster General.

Mr. BLANTON. I am not talking about the exorbitant prices paid by stamp collectors; I am not talking about the $50 that one of my constituents paid here on Pennsylvania Avenue once for a seat in a window to see the President pass by; I am not talking about the $50 that two of my constituents once paid to conscienceless scalpers to see an Army-Navy football game; I am talking about the regular price of these stamps. And I am not upholding having them imperforated and unglued. They should have been made all alike. But there was no dishonesty.

Why, I can remember during the war—we men who served here in this House frequently saved some memento—when President Wilson once sent an important message here, it, as his messages always did, came under his seal. When that big envelop was opened and his message was taken out, I got the Speaker of this House to give me that envelope with the President's seal on it, and I have it in my scrapbook now. Some of these days it might be worth some money; but does the gentleman think I would sell it? Does the gentleman think that Postmaster General Farley would sell imperforate stamps that he kept because he was a part of the Government that issued it as a little memento of his service? Ah, my distinguished friend from New York, who has done valiant service for his Government, is now groveling in the dirt, playing mumble-the-peg.

Mr. FISH. Mr. Chairman, will the gentleman yield? I know the gentleman wants to let me get out of the dirt, even though the Democratic Party did try to smear President Hoover for a number of years.

Mr. BLANTON. I yield, although President Hoover smeared himself.

Mr. FISH. I am sure the gentleman does not mean to guarantee that these imperforate stamps will always be held by their recipients as souvenirs.

Mr. BLANTON. I imagine that the gentleman could not buy them with all the money he has.

Mr. FISH. Can the gentleman say that they will not be sold by the estates of these gentlemen?

Mr. BLANTON. If I were one of the posterity, you could not buy them for any amount of money. It would be a memento handed down to grandchildren as a family heirloom.

Mr. FISH. Some of them are on sale now.

Mr. BLANTON. Oh, possibly a few of these stamps may have gotten out and perhaps may have been offered for sale, but I will guarantee that those the President, the Postmaster General, or any other Cabinet officer or their family may have you could not buy for money.

The gentleman talks about the Postmaster General being away from Washington all the time. Why, he is the most approachable Postmaster General I have ever seen in my service here, and I say that remembering that we had a splendid one from my own State, Mr. Burleson, one whom we could all see at all times. The present Postmaster General is the most genial Postmaster General who ever sat in a Cabinet, and he is the most approachable and most friendly one. What gentleman here will say that you cannot see your Postmaster General? You may see him if you will ask to do so. In other words, you cannot sit here and not let him know you want to see him. He is not going to invite you down there.

Mr. FISH. How are we going to see him if he is not in Washington?

Mr. BLANTON. Oh, he is here most of the time. I will tell you the kind of Postmaster General that the gentleman from New York is used to. He is used to the one who after he came here, his feet did not grow, but his head did. He had to have a special limousine built with an upstairs compartment to it to hold his silk hat, and this was at the expense of the people. They made inside contracts down there for Government subsidies to air mail companies that were a stench in the nostrils of every decent, honest man. The present President and present Postmaster General had to set them aside. That is what is troubling the gentleman from New York. He is used to the Brown high-hat kind of a Postmaster General.

May I say to the gentleman from New York that they may be able to find these little measly, infinitesimal things to fuss about; but they will not find any dishonesty. If there is dishonesty, you will find the Democrats themselves throwing the light of day on the matter, and they will be the first ones to do so.

Look at all the money the Democrats spent during the World War, and much was wasted, but there was no dishonesty. You had your Republican smelling committee, your Graham of Illinois committee that wasted thousands upon thousands of dollars trying to dig up something. You could not find a dishonest act. You sent your Joe Walsh committee out to California in a special train of sleepers, spending thousands of dollars snooping around, but you could not find a dishonest act. Oh, you looked for it, but you could not find any dishonesty. After all that has occurred since that time, I am surprised that the great football star from Harvard would get up here and make the kind of a speech he made here today.

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BLANTON. I want to ask the gentleman from New York if it is not a fact that your Republican Secretary of the Treasury, Mr. Cortelyou, was not only Secretary of the Treasury but also Republican National Committeeman who handled your Republican campaign?

Mr. FISH. May I say to the gentleman from Texas that no Republican Postmaster ever gave away a lot of unperforated stamps to a favored list.

Mr. BLANTON. The gentleman is just pulling another mumble-the-peg out of the ground with his mouth.

May I say to the gentleman from Massachusetts [Mr. GIFFORD], who got up here after the speech of the other gentleman from Massachusetts [Mr. TREADWAY] and said I voted against a resolution to stop tax-exempt securities, I will show him from the RECORD that we called attention to the fact that that make-believe resolution which the gentleman from Iowa [Mr. Green] brought in here never touched the $15,000,000,000 tax-exempt securities already existing and in the hands of such men as Andrew W. Mellon, Ogden Mills, and that bunch. It never sought to touch them. It was just a makeshift, and I made Mr. Green admit it on the floor. I will also show in the RECORD my colloquy with Mr. Green, who admitted it would not touch them. Naturally I voted against the makeshift resolution.

I quote from the CONGRESSIONAL RECORD the remarks I made at that time:

Mr. BLANTON. Mr. Speaker, as a reason and necessity for offering this proposed amendment to the Constitution, its proponents say that the wealthy men of the United States have invested their resources in tax-exempt securities and are thus dodging the legitimate taxes that should be due the Government proportionate to their wealth, and that money is in this way kept out of industrial developments. It is therefore a measure purporting to be aimed against rich tax dodgers.

It may be that the gun is pointed in the right direction. But its cartridge seems to be a blank, for it contains no missile that will ever strike the intended target.

This proposed amendment in no way applies to the $15,000,000,000 tax-exempt securities now existing and now held by the financiers of Wall Street. It is purposely drawn so that it will not affect them adversely, for it is made to apply only to such securities as may be issued after such amendment is adopted. It would not in any way collect any tax from the income of the forty-odd millions of dollars left in tax-exempt securities by the late William Rockefeller, mentioned by the distinguished gentleman from Ohio [Mr. Burton], nor would it collect any tax from the income of the many millions of dollars which it is estimated that our present Secretary of the Treasury [Mr. Mellon] now has invested in tax-exempt securities, because this amendment is purposely so drawn that it will not apply to them or to the holdings now withheld from taxation by the many millionaires of the country, for they already own all of such securities they are financially able to absorb, and therefore they have ceased to be interested in any more of such tax-exempt securities being issued, especially when by stopping all additional issues in the future it will automatically enhance the value of their present holdings from $2,000,000,000 to $3,000,000,000 overnight. It is this enormous profit that these financiers expect to enjoy, coming to them overnight by the passage of this amendment, that causes the moneyed interests of the Nation to back this legislation.

WEALTHY FINANCIERS CANNOT ABSORB PRESENT ISSUE

Both the chairman [Mr. Green of Iowa] and the gentleman from New York [Mr. Mills] will admit that the very wealthy men of the United States cannot now absorb all of the $15,000,000,000 tax-exempt securities already existing. They now have all they want. They now have all that their finances will buy. Since this amendment will not affect them, they will continue to dodge taxes and escape payment of taxes for the next 20 to 50 years, because these securities run from 20 to 50 years. Hence all new issues of tax-exempt securities must be absorbed by the medium rich and those in ordinary circumstances. Hence, let me ask the committee, in what way is this proposed amendment making these rich tax dodgers come up to the lick log and pay on their big incomes? Why, in no way whatever.

I FAVOR AN AMENDMENT THAT WILL REACH THEM

Mr. Speaker, inasmuch as the present law will not reach these tax dodgers, and in view of the fact that the amendment now proposed by the committee will not reach them, they still would not be reached no matter whether we pass or defeat this amendment. Hence, the only way to reach them is through some other proposal. And I offer a substitute that will reach them. Any my proposed substitute, when made a part of the Constitution, will in no way hamper or adversely affect the market for tax-exempt securities, will in no way prevent or hinder States or municipalities or farmers' organizations from issuing such securities in the future, and will in no way change the exempt status of income derived from such securities from being not amenable to taxes, and it in no way commits any breach of good faith on the part of the Government concerning such securities, but it merely limits the amount of tax-exempt securities any person or corporation may accumulate and hold and thereby escape paying taxes on the income derived from same.

GOVERNMENTS DO NOT EXPECT LOYAL CITIZENS TO DODGE PAYMENT OF ALL TAXES

For instance, loyal citizens cannot contend that it was to be expected that simply because certain necessary securities for the development of municipalities were exempted from taxation that loyal citizens of great wealth would invest all their millions of dollars in such securities so as to avoid having to pay any taxes whatever to the Government, but it was expected that such securities would be distributed and absorbed by the whole people of the Government, and that men of great wealth would not conspire against their Government to relieve themselves of all duties and obligations as citizens. But the death of Mr. William Rockefeller demonstrated that one wealthy man purposely invested over forty-odd millions of dollars in tax-exempt securities in order to escape the payment of taxes to the Government, and it is estimated that Mr. John D. Rockefeller has over $60,000,000 in tax-exempt securities.

And since the Secretary of the Treasury, Mr. Mellon, has seen fit not to accept the challenge of Senator COUZENS to make public the amount of his great wealth that he has invested in tax-exempt securities, it may be presumed that he is escaping taxation on quite an enormous sum. The policy of this Government against such practices should be expressed in its Constitution.

MY SUBSTITUTE HAS TEETH

When the proper time comes I shall offer as a substitute for the committee proposal the following:

"SECTION 1. The United States shall have power to lay and collect taxes on income derived from all tax-exempt securities owned by any person or corporation in excess of the maximum amount of such securities which Congress by appropriate legislation shall determine may be owned by a person or corporation free from taxation. And when Congress determines the maximum amount of tax-exempt securities which may be owned free from tax on income by a person or corporation, the income from all tax-exempt securities in excess of such maximum owned by any person or corporation shall respond to the same rate of taxation as income derived from all other sources."

And with such an amendment as the above to our Constitution, I am in favor of this Congress then passing a law fixing $100,000 as the maximum amount of tax-exempt securities any person or corporation may own. This would prevent taxdodging, would not interfere with the right of States and municipalities to issue securities, and would not hurt the market for same in any way.

I will guarantee that neither of the gentlemen from Massachusetts will go as far as the above position taken by me many years ago in this House.

Let me quote a little of the colloquy that occurred between the gentleman from Iowa [Mr. Green] who, as Chairman of the Ways and Means Committee, then had the resolution in charge:

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BLANTON. The gentleman said that big finance did not absorb the $13,000,000,000 which already exists in tax-exempt securities. How much can it absorb?

Mr. GREEN of Iowa. Oh, not one-half of it.

Mr. BLANTON. The gentleman says that it cannot absorb one-half of that, and that the purpose of this amendment which the gentleman says he introduced and which we recognize as the same as our friend from New York [Mr. Mills] introduced——

Mr. GREEN of Iowa. I do not want the gentleman to make a speech in my time.

Mr. BLANTON. If they cannot absorb half of those which exist, how are we going to reach them, when we do not make this amendment apply in any way to the income from those which already exist, but only to future issues?

Mr. GREEN of Iowa. You cannot reach them or affect them, nor will this amendment materially affect the price of the securities which they now own.

Mr. BLANTON. But the gentleman can make his amendment apply to existing tax-exempt securities.

I have put in the RECORD at this point, Mr. Chairman, the foregoing quotations from the debate that occurred on the Green resolution many years ago which discloses just why I voted against, and why some of the leading Democrats of this House then voted against, that makeshift piece of legislation specially prepared by Ogden Mills so that it would not hurt him or Mr. Mellon, or any other multimillionaire holder of tax-exempt securities.

Voting on the other side from us Democrats were Ogden Mills, Frank Mondell, Republican leader; Tilson, of Connecticut, afterward Republican leader; Snell, of New York, the present Republican leader; Campbell, of Kansas, then Chairman of the Rules Committee; Crowther, Fish, and Reed, of New York; Longworth, afterward Speaker; Mapes, Michener, Knutson; Green of Iowa; and many others of your bellwether Republicans. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD and to include therein the excerpts I mentioned.

Mr. MARTIN of Massachusetts. What are these excerpts?

Mr. BLANTON. The excerpts I mentioned in reference to tax-exempt securities.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FISH. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, with reference to this act on the part of the Postmaster General giving these ungummed and unperforated stamps to certain individuals, I do not wish to be understood as implying any dishonesty on the part of anyone connected with that matter. However, in my opinion, if the present holders of those stamps should die without bequeathing the stamps to some specific individual, the administrator of the estate would be forced to have those stamps appraised at their present value, which in many instances would be thousands and thousands of dollars, and then the heirs would be confronted with the question of deciding whether or not any one of them had a sufficient amount of sentiment to have their share of the estate assume that rather large price for those particular stamps.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, it is a far cry from the distinguished personality who comes from New York City, Mr. Farley, to the cotton fields of the South. By the same token I suppose it is a matter of presumption on the part of one who has been reared in the cornfields of Illinois to address himself to the subject of cotton, but I do so as a continuation of the discourse that took place here some 2 weeks ago, since what I have to say deals in an indirect way with the question of reciprocal trade agreements.

I stated at that time that I did not necessarily follow Mr. Henry Wallace in his theory that we had to adopt either extreme nationalism or internationalism. Yet, as between the two, I prefer the former, for it affords an outlet for this country and a chance for the building of a very durable kind of prosperity independent of any other nation. We must give more and more attention to this matter of economic domestic self-containment.

This brings me to the subject of cotton. Seventy-five years ago a distinguished Senator from the State of North Carolina stated at that time that no country on the face of the earth would ever dare make war on cotton. He cited the fact that if England undertook to make war on this country so that the cotton crop was bottled up, or if there should be a drought in this country seriously affecting the cotton crop for as much as 3 years, England would topple from her throne. Senator Hammond assumed that American cotton presided over the commercial and economic destinies of the whole wide world by virtue of the fact that our cotton was essential to every foreign nation. It is rather singular that

a United States Senator should make this statement 75 years ago and that today we find the President and our trade experts cudgeling their minds with respect to a possible international cotton agreement whereby acreage on cotton might be limited.

I want to discuss very briefly this matter because it is indirectly concerned in the bill which extends the life of the Reconstruction Finance Corporation, and which comes before us for deliberation tomorrow.

The other nations of the world have not been idle insofar as the cultivation of cotton and the expansion of their cotton acreage are concerned. Britain never did forget the painful lesson of 1861 and 1865 and determined to project herself into a position where she would no longer be dependent upon the American Southland for cotton. In 1900, with the King's blessing, they organized the British Cotton Growers' Association and under a subsidy and under the tutelage of Great Britain they have been doing a tremendous work. I shall just briefly allude to what they are doing down in the African Sudan, for instance, a great country with almost 1,000,000 square miles available for cotton production, of which 5,000 square miles of very fertile, black soil is already given over to cotton production, with the possibility that some day Great Britain will by diplomatic negotiations be able to wrest from Egypt control of that area, known as "Lake Tsana", wherein so much water from the blue Nile can be impounded as to make the Sudan bloom like the rose and destroy the world market for American cotton. Knowing how astute the British diplomats are, the day is not very far distant when they will have this concession and then they can expand their cotton acreage to their hearts' content.

It is rather interesting to note that not only are they expanding the cultivation and growth of cotton in the Sudan, but they are doing it in Asiatic Turkey, they are doing it in Afghanistan, they are doing it in Brazil, they are doing it in Peru, and in all the far corners of the earth. Witness what the vice president and general manager of the world's largest tractor company, in East Peoria, Ill., told me not very long ago: That the shipment of tractors to the Argentine and to South America generally, for the purpose of breaking up these coffee plantations and turning them into cotton plantations, has exceeded their fondest anticipations, and they have shipped more tractors to South America for this purpose in the last fiscal trade year than they have at any other time in the history of that business.

This shows that in proportion as we curtail acreage and go backward year after year, these other countries are expanding their cotton domain, and certainly, once they break ground and tool up for an expansion of cotton cultivation, they are not going back to a status quo, even if our own State Department and the President of the United States are desirous of establishing some kind of international limitation upon the production and the cultivation of cotton.

In this connection it is rather illuminating to read the report of the Department of Commerce that was got out not so long ago in which they show very conclusively that the exportation of cotton gins for the last 5 years has been greater than at any time in the trade history of this country. They do not use cotton gins to shell peanuts or to process clover or alfalfa or anything of that sort. They use them to process cotton, and when they ship cotton gins to Brazil and Peru and India and China and Turkey, it means that the cultivation of cotton in those countries is gradually being expanded with a view to maintaining the permanence of such expansion.

It is only a matter of 10 or 15 years until the South is going to be in a serious predicament, and whether we resort to these so-called "reciprocal trade agreements" and other artificial trade devices, or not, these are but makeshift remedies that fail to recognize that some day other countries with depreciated currencies, child labor, cheap labor, long hours, low living standards will by the very impelling reason of lower prices take away our cotton trade and leave us with an acute problem and a headache.

They just rendered a balance sheet for the Sudan Plantations a short time ago and it is a rather amazing thing that this corporation started into cotton production subsidized by Great Britain, and that last year when cotton was only bringing 9.7 cents a pound, it still made a profit of $800,000, added $150,000 to its reserve and contingent fund, declared a dividend of 6 percent, and then, by action of the board of directors, decided to expand their cotton cultivation by 20,000 additional acres.

They did this on a basis of 9.7-cent-per-pound cotton, when seemingly we have not been able to do it, and this embodies the very thing I have pointed out before, namely, that when we get to a price market where all nations are on the same basis so far as mass-production facilities are concerned, we cannot hold a candle to them by way of competition; and certainly not to Japan or any other country that adopts these devices for mass production just as rapidly as they are invented and perfected and commercialized, and has the additional advantage of long hours, starvation wages, and cheap money.

It might be interesting to comment just at this time that in my estimation, at least, the great troublesome question in the Orient right now and the reason Japan is so anxious to slice off a hunk of Mongolia and to secure control and domination of Jehol is only because Jehol is that part of the Chinese domain that is best adapted to the production of cotton. Once Japan acquires this territory, whether by force or diplomacy, she will gradually push the spinning, weaving, and textile business of England on the rocks unless England develops cotton in her own colonial domain and removes some of her manufacturing plants to the Orient. This cotton race will be like a huge nutcracker to our own cotton industry, and then our real troubles will begin.

Let me point out that the trade report of Japan in the last year shows an increase of 700 percent in the export of woolen piecegoods, 500 percent in the export of woolen yarn, and 300 percent in rayon yarn. Why? Because it is better? No! Because they sell much cheaper. Prices talk. The depression of the yen, together with child labor and cheap labor, makes it easy for Japan; and she can go into the world's price market and lick us at our own game. [Applause.]

We are not going to take a chance on lowering living standards in this country in order to compete with Japan. American labor would not stand for such a proposal, and rightly so. Yet, instead of giving serious thought to this matter and considering it in the light of developments in the next 10 or 15 years, we complacently wait for trade treaties and reciprocal agreements to give us a remedy, when as a matter of fact we are daily verging toward an intense world condition, where every country of consequence is trying to produce the same agricultural products, the same manufactured products, and enter into swapping agreements. The picture does not make sense and it is little wonder that the southeastern division of the National Chamber of Commerce of the United States, meeting in Birmingham, Ala., in November of 1934, expressed its alarm not only over the acute condition with respect to cotton but to the curtailment of cotton acreage while other nations were increasing theirs.

Since cotton is the money crop of the South, this whole picture has serious national implications. Shall we continue to fight what seems to be a losing battle in an intensive world trade with our living standards at stake and the prospect of continued processing taxes which impair the vitality and purchasing power of the Nation, or shall we do the sensible thing and undertake a program of diversification which will take care of this condition when it finally becomes acute? My own humble opinion is that diversification is the answer, and sooner or later other crops, other industries, must be found to take up the slack that is sure to come.

Mr. DEEN, the gentleman from Georgia, came before our committee the other day and said that it would be beneficial to amend the R. F. C. Act so as to make it possible for the Reconstruction Finance Corporation to make loans for the

purpose of financing the establishing of paper-pulp mills in the South; to make it possible to buy land and cultivate slash pine so that they could develop a far-flung paper industry in this country.

I want to say a word in behalf of this thing because I am in favor of this proposal of Mr. DEEN for the development of not one but a lot of pulp mills in the South. Just now we are importing $170,000,000 worth of pulp into this country for paper purposes from the world. We get some from Finland, some from Sweden, and plenty from Canada. In fact, for a long time Canada was monopolizing the pulp trade; and it seems to me that we cannot only save and keep at home the $170,000,000 but can go ahead and expand the pulp industry of this country and use up a great many of those idle acres in the South and then give employment to a great many people who are unemployed at the present time. About 10 or 15 years ago much of the manila or kraft paper used in the United States was produced in Canada. They said that we could not manufacture it here because there was too much resin in the southern pine.

That is just the proverbial poppycock that you see once in a while in the newspapers. In the last 10 years our production of manila or kraft paper in this country has doubled, and the exports of Canada to this country have decreased by over 60 percent. I maintain that when there is an opportunity to develop an industry of that kind in this country, irrespective of whether it is in the Corn Belt or in the South, we ought not to be stingy in allowing it money. There is a potential advantage in that for labor. It is no longer an experiment, because in 1933 they sent pulp from Savannah, Ga., to Canada to be processed into paper. It went up in three refrigerator cars. It was purely an experiment, conducted under the supervision of Dr. Herty, and they found that the slash pine in Georgia would make a grade of paper not only equal to that which has come out of Canada all these years, but infinitely better from the standpoint of the coating, the surface, and the smoothness and all those other characteristics that go into newspaper. It is no longer experimental. All they need is the money with which to go ahead, and I for one am willing to strike the date out of the R. F. C. Act whereby only those industries organized prior to the 1st of January 1934 can get the benefit of that industrial-loan section of the act. Here we have a chance to diversify the production of the South, to prepare for the time when there will no longer be an outlet for cotton and cotton goods in all the four corners of the earth, when we will have to yield to the astuteness and ability of a lot of other countries that have applied the same mass production that we have, and then we shall have replacement industries on which to fall back.

Conditions are ideal for the establishment of such a new industry. Our C. C. C. camps have set out millions of pine seedlings in the South. Slash pine will yield more cordage per acre than the finest timber in any country on the globe. A single pulp mill, with 500 tons' daily capacity, can utilize all the pine grown on an area of 300 square miles. In Canada it would take 2,000 square miles to supply such a mill. Slash pine re-seeds itself and is fast growing. From $3 to $4 per ton could be saved on the cost of the wood for pulp alone.

It has been estimated that the conversion cost of slash pine into paper in the South would be about $19 per ton as compared with $28 in Canada.

When no less a person than the chief chemist of one of the leading paper companies in Canada will state before the Canadian Technical Society in Montreal that the United States is in a position to take the leadership in the production of paper pulp, that should be evidence enough that we have on our very doorstep the making of a great industry that will contribute materially to our well-being, absorb the unemployed, and take us on the way to economic independence.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. Yes.

Mr. MICHENER. If that policy is carried out, how will it synchronize with the present method of making treaties with foreign nations, wherein we recognize the principle that we are to develop only those industries now existing and which are being efficiently carried on in this country?

Mr. DIRKSEN. It is diametrically opposed to the substance of those treaties. I have always been opposed to those trade treaties where we barter away a real advantage and receive an illusory, unreal, and only apparent advantage in return.

Mr. MICHENER. The gentleman from Ohio [Mr. HARLAN] addressed the Committee today on those treaty agreements and indicated clearly that it is the purpose of the agreements to eliminate from American industry such industries as the beet-sugar industry, which it is claimed are not efficient in the opinion of the President and those who pass upon the efficiency of industries.

Mr. DIRKSEN. I would say with respect to the argument of the gentleman from Ohio [Mr. HARLAN], that it is like making love to a widow—he just did not go far enough. He states that there was an advantage of $600,000 in 1 month in our trade with Cuba. On the surface of the thing that looks pretty fine, but it does not take into account the fact—and this was released by the Department of Commerce not long ago—that the consumption of consumers' goods in this country, while larger in dollars and cents for the first 9 months of 1934, was actually in point of volume and tonnage smaller than in 1933. We sold more goods in terms of dollars, because the prices are good, but sold less goods in terms of volume and tonnage. What has happened? Japanese rayon and incandescent globes and importations from Cuba and Finland and Sweden have taken away our manufacturers' market and have reduced the purchasing power of our own people, so that in evaluating this $600,000 which we got from Cuba, we would doubtless have to subtract $1,000,000 or more in lost purchasing power of our own people, and I say here and now that I shall never be willing to swap a good two-fisted American customer for any one of these illusory customers in other corners of the world who live on a starvation diet.

So much for the argument of the gentleman from Ohio. Getting back now to the necessity for advancing money to a new industry like the pulp industry, whereby we can ultimately conserve more than a hundred million dollars of trade advantage to this country, it has the additional advantage of keeping that money at home, which can be turned over tenfold in wages and supplies.

If we can preserve that $170,000,000 worth of trade in paper pulp which is imported every year, it will be the equivalent of almost one and three-quarter billions of dollars so far as the general economic welfare of this Nation goes.

May I now apprise you of the fact that while I am interested in every section of our land, and shall be glad to lend assistance to bringing prosperity to that vast domain in the South, where cotton has heretofore been king, I am also selfish enough to look for equivalent benefits to the Central West. By the same token that R. F. C. funds under the amended act should be made available for pulp and paper mills in the South, funds should also be made available for the establishing of power alcohol distilleries in the States of the Mississippi Basin.

I have so often pointed out that in the last generation the replacement of millions of horses and mules by trucks, tractors, and motor cars; the progressive per capita decrease in the consumption of cereals and meats; the improvement in feeding methods for livestock, so that less feed is required to get an animal to market; the displacement of our own cereals in industry by competitive products, such as blackstrap molasses; and the decrease in exports of meat, due to meat production in other nations, are all parts of the larger picture which has cumulatively given us a surplus.

I contend that it is futile, in view of the agricultural expansion in all corners of the world, to sit on our haunches and hope for an improvement in that direction. What we must do is to revise and alter our internal economy, and this can be done without disturbing any existing industry by the processing of surplus products into alcohol to be used by mixing with gasoline in the proportion of 10 percent.

It is rather pleasing to note that bills have been introduced in various legislatures in the central and western States to effect the use of alcohol in gasoline through a preferential tax. Such bills have or will be introduced in Iowa, Nebraska, South Dakota, Oregon, California, and other States. Fruits as well as cereals can be processed into alcohol for power purposes and thus provide an immense outlet for and add greatly to the income of that vast group of farmers in the agricultural States.

In June 1933 we conducted a demonstration on the George Washington Memorial Highway. It was conducted under the auspices of the American Automobile Association. I shall never forget some of the silly arguments that were advanced against the use of alcohol in gasoline. Manifestly the Petroleum Institute did not like it. They saw the possibility of a reduction of the gallonage of gasoline by approximately 1,700,000,000 gallons a year, which is only 10 percent of the gasoline consumption of this country. They said that gasoline which contained a 10 percent mixture of alcohol would absorb water from the air; that it would stall; that it would cause hard starting. They said that alcohol in gasoline would corrode the inside of internal-combustion motors. They said all sorts of things. Then they got out these familiar cartoons and caricatures showing an automobile which used alcohol-gasoline wobbling up and down the street, climbing fences and billboards, and running into trees—with a jag on, as it were. Those were the fantastic and silly arguments aimed against the use of alcohol as motor fuel. But meantime, the Bureau of Agricultural Economics and Engineering did not stop in its researches. Today I am happy to see that the document gotten out by that branch of the Government, published under the auspices of the United States Senate, shows clearly that there are no technological difficulties in the way of the use of alcohol-gasoline.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DIRKSEN. They are using this so-called "alcohol-gasoline" in 22 different countries. In cultivating sugar in the Philippines they use it in their tractors. They even use it in their locomotives in the Philippines. They use it under mandatory act in Germany, in Yugoslavia, in Czechoslovakia, in Australia, and in many other countries. It is a rather significant thing that the Dutch Shell Co., which operates in every hamlet and village in this country, sells alcohol-gasoline at a premium in Australia under the name of Shellkol. It is a rather singular thing also that the Cities Service Co., of which Mr. Henry L. Doherty is president, sells alcohol-gasoline in England under the same trade and brand name that they use here, namely, "Koolmotor", and there it has become a very preferred, premium fuel.

Mr. ARNOLD. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. ARNOLD. Is not the sale of gasoline, a portion of which is derived from alcohol, in foreign countries due to the fact that the price of gasoline is so high that it is more economical to use it in those countries, but that the price of gasoline in this country is so low that that kind of gasoline could not successfully compete with the regular gasoline?

Mr. DIRKSEN. But you can make an ideal instrumentality for farm relief that is far better than the program of curtailment, whereby we recede a step in the production of wheat and cotton; and Russia, Canada, and these other countries advance a step and leave us holding the bag.

Mr. ARNOLD. I can understand that when the price of gasoline rises in this country to the point where it would be economical to use corn-alcohol gasoline that it might be used, but at the present time I understand the price of gasoline is such that it is not commercially feasible.

Mr. DIRKSEN. I want to say in that connection that you can use a 10-percent mixture of gasoline with third-structure gasoline and get a fuel that is equal to the ethyl gas on the market today. That is no idle statement from me. That is shown by all the technological experiments made, not only by the Bureau of Agricultural Economics, but by a great many chemists who are interested in this thing at the present time.

So, irrespective of the price of gasoline at present and the price of corn, it is not only feasible from an economic standpoint but it would not add over the present price of premium fuels that are on the market, and it would give an outlet for three or four or five hundred million bushels of grain, not to speak of other agricultural commodities.

The matter of price and economic advantage has been so carefully figured out by experts that in my judgment there is no longer any doubt about its feasibility, its practicality, and its desirability.

The argument that it will be disastrous to the petroleum industry is not borne out by the facts. To restore to the farmer an outlet for his grain in the form of alcohol, after a huge portion of his market had been taken away by automotive vehicles, only means that his purchasing power will be repaired to the point where the gallonage of petroleum companies will be swelled to a point that will restore whatever gallonage will have been displaced by the use of alcohol.

Moreover, it may be of interest to this House to know that in the report of the National Resource Board, made to the President only recently, the Board points out that "known supplies of oil, natural gas, and certain metals are sufficient for at most a few decades." That means nothing more than the depletion of natural resources such as oil which, when once exhausted, cannot be replaced. Thus, by the use of power alcohol we not only provide farm relief without adding to the present cost of gasoline—because third-structure gasoline can be used—but we conserve our resources as well.

After all, that is the only thing about which we are concerned. It will solve the problem of the surplus; and it is being considered seriously because of the fact that distinguished scientists like Dr. Garvan, the head of the American Chemical Foundation, who has not one iota of interest other than the general interest of the country, and Dr. Buffam, of the same institution, and Dr. Hale of the Dow Chemical Co., at Midland, Mich., and Dr. Christensen, of Iowa State College, and a great many others not only have experimented with this thing, but from the basis of practical knowledge have shown very definitely that it is commercially and technologically possible. These bills are being introduced now, and I am glad to see that progress is being made in various Western States. [Applause.]

The proposal to use alcohol made from domestic products of the growth of the United States is very akin to the proposal to use slash pine in Georgia, Alabama, and other southern States for the production of paper and pulp. It is a kind of diversification through which we can preserve these areas, preserve money crops, preserve an internal prosperity and rid ourselves of a dangerous dependence on the other nations. More and more this breaking of new ground and pioneering in new crops must be practiced; and when once we have well learned this problem of diversification, we will be able to establish a balanced agriculture, a balanced industry, and preserve for ourselves the greatest market in all the world, namely, the market in our own land for our own people.

Now it will require funds to promote these power alcohol distilleries; and since the various States are sponsoring the proposal, it is only proper that the Federal Government aid them. By aid, I do not mean a grant or a gift. I mean only that the money to start the plants necessary to produce such power alcohol should be available in the form of loans, if and when the various States should have need for the money.

The striking of the date in the act passed by the last Congress so that industries organized after January 1, 1934, may receive the benefit of industrial loans on reasonable security will accomplish that purpose; and hence I am happy to know that this having been done, we embark upon the first step in the direction of an internal economy that is rich in promise for every section of our Nation.

Mr. ARNOLD. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BULWINKLE, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 4442) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1936, and for other purposes, has come to no resolution thereon.

WORLD WAR VETERANS' COMPENSATION CERTIFICATES

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a resolution passed by the General Assembly of North Carolina.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I am glad that my first utterance upon the floor of this House is in furtherance of a cause which is near and dear to my heart. I am delighted to inform the House that the cause for which I am permitted to speak is likewise dear to the hearts of that fine body of men and women composing the General Assembly of North Carolina. As evidence of their interest in the welfare and happiness of that band of fearless men who carried the Stars and Stripes on fields of France in the greatest conflict that the world has ever known, they have, by resolution of the house of representatives, the senate concurring, memorialized Congress to enact legislation authorizing immediate payment to the veterans of the World War the face value of their adjusted-service certificates. The resolution is as follows:

Resolution 10 (House Resolution 47)

Joint resolution requesting Congress to pass an act authorizing the immediate payment to veterans of the World War the face value of their adjusted-service certificates

Whereas the immediate cash payment of the adjusted-service certificates, heretofore issued by the United States Government to the veterans of the World War, will increase tremendously the purchasing power of millions of the consuming public, distributed uniformly throughout the Nation; and will provide relief for the holders thereof who are in dire need and distress because of the present unfortunate economic conditions; and will lighten immeasurably the burden which cities, counties, and States are now required to carry for relief; and

Whereas the payment of said certificates will not create any additional debt, but will discharge and retire an acknowledged contract obligation of the Government; and

Whereas the Government of the United States is now definitely committed to the policy of spending additional sums of money for the purpose of hastening recovery from the present economic crisis: Now, therefore, be it

*Resolved by the house of representatives (the senate concurring):*

SECTION 1. That we request the Senators and Representatives of Congress from the State of North Carolina to support any appropriate legislation that does not impair the Government's credit for the immediate cash payment at face value of the adjusted-service certificates, with cancelation of interest accrued and refund of interest paid, as a most effective means to the end above set out.

SEC. 2. That a copy of this resolution be transmitted to each Senator and Representative in Congress from North Carolina by the secretary of state under the seal of State.

SEC. 3. That this resolution shall be in full force and effect from and after its ratification.

In the general assembly read three times and ratified this the 25th day of January 1935.

A. H. GRAHAM,
*President of the Senate.*
R. G. JOHNSON,
*Speaker of the House of Representatives.*

Examined and found correct.

S. F. TEAGUE, *For Committee.*

STATE OF NORTH CAROLINA,
*Department of State.*

I, Stacey W. Wade, secretary of state of the State of North Carolina, do hereby certify the foregoing and attached three sheets to be a true copy from the records of this office.

In witness whereof, I have hereunto set my hand and affixed my official seal.

Done in office at Raleigh, this 25th day of January, in the year of our Lord 1935.

[SEAL]

STACEY W. WADE,
*Secretary of State.*

I shall favor legislation authorizing the immediate payment to the veterans of the World War the face value of their service certificates. I heartily endorse the resolution of the General Assembly of North Carolina and commend it to your consideration.

LEAVE OF ABSENCE

Mr. DUNN of Pennsylvania. Mr. Speaker, I ask unanimous consent, at the request of the gentleman from Pennsylvania [Mr. MORITZ], that he be granted leave of absence for a few days on account of the illness of his father.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

By unanimous consent, leave of absence was granted as follows:

Mr. O'LEARY, indefinitely, on account of the death of his mother.

Mr. STARNES, indefinitely, on account of illness in family.

Mr. LUCAS, indefinitely, on account of serious illness in family.

ADJOURNMENT

Mr. ARNOLD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 29, 1935, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

166. A letter from the Secretary of the Treasury transmitting report on the War Finance Corporation (in liquidation) covering the period from January 1, 1934, to December 31, 1934 (H. Doc. No. 86); to the Committee on Banking and Currency and ordered to be printed.

167. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1935, for the Department of Agriculture, Bureau of Entomology and Plant Quarantine, for the control of the screw worm, amounting to $480,000 (H. Doc. No. 87); to the Committee on Appropriations and ordered to be printed.

168. A letter from the Secretary of Commerce, transmitting draft of a proposed bill for the relief of Ward J. Lawton, special disbursing agent, Lighthouse Service, Department of Commerce; to the Committee on Claims.

169. A letter from the Secretary of War, transmitting draft of a proposed bill to accelerate the promotion of commissioned officers of the Regular Army; to the Committee on Military Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. KEE: Committee on Foreign Affairs. House Joint Resolution 94. Joint resolution providing for the participation of the United States in the California Pacific International Exposition to be held at San Diego, Calif., in 1935 and 1936; authorizing an appropriation therefor; and for other purposes; with amendment (Rept. No. 33). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency S. 1175. An act to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes; with amendment (Rept. No. 34). Referred to the Committee of the Whole House on the state of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BELL: A bill (H. R. 4869) to make permanent the additional office of district judge created for the western district of Missouri; to the Committee on the Judiciary.

Also, a bill (H. R. 4870) to provide for the appointment of additional district judges for the eastern and western districts of Missouri; to the Committee on the Judiciary.

By Mr. PEARSON: A bill (H. R. 4871) to authorize the Reconstruction Finance Corporation to make loans to manufacturing, industrial, commercial, and mercantile establishments, to institutions of learning, and to hospitals; to the Committee on Banking and Currency.

By Mr. SMITH of Washington: A bill (H. R. 4872) to establish a fish-cultural station on the Satsop River, Grays Harbor County, Wash.; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. KELLER: A bill (H. R. 4873) relating to the construction, maintenance, and regulation within and by the United States of America of a Nation-wide system of durable hard-surfaced post roads and their appurtenances and the provision of means for the payment of the cost thereof; to the Committee on Ways and Means.

By Mr. BURDICK: A bill (H. R. 4874) amending section 5D of the Reconstruction Finance Act, as amended, relating to advances to industrial and commercial business; to the Committee on Banking and Currency.

By Mr. DEEN: A bill (H. R. 4875) to provide for the establishment of a national monument at Fort Frederica, St. Simon Island, Ga., to be known as the "Fort Frederica National Shrine"; to the Committee on the Public Lands.

By Mr. HILDEBRANDT: A bill (H. R. 4876) to fix the hours of duty of railway postal clerks, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mrs. JENCKES of Indiana: A bill (H. R. 4877) to authorize the State of Indiana to construct, maintain, and operate a free highway bridge across the Wabash River near Lafayette, Ind.; to the Committee on Interstate and Foreign Commerce.

By Mr. LUCKEY: A bill (H. R. 4878) to establish a national park on the Daniel Freeman Homestead in Gage County, Nebr.; to the Committee on the Public Lands.

By Mr. MILLER: A bill (H. R. 4879) to prevent discrimination against certain distressed home owners on account of the different methods that have been employed in the various States for financing public improvements, to avoid penalizing worthy properties in special improvement districts, and for other purposes; to the Committee on Banking and Currency.

By Mr. SIROVICH: A bill (H. R. 4880) to establish the United States Air Transport System, to be owned and operated by the United States Government for the purpose of developing and forwarding the arts of aeronautics and aviation by the purchase and/or building and operation of heavier-than-air and lighter-than-air aircraft; the air transport of United States air mail, and of passenger, express, and light freight; the purchase and/or building of airports on or over land or ocean or inland waters and the laying-out and operation of air routes equipped with take-off and landing, lighting, beacon, and communication systems, and for other purposes, connected with aeronautics and aviation. The short title of this bill shall be "An act to establish the United States Air Transport System", Webster's Unabridged Dictionary, common usage, and accepted usage in aviation of the terms used in this act shall govern their interpretation; to the Committee on Interstate and Foreign Commerce.

By Mr. VINSON of Kentucky: A bill (H. R. 4881) to reduce internal-revenue taxes on tobacco products; to the Committee on Ways and Means.

By Mr. WHELCHEL: A bill (H. R. 4882) to exempt a limited quantity of cotton produced by small producers from the cotton-ginning tax, to fix a reasonable compensation to be paid where the operators of cotton gins are required to collect such tax, and to provide for the selection of members of county and community committees under the Cotton Act of 1934; to the Committee on Agriculture.

By Mr. WILCOX: A bill (H. R. 4883) to amend the Reconstruction Finance Corporation Act so as to extend provisions thereof to corporations, associations, and individuals to aid in constructing and maintaining facilities for the growing, harvesting, marketing, storing, warehousing, and/or processing of forest products; to the Committee on Banking and Currency.

By Mr. CONNERY: A bill (H. R. 4884) to accord labor proper opportunity for protection of rights granted by the Congress, and for other purposes; to the Committee on Labor.

By Mr. DITTER: A bill (H. R. 4885) to reconstitute the membership of the Board of Indeterminate Sentence and Parole for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. EAGLE: A bill (H. R. 4886) providing for the employment of skilled shorthand reporters in the executive branch of the Government; to the Committee on the Judiciary.

Also, a bill (H. R. 4887) to create a board of shorthand reporting, and for other purposes; to the Committee on the Judiciary.

By Mr. ELLENBOGEN: A bill (H. R. 4888) to provide for a census of population, occupations, and unemployment, and for other purposes; to the Committee on the Census.

By Mr. FOCHT: A bill (H. R. 4889) securing memorial for Col. Thomas M. Hulings and the Logan Guards; to the Committee on the Library.

By Mr. GASQUE: A bill (H. R. 4890) for the enlargement of the post office and Federal courthouse building at Florence, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4891) for the erection of a public building at Bishopville, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4892) for the erection of a public building at Mullins, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4893) to abolish interest charges upon loans made on adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 4894) to amend section 30, title III (veterans' provisions), of Public Law No. 141, Seventy-third Congress, to give the benefits thereof to veterans who enlisted in the United States forces after August 12, 1898, and who served outside the continental limits of the United States; to the Committee on Pensions.

By Mr. McGEHEE: A bill (H. R. 4895) to change the name of Pickwick Landing Dam to Quin Dam; to the Committee on Military Affairs.

By Mr. RICHARDS: A bill (H. R. 4896) to provide for the purchase of a site and the construction of a post-office building at Chesterfield, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4897) to provide for the purchase of a site and the construction of a post-office building at Winnsboro, S. C.; to the Committee on Public Buildings and Grounds.

By Mr. SPENCE: A bill (H. R. 4898) to provide that tolls on certain bridges over navigable waters of the United States shall be just and reasonable, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON: A bill (H. R. 4899) terminating the tax imposed under section 701 of the Revenue Act of 1926; to the Committee on Ways and Means.

By Mr. BLOOM: A bill (H. R. 4900) to amend the naturalization laws in respect of residence requirements, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4901) to authorize appropriations to pay the annual share of the United States as an adhering member of the International Council of Scientific Unions and associated unions; to the Committee on Foreign Affairs.

By Mr. CRAVENS: A bill (H. R. 4902) to provide for the construction of a post office at Paris, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4903) to provide for the construction of a post office at Van Buren, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4904) to provide for the construction of a post office at Nashville, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4905) to provide for the construction of a post office at Ashdown, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4906) to provide for the construction of a post office at Booneville, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4907) to provide for the construction of a post office at De Queen, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. MEAD: A bill (H. R. 4908) to amend section 52 of the Judicial Code, as amended; to the Committee on the Judiciary.

Also, a bill (H. R. 4909) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. ALLEN: A bill (H. R. 4910) to authorize the purchase of closed-bank buildings for postal purposes and for the relief of depositors in closed banks; to the Committee on Public Buildings and Grounds.

By Mr. McSWAIN: A bill (H. R. 4911) to amend sections 10 to 14, inclusive, of the act approved July 2, 1926 (44 Stat. 784, 789); to the Committee on Military Affairs.

By Mr. MARTIN of Colorado: A bill (H. R. 4912) to extend air-mail routes and airplane mileage; to the Committee on the Post Office and Post Roads.

By Mr. MILLARD: Resolution (H. Res. 76) requesting information from the Postmaster General; to the Committee on the Post Office and Post Roads.

By Mr. SANDLIN: Resolution (H. Res. 77) to pay to Hattie P. Shepherd, widow of John H. Shepherd, 6 months' compensation and not to exceed $250 funeral expenses; to the Committee on Accounts.

By Mr. VINSON of Georgia: Resolution (H. Res. 78) for the creation of a select committee of the House to investigate the effect of the enforcement of the code of fair competition for the lumber industry promulgated under the National Industrial Recovery Act upon the small sawmill business and employees thereof; to the Committee on Rules.

By Mr. SABATH: Resolution (H. Res. 79) authorizing further expenditures not to exceed $100,000, to be paid out of the contingent fund of the House, for the continuance of the investigation by the Select Committee to Investigate Real Estate Bondholders' Reorganizations, and for other purposes; to the Committee on Accounts.

By Mr. KRAMER: Resolution (H. Res. 80) directing the United States Tariff Commission to investigate the differences in the costs of production of fresh, frozen, and canned fish, fish meal, and fish oil, and byproducts; to the Committee on Ways and Means.

By Mr. FISH: Resolution (H. Res. 81) directing the Postmaster General to furnish certain information to the House of Representatives; to the Committee on the Post Office and Post Roads.

By Mr. TREADWAY: Resolution (H. Res. 82) directing the Secretary of Agriculture to furnish a list of articles, the names of which are on file, to the House of Representatives; to the Committee on Ways and Means.

Also, resolution (H. Res. 83) directing the Secretary of Commerce to furnish a list of articles, the names of which are on file, to the House of Representatives; to the Committee on Ways and Means.

Also, resolution (H. Res. 84) directing the Secretary of State to furnish a list of articles, the names of which are on file, to the House of Representatives; to the Committee on Ways and Means.

By Mr. RAYBURN: Joint resolution (H. J. Res. 138) to create a commission to study and report on the feasibility of constructing the Nicaragua Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. HAINES: Joint resolution (H. J. Res. 139) for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania; to the Committee on Roads.

By Mr. BLOOM: Joint resolution (H. J. Res. 140) to provide for the completion of the publication of the writings of George Washington; to the Committee on the Library.

## MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Maine, relating to the protection of newsprint pulp and pulpwood industry; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Arkansas, supporting immediate payment of the bonus; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Washington, regarding arid lands in said State; to the Committee on Irrigation and Reclamation.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 4913) for the relief of Morgan & Roberts, a copartnership, Newark, Ohio; to the Committee on Claims.

Also, a bill (H. R. 4914) granting an increase of pension to Melissa J. Wells; to the Committee on Invalid Pensions.

By Mr. BEITER: A bill (H. R. 4915) for the relief of Guideo Biscaro, Giovanni Polin, Spironello Antonio, Arturo Bettio, Carlo Biscaro, and Antonio Vannin; to the Committee on Claims.

By Mr. BUCK: A bill (H. R. 4916) granting a pension to Georgene F. Jackson; to the Committee on Pensions.

By Mr. BUCKBEE: A bill (H. R. 4917) granting an increase of pension to Laura McBratney; to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 4918) for the relief of U. S. Davis; to the Committee on Claims.

Also, a bill (H. R. 4919) for the relief of Smith Wall; to the Committee on Claims.

Also, a bill (H. R. 4920) for the relief of Frank J. Miller; to the Committee on Claims.

Also, a bill (H. R. 4921) for the relief of William Utly; to the Committee on War Claims.

Also, a bill (H. R. 4922) for the relief of Mrs. W. I. Kline and Mrs. W. C. Greer; to the Committee on War Claims.

By Mr. COLE of Maryland: A bill (H. R. 4923) for the relief of Maj. E. Leslie Medford, United States property and disbursing officer for Maryland; to the Committee on Claims.

Also, a bill (H. R. 4924) conferring jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of William E. B. Grant; to the Committee on Claims.

By Mr. COLMER: A bill (H. R. 4925) to authorize and direct the Comptroller General to settle and allow the claim of George P. Money for fees for services rendered; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 4926) granting a pension to Grover Cleveland O'Dell; to the Committee on Pensions.

By Mr. EAGLE: A bill (H. R. 4927) authorizing the President to order Donald O. Miller before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his separation; to the Committee on Military Affairs.

By Mr. FOCHT: A bill (H. R. 4928) for the relief of Albert A. Taney; to the Committee on Military Affairs.

Also, a bill (H. R. 4929) granting a pension to John I. Boyer; to the Committee on Pensions.

Also, a bill (H. R. 4930) granting a pension to Mary C. Simon; to the Committee on Pensions.

By Mr. GASQUE: A bill (H. R. 4931) granting an increase of pension to Helen K. Snowden; to the Committee on Pensions.

Also, a bill (H. R. 4932) granting a pension to William H. Worrell; to the Committee on Pensions.

Also, a bill (H. R. 4933) granting a pension to Joseph B. Player; to the Committee on Pensions.

Also, a bill (H. R. 4934) granting a pension to Samuel W. Mabrey; to the Committee on Pensions.

Also, a bill (H. R. 4935) granting a pension to Rufus E. Davidson; to the Committee on Pensions.

By Mr. GILLETTE: A bill (H. R. 4936) for the relief of Mrs. H. H. Brugmann; to the Committee on Claims.

Also, a bill (H. R. 4937) granting an increase of pension to Ellen E. Smith; to the Committee on Invalid Pensions.

By Mr. GRISWOLD: A bill (H. R. 4938) granting an increase of pension to George Elmer Stevens; to the Committee on Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 4939) granting a pension to Samuel Edwards; to the Committee on Invalid Pensions.

By Mr. KEE: A bill (H. R. 4940) granting a pension to Sarah M. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4941) for the relief of Henry C. Hale; to the Committee on War Claims.

By Mr. KENNEY: A bill (H. R. 4942) for the relief of Patrick Henry Walsh; to the Committee on Claims.

By Mr. LAMNECK: A bill (H. R. 4943) for the relief of Anson B. Coates; to the Committee on Claims.

By Mr. LEWIS of Colorado: A bill (H. R. 4944) granting a pension to Lillian S. Budd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4945) granting a pension to Elizabeth Gehm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4946) granting a pension to Mary J. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4947) granting a pension to Juliet Thoroughman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4948) granting a pension to Winnie F. Myers; to the Committee on Pensions.

Also, a bill (H. R. 4949) granting a pension to Lillie M. Settle; to the Committee on Pensions.

Also, a bill (H. R. 4950) for the relief of Francis A. Parry; to the Committee on Military Affairs.

Also, a bill (H. R. 4951) for the relief of the Moffat Coal Co.; to the Committee on Claims.

Also, a bill (H. R. 4952) for the relief of Davis & Vance; to the Committee on Claims.

Also, a bill (H. R. 4953) for the relief of Doris Lipscomb; to the Committee on Claims.

Also, a bill (H. R. 4954) granting an increase of pension to Kate M. Kirby; to the Committee on Invalid Pensions.

By Mr. McANDREWS: A bill (H. R. 4955) for the relief of the heirs of Jennie Brenner; to the Committee on Claims.

Also, a bill (H. R. 4956) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the heirs of G. C. Greenwood; to the Committee on Claims.

By Mr. McREYNOLDS: A bill (H. R. 4957) for the refund of income and profits taxes erroneously collected; to the Committee on Ways and Means.

By Mr. McSWAIN: A bill (H. R. 4958) for the relief of Claud J. Adams; to the Committee on Military Affairs.

By Mr. MILLER: A bill (H. R. 4959) for the relief of Charles E. Hofmann; to the Committee on Military Affairs.

Also, a bill (H. R. 4960) granting a pension to Sarah Elizabeth Hofmann; to the Committee on Invalid Pensions.

By Mr. O'BRIEN: A bill (H. R. 4961) for the relief of Frank Young; to the Committee on Claims.

By Mr. PETERSON of Florida: A bill (H. R. 4962) for the relief of the Tampa Marine Co.; to the Committee on Claims.

By Mr. POLK: A bill (H. R. 4963) granting an increase of pension to Carrie F. Bloom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4964) for the relief of Richard Taylor; to the Committee on Naval Affairs.

By Mr. RANDOLPH: A bill (H. R. 4965) to authorize the Comptroller General to settle and certify for payment the account of M. M. Smith as de facto United States commissioner for the northern district of West Virginia from May 1, 1933, to October 1, 1933; to the Committee on Claims.

Also, a bill (H. R. 4966) for the relief of Lewis Clark; to the Committee on Claims.

Also, a bill (H. R. 4967) granting a pension to Cassie Randolph; to the Committee on Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 4968) granting an increase of pension to William Hibbard; to the Committee on Pensions.

Also, a bill (H. R. 4969) granting a pension to Allie Gleece; to the Committee on Pensions.

Also, a bill (H. R. 4970) granting a pension to Lou Sizemore; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 4971) granting a pension to Margaret Malinda Saunders; to the Committee on Invalid Pensions.

By Mr. SADOWSKI: A bill (H. R. 4972) for the relief of Trifune Korac; to the Committee on Claims.

By Mr. SHORT: A bill (H. R. 4973) granting a pension to Ella Woodward; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 4974) for the relief of Rabbi Isaac Levine; to the Committee on Claims.

By Mr. THOMAS: A bill (H. R. 4975) granting a pension to Lillian Thomson; to the Committee on Invalid Pensions.

By Mr. TURNER: A bill (H. R. 4976) granting a pension to David H. Martin; to the Committee on Pensions.

By Mr. WELCH: A bill (H. R. 4977) for the relief of George Henry Koerner; to the Committee on Naval Affairs.

By Mr. WILSON of Pennsylvania: A bill (H. R. 4978) granting a pension to Mary R. Dillon; to the Committee on Invalid Pensions.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

458. By Mr. BACON: Petition of six residents of Floral Park and New Hyde Park, N. Y., urging the enactment of House bill 2856, proposing an old-age-pension plan; to the Committee on Labor.

459. By Mr. BLOOM: Petition of the Board of Supervisors of Erie County, State of New York, urging the passage of the bill authorizing the appropriation of $4,000,000,000, recommended by the President, said bill to contain a provision allotting to the railroads a suitable appropriation to be used for grade-crossing improvements; to the Committee on Ways and Means.

460. By Mr. BRUNNER: Resolution of the Fourth Assembly District Democratic Club, 93–37 Union Hall Street, Jamaica, N. Y., urging Congress to make additional appropriation to continue the activities of the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

461. By Mr. BUCKLER of Minnesota: Petition of B. H. Wessling, commander; Theo. Fossen, adjutant; and members of the Robert LeRoy Adamson Post, No. 30, of the American Legion, Department of Minnesota, all citizens of Fergus Falls and vicinity in Minnesota, urging the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

462. Also, petition of Sophie Nielsen and 560 other members of the Third Ward Townsend Old-Age Revolving Pension Club, all citizens of Moorhead, Minn., praying for support of the Townsend old-age-pension bill; to the Committee on Ways and Means.

463. By Mr. CARTER: Assembly Joint Resolution No. 1 adopted by the Legislature of the State of California, urging the enactment by Congress of an old-age-pension law to provide for the retirement and care of dependent aged per-

sons in the United States; to the Committee on Ways and Means.

464. Also, petition of Frank J. Murphy and 14 other citizens, of Alameda County, Calif., petitioning for the recall of the present Ambassador to Mexico, the Honorable Josephus Daniels; to the Committee on Foreign Affairs.

465. By Mr. CHAPMAN: Petition of Phill Smothers, William Lee Grant, Charles V. Kestel, and 19 other citizens of Jessamine County, Ky., urging the enactment of old-age-pension bill as embodied in House bill 2856; to the Committee on Labor.

466. Also, petition of Barney Cammack, Allen Beverly, Susie Jackson, Clara Bradney, and 15 other citizens of Glencoe, Owen County, Ky., urging the enactment of old-age-pension bill as embodied in House bill 2856; to the Committee on Labor.

467. Also, petition of Sophia Bell, Harrison Lee, D. M. Ellis, Nute Harrington, and 29 other citizens, of Franklin County, Ky., urging the enactment of old-age-pension bill as embodied in House bill 2856; to the Committee on Labor.

468. Also, petition of Joe C. Rivers, Tom Bishop, Ellen Moffett, and Rose Letcher, and 36 other citizens of Georgetown, Scott County, Ky., urging the enactment of old-age-pension bill as embodied in House bill 2856; to the Committee on Labor.

469. Also, petition of J. H. Laurence, J. R. Parker, Alice Webb, Margaret Kemper, and 34 other citizens of Monterey, Owen County, Ky., urging the enactment of old-age-pension bill as embodied in House bill 2856; to the Committee on Labor.

470. Also, petition of J. W. Prather and 18 other citizens of Campbellsburg, Lizzie Young and 11 other citizens of Eminence, Bruce Reed and 4 other citizens of Jericho, and Fannie Tinsley and 1 other citizen of Smithfield, Henry County, Ky., urging the enactment of old-age-pension bill as embodied in House bill 2856; to the Committee on Labor.

471. By Mr. CULKIN: Petition of certain citizens of the city of Watertown and vicinity, New York State, favoring the old-age revolving pensions; to the Committee on Labor.

472. Also, petition of members of the Stamp Club of Clayton, N. Y., protesting against the selling of certain stamps to privileged few; to the Committee on the Post Office and Post Roads.

473. By Mr. DEMPSEY: Petition of the New Mexico Cattle Growers Association, Albuquerque, N. Mex.; to the Committee on Agriculture.

474. By Mr. DIES: Petition of citizens of Angelina County, Tex., favoring a reasonable old-age-pension law; to the Committee on Labor.

475. Also, petition of citizens of San Augustine, Tex., favoring the Townsend old-age plan; to the Committee on Labor.

476. By Mr. DOUGHTON: Memorial of the Legislature of North Carolina, favoring the immediate payment to veterans of the World War the face value of their adjusted-service certificates; to the Committee on Ways and Means.

477. By Mr. GOODWIN: Resolution of the National Guard Association of the State of New York, Albany, N. Y., in which they respectfully petition Congress to eliminate from that portion of the Army appropriation bill affecting National Guard activities any provision which would affect the right of Federal pay or Federal recognition of any member of the National Guard of the State of New York; to the Committee on Appropriations.

478. Also, petition of the Columbia Rifle Club., Inc., of Hudson, N. Y., opposing any firearms legislation not meeting with the approval of the National Rifle Association; to the Committee on Interstate and Foreign Commerce.

479. Also, petition of the National Association of Butter and Egg Distributors, opposing the repeal of the oleomargarine tax or any reduction thereof; to the Committee on Agriculture.

480. Also, petition of National Association of Butter and Egg Distributors, against using Government funds to finance marketing agencies that compete with independent distributors of dairy and poultry products; to the Committee on Agriculture.

481. By Mr. MORAN: Petition of the State Legislature of Maine; to the Committee on Ways and Means.

482. By Mr. HILDEBRANDT: Petition of the Senate of the State of South Dakota (the house of representatives concurring), respectfully urging the Congress of the United States to enact the proper legislation necessary to carry the President's shelter-belt plan into effect; to the Committee on Agriculture.

483. Also, petition of the twenty-fourth session of the South Dakota Senate (house of representatives concurring), urging Congress to enact such legislation necessary so that the seed grain furnished shall be paid for by a return bushel for bushel for the seed so furnished; to the Committee on Agriculture.

484. Also, petition of the Public Utilities Committee, of Watertown, S. Dak., urging the enforcement of the Federal Revenue Act and in doing so the Federal Government shall not impose directly or indirectly a tax upon any State or Territory, the United States, the District of Columbia, or any political subdivision, agency, or district thereof; to the Committee on Ways and Means.

485. Also, petition of the Senate of the twenty-fourth legislative session of the State of South Dakota (the house of representatives concurring) memorializing the Congress of the United States to make an appropriation for the benefit of certain World War veterans whose children were killed or injured in a school-bus collision on January 9, 1935, near Piedmont, S. Dak.; to the Committee on Appropriations.

486. By Mr. KENNEY: Resolution of the Board of Water Commissioners of Elizabeth, N. J., protesting against any Federal revenue act which may be interpreted to impose a tax upon States, their political subdivisions, districts, or agencies; to the Committee on Ways and Means.

487. By Mr. KRAMER: Brief of the International Association of Machinists relative to aircraft and engine mechanics employed by the air transport companies; to the Committee on Interstate and Foreign Commerce.

488. By Mr. LUCKEY: Petition of the Senate of the State of Nebraska requesting the United States Government to establish a national arboretum at Nebraska City, Nebr.; to the Committee on Agriculture.

489. By Mr. McLAUGHLIN: Petition memorializing the Congress of the United States to pass, and the President of the United States to approve, if passed, the soldiers' bonus bill now pending in Congress; to the Committee on Ways and Means.

490. Also, petition for immediate payment of the adjusted-service certificates held by the veterans of the World War; to the Committee on Ways and Means.

491. Also, petition memorializing the Congress of the United States favoring the speedy passage of a bill providing for Federal old-age pension; to the Committee on Labor.

492. Also, petition memorializing the Congress of the United States to include building of free interstate bridges across the Missouri River as Public Works Administration projects; to the Committee on Appropriations.

493. Also, memorial requesting the Congress of the United States of America to eliminate the taxation of gasoline by the Federal Government; to the Committee on Ways and Means.

494. Also, petition memorializing the Congress and the President of the United States to care for Nebraska unemployables; to the Committee on Appropriations.

495. By Mr. MARTIN of Colorado: Petition of the Colorado General Assembly; to the Committee on Ways and Means.

496. By Mr. MARTIN of Massachusetts: Memorial of the City Council of Fall River, Mass., favoring immediate payment of the World War adjusted-service certificates; to the Committee on Ways and Means.

497. By Mr. MEAD: Petition of the University of Rochester, Rochester, N. Y., regarding alteration of the Federal Emergency Relief Administration, so as to include expressly hospital care of persons on welfare relief as coming within the provisions of the Federal Emergency Relief Act; to the Committee on Appropriations.

498. Also, petition of the board of directors of the American Coalition, Washington, D. C., requesting that the United States decline membership in the World Court; to the Committee on Foreign Affairs.

499. Also, petition of the Common Council of the City of Buffalo, N. Y., requesting that the office of the district commander of the United States Coast Guard remain in Buffalo, N. Y., and not be transferred to Cleveland, Ohio; to the Committee on Naval Affairs.

500. By Mr. MERRITT of New York: Resolution of Woodhaven Council, No. 1866, Knights of Columbus, of Woodhaven, N. Y., protesting against the activities of the National Revolutionary Party in Mexico and urging the Congress of the United States to refrain from trade relations, etc., which are profitable to the supporters of the National Revolutionary Party and urging tourists not to visit Mexico; to the Committee on Foreign Affairs.

501. By Mr. PATMAN: Petition of T. J. Cherry, of Mount Pleasant, and 185 other citizens of Titus County, Tex., favoring the passage of old-age-pension legislation; to the Committee on Labor.

502. Also, petition of J. T. Kidwell, of Mount Vernon, and 230 other citizens of Franklin County, Tex., favoring the passage of old-age-pension legislation; to the Committee on Labor.

503. Also, petition of J. D. Bowden, of Mount Pleasant, and 143 other citizens of Titus County, Tex., favoring the passage of old-age-pension legislation; to the Committee on Labor.

504. Also, petition of J. M. Hadaway, N. M. Mathes, R. B. Crowson, Mrs. Flen Hickman, and 2,080 other citizens of Hopkins County, Tex., favoring an old-age-pension law; to the Committee on Labor.

505. Also, petition of Albert Thompson, E. D. Jones, and 340 other citizens of Bowie County, Tex., favoring enactment into law of the Townsend old-age-pension plan; to the Committee on Labor.

506. Also, petition of J. W. Spears, Paris, and 274 other citizens of Lamar County, Tex., favoring the Townsend plan for old-age pensions; to the Committee on Labor.

507. Also, petition of Gibbons Poteet, Roy C. Lattimore, and 201 other citizens, of Roxton, Tex., favoring the immediate cash payment in full of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

508. Also, petition of Jim P. Poteet, of Roxton, and 10 other citizens of Lamar County, Tex., favoring an old-age pension and particularly the Townsend old-age-pension plan; to the Committee on Labor.

509. Also, petition of 116 citizens of Bowie County, Tex., favoring an old-age-pension law; to the Committee on Labor.

510. Also, petition of R. L. Halder, Henry Walker, S. K. Turner, and 366 other citizens of Franklin County, Tex., favoring an old-age-pension law, and particularly the Townsend plan; to the Committee on Labor.

511. Also, petition of O. M. Table, Lee Rhea, R. R. Hodge, and 558 other citizens of Titus County, Tex., favoring enactment into law of the Townsend old-age-pension plan; to the Committee on Labor.

512. By Mr. POLK: Petition signed by J. P. Harris, corresponding secretary of Good Will Lodge, No. 157, Ohio, of the Amalgamated Association of Iron, Steel, and Tin Workers of North America, and 470 other citizens and merchants of Scioto County, Ohio, favoring the 30-hour week with increased wages for all industries; continuance of the National Recovery Administration, especially section 7–A interpreted to support majority rule; labor representation on all code authorities; the Wagner bill to outlaw company unions; and unemployment insurance so drafted that all without work be eligible, including strikers; to the Committee on Labor.

513. Also, petition signed by W. W. Perry and 93 other residents of Portsmouth, Ohio, favoring the 30-hour week with increased wages for all industries; continuance of the National Recovery Administration, especially section 7–A interpreted to support majority rule; labor representation on all code authorities; the Wagner bill to outlaw company unions; and unemployment insurance so drafted that all without work be eligible, including strikers; to the Committee on Labor.

514. Also, petition signed by Ada May Hammond and 662 other residents of Scioto County, Ohio, favoring the 30-hour week with increased wages for all industries; continuance of the National Recovery Administration, especially section 7–A interpreted to support majority rule; labor representation on all code authorities; the Wagner bill to outlaw company unions; and unemployment insurance so drafted that all without work be eligible, including strikers; to the Committee on Labor.

515. By Mrs. ROGERS of Massachusetts: Petition of the Falmouth Men's Club of Falmouth, Mass., urging the enlargement of the Cape Cod Canal; to the Committee on Rivers and Harbors.

516. By Mr. SADOWSKI: Petition of Sokol Detroit of the Czechoslovak Gymnastic Union, endorsing old-age pensions and unemployment insurance; to the Committee on Ways and Means.

517. By Mr. SANDERS of Texas: Petition of citizens of Gregg, Rusk, Wood, and Upshur Counties, Tex., urging passage of old-age-pension legislation as embraced in House bill 2856, introduced by Representative WILL ROGERS, of Oklahoma; to the Committee on Ways and Means.

518. By Mr. SMITH of West Virginia: Petition of Charles Jackson and other citizens of Logan, W. Va., urging the passage of House bill 2856 which provides an old-age pension; to the Committee on Ways and Means.

519. By Mr. STEFAN: Resolution adopted by the Nebraska State Senate, requesting the United States Government to establish a national arboretum at Nebraska City, Nebr.; to the Committee on Agriculture.

520. By Mr. TARVER: Petitions of W. E. Owens and 11 other citizens of Cobb County, Will Armstrong and 18 other citizens of Catoosa County, and Alice Carswell and 11 other citizens of Walker County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

521. Also, petitions of Mrs. T. A. Baker and 18 other citizens of Whitfield County, Mrs. W. E. Powell and 34 other citizens of Polk County, Ellar Lang and 29 other citizens of Walker County, C. B. Jones and 19 other citizens of Haralson County, W. M. Oliver and 56 other citizens of Walker County, and Leslie Bithrene and 17 other citizens of Walker County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

522. Also, petitions of R. M. Young and 17 other citizens of Gordon County, Minnie Hulsey and 72 other citizens of Polk County, Mrs. J. W. Mathis and 19 other citizens of Chattooga County, Nancy Jacobs and 20 other citizens of Douglas County, Mrs. Lafayette Cooper and 32 citizens of Chattooga County, W. H. Wilson and 62 citizens of Murray County, and Lila Wehunt and 42 citizens, of Cobb County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

523. Also, petitions of Pearl Wilson and others of Berryton, Mrs. M. A. Chambers and others of Rossville, Joe Wallin and others of Rising Fawn, Mary H. Lancaster and others of Cedartown, Della Bryant and others of Lyerly, Titia Berry and others of Marietta, C. H. West and others of Acworth, Mrs. E. W. Hicks and others of Cartersville, Mrs. John J. Rhyne and others of Rossville, C. M. England and others of Cartersville, Mary M. Brown and others of Lindale, all of the State of Georgia, regarding old-age pensions; to the Committee on Ways and Means.

524. Also, petitions of William Allin and 18 other citizens of Floyd County, T. P. Shaw and 38 other citizens of Cobb County, Julia Robbins and 54 other citizens of Douglas

County, Miss Idar Sutton and 13 other citizens of Walker County, Mr. and Mrs. W. T. Angel and 18 other citizens of Cobb County, Mrs. J. P. Poe and 17 other citizens of Catoosa County, Miss Katte Elles and 18 other citizens of Douglas County, all of the State of Georgia, favoring old-age pensions; to the Committee on Ways and Means.

525. By Mr. TRUAX: Petition of Freedom Lodge, No. 153, Ohio, Amalgamated Association of Iron, Steel, and Tin Workers of North America, Zanesville, Ohio, at their regular meeting held on January 19, 1935—whereas 80 percent of the veterans are unemployed and thousands are in dire need of food, clothing, medical aid, homes, etc., while their families are suffering intensely in this the sixth year of mass unemployment; and whereas the veterans are not interested in a "tombstone bonus" payable after death as they want and need their bonus now, while they live, for themselves and families and every delay means that the rate of interest compounded semiannually is eating up the principal, resolving, demanding, endorsing the immediate cash payment of the bonus; to the Committee on Ways and Means.

526. Also, petition of Mahoning Veterans' Association of Youngstown, Ohio, urging Congress to favorably act on a program to provide full payment of the veterans' bonus bill at this time; to the Committee on Ways and Means.

527. Also, petition of the Ohio State Automobile Association, Columbus, Ohio, requesting both Houses of Congress, on behalf of the members of their organization, to allow the Federal gasoline tax to expire at the close of the present fiscal year, June 30, 1935, in accordance with the declared intent at the time it was passed; that it be not levied again in any way whatsoever and that the Federal Government permanently withdraw from the field of gasoline taxation and leave to the States exclusively the power and right to tax gasoline sales in the future; to the Committee on Ways and Means.

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# SENATE

## TUESDAY, JANUARY 29, 1935

*(Legislative day of Monday, Jan. 21, 1935)*

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

### MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

### CALL OF THE ROLL

Mr. LEWIS. I suggest the absence of a quorum and ask for a roll call.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | King | Radcliffe |
| Ashurst | Coolidge | La Follette | Reynolds |
| Austin | Costigan | Lewis | Robinson |
| Bachman | Couzens | Logan | Russell |
| Bailey | Cutting | Lonergan | Schall |
| Bankhead | Davis | Long | Schwellenbach |
| Barbour | Dickinson | Maloney | Sheppard |
| Barkley | Dieterich | McCarran | Shipstead |
| Bilbo | Donahey | McGill | Smith |
| Black | Duffy | McNary | Steiwer |
| Bone | Fletcher | Metcalf | Thomas, Okla. |
| Borah | Frazier | Minton | Thomas, Utah |
| Brown | Glass | Moore | Townsend |
| Bulkley | Gore | Murphy | Trammell |
| Bulow | Guffey | Murray | Truman |
| Burke | Hale | Neely | Vandenberg |
| Byrd | Harrison | Norbeck | Van Nuys |
| Byrnes | Hastings | Norris | Wagner |
| Capper | Hatch | Nye | Walsh |
| Caraway | Hayden | O'Mahoney | Wheeler |
| Carey | Johnson | Pittman | White |
| Clark | Keyes | Pope | |

Mr. AUSTIN. I desire to announce that my colleague the junior Senator from Vermont [Mr. GIBSON] is absent in the Philippines on business of the Senate.

Mr. LEWIS. I announce the absence of the Senator from New York [Mr. COPELAND] and the Senator from Rhode Island [Mr. GERRY], necessarily detained; the absence of the Senator from Louisiana [Mr. OVERTON] and the Senator from Georgia [Mr. GEORGE], caused by illness; and I reannounce that the Senator from California [Mr. MCADOO], the Senator from Maryland [Mr. TYDINGS], and the Senator-elect from Tennessee [Mr. MCKELLAR], members of the Philippine Commission, have not as yet returned from their labors.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

### NOMINATIONS REFERRED AND WITHDRAWN

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations and withdrawing a nomination, which were referred to the appropriate committees, or ordered to lie on the table.

(For nominations this day received and nomination withdrawn, see the end of Senate proceedings.)

### BUSINESS TRANSACTED AS IN LEGISLATIVE SESSION

During the executive session the following legislative business was transacted by unanimous consent:

### A. CYRIL CRILLEY

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting a draft of proposed legislation for the relief of A. Cyril Crilley, assistant trade commissioner and special disbursing officer of the Bureau of Foreign and Domestic Commerce, in the matter of a certain expenditure, which, with the accompanying paper, was referred to the Committee on Claims.

### INVESTIGATION OF PUBLIC-UTILITY CORPORATIONS

The VICE PRESIDENT laid before the Senate letters from the Chairman of the Federal Trade Commission, transmitting, pursuant to Senate Resolution 83, Seventieth Congress, first session (authorizing an investigation of public-utility corporations), chapter XIV, being the conclusions and recommendations of the Commission regarding utility corporations, which, with the accompanying report, were referred to the Committee on Interstate Commerce.

### PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following memorial of the Legislature of the State of Maine, which was referred to the Committee on Finance:

STATE OF MAINE,
*In the Year of Our Lord 1935.*

Memorial to the Congress of the United States relating to the protection of newsprint pulp and pulpwood industry

*To the honorable Senate and House of Representatives of the United States of America in Congress assembled:*

We, your memorialists, the Senate and House of Representatives of the State of Maine in legislature assembled, respectfully petition your honorable bodies as follows:

Whereas the newsprint pulp and pulpwood industry constitutes one of the basic industrial activities of the State of Maine; and

Whereas many other industries and occupations are closely allied with and dependent upon the production of newsprint pulp and pulpwood, depending for their existence upon the successful continuance of this industry; and

Whereas the number of people directly and indirectly employed in the production of newsprint pulp and pulpwood constitute the largest single group of workers in any one industry in the State of Maine; and

Whereas the newsprint pulp and pulpwood industry is seriously threatened and menaced by the importation of foreign newsprint pulp and pulpwood in direct competition with the industry of this State: Now, therefore, be it

*Resolved*, That we, your memorialists, the Senate and House of Representatives of the State of Maine in legislature assembled, realizing the importance and value of the newsprint pulp and pulpwood industry to this State, do hereby respectfully petition, urge, and recommend the prompt enactment of such legislation as may be necessary and proper to limit and restrict the importation of foreign newsprint pulp and pulpwood; and be it further

*Resolved*, That this memorial be immediately transmitted by the secretary of state to the proper officers and committees of the United States Senate and House of Representatives, and a copy hereof transmitted to each of the Representatives and Senators representing the State of Maine in the United States Congress.

And your memorialists will ever pray.

House of representatives: Read and adopted January 17, 1935.

HARVEY R. PEASE, *Clerk.*

In senate chamber, January 22, 1935: Read and adopted.

ROYDEN V. BROWN, *Secretary.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on Finance:

UNITED STATES OF AMERICA,
*State of Montana, ss:*

I, Sam W. Mitchell, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled "A resolution memorializing the Congress of the United States for the passage of legislation providing for the immediate conversion into cash of the adjusted-compensation certificate of the soldier of the World War", enacted by the Twenty-fourth Session of the Legislative Assembly of the State of Montana, and approved by F. H. Cooney, Governor of said State, on the 23d day of January 1935.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 23d day of January, A. D. 1935.

[SEAL] SAM W. MITCHELL,
*Secretary of State.*

Senate Joint Resolution 1 (introduced by Mr. Oliver)

A resolution memorializing the Congress of the United States for the passage of legislation providing for the immediate conversion into cash of the adjusted-compensation certificate of the soldier of the World War

Whereas there have been issued to the soldier participants of the World War, by the United States Government, adjusted-compensation certificates, which under the terms of the act of Congress become due and payable in the year 1945; and

Whereas the present economic conditions have resulted in causing a great many of the soldiers holding adjusted-compensation certificates to become in distress and need of the immediate relief that will be afforded by such legislation; and

Whereas it becomes and is the duty of the Federal Government to give adequate care to those, who, having made personal sacrifice to preserve our form of free government, not as mendicants but as preferred creditors of the Nation, are now in need of immediate relief; and

Whereas there are resident in the State of Montana approximately 25,000 veterans of the World War who would be benefited by the passage of legislation providing for the immediate payment of such compensation; and

Whereas the immediate payment of the certificates of adjusted compensation will bring about the distribution and circulation of a large sum of money sufficient to materially assist in the relief of the present economic conditions which exist throughout the State of Montana: Now, therefore, be it

*Resolved by the Senate of the State of Montana (the house of Representatives concurring)*, That we do hereby petition the Congress of the United States of America for the passage of the pending act of Congress to secure the immediate payment and conversion into cash of the adjusted-compensation certificates; and be it further

*Resolved*, That a copy of this memorial be transmitted by the secretary of the State of Montana to the Senate and House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of Montana and that they, and each of them, be requested to use all honorable means within their power to bring about the enactment of legislation by which the immediate payment of the certificates of adjusted compensation be fully provided for.

ERNEST T. EATON,
*President of the Senate.*
W. P. PILGERAM,
*Speaker of the House.*

Approved January 23, 1935.

F. H. COONEY, *Governor.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Finance:

ASSEMBLY, CALIFORNIA LEGISLATURE,
STATE OF CALIFORNIA,
*Sacramento, Calif., September 12, 1934.*

*To the President of the United States, to the Vice President, to the Speaker of the House of Representatives, and to the Senators and Representatives in Congress of the State of California:*

I am directed to inform you that the California Legislature has adopted the following:

Assembly Joint Resolution 1 (by Messrs. Woolwine and Haliner)

Relative to memorializing the President and Congress to provide for old-age pensions

Whereas the problem of the care of the dependent aged has recently attained major proportions throughout the Nation, due in large part to the increasing mechanization of our industrial system and to the economic depression our country has been suffering, which has destroyed the financial independence of large numbers of our people, including those who had prudently prepared for the time when they could no longer earn a livelihood; and

Whereas the problem is seriously complicated by the fact that the people of the United States freely exercise their right to change their residence, so that the States and communities in which many of our dependent aged live are not those to the economic building of which they have directly contributed; and

Whereas because of various factors, such as relative liberality of care of the dependent aged, climatic advantages, and the economic opportunities offered by certain areas prior to the depression, some States and communities have within their borders a disproportionately large number of dependent aged; and

Whereas the financial burden of care of the dependent aged is so great in some States that the economic welfare and stability of such States are seriously affected and even threatened; and

Whereas it is evident that the problem has become one which can be satisfactorily met only on a national scale, and that the Federal Government must assist the State and local communities if the dependent aged, who during their years of usefulness have contributed to the economic life of the Nation, are to be cared for even on a minimum basis; and

Whereas the President of the United States has recognized the responsibility of the Federal Government in this matter and has indicated that he will recommend to the Congress of the United States at its next session that there be legislation bearing on this problem; and

Whereas it is well known that under modern conditions, with advanced industrial and business methods and the availability of abundant qualified labor, the age of employability has changed considerably and where but recently the wage earner could look forward with considerable confidence to earning a livelihood well beyond the age of 50, expectations today are much more limited, so that the age for retirement should be lower now than it has even been; and

Whereas it seems the part of wisdom to retire from industry and business as early as possible those who because of advancing age are beginning to become relatively inefficient and so to give more opportunity for employment and advancement to younger workers; and

Whereas experience has shown that property disqualifications effect a serious injustice and penalize those whose prudence and thrift have led them to prepare for old age by investment in a home or other small holdings, but who have no income with which to support themselves and to preserve their property, for which there is often no market: Now therefore be it

*Resolved by the Assembly and the Senate of the State of California, jointly*, That the President and the Congress of the United States be urged to consider the enactment of an old-age-pension law to provide for the retirement and care of dependent aged persons in the United States, with adequate provision to alleviate the present burden of such care on the States and local communities, and with liberal provisions as regards age of retirement and disqualification because of ownership of property, to the end that a humanitarian and practical system of care of the dependent aged may be secured; and be it further

*Resolved*, That the Governor of the State of California transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Member of the House of Representatives from California in the Congress of the United States, and that such Senators and Members from California be urged to support such legislation.

F. C. CLOWDSLEY,
*Speaker of the Assembly.*
ARTHUR A. OHNIMUS,
*Chief Clerk of the Assembly.*
A. H. BREED,
*President pro tempore of the Senate.*
J. A. BEEK,
*Secretary of the Senate.*
FRANK F. MERRIAM,
*Governor of the State of California.*

The VICE PRESIDENT also laid before the Senate a telegram in the nature of a memorial from Earl W. London, of Springfield, Mass., remonstrating against the enactment of the joint resolution (H. J. Res. 117) making appropriations for relief purposes, which was referred to the Committee on Appropriations.

He also laid before the Senate a telegram in the nature of a petition from Clyde L. Herring and other citizens of Des Moines, Iowa, praying for the ratification of the World Court protocols, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted at a session of the First Presbyterian Church of La Jolla, Calif., favoring the prompt ratification of the World Court protocols, which was ordered to lie on the table.

He also laid before the Senate a telegram from Lawrence R. Larsen, chief clerk of the Wisconsin State Senate, stating "Am sending you by air mail today Joint Resolution No. 21–S, adopted by the Wisconsin Legislature Friday, January 25, memorializing the United States Senate to vote against membership in the World Court", which was ordered to lie on the table.

He also laid before the Senate a letter in the nature of a memorial from the American League of Women, Boston,

Mass., remonstrating against ratification of the World Court protocols, which was ordered to lie on the table.

He also laid before the Senate numerous telegrams and letters in the nature of memorials from sundry citizens of the States of California, Connecticut, Illinois, Iowa, Massachusetts, Michigan, New Hampshire, New York, Ohio, Pennsylvania, and Texas, remonstrating against the ratification of the World Court protocols, which were ordered to lie on the table.

Mr. MALONEY presented a resolution adopted by the Holy Name Society of the Church of St. Anthony of Padua, of Bridgeport, Conn., protesting against the alleged antireligious program of the Republic of Mexico, which was referred to the Committee on Foreign Relations.

Mr. POPE presented the following joint memorial of the Legislature of the State of Idaho, which was referred to the Committee on Agriculture and Forestry:

LEGISLATURE OF THE STATE OF IDAHO,
TWENTY-THIRD SESSION,
IN THE SENATE.

Senate Joint Memorial 2 (by agricultural committee)

A joint memorial to the Secretary of Agriculture of the United States

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

Whereas the State departments of agriculture of the following States, to wit, Alabama, Arizona, California, Colorado, Georgia, Illinois, Iowa, Kansas, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, South Dakota, Tennessee, Washington, Wisconsin, Wyoming, have seen fit to place quarantine restrictions against the movement of alfalfa hay from Idaho into their respective territories because of the purported presence of alfalfa weevil in Idaho, and its consequent introduction into their States by virtue of the movement of hay from Idaho; and

Whereas the alfalfa weevil has ceased to be a factor detracting from the yields, or adding to the cost of production of alfalfa in Idaho, and by virtue of introduction of certain parasites of the alfalfa weevil which have reduced their population wellnigh to the point of extinction; and

Whereas the existence of such quarantines have ceased to be necessary as a protection to the above-mentioned States against damaging infestations of alfalfa weevil and have become instead trade embargoes; and

Whereas there is now in Idaho more than 50,000 tons of surplus alfalfa hay for which we have no market and upon the sale of which its producers' livelihood depends; and

Whereas the recent lowering of tariff restrictions against Canadian hay have further aggravated the hay surplus in Idaho by making available for drought areas forage which could be furnished as cheaply from Idaho if quality is considered:

Now, therefore, we your memorialists respectfully request that a survey be made by the Department of Agriculture which will cover the present and past status of alfalfa weevil in Idaho, the economic place that it now bears in the cost of production of Idaho hay and the potential damage that might be resultant by the introduction of alfalfa weevil into States that now have quarantines placed against Idaho hay; and

Furthermore, that your assistance be given in finding an outlet for the surplus hay now in the hands of Idaho farmers; and be it

*Resolved*, That a copy of this joint memorial be sent by the Secretary of the Senate to the Secretary of Agriculture and to Senator BORAH, Senator POPE, Congressman WHITE, and Congressman CLARK.

This Senate Joint Memorial 2 passed the senate on the 17th day of January 1935.

G. P. MIX,
*President of the Senate.*

This Senate Joint Memorial 2 passed the house of representatives on the 23d day of January 1935.

TROY D. SMITH,
*Speaker of the House of Representatives.*

I hereby certify that the within Senate Joint Memorial 2 originated in the senate during the Twenty-third Session of the Legislature of the State of Idaho.

MORRIS STACY,
*Secretary of the Senate.*

Mr. BAILEY presented the following joint resolution of the Legislature of the State of North Carolina, which was referred to the Committee on Finance:

Joint Resolution 10

Joint resolution requesting Congress to pass an act authorizing the immediate payment to veterans of the World War the face value of their adjusted-service certificates

Whereas the immediate cash payment of the adjusted-service certificates heretofore issued by the United States Government to the veterans of the World War will increase tremendously the purchasing power of millions of the consuming public distributed uniformly throughout the Nation and will provide relief for the holders thereof who are in dire need and distress because of the present unfortunate economic conditions and will lighten immeasurably the burden which cities, counties, and States are now required to carry for relief; and

Whereas the payment of said certificates will not create any additional debt, but will discharge and retire an acknowledged contract obligation of the Government; and

Whereas the Government of the United States is now definitely committed to the policy of spending additional sums of money for the purpose of hastening recovery from the present economic crisis: Now, therefore, be it

*Resolved by the house of representatives (the senate concurring)*—

SECTION 1. That we request the Senators and Representatives of Congress from the State of North Carolina to support any appropriate legislation that does not impair the Government's credit for the immediate cash payment at face value of the adjusted-service certificates, with cancelation of interest accrued and refund of interest paid, as a most effective means to the end above set out.

SEC. 2. That a copy of this resolution be transmitted to each Senator and Representative in Congress from North Carolina by the secretary of state under the seal of State.

SEC. 3. That this resolution shall be in full force and effect from and after its ratification.

In the general assembly, read three times, and ratified this the 25th day of January 1935.

A. H. GRAHAM,
*President of the Senate.*
R. G. JOHNSON,
*Speaker of the House of Representatives.*

Examined and found correct.

S. F. TEAGUE, *for Committee.*

Mr. MURRAY presented the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on Finance:

Senate Joint Resolution 1 (introduced by Oliver)

A resolution memorializing the Congress of the United States for the passage of legislation providing for the immediate conversion into cash of the adjusted-compensation certificate of the soldier of the World War

Whereas there have been issued to the soldier participants of the World War by the United States Government adjusted-compensation certificates, which, under the terms of the act of Congress, become due and payable in the year 1945; and

Whereas the present economic conditions have resulted in causing a great many of the soldiers holding adjusted-compensation certificates to become in distress and need of the immediate relief that will be afforded by such legislation; and

Whereas it becomes and is the duty of the Federal Government to give adequate care to those who, having made personal sacrifice to preserve our form of government, not as mendicants but as preferred creditors of the Nation, are now in need of immediate relief; and

Whereas there are resident in the State of Montana approximately 25,000 veterans of the World War who would be benefited by the passage of legislation providing for the immediate payment of such compensation; and

Whereas the immediate payment of the certificates of adjusted compensation will bring about the distribution and circulation of a large sum of money sufficient to materially assist in the relief of the present economic conditions which exist throughout the State of Montana: Now, therefore, be it

*Resolved by the Senate of the State of Montana (the house of representatives concurring)*, That we do hereby petition the Congress of the United States of America for the passage of the pending act of Congress to secure the immediate payment and conversion into cash of the adjusted-compensation certificates; and be it further

*Resolved*, That a copy of this memorial be transmitted by the secretary of the State of Montana to the Senate and House of Representatives of the Congress of the United States and to the Senators and Representatives in Congress from the State of Montana; and that they, and each of them, be requested to use all honorable means within their power to bring about the enactment of legislation by which the immediate payment of the certificates of adjusted compensation be fully provided for.

ERNEST T. EATON,
*President of the Senate.*
W. P. PILGERAM,
*Speaker of the House.*

Approved January 23, 1935.

F. H. COONEY, *Governor.*

OFFICE OF DISTRICT COMMANDER, COAST GUARD, BUFFALO, N. Y.

Mr. WAGNER presented a resolution adopted by the common council, and approved by the mayor of the city of Buffalo, N. Y., which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

By Mr. Eberhardt:

Whereas there is a strong possibility that the office of the district commander, ninth district, United States Coast Guard, may be moved from Buffalo to Cleveland; and

Whereas this office has been established at Buffalo for a long period of time, because of its location—half-way between the several stations in Lake Erie and Lake Ontario—and is much more central to the district than any other point: Therefore be it

*Resolved*, That this council request the United States Coast Guard to continue the present arrangement without change of location, and that a copy of this resolution be forwarded to Rear Admiral Harry G. Hamlet, commandant of the Coast Guard, Washington, D. C., and also to each Congressman and Senator from New York State.

REPORTS OF COMMITTEES

Mr. SMITH, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 3247) to meet the conditions created by the 1934 drought, and to provide for loans to farmers in drought- and storm-stricken areas, and for other purposes, reported it with amendments.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 462. A bill to authorize an extension of exchange authority and addition of public lands to the Willamette National Forest in the State of Oregon (Rept. No. 30); and

S. 464. A bill to add certain lands to the Malheur National Forest in the State of Oregon (Rept. No. 29).

Mr. FLETCHER, from the Committee on Banking and Currency, to which was referred the bill (S. 1384) to amend the Emergency Farm Mortgage Act of 1933, to amend the Federal Farm Loan Act, to amend the Agricultural Marketing Act, and to amend the Farm Credit Act of 1933, and for other purposes, reported it with amendments and submitted a report (No. 31) thereon.

Mr. HARRISON, from the Committee on Finance, to which was referred the bill (H. R. 4304) to amend the Second Liberty Bond Act, as amended, and for other purposes, reported it without amendment and submitted a report (No. 32) thereon.

EXPENSES OF CONVENTIONS OR MEETINGS IN THE DISTRICT

Mr. BYRNES. From the Committee on Appropriations I report back, without amendment, the joint resolution (H. J. Res. 118) to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings, and I ask unanimous consent for its present consideration as in legislative session.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The joint resolution will be read.

The joint resolution was read, as follows:

Whereas numerous applications are being received from various organizations requesting lodging, food, and transportation for the purpose of holding conventions or meetings at Washington and elsewhere; and

Whereas the expenditure of Government funds for such purposes is against the policy of Congress: Therefore be it

*Resolved, etc.*, That, unless specifically provided by law, no moneys from funds appropriated for any purpose shall be used for the purpose of lodging, feeding, conveying, or furnishing transportation to, any conventions or other form of assemblage or gathering to be held in the District of Columbia or elsewhere. This section shall not be construed to prohibit the payment of expenses of any officer or employee of the Government in the discharge of his official duties.

The President is hereby requested to send a copy of this resolution to the heads of all Government departments and agencies which have been granted lump-sum appropriations.

The PRESIDING OFFICER. Is there objection to the consideration of the joint resolution as in legislative session?

Mr. JOHNSON. Mr. President, will the Senator state just what the joint resolution does?

Mr. BYRNES. It is simply a declaration of policy of the Congress that no funds of any lump-sum appropriation should be used to pay the expenses of delegates to any convention in the District of Columbia. It has been passed by the House and is unanimously reported by the Committee on Appropriations.

Mr. JOHNSON. It relates to the District of Columbia alone?

Mr. BYRNES. Yes, sir.

Mr. JOHNSON. It does not relate to peace societies across the water?

Mr. BYRNES. It does not.

Mr. JOHNSON. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BORAH:

A bill (S. 1470) to provide a preliminary examination and survey of Spokane River and its tributaries in the State of Idaho, with a view to the control of their floods; to the Committee on Commerce.

By Mr. BILBO:

A bill (S. 1471) to authorize a transfer of forest reservation lands in Forest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. BARBOUR:

A bill (S. 1472) for the relief of the First Camden National Bank & Trust Co., of Camden, N. J.; to the Committee on Claims.

A bill (S. 1473) directing the Secretary of State not to enter into any reciprocal-trade agreements or understandings with any nation engaging in religious or racial persecution; to the Committee on Foreign Relations.

By Mr. BULKLEY:

A bill (S. 1474) for the relief of Paul H. Creswell; and

A bill (S. 1475) for the relief of H. A. Taylor; to the Committee on Claims.

By Mr. POPE:

A bill (S. 1476) to provide for unemployment relief through development of mineral resources, to assist the development of privately owned mineral claims, to provide for the development of emergency and deficiency minerals, and for other purposes; to the Committee on Mines and Mining.

By Mr. WAGNER:

A bill (S. 1477) to authorize the use of public lands for camp sites, refining works, and other purposes in connection with mineral permits and leases;

A bill (S. 1478) validating certain applications for and entries of public lands, and for other purposes; and

A bill (S. 1479) to amend an act of Congress approved June 13, 1933 (48 Stat. 139), entitled "An act to extend the mining laws of the United States to the Death Valley Monument in California"; to the Committee on Public Lands and Surveys.

By Mr. BONE:

A bill (S. 1480) to authorize the addition of certain lands to the Wenatchee National Forest; to the Committee on Agriculture and Forestry.

A bill (S. 1481) granting an annuity to John O. Jones; and

A bill (S. 1482) extending the provisions of an act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes', approved May 22, 1920, and acts in amendment thereof", to John E. Gilmore; to the Committee on Civil Service.

A bill (S. 1483) for the relief of William E. Williams;

A bill (S. 1484) for the relief of Leo Yates;

A bill (S. 1485) for the relief of C. H. Reynolds, assignee of the Bitu-Mass Paving Co., of Spokane, Wash.;

A bill (S. 1486) for the relief of William Smith; and

A bill (S. 1487) for the relief of Mick C. Cooper; to the Committee on Claims.

A bill (S. 1488) granting a pension to Rose Bingman; and

A bill (S. 1489) granting a pension to Florance A. Gilbert; to the Committee on Pensions.

A bill (S. 1490) for the relief of Earl A. Ross; to the Committee on Public Lands and Surveys.

By Mr. SCHALL:

A bill (S. 1491) to direct the distribution of the interest and principal of the permanent fund of the Chippewa Indians of Minnesota in accordance with the true purpose and intent of the agreements made pursuant to the act of January 14, 1889;

A bill (S. 1492) to compensate the Chippewa Indians of Minnesota for lands set aside by treaties for their future homes and later patented to the State of Minnesota under the Swamp Land Act;

A bill (S. 1493) providing for payment of $50 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States; and

A bill (S. 1494) to amend an act entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims", approved May 14, 1926 (44 Stat. L. 555); to the Committee on Indian Affairs.

By Mr. SHEPPARD:

A bill (S. 1495) authorizing the President to order Donald O. Miller before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his separation;

A bill (S. 1496) authorizing transportation allowances for families of enlisted men below grade 3 who have been ordered to foreign service; and

A bill (S. 1497) to authorize the appointment of First Lt. Claude W. Shelton, retired, to the grade of captain, retired, in the United States Army; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 1498) for the relief of Robert D. Baldwin;

A bill (S. 1499) for the relief of Robert J. Enochs;

A bill (S. 1500) for the relief of L. E. Baumgarten;

A bill (S. 1501) for the relief of C. B. Dickinson; and

A bill (S. 1502) for the relief of Charles L. Graves; to the Committee on Indian Affairs.

By Mr. ROBINSON (for Mr. TYDINGS):

A bill (S. 1503) for the relief of Chester Johnson; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 1504) authorizing the Arapahoe and Cheyenne Indians to submit claims to the Court of Claims, and for other purposes; to the Committee on Indian Affairs.

By Mr. SHEPPARD:

A bill (S. 1505) for the relief of William Edward Tidwell; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 1506) to change the name of the Pickwick Landing Dam to Quin Dam; to the Committee on Agriculture and Forestry.

By Mr. BACHMAN:

A bill (S. 1507) granting a pension to Ida Lott;

A bill (S. 1508) granting an increase of pension to Sarah J. Lake;

A bill (S. 1509) granting a pension to Annie Hankal;

A bill (S. 1510) granting a pension to Charles H. Culbert; and

A bill (S. 1511) granting a pension to William Lowrance; to the Committee on Pensions.

By Mr. MURRAY:

A bill (S. 1512) for the relief of Celeste C. Anderson; to the Committee on Claims.

By Mr. BYRD:

A joint resolution (S. J. Res. 48) to continue the commission for determining the boundary line between the District of Columbia and the State of Virginia for not to exceed one additional year, and to authorize not to exceed $10,000 additional funds for its expenses; to the Committee on the Judiciary.

### AMENDMENT OF THE RULES—COMMITTEE ON INDIAN AFFAIRS

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 65), which was referred to the Committee on Rules:

*Resolved*, That clause 6 of rule XVI of the Standing Rules of the Senate is amended by inserting, immediately before the period at the end thereof, a semicolon and the following: "and that three members of the Committee on Indian Affairs, to be selected by said committee, shall be ex-officio members of the Committee on Appropriations, to serve on said committee when the items pertaining to Indian affairs are being considered by the Committee on Appropriations in the bill making appropriations for the Department of the Interior, and at least one member of the Committee on Indian Affairs shall be a member of any conference committee appointed to confer with the House upon items pertaining to Indian affairs contained in the bill making appropriations for the Department of the Interior."

### FEDERAL AUTHORITY OVER STREAM POLLUTION AND STREAM PURIFICATION

Mr. LONERGAN presented the report of a conference with the Secretary of War with reference to the proposal to create a Federal authority over stream pollution and stream purification, together with a report of Mr. LONERGAN, chairman of the conference, covering the activities subsequent to the conference, which were referred to the Committee on Printing with a view to being printed as a Senate document.

### MARIAN RYAN, GUARDIAN FOR ELIZABETH STRAINING

Mr. ROBINSON (for Mr. TYDINGS) submitted the following resolution (S. Res. 66), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

*Resolved*, That the Secretary of the Senate is hereby authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1934, to Marian Ryan, guardian for Elizabeth Straining, sole heir and dependent of Kathryn Straining, deceased, late employee in the office of Senator TYDINGS, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

### LETTER TO THE PRESIDENT ON UNEMPLOYMENT—BULLETIN ON COCONUT OIL

Mr. SCHALL. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I sent the President upon his invitation to everybody to help in forming plans to take this country out of the despondency it is in. I also desire permission to have printed in the RECORD an article of the National Cooperative Milk Producers' Federation, on the "coconut cow" that is furnishing so much trouble to our farmers in this country—the coconut oil that is being shipped in here.

There being no objection, the letter and article were ordered to be printed in the RECORD, as follows:

DECEMBER 3, 1934.

The Honorable FRANKLIN D. ROOSEVELT,
*President of the United States, White House.*

MY DEAR MR. PRESIDENT: For the purpose of furnishing a working example by which a majority of the 10,000,000 persons now unemployed may be returned to profitable employment, without taking one dollar from the United States Treasury, the following list is a rough draft of how those people can be cared for within 6 months.

By acting as England, Canada, Australia, Norway, and Sweden have done, that is, by stopping imports which compete with what we produce, we find we must reemploy the following:

Two million persons to cultivate cane- and beet-sugar lands, if foreign sugar is excluded; 2,000,000 persons to cultivate new corn land when blackstrap molasses is barred; 300,000 miners to operate our copper mines; 225,000 additional pottery and chinaware workers; 175,000 to make carpet, rag, and grass rugs; 150,000 fishermen and canners when these imports are stopped; 150,000 iron and steel workers; 100,000 persons to raise cattle now imported as frozen or canned; 100,000 silver miners, if we buy our own silver; 100,000 to produce gunny cloth and gunny sacks now imported; 100,000 shoe workers; 75,000 textile workers; 50,000 persons in electric lamp, toy, and novelty factories; 50,000 persons to can meats; 50,000 to produce cement and bricks; 50,000 manganese miners; 30,000 vegetable canning workers; 25,000 additional coal miners; 50,000 distillery and wine workers.

All these people at this moment are on Government relief. With the power vested in you by the last Congress, Mr. President, you can raise the tariffs on all these articles and thereby return about 6,000,000 persons to profitable employment. It is reasonable to assume that this number of persons will employ another 3,000,000 to supply their wants. After that, Mr. President, we have no unemployment problem and no depression. I trust this matter will be given your earnest consideration.

With best wishes, cordially yours,

THOS. D. SCHALL.

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### CRACKING A COCONUT-OIL FALLACY

On December 17, 1934, Mr. John B. Gordon, secretary Bureau of Raw Materials for American Vegetable Oils and Fats Industries, Washington, D. C., transmitted to a number of leaders in American dairying an article written by him for publication in the Manila Tribune on the Effects of the Excise Tax on Philippine Copra and Coconut Oil Importations into the United States,

together with a letter setting forth three possible solutions to the problem raised in the islands by the tax. These leaders were urged to indicate which solution met with their approval.

In his article Mr. Gordon states that he is now obliged to write under an atmosphere of "guesswork and speculation." He believes, however, that under the tax the islands will be able to carry on only a small proportion of their former business in oil and copra with the United States; that in American industries domestic oils will be used in the place of coconut oil, particularly in oleomargarine, and also in soap by a slight change in the type of soap manufactured; that the Philippines will be forced to compete on the world market and accept world prices for their products; and that as a result of the decline in imports there will be little revenue returned to the government of the islands.

The solutions suggested by Mr. Gordon are as follows:

"1. That the excise tax of 3 cents per pound be removed entirely on 448,000,000 pounds of Philippine coconut oil.

"2. That the excise tax be left in effect, but that it be specified that it will not apply to coconut oil of Philippine origin which is used in the manufacture of nonedible products.

"3. That the excise tax remain in effect, but shall not apply to coconut oil of Philippine origin used in the manufacture of nonedible products provided that the total oil importations under such exemption shall not exceed 448,000,000 pounds per annum."

Mr. Gordon has been in Washington as a representative of industrial users of oils and fats, principally soap manufacturers, for more than a decade.

During all of this time he has registered direct opposition to every effort on the part of domestic producers of oils and fats to obtain protection against importations of foreign oils and fats. The manufacturers whom he represents appear to be interested solely in obtaining the raw materials used in their products at the lowest possible costs, free of every tax, regardless of what the effect may be upon stocks and prices of domestically produced oils and fats. Through their efforts protective measures against some importations have been delayed many years, and numerous new sources of cheap oils and fats interchangeable with domestic products have been found. This letter and article to dairy leaders is another example of the clever manner in which attempts have been made to confuse the issues and to weaken the case of domestic producers by alienating from their cause one of the groups which has been most active in the fight for a coordinated protective structure against these foreign substitutes.

Contrary to the main contention of Mr. Gordon, the excise tax has not as yet caused any economic upheaval or dilemma in the Philippine Islands, except a purely psychological reaction which lasted for less than a month after the tax became effective. Instead, economic conditions in the islands, except for typhoons, have improved greatly since the tax went into effect.

During the first 9 months of 1934 the United States consumed approximately 62,000,000 pounds more of Philippine coconut oil than during the same period in 1933. Net imports of coconut oil as such and as copra from the Philippine Islands during the first 9 months of 1934 were higher by 2,000,000 pounds than during the first 9 months of 1933.

Coconut-oil prices (net without the tax) in December 1934 were between 30 and 40 percent higher than they were when the tax became effective, and the price of copra in the Philippines in December was approximately twice as high as in May when the tax went into effect.

The imposition of a higher tax (5 cents per pound) on coconut oil from sources other than the Philippines has been effective in giving the islands an almost complete monopoly on the demand for coconut oil in the United States.

In August 1934, 99.6 per cent of our supply came from the islands, as compared with 83.8 percent in August 1933.

The following excerpts from Commerce Reports, a weekly publication of the United States Bureau of Foreign and Domestic Commerce, carrying reports from trade commissioners, indicate clearly the trend of thought in the islands with respect to the tax:

January 6, 1934: Today's closing quotation established a new all-time record low level for copra prices.

February 3, 1934: The trade was disturbed because of rumors of the processing tax on coconut oil. All buyers for the American market withdrew from the markets.

April 21, 1934: Copra markets are unsettled. Practically all oil mills have stopped warehouse receipts of copra. The enactment of the tax caused very difficult trading.

May 12, 1934: Copra reached a new record low in price, with sales to Europe sustaining the market in some places.

Note: The tax became effective May 10, 1934, at 11:40 a. m.

May 26, 1934: Copra prices have recovered somewhat, with the market quiet but steady, and arrivals light.

June 9, 1934: Reaction to the processing tax on coconut oil has become more favorable, with the belief that eventually production costs will be lowered somewhat and prices increased by the tax.

June 23, 1934: The favorable action of Congress on the Philippine gold-refund bill, crediting the Philippine treasury with approximately $24,000,000, as well as legislation awarding the Philippines approximately $17,500,000 in sugar and coconut oil processing taxes, is causing a generally more optimistic outlook.

July 7, 1934: The business situation is fast improving.

August 18, 1934: Copra markets are very firm, with a scarcity of supplies and an oversold market in Europe.

September 29, 1934: Coconut-oil prices advanced 10 percent in August.

October 6, 1934: Business circles are encouraged by the advance in the price of copra, which has gained 70 percent in the last few weeks.

December 15, 1934: The recent upward tendency in copra prices continues, and the market is strong.

December 29, 1934: The November copra market was very satisfactory—prices advanced rapidly. Coconut-oil prices also followed the upward trend.

The price of copra at Manila on May 12, 1934, when the tax went into effect, was 88.6 cents per 100 pounds, as compared with 95.5 cents per 100 pounds at the beginning of the year. From this low point in May, however, prices rose to $1.318 per hundredweight on September 29, to $1.364 per hundredweight on October 27, $1.386 on December 1, to $1.67 per hundredweight on December 22, 1934, and to $1.8466 on January 5, 1935.

Crude coconut oil from the Philippines was selling at wholesale in New York at 2.63 cents per pound when the tax became effective, and at 3.69 cents on December 24, 1934. Refined edible coconut oil in car-lot barrels was selling in Chicago at 5.38 cents per pound in May, and at 7.25 cents per pound (without the tax) on December 24.

Apparent consumption of Philippine coconut oil in the United States during the first 9 months of 1934 totaled 402,000,000 pounds, as compared with 340,000,000 pounds during the same period in 1933. Net imports of coconut oil from the islands during the first 9 months of 1934 were 390,000,000 pounds, and for the same period in 1933, 388,000,000 pounds. During 1933 the imports were heavier than current demand, with the result that stocks piled up, while during 1934 imports have been lower than current demand, and these stocks have been reduced materially.

Imports as well as consumption of Philippine coconut oil in the United States have fallen off in the last few months, particularly during July, August, and September (stocks and consumption figures are available only by quarters). There is a number of factors other than the excise tax, however, to which a part of this decline may be attributed:

1. Imports into the United States from the Philippines were exceptionally heavy during the first part of the year, with the result that supplies for export from the islands have become very low.

2. Production of copra and coconut oil in the islands was low this year, owing to a succession of heavy rains and damaging typhoons.

3. Anticipating a lowered demand in the United States, Philippine exporters sold short in the European market. This fact, together with a lower production, has resulted in a scarcity of supplies even for the domestic demand in the islands, and prices are much higher.

In addition to these factors, the excise tax has been instrumental in placing domestic oils and fats in an advantageous price position on the American market. Not only have the prices for domestic products increased but larger quantities are being consumed, both in industrial uses and elsewhere. Butter consumption during the first 11 months of 1934 was 51 million pounds above that during the same period in 1933, despite much higher prices during most of 1934. Oleomargarine consumption, on the other hand, was only 12 million pounds above the same period in 1933. The higher cost of manufacturing oleomargarine and its consequent higher price to some extent protected the rise in butter prices.

Corn-oil prices increased from 4.69 to 9.25 cents per pound from June 11 to December 10; and during the same period cottonseed-oil prices increased from 4.50 to 9 cents per pound, choice western lard from 4.35 to 9.80 cents, neutral lard from 5.38 to 10.13, oleo oil 6 to 10.75 cents, peanut oil from 5.13 to 9.50, and tallow from 4.75 to 7 cents per pound.

Factory consumption of cottonseed oil during the third quarter of 1934 (July, August, and September) was 398 million pounds, as compared with 292 million pounds during the same months in 1933. Other comparative figures on consumption for the two periods in 1934 and 1933 are: For corn oil, 11½ million pounds in 1934 and 8½ million pounds in 1933; edible tallow, 20¾ million and 14¾ million; inedible tallow, 203 million and 157 million; and oleo oil, 7¾ million pounds during the third quarter in 1934 and 4¾ million pounds during the third quarter in 1933.

Warehouse and factory stocks of practically all of the domestic oils and fats have been reduced materially; and with production somewhat lower as the result of the various activities of the Federal Government, the outlook is for the maintenance, if not the further raising, of the general price level. American producers of oils and fats are in a position where for the first time in recent history they may take full advantage of the increases in consumer purchasing power and hold the advantageous economic or price position on the American market. The protection to domestic producers, with a few minor exceptions, is complete and coordinated for the first time, and it is to the interest of dairymen as much as to any other group to maintain this structure.

Philippine producers likewise have been given an advantage over the rest of the world in supplying the American market. There is no call whatsoever to alter their position to put their product on a quota basis or to exempt any part of their product from taxation because it may be intended ostensibly for inedible uses. The oils which go into oleomargarine or other edible uses are the same or are directly competitive with and interchangeable for the oils used in soap and other inedible products. If any particular oil for a particular use is allowed to sell at a lower price, the immediate result will be a break-down in the general price level of all oils and fats, because the manufacturers will bid only for the other

products a price in line with that at which a substitute for them may be obtained. In addition to this the administration of the tax will be much more complicated.

The answer to the so-called "problem", raised by Mr. Gordon, does not lie, therefore, in either of the three alternatives proposed by him; in fact, the problem he outlines appears not to exist. The answer of dairymen is that the tax should continue in force in its present form, with minor clarifications to take care of certain legal loopholes which have been discovered, with the same or a higher rate of taxation. The manufacturers represented by the organization of which he is secretary should be enough interested in the welfare of the producers from whom they secure their raw materials to pay this tax and contribute this small amount to the expenses of the Federal Government.

January 8, 1935.

*Prices of copra at the warehouse in Manila, P. I.*[1]

[Warehouse grade resecado]

| 1934: | Price per 100 pounds[2] |
|---|---|
| Jan. 6 | $0.9545 |
| May 12 | .8864 |
| July 7 | .9318 |
| Sept. 22 | 1.1591 |
| Sept. 29 | 1.3182 |
| Oct. 6 | 1.4545 |
| Oct. 13 | 1.4318 |
| Oct. 27 | 1.3636 |
| Nov. 3 | 1.2727 |
| Nov. 17 | 1.2841 |
| Dec. 1 | 1.3864 |
| Dec. 8 | 1.5341 |
| Dec. 15 | 1.6023 |
| Dec. 22 | 1.6659 |
| Jan. 5, 1935 | 1.8466 |

*Prices of selected oils and fats, June 11 and Dec. 10, 1934,*[1] *f. o. b. New York City unless otherwise stated*

[Cents per pound]

| | June 11, 1934 | Dec. 10, 1934 |
|---|---|---|
| Corn oil, crude, f. o. b. works, tanks | 4.69 | 9.25 |
| Corn oil, refined, barrels | 6.81 | 11.50 |
| Cottonseed oil, f. o. b. Southeast, crude, tanks | 4.50 | 9.00 |
| Cottonseed oil, prime summer yellow, tanks | 5.05 | 10.10 |
| Cottonseed oil, refined, edible, Chicago, carlot, barrels | 7.13 | 10.50 |
| Lard, choice western, tierces | 4.35 | 9.80 |
| Lard, neutral, tierces | 5.38 | 10.13 |
| Oleo, oil, no. 1, barrels | 6.00 | 10.75 |
| Oleo stearin, barrels | 5.38 | 8.63 |
| Peanut oil, crude, f. o. b. mills, tanks | 5.13 | 9.50 |
| Peanut oil, refined, edible, barrels | 9.25 | 12.25 |
| Soyabean oil, crude, drums | 7.30 | 8.80 |
| Soyabean oil, refined, drums | 8.15 | 9.65 |
| Tallow, animal, edible, barrels | 4.75 | 7.00 |
| Tallow, extra, works, loose | 3.50 | 4.88 |
| Coconut oil, Manila crude, tanks (without tax) | 2.63 | 3.56 |
| Coconut oil, edible 76°, (no tax) drums | 4.63 | 5.75 |
| Coconut oil, refined, edible, Chicago, carlot barrels (NT) | 5.88 | 7.25 |
| Palm oil, Niger, casks (without tax) | 3.19 | 3.44 |
| Palm-kernel oil, denatured, drums (without tax) | 3.50 | 2.95 |
| Sesame oil, refined white, drums (without tax) | 8.75 | 12.38 |

[1] Compiled from the Oil, Paint and Drug Reporter. Prices are the average of the high and low on dates shown.

*Percentage of total imports of coconut oil and copra traceable to the Philippine Islands*[1]

| | Oil imported in the form of copra | Oil imported as oil and oil imported in the form of copra |
|---|---|---|
| Total for the year 1932 | 43.8 | 70.0 |
| Total for the year 1933 | 66.9 | 81.2 |
| First 9 months 1932 | 44.1 | 72.6 |
| First 9 months 1933 | 61.7 | 78.3 |
| First 9 months 1934 | 80.8 | 92.1 |
| July to September, inclusive, 1932 | 44.4 | 72.4 |
| July to September, inclusive, 1933 | 70.5 | 80.8 |
| July to September, inclusive, 1934 | 91.9 | 97.8 |
| October 1933 | 80.0 | 87.2 |
| October 1934 | 84.9 | 95.4 |

[1] Data from reports of the Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce. Copra converted to oil at the rate of 63 pounds of oil per 100 pounds of copra.

[1] Compiled from Commerce Reports, published by the Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce.

[2] Converted to United States currency at 50 cents per peso.

## THE WORLD COURT

The Senate, in executive session, resumed the consideration of Executive A (71st Cong., 3d sess.), protocols concerning adherence of the United States to the Permanent Court of International Justice.

Mr. POPE. Mr. President, I had not intended to discuss the question of adherence to the World Court for the reason that the arguments both for and against it have not only been quite thoroughly covered during this session, but have been the subject of discussion in the Senate and in the country for 12 years. It is not my intention to go over those arguments again.

However, my deep interest and conviction on the subject have been intensified by a resolution for a World Court introduced many years ago by my distinguished colleague [Mr. BORAH] and inserted in the RECORD a few days ago by the Senator from Arkansas [Mr. ROBINSON]. In that resolution the Senator recommended a World Court with broad powers. He favored a court as a judicial substitute for war—

> In the form or nature of an international court, modeled on our Federal Supreme Court in its jurisdiction over controversies between sovereign states, such a court to possess affirmative jurisdiction to hear and decide all purely international controversies as defined by the code or arising under treaties. * * *

As has already been pointed out, under such a plan it would be compulsory that all international controversies under the code or any treaty be submitted to the Court.

The suggestion, however, that such an intenational court be "modeled" on our Federal Supreme Court in its jurisdiction over controversies between our sovereign States, calls up a phase of this question which has not been by any means sufficiently discussed.

In the organization of the present World Court, is there an analogy to our Federal Supreme Court? It is true that our Supreme Court does not have advisory jurisdiction such as is possessed by the World Court, and by at least one State supreme court—Massachusetts. The matter of advisory opinions and the value they have possessed in the settlement of international disputes, has been very effectively covered by the Senator from Utah [Mr. THOMAS]. I think he made his case in showing that on some of the most delicate questions that have arisen—questions that involved critical conflicts between nations—the World Court has rendered opinions so far and just that in every instance the decision has been acceded to by the nations involved.

In my examination of the history and decisions of the Supreme Court of the United States and of the World Court I have found a striking analogy between them.

In the first place, the plan for the World Court was drawn by two eminent Americans—Elihu Root and James Brown Scott. Mr. Root, a member of the original body that drew up the Court statute, presented the plan which formed the basis of the Court statute.

As stated by Secretary of State, Henry L. Stimson, in his message to the President on November 18, 1929:

> It is interesting to remember that the difficulty which had prevented the establishment of the Court in 1907 was solved by the suggestion of the American member, Mr. Root, based upon the analogy of a precedent in the creation of our own Federal Constitution.

In 1787, while the Constitutional Convention was in session, there were 11 controversies pending between the States, 3 of which had resulted in armed conflict. The Constitution when adopted contained a provision vesting the Supreme Court of the United States with original jurisdiction over "controversies between two or more States." At that time the States regarded themselves as sovereign and independent. They had adopted constitutions in which they had declared themselves free, sovereign, and independent States They were as jealous of their independence as the nations are today.

In 1784 John Hancock, as Governor of Massachusetts, issued a proclamation of neutrality in the midst of a hot dispute between New York and Vermont. He used language practically the same in part as used by President Wilson in his neutrality proclamation during the World War.

It will be remembered that Patrick Henry opposed the ratification of the Constitution on the ground that it would secrifice the independence and destroy the hard-earned

liberties of the States won in the Revolution. On one occasion he made a powerful speech against the Constitution and in his patriotic, oratorical, fervor called down the imprecations of Heaven upon those who were seeking to destroy our liberties by the ratification of the iniquitous Constitution. Were his apprehensions justified? The history of our country is sufficient answer.

Since that time 65 suits have been brought by the States against each other, and 46 out of the 48 States have been party plaintiff or defendant.

The first case that arose between the States was that of Rhode Island against Massachusetts. Rhode Island asserted claim to jurisdiction and sovereignty of territory of over 100 square miles, with population of over 5,000, occupied by Massachusetts. It was in this case that the specious argument, which has been repeatedly made against the World Court, that the Court had no jurisdiction over the controversy because there was no law or rule for the decision, was enunciated. The Court held that the facts of the case fell within a well-settled doctrine of law, namely, that for the security of rights, whether of States or individuals, long possession under claim of title is entitled to protection.

It is interesting to observe that the World Court in the now famous East Greenland case, which arose between Denmark and Norway, and was decided on April 5, 1933, announced exactly the same doctrine as the basis for decision. In that case both Denmark and Norway claimed jurisdiction over East Greenland. It appeared that Denmark had been exercising control and asserting jurisdiction over the territory for a long time.

The Court held that where a claim to sovereignty is based not upon an "act or title such as a treaty of accession but merely upon continued display of authority", two elements must be shown to exist: "The intention and will to act as sovereign and some actual exercise or display of such authority." Both of these elements were found to exist, and the decision was for Denmark, and Norway accepted the decision and the long dispute was settled peaoefully.

Similarly, in the history of our Supreme Court many decisions that have narrowly averted actual warfare have been rendered on controversies between States.

In 1849 the Court decided a boundary controversy between Missouri and Iowa which involved sovereignty over 2,000 square miles of territory, a strip about one-third the size of Alsace. During the controversy, which had been pending for about 12 years, Missouri at one time had called out 1,500 troops and Iowa 1,100 to defend their rights. The Court finally decided in favor of Iowa, which, of course, settled the question for all time.

In 1892 the question of the right to a whole county, comprising over 2,300 square miles, claimed by both Texas and the Territory of Oklahoma, was decided by our Supreme Court in favor of Oklahoma. This followed a long series of armed conflicts between United States authorities and the Texas settlers. Two Presidents had been forced to issue proclamations to keep the peace.

In 1906, a dispute arose over a boundary line between Mississippi and Louisiana. The dispute involved some valuable oyster beds. I happened to be living in Louisiana at the time. Armed patrols had been called out by both States, and, in the Court's opinion it was stated that there was "danger of armed conflict." The decision was rendered and was, of course, observed by the States.

It is interesting here to note that the 64 decisions and opinions rendered by the World Court have not only been observed by the nations involved, but there has been no general criticism except as to one, the Customs Union case, which has been referred to in this debate.

The decisions of our Supreme Court have hardly fared so well. They have repeatedly been the storm center of criticism.

As has already been pointed out by the able Senator from North Carolina [Mr. BAILEY], our Supreme Court, 100 years ago, decided that "the submission by the sovereigns, or States, to a court of law, or equity, of a controversy between them, without prescribing any rule of decision, gives power to decide according to the appropriate law of the case."

In other words, our Supreme Court decided just 100 years ago that the argument that a code of law was necessary before a court could function effectively, was unsound and untenable because it is not in harmony with the history of the development of our courts. It has been interesting, therefore, if not surprising, to hear this doctrine, overruled a century ago by our own American Supreme Court, revived to do service today against the World Court. And yet the distinguished Senator from Idaho has recommended the establishment of a world court "modeled on our Federal Supreme Court in its jurisdiction over controversies between our sovereign States."

It seems to me that the condition imposed by the Senator, that such court should operate only after a code of international law has been adopted by the nations, is setting up an obstacle that would long postpone, if not defeat, the establishment of any world court. It would be like the refusal of the Constitutional Convention to establish a supreme court of the United States until there had been a codification of Federal law which was yet to be developed by the processes of government. This the Constitutional Fathers did not do, and very wisely so.

Another interesting analogy between our Supreme Court and the World Court is that both depend upon the moral force of their decisions for enforcement; and so powerful is this moral force that it has been effective in every case decided by both Courts.

It might be interesting to follow the analogy further, and to observe some of the criticisms of the Supreme Court of the United States.

In 1802, Judge Todd, of Kentucky, said:

> We resist every idea of having our suits decided by foreigners.

How familiar those words do sound!

In 1808 the Boston Gazette stated:

> We know and feel our strength, and we will not have our rights destroyed by an alien court.

In 1831 the United States Telegraph said:

> This Court has no more right to meddle with our questions than has the Court of King's Bench in London.

It should be borne in mind that when these words were uttered the Supreme Court of the United States had been in existence about twice as long as has been the World Court.

A few days ago a resolution by the lower house of the Georgia Legislature was introduced by the junior Senator from Georgia [Mr. RUSSELL]. It opposed the World Court. Strange to say, a little more than 100 years ago the Georgia Legislature passed a resolution in regard to the well-known Cherokee cases defying the United States Supreme Court. I quote from that resolution:

> Enjoining the Governor and every officer of the State to disregard any and every mandate and process that may be served upon them by the United States Supreme Court or by any other court representing the Federal jurisdiction.

Mr. RUSSELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Idaho yield to the Senator from Georgia?

Mr. POPE. I do.

Mr. RUSSELL. The Senator may be interested to know, as a matter of history, that the Georgia House of Representatives followed that by passing a bill which made it a felony, without benefit of clergy, for any United States marshal to undertake to serve process in the case. That question, however, was whether or not a citizen of another State had a right to sue the State; and the position of the State of Georgia was later justified by the adoption of the eleventh amendment, which grew out of that identical case.

Mr. POPE. All of which makes my point the stronger.

It was about the decision in the Cherokee cases that President Jackson said:

> Chief Justice Marshall has made his decision; now let him come off the bench and enforce it.

At one time the New York Daily Advertiser, commenting upon the Supreme Court, said:

The failure and humiliation of the United States Supreme Court has brought us to the abyss.

All this was said about the Supreme Court of the United States. Certainly nothing worse has ever been said by responsible men of the World Court.

It appears that there are two groups of opponents to the adherence of the United States to the World Court. The one is a downright opposition to any world court so far as the United States is concerned. They argue that we want to have nothing to do with any court to settle disputes with foreigners. They are suspicious of foreigners. They are afraid of the intrigues of Europe. One Senator called the World Court a "court of intrigue." They trust no foreign nation. The United States is the only nation that can be trusted.

The other group say they are in favor of a world court, but not any that is in existence. They say they favor the principle, but not the Court that is putting the principle into practice. The fact that the Court is made up of judges of the highest character, learning, ability, and fairness, and that their 64 decisions are without criticism, and have peacefully settled many difficult disputes which threatened war, does not soften their opposition. Come what may, they are against this World Court, which is the only one that is, or probably ever will be, in existence.

The practical effect is that these two groups join hands in opposition to the only practical way for the United States to support a policy that every President of the United States, and most of her responsible statesmen for decades, have been proclaiming.

In 1897 William McKinley, in his first inaugural address, said the "leading feature of American foreign policy throughout our entire national history" has been our insistence on "the adjustment of difficulties by judicial methods rather than by force of arms." Certainly every President since that time has asserted and reasserted that policy.

In my experience, I have found these two kinds of opponents to every progressive step. One opposes the step on the ground that we should not make it, the other on the ground that the practical method is wrong. The one opposes the principle involved; the other accepts the principle, but objects to a practical application of it. The one denies that the Court is a step in the direction of peace and order in the world, or is indifferent to such an effort. The other admits that a court is desirable for peace, but is unwilling to take the only practicable step to get it.

There are some human desires that will not die. The desire for peaceful means of settling international disputes is one of them. This is so deep in men's souls, so embedded in their nature, and so enshrined in their hearts, that they will dedicate their effort, their substance, and even their lives to the cause. This is what it means to multitudes of people in the world, including America. The battle will not end till the United States does her full part in the cause of universal peace.

Let there be no mistake about it—and I address this particularly to those who are in favor of a world court—that the defeat of this proposition would be a defeat of the American policy of judicial settlement of international disputes. No other court is probable. I doubt if any other is possible of establishment.

To those opposed, let me say this: Let them not think that an adverse vote on these protocols will end the matter. The desire of the American people for a world court is too deep and sincere to be uprooted and killed. They will not permit this country long to shirk its responsibility to promote a world order of law and peace on the earth.

Mr. LONG. Mr. President, while we are hearing from the politicians over the country, it is not bad occasionally to take a little note of what the farmers think of this case.

These luncheon organizations that dine on pâté de foie gras and chocolate eclairs and then pass a resolution while they are knocking the foam off the top of a drink are great "resoluters." The advocates of the resolutions send these things to them typewritten and printed in advance. They are "boiler-plate" propaganda. After they have made their first little assembly and gone up the hill and come down the hill, if you should see some of the members, and wonder what they had "resoluted" about, and ask one of them what he meant by it, he would tell you he did not even know there was a resolution, but if there was he voted for it and he probably would find out some time a little bit later. [Laughter.]

In other words, a few days ago, if you will just bear with me about this kind of boiler-plate resolution business, a resolution came in to me when I was making a fight against the vice settlement of New Orleans, signed by some of the members of the ministers' conference, in which they protested against the kind of advertisement that was being given to the city because the "red light" district was being exposed as being inside the city.

The PRESIDING OFFICER. If the Senator from Louisiana will pardon the Chair, the fact has been called to the attention of the Chair that the Senator from Louisiana spoke yesterday on the bill, and that under the rule unanimously adopted last week debate is limited to one speech by each Senator.

Mr. LONG. Have we not got something up now? Do I understand that there is not any reservation up now?

The PRESIDING OFFICER. No reservation is pending.

Mr. LONG. Then, I beg the Chair's pardon.

Mr. LOGAN. Mr. President, yesterday the Senator from Louisiana [Mr. LONG] took occasion to make another speech about the war between Paraguay and Bolivia. At that time he said he desired to instruct me so that I might fully understand the question.

I have no interest at all in either Paraguay or Bolivia. They are friendly nations so far as we are concerned; but the Senator has taken occasion to make serious charges against one of those friendly nations. The charges are not borne out by the facts.

In view of the further fact that the war now going on between these two nations is one of the best illustrations I know of why we should have a world court, and also for the purpose of correcting some of the errors into which the Senator from Louisiana has fallen, I desire to submit a few observations.

The Senator made two charges against Bolivia. One was that that nation violated the arbitral decision of President Hayes when he awarded the Chaco to Paraguay, and held that Argentina had no claim to it. When his attention was called to the fact that Bolivia was not a party to that treaty or that litigation at all, he said he was not advised about that.

As a matter of fact, this question is a very old one. It has been considered since 1535. There has been a dispute between Argentina, Brazil, and Paraguay over this particular matter ever since they became nations.

About the year 1848, I believe, the Senator from Louisiana said Bolivia made a map in which it showed that it did not claim the Chaco. The Senator put that map in the RECORD a year ago, and he attempts to argue from that map that Bolivia has never had any claim to the particular territory now in controversy. I desire to call the attention of the Senator and of the Senate to this outstanding fact, together with a few others:

In 1852, which was 4 years after this map was made, Daniel Webster, then Secretary of State, in communicating with our representative in Bolivia, and in writing him about a treaty of amity and navigation that they were trying to agree upon, took occasion to say that Bolivia was a riparian nation; that is, that it owned land on the Pilcomayo River and also on the Paraguay River, which included the territory now in dispute.

In 1852 Daniel Webster, Secretary of State, made that positive statement in a letter addressed to our representative in Bolivia at the time.

Mr. LONG rose.

Mr. LOGAN. Does the Senator from Louisiana desire to have me yield?

Mr. LONG. The Senator was referring to a time back in 1852?

Mr. LOGAN. Yes.

Mr. LONG. I had been called from the Chamber. I wanted to give the Senator this information so that he would understand what I said yesterday, because I did not have this translation worked out yesterday. It is this: Bolivia sent a plenipotentiary, whose name was spelled Q-u-i-j-a-r-r-o, to Asuncion, the capital of Paraguay, September 1879, with these categorical instructions:

> Recognize the validity of President Hayes' award.

That is a quotation taken from Moore and Dalence.

Quijarro presented his credentials to Paraguay, swearing that "he was bringing the loyal word of Bolivia."

Recognizing the treaty, he signed the rights of Paraguay to the south of the apa parallel, namely, with a good deal more than the awarded zone, and accepting that Paraguay renounce in favor of Bolivia the higher zone.

Mr. LOGAN. Mr. President, I am seeking only to show that a United States Senator, whose voice reaches far, speaking from the floor of the Senate, has attacked a friendly nation at the time when he is insisting that the United States ought to withdraw within her own boundaries and have nothing whatever to do with any other nation in the world.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LOGAN. I yield.

Mr. LONG. My friend's statement is subject to this modification. I have attacked the Standard Oil Co. of America for buying out a friendly nation in order to attack our own award. For the Senator's information, nearly all of the authorities of the Bolivian Government are on the pay roll of the Standard Oil Co. I will give him the names if he wants them.

Mr. LOGAN. I will get to that in the course of the few remarks I shall make, but for the present I want to prove that when the Senator made the statement that Bolivia was violating the award of President Hayes, he made a statement that is not supported by the facts, and I expect to prove that by the records from the State Department.

I make the statement that in 1855 this Government sent a commission, a scientific commission into Bolivia, and the instructions that accompanied them to the Bolivian Government show that this Government recognized that Bolivia owned all the territory that is embraced in what we would call down in Kentucky the forks of the Pilcomayo River and the Paraguay River.

Mr. ROBINSON. Mr. President, the area of the Hayes award is situated in the angle comprised by the junction of the Pilcomayo and the Paraguay Rivers.

Mr. LOGAN. And the Verde River on the north.

Mr. ROBINSON. The Verde River is a tributary of the Paraguay River.

Mr. LOGAN. That is correct.

Mr. ROBINSON. And runs in the same direction as the Pilcomayo River, so that the area embraced in the haze of war is a comparatively small one. Its western limit is not clearly defined in the award made by President Hayes, but it has never been held to include the territory now in dispute between Bolivia and Paraguay.

Mr. LOGAN. That is very true.

Mr. LONG. Mr. President, will the Senator yield?

Mr. LOGAN. I will yield, but I have not very much time, and I trust the Senator will not interrupt me at any length.

Mr. LONG. I understand that the Senator could not find the western boundary, but the Senator is at fault in this; the declaration from the representatives of Bolivia states that they will not recognize the Hayes award, and that that is the cause of this conflict.

Mr. LOGAN. If the Senator will pardon me, I will go ahead in chronological order to show how wrong the Senator is in all of his facts.

Mr. LONG. Very well.

Mr. LOGAN. We find again that in 1858, the State Department of the United States of America was taking it for granted that Bolivia was the owner of this disputed territory, and in the same year, 1858, our representative in Bolivia, Mr. Dana, wrote to Mr. Lewis Cass, the Secretary of State of the United States at that time, making the specific statement that the boundary of Paraguay was the Paraguay River, and that the territory between the Pilcomayo and the Bermejo, on the north, and the Paraguay River belonged to Bolivia.

I am mentioning this fact only to show that the statement which the Senator made yesterday, that Bolivia had never asserted a claim to this territory since the map was made in 1848, is a mistake. Not only had Bolivia asserted a claim, as I shall show in a moment, but this great Government of ours, about which we are so much concerned just now, had recognized that Bolivia did have a claim to all of this territory that is now involved in the dispute.

Mr. LONG. Mr. President, has the Senator only 15 minutes? If so, I will not interrupt him.

Mr. LOGAN. I have only 15 minutes.

Mr. LONG. The point I wish to call to the Senator's attention is that the declaration by Bolivia, just conceding that what the Senator has said is true, that Bolivia in its declaration after the Standard Oil Co. got down there was that they were going below the Verde, and below the Pilcomayo River, and the Paraguay River, but were not going to recognize the Hayes award.

Mr. LOGAN. Mr. President, I am anxious to convince the Senator from Louisiana that he has done a friendly nation a very grave injustice, and to do that I want to put into the RECORD, so that the Senator may consider them, the facts leading up to the treaty between Bolivia and Argentina when this controversy was submitted to President Hayes.

Mr. Miranda, the representative of Paraguay, in his counter memorandum, which was issued in connection with this treaty between Argentina and Paraguay, took occasion to make this statement when he was proposing a settlement, and I hope the Senator will notice it. This is what he said; this is Paraguay speaking:

> Although the reasons already explained fully support the rights of the Republic of Paraguay, as claimed before, she is, however, ready either to accept an arbitration as to the portion of territory which extends from the Bermejo River until Bahai Negra; or, to consent, yielding to her earnest desire to make peace with the Argentine Republic, to settle the question friendly by means of a compromise, and fix the line of the Pilcomayo River to be the boundary between both countries. In either case the rights of Bolivia are to be reserved.

Here is Paraguay in 1873, on September 2 of that year, in the preliminaries leading up to the treaty, when this matter was submitted to President Hayes, saying that the rights of Bolivia must be reserved.

Mr. LONG. Mr. President, will my friend yield there?

Mr. LOGAN. I yield.

Mr. LONG. That was at a time when Paraguay was at war with Argentina for that whole territory, and Bolivia was more or less an ally of Paraguay at that time, and Paraguay and Bolivia were more or less on the same side of the matter. In other words, while they were willing to have an award made of the territory, part of it to Bolivia and part of it to Paraguay, in order that they would not have to give the territory on the other side to Argentina, in the award of Hayes, he gave certain of the Chaco to Argentina, the balance to Paraguay, drew the line, and Bolivia acknowledged the line.

Mr. LOGAN. The facts remain that Paraguay, when submitting this arbitration, specifically provided that the rights of Bolivia in this territory should not be determined, and later, in the same document, made this statement:

> Paraguay has no objection to a settlement of these questions either by arbitration, if it embraces the whole territory between the left bank of the Pilcomayo River and Bahia Negra, or by a compromise, if the Pilcomayo River is agreed to as the dividing line between the two countries, the rights of Bolivia being reserved in either case.

That does not seem to have satisfied Bolivia, and I will call the Senator's attention to another step in this matter. After the treaty had been agreed upon, after President Hayes had been agreed upon as arbitrator, Bolivia came into that arbitration and filed a statement with our Secretary of State,

Mr. William M. Evarts, in which she asked the privilege of coming into that arbitration and being heard, and Mr. Evarts advised her that she was not a party to the proceeding, and that because she was not a party to the proceeding her matters could not be litigated or determined in this arbitration.

Following that, in order to preserve the rights of Bolivia, and so that there could be no dispute and no doubt about it, they entered into a protocol in which it was understood between Argentina and Paraguay that the rights of Bolivia were not concerned in this matter at all. When the award was made by President Hayes, of course it was not binding on anyone save Paraguay and Argentina. It is the old rule, which the Senator from Louisiana knows as well as anyone, that no one is bound by the judgment of courts except those who are parties to the controversy.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Louisiana?

Mr. LOGAN. I yield.

Mr. LONG. Was it not possible for Bolivia to make herself a party?

Mr. LOGAN. Bolivia asked for that privilege, and the President of our Nation, who had been agreed upon as the arbitrator, and our Secretary of State, held that Bolivia could not come in because she was not a party to the controversy.

Mr. LONG. But was it not possible at that time for Bolivia to say, "We recognize this award", as they did through their own envoy in 1879, the following year?

Mr. LOGAN. As I understand the record, Bolivia has always insisted that she had some interest.

As to the charge made by the Senator from Louisiana that Bolivia had sold out to the Standard Oil Co., I think that is a very serious charge to make against any Nation. It is as serious as if he would make a charge that some United States Senator had sold out to the Standard Oil Co. I might say that my best information is that Bolivia has never received one cent from any American industry, or from the American Government, since the war started—not one cent. There is no oil in the disputed territory. I think it is admitted by everyone that there is no oil to be found in the Chaco. If that be true, then why would the Standard Oil Co. be interested, if it is doing business in Paraguay just as it is doing business in Bolivia? The Standard Oil Co. has about one-fiftieth of the oil territory in Bolivia. It has a concession for about one-fiftieth of it. But does the Senate know that the oil that is produced in Bolivia is not enough to justify the building of 10 miles of pipe line?

It is said, although it has been proved that there is no oil there, that they want to build a pipe line through a part of Paraguay so that they can get to the Paraguay River. There could be nothing in that. Even the President of Paraguay himself has said there is nothing in the statement that the Standard Oil Co. is fomenting trouble down there. Other leaders in Paraguay, the leading propagandists of Paraguay, have said that American capital is neutral in this fight, and that there is nothing to the charge that they are not. Of course, I am not defending the Standard Oil Co. I do not believe, however, that everyone who happens to become an officer of the Standard Oil Co., or everyone who happens to become a stockholder in the Standard Oil Co., is a crook or a thief. I do not believe that to be so.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. LOGAN. I yield.

Mr. LONG. The Senator says that Paraguay has said that American capital would not have anything to do with the fight?

Mr. LOGAN. Yes.

Mr. LONG. When?

Mr. LOGAN. Let me see if I can find that for the Senator.

Mr. LONG. It must have been a long time ago.

Mr. LOGAN. No. They now have a representative in the United States.

Mr. LONG. Yes; I know that. I have seen him.

Mr. LOGAN. Mr. Vebber is his name. Here is what he said:

> They (Paraguay) feel that American capital is hands off in this war.

Mr. LONG. When was that?

Mr. LOGAN. Let me see if I can find the date and give it to the Senator.

Mr. LONG. That means that American capital is off, but that is not the Standard Oil Co.

Mr. LOGAN. The date of that statement is February 12, 1934.

Mr. LONG. That was long ago.

Mr. LOGAN. Six months ago.

Mr. LONG. Their Ambassador here is Mr. Bordenave.

Mr. LOGAN. I was not talking about their Ambassador. I was talking about Mr. Vebber, who was an American newspaperman who married a Paraguayan girl, and who fought in the Paraguayan wars down there, and who has now been sent out as a representative of Paraguay for the purpose of creating favorable sentiment to Paraguay in this controversy, and I am not blaming Paraguay for doing so.

Mr. LONG. I wish to say to the Senator from Kentucky that any number of pronouncements have come from Paraguay, from their Congress, and from their representatives and from their Ambassadors, saying that this is a Standard Oil war.

Mr. LOGAN. But that is no proof of it. My point is that we do not have any right to make charges such as those that have been made in that regard.

Mr. LONG. Let me see if I cannot give the Senator from Kentucky some proof of it.

Mr. LOGAN. I do not say that the Senator cannot. I do not know that the Senator cannot, but so far the Senator has not said anything except made an assertion on his part that Bolivia has sold out to the Standard Oil Co. If the Standard Oil Co. is financing the war, I would say that it would have been much cheaper if she had bought the entire territory. It costs money to carry on a war.

Mr. LONG. Will the Senator further yield, Mr. President?

Mr. LOGAN. I yield.

Mr. LONG. The Senator is in error. They have financed it with the money of the people of the United States. They do not pay anything. They use our blood and our money. They floated $68,000,000 worth of bonds and they sold them in this country, and they are not worth a dime on the dollar now.

Mr. LOGAN. But that was before any war was declared down there, or any thought of war being declared. So far as I know anything about it, the Standard Oil Co. did not do it.

Mr. LONG. They used $5,000,000 of this money with which to pay Vickers & Co. in London for munitions of war.

Mr. LOGAN. I do not know anything about that.

Mr. LONG. That is the trouble; the Senator does not know anything about it.

Mr. LOGAN. I have no proof about it at all. It may be true. To show how little this oil controversy enters into it, if at all, and what a great mountain has been built out of a small mole hill, how great a range of mountains has been built out of a grain of sand, I will say to the Senator from Louisiana that in 1930 there were 56,000 barrels of oil produced in all Bolivia; in 1931, 25,000 barrels; and in 1932, 44,000 barrels.

In other words, the value of the oil produced in Bolivia during these years would not amount to $15,000 a year. Why would the Standard Oil Co. desire to go into Bolivia and carry on a war to get oil when there is more oil in Texas and Oklahoma than we know what to do with, and we are trying to prevent the sale of it at this time, we are trying to restrict the sale of it because the price is so low that it is not profitable for those producing oil to produce it today? So it is not necessary to carry on a war to get oil at this time.

Mr. LONG. Mr. President, will the Senator further yield?

Mr. LOGAN. I yield.

Mr. LONG. The reason that Bolivia did not produce more oil was because there was no means of transporting the oil out of Bolivia. The oil supply in Bolivia is estimated as being more than the available supply of any four States of America.

Mr. LOGAN. That is an assumption. And yet with our own States producing more oil than we can use, I cannot see why it would be necessary to fight a war and build pipe lines through another nation to get oil when we have more than we know what to do with.

However, that is beside the point. I think that the controversy between Paraguay and Bolivia but illustrates the importance of our becoming members of the World Court. I cannot understand why men should die, that women should be left widows, that children should be left orphans, that the taxpayers should be made prostrate—by a war simply over a boundary line between those two little nations. It is just like two farmers holding out about their cornerstones or where their line runs. The only reason why the matter has not been submitted to the World Court is because there are men there—and men throughout the world, as there are in the United States Senate—who insist that battles should be fought to the finish and that the questions should not be settled in a court where judges may determine the question.

I believe that the time will come when those distinguished Senators who are holding up to the world the idea that there can be no friendly settlement of disputes among nations will wonder why they ever took such a position.

There is but one way to settle a controversy such as the one under discussion. The parties to it should have taken that way. They probably would have followed it but for the fact that the United States of America, the greatest Nation in the world, the most powerful Nation in the world, has said, "We do not believe in and will not agree to the settlement of controversies by a court rather than by war; that we are unwilling to substitute law for war." They say the Court does not suit them. Perhaps it does not. But who is here suggesting some other means of settling controversies between nations other than by war? Who has any other plan to submit.

The question of our adherence to the Court has been dragging along for 13 years. Distinguished and able and honest men have opposed adding our moral force to that of the other nations to bring about the establishment of a court where controversies may be settled in a perfectly orderly way. I believe that the world will suffer because of the attitude that the United States of America has taken in this matter. I do hope that before the day is over we will let it be known to the world that America is looking forward, and that the day may not be distant when with one law we will bind the nations, tongues, and kindred of the earth, and that law will be the law of universal brotherhood.

I believe, Mr. President, that my time is up. I hope that we are not going to say to the world that we believe when controversies arise such as now exist between Bolivia and Paraguay that they should fight unto the death; that we will not encourage them to submit their controversies to a court of justice.

Mr. SCHALL obtained the floor.

Mr. LONG. Mr. President, will the Senator from Minnesota yield to me for the purpose of sending a reservation to the desk?

Mr. SCHALL. I yield.

Mr. LONG. I wish to send to the desk a reservation and ask that it be read. I shall not speak on it at this time. My only purpose in interrupting the Senator at this time is to have the reservation read.

The PRESIDING OFFICER. The reservation will be read.

The legislative clerk read as follows:

*Resolved*, That the adherence to the World Court by the United States is upon the express condition that awards which may have been made by the President and other officers of the United States under due authority of the United States or as mediators or conciliators, shall in no manner be affected or modified.

Mr. SCHALL. Mr. President, there are no words so powerful as "home and country." A flag is but a meaningless thing unless it be mentally associated with all it represents. Our flag means all there is of human freedom and human equality; it represents the highest degree of civilization to be found on earth; it has been the symbol of the most powerful, the most wealthy, and the most progressive Nation in the world. America, born in travail, baptized in the blood of patriots, reared in privation and hardship, mastering civil dissension, always breathing forth love of humanity, up to 1917 was the Hercules of the nations of the world. We played hard and fast for wealth, for social and political power, but we played with a shrewdness that seldom met defeat. The great mass of the people grew steadily more prosperous as the years passed by. We knew what poverty was; we had our hard times; but they were nothing as compared with the hard times that are here today because we tangled ourselves up in a European war, and then made the mistake of electing a personage of the same outfit that tangled us up in that war to get us out, and instead of getting us out has only got us in the deeper.

Before the election of 1932 we were well on our way to recovery. Industry had increased from 25 to 56 percent. The Democratic candidate for the Presidency said that it was because Wall Street wanted the Republicans to be elected. After his election our recovery still went on increasing. Farm products were up, wheat was over $1 a bushel. This same Democratic candidate for President, the President-elect, said that it was because the people had faith in him. He took office on the 4th of March and to be sure that his administration began with zero he closed all the banks in the country, 14,000 or 15,000 of them, as sound as a hound's tooth. Only a few hundred banks that needed closing. Did not have any war to work out his dictatorship upon as Wilson had, so he manufactured a war and called it a war on depression and immediately began his government of managed emergencies.

Twenty-five days after he had taken oath to uphold and defend the Constitution he crowded through the lower House a law that would have put a publisher in jail for 10 years for daring to publish anything that he did not O. K. Then came his attack on industry—over which he desired a dictatorship—and the N. I. R. A. was set up which, instead of "a chicken in every pot", placed a Blue Eagle in every window. It brought about the desired effect—it created chaos, and the rich grew richer and the poor poorer.

Combinations in restraint of trade flourished and grew while every little business man in the country was broken and kicked out. In the first year of this "national racketeer's association" alone it cost the consumers over $5,000,000,000 in increased prices. What the increase has amounted to since the first year I have not computed, but it would probably even be more than the first year.

In his further planned emergency he developed and put over the A. A. A. that the farmer might come under his complete control through chaotic conditions thus produced. So he plowed under his cotton and his corn and his wheat and he killed his pigs and his cattle and his sheep and his chickens, and today has the farmers on dole completely under his control. Thus, having shut down the banks and shut down industry and shut down upon the farmer, he now intends to shut down on the United States and take us into the League of Nations by way of the World Court, where a majority of foreign judges may clamp down on our traditions, our liberties, and aspirations of free men.

The Senator from California [Mr. JOHNSON] yesterday told us of the attitude and quoted the words of Presidents up to the time of Wilson. Not a President, beginning with the Father of his Country, to whom Senator JOHNSON referred as "forgotten men", but was opposed to our entangling ourselves in foreign alliances.

We elected a President for a second term because he "kept us out of war." Today in my office there are something over 1,500 telegrams from citizens of my State urging me to vote against our going into the World Court, which is only another way of saying going into the League of Nations and not one for. I take it that these wires are due directly to the tremendous influence of that great American, Father Coughlin. After the people voted to stay out of the war, within a month after Wilson's inauguration we were taken into the war.

It is of more than passing interest to note that attempts to involve the United States in European entanglements did not begin until the administration of Woodrow Wilson. Up to that time the United States was a debtor nation, although it was rapidly approaching the creditor stage, which was reached when Europe went to war with itself and was compelled to purchase almost all its needed materials from the United States.

England, France, and Italy realizing that they were about to be defeated by the Germans, set about creating in the United States propaganda bureaus for the purpose of drawing this country into the war on their side. These bureaus were set up in Washington and large cities of the country, and within a year they were flooding the country with arguments why the United States should enter the war on their side. The height of this propaganda was reached just before the second election of Mr. Wilson, and Mr. Wilson (very Rooseveltish) printed a campaign book and was reelected on the promise that he would keep us out of the war, but immediately yielding to the international bankers, he declared war on Germany and the United States for the first time in its history was plunged into European entanglements.

We know we won the war for England, France, and Italy, but we won more than that; we also won financial supremacy of the world. England, France, and Italy, knowing this, instead of disbanding their propaganda bureaus in the United States, turned them into League of Nations press agencies. Knowing they could not defeat us at arms, they decided on intrigue, because they were determined to wrest from the United States the financial supremacy which the war had given it. The average citizen knows considerable about this propaganda. He has been getting it for breakfast, lunch, and dinner. These press agencies coined the slogan, "Be broad—be internationalists." We have read, seen, and heard this slogan for more than 15 years, and now we hear it not only from the League of Nations press agents but right here in the Senate of the United States.

Woodrow Wilson, whose failing health had resulted in a changed mental state, was taken to Europe, feted, and dined. He was taken up on the mountain and shown the League of Nations, and, we are lead to believe, promised he would be made its first chairman if he would rope the United States into this European mess. They told him by being made chairman of the League he would in reality be "king of the world", and Wilson had illusions of grandeur. So they made Wilson the disciple of the League and sent him back to the United States to fool the people of this country into this European trap. The League is controlled by England through the fact that England has 8 votes to our 2, and should we enter this foreign body England would be placed in the same position toward the United States as she was when the United States was one of her colonies. In other words, without a war—which England could not possibly win—England was getting back her American Colonies. It was a clever trick and Wilson was led into the trap. We were following in the footsteps of Washington, but our President's heels were where the toes of Washington used to be.

Everyone knows what happened. Wilson came back to the United States and declared he was going to take the stump to defeat every Senator who would not agree to vote for these foreign entanglements. It is sad to relate what happened but it must be as a warning to those who would thoughtlessly abandon our traditions. Wilson's first speech was to be at Colorado Springs. He reached his destination. He began his tirade asking his hearers to defeat those Senators who would not vote to put the United States into the League of Nations. You remember what happened. In the midst of that speech he was struck dumb and had to be carried from the platform. This was his first and last speech for the League of Nations. And I believe that God still rules even though ambitious men may be beset with illusions of grandeur. The United States is not going to be destroyed from within or without and I believe it is because we have been an honest Nation giving of our store to all nations in need and offering a haven of refuge to those oppressed of other nations and I say in all seriousness and sincerity I think God is still greater than Mr. Roosevelt, and I firmly believe the spirit of God will be awakened in the breasts of enough Senators here today to defeat this international conniving to destroy the United States though it may honestly seem to those who have been misled, a good thing, but the Good Book tells us, "Beware of evil, appearing as a cunning fox, a roaring lion, or an angel of light."

We were implored by the same nations that now repudiate their debts to us and call us Uncle Shylock and Uncle Sham; they told us they were on their last legs, and asked us to come in and save them. They cried, "Help us, America, or we sink."

So we went into the war and spent $42,000,000,000, besides the twelve billion we loaned them. We raised 4,000,000 men, 2,000,000 of whom were shipped across the sea, and if it had not been for our boys that war never would have been won by the Allies. It was the Americans who won the war. That war was won because those boys who won it grew up here in a country where men can grow souls and where liberty, or some semblance of it, still remains, despite the ambitions of a dictator. For 3½ years that war had been going on and it was a stalemate. Troops of opposite sides would dig themselves in and there remain. Only now and then, when the Germans made an attack, would the war be on.

I was in Paris when Paris was moving out because the French thought there was no resisting the German Army that was steadily marching on toward Paris. The German Army had secured a great hill, had set its guns there, had cleared the road for miles ahead, and was coming on, five German divisions, headed by the Crown Prince, with the Prussian Guard as his escort, at the rate of 5 or 6 miles a day as steadily as clockwork. The French were retreating. German patrols were captured within 6 miles of Paris. Then Foch, thinking to avail himself of the man power that had come over from the United States, but having no idea that the soldiers in the American Army would make very good soldiers, picked up four regiments, the Fifth and Sixth Marines, and a couple of other regiments, loaded them into trucks, and forwarded them to the front to meet the German Army that was coming on and that no one thought could be stopped. There the American regiments were unloaded in the mud, and at break of morning 15,000 Americans met five German divisions and turned them back. The history of the world was changed. That action brought in its ultimate end victory for the Allies; it gave them the victory and gave them the spoils of the war. Yet today the nations of Europe who were our allies will not even pay the little debt which is owed the United States and the money for which was raised by the people of this country.

These American soldiers, raised in a free country, did not fear to die. The European soldier is a good soldier, but he cannot meet death without company; he has got to have the elbow of his companion next to him; he has got to hear the tread of the soldier behind him and to see the form of the other one in front in order to die; but the American soldier does not fear to die alone; and it was because of that that those five German divisions were stopped. Our boys met the enemy. They were green; they were raw; they were not soldiers in the sense perhaps that European countries know soldiers; but they were men who did not fear to die. They spread out 5, 10, 15, 20, 25 feet apart; and, taking, advantage of rock and tree or whatever cover was afforded, they made their stand; they fought and they died by the hundreds, but they turned back that horde. So victory came to the Allies because of 15,000 Americans, born in a country where liberty was their birthright, where they could discuss this question or that question with their neighbors, where they could read newspapers not censored, in which every question and every phase of every question was taken up. They had grown to be men; they had grown souls.

Oh, Mr. President, that is why God reared this country of the United States, so as to have a place where men could grow souls and give an example to the rest of the world how to grow and how to come near akin to God, Himself.

This country was made by the brave hearts that came across here in the early days when it took courage. Courage,

Senators, is an attribute of God. This country was built upon the teachings of Christ, so that men could be free; and from its beginning down to the time when Wilson took us into the World War, we never thought of entangling ourselves with the hatreds and ill feelings of Europe. Beginning with that period we have gone down steadily.

At the close of the World War we were perhaps the greatest creditor nation of the world; but, Mr. President, where virtue is, there vice will stain her spotless purity; where liberty reigns, there tyranny and sordid treason seek to undermine her throne and trail her fallen emblems in the dust. Foes within and foes without threaten; foreign jealousies, the corruption of our trusted servants, vice, social discord, are endangering the treasures of liberty's temple; but as surely as the sun rises will it shine upon millions and millions of her defenders, upon the same kind of boys who dared bare their breasts over there in a foreign country to win the World War for our Allies.

Senators, it is not in the shedding of blood that today's victory is to be won; it is by an understanding of what the United States is. Why should it have gone into the World War? It never should have been taken into the war. There was no need for our going into the war; but in we went, and the result has been catastrophe after catastrophe; and catastrophe is here today. We were taken into the war, and now the effort is made to tie us up with the dire results of that war.

We had sense enough, due to the brave men who served in the Senate at the time, some of whom are still here today, such as the Senator from California [Mr. JOHNSON] and the Senator from Idaho [Mr. BORAH], and the Senator from Oklahoma [Mr. GORE], and others, who are no longer here, such as Jim Reed, of Missouri, and Lodge, of Massachusetts, and Moses, of New Hampshire, to keep out of the League of Nations. They were God's instruments. They stood like Ajax defying the lightning, like Leonidas at the pass of Thermopylae, and headed off our being dragged into the League of Nations. And the fight that that old guard of our country's virtue has put up here in the last few days will still, I believe, be upheld by the hand of God.

Mr. President, why forsake the policies that have proved to be of great value and have made us the greatest Nation in the world? Talk about getting into the League of Nations, getting into the World Court, and increasing our foreign trade!

As you know, Mr. President, our foreign trade today amounts to only 2½ percent of our entire production, and in our palmiest days it never amounted to more than 5 percent. What will foreign trade bring us if we regain the 5 percent and lose the soul, the traditions, the ideals that God planted here in our country, so that we might hold aloft a beacon light to the rest of the world until other nations have grown to our understanding of what the Master taught, "Peace on earth and good will to men"?

In my opinion, Mr. President, the depression in this country could be ended within 60 days if we would live within our means; if we would make our own people make the goods and raise the food that we consume ourselves. Ninety-five percent of our normal production consumed at home would put us on the prosperous street immediately. We are dingling and dangling about going over to Europe and running the affairs of Europe. We ought to have been taught in the last war that European promises mean nothing, that entanglements over there mean nothing but trouble and travail to us.

Do you know that there are 37,000 foreign agents all known to the War Department Intelligence Bureau—37,000 foreign agents here to deprive us of our independence? They are paid by foreign money. They are here. They are all for our going into the World Court. They are all for our joining the League of Nations, where we would have 1 vote and Great Britain, 8. They are all here, 37,000 of them, and their special mission is to spread propaganda over this country to get us to reduce the tariffs. They want our markets.

Why, today, my friends, if an embargo were put on the blackstrap molasses that is being shipped in here, that makes our commercial alcohol, and, I fear, some of our other alcohol—if an embargo were put on that which would shut it out, it would be said, "Oh, but that would shut out the Astors and the Rockefellers and those fellows down there in Cuba! That would not be just right." If we shut them out, there would be no need of plowing under corn and plowing under other crops, because the farmer of this country could raise corn, and we would make our alcohol from it, and he could get a good price, at least a dollar a bushel, for his corn, and there would be no need of plowing under corn, killing pigs, and doing these other things that today have destroyed what market we did have.

Today coal is being shipped in from England, potatoes from Ireland, and just recently the tariff on sugar from Cuba has been reduced, and the tariff on potatoes, from 75 cents to 30 cents. Iron ingots are shipped in here from India, and we collect a duty at least six times less than England demands from this same India, which is a part of her own empire. The richest iron mines in the world in Minnesota are lying idle. Belgium agents are here today, right now, dickering with our State Department to put our glass and lace industries out of business. Only a short time ago I read in the paper 22,000 men were thrown out of employment of making glass in West Virginia, and still we give our President the absolute power, unconstitutional though it may be, to make treaties in his own right, and reduce our tariff 50 percent without asking even, if you please, from the representatives of the people. No wonder President Green, of the American Federation of Labor, says that there are a million more men out of employment today than when this administration started. Nearly 12,000,000 men out of employment, and we are continuing to buy our stuff in foreign markets. Why not put our own people to work raising the food and making the things we need and sell them to our own people? We could use today 97½ percent of our own production right here at home, but that would not earn the salary of the 37,000 foreign agents in this country.

Their business in Washington is to break down tariff barriers and force foreign goods made by cheap foreign labor into the markets of the United States. Every one of these alien-minded propagandists is openly advocating press censorship. The reason is not strange. The last two sessions of Congress voted secret tariff hearings and virtual dictatorship powers to Mr. Roosevelt. In the past these foreign emissaries were dependent for their success on the reaction they were able to develop on the people of the United States. But since we now have a complete dictatorship, it is no longer necessary to take the public into their confidence before securing decisions favorable to foreign countries. The only fly in the ointment for these foreign allies is the fact that the newspapers still have the freedom for criticizing un-American and unfair decisions. Hence the press censorship is a very necessary weapon.

It is impossible to list all the activities of these European and Asiatic agents who are attempting to destroy the United States by this form of intrigue. A few examples explain very simply their methods. The representatives of the French lace industry have about succeeded in closing all our lace factories so that lace made by French and Belgian peasants in sweatshops may flood this country. More than 50,000 persons dependent on this industry in the United States will shortly be unemployed.

A corps of highly paid secret agents is now employed by foreign molasses interests in holding open our ports to the entry of their blackstrap. If Mr. Roosevelt would stop the importation of this product, corn would sell at $1 per bushel, regardless of the amount we produce. In other words, the millions of barrels of industrial alcohol now made from blackstrap would be produced from corn. Another group representing foreign sugar interests has succeeded in blocking the production of sugar in the United States. The United States produces but 20 percent of the sugar it consumes; and were we to take our excess wheat land and plant it in sugar beets, we could retain $200,000,000 which we send each year to foreign countries for sugar and be further assured that there would be no overproduction of wheat.

While our farmers starve, another contingent of foreign manipulators is shipping millions of pounds of frozen and canned beef and pork into the United States. Incidentally, Mr. Roosevelt, who wants to "save" the farmers, has been purchasing the meat for the C. C. C. camps from the Argentine Republic. By the way, I understand the President wants to increase this C. C. C. camp to a million men. Three hundred thousand of them today are costing $100,000,000 more than the standing Army.

A legion of foreign agents is working night and day in Washington destroying our industry and our agriculture. We are importing cotton from British Egypt, gunny cloth from British India, blistered copper from Canada and Africa, while our copper mines remain idle—china, glassware, shoes, electric-light globes, and every other conceivable article of manufacture. Milk and cream come from Canada, canned tomatoes from Italy, green peas from Mexico, hides and cheese from Australia. Surely this army of 37,000 foreign agents needs the protection of a press censorship which they pretty well got; and if they can get us into the League of Nations by way of the World Court, they will have furthered their designs upon our liberties and our market.

We loaned $12,000,000,000 to some 12 or 15 countries over there. The money was gathered from the people of this country; bonds were sold them; the Government borrowed the people's money, agreeing to pay it back in 25 years with interest of from 3 and 3½ to 4 and 4½ percent, and I think in some cases as high as 5 percent, but the average was about 4 percent. This money was loaned to European countries. One billion three hundred million dollars was loaned to France after the armistice. Yet they tell us, "We cannot pay you a cent." Although France has loaned something like $17,000,000,000 since the war to other nations, yet she cannot pay the United States one penny.

Finland is the only honest nation that seems to exist over there. Yet we want to go in and entangle ourselves with that kind of folk. If we do, we are "suckers"; if we do, we have lost all the brains we ever had. Why go in over there? Let us take care of our affairs at home; let us build up our own markets; let us put an embargo on everything that is made in the United States and sell it to our own people; and to hell with Europe and the rest of the debt-canceling nations. Keep out of there; keep out of there. Why go in? Why go in and tangle us up more? We loaned Europe $15,000,000,000 privately.

Oh, we thought, we will get that back. Tell me the international bankers are not interested. They think if they can get us into the League of Nations along with the World Court by this trapdoor, they will get that back. Why are we going in? To cancel the public debts they owe us!

There is brewing today another war. That was affirmed by the distinguished leader of the majority in his statement in the newspapers when he came back from Europe last summer. This war, as we now know, and as the Senator from California [Mr. JOHNSON] said the other day, was brewing even when a certain foreign representative stood in the Senate and spoke to us, his pockets bulging with secret treaties, and yet he was begging us, for God's sake, to come and help them. And we helped them and won their victory. Out of that victory was constructed—because of the secret, selfish, stealing agreements entered into previous—and during the war—a hideous, leering monster of future wars—the Versailles Treaty. Out of that monster grew the League of Nations, and out of the League of Nations comes the World Court, part and parcel of it. Can the leopard change its spots? Can any good come out of this fraud, hypocrisy, deceit, lies, injustices, selfish promise-breaking, ungodlike conglomeration of hate and jealousies?

So we went in to make the world safe for democracy. We made it free for dictatorship and tyranny and bureaucracies all over the world, including the United States. We have 44 bureaucracies of our own and 13 commissions today. That makes 57 varieties of Heinz's pickles that we are in. [Laughter.]

Bureaucracies? We have 75 volumes of laws made by some dinky little clerk in some back room somewhere, 75 volumes of laws, and 5,000 laws on top of those 75 volumes of law, and yet our Constitution says that this is a country of law.

That is one of the reasons we should go into the World Court, to tangle the people up a little more, to go in and help the Rothschilds, the Rockefellers, the Deterdings of the Dutch Shell Oil, to create a greater chaos than we have today so that the dictatorship aimed at cannot be missed and will have the assurance and backing of that foreign element so well served. Yes, we should get in over there and help the big international bankers grind us down some more, destroy our standard of living, destroy us, and take away from us, regiment us, lockstep us into a poverty-stricken, humble, cringing manhood and womanhood such as exist in Europe. We should be "raised" to the high level of the peasantry of Europe.

Why did Europe bring about that war? They wanted to get rid of Germany, to get possession of the business of the world she had. They got rid of her, but today there is growing another nation that is taking the place of Germany. That is Japan. Japan is going into every market of the British Empire. She is coming in here. Everywhere there is a little crack open; like the roots of the trees, she digs in. They want us to join the World Court so we shall be a part of the League of Nations, so that we can loan the money to Russia perhaps to whip Japan or possibly to whip her ourselves, because they will not do so. That has been their method all down through history, to get somebody else to do their fighting, to get somebody else to furnish the money.

We loaned $12,000,000,000 to these nations of Europe. We gave it to them freely. We gave it to them when their backs were to the wall. We shipped our boys over there; and for every boy we shipped over there on English ships, we paid England $140 to $180, and this was to fight England's battles. We paid cash all the way through. It has been said on the floor of the Senate, though I do not recall who said it, that we made money out of the war in reference to France.

I am told on good authority that the exchange between France and the United States is something over $100,000,000 in France's favor, and that includes the war debt she still owes us. That is to say we furnished her goods for the amount of the debt, but we bought from her and paid cash for $100,000,000 more than her debt to us.

In addition to paying England these amounts by way of cash, we loaned her $4,715,000,000. Then after the war we got together and made a settlement. We threw off everything and gave them everything they wanted and finally accepted their proposition, which was to pay 3.7 percent over a period of 62 years and the principal would be forgiven. That was the contract we made.

We loaned France something over $5,000,000,000—I think it was $5,700,000,000—and we deducted from that over $1,000,000,000, although we had loaned her $1,000,000,000 after the armistice. That debt was finally settled at $4,400,000,000. That included a great amount of supplies we had sent over there. At the close of the war those supplies were in France, and we did not want to ship them back, so we sold them to France at 10 percent of the value and took her notes without interest.

It is a peculiar thing, and it only shows which way the wind is blowing, but it shows the understanding over there and how far we can go and how far we can trust that kind of folks. The agreement was that none of those goods should come back into this country, but should be kept in France and should be given to the French people. Hardly had we returned home when shiploads of shoes and clothes of all sorts from those supplies began to appear in this country. Congress hurriedly had to enact a law prohibiting such shipments coming into this country. That is how they keep their word.

The $4,400,000,000 debt of France was settled by our throwing off something over $1,700,000,000. That is what France wanted. They said they would pay 2.17 percent interest on that amount for a period of 62 years, and we said their debts would then be forgiven. Those payments were

very low at first, in order that they might be able to meet them. We wanted to place no burden upon anyone.

There was Belgium that owed us something less than half a billion dollars, and wet settled with her. She was to pay 2.1 percent. There was Italy, with a debt of $3,150,000,000, and we settled with her for an interest rate of 1.1 percent. The average percent for which we settled these foreign debts to be paid over a period of 62 years was about 2 percent, and still our Government was paying on the average of 4, or perhaps 4½ percent to the people of this country, and in 25 years the principal must be paid. It is costing us in interest alone nearly $800,000,000 a year.

No wonder we are in bad shape here. No wonder our Budget leaks. No wonder that somebody ought to stand up here and insist upon our rights. Why should the taxpayers of this country, burdened as they are, be cheated out of the payment of these legitimate debts? We gave our Allies 125,000 lives, and $42,000,000,000 was spent in their behalf. Why should not they pay the little debt remaining, made easy by the payment of a small rate of interest over a period of 62 years? Yet they default and say, "We will not pay it." They say, "We will get you fellows into the League of Nations or into the World Court, and we will wheedle you out of it all then."

That is why we are going into the World Court. That is the purpose today in getting us into the World Court, to rob us some more and to make us fight their battles. They are going to see to it that the hand is laid upon our shoulder to take care of Japan in the coming war. Japan must be throttled. She has to be floored, according to Europe, or the commerce of the world, the manufactures of the world, will be going to Japan. I notice in the morning paper Japan is making automobiles, and is making them in quantity production. She is going into the business for keeps. Therefore we have to go into the League and we have to go into the World Court and we have to loan money to Russia, or else fight the battle ourselves.

Oh, my friends, let us take to heart the experience of the war. That is why the 2,000,000 boys who went across the sea are opposed, to the last man, to our going into the World Court. They were over there, and they know. Those 15,000 boys in the troops going to the front were met by French troops and were told, "Go back. Go back. You are crazy. Sure death is ahead." But our boys went ahead and met and turned back a German army of five divisions. It was the beginning of the end. In 6 months our boys cleaned up and the war was won, because they grew up in a free country, God's country, a country reared upon the teachings of Christ.

Senators will all remember the story of the time of the advance, when the American salient was away out in front. The Allies on either side of the salient, driven into the heart of the enemy by their advance, were dismayed. The French commander tried to hold the Americans back. He called an American officer before him and "put him on the carpet." The American defended himself by saying, "How in hell do you expect me to hold them back when the whole German Army cannot hold them back?" [Laughter.]

That is the American soldier. That is the boy who is being pulled down by this administration. He is the fellow the administration jumped on first. It was a Democratic administration that conscripted him and put him in there in the first place.

When the squeeze came from the very war they put us into, the first thing the administration did was to cut their compensation, and now it refuses to give these boys $1.25 a day bonus. Each boy was to get $1.25 a day for the time spent over there. It does not make any difference whether we pay it now or pay it 10 years from now—we owe it. Why not pay it when it will do the thing we want done, right now? It would be far better than spending the money in the silly way we have been. But the administration said, "We will take it away from him now to balance the Budget." The sum of $400,000,000 was pulled out of the soldier in that way. They succeeded in pulling out $400,000,000, and yet they are paying something over $750,000,000 interest on the debt that our noble Allies have agreed to pay, and still will not pay. They cut the soldiers' compensation, deprived him of his bonus, and now shake hands with the nations that have defaulted in the payment of our money that would more than take care of these financial troubles. Yet we intend to go into the World Court, we intend to go into the League of Nations, to allow them to kick us around some more.

God help us that somewhere and somehow the thought may be in the hearts of men who will vote here today that they may know that their country is at stake and will stay out of these damnable international alliances that every President down to Wilson told us to keep out of.

The PRESIDING OFFICER (Mr. LOGAN in the chair). The time of the Senator from Minnesota on the resolution has expired. He has 15 minutes on the pending reservation.

Mr. SCHALL. Very well; I shall take my time on the pending reservation.

I was a delegate to the Republican convention of 1920. I had the great honor to be invited to second the nomination of the Senator from California [Mr. JOHNSON] for the Presidency. It is too bad that he could not have been prevailed upon to accept the Vice Presidency. It was offered to him. He could have had it just by saying "yes."

The Senator from Nebraska [Mr. NORRIS] has pending an amendment to the Constitution to do away with the electoral college. It should be passed. Our conventions meet on a strip of "no man's land" over which neither State nor Federal Government has any control. That is true of all Democratic conventions as well as of Republican conventions.

Our party nominees for President should be named by the voters. Had this been done, Senator JOHNSON would have been nominated and elected in 1920.

Any political convention that has a chance to elect a President attracts the foreign eye. I was told that at the 1920 convention there was enough foreign money present to pay off the German indemnity.

Since the war foreign countries have taken an extraordinary interest in the nominations of our Presidents in both Democratic and Republican Parties. Our present President up to the time that he took the Governor's chair in New York was a member of the board of directors of the International Bankers Association; and speaking of the governorship of New York, there was $80,000,000 in the state treasury when he came in, and when he left there was a deficit of $90,000,000. He is some spender.

I heard two Negroes quarreling in that convention of 1920. One of them had received $3,000 and the other one only $2,500, and the fellow who got $2,500 was sore. [Laughter.]

My friends, there is too much foreign influence here. It goes right into our political conventions, and through preconvention promises follows through to our country's detriment.

The defaulters and their appointees constitute the main and controlling body of this Permanent Court of International Justice to which, by our ratification, we are to subject our future international destiny. When we vote to ratify this League protocol, we vote that future questions of international justice involving the United States shall be settled in this Court of defaulters—and we bind ourselves in advance to abide by their adjudications.

We vote to submit our international questions to the adjudication of a European cartel, or conspiracy, that already has robbed us of $12,000,000,000.

If the League signatories are false to the extent that they default on their bonds, of what value are their treaties and their protocols? Are their protocols worth more than their bonds? What permanent justice can we hope to receive from those who have swindled us out of $12,000,000,000? Having had that many billion dollars' worth of experience, how much more do we want?

Shall we authorize this crime by ratifying the League protocol? Shall we shake hands across the sea so far as concerns the past war and war debts, and proceed to lay the foundation for another European war bund that may destroy civilization—except that remnant of it that is represented in war profits and war lords?

Finally I have just one question to ask of each individual Senator before he records his vote on this resolution to ratify the League's protocol. Have you any doubt that if the people of your State had the casting vote from your seat, they would overwhelmingly vote "no"? Is there any question that if this protocol were submitted to the people of the United States in the form of a referendum, they would vote "no" by a majority of perhaps 10 to 1?

Have we government by the people at this hour or government by Europe and the international bankers?

Mr. AUSTIN. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Adams | Connally | Keyes | Pope |
| Ashurst | Coolidge | King | Radcliffe |
| Austin | Costigan | La Follette | Reynolds |
| Bachman | Couzens | Lewis | Robinson |
| Bailey | Cutting | Logan | Russell |
| Bankhead | Davis | Lonergan | Schall |
| Barbour | Dickinson | Long | Schwellenbach |
| Barkley | Dieterich | McCarran | Sheppard |
| Bilbo | Donahey | McGill | Shipstead |
| Black | Duffy | McNary | Smith |
| Bone | Fletcher | Maloney | Steiwer |
| Borah | Frazier | Metcalf | Thomas, Okla. |
| Brown | Gerry | Minton | Thomas, Utah |
| Bulkley | Glass | Moore | Townsend |
| Bulow | Gore | Murphy | Trammell |
| Burke | Guffey | Murray | Truman |
| Byrd | Hale | Neely | Vandenberg |
| Byrnes | Harrison | Norbeck | Van Nuys |
| Capper | Hastings | Norris | Wagner |
| Caraway | Hatch | Nye | Walsh |
| Carey | Hayden | O'Mahoney | Wheeler |
| Clark | Johnson | Pittman | White |

Mr. LEWIS. I rise to reannounce the absence of certain Senators, and give the reasons therefor announced by me on the previous roll call.

The PRESIDING OFFICER. Eighty-eight Senators having answered to their names, a quorum is present. The question is on the reservation of the Senator from Louisiana [Mr. LONG].

Mr. LONG. Mr. President, this afternoon my friend the junior Senator from Kentucky [Mr. LOGAN] spoke about the Bolivian-Paraguayan War. I am sorry he is not in the Chamber at this time. I will ask to have a telephone message sent to him asking him to come here.

The Senator from Kentucky, with some participation from the Senator from Arkansas [Mr. ROBINSON], has just fallen into error relative to what caused the war between Bolivia and the Republic of Paraguay. Some of my statements relative to the matter have been challenged by the Senator.

On yesterday the Senator from Kentucky said that the award made by President Rutherford B. Hayes did not bind Bolivia. The Senator from Arkansas observed that his understanding was that the League of Nations had expressly excluded from the controversy that part of the territory in the Chaco that had been awarded to Paraguay.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. ROBINSON. I think the Senator from Kentucky [Mr. LOGAN] was entirely correct when he said that an arbitration between Argentina and Paraguay did not bind Bolivia. It is also true that the League of Nations, being one of a great number of agencies that have tried to compose the controversy, issued a map expressly showing that the territory comprehended in the Hayes award should be excluded from any arbitration between Bolivia and Paraguay. The map issued by the Chaco Commission—a commission appointed by the League of Nations—showed that the purpose was to exclude from arbitration the territory awarded by President Hayes. I do not know whether or not the Senator from Louisiana has seen the map.

Mr. LONG. I have never seen the map.

Mr. ROBINSON. The map which I now exhibit to the Senator is one which was submitted with the report of the Commission. It shows the Hayes zone excluded from arbitration. It shows the zone occupied by Paraguayan police, and another zone occupied by Bolivian police.

In the Senator's time, if he will permit me, I will say that since the Paraguay-Bolivian controversy has not been referred to the Permanent Court of International Justice, and as the Court cannot take jurisdiction of it unless the respective countries shall so refer it, I am utterly at a loss to understand how this controversy can be settled by the Senate, especially while considering the resolution of adherence to the World Court protocols.

Mr. LONG. Mr. President, I take it, then, that the League of Nations are as much confused as the Senator's statement would indicate. They do not know whether or not they are going in there to annul the Hayes award. There is a map issued by them in which they say that the part included in the Hayes award is not to be affected.

Mr. ROBINSON rose.

Mr. LONG. Let me say, before I yield further, that this was was not started by the Bolivian Government as such. This war was precipitated by the flotation in the United States of a loan in the sum of $68,000,000. After this loan of $68,000,000 had been floated in the United States there was an inquiry before a committee of the Senate in which the senior Senator from California [Mr. JOHNSON] developed that $5,000,000 of that $68,000,000 had been loaned expressly for the purpose of paying Vickers & Co. for war materials that had been furnished to Bolivia.

It developed that, while they were not floating these loans in the United States for the purpose of buying war materials, they did float loans to pay the Bolivian Government's creditors for whatever war materials had been previously purchased. In other words, all the provisions of international law that prohibited the Department of State of the United States of America from floating loans in the United States in order to encourage war were violated by the State Department here in Washington, if we simply regard that floating them in order to give the Government's money to pay for war materials is the same thing as floating them for the purpose of buying war materials. That was brought out.

They started this war after the Standard Oil influences had palmed off upon the people of the United States $68,000,000 of bonds, which are now in default—bonds that will never be paid, the interest on which probably never will be paid—after they had put all over the United States bonds that are no longer good for anything but wall paper. Then comes a pronouncement from the President of Bolivia.

What was that pronouncement? He went before the Bolivian Congress and said, "We have found immense quantities of oil here in Bolivian soil." Let us admit that it is on Bolivian soil. Right now I will not argue that. He said, "We have found quantities of oil on Bolivian soil, but", he said, "it is impossible to get this oil to the deep water. The only way that we can reach the deep water is to go either through Argentina or through Paraguay, and", said he "we cannot go through Argentina."

Everybody knows why they could not go through Argentina. It was too large a country for them to try to go through. "But", said he, "we can reach the deep water by going south, not to the Pilcomayo, but by going south to the River Paraguay", which the Hayes award, Mr. President, shut them out of, lock, stock, and barrel; where they had no right to go. The war was declared by reason of the message delivered to the Bolivian Congress by the President of the Republic of Bolivia that they had to have a right-of-way through the territory down to the Paraguay River. Why? The River Paraguay is about 15 feet of water, whereas the Pilcomayo might run anywhere from 5 to 9 feet. That is the reason they had to go into the Hayes zone rather than to exclude it.

My friend from Kentucky [Mr. LOGAN] has been reading, no doubt, some of the Sunday-school lessons that I used to read—Standard Oil boiler-plate lessons.

Mr. President, the good people of this country need someone to protect them who has had some barroom experience. It has gotten to be a positive fact that until some man with barroom experience protects these Sunday-school classes they will find themselves marching under the standards of the Power Trust and the Standard Oil Co. for the balance of their lives. They have got to get outside help.

The Rockefeller interests have subsidized every theological seminary in the United States today. There is hardly a theological seminary to be found in the United States of America which is not directly or indirectly receiving money from one of these Rockefeller foundations or agents. There has never been a doubt that everything put out by John D. Rockefeller, John D. Rockefeller, Jr., the Standard Oil Co., the Rockefeller Foundation, or any other kind of Standard Oil ointment, has brought back to their coffers in return for those kinds of alms 15 to 1,500 times what they have ever given out.

One of their agents came to me down in Louisiana a number of years ago and said, "Governor LONG, we think we can get the Rockefeller Foundation to give the Louisiana State University some money." I said, "That is very fine, but you just tell them to keep it. They are going to give it without their having to send it to me. I will have some other way of doing that." And every time any little old conflict comes up you will find that the Power Trust or the Standard Oil Co. or these various and sundry foundations, with the announced purposes of promoting peace and promoting public good, have been haltering the American people and taking them from 1,000 to 2,000 to 3,000 miles away to break the necks and to cut the throats of the American people and to drink their blood to fatten themselves on it. So now they come here with this World Court.

My friend from Kentucky this morning said that he would not say that all the officers of the Standard Oil Co. are crooks. I do not say so either. But I want to tell you, unless they are careful they are getting close to it. [Laughter.] I do not say they are all crooks; no. He said he would not say that all the laboring people that work for them are crooks. Well, I would not say so, either, but unless they watch they are getting closer to it by working for Standard Oil Co. if that company can make them so.

Senators heard about this citizens' army in Louisiana that surrendered the other day, Mr. President. It was said that there was an army of outraged citizens of about 50 who were captured down there. I send to the desk the names of 34 of them, all employees of the Standard Oil Co., that they had armed with shotguns down there defying the law.

I send a list of the names to the desk and ask to have the clerk read the list.

The PRESIDING OFFICER. The list will be read.

The Chief Clerk read as follows:

H. Lee, M. P. Payne, D. E. Kirk, E. G. Crochet, Grady A. Turner, Edward J. Crochet, Julius Brown, E. L. Dickson, W. H. Mercer, A. F. H. Cavell, J. T. Wilson, Thomas O. Day, A. J. Costell, W. E. Foil, L. E. Jones, Jack M. Beechem, Louis Kelley, H. J. Ferguson, H. D. Pritchard, T. H. St. Amant, Jerry Price, Lee Pritchard, John W. Perkins, T. B. Landry, C. H. Amacker, A. S. Lebeau, J. B. Barman, Allen Fairbanks, E. R. Graham, E. B. Herron, E. E. Lear, A. P. Babin, and C. V. Fridge.

Mr. LONG. That, Mr. President, is done just in order that my friend from Kentucky [Mr. LOGAN], and others who feel like he does, may know that the employees of this corporation are gun-won whenever necessary for the aggression and aggrandizement of the Standard Oil Co., and they cannot help themselves.

With regard to the political influence of the Standard Oil Co., I read from an article that has come to me from a source which I believe to be absolutely reliable, from the best information that I have been able to get:

The political influence of the Standard Oil Co. in Bolivia is decisive, for we find that the economical life of the nation is practically in their hands; they have control of the stock of the central bank—

No one can borrow money there except he borrows it from a bank of which the Standard Oil Co. owns a majority of the stock. Almost as bad as the United States in that regard—

they have control of the stock of the central bank, and the most weighty politicians are their lawyers and employees, such as Senor Casto Rojas, actual Minister to Buenos Aires; Carlos Calvo, ex-Minister of Foreign Relations, and the present Minister to Rio Janeiro.

Lawyer for the Standard Oil Co. sent to Bolivia as the Minister to Brazil—lawyer for the Standard Oil Co.

The ex-President Baustista Saavedra and the Dictator Siles were also retained by the Standard Oil; also the Dr. Daniel Sanchez Bustamente (recently deceased), of enormous influence in the international policy of Bolivia.

As is known, Bolivia does not need nor will she need a port on the banks of the Paraguay River.

For this reason the Lieutenant (Bolivian) Reynold, who fell in Boqueron, wrote in his diary of the war—

This soldier who fell on the battlefield, there was found in his diary—

Bolivia is being bled in the Chaco for the interests of a very rich dame, the Standard Oil Co.

That was in the diary found on the person of one of those who fell in the Bolivian Army.

Mr. President, I do not wish to prevent a vote. I am ready for a vote on this question.

The PRESIDING OFFICER. The time of the Senator from Louisiana on the reservation has expired.

The question is on the adoption of the reservation offered by the Senator from Louisiana.

Mr. THOMAS of Utah. Mr. President, I feel that a word should be said about this reservation in all seriousness. It provides:

That the adherence to the World Court by the United States is upon the express condition that awards which may have been made by the President and other officers of the United States under due authority of the United States or as mediators or conciliators shall in no manner be affected or modified.

If we should adopt a reservation of this type, we would, of course, be doing that which could not be done in any government wherever law and order prevail. The reservation is so broad in its nature as to suggest that actually we try to put an inhibition upon a court in regard to past decisions which that very court has made. That is the spirit of this reservation. Of course, the reservation has no place here, and I think it is apparent to all that not much more than that need to be said in regard to it.

Mr. ROBINSON. Mr. President, I support the position taken by the Senator from Utah [Mr. THOMAS]. The effort in the reservation is to prevent any readjustment of any question that has been submitted to arbitration, and I do not think the Senate wishes to put itself in the attitude that, in going into a court, if it should be found necessary to revise an award the court should not be permitted to exercise jurisdiction. I am ready for the vote.

The PRESIDING OFFICER. The question is on agreeing to the reservation offered by the Senator from Louisiana [Mr. LONG].

The reservation was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the resolution of adherence.

Mr. THOMAS of Utah. Mr. President, I suggest that we next consider the reservation offered by the Senator from California [Mr. JOHNSON], as follows:

*Resolved further*, as a part of this act of ratification, That the United States approve the protocol and statute hereinabove mentioned with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can be had only by agreement thereto through general or special treaties concluded between the parties in dispute.

Mr. THOMAS of Utah. Mr. President, I should like to speak on this reservation.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. THOMAS of Utah. I yield.

Mr. JOHNSON. Does the Senator offer that reservation?

Mr. THOMAS of Utah. Does the Senator from California offer it?

Mr. JOHNSON. No.

The PRESIDING OFFICER. The Chair will state that the reservation is not as yet before the Senate and will not be until it is offered by some Member of the Senate.

Mr. THOMAS of Utah. Then I wish to offer it as a reservation for immediate consideration.

Mr. JOHNSON. It is the Senator's right to offer it. I do not offer it. It is his right to offer it, or the right of any Senator on the other side to offer it, but let it be understood whence it comes, and that I do not now offer it.

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Louisiana?

Mr. LONG. May I propound an inquiry to the Senator from California?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Louisiana for that purpose?

Mr. THOMAS of Utah. I yield.

Mr. LONG. As I understand, this is a little backwater by the administration.

The PRESIDING OFFICER. The reservation offered by the Senator from Utah [Mr. THOMAS] will be read.

The Chief Clerk read as follows:

*Resolved further*, as a part of this act of ratification, That the United States approve the protocol and statute hereinabove mentioned with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any oher state or states can be had only by agreement thereto through general or special treaties concluded between the parties in dispute.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah [Mr. THOMAS].

Mr. THOMAS of Utah. Mr. President, I offer this as a resolution to be added to the resolution of adherence, and to be added also to the reservation offered by the Senator from Michigan [Mr. VANDENBERG]. In 1926, when the five reservations, which have been here discussed many times, were attached to the protocol of adhesion, there were attached to those reservations two resolutions. One was the resolution which we have already accepted which has been offered now by the Senator from Michigan. The other was the resolution which I am now suggesting, which was presented to the Senate by the Senator from California [Mr. JOHNSON].

Those Senators who listened to the reasoning which I used in my discussion of the World Court will remember that I made the point that the Senate of the United States had already decided to adhere to the International Court of Justice with five reservations, and that those reservations were all accepted by the other nations with the exception of a portion of the fifth reservation.

It was also pointed out at that time that the pending resolutions to the reservation were adopted at the same time the reservations were adopted and that those resolutions were not replied to by the signatory states; that those resolutions were not noted by the signatory states; that those resolutions, in fact, should not have been noted by the signatory states, for they were resolutions dealing entirely with our own policy, entirely with our own method of procedure in regard to submitting cases to the Court.

Therefore the other day when the reservation suggested by the Senator from Nebraska [Mr. NORRIS] was under consideration, I did not support it. That reservation carried with it not entirely the same words contained in the pending reservation, but much of the same theory; that is, that the Senate of the United States should maintain and should keep its treaty-making power and should be concerned with those matters that have to do with entering into agreements with foreign countries.

In theory the pending reservation in actual governmental theory probably is not so sound as it might be, but not to present the reservation at this time would be inconsistent with the stand the United States has previously taken; it would be inconsistent with the stand the Senate of the United States has heretofore taken. We decided to adhere in a certain way. It is in that way that I should like to continue to adhere. We decided to adhere in accordance with the spirit of two resolutions, and I suggest now that it is right for us to reincorporate the spirit of those two resolutions, and to reincorporate them in the very words in which we used them previously if it will make for a better understanding. We are merely doing that which we decided to do in 1926.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. THOMAS of Utah. I yield.

Mr. BORAH. What effect, if adopted, will this resolution have upon the advisory jurisdiction of the Court?

Mr. THOMAS of Utah. This reservation, if I may answer the Senator, as I view it, will have no effect at all upon the advisory jurisdiction of the Court.

Mr. BORAH. The reservation does not in any way modify or change the full exercise of the advisory jurisdiction of the Court?

Mr. THOMAS of Utah. No, sir; in no way at all would it have that effect, as I understand. I do not think that it had that effect in 1926, and I do not think that it will today have that effect.

Mr. BORAH. I quite agree with the Senator.

Mr. THOMAS of Utah. Mr. President, I believe that we shall face the nations of the world in a more consistent way if we show them that we are willing to stand by the resolutions which we have adopted in the past; and I wish to repeat that in standing by the resolutions which we have previously adopted we are merely standing by our own action.

Every man knows that under our scheme of government the President of the United States might lead us far toward war, and we might have to enter into war. Under the scheme of negotiating for peace, the President should not be limited in any degree but, Mr. President, when the question is a vital one and since we have already decided to meet this question in this way, I think it is but proper to offer this resolution and to have it incorporated as a part of our action if we shall adhere to the World Court.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Louisiana?

Mr. THOMAS of Utah. Certainly.

Mr. LONG. Did not the President say that he was opposed to this resolution?

Mr. ROBINSON. No.

Mr. THOMAS of Utah. I know nothing about what the President has said, but I do not think that he would say that he was opposed to this resolution for the simple reason that it was a part of the negotiation and a part of the action of the Senate of the United States in 1926.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. THOMAS of Utah. Certainly.

Mr. BORAH. The Senator is going back to 1926 and proposes to adhere to the program of 1926 for the sake of consistency. What objection would the Senator have to recurring to the amendment offered by the Senator from Pennsylvania [Mr. DAVIS] yesterday, which proposed a reservation identical with the reservation of 1926, which would not permit action by the Court without the consent of the United States—not only over its objection but without its consent?

Mr. THOMAS of Utah. I assume, Mr. President, the action taken yesterday in the changing of the words "without the consent" to "over the objection" was a forward-looking action and not a backward-looking action at all; that it will make for better international relations and for better understanding between nations, and actually perfected the reservations as they were adopted in 1926.

The PRESIDING OFFICER. The question is on agreeing to the reservation offered by the Senator from Utah [Mr. THOMAS].

Mr. ROBINSON. Mr. President, I have no objection to the reservation proposed by the Senator from Utah [Mr. THOMAS]. As stated by him, it is in form identical with the resolution adopted by the Senate in 1926. There is this distinction between the proposal on which we voted a few days ago, submitted by my friend the Senator from Nebraska [Mr. NORRIS], and the pending reservation. That proposal required a two-thirds vote of the Senate in every case where a question was to be referred to the World Court. For instance, there might be numerous cases of a given class and not one of them could be submitted to the

Court except by resolution of the Senate approved by a two-thirds vote, thus making, as I see it, the process cumbersome. The pending proposal is that, while a two-thirds vote of the Senate shall be required to submit cases to the Court, that end may be accomplished by either general or special treaties; so, if the Senate shall choose to do so, it may repeat its action in connection with international arbitration at the Permanent Court of Arbitration at The Hague; it may provide, through treaties, for the consideration by the Court of cases without the necessity of coming to the Senate in every instance in which a case is to be referred to the Court.

The question was asked a moment ago by the Senator from Louisiana [Mr. LONG] if the President had not stated himself as opposed to this proposition. It is not my understanding that such is the case. The President did oppose, and so announced, an arrangement by which the Senate could in every case proposed to be referred to the Permanent Court of International Justice interpose its objection, not by a majority but by a vote of one-third of the Senators plus one.

This arrangement is acceptable to the President. It will permit the President and the Senate to effect ratification of a treaty by which cases may be referred to the Court without a separate and special vote in the Senate on every occasion when it is proposed to refer a matter to the Permanent Court of International Justice.

Mr. JOHNSON. Mr. President, it may aid us a little to get before us exactly the sequence of events in reference to this reservation and the one that was presented by the distinguished Senator from Nebraska [Mr. NORRIS]. When the World Court protocols were before the Foreign Relations Committee, two resolutions were presented to that committee for action, one by the Senator from Michigan [Mr. VANDENBERG] and one by myself, both of which embraced the two resolutions that were attached to the accession to the Court of 1926. The roll was called in the Foreign Relations Committee upon both those resolutions, and the vote, as I recall it—and if I am in error I hope I may be corrected—upon that of the Senator from Michigan was 9 to 11, and the vote upon the resolution which I presented was 12 to 9, the vote in both instances being against the resolutions. Both were defeated by the Foreign Relations Committee. When the matter came into the Senate, I had proposed a series of reservations, embracing this and many others which are here upon the table, and the Senator from Michigan presented his reservation which had been defeated in the Foreign Relations Committee.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. ROBINSON. I will ask the Senator from California if it is not true that the ground stated in the committee on behalf of those who opposed the reservation was that there was no necessity for the reservation?

Mr. JOHNSON. As to the Vandenberg reservation, I think the Senator is correct. As to my reservation, the Senator from Arkansas said distinctly, as I recall, that under no circumstances could he permit that to be adopted.

Mr. ROBINSON. Oh, no.

Mr. JOHNSON. I am correct in that, am I not?

Mr. ROBINSON. The Senator is mistaken about it. I did say that I did not favor it and I did ask the committee to reject the reservation.

Mr. JOHNSON. But it was not upon the ground——

Mr. ROBINSON. The most that the Senator from California is attempting to say now is I was against the reservation in the committee and he was for it then.

Mr. JOHNSON. Yes; that is true.

Mr. ROBINSON. And that he is against the reservation in the Senate and I am now for it.

Mr. JOHNSON. Yes; and let us ascertain the reason for the changes.

Mr. President, I have occupied a single attitude respecting the so-called "World Court" from the beginning to the end. I have avowed it upon the floor of the Senate, I have avowed it upon the hustings, and I have avowed it in every article I ever wrote. I am against the Court with or without reservations, and I never have deviated from that course in the slightest degree. It was remarked upon by the Senator from Arkansas in discussing the Norris reservation recently.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Illinois?

Mr. JOHNSON. I yield to the Senator.

Mr. LEWIS. The able Senator from California was recounting the amendments or reservations proposed before the Committee on Foreign Relations of the Senate. May I not recall to his mind that at the same time there was a reservation or proviso tendered by myself which sought to announce and intend that under no circumstances should either the matter of the Monroe Doctrine as an American policy or the matter of the immigration from European or Asiatic countries be in any wise taken into jurisdiction by the Court, and that also was defeated before the Foreign Relations Committee?

Mr. JOHNSON. Quite so; but when the Senator from Arkansas says he was against this reservation before the Foreign Relations Committee and is for it now, and that I was for it then and against it now——

Mr. ROBINSON. I say I make no objection to it now for the reasons I have stated.

Mr. JOHNSON. Is there any difference between that and the statement that the Senator is for it now?

Mr. ROBINSON. I think not any material difference. [Laughter.]

Mr. JOHNSON. Then we are agreed.

Mr. ROBINSON. Yes. The Senator was for it then and is against it now.

Mr. JOHNSON. I was for it then as a reservation to be annexed to this particular document, never concealing for a quarter of a second from any man—I do not care who he is—that it was my purpose in every way that I knew how to fight this particular entry into this particular pernicious contraption from abroad. I never have altered in any way, in any form, or in any manner that attitude in any degree.

Let us follow this out a moment. The other day there came before the Senate the reservation of the Senator from Nebraska [Mr. NORRIS]. That reservation was presented by him. It is in effect a reservation similar to the reservation which has been presented here today which originally I had printed. My reservation was printed with others first. His came subsequently, but he took up his first, as was appropriate, and presented it.

It was then stated upon the floor of the Senate in so many words, and it was stated to the press of the Nation that the President of the United States said that such a reservation was unconstitutional, that it invaded his prerogatives, and it was asserted here as well, although I do not know that that was a fact at all, that it was considered by him an offensive procedure.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. ROBINSON. The Senator will recall that I stated in my remarks on the Norris reservation that there are two limitations on the President's power to refer cases to arbitration to this Court, namely, first, if an appropriation is required, and, second, if a treaty is essential to effecting the settlement.

Mr. JOHNSON. What difference does that make? That does not alter the purport of what I have said at all. I have said that the President opposed the reservation because he asserted that it was unconstitutional and an invasion of his Presidential prerogatives. There was no question between us upon that, because that statement was made to the press of the Nation and made so all the country knew exactly what it was.

All right! The Norris reservation came before this body. Those of us who wanted to attach something that might give a modicum of safety to this thing we are trying to adopt today, those of us who thus hoped we might do a little to lessen the peril with which our country was faced, voted

for the Norris reservation, just as I would vote for a reservation which would be presented here, as I would vote for amendments that might be offered to a bill, that would lessen, in my opinion, even in slight degree its wrong or viciousness, just as the Senator has done and just as all of us have done time and time again.

But the fact remains that if the Norris reservation had all the earmarks of wrong, all the things that were asserted it had, then this reservation has just those things, too, and the fact that a change has come about on the other side is apparent. I leave to Senators to guess the reasons. I do not need to tell them.

I have not any hesitancy in saying that it is designed to do this thing by some kind of strategy, by some sort of legerdemain, by some sort of changing this and altering that which has been expressed heretofore in this body. Unless something of that sort is done which will inveigle men and cause them to change their votes, men who have voted their convictions, America will be saved from going into this World Court. The reason for this particular reservation is for the purpose of enabling someone to change his vote or someone to be befooled into changing his vote.

Again I call to the attention of the Senate the vehemence with which my friend from Arkansas denounced the Norris reservation the other day and how he presented his reasons why that reservation should not be adopted. Today the Senator from Utah [Mr. THOMAS], whom we all regard with great respect, who sits now next to the Senator from Arkansas, offers a reservation of similar character. Who is going to be fooled by this sort of stuff at this time? Nobody is fooled by it in the slightest degree. Its purpose and its design are to avert defeat because of what is now threatening the accession of the United States to the World Court. Will anyone be fooled? That is the point. I do not propose to be fooled by the presentation of this reservation in order that a recalcitrant vote may be brought back into the fold. I do not propose that a reservation which was originally written in good faith in an endeavor in some respects to lessen the wrong and to minimize the perils that might be attached to this particular matter, shall be utilized here by those who do not like it and who hate it and who are against it in order to avert the defeat they so richly deserve upon this proposition.

Mr. THOMAS of Utah. Mr. President, I wish——

The PRESIDENT pro tempore. The Senator from Utah will suspend. Under the unanimous consent agreement a Senator may speak but once on a pending reservation, and the Senator from Utah has spoken on the pending reservation.

Mr. BORAH. Mr. President, I wish to suggest an amendment for the consideration of the Senator from Utah [Mr. THOMAS]. In line 3 of the reservation submitted by the Senator from Utah, after the word "mentioned", insert "upon the condition and with the clear", so that it would read:

That the United States approve the protocol and statute hereinabove mentioned upon the condition and with the clear understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can—

And there I would insert the word "not", and after the word "had" I would insert the words "until and", so it would read:

cannot be had until and only by agreement thereto through general or special treaties concluded between the parties in dispute.

The reservation would read then:

*Resolved further*, as a part of this act of ratification, That the United States approve the protocol and statute hereinabove mentioned upon the condition and with the clear understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states cannot be had until and only by agreement thereto through general or special treaties concluded between the parties in dispute.

Mr. THOMAS of Utah. Mr. President, I should like to speak upon the amendment of the Senator from Idaho.

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I thought the Senator would accept my amendment.

The PRESIDENT pro tempore. The Senator from Utah is recognized.

Mr. THOMAS of Utah. Mr. President, I cannot accept the amendment of the Senator from Idaho for the very simple reason that the sum total of all the logic to which I have attempted to give expression here was that I offered this reservation because it was word for word in keeping with the resolution which had already been adopted by the Senate.

There was nothing subtle about it at all. It seemed to me a plain, consistent, and logical thing to do. To imply that there was something subtle makes it necessary to call attention to the fact that the Senator from Michigan [Mr. VANDENBERG] offered in exactly the same spirit a resolution which had also been adopted, and the Senate, by unanimous agreement, I think, accepted that resolution as it had been adopted previously by the Senate of the United States.

It would be absolutely inconsistent, just as inconsistent as it was the other day for us to have voted for the Norris resolution when we had this resolution before us, a resolution which had already been accepted word for word.

I should like to say further that that is the only thing behind the logic. I wish I might be as subtle as the great Senator from California suggests, but he happens to have selected the wrong person for his characterization.

Mr. BORAH. Mr. President, I offered this amendment in the interest of clarity. It does not, in my judgment, change the substance of the reservation, but it does make perfectly clear what we are undertaking to do.

May I ask the Senator from Utah in what respect does it change the substance of his reservation?

Mr. THOMAS of Utah. It changes the words of the amendment; that is all.

Mr. BORAH. I ask the Senator in what respect does it change the substance of the amendment?

Mr. ROBINSON. May I ask the Senator from Idaho a question? In what respect does it improve the reservation?

Mr. BORAH. In the interest of clarity, and nothing more. I want it perfectly clear, as I understand the Senator wants it perfectly clear, that a matter may not be submitted to the World Court until the Senate of the United States shall have passed upon the question of submission.

Mr. ROBINSON. Is it not perfectly clear in the language that is employed? Does the Senator propose language to make it any clearer? The language is:

That the United States approve the protocol and statute hereinabove mentioned with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can be had only by agreement thereto through general and special treaties concluded between the parties in dispute.

There is no ambiguity. The most visionary mind cannot suggest an ambiguity in the language employed there.

Mr. BORAH. Mr. President, in my opinion, when we say "that the United States approve the protocol and statute hereinabove mentioned upon the condition and with the clear understanding", what we desire to accomplish is much clearer than when we simply say "with the understanding." Who knows who is going to interpret the understanding, and what is the understanding?

Mr. President, I do not desire to continue the argument upon this particular amendment; but I ask for a vote upon it, and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Idaho [Mr. BORAH] to the reservation of the Senator from Utah [Mr. THOMAS]. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). On this question I have a pair with the senior Senator from New York [Mr. COPELAND], and withhold my vote. If the Senator from New York were present, my understanding is that

he would vote "nay", and if I were at liberty to vote I should vote "yea."

The roll call was concluded.

Mr. AUSTIN. I announce the necessary absence of my colleague [Mr. GIBSON]. He has a pair with the Senator from California [Mr. MCADOO]. I do not know how either Senator would vote on this question.

Mr. LEWIS. I desire to announce that the Senator from Louisiana [Mr. OVERTON] is detained from the Senate by illness.

The Senator from New York [Mr. COPELAND], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Indiana [Mr. VAN NUYS] are necessarily detained.

The Senator from Maryland [Mr. TYDINGS], the Senator from California [Mr. MCADOO], and the Senator-elect from Tennessee [Mr. MCKELLAR] are absent on official business, on a mission to the Philippine Islands.

The result was announced—yeas 40, nays 44, as follows:

YEAS—40

| | | | |
|---|---|---|---|
| Austin | Dickinson | McCarran | Schall |
| Barbour | Donahey | McGill | Shipstead |
| Bone | Frazier | McNary | Steiwer |
| Borah | Gerry | Metcalf | Thomas, Okla. |
| Capper | Gore | Murphy | Townsend |
| Caraway | Hale | Murray | Trammell |
| Carey | Johnson | Norbeck | Vandenberg |
| Couzens | Keyes | Norris | Walsh |
| Cutting | La Follette | Nye | Wheeler |
| Davis | Long | Russell | White |

NAYS—44

| | | | |
|---|---|---|---|
| Adams | Burke | Guffey | O'Mahoney |
| Ashurst | Byrd | Harrison | Pittman |
| Bachman | Byrnes | Hatch | Pope |
| Bailey | Clark | Hayden | Radcliffe |
| Bankhead | Connally | King | Robinson |
| Barkley | Coolidge | Logan | Schwellenbach |
| Bilbo | Costigan | Lonergan | Sheppard |
| Black | Dieterich | Maloney | Smith |
| Brown | Duffy | Minton | Thomas, Utah |
| Bulkley | Fletcher | Moore | Truman |
| Bulow | Glass | Neely | Wagner |

NOT VOTING—10

| | | | |
|---|---|---|---|
| Copeland | Hastings | Overton | Van Nuys |
| George | Lewis | Reynolds | |
| Gibson | McAdoo | Tydings | |

So Mr. BORAH'S amendment to the reservation of Mr. THOMAS of Utah was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the reservation of the Senator from Utah [Mr. THOMAS].

Mr. NORRIS. Mr. President, I offer an amendment to the pending reservation. On line 7, I propose to strike out the words "general or", so that, if amended, the reservation will read:

Only by agreement thereto through special treaties concluded between the parties in dispute.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. NORRIS] to the reservation of the Senator from Utah [Mr. THOMAS].

Mr. NORRIS. Mr. President, I desire first to discuss, just briefly, the reference which has been made to the reservation I offered the other day, and which was defeated, which was practically the same as this one.

One of the objections made to the reservation I offered was that it required the submission of a question to the Court to be approved by a two-thirds vote of the Senate. If we should agree to this reservation we should have to approve the treaty by a two-thirds vote of the Senate. So far as the voting of the Senate is concerned, there is absolutely no difference between the two reservations.

I offered the former reservation because I thought it was a more simple and easy way to reach the desired end than this reservation, which I had read and was familiar with at the time I offered mine; but my idea was that we could submit to this tribunal a dispute, if we agreed with some other nation to do it, without going through all the formality and red tape of agreeing upon a treaty. The other nation would not have to do anything of that kind, and would not have to pass upon the question by a two-thirds vote, or submit it to a parliament. So I thought it was a more simple procedure. So far as reaching a conclusion is concerned, I think so yet; but we should have been compelled to make an agreement each time, and approve it by a two-thirds vote of the Senate, before a question could be submitted.

Under the reservation now pending, a general treaty can be made by us now with Great Britain, let us say, which will provide that all differences that may arise between the two countries in the next 200 years shall be submitted to this Court without referring to the nature of the difficulty or the kind of dispute that may exist, and we can provide in that treaty that the question in dispute shall be submitted by the President of the United States on the part of this Nation. So by one treaty with a nation we can make an indefinite agreement which will extend to the submission of all disputes for all time, as long as the treaty and the Court exist.

To my mind, this is very objectionable. To my mind, that will destroy what I was trying to reach by my reservation. We cannot tell today what the dispute is going to be a hundred years from now, and we may not want to submit to that tribunal a dispute which may arise 25 years from now, about which we know nothing. Neither do we want to give to the President of the United States 25 years from now the power to submit that dispute, because we do not know now who then will be President.

I am not thinking now, and I was not thinking then, of any particular President. There is not intended and, of course, there is no reflection upon the present occupant of the White House; but he will not be there forever. Some other President will take his place. We do not know who he will be; and, if we agree to the pending resolution of adherence, we shall be deciding in advance that a treaty made this year may provide for the submission of a controversy a hundred years from now.

With the words "general or" stricken out, I think the matter would be left so that we would have to make a treaty, which would make the procedure a little more cumbersome than my reservation would; but for some reason the Senate rejected mine. It has had a change of heart in the meantime. I do not know whether it has come down from the White House or from some other high source; but, as a result, the Senate seems to be willing to take today something that it would not have taken yesterday.

If it is desired to take this reservation and make it more cumbersome, and put in a little more red tape than I had in my reservation, and provide for an agreement each time, I myself do not see any objection to it. I would have voted for the general resolution of the Senator from Arkansas [Mr. ROBINSON] had my reservation been agreed to, feeling as I did that I did not want to make an agreement in advance covering years of time after I was dead, perhaps, and then an entirely different Senate would be here which would perhaps get us into trouble. I should be glad to do anything I can to help Europe in settling its difficulties, but I am not willing to say that Europe should settle our difficulties unless we agree each time the difficulty arises, and submit it to the Court, which would probably often occur. There are many questions I would be perfectly willing to submit to that Court. There are some questions I would not under any circumstances submit to that Court. I appeal to Senators now who do not want to have such questions submitted to the Court or tie the hands of future Senates, by taking action about the Court that will permit such questions to be submitted, to vote for this amendment.

The Senator from Arkansas [Mr. ROBINSON], I understand, will vote for the amendment of the Senator from Utah [Mr. THOMAS]. Of course, had this amendment been offered the other day, he would have opposed it. He is for it now. It may be that in a day or two the Senator would favor the motion I am now making.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. WHEELER. I am assuming that the Senator feels that the words "general or" should be stricken out.

Mr. NORRIS. The words "general or"; yes.

Mr. WHEELER. Yes; and that special treaties would have to be approved by a two-thirds vote of the Senate?

Mr. NORRIS. I do; yes.

Mr. WHEELER. Is there any reason why there could not be inserted after the word "dispute", the words "which said special treaties must be approved by a two-thirds vote of the Senate"?

Mr. NORRIS. I would not have any objection to that, but I do not think it does a particle of good to do it, because the Constitution of the United States provides for the method of approval of treaties.

Mr. WHEELER. Yes; but the trouble is that the Senator from Nebraska may not be interpreting this language, and it might be left open to an interpretation that special treaties meant something that did not have to be submitted to the Senate of the United States.

Mr. NORRIS. Oh, "special" undoubtedly refers to the——

Mr. WHEELER. It might be a trade treaty that would not have to be submitted, possibly, to the Senate of the United States.

Mr. NORRIS. Oh, yes. As I understand, under the Constitution of the United States, we could not have any treaty which could be effective unless approved by a two-thirds vote of the Senate.

Mr. HASTINGS. Mr. President, may I call attention to a matter?

Mr. NORRIS. Yes; if the Senator from Montana has concluded.

Mr. WHEELER. I was going to say that my understanding is—I may be wrong about it—that perhaps we had entered into certain agreements which may be called "treaties" or might be interpreted as treaties. If I am wrong about it, I should like to know it. However, I can see no reason why we should not put in the reservation that any special treaty affecting this subject should have a two-thirds vote of the Senate, so there could be no question about it.

Mr. HASTINGS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. NORRIS. I yield.

Mr. HASTINGS. May I ask the Senator from Nebraska a question with respect to reciprocal tariff treaties? My recollection is that at the last session of Congress we gave the President authority to make reciprocal tariff treaties. I should like to inquire whether under those treaties it would be necessary to come to the Senate before submitting a matter involving some tariff question to the World Court?

Mr. NORRIS. I did not understand the last part of the Senator's question.

Mr. HASTINGS. I was wondering if the President should desire to submit to the World Court some question involving the reciprocal tariff treaties which he was authorized to make by the last Congress, whether or not the particular reservation which the Senator now suggests would cover that situation.

Mr. NORRIS. I should think so. I should think it would cover anything that is submitted to the World Court. It seems to me that that is plain on the face of the reservation. It would not have any application to anything else.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. BARKLEY. Reference is evidently had to the act of Congress of the last session authorizing the President to enter into trade agreements with foreign countries without ratification by the Senate. I suppose everyone knows that for more than 100 years Congress has authorized the President to enter into such trade agreements without requiring ratification on the part of the Senate, and that such trade agreements have been held not to be treaties within the language of the Constitution requiring ratification on the part of the Senate, and it is difficult to conceive how any such trade agreement thus entered into could be subject for consideration by the World Court.

Mr. NORRIS. Certainly, if this reservation were agreed to, it could not be subject to the consideration by the World Court, because the resolution itself provides for a special treaty, which I do not think for a moment is covered by a trade agreement.

Mr. BARKLEY. No; I agree with the Senator. And any such treaty, as a treaty under the Constitution, whether it be special or general, must be ratified by two-thirds vote of the Senate, whether it is provided for in any such resolution or not.

Mr. GORE. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from Oklahoma.

Mr. GORE. I wish to ask the Senator from Nebraska whether the customs union submitted to the World Court, to which Germany and Austria were parties, was not a trade agreement?

Mr. NORRIS. I do not know what it might be called, but other countries do not have the safeguards about treaties that ours does. For instance, it may be that some other country can submit a treaty without any reference of it to its parliament. We cannot do that. I do not think there can be any question about it. However, so far as that is concerned, Mr. President, this quibble about what is a trade agreement and what is a treaty is not involved in the motion which is now pending before the Senate. The question now before the Senate is whether we will strike out the words "general or", which means whether we are going to provide here for a treaty each time there is a dispute, or whether we are going to permit a general treaty to be made that will cover all time and all disputes.

Mr. BARKLEY. Mr. President, will the Senator yield again?

Mr. NORRIS. I yield.

Mr. BARKLEY. Is it not true that we already have numerous treaties with other countries of a general nature by which we agree to submit to arbitration questions of dispute?

Mr. NORRIS. Yes.

Mr. BARKLEY. In view of the fact that this reservation makes it impossible to submit any such controversy as may hereafter be included in a special or general treaty or as may now be included in any general treaty which has heretofore been negotiated, what objection can there be to this provision as it is, so long as none of these disputes can be submitted to the World Court without the consent of the United States?

Mr. NORRIS. But the consent of the United States must be obtained through a treaty.

Mr. BARKLEY. Yes.

Mr. NORRIS. In one case a treaty can provide that all questions shall be submitted without any further action by the Senate—a general treaty. But if we must have a special treaty each time, we have an entirely different proposition.

Mr. BARKLEY. We have such treaties already.

Mr. NORRIS. General treaties.

Mr. BARKLEY. Yes.

Mr. NORRIS. Yes; but they are not submitted to the World Court.

Mr. BARKLEY. No; but they might be under their terms, because the questions involved may be submitted to special courts of arbitration set up by the nations or to special arbitrators provided by each nation, or, of course, by agreement they could be submitted to any existing tribunal under such general agreements.

Mr. NORRIS. Yes; by agreement. Here we have a World Court constituted in a certain way. It may be different in 50 years from now. Then I may have a different feeling about it. It may be worse. I am afraid it will be. I at least do not feel that I want to compel my country to submit a dispute, in advance of knowing what the dispute is, to men on the Court, honest and able though they may be, who have grown up under a different civilization, who have different ideas of society and humanity and government. I am not willing to say in advance that every possible dispute that might arise should be submitted to that particular Court. Suppose, for illustration, and not because it is going to happen, probably, that Court were to pass on whether the debts which the European nations owe to us should be forgiven, whether they should be compromised, or some other disposition made of them. Would we want to submit a debt question, a question involving money owed to us by another

country, for decision by the people who owe us, or their representatives? We might get into a thousand such difficulties if we are to have such questions determined by the Court.

Mr. BARKLEY. I do not think the Senator would feel that any such question is covered by any general or special treaty that now exists between the United States and any other country.

Mr. NORRIS. Probably not.

Mr. BARKLEY. So it would not be submitted under that language of the treaty.

Mr. NORRIS. I do not want to put in a reservation here under which at some time some future President who may have a wonderful influence could bind us for all time. Of course that would not happen now; but Presidents have many appointments to make; they control a great many things, and some President might influence some Members of the Senate to vote this way or that way on a proposition, and by his power he might put through a treaty which would bind all future Presidents, bind future Senates, and submit our disputes, whatever they may be, to a court although at the time it might be impossible to get the approval of the Senate to such submission.

The PRESIDENT pro tempore. The time of the Senator from Nebraska has expired.

Mr. LONG. Mr. President, may I ask the Senator from Nebraska a question? I am rather an uneducated person when it comes to the question of the World Court—all I know is what I read in the papers—but as I understood the Senator from Idaho, he asked the Senator from Utah [Mr. THOMAS] whether or not this amendment would exclude advisory opinions, and the Senator from Utah responded, "No; this amendment would not affect the World Court", or League of Nations, whatever it may be called, "from going ahead and rendering its advisory opinion." Did I correctly understand the Senator from Utah?

Mr. THOMAS of Utah. Mr. President, the question was asked by the Senator from Idaho [Mr. BORAH] with relation to the amendment which he offered, and the answer was given with relation to that amendment. That was voted down.

Mr. LONG. In other words, as I understand, this amendment does not affect advisory opinions of the World Court? Does it or does it not?

Mr. THOMAS of Utah. Certainly not. It has nothing to do with advisory opinions.

Mr. LONG. Mr. President, the point I desire to make is this: I know these courts. They never decide against their own jurisdiction unless it is pretty clear. Now, if they adopt this amendment, it is going to be the judges of the World Court, the four that Great Britain picks up, and somebody from Japan, and then, after they get the barrel pretty well filled, we will have a man there somewhere hanging around. And I know that courts very seldom render anything against their own jurisdiction.

Mr. LOGAN. Mr. President, I rise to make a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LOGAN. I should like to know whether the unanimous-consent agreement which was entered into some days ago is still in effect?

The PRESIDENT pro tempore. It is.

Mr. LOGAN. I do not understand how some of the Senators who have used up all their time can continue to make speeches.

The PRESIDENT pro tempore. Each Senator is entitled to speak on each amendment 15 minutes. The amendment to which the Senator from Louisiana is now addressing himself is the amendment offered by the Senator from Nebraska [Mr. NORRIS].

A RECOLLECTION FOR AMERICA!

Mr. LONG. I should like to ask the Senator from Nebraska if he would not consider adding this further amendment to his amendment, namely:

These provisions shall apply to advisory opinions of the said World Court affecting the United States?

Mr. NORRIS. Does the Senator want an answer?

Mr. LONG. Yes, sir.

Mr. NORRIS. I would not accept such an amendment, because, while I would vote for that kind of an amendment if it were offered independently, I would not accept it with this, because I think it would endanger any possibility of the pending amendment being adopted.

Mr. LONG. Then I will offer it as a separate amendment. I am glad to have the Senator's statement, however, that he would vote for such an amendment.

Mr. President, as I understand from what my friend from Nebraska has intimated, no doubt upon lack of information rather than upon information, there is a mellowing on the question of the World Court to where the steel gauntlet is going to be gloved just a little bit for the time being, or rather is it the sword, or is it the rapier rather than the broadsword that is being employed here with which to cut us round without making so much noise about it? What is this policy of abdication? Whence comes it that only a day or two ago you were not going to accept this or that reservation, but that now with a melodramatic, retiring attitude, you find this, that, and the other to be more or less persuasive? What must be done to have gentlemen finally get up and say, "America for Americans"? What music was there that wafted through the ether that brought about this change in attitude? What stroke of the harp has made the song of liberty appear inspiring to our statesmen, Mr. President? What more may we do to make Senators remember that once there was a Washington; once there was a Jefferson; once there was a Lincoln; once there was a Monroe?

What can we do to make the sacred words uttered from the days of Washington to Lincoln, from Valley Forge to Appomattox, ring in the ears of Senators that America is for Americans, one Union now and forever, inseparable? What else could be done to bring the siren song closer to the heart and mind and emotions so that the damnable monstrosity attempted here in the Senate might be thrown out in its entirety rather than being forced out piece by piece, note by note, sound by sound, line by line, until the true spirit of religion and Americanism could pervade these Democratic hearts? [Laughter.]

Mr. ROBINSON. Mr. President, what does the Senator from Louisiana know about the true spirit of religion? [Laughter.] Mr. President, what we have just listened to is illustrative of the character of a great many arguments that are being made during the course of this debate. The amendment proposed by the Senator from Nebraska is important; it goes to the very substance of the objection that was made a few days ago to the reservation which he offered. If the amendment should be agreed to, we would be in the same situation, or almost the same situation, as if the Senate had approved the Norris reservation.

If anyone is friendly to the World Court, if anyone wishes to support it as an agency for the adjustment of controversies among nations, I am asking him why does he wish to make it as difficult as possible to get into the Court? The Senator proposes to strike out the words "general treaty." It is well known that we have heretofore availed ourselves of the opportunity to refer to arbitration through a general-treaty class of cases.

There is a dispute now which it may be necessary to refer somewhere, which is known as the "smelter case", involving the United States and Canada. There are numerous cases involving damages and claims. What is the necessity of requiring that in every instance a special treaty shall be entered into and ratified by two-thirds of the Senate? It is sound, it is sensible, it is practicable, and there is not the slightest harm that can come to the country by reason of the adoption of an arrangement for general treaties.

The Senator from Nebraska has stated that we might bind ourselves by a treaty to submit every kind of question. I point out the fact that general treaties before they become effective must receive the approval of the Senate by a two-thirds vote. There is ample opportunity in the case of a general treaty to take such precautions as may be necessary.

It is absurd to undertake to require that every time we wish to go into court we must have a special treaty and go through the formula of having an agreement on the part of the Senate that a particular case be referred to the Court.

I hope that those who believe that the World Court may be made an agency for the promotion of justice, those who are in sympathy with the Court and in sympathy with the pending resolution, will vote down the amendment of the Senator from Nebraska.

Mr. BARKLEY. Mr. President, I can add very little to what the Senator from Arkansas has said, but it seems to me that the adoption of the amendment of the Senator from Nebraska will practically nullify the provisions of every general treaty into which we have entered heretofore for the arbitration of disputes between the United States and other nations.

Mr. BORAH. Oh, no.

Mr. BARKLEY. Let me follow that statement with my reasoning for it. We have entered into many such treaties and our entry into those treaties has been acclaimed almost universally by the people of the United States as well as of the world. If this amendment shall be adopted, it will make it impossible for any subject to be submitted to the World Court under such general treaties without a vote of two-thirds of the Senate——

Mr. NORRIS. Mr. President——

Mr. BARKLEY. Because we cannot submit those disputes to the World Court under treaties that now exist; and each time a controversy might arise, however acute it might be, however nonpolitical it might be, however capable of judicial adjudication it might be, it could not be even submitted to the World Court unless a separate treaty was entered into between the United States and the other nation, and that treaty brought here and discussed for days and weeks and months, and finally receive a two-thirds vote of the United States Senate. And, if there were sufficient Members of the Senate, which would be a third, who did not desire any such controversy submitted to the World Court, they could prevent it ever being submitted under the language proposed by the Senator. I now yield to the Senator from Nebraska.

Mr. NORRIS. The Senator has passed the point in his address where I wanted to interrupt him; but this amendment, if agreed to, as I see it, would not have any effect whatever upon any general treaty of arbitration we have. It only applies to the World Court. None of the general treaties that we have, of course, apply to the World Court; and in a provision for arbitration the selection of the tribunal is one of the things that can be done after the question arises. It would only prevent the submission of a controversy to this Court that is made up now; but if it were such a question that we thought that Court would be the proper tribunal to pass on it, it would be possible to submit it to that Court.

Mr. BARKLEY. Of course we do not have to submit it to that Court even under the general treaties which now exist.

Mr. NORRIS. Of course we do not.

Mr. BARKLEY. We may do it; we may submit it to any tribunal that exists or we may set up a special tribunal for the adjudication of the question involved; but if the Senator's amendment should be adopted, however much it might be desirable immediately to submit a question in dispute to the World Court, it could not be done without a special treaty designating the World Court as the tribunal to settle it. That special treaty would have to be brought here and argued and argued and argued and finally ratified by a two-thirds vote before we could ever get started toward the settlement of the dispute. If the Senate should not be in session at the time for 6 months, as it is entirely likely it may be, and an acute dispute should arise which might be arbitrated and settled under a general treaty by the World Court, if it were desirable to submit it to that Court, it could not even be submitted until the Senate reassembled and the treaty was submitted and two-thirds voted for it.

Mr. NORRIS. Mr. President, will the Senator yield to an interruption there?

Mr. BARKLEY. Yes.

Mr. NORRIS. Let me say to the Senator, first, the President has authority under the Constitution to call the Senate in special session, which he could do in a week's time or even a few days' time; and, second, while the Senator has suggested that there might be some important question or dispute that ought to be disposed of, let me submit this query: Suppose we had a President not in agreement with the Senate or with a country or who was a crank on some particular subject, for instance, on the question of the debts which Europe owes to us. Many of the men we have had for President, and many of them who would like to be President, are in favor of canceling those debts. Suppose we had such a President, would not the Senator feel that it would be pretty safe for the country if the Senate had to pass on his acts and not submit something that might be vital to one man's judgment instead of the judgment of the Senate?

Mr. BARKLEY. The question of the European debts is a matter of fact; they are legal; nobody denies their legality; the only question is whether the debtors are going to pay them. It is impossible for me to conceive that the World Court will ever be called on or ever could be called on to pass on the question whether European nations will pay the debts which they acknowledge they owe us. If some President wanted to cancel the debts, he could not do so under the very act of Congress which is now in force; and not only could he not cancel them, but he could not reduce them without the consent of the Congress. So I do not think that need bother us.

Mr. JOHNSON. Mr. President, sometimes out of a multitude of counsel comes wisdom. As I have listened here today since the discussion first arose, when the distinguished Senator from Utah presented this reservation, I have reached the conclusion that, after all, our viewpoints are not so vastly different. I have learned now that if this amendment, designed to do what the Norris resolution or reservation would have done, shall be attached to the particular reservation, it is going to work tremendous harm and do enormous injury to the World Court in the subsequent submission of cases to that Court. It must not be adopted because of the delays that may ensue, and because the Senate may be absent 6 months of the year, and it will be impossible during that period for the Senate to pass upon treaties. So if there be any of my friends here who "lay the flattering unction to their souls" that the particular reservation presented by the Senator from Utah does what the Norris resolution sought to do the other day, let him pause for a moment, listen to the arguments that have been advanced here, and heed them, for it is now conceded by those arguments that the Norris resolution that was voted down by this body the other day after a very heated debate is a very different thing from the one that is now proposed and is sought to be adopted by Senators on the other side.

So we may dismiss the idea as sentient human beings, who have heads upon their shoulders that God put there for some other purpose than mere ornament; we can dismiss the idea as to gentlemen who are Members of this body that their souls are going to be soothed or their indignation assuaged or their consciences solaced because of the defeat of the Norris reservation by the adoption of the one presented by the Senator from Utah [Mr. THOMAS].

That much this particular argument has accomplished, and we can dismiss the peculiar similarity of the two, or that the one will do what the other was endeavoring to do. That is the situation which now comes to us in regard to the two reservations thus presented.

Of course, I understand the strategy of the position as it now presents itself. Equally, of course, I understand that the utilization of that strategy is not the subject of criticism of any of the Senators here; but let me say to the men who are in earnest upon this floor, let me say to those who feel that their country should not undergo the peril of entry into this Court abroad, let me say to the men from the Pacific coast who are more interested in this situation perhaps than any other representatives upon this floor, that after all now there comes to us the knowledge that the thing that was

sought to be done the other day by the Norris reservation is not done at all today by any other reservation. Conceded now is the wide difference between the two, and the man who believes in the Norris reservation cannot accept that now presented as affording the necessary protection to our country.

So let us go on and determine whether or not, with the facts before us thus, our minds will remain in the same condition and actuated by the same motives as they were before this very able, and very clever, and very strategic proposition was presented to this body.

Now we know where we stand, and knowing where we stand, let us stand up like men regarding it. Let those who believe in this Court be for it. Let those who do not believe in it be against it, and do what ought to be done under the circumstances, notwithstanding the strategy or the assumed cleverness in presenting a reservation heretofore derided and denied as a substitute for one deemed essential.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nebraska to the reservation of the Senator from Utah [Mr. THOMAS].

Mr. NORRIS and others called for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). On this vote I have a pair with the senior Senator from New York [Mr. COPELAND]. My understanding is that if he were present he would vote "nay." If I were permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. LEWIS. I repeat my announcement that the Senator from Georgia [Mr. GEORGE] and the Senator from Louisiana [Mr. OVERTON] are absent by reason of illness, and I reannounce the absences of those Senators engaged on the Philippine Commission.

Mr. AUSTIN. I reannounce the general pair between my colleague [Mr. GIBSON] and the junior Senator from California [Mr. MCADOO]. I do not know how either Senator would vote if present.

The result was announced—yeas 39, nays 48, as follows:

YEAS—39

| | | | |
|---|---|---|---|
| Austin | Donahey | McNary | Shipstead |
| Barbour | Frazier | Metcalf | Steiwer |
| Borah | Gore | Murphy | Thomas, Okla. |
| Capper | Hale | Murray | Townsend |
| Caraway | Johnson | Norbeck | Trammell |
| Carey | Keyes | Norris | Vandenberg |
| Couzens | La Follette | Nye | Walsh |
| Cutting | Long | Reynolds | Wheeler |
| Davis | McCarran | Russell | White |
| Dickinson | McGill | Schall | |

NAYS—48

| | | | |
|---|---|---|---|
| Adams | Burke | Guffey | O'Mahoney |
| Ashurst | Byrd | Harrison | Pittman |
| Bachman | Byrnes | Hatch | Pope |
| Bailey | Clark | Hayden | Radcliffe |
| Bankhead | Connally | King | Robinson |
| Barkley | Coolidge | Lewis | Schwellenbach |
| Bilbo | Costigan | Logan | Sheppard |
| Black | Dieterich | Lonergan | Smith |
| Bone | Duffy | Maloney | Thomas, Utah |
| Brown | Fletcher | Minton | Truman |
| Bulkley | Gerry | Moore | Van Nuys |
| Bulow | Glass | Neely | Wagner |

NOT VOTING—7

| | | | |
|---|---|---|---|
| Copeland | Gibson | McAdoo | Tydings |
| George | Hastings | Overton | |

So Mr. NORRIS' amendment to the reservation of Mr. THOMAS of Utah was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the reservation offered by the Senator from Utah [Mr. THOMAS].

Mr. LONG. I move to amend the reservation by adding to it the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment of the Senator from Louisiana will be stated.

The CHIEF CLERK. The Senator from Louisiana proposes to add to the reservation offered by the Senator from Utah the following:

These provisions shall apply to advisory opinions of the said World Court affecting the United States.

Mr. LONG. Mr. President, in view of the statements made by the Senator from Utah [Mr. THOMAS] and the Senator from Idaho [Mr. BORAH], I am offering this further addendum to provide that the reservation shall apply to advisory opinions.

There are no opinions by the League Court that are not more or less advisory. The failure to enforce them merely means war, and that is all. In other words, when the last finding of the League of Nations was made and Japan ran out and told us all where we could go, we found that the World Court meant nothing.

I want it understood that I am going to vote against the World Court, whether this reservation is adopted or not. I think every other Senator who has ever voted against the World Court, particularly with the defeat of the resolution just voted upon, is going to vote against the World Court. I am going to vote against the World Court whether the reservation is adopted or not.

As I see my American duty, I could not vote for entrance into the World Court, regardless of what is put into the resolution of adherence. I do not intend to have these gentlemen whose names I cannot even pronounce, let alone spell, passing upon the rights of American people. I do not intend to have the affairs of this country meddled in by various and sundry men from the four corners of the Orient, telling us what is and what is not an American policy, and what is or what is not a North American policy or a South American policy.

I do not intend to vote for this infernal thing that is being offered here, and it does not make any difference what kind of soothing sirup, salve, or sweetening is put upon it. I could not go back to the hills and bottoms of the State of Louisiana and tell the good, honest citizens down there that I have voted their rights away to be American citizens unless some Japanese, British, or French citizen or envoy owing us some money is willing to approve it. That is my logic, and that is my offering, and that is how I stand on the matter.

As to those who feel they should go some 3,000 miles away to find out what the law is, that is indicative of the legal mind—to get away from the base of activity. Half the lawyers of the country have it in their heads that two times two ought to be proved by the ages of scientific development and reasearch. Therefore, it is only natural and customary that the human mind gropes and gropes and gropes a little bit further, the higher it gets, to get away from the common base and understanding of activity.

Therefore, I have proposed that this reservation of my learned friend from Utah shall apply to advisory opinions. If it is right in one, it is right in all. If it is not right to have a binding opinion, then it is not right to have an advisory opinion.

Mr. LOGAN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. LOGAN. The Senator, I assume, is well aware of the fact that an advisory opinion can be given only upon the request of the Council of the League of Nations.

Mr. LONG. Yes, sir.

Mr. LOGAN. And the resolution we are now proposing to adopt specifically provides that there can be no advisory opinion that affects this country, or one that we claim affects us, unless the United States Government consents to it.

Mr. LONG. Then the language I have proposed to add will not hurt anything.

Mr. LOGAN. It puts us in the League of Nations.

Mr. LONG. Oh, no; we will not go in the League of Nations.

Mr. LOGAN. But the Senator is asking the United States to approve becoming a part of the League of Nations.

Mr. LONG. Oh, no! I will put in there another line that we never will go in the League. Put that in there, too. [Laughter.] Just put in there, "It being understood that America will never go into the League of Nations; it being understood that this does not commit the United States ever to go into the League of Nations." I want to get the vote of the Senator from Kentucky on this matter. [Laughter.]

Mr. President, this perniciously constructed document in one place provides for an advisory opinion, and in another place for a binding opinion, and in another place for a council over here, and another thing over here. I am not the only man in the United States who does not understand what this thing is all about. The Senator from Kentucky [Mr. LOGAN] does not know what half of it is about. [Laughter.] But we are being rushed in pell-mell to get into this World Court so that Señor Ab Jap or some other something from Japan can pass upon our controversies.

Nobody can pronounce their names. Not a Member of the United States Senate can spell half of them. It is proposed to put us before a court across the land and seas, 3,000 miles away. One of the things the Court can render is an advisory opinion that we do not have to observe. Another one is a binding opinion that we do have to observe. One of them is called for by a council and another is called for by some country. Let us have an understanding—a clear-cut, sensible, American understanding—that unless it is the will of the Senate, the treaty-making body, by its regular two-thirds vote, to have the American doctrine and fundamental principles effected, we are not going to have the World Court interfering with us by an opinion, whether it is a binding opinion or an advisory opinion or any other kind of an opinion.

Let us just assume a case that the Senator from Kentucky presents. Let us say that in the case of the Panama Canal—that is, not America, you understand—let us say that in the case of the Panama Canal, or in Colombia or Venezuela, we are fixing the build a canal across Nicaragua or across Venezuela. Let us say that the League of Nations calls upon the World Court for an advisory opinion as to whether or not a contract made between Colombia, Venezuela, and the United States can be effective; and let us say that the League of Nations World Court—for that is what it is, set up by the League of Nations, created by it—let us say that the League of Nations World Court comes out with an opinion, as it did in this trade-agreement case between Germany and Austria, that it is practically a bartering away of the sovereignty of Colombia or Venezuela for the United States to construct a canal across their land. Thereupon the United States of America, on that advisory opinion of the World Court, would be told by the entire world, through the medium of an advisory opinion, that it was illegal and rapacious to undertake to construct a canal joining the Pacific with the Atlantic Ocean.

You say, "That is not a binding opinion." Suppose the United States goes ahead and builds the canal after it has been decided to be illegal, unconstitutional, and rapacious by the other members of the World Court. We would be in the throes of a war, with the Asiatics attacking us on the one side and the Europeans on the other, and the Pan Americans from the south attacking us at the same time. We would be in a war, why? Because that advisory opinion would be just as binding, just as persuasive, just as belligerent as though it were actually a binding opinion.

If we are going to yield here, as we understand we are to yield, what is the objection to having it written here, so that he who runs may read, that whatever opinion is rendered by the Court, whether it is an advisory opinion or a binding opinion, or whatever kind of an opinion it is, that undertakes to affect, to modify, to thwart, or to affect American doctrines or principles in any manner or form, shall not be called for or rendered unless and until the Senate of the United States expresses itself as willing to have the World Court decide it?

Think what we are doing, Mr. President! We have already voted down the reservation to protect the Monroe Doctrine. Theodore Roosevelt could not have constructed the Panama Canal under this World Court that we are now going into. Do you think, Mr. President, if the League of Nations had called upon this World Court for an advisory opinion as to whether or not Theodore Roosevelt was acting correctly in the way he treated Colombia when he built the Panama Canal, that the World Court ever would have rendered a judgment against Colombia? Not on your life would it ever have done so. And that is what would happen today, when we are talking about building another canal—why?

Because the Panama Canal is inadequate; because the Panama Canal is not at sea level. There have to be locks and dams in order that the water of one ocean may be lowered into that of the other; and, therefore, if we continue the kind of trade we now have, we shall soon of necessity have to build another canal, either across Nicaragua or across some other territory down there from the Atlantic to the Pacific.

What are we going to be faced with? We are going to be faced, right at the threshold, with France, which owes us money, and Great Britain, which owes us money, and Germany and Russia, saying, "No; no! That means that America is going against the sovereignty of Nicaragua, against the sovereignty of Venezuela"; and here are these judges representing our debtors, owing us three billions here and two billions here and four billions here, and they are going to say:

Oh, no! You have never yet written off the debts that we owe the American people. Therefore we are going to stand here and forbid, through this advisory opinion of the World Court, a single aggression by the United States to convenience itself, or to make its arms or its trade more effective or more general.

Mr. President, our leaders on this side a few moments ago seemed to be willing—I do not know what has disturbed them—to get down off their high horse and adopt some of these reservations. It looked like it was getting better. I hope nothing I have said has disturbed that period of apparent equanimity. I hope everything will be all right now, and I hope they will remember we boys who are back at the forks of the creek. We do not know much about Europe. I have been trying to get enough money to go to Europe ever since I was elected to my first public office, but I have never been to Europe. We fellows who have never been to Europe, and who may never get to go to Europe, hope that before you put us into a European decision you will let us adjust some of our own little domestic affairs.

We who are down there starving to death from lack of milk that you are pouring in the creek because you have too much, we who are down there with the children crying for something to wear while you are burning up the cotton to keep them from having too much, we who are down there while you are shooting the cows and killing the hogs because you do not want an oversupply, with everybody crying for something to eat, until some of these things have been destroyed—until America has better taken care of Americans, we hope you will postpone this undertaking to go over and adjust European affairs.

Great Britain is already reducing its own taxes and balancing its budget—why? Because it has not paid the interest on the debt it owes the United States, because it has not paid the principal of the debt it owes the United States. For that reason the statesmen of Great Britain say they are able to lower their taxes and balance their budget. Well, for God's sake, do not go over there after they have defied us to collect our debts and adjusted their own selves to help their country at the expense of the United States, and put us in a court to have these internal matters adjudicated by any kind of an opinion, advisory or otherwise, contrary to the interests of the United States.

I ask for the yeas and nays on my amendment.

Mr. THOMAS of Utah. Mr. President, there is no one in this Chamber who listens with more interest than I do to the learned Senator from the sovereign State of Louisiana—I was almost about to say "the sovereign Senator from the learned State of Louisiana", because I am not used to speaking readily here. I have gone all the way down to Louisiana to hear him speak; but I desire to say that he has me thoroughly confused by his last discussion.

With reference to not being able to spell these names, I should like to say that I, myself, have seen in print, many a time, the worthy Senator's first name spelled in a different way from the way in which he ordinarily spells it. [Laughter.] So ability to spell the name of a judge should not in any way either add to or detract from argument in favor of the World Court.

In regard to the advisory opinion, I was asked the question whether this reservation would affect the ordinary procedure in securing an advisory opinion, and whether it would affect the handing down of an advisory opinion. That is the way I understood the question; and I answered, of course, that it would not.

The Senator from Kentucky [Mr. LOGAN] has replied to the Senator from Louisiana by showing how a request for an advisory opinion is put to the Court. It comes only through one of two channels—the Council of the League of Nations or the Assembly of the League of Nations. If we should wish to initiate an advisory opinion under this reservation, of course the Senate of the United States would have to pass upon the initiation of the request for that opinion.

I think that answers the question fully, and shows that so far as the amendment suggested by the Senator from Louisiana is concerned, it should be voted down.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Louisiana [Mr. LONG] to the reservation of the Senator from Utah [Mr. THOMAS].

The amendment was rejected.

The VICE PRESIDENT. The question is on the reservation of the Senator from Utah [Mr. THOMAS].

The reservation was agreed to.

Mr. STEIWER. Mr. President, I offer the amendment, which I send to the desk, to the pending resolution of adherence.

The VICE PRESIDENT. The amendment offered by the Senator from Oregon will be stated.

The Chief Clerk read as follows:

*Resolved further,* That the signature of the United States to the said protocol shall not be affixed until the powers signatory to such protocol shall have indicated, through an exchange of notes, their acceptance of the foregoing reservations and understandings as a part and a condition of adherence by the United States to the said protocol.

Mr. STEIWER. Mr. President, I am offering that proposal in the hope that those most interested in the sponsorship of the resolution of adherence may find it possible to accept it.

Senators will recognize the language as identical with the language employed in the resolution of adherence of 1926 and in the resolution which was presented to the Senate from the Committee on Foreign Relations in 1932 by the late Senator from Montana, Mr. Walsh, and the former Senator from Ohio, Mr. Fess.

Mr. ROBINSON. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Arkansas?

Mr. STEIWER. I do.

Mr. ROBINSON. Both the Senator from Montana and the Senator from Ohio stated in their report that they were opposed to that provision. As a matter of fact, the provision which the Senator is now offering is what is known as "the Moses reservation."

Mr. STEIWER. That is true, Mr. President. Those Senators did not use the word "opposed", however. They said in the report, as I recall, that they did not assent to the provision, and I took it from the language they employed that they did not regard it as necessary.

I desire to address myself for just a moment to the question as to whether this kind of a safeguarding resolution is necessary.

I begin, Mr. President, by asking Senators whether the signatory powers have already agreed to the amendment which has just been adopted upon the motion of the Senator from Utah [Mr. THOMAS].

I ask also whether the signatory powers have already agreed to the amendment accepted some days ago, the one offered by the Senator from Michigan. I ask also whether the signatory powers have agreed to the change in the body of the pending resolution, in which the committee has substituted for the proposition of the consent of the United States the phrase "over the objection of the United States."

I take it, Mr. President, that with respect to all these questions there is no assurance at all, either in the protocol of accession or in any other document, or through any other means, that the signatory powers have signified their acceptance of these reservations. The purpose, evidently, of this reservation, which was incorporated in both of the earlier resolutions, was to make sure, before we gave our signature to an agreement binding us with respect to the World Court, that the signatory powers understood our reservations as we understand our reservations. That, as I take it, is the only thing involved in this proposal.

Inasmuch, as has been stated in these debates over and over again, as the Court and the powers concerned in the Court would construe our reservations; inasmuch, as was said by a distinguished Britisher, as the Court would construe our reservations, it seems to me that those of us who favor adherence, but who, at the same time, favor the protection of American interests, can do very well to see to it in advance that these gentlemen will not have the capacity and power to construe our reservations differently from the way we ourselves construe them.

There is, therefore, I think, a very clear reason for acceptance of this reservation, because if we incorporate it in the resolution of adherence it means that we will not become bound until the signatory powers, by express action, have made it known to us that the things against which we are protecting ourselves are recognized by them and become a part of our relationship to the World Court.

Mr. ROBINSON. Mr. President, I regret that I am not in a position to support the reservation offered by the Senator from Oregon. It is known in World Court debate history as the "Moses reservation." The effect of it would be to refer back to all the signatories our action on the World Court protocols for their approval.

As stated in the beginnning of this debate, our five reservations have been accepted, the fifth being accepted upon such terms as we accept in the resolution of adherence. To adopt now the proposal of the Senator from Oregon would be to make it necessary—indeed, that is the purpose of it—to send the whole matter back for ratification again.

I do not think there is any doubt that the two reservations, known as the "Vandenberg reservation" and the "Johnson or Thomas reservation", recently adopted, pertain to domestic policy. They relate to matters which are of indifference to the other signatories.

I do not understand that there has been express affirmation by the signatories as to these two propositions, nor do I understand that it is necessary that there shall be in order to give them such effect as they may have. They are merely enunciations of our policy, and, as stated by the Senators who propose them here—and this has special reference to the Vandenberg reservation—they make no change, effect no alteration, and I do not think that our method of submitting cases to the Court is necessary to be approved by other nations. We can submit them in the way we choose, and the way we have chosen is by treaties, general or special.

I hope the Senate will vote down the reservation.

The VICE PRESIDENT. The question is on agreeing to the reservation offered by the Senator from Oregon [Mr. STEIWER].

Mr. JOHNSON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BULKLEY. Mr. President, before the roll is called, I should like to inquire as to the effect of this reservation, in view of the fact that the protocol has already been signed in behalf of the United States.

The VICE PRESIDENT. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AUSTIN (when Mr. GIBSON's name was called). My colleague the junior Senator from Vermont [Mr. GIBSON] has a general pair with the Senator from California [Mr. MCADOO]. I am not advised as to how either Senator would vote on the pending question.

Mr. HASTINGS (when his name was called). Making the same announcement I made a short time ago on another vote, I withhold my vote.

The roll call was concluded.

Mr. LEWIS. I desire to reannounce the absence of Senators heretofore announced by me. I desire also to announce the necessary absence of the Senator from Washington [Mr. BONE] and the Senator from Arkansas [Mrs. CARAWAY].

The result was announced—yeas 34, nays 49, as follows:

YEAS—34

| | | | |
|---|---|---|---|
| Austin | Frazier | McNary | Shipstead |
| Barbour | Gore | Metcalf | Steiwer |
| Borah | Hale | Murphy | Thomas, Okla. |
| Capper | Johnson | Murray | Townsend |
| Carey | Keyes | Norbeck | Vandenberg |
| Couzens | La Follette | Nye | Wheeler |
| Davis | Long | Reynolds | White |
| Dickinson | McCarran | Russell | |
| Donahey | McGill | Schall | |

NAYS—49

| | | | |
|---|---|---|---|
| Adams | Byrnes | Hatch | Radcliffe |
| Ashurst | Clark | Hayden | Robinson |
| Bachman | Connally | King | Schwellenbach |
| Bailey | Coolidge | Lewis | Sheppard |
| Bankhead | Costigan | Logan | Smith |
| Barkley | Dieterich | Lonergan | Thomas, Utah |
| Bilbo | Duffy | Maloney | Trammell |
| Black | Fletcher | Minton | Truman |
| Brown | George | Moore | Van Nuys |
| Bulkley | Gerry | Neely | Wagner |
| Bulow | Glass | O'Mahoney | |
| Burke | Guffey | Pittman | |
| Byrd | Harrison | Pope | |

NOT VOTING—11

| | | | |
|---|---|---|---|
| Bone | Cutting | McAdoo | Tydings |
| Caraway | Gibson | Norris | Walsh |
| Copeland | Hastings | Overton | |

So Mr. STEIWER's reservation was rejected.

The VICE PRESIDENT. The question is on agreeing to the resolution of adherence, as amended.

Mr. GORE. Mr. President, I submitted a few days ago a reservation, which I ask to have read.

The VICE PRESIDENT. The clerk will read the reservation offered by the Senator from Oklahoma.

The legislative clerk read as follows:

*Resolved further*, That adherence to the said protocols and statute provided for above shall not become or remain effective and shall not be or become binding while or when any nation which is an adherent of said protocols and which is indebted to the Government of the United States shall be in arrears for a period of more than 6 months in respect of any payment due upon such indebtedness.

Mr. GORE. Mr. President, my first remarks will be addressed to the resolution of adherence itself. Then I shall make some reference to the proposed reservation. It was my original purpose to discuss the pending resolution at some length, but I have been a victim of the epidemic of colds sweeping over Washington, and I do not feel physically fit to undertake that task. I shall content myself with incorporating in the RECORD a few quotations, letters, and documents which will explain my views and my vote, if they do not justify my views and vote.

I should have been content to remain silent on the subject had it not been for the fact that three distinguished professors in the Chicago University felt it their duty on last Sunday night, in a national broadcast, to animadvert upon me and upon some of my associates of the Senate. Those dazzling Daniels who came to judgment upon us characterized us as "ignorant" and as "provincial."

Mr. President, I have always regarded ignorance as a misfortune rather than a fault. That term needs no definition. Even the most ignorant understand its significance and its implications, but the word "provincial" which was applied to me and to my associates I think calls for a definition. Being ignorant, I consulted the dictionary to find out exactly what those gentlemen meant when they characterized us as "provincial." I found that the dictionary says that "provincial" means not cosmopolitan. Well, Mr. President, that definition left me still in a state of ignorance, and I felt obliged to ascertain just what was meant by "cosmopolitan", and I send the definition to the desk and ask to have it read into the RECORD.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

Cosmopolitan: Belonging to all the world; not restricted to any locality; at home in any country; without local or national attachments or prejudices: not provincial.

Mr. GORE. Mr. President, those distinguished doctors are not provincial; they are cosmopolitan. They are entirely at home in every clime and in every quarter of this globe. I have a deep suspicion that when those doctors stigmatized us as "provincial" they intended to use that epithet as a disparagement and not as a compliment, but I have decided to take it as a compliment coming from those cosmopolitans, coming from those intellectual, those emotional, those international eunuchs whose souls are so dead they never to themselves have said:

This is my own, my native land.

If to love my own country better than any other—if that, sir, be "provincial", then, I must "own the soft impeachment." If to place America first among all the nations of the earth—if that be a high crime and misdemeanor, then, sir, I am guilty. If to prefer America above all the tongues and tribes and kindreds of the earth—if that be "provincial", then, sir, I am "provincial." If to agree with the Father of his Country, if to agree with George Washington that Europe has a set of primary interests with which we have no concern and with which we should not meddle—if George Washington be "provincial", then I am "provincial."

Mr. President, if Thomas Jefferson, the founder of the Democratic Party; if Thomas Jefferson, the author of the Declaration of Independence; if Thomas Jefferson when he declared that all men were created equal—if Jefferson was "provincial", then, sir, I am as "provincial" as Jefferson. I make no other pretensions; I am a mere American. It was said in ancient Rome that to be a Roman citizen was greater than to be a king. I have the same high opinion of American citizenship.

Mr. President, I desire to have read into the RECORD at this point several quotations from the father of the Democratic party, and I conjure his descendants and his disciples in this body to give heed to the voice of our father. Lest we forget, lest we forget, I ask that the secretary commence reading with the paragraph numbered 296 from the Jefferson Cyclopedia; then read paragraph no. 300, and then paragraph no. 304 down to the point where it is indicated that the reading shall stop.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

[From the Jefferson Cyclopedia]

296. Alliance, abjure.—I sincerely join you in abjuring all political connection with every foreign power; and though I cordially wish well to the progress of liberty in all nations, and would forever give it the weight of our countenance, yet they are not to be touched without contamination from their other bad principles.—To T. Lomax. iv, 301, Ford Ed., vii, 374 (M., March 1799).

300. Alliance, destructive.—To take part in European conflicts would be to divert our energies from creation to destruction.—To George Logan. Ford Ed., viii, 23 (W., March 1801).

304. ——— ———. It ought to be the very first object of our pursuits to have nothing to do with the European interests and politics. Let them be free or slaves, at will, navigators or agriculturists, swallowed into one government or divided into a thousand, we have nothing to fear from them in any form.—To George Logan. Ford Ed., viii, 23 (W., March 1801).

305. Alliances, entangling.—I know that it is a maxim with us, and I think it a wise one, not to entangle ourselves with the affairs of Europe.—To E. Carrington. ii, 334. Ford Ed., iv, 483 (p. 1787).

306. ——— ———. I am for free commerce with all nations; political connection with none; and little or no diplomatic establishment. And I am not for linking ourselves by new treaties with the quarrels of Europe; entering that field of slaughter to preserve their balance, or joining in the confederacy of kings to war against the principles of liberty.—To Elbridge Gerry. iv, 268. Ford Ed., vii, 328 (p. 1799).

Mr. GORE. I will ask to have the other paragraphs which are marked, down to no. 317, printed at this point without having them read.

The VICE PRESIDENT. Without objection, it is so ordered.

The paragraphs referred to are as follows:

307. ——— ———. Let our affairs be disentangled from those of all other nations, except as to commerce.—To Gideon Granger, iv, 331. Ford Ed., vii, 452 (M. 1800).

308. ——— ———. The Constitution thought it wise to restrain the Executive and Senate from entangling and embroiling our affairs with those of Europe.—Parliamentary Manual, ix, 81 (1800).

309. ——— ———. Honest friendship with all nations, entangling alliances with none, I deem (one of the) essential principles of our Government and, consequently (one), which ought to shape its administration.—First Inaugural Address, viii, 4. Ford Ed., viii, 4 (1801).

310. ——— ———. Determined as we are to avoid, if possible, wasting the energies of our people in war and destruction, we shall avoid implicating ourselves with the powers of Europe, even in support of principles which we mean to pursue. They have so many other interests different from ours that we must avoid being entangled in them. We believe we can enforce these principles, as to ourselves, by peaceable means, now that we are likely to have our public councils detached from foreign views.—To Thomas Paine, iv, 370. Ford Ed., viii, 18 (W. March 1801).

311. ——— ———. Peace and abstinence from European interferences are our objects.—To M. du Pont de Nemours. iv, 436 (W., April 1802).

312. ——— ———. It is against our system * * * to entangle ourselves at all with the affairs of Europe.—To Philip Mazzei, iv, 553 (W., July 1864).

313. ——— ———. Our Nation has wisely avoided entangling itself in the system of European interests, has taken no side between its rival powers, attached itself to none of its ever-changing confederacies.—R. to A. of Baltimore Baptists, viii, 137 (1808).

314. ——— ———. The less we have to do with the amities or enmities of Europe the better.—To Thomas Leiper, vi, 465. Ford Ed., ix, 520 (M., 1815).

315. ——— ———. All entanglements with that quarter of the globe (Europe) should be avoided if we mean that peace and justice shall be the polar stars of the American societies.—To J. Correa, vii, 184. Ford Ed., x, 164 (M., 1820).

316. ——— ———. The fundamental principle of our Government—never to entangle us with the broils of Europe.—To M. Coray, vii, 318 (M., 1823).

317. ——— ———. I have ever deemed it fundamental for the United States never to take active part in the quarrels of Europe. Their political interests are entirely distinct from ours. Their mutual jealousies, their balance of power, their complicated alliances, their forms and principles of government, are all foreign to us. They are nations of eternal war.—To President Monroe. vii, 288. Ford Ed., x, 257 (M., 1823).

Mr. GORE. I now ask to have printed at the close of my remarks extracts from George Washington and a number of other illustrious American statesmen of the elder days, which were carried in the morning Washington Herald.

The VICE PRESIDENT. Without objection, it is so ordered.

(See Exhibit A.)

Mr. GORE. I want to have the pictures, the portrait gallery of these American statesmen I cited, likewise printed in the RECORD. That will make it convenient for those who desire to turn these portraits to the wall. They would be available for that purpose.

The PRESIDENT pro tempore. May the Chair remind the Senator from Oklahoma that it would require an order of the Joint Committee on Printing to have the illustrations printed in the RECORD.

Mr. GORE. Very well. I shall try to get such an order. I shall take whatever parliamentary steps are necessary to have these portraits of American statesmen included in the CONGRESSIONAL RECORD.

Mr. President, it is obvious from these quotations from Jefferson that if we observe his maxims and his precepts we will never entangle or embroil ourselves in the quarrels of Europe. We became embroiled in the quarrels of Europe even without membership or entanglement in any European institution, whether League or Court. I do not know whether or not the Chicago University professors are carrying on a propaganda, but I do know that attempts at propaganda have been carried on in the past. I ask Senators to listen now to what I shall have read into the RECORD at this point from Harper's Magazine of March 1918. It is from an article by Sir Gilbert Parker. Sir Gilbert said that from the outbreak of the war in Europe he was in charge of American publicity. His sketch in Who's Who states that he occupied that position of trust for a period of 2½ years—indeed, sir, until he witnessed the entry of the United States into the World War.

I ask that the clerk read as I have indicated.

Senators, lend me your ears.

The PRESIDENT pro tempore. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

[From Harper's Monthly Magazine, issue of March 1918]

By Rt. Hon. Sir Gilbert Parker, Bart.

Perhaps here I may be permitted to say a few words concerning my own work since the beginning of the war. It is in a way a story by itself, but I feel justified in writing one or two paragraphs about it. Practically since the day war broke out between England and the Central Powers, I became responsible for American publicity. I need hardly say that the scope of my department was very extensive and its activities widely ranged. Among the activities was a weekly report to the British Cabinet on the state of American opinion and constant touch with the permanent correspondents of American newspapers in England. I also frequently arranged for important public men in England to act for us by interviews in American newspapers; and among these distinguished people were Mr. Lloyd George (the present Prime Minister), Viscount Grey, Mr. Balfour, Mr. Bonar Law, the Archbishop of Canterbury, Sir Edward Carson, Lord Robert Cecil, Mr. Walter Runciman (the Lord Chancelor), Mr. Austen Chamberlain, Lord Cromer, Will Crooks, Lord Curzon, Lord Gladstone, Lord Haldane, Mr. Henry James, Mr. John Redmond, Mr. Selfridge, Mr. Zangwill, Mrs. Humphrey Ward, and fully a hundred others.

Among other things, we supplied 360 newspapers in the smaller States of the United States with an English newspaper, which gives a weekly review and comment of the affairs of the war. We established connection with the man in the street through cinema pictures of the Army and Navy, as well as through interviews, articles, pamphlets, etc., and by letters in reply to individual American critics, which were printed in the chief newspaper of the State in which they lived and were copied in newspapers of other and neighboring States. We advised and stimulated many people to write articles; we utilized the friendly services and assistance of confidential friends; we had reports from important Americans constantly, and established association, by personal correspondence, with influential and eminent people of every profession in the United States, beginning with university and college presidents, professors and scientific men, and running through all the ranges of the population. We asked our friends and correspondents to arrange for speeches, debates, and lectures by American citizens, but we did not encourage Britishers to go to America and preach the doctrine of entrance into the war—

Mr. GORE. Mark, Senators, that Sir Gilbert Parker did not encourage Britishers to come to the United States and go to and fro hurtling our people into the slaughter pens of Europe. For many an American boy it was indeed the last round-up.

Will the clerk continue reading?

The legislative clerk read further, as follows:

Besides an immense private correspondence with individuals, we had our documents and literature sent to great numbers of public libraries, Y. M. C. A. societies, universities, colleges, historical societies, clubs, and newspapers.

It is hardly necessary to say that the work was one of extreme difficulty and delicacy—

Mr. GORE. Why should it have been a work of extreme delicacy and difficulty to encourage a great idealistic nation like the United States to enter the World War in behalf of its lofty ideals?

Read on.

The legislative clerk read further, as follows:

but I was fortunate in having a wide acquaintance in the United States and in knowing that a great many people had read my books and were not prejudiced against me.

Mr. GORE. Will the clerk stop there for a moment?

It is obvious, Senators, that Sir Gilbert Parker performed his task with infinite industry, I need hardly add with infinite success. I do not know to what extent this propaganda could have contributed to the United States, entering into the World War; but so far as Sir Gilbert was concerned, he discharged his task with unremitting pains and efficiency. Does any Senator doubt that Sir Gilbert Parker had the cooperation of the munitions makers and the munitions mongers of that time? Does the Senate investigating committee doubt that the munitions makers and munitions mongers aided and abetted Sir Gilbert in his campaign? Does anyone in the Senate or out of the Senate doubt that the munitions mongers then as now were sitting like vultures upon the tree of life?

Sir Gilbert says that he began with university and college presidents, professors, and scientists. I wonder if the distinguished professors in Chicago have been contacted by some propagandist of equal industry and equal efficiency.

Sir Gilbert naively says:

> We advised and stimulated many people to write articles.

I know what he meant by "advised." I do not know what he meant by "stimulated." I am ignorant. I wonder if some generous knight errant—if some other Sir Gilbert—began with university professors and contacted the "three wise men" of Chicago University and stimulated them to barter away their birthright for a mess of pottage—for a miserable mess of European pottage? I have here a letter stating that 67 professors of international law in our universities and colleges think we ought to enter the World Court; and the truth is further vouchsafed—if it be true—that of 745 professors of law, just ordinary law, 475 thought we ought to disregard the warnings of Washington, thought we ought to violate the maxims of Jefferson, and thought we ought to embroil ourselves in the quarrels of Europe.

There is a short passage just preceding where the clerk began to read in the first instance which I should like to have read.

The PRESIDING OFFICER. The clerk will read as requested.

The legislative clerk read as follows:

> The Americans have nothing to gain by success in this war, except something spiritual, mental, manly, national, and human.

Mr. GORE. Mr. President, Sir Gilbert advised us that we had nothing to gain by success in that war except something spiritual, and other terms equally as indefinite.

Now, when Sir Gilbert surveys the tragedy which followed in the trail of the war, when he surveys the wreck and the ruin that were wrought, he ought to find his feeling fitly expressed in the passage:

> Oh, give me the land of the wreck and the tomb!
> There's grandeur in graves; there's glory in gloom.

Now I ask to have read a passage following the first quotation.

The PRESIDENT pro tempore. The clerk will read as requested.

The legislative clerk read as follows:

> Perhaps the safest situation that could be imagined actually did arise. The Democratic Party in America, which probably would not have supported a Republican President had he declared war, were practically forced by the logic of circumstances to support President Wilson when he declared war, because he had blocked up every avenue of attack.

Mr. GORE. Mr. President, Sir Gilbert thinks that the Democrats followed their leader into the war; that the Democrats followed their leader—

> Into the jaws of death,
> Into the mouth of hell.

That is Sir Gilbert's opinion. I vouchsafe no judgment of my own upon that debatable issue.

Mr. President, President Roosevelt has sent a message to the Senate with respect to the World Court Treaty or protocol. I quote one sentence from the President's communication:

> Republican and Democratic administrations and party platforms alike have advocated a court of justice to which nations might voluntarily bring their disputes for judicial decision.

Mr. President, if that be the soul of this controversy, then there is no controversy. I, too, am in favor of a court where nations can voluntarily submit their disputes for a judicial decision. I do not believe there is a Member of the Senate who is opposed to such a court. I do not believe there is an American citizen who is opposed to a court where nations can voluntarily submit their disputes for a judicial decision. Sir, the word "voluntarily" is the soul of that passage.

Some of us are opposed to involuntary submission of our quarrels. Some of us are opposed to compulsion. Some of us are unwilling, by advisory opinions or otherwise, to be haled into this European Court against our will and against our interest.

Now, let us see what the real point is in this controversy, and see how slender an issue divides us all.

Everybody agrees to what the President says, that we should have a court where nations may make voluntary submission of their issues for judicial trial. We have such an institution now—the Permanent Court of Arbitration at The Hague. Its doors stand ajar. It is available for disputants, where they can voluntarily submit their disputes for judicial consideration and judgment.

But, Mr. President, we are not relegated and restricted to the Court of Arbitration at The Hague. This World Court, with all its benedictions and its blessings, is available to the people of the United States. Its gates stand ajar. I ask to have read at this point article XXXV of the statute of the Court.

The PRESIDENT pro tempore. Without objection, the article will be read.

The legislative clerk read as follows:

ARTICLE 35

> The Court shall be open to all states generally recognized by treaty or diplomatic relations with the signatories.
>
> When a state which is not a signatory is a party to a dispute, the Court will fix the amount which that party is to contribute toward the expenses of the Court.

Mr. GORE. Mr. President, the World Court stands open for the United States voluntarily to submit any quarrel or any issue to its consideration and its judgment. If we desire to connect ourselves with this Court for our own advantage, in order to avail ourselves of some peculiar advantage which this institution holds out, that advantage is available now. If we desire to join for some other reason, if we desire to join for some other motive, if we desire to join for some other object, if we desire to join for the advantage of others than ourselves, then we ought to ratify the pending resolution. Joining the Court brings no facility for justice that it does not now hold out for the United States.

If we are to join for the advantage of others, then we venture into the realm of risk and responsibility and of danger and of sanctions and possibly of war itself.

The Senator from Arkansas [Mr. ROBINSON] the other day said that we could not afford to stand upon the privilege contained in section 35 of the statute of the Court because if we did it would characterize us as "spongers"; that we would be availing ourselves of the Court without paying the Court costs. That would make us "spongers."

Mr. President, section 35 provides that when we avail ourselves of the inspired justice of this World Court, we shall have the privilege of paying the costs of the Court, as we should pay.

I am willing to endow this Court, Mr. President. I will vote today an endowment of a billion dollars for the World Court, and give the Court an order on our defaulting debtors across the seas.

I listened to the impassioned eloquence of the Senator from Arkansas when he said that we would classify ourselves as "spongers" if we relied upon section 35 and did not pay the fiddler. I felt the force and the impact of his argument. It was designed to urge us to join the Court.

To me it is the most powerful argument I have yet heard against our entrance into the Court. The Senator said we would be "spongers", and sought to introduce us into the Court in order to escape the imputation and the epithet of being spongers, spongers, spongers!

I then envisaged that we had joined the Court under the spell of his irrestible eloquence; that a decision had been handed down by the Court; that our judge was among the dissenting judges; that sanctions were then imposed. And eloquent Senators rise in their places here and say, "Unless the United States takes part in the imposition of sanctions, unless the United States wages war at the bidding of the League, the United States will stigmatize herself as a slacker, as a slacker."

I doubt not that there are internationalists out of Congress who would be willing to sacrifice a half million American boys in order to escape the imputation of being a slacker.

Mr. President, when we join this Court, that brings us within the realm of sanctions, of pains and penalties; and I shall not discuss that point. I shall invoke the highest authority upon the World Court, "Sir" Manley Hudson, another professional patriot who is a cosmopolitan. How-

ever, I want to have read a passage from Dr. Hudson; and while the second quotation from Mr. Reuben Clark will be a little long, I shall ask the patience of Senators, because it is charged, perhaps, with the destiny of many American boys.

The VICE PRESIDENT. The clerk will read.

The legislative clerk read as follows:

The statute fails to make any provision for the enforcement of either interim or final judgments, and the only "sanctions" behind the Court are those contained in the Covenant; and if any state should fail to abide by a decision, it will be for the Council of the League to "propose what steps should be taken to give effect thereto."—The Permanent Court of International Justice, by Manley Hudson.

Mr. GORE. Now, I shall ask to have read from the testimony of J. Reuben Clark given on May 16, 1934. Senators know Mr. Clark is a prominent American diplomatist.

The VICE PRESIDENT. The clerk will read.

The legislative clerk read as follows:

But I submit it is difficult to escape on any theory the practical certainty that by joining the World Court we would become amenable, that is, we would have agreed and would be understood to have agreed, that the provisions of article 17 of the Covenant could be applied against us when our action took us within the purview of its provisions. This article stipulates that if disputes shall arise among nonmembers of the League, they shall be—

"invited to accept membership in the League, for the purposes of such dispute, upon such conditions as the Council may deem just. If such invitation is accepted, the provisions of articles 12 to 16, inclusive, shall be applied with such modifications (not ameliorations) as may be deemed necessary by the Council."

The Covenant states:

"If a state so invited shall refuse to accept the obligations of membership in the League for the purposes of such dispute, and shall resort to war against a member of the League, the provisions of article 16 shall be applicable as against the state taking such action."

While in the contemplation of the Covenant these provisions would be applicable to us in our present status versus the League and the Court, if we came within the prescribed conditions, the point now made is that by joining the Court we may be held to have consented to the application to us of this jurisdiction and sanction; and our subjection to those provisions specifically involves us in all the sanctions provided in the Covenant, including the blockade and economic boycott stipulated in article 16 of the Covenant, measures which President Wilson characterized as a "peaceful, silent, deadly remedy", "something very much more terrible than war."

And may just a word be said in passing about this remedy so graphically and accurately described. For almost 3 centuries prior to the World War the efforts of jurists, statesmen, and military men had been to inject as much humanity as possible into the inhumanity of war. Distinctions had been drawn between combatants—the armed force—and the noncombatant population—the civilian population, between the soldiers in the field and the old, the infirm, the halt, the lame, and the blind, the women, the helpless children who were at home, and between the sick and wounded soldier in the hospital and the able-bodied man at the front. All nations engaged in the World War were guilty of practices that tended to break down all these humane rules.

Now this new remedy—"peaceful, silent, deadly remedy", "something very much worse than war"—is to be applied to the whole Nation; it makes no discrimination between soldiers and civilians, between old, infirm men and women and children and soldiers, between soldiers sick and soldiers healthy. The experiences of the last war teach us that when this remedy is applied the last to suffer will be the soldiers at the front who for the sake of Nation must be clothed, housed, and fed; they must be kept well, healthy, and strong; and the first to suffer, and to them it will come to die of famine and plague, will be the old and infirm, the mothers, and the helpless children, these are to be consigned to all the horrors of the old sieges of the ancients and of the Middle Ages. No wonder military men today are planning war measures that will exterminate whole peoples—men, women, and children—with such an example of world agreement for their guide. Nothing more inhuman has ever been proposed by any group of powers than the measures visualized by article 16 of the Covenant and adopted by its signatory States.

In this view, the remarks of Mr. de Lapradelle to the Committee of Jurists in 1920 gain a sinister significance. He said:

"If the League did not supply sufficient force to the Court, it certainly would fail."

Mr. GORE. Mr. President, if we heed the warnings and take the counsel of Washington, if we stand upon the maxims of Jefferson, we will not enter this Court.

If when the League of Nations says to the United States, "Will you walk into my parlor"—said the spider to the fly—we decline that invitation, if we stand upon the rights vouchsafed to us under article XXXV, we can avail ourselves of all the benefits of this benignant institution, and protect ourselves against all its calamities and the risk of its calamities.

Mr. President, I for one do not want to run the risk. We became involved in a European war without membership in any of their institutions. Could we hope to escape when we obligate ourselves, either expressly or impliedly, by the ratification of this treaty? For my part I will never vote to draft American boys and ship them across the sea to fight and bleed and die in anybody's battles but our own.

Mr. President, I would not sacrifice the life of one American boy, I would not break the heart of one American mother, to guard the boundaries or to maintain the territory of all the faith-breaking and debt-defaulting nations on this globe.

I do not believe this institution can be conjugated into a court. It cannot be made into a court. A judicial tribunal is supposed to decide controversies in accordance with established rules of law and equity and proven facts. This institution is not qualified for that service.

In the summer of 1931 I received a letter from one of my constituents urging me to support American adherence to the World Court. I desire to have read at this point my answer to that communication.

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The legislative clerk read as follows:

OKLAHOMA CITY, OKLA., *July 17, 1931.*

MRS. THOMAS S. NEWMAN,
*Okmulgee, Okla.*

MY DEAR MRS. NEWMAN: I have the honor to acknowledge receipt of your letter dated July 14, in which you make inquiry as to my opinion of the advisability of the United States becoming a member of the World Court, with full participation in its problems and support of its decisions.

I have been trying to keep an open mind upon the question as to the United States becoming a member of the World Court. I say this notwithstanding I have a decided conviction against the United States entering into any kind of entangling alliances with any nation on the globe, particularly with the nations of Europe.

Permit me to add that I am now watching and awaiting with the keenest interest the action of the World Court in respect to the proposed customs union or tariff union between Germany and Austria. That issue has been referred to the World Court. If the Court decides in favor of the customs union, it will do much to inspire my confidence in its judicial character and fairness. But if the World Court decides against the proposed customs union, it will do much to destroy any faith or confidence which I might otherwise have had in its judicial character and fairness.

I confess that I have entertained some doubt as to whether any international organization such as the World Court can in actual fact and practice be a court at all. A court as such ought to be governed in its decisions by established principles, customs, and laws, as applied to the facts proven in the particular case. Europe is now as in the past divided into different political groups. I have felt some fear that the decisions of the World Court might be governed by political interest and consideration, not to say political rivalries, rather than by established principles and proven facts. If this fear should come true, the Court would not be a judicial tribunal no matter what its name and membership, and it might prove a source of embarrassment, not to say a positive handicap.

I am sure that you have given full consideration all these points and have resolved in favor of our membership in the Court.

Whether it is the World Court or Russian communism I am sure that you will agree with me that any kind of inspired propaganda, whether for a world court or Russian communism, ought to make a disclosure of its credentials and its sponsors in order to entitle itself to "full faith and credit"—and favorable action.

Yours truly,

T. P. GORE.

Mr. GORE. Will the clerk now please read the next letter?

The VICE PRESIDENT. Without objection, the clerk will read as requested.

The legislative clerk proceeded to read the letter.

DECEMBER 31, 1931.

GEORGE G. WATSON,
*Vice President First National Bank,*
*Bartlesville, Okla.*

MY DEAR SIR: I am pleased to acknowledge yours of the 28th and to have the expression of your views concerning the United States becoming a member of the World Court.

It would give me pleasure to find myself in accord with you upon this subject, and I therefore regret that I have reached a contrary decision.

I am enclosing a letter which I wrote a constituent last summer. I rather hinged my conclusion upon the decision of the Court upon the proposed customs union between Austria and Germany. The decision was, as you will remember, against the tariff, or customs union. Our representative and that of Great Britain, and five others, decided for the union. France was supported by enough of her satelites to defeat the proposed customs union. Perhaps the controlling feather which determined my judgment was a statement in the Manchester Guardian, which I take, which reported France as saying that she would not adhere to, or would not be bound by the Court's decision, if it was adverse to her attitude.

The Court is really a French Court. The League of Nations is really a French League. In my judgment, it is not a judicial tribunal. It is a political institution.

Entertaining these views you will, of course, appreciate my attitude toward the Court. Again regretting our difference of views, I remain,

With best wishes for a prosperous New Year.

Your friend truly,

T. P. GORE.

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UNITED STATES SENATE,
COMMITTEE ON INTEROCEANIC CANALS,
WASHINGTON, D. C., *February 19, 1934.*

Miss AMY COMSTOCK,
*Associate Editor, the Tulsa Tribune, Tulsa, Okla.*

MY DEAR MISS COMSTOCK: This will acknowledge your letter of late date with reference to the World Court.

I am enclosing copies of two letters I wrote in 1931 on this subject, which will explain my position.

It is much more than probable that the bloody catastrophe which has just happened in Austria is a direct result of the decision on the part of the World Court against the proposed tariff, or customs union, between Germany and Austria. If the Court had permitted Germany and Austria to enter into the customs union, it might have obviated the campaign which Hitler has been carrying on to build up a following within the confines of Austria adverse to the present political establishment in Austria.

I may be wrong, but I do not think we could do a better thing than to keep out of the bloody whirlpool of European politics and European wars. No matter how much we differ, I am sure you will appreciate my point of view.

With best wishes, believe me,

Yours very truly,

T. P. GORE.

Mr. GORE. The World Court is a creature of the League of Nations. The League of Nations is the creator, and the Court is the creature. The League of Nations is made up of some 52 different powers—

Embracing every character of race—black, brown, and yellow—every kind of government from dictatorship to democracy; every sort of religion from voodooism to Christianity; every degree of progress from cannibalism to civilization.

I quote this from a former distinguished Member of this body, Senator Reed, of Missouri. I pause here to pay a merited tribute to Jim Reed, to William Borah, to Hiram Johnson. More than to any other—I might almost say more than to all other—American citizens, we are indebted to them for keeping the United States out of the League of Nations. Their services remind me of Horatius of old, when he and his two intrepid comrades held the bridge against 90,000 Tuscan troops. I would not undertake to cast the characters. Each may arrange the cast for himself. Either might well serve as Horatius when he said:

"Hew down the bridge, Sir Consul,
With all the speed ye may;
I, with two more to help me,
Will hold the foe in play.
In yon strait path a thousand
May well be stopped by three:
Now who will stand on either hand,
And keep the bridge with me?"

Then out spake Spurius Lartius—
A Ramnian proud was he:
"Lo, I will stand at thy right hand,
And keep the bridge with thee."
And out spake strong Herminius—
Of Titian blood was he:
"I will abide on thy left side,
And keep the bridge with thee."

"Horatius," quoth the Consul,
"As thou sayest so let it be."
And straight against that great array
Went forth the dauntless three.

And the dauntless three held 90,000 Tuscans at bay, while saw and hammer destroyed the bridge across the Tiber, and saved Rome from pillage and destruction.

I can understand the motives of the burglar who breaks into a house to rob it of its plate or its jewels; I can understand the motives of the highwayman, the racketeer who uses a machine gun in order to murder and plunder his victims, weighing all the advantages and disadvantages, he hopes to profit by the transaction; but I cannot appreciate the motives of him who would usher the United States into the bloody shambles, into the slaughter pens of Europe.

The VICE PRESIDENT. The time of the Senator has expired.

Mr. GORE. My time on the resolution?

The VICE PRESIDENT. On both the resolution and the reservation. The Senator has spoken on both, 15 minutes on the reservation, and 30 minutes on the resolution. The question is on agreeing to the reservation offered by the junior Senator from Oklahoma [Mr. GORE].

Mr. GORE. Mr. President, I shall not, of course, attempt to pursue the subject, but I am sorry I did not have opportunity to discuss my reservation, which provides that the nations of Europe shall pay their debts before we join the Court.

I ask for the yeas and nays on the reservation.

Mr. TRAMMELL. Mr. President, I desire to have the reservation read.

The VICE PRESIDENT. The clerk will read.

The legislative clerk read as follows:

*Resolved further,* That adherence to the said protocols and statute provided for above shall not become or remain effective and shall not be or become binding while or when any nation which is an adherent of said protocols and which is indebted to the Government of the United States shall be in arrears for a period of more than 6 months in respect of any payment due upon such indebtedness.

Mr. ROBINSON. Mr. President, manifestly this is a reservation which is intended to encompass the defeat of the resolution in every practical aspect.

I ask the friends of the Court to vote down the reservation.

Mr. THOMAS of Oklahoma. Mr. President, I move that the limitation of 6 months be amended so as to make it 1 year.

The VICE PRESIDENT. That can be done only by unanimous consent.

Mr. THOMAS of Oklahoma. I make that motion.

Mr. GORE. I thank my colleague.

The VICE PRESIDENT. That the reservation be amended to strike out "6 months" and to insert "12 months"?

Mr. THOMAS of Oklahoma. That is correct.

The VICE PRESIDENT. The question is on the amendment of the senior Senator from Oklahoma [Mr. THOMAS] to the reservation proposed by the junior Senator from Oklahoma [Mr. GORE].

Mr. GORE. Mr. President, if I am eligible to comment for a moment on that amendment, I shall not take much of the time of the Senate——

The VICE PRESIDENT. The Senator from Oklahoma has 15 minutes on the amendment.

Mr. GORE. I shall come to the point. I note what the Senator from Arkansas has said, and while I may be ignorant, as the professors say, I am not ignorant of the fact that 12 nations of Europe owe the United States $12,000,000,000. I am not ignorant of the fact that England owes us $4,700,000,000, that France owes us $3,900,000,000, that Italy owes us more than $2,000,000,000. I am not ignorant of the fact that France is in arrears $141,000,000, and that England is in arrears $261,000,000.

Mr. President, it perhaps is natural that the Senator from Arkansas should suggest that this is a mere motion to embarrass the friends of the Court. We are asked to join this Court, to sit around the council table with nations which are indebted to us more than $12,000,000,000.

I am under no illusion that these debts will ever be paid in full. I am under no illusion that the United States will

ever cancel these debts, I mean, outright. But I do realize that these debts are an obstruction to commerce, to international trade, and, to some extent, they are an irritant which disturbs international relations.

President Roosevelt has been trying, under the law passed a year ago, to negotiate reciprocal trade agreements with the different nations of the earth. Only one such agreement has been consummated, and that with our understudy, the island of Cuba.

It seems to me that if this reservation be adopted, it would at least remind the people of Europe, if they have forgotten these debts, that we have not forgotten them. I have in mind several adjustments which could be made which would facilitate the settlement of these debts and the furtherance of more friendly and cordial relations between this country and Europe. I have not time to elaborate upon them now; but, Mr. President, the nations of Europe now in default are resentful toward the United States. The money which they borrowed to preserve their existence is in default, and they resent the suggestion that we should like to be paid, not in full but in part.

Mr. President, I desire now to quote from an English magazine upon this point. An English magazine said that the terms in which Americans are commonly referred to in Europe are "bloodsuckers, hypocrites, and Shylocks." I quote: "Bloodsuckers, hypocrites, and Shylocks." In Europe they say that "U. S." does not stand for "Uncle Sam"; that it stands for "Uncle Shylock."

Mr. President, as you know, the ancient law of divorce was that when a husband cohabited with his wife after a known act of infidelity, he had condoned the offense and forfeited his right to a divorce on the ground of infidelity. How shall we sit about the council board of Europe with nations sitting at the board who stigmatize us as "bloodsuckers, hypocrites, and Shylocks" without condoning their default?

Mr. President, those epithets slander the living. More than that, they slander the dead. The living may submit to this insult if they please. Someone should defend the dead. Someone has said that "Noble spirits war not with the dead. They war not even with their enemies when they have paid the last, final debt to Nature." These people are warring with their friends. They are warring with their defenders. They are warring with those who died in their defense. They are dishonoring the dead.

I sometimes wonder what our boys would think; I sometimes wonder how our boys would feel; I sometimes wonder what our boys would say—our boys who lie buried in France, who laid down their lives in the morningtide of existence, who laid down their lives that France might live—I sometimes wonder what they would say if they could hear the words "bloodsucker", "hypocrite", "Shylock"; could hear those words whispered by the mourning winds as they murmur melancholy music through the grass upon their graves. Would they not say, "Was it for this you bade us die?" Would they not say, "Was it for these that you sent us to untimely graves?"

Ah, sir, if only the dead could speak! But, alas! "from the voiceless lips of the unreplying dead there comes no word."

EXHIBIT A

SENATORS OF THE UNITED STATES!

ARE THESE THE FORGOTTEN MEN?

From the farewell address of George Washington (President of the United States, 1789–97) to the people of the United States:

Friends and fellow citizens:

Against the insidious wiles of foreign influence, I conjure you to believe me, fellow citizens, the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government. * * * The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. * * * Europe has a set of primary interests which to us have none, or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our interests. * * * Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

GEORGE WASHINGTON.

United States, September 17, 1796.

George Washington wrote to Patrick Henry in October 1795, when he offered him the Secretaryship of State:

"My ardent desire is, and my aim has been as far as depended upon the executive department, to comply strictly with all our engagements, foreign and domestic; but to keep the United States free from political connection with every other country, to see them independent of all and under the influence of none. In a word, I want an American character, that the powers of Europe may be convinced that we act for ourselves, and not for others. This, in my judgment, is the only way to be respected abroad and happy at home; and not, by becoming partisans of Great Britain or France, create dissensions, disturb the public tranquillity, and destroy, perhaps forever, the cement which binds the Union."

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John Adams (President 1797-1801)—from his letters:

"It is obvious that all the powers of Europe will be continually maneuvering with us to work us into their real or imaginary balances of power. They will all wish to make of us a make-weight candle, when they are weighing out their bounds. Indeed, it is not surprising; for we shall very often, if not always, be able to turn the scale. But I think it ought to be our rule not to meddle; and that of all the powers of Europe, not to desire us, or, perhaps, even to permit us, to interfere, if they can help it."

---

Thomas Jefferson (President 1801–9) in a letter to President James Monroe:

"I have ever deemed it fundamental for the United States never to take active part in the quarrels of Europe. Their political interests are entirely distinct from ours. Their mutual jealousies, their balance of power, their complicated alliances, their forms and principles of government are all foreign to us. They are nations of eternal war."

From his first inaugural address:

"Peace, commerce, and honest friendship with all nations, entangling alliances with none."

---

James Madison (President 1809–17) in his first inaugural address March 2, 1809:

"Indulging no passions which trespass on the rights of the repose of other nations, it has been the true glory of the United States to cultivate peace by observing justice and to entitle themselves to the respect of the nations at war by fulfilling their neutrality obligations with the utmost impartiality."

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James Monroe (President 1817–25) in his annual message to Congress, 1823:

"The political system of the allied (European) powers is essentially different from that of America. This difference proceeds from that which exists in their respective governments; * * *

"We owe it, therefore, to candor, and to the amicable relations existing between the United States and those European powers, who declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.

"With the existing colonies and dependencies of any European powers we have not interfered and shall not interfere."

---

John Quincy Adams (President, 1825–29), while Secretary of State, wrote, on July 5, 1820:

"The political system of the United States is also essentially extra-European. To stand in firm and cautious independence of all entanglements in the European system has been a cardinal point of their policy under every administration of their Government from the peace of 1783 to this day. If at the original adoption of their system there could have been any doubt of its justice or its wisdom, there can be none at this time. Every year's experience rivets it more deeply in the principles and opinions of the Nation. Yet in proportion as the importance of the United States as one of the members of the general society of nations increases in the eyes of the others, the difficulties of maintaining this system and the temptations to depart from it increase and multiply with it.

---

Andrew Jackson (President 1829–37) in a message to Congress:

"Cultivate free commerce and honest friendship with all nations, but make entangling alliances with none. Our best wishes on all occasions, our good offices when required, will be afforded to promote the domestic peace and foreign tranquillity of all nations with whom we have any intercourse. Any intervention in their affairs further than this is contrary to our principles."

---

Abraham Lincoln (President 1861–65) in his second annual message December 1, 1862:

"The Civil War, which has so radically changed for the moment the occupations and habits of the American people, has necessarily disturbed the social condition and affected very deeply the prosperity of the nations with which we have carried on commerce throughout a period of half a century.

"It has at the same time excited political ambitions and apprehensions which have produced a profound agitation throughout the civilized world. In this unusual agitation we have forborne from taking any part in any controversy between foreign states. And between parties and factions in such states. We have attempted no propagandism. We have left to every nation the exclusive conduct and management of its own affairs."

Grover Cleveland (President 1885–89 and 1893–97)—In a message to Congress:

"The genius of our institutions, the needs of our people in their home life, and the attention which is demanded for the settlement and development of the resources of our vast territory, dictate the scrupulous avoidance of any departure from that foreign policy commended by the history, the traditions, and the prosperity of our Republic. It is the policy of independence, favored by our position and defended by our known love of justice and by our own power. It is the policy of peace suitable to our interests. It is the policy of neutrality, rejecting any share in foreign broils and ambitions upon other continents and repelling their intrusion here. It is the policy of Monroe, and of Washington, and Jefferson—'Peace, and honest friendship with all nations; entangling alliance with none.'"

---

William McKinley (President 1897–1901):

"It has been the policy of the United States since the foundation of the Government to cultivate relations of peace and amity with all the nations of the world, and this accords with my conception of our duty now.

"We have cherished the policy of noninterference with the affairs of foreign government, wisely inaugurated by Washington * * *. Content to leave undisturbed with them the settlement of their own domestic concerns."

---

Theodore Roosevelt (President 1901–9):

"I do not believe that the United States should enter into a world-wide career of disinterested violence for the right; because where both the lands and the issues involved are remote from us our people wouldn't know with certainty where the right lay and wouldn't feel that we ought to go into the quarrel. We have enough to do that is our business."

---

Patrick Henry (born 1736, died 1799):

"It is natural for man to indulge in the illusion of hope. We are apt to shut our eyes against a painful truth, and listen to the song of that siren 'till she transforms us into beasts. Is this the part of wise men, engaged in a great and arduous struggle for liberty? Are we disposed to be of the number of those who, having eyes, see not, and having ears, hear not, the things which so nearly concern their temporal salvation? For my part, whatever anguish of spirit it may cost, I am willing to know the whole truth; to know the worst, and to provide for it. I have but one lamp by which my feet are guided, and that is the lamp of experience. I know of no way of judging of the future but by the past."

---

Daniel Webster (born 1782, died 1852):

"Great father of your country, we need your words; we feel their force, as if you now uttered them with lips of flesh and blood. Your example teaches us, your affectionate addresses teach us, your public life teaches us, the sense of the value of the blessing of the Union. Those blessings our fathers have tasted, and we have tasted and still taste. Nor do we intend that those who come after us shall be denied the same high function."

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent that the amendment I offered a moment ago be withdrawn.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The question is on the reservation offered by the Senator from Oklahoma [Mr. GORE]. On that question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HASTINGS (when his name was called). Making the same announcement that I have previously made today, I withhold my vote.

The roll call was concluded.

Mr. AUSTIN. I reannounce the general pair between my colleague [Mr. GIBSON] and the junior Senator from California [Mr. MCADOO]. On this question I do not know how either Senator would vote if present.

Mr. LEWIS. I repeat the announcement heretofore made by me on previous roll calls as to the absence of certain Senators, and the reasons therefor.

I also desire to announce that the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Iowa [Mr. MURPHY] are necessarily absent.

The result was announced—yeas 26, nays 57, as follows:

YEAS—26

| | | | |
|---|---|---|---|
| Bilbo | Donahey | Murray | Thomas, Okla. |
| Bone | Frazier | Nye | Trammell |
| Borah | Gore | Reynolds | Walsh |
| Carey | Johnson | Russell | Wheeler |
| Clark | La Follette | Schall | White |
| Davis | Long | Shipstead | |
| Dickinson | McCarran | Smith | |

NAYS—57

| | | | |
|---|---|---|---|
| Adams | Capper | Hatch | O'Mahoney |
| Ashurst | Connally | Hayden | Pittman |
| Austin | Coolidge | Keyes | Pope |
| Bachman | Costigan | King | Radcliffe |
| Bailey | Couzens | Lewis | Robinson |
| Bankhead | Cutting | Logan | Schwellenbach |
| Barbour | Dieterich | Lonergan | Sheppard |
| Barkley | Duffy | Maloney | Steiwer |
| Black | Fletcher | McGill | Thomas, Utah |
| Brown | George | McNary | Truman |
| Bulkley | Gerry | Metcalf | Van Nuys |
| Bulow | Glass | Minton | Wagner |
| Burke | Guffey | Moore | |
| Byrd | Hale | Neely | |
| Byrnes | Harrison | Norris | |

NOT VOTING—11

| | | | |
|---|---|---|---|
| Caraway | Hastings | Norbeck | Tydings |
| Copeland | McAdoo | Overton | Vandenberg |
| Gibson | Murphy | Townsend | |

So Mr. GORE's reservation was rejected.

The VICE PRESIDENT. The question is on the resolution of adherence.

Mr. WHITE. Mr. President, I offer an amendment to the pending resolution, which I send to the desk.

The VICE PRESIDENT. The amendment of the Senator from Maine will be stated.

The CHIEF CLERK. It is proposed to add at the end of the resolution:

*Resolved further*, That as a part of this act of ratification the United States approve the protocols and statute hereinbefore mentioned upon the condition and with the clear understanding that recourse to the Permanent Court of International Justice for the interpretation of or for any adversary opinion concerning any treaty, agreement, or arrangement fixing or dealing with tariff rates and duties imposed upon the importation of goods, wares, and merchandise into the United States shall not at any time be had.

Mr. WHITE. Mr. President, it is so late that I shall not discuss the amendment beyond undertaking to state its purpose. Its simple and sole purpose is to make certain that the tariff acts and the tariff policy of the United States shall not come within the jurisdiction of the Court.

The VICE PRESIDENT. The question is on agreeing to the reservation.

The reservation was rejected.

Mr. WALSH. Mr. President, the Legislature of Massachusetts has pending before it a resolution instructing the two Senators from Massachusetts to oppose the pending resolution. The parliamentary situation is such that action cannot be taken upon that resolution for some days. In the meantime I have received telegrams, one being from the members of the Massachusetts State Senate, protesting against the resolution of adherence, which telegram is signed by 30 of the 40 members of the State senate. Among the 30 members of the State senate who signed the telegram are both Democrats and Republicans, the present president of the State senate and the ex-president of the State senate.

I also have a telegram signed by 176 members of the House of Representatives of Massachusetts expressing their views in opposition to the pending resolution and asking the two Senators to so regard their votes. The 176 members constitute both Democrats and Republicans. I am informed that the number of representatives signing the telegram would probably have been 200 of the 240 members if some members located in distant parts of the State could have been reached. I am informed further that but two members of the State senate refused to sign this petition, and that of those interviewed only a limited number of the members of the house refused to sign.

I have also a telegram from the department commander of the American Legion of Massachusetts in opposition to the pending resolution.

I also have a telegram from the Massachusetts Democratic senators and representatives assembled at their first luncheon of the present session resolving opposition, without a dissenting vote, to entrance into the World Court.

I ask that these communications be printed in the RECORD in connection with the debate.

The VICE PRESIDENT. Without objection, it is so ordered.

The communications referred to are as follows:

BOSTON, MASS., *January 26, 1935.*

Senator DAVID I. WALSH,
*Senate Building, Washington, D. C.:*

We the undersigned members of the Massachusetts Senate, unalterably opposed to American adherence to Court of League of Nations, respectfully petition you to vote against adherence when the matter comes up for a vote in the United States Senate.

Senators Joseph P. Donahue, Boston; Edward C. Carroll, South Boston; William F. Madden, Jamaica Plain; Joseph A. Langone, Jr., Boston; John S. Sullivan, Worcester; P. Eugene Casey, Milford; Charles T. Cavanagh, Cambridge; Walter L. Considine, Ipswich; Charles F. Daly, Medford; Albert Cole, Lynn; James G. Moran, president, Mansfield; Cornelius F. Haley, Rowley; James C. Scanlan, Somerville; William A. Davenport, Greenfield; Frank Hurley, Holyoke; William F. McCarty, Lowell; Francis M. McKeown, Springfield; Charles G. Miles, Brockton; George G. Moyse, Waltham; Donald W. Nicholson, Wareham; Edward H. Nutting, Leominster; Albert Pierce, Salem; Harry B. Putnam, Westfield; Joseph C. White, Jamaica Plain; Samuel H. Wragg, Needham; James P. Meehan, Lawrence; William S. Conroy, Fall River; John F. Donovan, Chelsea; Erland F. Fish, Brookline.

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BOSTON, MASS., *January 28, 1935.*

Senator DAVID I. WALSH,
*Washington, D. C.:*

I have been contacted by hundreds of my constituents who are opposed to the entry of the United States into the World Court. As a liaison officer of the State department of the American Legion and senator of the eighth Suffolk district, I wish to record myself in accordance with the opinion of the great majority of my constituents, and the opinion of practically every member of the American Legion, as unalterably opposed to the entry of the United States in the World Court, and I request that you vote "no" on this legislation.

THOMAS M. BURKE,
*Senator Eighth Suffolk District.*

P. S.—Sunday, January 27, I addressed the Suffolk County Veterans of Foreign Wars and Suffolk Voiture of the Forty and Eight, and both organizations passed unanimous resolutions against the entry of the United States into the World Court, and telegrams were forwarded asking you to vote against our entry.

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BOSTON, MASS., *January 29, 1935.*

We, the undersigned members of the House of Representatives of Massachusetts, convinced of the wisdom of the injunction laid down by Washington against foreign entanglements and therefore unalterably opposed to American adherence to the Court of the League of Nations, hereby respectfully request United States Senators DAVID I. WALSH and MARCUS A. COOLIDGE to vote against adherence when the matter comes up for a vote in the United States Senate.

Representative Thomas Dorgan; Representative John F. Aspell, Boston; Representative Timothy J. Murphy, Boston; Representative Joseph H. Downey, Brockton; Representative Edward J. Kelley, of Worcester, Mass.; Representative Thomas P. Dillon, Cambridge; Representative Daniel J. Horan, Winthrop; Representative Augustine Anola, Revere; Representative John Philip White, Boston; Representative James John Kiley, Boston; Representative Francis E. Ryan, Somerville; Representative Bernard P. Casey, Boston; Representative Martin R. Schofield; Representative Frederick H. Reinstein, Revere; Representative Bernard Funkels; Representative Patrick J. Kearns, of Lynn; Representative Eugene L. Girone, Somerville; Representative Thomas E. Barry, Boston; Representative George F. Pierce, Everett; Representative Abraham F. Zimon, Boston; Representative Richard P. Paul, Canton; Representative Francis W. Irwin, East Boston; Representative John J. Donohue, Somerville; Representative Michael J. Carroll, Lynn, Mass.; Representative James M. McElroy, Lynn, Mass.; Representative John W. Coddaine, Jr., Haverhill; Representative William F. Higgins, Boston; Representative Charles H. Savage, Boston; Representative John J. Gilmartin, Fitchburg, Mass.; Representative Patrick J. Welsh, Boston, Mass.; Representative Samuel H. Chew, Boston; Representative Anthony A. McNulty, Boston; Representative Edward T. Brady, Somerville; Representative Thomas J. Love, Lawrence; Representative Thomas Flaherty, Charlestown; Representative James P. Donnelly, Lawrence, Mass.; Representative John Q. Murray, Watertown, Mass.; Representative James F. Tobin, Salem, Mass.; Representative John L. Gleason, Boston; Representative Gilbert Sullivan, Boston; Representative Christopher J. Tyrrell, Westborough; Representative Edward D. Lion, of Lawrence; Representative John B. Wenzler, Boston; Representative Paul J. McDonald, Chelsea; Representative Francis X. Coyne, Boston; Representative Thomas J. Hannon, Jr., Boston; Representative Frank D. Babcock, Haverhill; Representative Roland D. Sawyer, Ware; Representative Rufus H. Bond, Medford; Representative Joseph W. Doohy, Taunton; Representative Lawrence P. McHugh, Boston; Representative Anthony R. Doyle, Worcester; Representative James F. Mahoney, Cambridge; Representative Frank W. Smith, Palmer; Representative Edward A. Coffey, Salem, Mass.; Representative Sven A. Erickson, Worcester; Representative J. Francis Southgate, Worcester; Representative Frank L. Floyd, Manchester; Representative John F. Manning, Marlboro; Representative Ralph N. Hamilton, Cambridge; Representative Adolph Johnson, Brockton; Representative Ira C. Ward, Plymouth; Representative Magorisk L. Walls, Rockland; Representative Louis J. Scanlon, Lawrence; Representative Carl A. Woekel, Methuen; Representative Thomas A. Delmore, Lowell; Representative Edward H. Sparrell, Norwell; Representative Albert Rubin, Fall River; Representative Frank J. Sargent, Clinton, Mass.; Representative William A. Hastings, Malden, Mass.; Representative Leo E. J. Carney, New Bedford; Frank B. Coughlin, Norwood; J. J. Foley, Holyoke; George W. Pettengill, Salisbury; Andrew J. Coakley, Chicopee, Mass; John J. Murphy, Westfield, Mass.; Arthur E. Paul, Boston; Arthur U. Mahan, Leominster; Frank C. Sheridan, Maynard; William T. Swain, Nantucket; Ralph E. Otis, Pittsfield; Henry P. McLaren, Westwood; Raymond F. O'Connell, Springfield; Joseph P. McCooey, Worcester; Edward P. Boland, Springfield; Representative Albert E. Morris, Everett; Walter R. Baylies, Taunton; Roger A. McNamara, Easton; Representative Philip M. Markley, Springfield; Representative Archibald L. Jones, Middleton; John R. Knowles, Hull; Flen T. Comerford, Brookline; Ralph V. Clampit, Springfield; George M. Kurzon, Uxbridge; John P. Lyons, Brockton; Edward J. Connelly, Wakefield; Frank H. Horton, Rehoboth; William P. Grant, Fall River; Katherine A. Foley, Lawrence; Arthur T. Burgess, Quincy; Frank M. Leonardi, Boston; Joseph J. Cleary, Cambridge; Frank E. McLean, Lowell; Michael T. O'Brien, Easthampton; William C. Lunney, Holyoke; Charles H. Shea, Cambridge; Fred A. Blake, Garner; Thomas J. Flannery, Waltham; George T. Ashe, Lowell; Albert L. Bourgeois, Lowell; Charles A. Kelley, Worcester; Geo. F. Killgoar, Boston; George P. Hassett, Medford; John E. Murphy, Peabody; Clarence C. Durant, Lee; Charles W. Olson, Ashland; William J. Landergas, Lyons; Leo M. Brimingler, Brighton; Owen Gavaghan, Boston; Timothy J. McDonough, Boston; John V. Kimball, Malden; Francis H. Coady, Cambridge; Charles V. Hogan, Lynn; Rodolphe G. Bessette, New Bedford; Malcolm L. Bell, Marblehead; John R. Shaughnessy, Quincy; Cornelius P. Donovan, Lynn; John H. Valentine, Chelmsford; Willis E. Kertzstine, Holyoke.

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THE COMMONWEALTH OF MASSACHUSETTS,
HOUSE OF REPRESENTATIVES,
STATE HOUSE,
*Boston, January 28, 1935.*

Add to list of members of house in opposition to American entry into the League Court and requesting the two United States Senators from Massachusetts to vote against adherence.

Representatives Jeremiah J. Healy, Natick; Ernest J. Dean, Chilmark; Martin Hays, Boston; Edward P. Bacigalupo, Boston; William H. Melby, Chelsea; Joseph N. O'Kane, Dudley; Charles J. Innes, Boston; Philip G. Bowker, Brookline; Alfred M. Bissette, New Bedford; Chester W. Chase, New Bedford; George Demeter, Boston; William A. Baldwin, Lynn; Donald A. MacDonald, West Springfield; N. N. Brown, Abington; Philip Sherman, Somerville; Frederick H. Tarr, Jr., Rockport; Fred Hutchinson, Lynn; Gustave W. Everberg, Woburn; Herbert W. Urquhart, Georgetown; Joseph D. Rolfe, Newbury; Francis G. Kelley, North Attleboro; Gage E. Tarhill, Lincoln; Horace T. Cahill, Braintree; John J. Whalen, Brockton; Richard Comerford, Leominster; John C. Wilson, Beverly; Josiah Babcock, Milton; William A. Jones, Barnstable.

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BOSTON, MASS., *January 29, 1935.*

Hon. DAVID I. WALSH,
*United States Senator:*

Add our names to list Massachusetts legislators opposed American adherence to Court of League of Nations.

Senator Thomas M. Burke, Boston; Representatives C. F. Luitweiler, Newton; George F. Driscoll, Fall River; Leo P. Landry, Watertown; Michael J. Ward, Boston; Frederick T. McDermott, Medford; Joseph M. Roach, North Adams; Toney A. Centracchio, Boston; David G. Nagle, Boston; Michael H. Jordan, Lawrence; James W. Hennigan, Boston; John J. Foley, Cambridge; Jose H. L. Murphy, Boston; Frank Morrison, Boston; Ignatius B. Cleary, Auburn; J. Walton Tuttle, Framingham; Frank B. O'Brien, Fall River; Terrence J. Lomax, Jr., Fall River.

BOSTON, MASS., *January 24, 1935.*

HON. DAVID I. WALSH,
*United States Senator:*

Respectfully urge you vote for support of maintenance of sovereignty of United States by refusing ratification World Court protocols.

JEREMIAH J. TWOMEY,
*Commander American Legion Massachusetts.*

Mr. LEWIS. Mr. President, I am instructed to inform the Senate that a telegram has been placed in my hands to be read, the contents of which I shall recite. From Genoa, Italy, comes a cable to the junior Senator from Tennessee [Mr. BACHMAN] saying:

Pair us for the World Court.

MCKELLAR AND TYDINGS.

As the Senator-elect from Tennessee has not been sworn in, of course, a pair may not be arranged for him. As to the Senator from Maryland, a subsequent announcement will be made as to that pair.

The VICE PRESIDENT. The question is on agreeing to the resolution of adherence as amended.

Mr. NORRIS. Mr. President, the final vote on the resolution of adherence to the World Court is about to be cast, and I presume, from what I know about the situation, that it will be in the affirmative by the required constitutional majority.

I offered an amendment a day or two ago in the form of a reservation which, it seemed to me, if it had been agreed to, would have clarified the situation and made it plain, fixing it beyond the possibility of a doubt that no danger would ever have come to our country through our adhering to the World Court.

While I do not criticize, and do not want to be understood as finding fault with any Senators who voted against the reservation, as I view the situation now that reservation, or some similar reservation, is absolutely necessary in order to save our country from some possible danger. And holding that view, believing, as I do, that the safeguards which seem to me to be necessary to protect us have been swept aside and voted down, I feel it my conscientious duty to vote against the resolution of adherence.

Practically the same thing I sought before would have been accomplished today, in my opinion, if an amendment striking out the words "general treaty" had been agreed to. As it stands now, there is a possibility, if not a very strong probability, that we will be called upon before long to approve general treaties by which we will agree on our part to submit to the World Court every controversy which may arise.

As I see the situation, that would be a dangerous step for the United States to take. I have said before that I can reach this conclusion, and do, without necessarily implying any lack of ability, any honesty, or any patriotism, in any of the members of the Court. But it seems to me I can see plainly that there is a great possibility that questions will arise in the future which, under no circumstances would I feel justified, as an American citizen, in submitting to that Court as it is now constituted, and as it will probably be constituted in the future throughout all time.

One thing about it that grieves me much—and it is for that reason principally that I feel it is a duty I owe to say something on this occasion—is that under no circumstances do I want to be one who will in any way directly or indirectly interfere with any movement in Europe that will have a tendency to decide questions in dispute between nations in a court of reason rather than upon the battlefield.

I know the charge will be made that those of us who shall vote against the resolution of adherence will do so because we are friendly toward the settlement of international disputes by war rather than by arbitration. Nothing could be further from the truth as I see it. I feel that I should like, by any gesture I can make, to help Europe to decide her international questions by means other than war. That is the reason why I think I should not like to put a straw in the path of any such settlement in Europe by any European tribunal.

At the same time I feel that I cannot go so far in that assistance as I want to go, and feel desirous of going, as to jeopardize by any possible action any future controversy that may arise in which our country has a direct or even an indirect interest.

I thought I had made it easy for friends of the World Court to vote for the reservation which I offered the other day, because I had provided in the reservation, instead of putting in, as there is now, a stipulation that treaties should necessarily be made, that our consent on the part of the Senate to the submission of any dispute should simply require a two-thirds vote here and such action on the part of the Senate before any dispute could be submitted.

The reservation that has now been adopted provides for the red tape of a treaty. If the original reservation offered by me had been agreed to, it would have been a very simple matter for the President to submit the question to the Senate as to whether it would agree to the submission of a matter to the Court. No other country would have had any interest in it. No other country could by any possible construction of law have any complaint to make as to what method we took on our part to submit a controversy to the Court. I very cheerfully would have voted for the resolution of adherence had that amendment been agreed to. I am exceedingly sorry that I feel that I cannot vote for it without that reservation.

When today the reservation came up providing for a treaty, general or special, it was divulged then in the debate that by a single treaty any number of controversies could be submitted, although the treaty providing for such procedure must, of course, receive a two-thirds vote on the part of the Senate for its approval. But one treaty would put us under obligations to submit controversies to that Court about which we knew absolutely nothing at the time we might approve the treaty. With that condition in it, which previously I had not really understood, it seemed to me that it still left us in the dangerous position of submitting to this Court controversies far in advance of the arising of the controversies themselves, and at a time when we could not possibly know anything about the controversy or even that there would be such a controversy.

I am unwilling to go that far. I am unwilling to submit to that tribunal controversies which may arise in the future, about which I can know nothing whatever at this time and about which our country can know nothing whatever at this time. I am not willing to submit to that tribunal any controversy that is not understood at the time it is submitted.

I think in taking that position I am not taking a position that can be by any possible means construed to mean that I am opposed to arbitration or that I am opposed to submitting international controversies to arbitration.

But there may come controversies, after we are dead and gone, if we agree to such a general treaty, which, in my judgment, would not get a dozen votes in the Senate of the United States as it is constituted now if we were called upon to submit such controversies to this Court. We know what the Court is. We know how it is constituted. We know how it is going to be constituted. It is in the main and always will be a Court composed mostly of men not familiar with American questions—and that is no detriment to it and I do not offer it as a criticism—not having the viewpoint of the American Government and its citizens, but constituted of men who have grown up under a different civilization and with entirely different views as to what ought to happen.

We agreed some time ago to a resolution adhering to the Court with certain reservations. I voted for it at that time. It had in it then the reservation that we have now agreed to. My idea was, until the discussion today, that that resolution practically covered the situation. I can see clearly now that it does not, as I have tried to point out to the Senate.

Moreover, since that time a great deal of water has gone over the wheel; a great many things have happened. I would mention some of them if it were not for fear that I might be misunderstood in the discussion of some of those questions. We have had many dealings in the years that

have passed. The Court has made some decisions during that time, for instance, a decision, which has been discussed here to a considerable extent, growing out of the agreement between Austria and Germany which is conceded, I believe, or conceded in large part, at any rate, to involve some political issues. It is known that some of the great countries and the great statesmen of Europe said while that case was pending in the Court that they would not submit to the decision if it went contrary to their views. If we were in the League and in the Court and that decision had not been the other way and some of the nations that had agreed to the submission of the case and agreed to have the Court act had objected to the decision after it had been made, if they had refused to abide by the judgment of the Court, it would probably have meant war. If we were in the Court, I think we would feel some obligation to back up the decisions of the Court; we would feel some obligation and some responsibility for its protection; and to see that its judgments were carried out, even though those judgments involved no American question, and it is possible—it is probable, I think, although it might not follow, I concede—that if war had resulted, we would have been drawn into it.

Many of us who are here now know how we were drawn into the last war, and the things that happened then that brought us in may happen again. I hope to God they never will; but we know how men were taken off their feet, how men lost their reason, how men went wildly in favor of war who perhaps would not do so again. But other men are coming on; they are going to be subject to the same impulses; they are going to be subject to the same kind of propaganda which was successfully employed then and which took us into the war; and I do not want to take any action now that, by any possible construction in the future, with a new set of men here, will, as I fear, under the same conditions, bring us into another bloody catastrophe.

So, Mr. President, I feel that under the conditions existing today I cannot afford to vote to take my country into the World Court; and notwithstanding the possibility, notwithstanding, perhaps, the probability of my being wrong, I am not able to reach the conscientious conviction that a vote in favor of the pending resolution of adherence would be satisfactory to my own conscience. Therefore I shall embrace the opportunity to vote against it.

Mr. BULOW. Mr. President, I had not intended to speak on the pending resolution, and do not now intend to speak at any length. I have no desire to trespass upon the time of the Senate, but I feel that I should take just a moment or two to explain the vote which I intend to cast.

Heretofore I have been in favor of the League of Nations and of the World Court, but the reflections of the last year or two have caused me somewhat to change my mind. I have listened to this debate, heard most of it, and most of that which I have not heard I have read; and I find, so far as I now remember, that every Senator here who is in favor of going into the World Court is only in favor of going into it provided certain reservations are made. That leads me to the conclusion that perhaps it is a dangerous thing to go into the Court.

During the more than 60 years of my life, in an humble way, often questions have come to me upon which action had to be taken; and from that experience I have realized that my Creator endowed me with a something which, for the want of a better name, we have seen fit to call a conscience. That conscience has always pointed out the road to me. If there were two roads to take, that conscience has always told me the right and the wrong road. I have not always obeyed it, but every time I have violated its dictates, apologies and regrets have been necessary. When I have followed its dictates, I do not now remember of a single apology that was necessary.

I sincerely dislike, and it is with deep regret that I am forced, to part company with my administration. It is with deep regret that I cannot follow my leader upon this side of the floor. To me that leadership is voluntary and I can do as I please, but my conscience is not voluntary and I must walk with my consicence constantly until the end of my days.

Under the view I now entertain, much as I regret it, I cannot support the pending resolution of adherence. I thank the Senate for its kindly consideration.

Mr. ROBINSON. Mr. President, I do not intend to delay the vote of the Senate. It seems appropriate, however, that a moment be taken to take note of the remarks made by the Senator who has just taken his seat [Mr. BULOW].

I point out to him, as to all others, that the reservations which have been adopted, and which he says make him mistrustful of the correctness of his attitude in supporting the World Court, are the identical reservations which were adopted in 1926, and which have therefore been in the contemplation of everyone who has formed a conclusion concerning the subject since that time.

In reference to the statement made by the Senator from Nebraska [Mr. NORRIS], the whole effect and purpose of the campaign that has been made during the past few days has been to terrify people who profess to be in favor of the Court, and lead them to the conviction that there is some mysterious, hidden danger likely to produce disaster, disturb peace, and cause destruction of life and property in the United States if we should adhere to the World Court. The object and purpose of the Court is to afford a judicial process for the settlement of disputes which, without such process, might lead to unfriendly relations or war.

There is no argument upon which to rest the conclusion that in joining the World Court the United States endangers the lives or the property of our citizens, or involves our country in European entanglements. The simple question which comes out of all the confusion that has enveloped us during this debate is this:

Do we, as intelligent persons; do we, as law-abiding and peace-minded citizens, wish to hold out hope to our people that we are capable of contributing to the maintenance of an institution which has the power and the integrity to settle issues according to law?

If we answer that question in the negative, we say to every citizen in this country, "No; we have not the intelligence, we have not the power to do anything about it. There is nothing that can be done which will hold out to peace-minded citizens even the hope that the nations may have their issues settled in accordance with law and in accordance with judicial principles. You must look forward to only what you have seen in the past. You must await not the calm decision of men, but to tumult and the shouting, to the beating of drums, the blowing of the horns, the sounding of cannons. You must await the results which are to be determined on fields of strife."

Mr. President, it is a sad thought to me that, after years of deliberation on the subject, the Senate should recede from the position it took many years ago, and now indicate its purpose not to do anything that may be helpful in the peaceful composition of international disputes.

Do not forget it. There has been unfair, unjust, unreasonable propaganda carried on during the course of this debate, carried on by agencies outside the Senate. Appeals have gone from end to end of the country to citizens to send telegrams to Senators to take a stand of opposition on this issue. More than 40,000 telegrams have been sent here in response to such requests, every one of them prompted by inflammatory statements in public addresses that are not based on facts.

Mr. LONG. Mr. President——

Mr. ROBINSON. I decline to yield to the Senator from Louisiana.

Mr. JOHNSON. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. JOHNSON. I do not care to interrupt the Senator from Arkansas, and I am willing that he should make his speech; but when he declines to yield, it occurs to me that

he is out of order. He has spoken upon this subject under the unanimous-consent agreement.

Mr. ROBINSON. Oh, no!

Mr. JOHNSON. Oh, yes!

Mr. ROBINSON. Oh, no, Mr. President; I have not spoken on the resolution.

Mr. JOHNSON. The Senator has spoken half a dozen times upon the resolution.

Mr. ROBINSON. I have not spoken at all on the resolution since the agreement became effective. I have spoken on the reservations.

The VICE PRESIDENT. The clerk advises the Chair that since the unanimous-consent agreement was made the Senator from Arkansas has not spoken on the resolution, but has spoken on the reservations. That is the advice the Chair has from the clerk who keeps the record of speakers.

Mr. ROBINSON. I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, I was only going to ask the Senator about what propaganda he referred to. Did he refer to his own speech of last night? [Laughter.]

Mr. ROBINSON. No, Mr. President. I shall be entirely frank with the Senator from Louisiana. I referred neither to my speech last night nor to his numerous speeches delivered on the subject. [Laughter.]

I doubt whether either my speech or the speeches of the Senator from Louisiana have had very much influence or effect on public opinion in the United States. I have in mind an address made by Father Coughlin in which he made declarations that I do not believe are supported by the record or by the facts. I think he permitted his imagination to run riot.

In the first place, he impugned the intelligence of Senators. He appealed "from an ill-informed Senate to a well-informed Senate." I am wondering if he did not appeal from Philip sober to Philip drunk.

Mr. SCHALL. Mr. President——

Mr. ROBINSON. I yield to the Senator from Minnesota.

Mr. SCHALL. I am wondering if the address by Mrs. Roosevelt did not offset that of Father Coughlin.

Mr. ROBINSON. Mr. President, I am not surprised that the Senator from Minnesota is wondering. He is at liberty to wonder all he pleases. [Laughter.]

Mr. SCHALL. I heard Mrs. Roosevelt's address, and I heard Father Coughlin's address.

Mr. ROBINSON. I am not going to yield to the Senator from Minnesota to make one of his characteristic attacks on Mr. Roosevelt. I have not time to listen to that just now.

Mr. SCHALL. No; I was speaking of Mrs. Roosevelt.

Mr. ROBINSON. The Reverend Father made another statement which I think should be called to the attention of the Senate. He said that the chief support of the World Court comes from plutocrats and international bankers. That sounds like the Senator from Louisiana [Mr. LONG], does it not? [Laughter.] The truth is, when I made that statement he seemed to enjoy it so much that I was reminded of the methods of statement and declaration commonly employed by the Senator from Louisiana. [Laughter.]

Mr. President, the National Grange, almost every bar association in America, all the church organization of every faith, numerous civic clubs, women's clubs, political clubs, and even those old-fashioned clubs, the Democratic and Republican conventions, have declared for the World Court; and here I wish to point out the fact that the declaration of the Republican Party was without qualification.

It did not insist on any reservations. The Republican platform of 1932 boasted that three Republican Presidents had advocated the World Court; and it announced the principle that this country would be safer—the people of the country would be safer, and their rights would be more secure—if we should go into the World Court. Now some of our friends on the other side have forgotten the terms of their platforms and are looking for a way in which to escape from the obligation to stand on it.

Not only have the farm organizations and all the clubs I have mentioned taken this action, but the American Federation of Labor has repeatedly declared for adherence to the World Court.

The Reverend Father, in his characteristic and impassioned speech, also said or implied that all the veterans in the country are against the World Court. Apparently he did not recall that in 1925 and 1929 the American Legion adopted resolutions urging adherence to the World Court.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. ROBINSON. Certainly.

Mr. RUSSELL. The Senator from Arkansas, of course, recalls that the last pronouncement of the American Legion on this subject was against the adherence of the United States to the World Court.

Mr. ROBINSON. Mr. President, I do not question that, but it has repeatedly declared itself for the adherence of the United States to the World Court.

Mr. RUSSELL. Not in the last few years, however.

Mr. ROBINSON. One convention, of course, cannot bind another. I do not wish to waste my time discussing an elementary principle like that. The next convention might declare for it.

There is another statement made by the Reverend Father which I think ought to be challenged: that is, that he intimates that the constitution of the Court and its statutes indicate that it will wage war on women and children. There is no foundation for such assertions as that.

A few days ago, when the Senate entered into an agreement to limit debate, a large number of newspapers in this country published, with glaring headlines, "Gag rule adopted by the Senate", as if an effort had been made to suppress debate. The fact is, known to every Senator, that there are only two ways here of limiting debate—one by unanimous consent and the other by cloture.

The cloture rule was not invoked because there was no filibuster. There has not been an attempt at filibuster during the progress of this debate. But a unanimous-consent agreement was entered into under which we are now operating, and that agreement was consented to by every Member of this body. A single Senator could have prevented it. Then to say that a "gag rule" has been resorted to in order to prevent free expression of opinion by Senators is unfair. It is on the same plane with other propaganda that has been carried on during the course of this debate.

I know the Senate is anxious to vote. I am appreciative of the attention that has been given to me, and I shall conclude with this suggestion.

An American tradition is at stake. An American aspiration is attacked in the name of Americanism. I plead for an interpretation of Americanism in line with the insistence by every President since McKinley, every Secretary of State since Hay, and by an overwhelming majority of the unexcited people of America.

Yesterday reference was made by the Senator from California to the general expressions by McKinley and Theodore Roosevelt, the implication being that those great statesmen would be opposed to the World Court. I point out the fact that they have committed themselves on that subject, and by their expressions I will prove that they were in favor of the World Court.

When a general expression is quoted as an indication of the position of anyone, it is fair to refer to what has been said by that individual on the particular question that is under consideration. I make the assertion that the World Court idea originated in the mind of McKinley and in the mind of Theodore Roosevelt, and I propose to prove it by brief quotations from what they said.

McKinley said:

> The long-continued and wide-spread interest among the people of the United States in the establishment of an international court gives assurance that the proposal of a definite plan of procedure by this Government for the accomplishment of this end would express the desires and aspirations of the Nation.

On the basis of that declaration, I say that President McKinley favored the creation of a world court.

What was Theodore Roosevelt's statement? He said this:

> It should be your effort to bring about in the second conference a development of The Hague Tribunal into a permanent tribunal composed of judges who are judicial officers and nothing else, who are paid adequate salaries, who have no other occupation,

and who will devote their entire time to the trial and decision of international causes by judicial method and under a sense of judicial responsibility.

Those were unequivocal declarations by McKinley and Roosevelt. They favored the creation of a world court. I have a longer statement here from former President Theodore Roosevelt, but I shall not read it.

Senators, this is a grave issue. It is not simply the immediate issue which we have to face; it is the danger to our institutions from demagogic appeals made in ignorance or with malicious purpose. Based upon the attack which I have referred to, the Hearst press is calling upon the citizens of this country to vote against what it calls a "conspiracy to involve us in the World Court." There is no conspiracy among the nations members of the World Court. There can be no conspiracy when the object is to promote a wholesome and desirable end—the substitution of justice for force.

For 12 long years this issue has been openly discussed and every detail of it has been laid bare to the scrutiny of the American people. If there be conspiracy at this hour, it is in the methods pursued by those who seek to mislead the judgment of the American people.

I shall not claim the further attention of the Senate. In presenting this matter to the Senate, my associates and I have discharged what we believe to be our duty. We are hopeful that something substantial may be done by the Senate of the United States as an evidence of its readiness to contribute to the cause of international peace throughout the world. There are mutterings of coming storms. We are told by the opponents of the Court that the Court will not be powerful enough to avoid or prevent those storms. We are told by some opponents of the Court that while it is not powerful enough to do good, it is possessed of power to accomplish destructive purposes.

I point out to the Senate the fact that out of all the troubles of the last few years there has come one proposal, one agency which is designed to compose peacefully controversies among nations. It was created by others, but the original suggestion came from our own statesmen.

Now, if we say that we will not accept this agency, that we have no other agency to propose, what is the hope of the mothers of the land? What is the hope of the children of this and coming generations? Must they be born to a heritage of blood and sacrifice? Must they advance into the future realizing that it is far more easy for Government and governmental agencies to drag them into the vortex of a destructive war than it is to lift them up to a plane on which they may enjoy peace?

I leave the issue with you.

Mr. TRAMMELL. Mr. President, I have remained silent throughout the discussion of this question. I have very decided views on the question of this country's entering the Permanent Court of International Justice. I have heretofore opposed it. I have heard nothing in the discussion that has in any way persuaded me to change my former views. I know of no developments which have diverted me from my original opposition to the World Court.

It happens I was one of those who voted against the unreserved ratification of the League of Nations. At that time I was rather lonely among my good Democratic friends, but with the passing of time I believe the sentiment of the American people has not yet ripened in behalf of the League of Nations, but, to the contrary, has become more set against the League. I am sure, in casting my vote against our entrance into the World Court, that I am voicing the overwhelming sentiment of the people of Florida. It is my desire, if I know myself, to represent the people of my State and my Nation.

I am not going into any detailed discussion. By environment, by tradition, by association, my idea and conception of courts have arisen from the American system of jurisprudence. Our American plan is to have a court composed of an impartial judge, a judge who has no interest or prejudice in the question in litigation, a jury without interest or prejudice as between the litigants. If there is anything that safeguards the idea in the American system—and that system is good enough for me—it is the impartial judges, the judges who have no interest, and it is the jurors who have no interest. I have been unable to discover any such policy provided for the World Court, and no one here advocating our entrance into the Court has claimed for such Court any such safeguards as prevail in our American jurisprudence.

The average person would laugh at a lawyer who would go into court and try a case in behalf of his client with a packed jury, with the judge and the jury having an interest at stake or a prejudice in the controversy.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Kentucky?

Mr. TRAMMELL. I prefer not to yield, as my time is limited. The Senator has already spoken two or three times.

Mr. BARKLEY. Oh, no; I have not spoken at all.

Mr. TRAMMELL. The Senator may speak after I shall have concluded. [Laughter.] However, Mr. President, I will yield just for a question.

Mr. BARKLEY. I thank the Senator for his permission to speak after he finishes. I wanted to ask the Senator if he does not know that every criminal case tried in this country is tried by a jury which has an interest as a part of the public which prosecutes every criminal who violates the laws of his State.

Mr. TRAMMELL. Anybody who knows anything about the system in this country understands the difference between that system and the international World Court system which we are asked to adopt. By what provision do we retire a judge representing one of the States that is a member of this Court if his nation is interested, like our debtor nations are interested? The Senator refuses to retire them. His whole proposal, as represented by this system, permits judges representing every nation that owes America and is in default to sit upon that Court in passing upon cases in which the United States is involved. Why not have a provision in the resolution of adherence that where they are interested they should be excused from service upon the bench in that particular litigation? Here in this country we try desperately to get a fair jury. For instance, in my State three peremptory challenges are allowed to each side. Then we can challenge and have excused for cause any juror who has any interest in the case or who may be prejudiced in the litigation.

In the case of the judges of the World Court they are interested in the political fate of their respective nations; each is interested in what may be the fate of his own nation. In our system we ask the prospective juror if he is prejudiced in the case in any way, and if he admits any prejudice he is excused. Does anyone believe that if we had a judge representing a nation that is in default to America, he would not have a decided prejudice in behalf of his own country? I do not know of any American jurist who would not have a pronounced sympathy for his own country. If he were a good American, he naturally would have. When we reach the point that we can set up a court that we are sure would go about the trial of the issues without prejudice, then we might more seriously consider the entering of such an international court.

Pictures may be painted of this being a great panacea for all the ills of all governments. We talk about war. We have endeavored to be friendly with all nations. We practically forgave them the debts they owed us when we made the debt settlement. I am glad to say I voted against the terms of the settlement of those debts at the time. But we were friendly. We were generous. We did everything in the world to encourage the friendship of the nations that were owing us. What did it avail?

Our Presidents have proposed to forestall war and the danger of war by different disarmament conferences and the curtailment of armaments. Our foreign friends have prevented accomplishments in that respect. We have been generous in helping all the nations in distress, feeding and clothing their people. When I think of it, I am reminded of an incident that occurred in the life of a man I happen to

have known. Someone said to him, "Why is old man Miller opposing you?" He said, "I do not know of any reason why he should be fighting me except that one time I endorsed his note at a certain bank and I had to pay the note."

I do not know of any reason why our European friends are so prejudiced and so antagonistic against the United States except that they came here begging for money to carry on the war, came here pleading for assistance, for somebody to save them from the immediate danger that was pending against them, and the United States responded—responded nobly, responded generously—with her money and with the young manhood of this country and saved those nations. I do not know why they should be so unfriendly to us. I do not know why it is that we cannot get fair consideration from them, unless it is because this country spent and loaned some $42,000,000,000 of her money to rescue them from defeat by the German Empire.

I should like some of our good friends advocating our entrance into the World Court to show where these European nations have extended any friendship to us, where they have shown any appreciation to the United States for the part we played in the war and for the money which we loaned them.

Why, they refused even to pay the interest on the debts—and that is all most of them agreed to pay; just the interest. We waived the principal of all they owed us, and said, "If you will just pay interest on that, we will accept the installments in full settlement at the end of 62 years." They have not paid.

Our people are in the midst of a great depression. They are overburdened with taxation. Millions of them are unemployed and hungry. These other nations take the money that they should pay us for interest and use it for carrying on their own affairs, trying to restore their own countries, and they are spending billions for armament.

My friends, there is a good reason why the honest, patriotic American is not in sympathy with the idea of America bowing down and responding to the call of the internationalist in America, and to the desire of foreign countries to have America go in to help support the Permanent Court of International Justice. We do not feel that our Nation would get justice in such international tribunal.

I do not criticize anybody's sincerity or patriotism, even though we may differ on the issues involved; but sometimes, when I see this effort to plunge our Republic into the World Court, I am impressed that some people would rush in "where angels fear to tread." We have in many instances witnessed such folly.

We have many questions demanding our attention here at home. I do not think there is any great exaggeration about the questions that the other nations will try to force before the Court if America goes into the Court. They will seek to bring all kinds of questions before the Court, if they can, involving immigration, involving trade relations, and involving other problems which are of the most vital concern and interest to America. Will the other nations seek before the Court to help our country? The question answers itself.

I am not willing to vote to have the United States enter this Court and go into a trial before judges representing nations which, generally speaking, are unsympathetic to America, which are unfriendly to America; and the controlling and dominating elements in that Court, being indebted to America to the extent of billions, who are treating America's claims with absolute indifference, I might say have trampled under their feet an honest obligation to the American people. They, through that Court, are not going to do very much for America.

I am strongly convinced that the United States can far better conserve the interests of the American people by remaining out of this Court.

Mr. CONNALLY. Mr. President——

SEVERAL SENATORS. Vote! Vote!

The VICE PRESIDENT. The resolution of adherence, as amended, will be read for the information of the Senate.

The resolution of adherence, as amended, was read as follows:

Whereas the President, under date of December 10, 1930, transmitted to the Senate a communication, accompanied by a letter from the Secretary of State dated November 18, 1929, asking the favorable advice and consent of the Senate to adherence by the United States to the protocol of date December 16, 1920, of signature of the Statute for the Permanent Court of International Justice, the protocol of revision of the Statute of the Permanent Court of International Justice of date September 14, 1929, and the protocol of accession of the United States of America to the protocol of signature of the Statute of the Permanent Court of International Justice of date September 14, 1929, all of which are set out in the said message of the President dated December 10, 1930: Therefore be it

*Resolved (two-thirds of the Senators present concurring)*, That the Senate advise and consent to the adherence by the United States to the said three protocols, the one of date December 16, 1920, and the other two each of date September 14, 1929 (without accepting or agreeing to the optional clause for compulsory jurisdiction), with the clear understanding of the United States that the Permanent Court of International Justice shall not, over an objection by the United States, entertain any request for an advisory opinion touching any dispute or question in which the United States has or claims an interest.

*Resolved further*, That adherence to the said protocols and statute hereby approved shall not be so construed as to require the United States to depart from its traditional policy of not intruding upon, interfering with, or entangling itself in the political questions of policy or internal administration of any foreign state; nor shall adherence to the said protocols and statute be construed to imply a relinquishment by the United States of its traditional attitude toward purely American questions.

*Resolved further*, as a part of this act of ratification, That the United States approve the protocols and statute hereinabove mentioned with the understanding that recourse to the Permanent Court of International Justice for the settlement of differences between the United States and any other state or states can be had only by agreement thereto through general or special treaties concluded between the parties in dispute.

The VICE PRESIDENT. The question is, Shall the Senate advise and consent to the resolution of adherence, as amended? The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LEWIS (when Mr. COPELAND's name was called). I am instructed to advise the Senate that the Senator from New York [Mr. COPELAND], who is necessarily absent, is paired with the Senator from Louisiana [Mr. OVERTON], who is detained on account of illness, and the Senator from Oregon [Mr. STEIWER]. The Senator from Oregon will announce his own attitude. I am instructed to say that the Senator from Louisiana, if present and voting, would vote "nay", and the Senator from New York, if present and voting, would vote "yea."

Mr. AUSTIN (when Mr. GIBSON's name was called). I again announce the necessary absence of my colleague [Mr. GIBSON]. I announce a pair between my colleague and the Senator from Maryland [Mr. TYDINGS] with the junior Senator from California [Mr. MCADOO], all of whom are detained on the Philippine mission. On this question I am informed that my colleague and the Senator from Maryland, if present, would vote in the affirmative, and the Senator from California would vote in the negative.

Mr. LEWIS (when Mr. MCADOO's name was called). In response to the request of the Senator from California [Mr. MCADOO], I beg to repeat and approve the announcement of the Senator from Vermont [Mr. AUSTIN] as to the pair of the Senator from California with the Senators mentioned by the Senator from Vermont.

Mr. STEIWER (when his name was called). On this question I am paired, in accordance with the announcement already made by the Senator from Illinois. I am paired with the senior Senator from New York [Mr. COPELAND] and the Senator from Louisiana [Mr. OVERTON]. On account of the pair, I withhold my vote. If at liberty to vote, I should vote "yea", as would the Senator from New York [Mr. COPELAND]. The Senator from Louisiana [Mr. OVERTON] would vote "nay."

The roll call was concluded.

Mr. LEWIS. The Senator-elect from Tennessee [Mr. MCKELLAR] is necessarily detained in connection with the Philippine Commission. If present, he would vote "yea."

The roll call resulted—yeas 52, nays 36, as follows:

YEAS—52

| | | | |
|---|---|---|---|
| Adams | Byrd | Glass | Moore |
| Ashurst | Byrnes | Guffey | Neely |
| Austin | Capper | Hale | O'Mahoney |
| Bachman | Caraway | Harrison | Pittman |
| Bailey | Clark | Hatch | Pope |
| Bankhead | Connally | Hayden | Radcliffe |
| Barbour | Costigan | Keyes | Robinson |
| Barkley | Couzens | King | Sheppard |
| Bilbo | Cutting | Logan | Thomas, Utah |
| Black | Dieterich | Lonergan | Truman |
| Brown | Duffy | McNary | Vandenberg |
| Bulkley | Fletcher | Maloney | Van Nuys |
| Burke | George | Minton | Wagner |

NAYS—36

| | | | |
|---|---|---|---|
| Bone | Gerry | Metcalf | Schwellenbach |
| Borah | Gore | Murphy | Shipstead |
| Bulow | Hastings | Murray | Smith |
| Carey | Johnson | Norbeck | Thomas, Okla. |
| Coolidge | La Follette | Norris | Townsend |
| Davis | Lewis | Nye | Trammell |
| Dickinson | Long | Reynolds | Walsh |
| Donahey | McCarran | Russell | Wheeler |
| Frazier | McGill | Schall | White |

NOT VOTING—6

| | | | |
|---|---|---|---|
| Copeland | McAdoo | Steiwer | Tydings |
| Gibson | Overton | | |

The VICE PRESIDENT. On the resolution of adherence, as amended, the yeas are 52, the nays are 36. Two-thirds of the Senators present not having voted in the affirmative, the resolution of adherence, as amended, is rejected. [Manifestations of applause in the galleries.]

The occupants of the galleries will kindly refrain from manifestations of approval or disapproval and will observe the rules of the Senate, for they are our guests.

Mr. ROBINSON. Mr. President, I ask that there be printed in the RECORD, following the proceedings on the World Court, an editorial which appeared in the Sheboygan Press of January 23, 1935.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Sheboygan Press, Jan. 23, 1935]

JIM FARLEY A REAL SERVANT

By C. E. Broughton, editor

The other evening the Honorable James A. Farley, Postmaster General, speaking before the anthracite-coal men in New York City, reviewed the administration of President Roosevelt and contributed kernels of thought which ought to be remembered.

He referred to the progress that had been made in the way of recovery, the soundness of banks today as compared with March 1933, the improved conditions on farm, in store, factory, and mine, and the economies practiced by the Government. Outside of the money actually expended for relief, the regular expenses of Government showed a decrease of a billion dollars from the year previous. There were many things contributing to this, one of them being a surplus of $12,000,000 in the Post Office Department as against a deficit when Postmaster General Farley took office. With the same accounting and bookkeeping system utilized there was a deficit in 1931 and 1932 of $153,000,000.

In discussing the improved conditions Mr. Farley gave this timely reference to relief:

"Of course, there are still millions of men and women out of work, eager though they may be to find employment. Until most of these do find employment in industry the Government has to take care of them. There may be honest differences of opinion as to the best way of doing this, but there can be none as to the necessity that it be done.

"There are two ways of meeting the inescapable problem—by direct relief—that is, the dole—or by putting them to work on public jobs. The first course will probably be the cheaper, in terms of what it takes to provide a living for an individual. The work system, however, takes into consideration not only the circumstances that the country gets something back in the form of public improvements, greater security against such calamities as floods and fires, crossroads collisions, etc. Of still more importance is the value of preserving in the American people a spirit of self-reliance and self-respect. No man who is worth saving could indefinitely eat the bread of charity if he had the alternative of earning his living."

Truer words were never spoken, and they come from a man of wide experience, and one who has been a companion of President Roosevelt and a member of his Cabinet during the entire period of his administration. Not only has Mr. Farley the confidence of the President but he has demonstrated that it is possible to work out of the red in the Post Office Department, something that no administration has accomplished for many, many years.

Jim Farley deserves a place in history for the services he has rendered to the President of the United States and to the people of the entire country.

THE CALENDAR

Mr. ROBINSON. I ask that the Senate proceed to the consideration of nominations on the calendar.

The VICE PRESIDENT. The clerk will state the first nomination in order on the calendar.

FEDERAL POWER COMMISSION

The legislative clerk read the nomination of Frank R. McNinch, of North Carolina, to be a member of the Federal Power Commission.

Mr. McCARRAN. I ask that that go over.

The VICE PRESIDENT. The nomination will be passed over.

Mr. WHEELER. Mr. President, I did not catch who objected to present consideration of the nomination of Frank R. McNinch.

The VICE PRESIDENT. The Senator from Nevada [Mr. McCARRAN] objected to considering the nomination.

Mr. WHEELER. I wonder if the Senator from Nevada will not withdraw his objection. This nomination has been held over for something like 2 weeks, and at the request of the Senator from North Carolina [Mr. BAILEY] I purposely delayed reporting favorably the nomination much longer than I felt it should be delayed, so that the Senator from North Carolina could be in the Senate when it was taken up for action.

Mr. McCARRAN. I am sorry I cannot comply with the request of the Senator from Montana.

Mr. FLETCHER. I suggest that when the report of the committee is made and a nomination goes to the calendar one objection is sufficient to carry the nomination over until the next meeting of the Senate. One objection to a report of a committee carries it over to the next day. However, when that day has gone by and the nomination comes up again for action, one objection cannot carry it over. It can be done only by majority vote.

The VICE PRESIDENT. The Chair will say to the Senator from Florida that this nomination has been passed over.

Mr. FLETCHER. One objection cannot carry it over now. It now takes a majority vote to do so.

The VICE PRESIDENT. Does the Senator from Montana desire to move that the Senator recur to this nomination?

Mr. WHEELER. Mr. President, unless I can have a definite time fixed at which to take it up, within the next day or so, I shall move that the nomination be considered now.

Mr. FLETCHER. The nomination is automatically before the Senate for consideration.

Mr. WHEELER. Mr. President, I understand I do not have to move to consider it?

The VICE PRESIDENT. Not at all. The nomination automatically comes before the Senate.

Mr. WHEELER. Mr. President, I ask unanimous consent that, as to the nomination of Mr. McNinch to be a member of the Federal Power Commission, a definite time be fixed to consider the nomination. I understand that the Senator from Nevada desires to make a speech on the nomination, and that another Senator also desires to be heard; but I want a definite time fixed for considering the nomination, and do not desire to have it delayed. I want to accommodate Senators.

Mr. ROBINSON. Mr. President, I have no objection to any arrangement the Senators interested would like to make about the matter. There will be a session of the Senate tomorrow, and there is very little business on the calendar, but I understand there is a measure which the Chairman of the Committee on Banking and Currency would like to have considered, and perhaps there is one other measure which it is also desired to have considered. The nomination in question might be reached tomorrow afternoon, if Senators will be ready to have it then considered.

Mr. KING. Mr. President, will the Senator yield?

Mr. ROBINSON. I yield.

Mr. KING. I may say to the Senator that there is a measure which the State Department is anxious to have considered and in which many people are interested. I refer to a bill to carry out the terms of the Mexican Claims Treaty

by the appointment of the Commission. The measure has been reported by the committee, and I shall be very glad if that can be considered tomorrow.

Mr. ROBINSON. I think that may be done.

Mr. KING. I think the Senator from Nevada [Mr. PITTMAN], the Chairman of the Committee on Foreign Relations, would be glad to have the bill considered.

Mr. HARRISON. I had very much hoped, Mr. President, that the first thing tomorrow we could take up the bond bill, which it is very necessary to enact soon if it is to be enacted at all. It has passed the House already, and has been unanimously reported by the Committee on Finance.

Mr. ROBINSON. I think there will be no objection to that, but after that measure shall have been disposed of, if Senators agree, I shall move an executive session to consider the nomination of Mr. McNinch.

Mr. WHEELER. Then, I ask, Mr. President, that that arrangement be made, and I will not press the matter this afternoon, with the understanding that tomorrow we shall have an executive session for the purpose of considering the nomination.

Mr. McCARRAN. I cannot agree to that.

Mr. WHEELER. I am not asking the Senator to agree to it; but we will either take it up now, or take it up tomorrow. I have held this nomination over at the request of the Senator from North Carolina [Mr. BAILEY] for some time. It was unanimously reported out of the committee. There were no protests against it at all, and it has been on the Executive Calendar for something like a week, as I recall, and ought to be disposed of and acted upon.

Mr. McCARRAN. Mr. President, I do not think a week's time on an appointment of this kind and of this importance is any too great a length of time. I wonder how far the committee went into this particular appointment. I wonder what investigation the committee made. I wonder if they are ready to render a report on the investigation made.

Mr. WHEELER. The Interstate Commerce Commission, of which I happen to be chairman at the present time, held a thorough investigation into this matter when Mr. McNinch's name was before the committee upon a former occasion when it was sent to the Senate. We did not at this time go into a further investigation because there was no protest before the committee. Mr. McNinch served faithfully on the Power Commission, in the judgment of the members of the committee, and we reported his nomination favorably because there was no objection to him, that being the customary thing to do. The Senator from Nevada made no objection, and no one else asked for a hearing before the committee.

I serve notice that tomorrow, if we shall have an executive session, I shall ask that the matter be disposed of.

Mr. McCARRAN. Mr. President, I am a little surprised at the attitude of the Senator from Montana in this matter. Within my short experience here similar matters have come up in which I took no such attitude as that taken by the learned Senator from Montana. If the Senator desires to enter into a fair agreement regarding the matter and let it go over for 1 week, then I shall consider the suggestion; otherwise I am going to be on the floor of the Senate for some time discussing this particular nomination.

Mr. WHEELER. I am not going to be blackjacked by any such statement as that. The Senator can suit his own wishes so far as I am concerned. I am going to ask that the nomination be taken up tomorrow and I shall ask that we remain in executive session until it is disposed of.

Mr. McCARRAN. I should like to have the further attention of the Senator from Montana long enough to say to the learned Senator that he may be familiar with the use of blackjacks, but I am not, and I do not utilize that particular method.

Mr. BAILEY. Mr. President, I understand that the question of the confirmation of the nomination of Mr. Frank R. McNinch has gone over until tomorrow by agreement. I wish to say that, so far as I am concerned, I have not sought to delay the disposition of this matter for one moment. I happened to be at home sick when the nomination was sent to the Senate. When I received news of it I did communicate with the Senator from Montana [Mr. WHEELER], Chairman of the Committee on Interstate Commerce, and requested that he hold the nomination until I could be heard. That was a mere matter of prudence on my part because I knew I would be back in the Senate within 24 hours and I was sure the nomination would not be considered within that time.

Upon my return I saw the Senator from Montana and assured him that I had no intention of pursuing a policy of delay. Yesterday when we were considering the resolution of accession of the United States to the jurisdiction of the Permanent Court of International Justice, the nomination came up in the midst of the debate. That was no opportune time for its consideration. I suggested to the Senator from Montana that it would be inappropriate to bring the question up for discussion at that time because I intended to take some little time—I hope not more than 20 or 25 minutes—and we promptly agreed that it should go over until today.

When the Senator from Nevada [Mr. McCARRAN] offered his objection to its consideration today, that was not at all disagreeable to me, not that I hoped to delay it, but I looked at the clock and realized that it was late, that Senators had been here all day, and I thought it would be very appropriate to have it go over. I wish to make it perfectly clear that I am ready to go into the matter at any time.

Mr. WHEELER. Mr. President, the Senator from North Carolina has been exceedingly fair with reference to the McNinch nomination. When recently he asked to have it go over because of the fact that he happened to be out of town, I was willing to accommodate him and asked that it should go over.

The only interest I have in the McNinch nomination is that I want it disposed of. It has been reported by the Committee on Interstate Commerce and ought to be disposed of.

The VICE PRESIDENT. The clerk will state the next nomination on the calendar.

### THE JUDICIARY

The legislative clerk read the nomination of William Denman, of California, to be judge of the United States Circuit Court, Ninth Circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

### POSTMASTERS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. ROBINSON. I ask that the nominations of postmasters be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

Mr. ROBINSON subsequently said: Mr. President, I ask unanimous consent that the vote by which the nomination of Lela E. Randolph to be postmaster at Portland, Pa., be reconsidered, and that the nomination be recommitted to the Committee on Post Offices and Post Roads.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

That completes the calendar.

### EXECUTIVE REPORTS OF A COMMITTEE

Mr. HAYDEN, from the Committee on Post Offices and Post Roads, reported favorably the nominations of several postmasters, which were ordered to be placed on the Executive Calendar.

### LEGISLATIVE SESSION

Mr. ROBINSON. I ask that the Senate resume legislative session.

The Senate resumed legislative session.

### SURVEY OF LAND AND WATER POLICIES AND PROJECTS

The VICE PRESIDENT. Pursuant to Senate Resolution 58, the Chair appoints as the committee to make a survey of land and water policies of the executive agencies of the Government the following Senators: The Senator from Wyoming [Mr. O'MAHONEY], the Senator from Nevada [Mr.

PITTMAN], the Senator from New York [Mr. WAGNER], the Senator from Colorado [Mr. ADAMS], the Senator from Nebraska [Mr. NORRIS], the Senator from Oregon [Mr. MCNARY], and the Senator from South Dakota [Mr. NORBECK].

ADDITIONAL CLERK FOR COMMITTEE ON FOREIGN RELATIONS

Mr. BYRNES. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, without amendment, Senate Resolution 50, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read.

The legislative clerk read the resolution (S. Res. 50) submitted by Mr. PITTMAN on the 14th instant, as follows:

*Resolved*, That the Committee on Foreign Relations is authorized to appoint one additional clerk to serve until the expiration of the present session of the Congress, and to be paid a salary at the rate of $1,800 per annum out of the contingent fund of the Senate.

Mr. MCNARY. What is the purpose of the resolution?

Mr. BYRNES. The resolution authorizes the Committee on Foreign Relations to appoint an additional clerk. The resolution was submitted by the Senator from Nevada [Mr. PITTMAN].

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

THE WORLD COURT—ADDRESS BY SENATOR REYNOLDS

Mr. RUSSELL. Mr. President, I ask permission to have printed in the RECORD a radio address on the subject of the World Court, delivered by the junior Senator from North Carolina [Mr. REYNOLDS] on the 27th instant.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Ladies and gentlemen of my unseen audience, I wish to talk to you tonight in reference to the World Court, a court which is the right arm of the League of Nations.

We are on the eve of a grave crisis in the affairs of America. We are at this very hour standing on the threshold of the main entrance to the League of Nations—the so-called "World Court", a court located 3,000 miles from our own Capitol.

Within a few short hours the United States Senate, the upper branch of our Congress, said to be the only surviving independent deliberative body on earth today, will be called upon to decide whether or not it will cast adrift the sacred rights handed down to us by the framers of our Constitution by joining the World Court, this court of trickery and chicanery.

I wish to solemnly warn the people of our beloved country against once more becoming entangled in the political ramifications of the 60 foreign nations that are members of the League.

The horrible wounds, both physical and financial, that America suffered in the World War are as yet far from healed. Thousands upon thousands of our brave soldiers still bear the scars received in battles fought on foreign shores across the sea. Thousands and thousands of America's fathers and mothers still mourn the loss of their courageous sons who gallantly fell on foreign fields.

Millions of our citizens still bear the overloaded burden of taxes that they are paying in the form of interest on the 40 billions of good honest sweat-earned American dollars that we poured into the world conflict in a vain effort to save the world for freedom and independence, and to effect a permanent peace among all nations.

A bitter dose of medicine that the American people cannot swallow is the fact that $11,000,000,000 that our Government loaned our Allies remain unpaid. As if to test our patience our European debtors brazenly refuse to pay even the interest on the loans. These nations that defaulted in paying their honest debts to us, at a time when we are struggling to emerge from the worst business depression in our history, are the same nations that constitute the real powers behind the World Court and are urging our entrance into the Court.

These countries which have failed to pay us offer the excuse that they are bankrupt, yet they are now competing with one another in a race to see which one can exceed the other in the manufacture of munitions of war and the equipping of vast military machines, all of which requires tremendous expenditures of millions. They have the money with which to build up their armies and navies but not one cent with which to pay their honest war debts to us.

For 12 years international propogandists have been beseeching, cajoling, and pleading that the United States should surrender its birthright and plunge into this foreign mess, and, for 12 long years Uncle Sam has escaped all the snares and traps that have been set by honeyed promises to entice him into the private quarrels of foreign nations.

Why enter this World Court now? What has America to gain by such a grave move? Is the League of Nations a creation of the thought of the people of America? It is not—absolutely not. Because the United States of America has nothing of a critical issue now with foreign nations, nor do we fear, or can we foresee, anything in the future that will cause us to be at odds with any other nation on the face of the earth if we remain independent.

We proudly acclaim that we have no territorial lines to be adjusted. We proudly acclaim that we have no quarrel to pick with our neighbors across the seas. We are a great continent unto ourselves; and if the world will not molest us, we shall not place an unfriendly hand upon any other people on the face of the globe. Ours is a peace-loving Nation. Our past history proves that. I recognize well and true that throughout the length and breadth of this great land of ours there are thousands of good mothers—God-fearing women—and thousands of conscientious men, who advocate our entrance into the World Court. But if these good mothers and fathers realized, as many of us do realize, that entry into the World Court means entry into the League of Nations, and eventually means trouble for us, I am sure that their attitude would undergo a change.

The ideals and characteristics of America and the foreign countries are absolutely different. Never so long as this world endures will the people of the Continent beyond the turbulent waters of the Atlantic or will the inhabitants of the Orient agree with the attitude of these United States—they have been reared in a different atmosphere—a different school of thought and have different inclinations—they speak a different language—they have different attitudes—they live by conquest. They are as totally different from us as night is from day.

What has the League of Nations, the guiding spirit of the World Court, accomplished in its 14 years of existence? The warmest advocate of the Court has not attempted to point out a solitary significant achievement.

Fourteen long years ago these international advocates boasted that the League would abolish wars. While right at this very moment Japan and China—both members of the World Court—are engaged in a harrowing war, and even at this very moment Paraguay and Bolivia—both members of the World Court—are waging a devastating conflict, and right at this very moment Italy and Ethiopia—both members of the World Court—are fighting a bloody war of conquest. Thousands of men have been slain in these wars. Scores of other grim wars have also been fought since the inauguration of the League of Nations. And each one has been a war of conquest.

Why has not the League prevented the slaughtering of those thousands upon thousands of innocent human beings and the destruction of millions upon millions of dollars of property? I'll tell you why.

Because the powers that be—because the great foreign powers—are in absolute control of the Court, and the smaller nations are like dummies in the hands of masterful manipulators. These countries, imbued with selfish motives, handle and pull the strings in a manner that they may benefit and further entrench themselves with more world-wide power. And the wars still rage, despite the World Court, League of Nations, or what have you.

Certainly America cannot be blamed for these furious wars, three of which are now in brutal blast.

Proponents of the League claim by vague promises and glittering generalities that if America adheres to the Court peace—universal peace—will prevail.

Yet while we are debating the issue—at this very second—factories on European and Asiatic soils are teeming with activity—turning out battleships, cruisers, aeroplanes, submarines, cannon, and ammunition, preparing themselves for more and bigger wars.

Does this condition manifest a desire for peace on the part of those nations who would have us join the World Court? Does this situation evidence the confidence that they claim to have in one another? And America is asked to ally itself with countries that not only betrayed us in their failure to meet their obligations but which are at this very moment suspicious and wary of one another—mistrusting one another's intentions—as is proven by their gigantic war munitions producing programs.

I want to enlighten you a little further on this World Court proposal.

Has any single nation, has any single country, kingdom, republic, or otherwise a member of the League of Nations, come forward with lifted hands and said in all frankness, candor, and honesty, "If America will enter the World Court, the League of Nations, we are confident that war will be forever wiped out?" No. Because no one of that body, no single person in the whole world is sufficiently convinced that the benefits to be derived by way of or from the Court or League of Nations will forever wipe out war. Therefore, I say, if we are so all-fired sure, if we are so certain that our entrance into this court of intrigue is going to forever banish war, why do not those countries disarm?

The World Court is nothing but a court of babble, ballyhoo, and bunk—a court of intrigue. The League of Nations is nothing but a league of notions designed to deceive and camouflage. If we affiliate with the World Court, it perhaps means the ultimate cancelation of the war debts—the breaking down of our immigration barriers, and injection of Old World ideas of conquest into the New World's idea of peace.

I am interested in this subject because I realize that the people of America are interested in it. I know that mothers and fathers whose sons' warm red blood of courage was spilled on the fields of France are interested in this matter. I assert without hesitation that if the American people as a whole, every single voter in this country, were afforded at this hour an opportunity to cast a vote in favor of or against our entering the World Court, that an over-

whelming majority would vote to stay out. Already various State legislatures now in session, including Nebraska, Georgia, Washington, Illinois, and Massachusetts, have urged against the United States' becoming involved in the World Court.

The Democratic platform adopted by the Democratic convention at Chicago in June 1932 did not provide nor did it propose to place this country in the World Court on the terms now proposed. Therefore those who in the exercise of their own sincere and honest convictions oppose adherence are not acting contrary to the pledges contained in the Democratic platform.

We all want peace. And the best way to acquire and nourish peace is to remain independent—is to remain aloof from foreign entanglements—to heed the sound warning and advice of George Washington and the framers of our Constitution.

Are we going into any business of any kind with any man in whom we have not implicit confidence? Why, of course not. Are we going to subject ourselves to the will of those who have misled us? Are we going to tie up with those who have deceived us? Those whose words we cannot completely depend upon? Why, of course not.

Some advance the argument that we ought to go into the World Court because it would increase our world commerce. They claim that our exports will increase and that our business will naturally prosper. They say, "Let us settle this thing that the commerce of the world may be stimulated." In my opinion the huge export trade that we have heretofore enjoyed with the countries of continental Europe is a thing of the past. You may talk all you wish about the great trade that will flow to us from over there, but existing facts disprove such glowing prospects.

It surely can't help us in the Orient either.

Japan, annually adding 1,000,000 people to its present population of 69,000,000, has just about gobbled up the commerce in the Orient. Japan has cheap labor. Japan's scale of wages for its workmen averages about 1 cent an hour. How can America compete against such starvation wages? To top it all, Japan has served notice that it intends to withdraw from the World Court and the League. It maintains that it is too expensive to be a member of that society—its percentage of its cost amounting to around $900,000 annually. As the cost is divided among the nations on a population basis, then the overhead expense alone to America would be approximately $2,000,000 per year. I seriously suggest that it would be far a better bargain for us if America gave them $2,000,000 and stayed out of the World Court. At least, we would suffer no bad after effects. Now let us look deeper into this pit.

Germany resigned from the League of Nations on October 21, 1934. Germany is now saying: "If we come into the League again and participate, it has to be distinctly understood that we can manufacture, have and hold in the grasp of our citizens, arms and equipment in design and numbers in proportion to those of the other nations of the world according to our population and standing."

If the World Court is going to bring about universal peace, why should Germany say: "We will only come in with the understanding that we may increase our army, that we may manufacture more poisonous gases, more rifles to place upon the shoulders of our men, more cannons for our enemies' breasts." If she really thought that her entrance into the League is going to bring about universal peace, why should she be so determined to increase her armaments?

I am absolutely confident that our established governmental agencies here and abroad are beyond the slightest ray of doubt thoroughly capable to cope with any situation that may now or in the future arise requiring diplomatic adjustment.

America, the cradle of liberty, has well earned the right to judge of other nations. Yes, America is for international justice. But let that international justice be the variety of unimpeachable American justice that is tempered with mercy—that radiates with devoted fairness to the weak as well as to the strong, with that brand of American justice that administers squareness to the lowly as well as to the mighty—with that kind of justice that has made this Nation a beacon light for all nations sincerely seeking liberty and freedom. Yes, we want peace—and we want justice for all mankind—but we don't want the kind of international justice that will be dished out to us through the World Court, a court presided over by and controlled by our enemies who owe us money and won't pay us—those whom we befriended and who have proved to be ingrates—who are jealous and envious of us.

Let those nations wanting peace adopt the American standards of justice, and there will be no cause for strife and conflicts among our neighbors of the world.

Let America remain independent so that she may be unhampered to lead the way in a peaceful march to further progress, setting an inspiring noble example for the World Court.

May America shun all foreign entanglements at this time by declining entry into the World Court.

Let us of America initially look after our own interests. America for America. America first, last, and all the time. And after that the finest humane consideration and service for all the peoples of all the nations—with friendliness toward all—with enmity toward none.

I thank you. Good night.

### ADJOURNMENT

Mr. ROBINSON. I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 30 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, January 30, 1935, at 12 o'clock meridian.

## NOMINATIONS

*Executive nominations received by the Senate January 29 (legislative day of Jan. 21), 1935*

SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES

Cabot Coville, of California, now a Foreign Service officer of class 8 and a consul, to be also a secretary in the Diplomatic Service of the United States of America.

MARSHAL OF UNITED STATES COURT FOR CHINA

Edward L. Faupel, of California, to be marshal of the United States Court for China. (Mr. Faupel is now serving under a recess appointment.)

UNITED STATES DISTRICT JUDGE

Simon Hellenthal, of Alaska, to be district judge, division no. 3, for the District of Alaska. (Mr. Hellenthal is now serving under a recess appointment.)

UNITED STATES ATTORNEYS

Ingram M. Stainback, of Hawaii, to be United States attorney for the District of Hawaii. (Mr. Stainback is now serving under a recess appointment.)

Edward G. Dunn, of Iowa, to be United States attorney for the northern district of Iowa. (Mr. Dunn is now serving under a recess appointment.)

George L. Grobe, of New York, to be United States attorney for the western district of New York. (Mr. Grobe is now serving under a recess appointment.)

UNITED STATES MARSHALS

Albert C. Benninger, of New York, to be United States marshal for the eastern district of New York. (He is now serving under a recess appointment.)

Harry C. Gravelle, of Nevada, to be United States marshal for the district of Nevada. (He is now serving under recess appointment.)

Joseph Lee Crawley, of Georgia, to be United States marshal for the southern district of Georgia. (He is now serving under a recess appointment.)

Loomis E. Cranor, of Kentucky, to be United States marshal for the western district of Kentucky. (He is now serving under a recess appointment.)

John J. Barc, of Michigan, to be United States marshal for the eastern district of Michigan. (He is now serving under a recess appointment.)

Stephen J. Doyle, of North Dakota, to be United States marshal for the district of North Dakota. (He is now serving under a recess appointment.)

## CONFIRMATIONS

*Executive nominations confirmed by the Senate January 29 (legislative day of Jan. 21), 1935*

UNITED STATES CIRCUIT JUDGE

William Denman to be United States circuit judge, ninth circuit.

POSTMASTERS

IOWA

Josiah H. Clayton, Paullina.
Elizabeth M. Hyland, Traer.
Porter V. Hall, Union.
Richard Claassen, Wellsburg.

MISSISSIPPI

Effie J. Robins, Rienzi.

NEBRASKA

Herman G. Mattson, Kearney.

NEW YORK

David J. Sheridan, Cambridge.
Arthur H. Flint, Eden.
Joseph A. Mara, Floral Park.
J. Frank Schummer, Hamburg.

Joseph H. Wilson, Highland Falls.
James T. Crotty, Monroe.
John W. Murray, Theresa.
Howard W. Smith, Unadilla.
Wilfred R. Carr, Warwick.

PENNSYLVANIA

William P. B. Gery, Alburtis.
Alfred A. Darrah, Andalusia.
Arthur B. Scheffler, Bath.
William S. Scheiry, Bechtelsville.
Emma J. Coleman, Braeburn.
Michael S. Travers, Castle Shannon.
Walter O. Miller, Duncannon.
Allan Rye, Edinboro.
Herbert A. Schlaudecker, Erie.
Lempi S. Schaefer, Fairview.
Ross F. Rick, Girard.
Theodore K. Hagey, Hellertown.
Charles E. Puskar, Imperial.
William E. Rutter, Kinzers.
J. Harper Galbraith, McDonald.
Luther A. Strayer, Mount Wolf.
Elizabeth C. Cassidy, New Salem.
Andrew S. Knepp, North East.
Sylvester L. Rothenberger, Oley.
Robert C. Moore, Oxford.
Alfred Yeiser, Palmyra.
Helen C. Whitmore, Pen Mar.
Mary E. Stewart, Petersburg.
Bertha M. Kintzer, Robesonia.
Bessie Havlichek, Smock.
Jesse S. Stambaugh, Spring Grove.
John L. Gracey, Three Springs.
Ralph E. Seep, Titusville.
Leroy R. Herman, Topton.
Guy E. Wheeler, West Brownsville.
Leavy S. Filbert, Womelsdorf.
Charles V. Johnston, Woolrich.
Minnie E. M. Busser, York Haven.

WEST VIRGINIA

William R. Kincaid, Cameron.
Leo Frank Marcum, Ceredo.
Franklin J. Maxwell, Clarksburg.
Frederick D. Golightly, Davis.
Ruth L. Joyce, Davy.
Finley A. Carpenter, Fairview.
Nan W. Joyce, Hemphill.
Thomas W. Zink, Jr., Keystone.
James T. Spahr, Kingwood.
Winston C. Harbert, Lumberport.
Clair W. Overstreet, Matewan.
Herbert Crumrine, Middlebourne.
William S. Wray, Northfork.
G. Leonard Smith, Petersburg.
Lyman G. Emerson, Reedsville.
Ursula A. Dougherty, Ridgeley.
Joseph C. Archer, Sistersville.
Russell L. Francis, Smithfield.
Charles B. Linger, Terra Alta.
Everitt I. Compton, Wallace.
Ruth L. Millies, Wayne.
Charles B. McCray, Webster Springs.
Gilbert E. Walters, Weirton.
Roy L. Pugh, Winona.

WISCONSIN

Roland J. Osborne, Baraboo.
Joseph S. Rosera, Lena.

## WITHDRAWAL

*Executive nomination withdrawn from the Senate January 29 (legislative day of Jan. 21), 1935*

POSTMASTER

MAINE

Kathryn E. Cantello to be postmaster at Hebron, in the State of Maine.

# HOUSE OF REPRESENTATIVES

## TUESDAY, JANUARY 29, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Lord and our God, Thy mercy is ineffable, universal, and inexhaustible. Heavenly Father, condescend to hear our prayer: Winter, cold and barren, fruitless and flowerless, is upon our land. Its ravages are benumbing, impairing, and threatening the worthier things of life. Countless numbers have been thrust into this fierce emergency until gratitude is slow and the feelings of the soul may be deadening. Be not unto them an absentee God; and we pray that their love of country may not be fatally impoverished. Grant, blessed Lord, that wholesome ministries may soon be tested, tried, and determined, and the oak of harshness changed into the lily of human sympathy. We most earnestly entreat Thee that we shall be good Samaritans, going where love suffers and smiles to suffer, where friendship is most unselfish, where heroism is bravest, where sorrow is illuminated, and even where mercy blesses the least deserving. In the name of our Elder Brother. Amen.

The Journal of the proceedings of yesterday was read and approved.

ALBERT SCOTT

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOYLAN. Mr. Speaker, everything moves so smoothly around the House of Representatives and in the Office Building that we take for granted the splendid service that is given us, but all of this is but a part of a general comprehensive scheme. Every little cog in the legislative machinery is arranged to help us. We are so accustomed to this splendid service that we seldom stop to think of it because of its smooth running. So, in passing, I want to ask the House to take a minute to pay reverence to the memory of one of our excellent employees who has passed to the Great Beyond.

I speak of Albert Scott, a loyal and faithful employee of this House for over 33 years. He was assigned to the Democratic cloakroom, and during the years his genial and kindly presence cheered us, and the excellent service that he rendered endeared him to every Member. Albert was a quaint character. In early life he had much to do with the care and handling of horses.

During the Cleveland administration, Colonel Livingstone and Colonel Stone and Col. Isiah Hill presented the President with a handsome team of Kentucky horses. It was Albert Scott's proud duty to drive these horses from the Capitol to the White House. They were a gift of the colonels to our distinguished President.

Albert was a native of Georgia and was originally appointed by Colonel Livingstone when he was Sergeant at Arms of the House.

At the time of his death the Congress was in recess; nevertheless a large delegation of employees and some of the Members who had remained in Washington attended his funeral at Halls Hill, Va. May I say in passing that we all miss his cheerful and genial presence. In his humble way he added his service to our comfort and to the efficiency of the legislative machinery, and I know you will join with me in saying that we wish peace to his soul and rest to his ashes.

ADDRESS OF HON. JOSEPH B. SHANNON

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech I made on January 15 at Independence, Mo.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHANNON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech

made by me on January 15, before the Women's Democratic Club, Independence, Mo.

I am speaking here today on the invitation of the Women's Jackson Democratic Club, who at present are engaged in the laudable task of promoting sentiment for the enactment of some effective legislation for the protection of old age. It is a movement that has my hearty sympathy. But there is an atmosphere to this century-old city of Independence, with its great pioneer tradition as the head of the Santa Fe trail and the little mother of western exploration and development, that always moves me back into a past of rich memories, and I know that you will bear with me generously if I digress from the formal program to bring up a few perhaps forgotten things that I think are interesting and important in the history of this, our county seat, which has figured so largely in the traditions of the West and of the State of Missouri.

As you all know, a new United States Senator was elected from this State in the fall elections. The man who was chosen by the voters for that high honor is a citizen of your community. It seems to me that his election is a significant event to you men and women of Independence in particular, as it brings to my mind the fact, perhaps forgotten or unregarded, that in its more than a hundred years of existence Independence has been thus honored but four times in its political career. Only 4 men in the National Congress, from the stirring days when the great caravans of adventure and enterprise were mustered here for the trails of the West down to the present day, claimed Independence as their home—3 of them in the lower House and 1 in the Senate.

The three in the lower House were all men of outstanding ability.

The first was Samuel Hughes Woodson, a native of Kentucky, who served Missouri with distinction in the Thirty-fifth and Thirty-sixth Congresses (1857–61). His father, whose name was the same, represented the State of Kentucky in the lower House in the Seventeenth Congress (1821–23). After serving two terms in Congress, Mr. Woodson resumed the practice of law in Independence. He later became a circuit judge.

The next was Abram Comingo, a prominent Member of the Forty-second and Forty-third Congresses (1871–75). He, like Mr. Woodson, was a Kentuckian by birth, having been born in Harrodsburg, Mercer County, Ky., the place famous for its associations with Daniel Boone and George Rogers Clark, and which received much press notice when it was visited recently by President Roosevelt. Mr. Comingo served with distinction on the side of the North in the War between the States. He was honored by an appointment from President Grant in 1876 as a member of a commission to arbitrate with the Sioux Indians. He moved to Kansas City in 1881, where he died in 1889. Among his descendants now living in Kansas City is Dr. Comingo Griffith.

The next Member of the lower House of Congress whose home was in the city of Independence, Mo., was Samuel Locke Sawyer, a distinguished citizen who was engaged in the banking and law businesses, and whose descendants are still prominent among your people. He served with credit in the Forty-sixth Congress (1879–81), but did not seek reelection. This illustrious citizen of Independence was a native of the State of New Hampshire.

Fifty-four years elapsed before another Independence man served in either House of Congress. Now Senator TRUMAN, of this city, is in the United States Senate. It will mean much to Independence if Senator TRUMAN attains in the Senate the distinction attained by the three Independence men who served in the House.

A popular belief seems to prevail that Missouri has had but two great Senators—Thomas Hart Benton and James A. Reed. This is far from being correct. From the time of the admission of Missouri as a State in the Union, up to and including the present time, Missouri has always had at least one, and for the most part two, men in the United States Senate who achieved distinction and fame.

The colleague of Thomas Hart Benton in the Senate from 1821 to 1831 was David Barton, a noted jurist, who served as president of the convention which formed the State constitution in 1820, and who also served as circuit judge for many years.

Thomas Hart Benton was a most able and aggressive man. He was Andrew Jackson's representative in the Senate during the period of Jackson. After more than 30 years' service in the Senate, he returned in 1851 to the city of St. Louis, only to be elected 2 years later to the Thirty-third Congress (1853–55) as a Member of the lower House. He was a candidate for Governor of the State of Missouri in 1856 but failed of nomination and died shortly thereafter.

David R. Atchison served with honor and distinction in the United States Senate from 1843 to 1855. On seven occasions during his service he was elected President pro tempore of the Senate. It is said that he was President of the United States for a day. This famous man was born in Frogtown, Ky.; commenced the practice of law in Liberty, Mo.; and was buried in Plattsburg, Mo.

James Stephen Green, of Canton, Mo., served in both Houses of the National Congress. Champ Clark paid a splendid tribute to him. He referred to him as "the forgotten Senator", and, quoting from James G. Blaine, said that Mr. Green was the one man who was able to cope in serious debate with the little giant, Stephen A. Douglas.

In the beginning of the period of great disturbance—the War between the States—Missouri had in the United States Senate Trusten Polk, a distinguished man whose sympathies were with the South. The Senate expelled him in 1862, after 5 years' honorable service, because of his leanings toward the Confederacy.

Waldo Porter Johnson, of Osceola, Mo., was one of Missouri's most eminent sons. He was a great lawyer, a high-type statesman, and a renowned soldier of both the Mexican War and the War between the States. He was elected to the United States Senate in 1861. The records of Congress indicate that he was expelled from the Senate on January 10, 1862, at the same time with Trusten Polk. His son, the late William T. Johnson, told me that this entry is in error. He said that his father declined to qualify as a Senator but entered the service of the Confederate Army and attained the rank of lieutenant colonel. He was later appointed member of the Senate of the Confederate States and after the war was president of the Missouri Constitutional Convention in 1875.

During the critical period of the War between the States, a number of great men from Missouri served in the United States Senate, amongst whom was John B. Henderson. His political activities antedated the war. He was a Presidential elector on the ticket of Buchanan and Breckenridge in 1856, and of Douglas and Johnson in 1860. When the war came on he became a supporter of the Lincoln Union forces, and was elected to the United States Senate, where he served from 1862 to 1869. He was the author of the thirteenth amendment to the Constitution. Only one vote in the Senate saved Andrew Johnson from impeachment by the radicals; John B. Henderson was one of those who voted "Not guilty."

During the same period a very famous lawyer named Charles D. Drake served with distinction. Mr. Drake was a native of Ohio, who moved to St. Louis in 1834. He was a Presidential elector on the ticket of Lincoln and Johnson in 1864, a member of the State constitutional convention in 1865, and was elected to the United States Senate in 1867, where he served until 1870.

Coming out of the war, a very distinguished Missourian by adoption, a native of Germany, Carl Schurz, soldier, author, lawyer, and newspaperman, achieved a brilliant reputation. He was elected to the United States Senate in 1869, where he served until 1875.

Also veterans of the war were two very distinguished Kentucky-Missourians, Benjamin Gratz Brown and Frank P. Blair. It is said that the same grandmother looked after the welfare of Brown, Blair, and Joseph Orville Shelby. Brown and Blair espoused the cause of the North; Shelby, of course, was a gallant officer of the South. Frank P. Blair's brother, Montgomery Blair, was a member of Lincoln's Cabinet. Frank Blair was so highly regarded during the trouble between the States that he had access to the lines of both sides. On many occasions he served as message-carrier from one line to the other. He was a distinguished Member of the lower House, as well as of the Senate, where he served from 1871 to 1873. After the war he became incensed over the reconstruction of the South as practiced by the radicals and became a Democrat.

Benjamin Gratz Brown was elected as a liberal Republican to the United States Senate and subsequently became Governor of the State of Missouri.

These two distinguished men not only had an important part in the war but were eminent statesmen, and both were vice-presidential candidates, Mr. Blair with Horatio Seymour in 1868, and Mr. Brown with Horace Greeley in 1872.

We pass from that period to the period which followed those distinguished men and we find that great soldier and statesman, Gen. James Shields, a man who represented three States in the Senate of the United States. He served as Senator from Illinois, Minnesota, and Missouri. No other American was ever similarly honored. In addition, by appointment of President Polk, he served as Governor of Oregon Territory. He served as major general during the Mexican War and as brigadier general in the Union Army during the Civil War. He was born in County Tyrone, Ireland.

Then followed the period of George Graham Vest and Francis Marion Cockrell. These two great men attained distinction in the service of the Confederacy—Mr. Cockrell as a soldier, and Mr. Vest as a legislator. Both of these men became eminent for their statesmanship and held high places during their long service in the United States Senate. No word of mine, said here today, could add to their fame.

That able and chivalrous Kentucky-born gentleman, William Joel Stone, who was a distinguished Member of both Houses of the National Congress, as well as Governor of the State of Missouri, needs no encomiums from me. His memory lives in the hearts of all Missourians.

Maj. William Warner, of Kansas City, who also served in both Houses of the National Congress, is another home candidate for our Temple of Fame. He had a great record as a citizen, as a soldier, and as a statesman. He was a native of Wisconsin, who moved to Kansas City when he was a young man. When the War between the States broke out, he returned to Wisconsin and entered the Federal service. He returned to Kansas City in 1865, served that city as mayor, then was elected to the National House of Representatives, and later to the Senate. He was a gallant soul.

And now we reach that period of those eminent gentlemen, James A. Reed and Harry B. Hawes, both of whom still hold important places in the public mind. Surely every Missourian knows of the achievements of Harry B. Hawes, and the name of James A. Reed is a household word throughout the United States.

Time does not permit me to mention today all of the great men who have served Missouri with honor in the United States Senate, many of whom I have not specially referred to. I have here a list of them—31 in all; it is a roll of honor. If you look it over you will see many names well known to Missourians.

So I can say in conclusion this afternoon, let us all hope that Senator TRUMAN will comport himself in such a way that it can be

said of him, "He was a worthy successor of these great men." I believe he will do it. We are looking forward with hope and confidence to a senatorial career that will link his name with the great Missourians and the great sons of Independence who have gone before him.

The places of birth of Missouri's Senators are as follows: Kentucky leads with 8, Missouri follows with 7, Virginia with 4, Ohio with 3, and 1 each from Tennessee, Delaware, Maine, Maryland, North Carolina, Pennsylvania, Ireland, Germany, and Canada.

UNITED STATES SENATORS

MISSOURI

David Barton (Tennessee), 1821–31, Seventeenth to Twenty-first Congresses, inclusive.

Thomas H. Benton (North Carolina), 1821–51, Seventeenth to Thirty-first Congresses, inclusive.

Alexander Buckner (Kentucky), 1831–33, Twenty-second to Twenty-third Congresses (died June 6, 1833).

Lewis F. Linn (Kentucky), 1833–43, Twenty-third (from Dec. 16, 1833) to Twenty-eighth Congresses (died Oct. 3, 1843).

David R. Atchison (Kentucky), 1843–55, Twenty-eighth (from Dec. 4, 1843) to Thirty-third Congresses, inclusive.

Henry S. Geyer (Maryland), 1851–57, Thirty-second to Thirty-fourth Congresses, inclusive.

James S. Green (Virginia), 1855–61, Thirty-fourth to Thirty-sixth Congresses, inclusive.

Trusten Polk (Delaware), 1857–62, Thirty-fifth to Thirty-seventh Congresses (expelled Jan. 10, 1862).

Waldo Porter Johnson (Virginia), 1861–62, Thirty-seventh Congress (expelled Jan. 10, 1862).

John B. Henderson (Virginia), 1862–69, Thirty-seventh Congress (from Jan. 29, 1862) to Fortieth Congress, inclusive.

Robert Wilson (Virginia), 1862–63, Thirty-seventh Congress (from Jan. 24, 1862); declared not entitled to seat December 8, 1863; was Senator-designate following expulsion of Waldo P. Johnson.

B. Gratz Brown (Kentucky), 1863–67, Thirty-eighth to Thirty-ninth Congresses, inclusive.

Charles D. Drake (Ohio), 1867–70, Fortieth Congress and Forty-first Congress until resignation December 19, 1870.

Daniel T. Jewett (Maine), 1870–71, Forty-first Congress (appointed following resignation of Charles D. Drake; served from Dec. 19, 1870, to Jan. 20, 1871).

Francis P. Blair (Kentucky), 1871–73, Forty-first (from Jan. 25, 1871) and Forty-second Congresses.

Carl Schurz (Germany), 1869–75, Forty-first to Forty-third Congresses, inclusive.

Lewis V. Bogy (Missouri), 1873–77, Forty-third, Forty-fourth, and Forty-fifth (to Sept. 20, 1877) Congresses. Died September 20, 1877.

Francis M. Cockrell (Missouri), 1875–1905, Forty-fourth to Fifty-eighth Congresses, inclusive.

David H. Armstrong (Canada), 1877–79, Forty-fifth Congress (appointed following death of Lewis V. Bogy; served from Sept. 29, 1877, to Jan. 26, 1879).

James Shields (Ireland), 1879, Forty-fifth Congress (elected to fill vacancy caused by death of Lewis V. Bogy; served from Jan. 27 to Mar. 3, 1879).

George G. Vest (Kentucky), 1879–1903, Forty-sixth to Fifty-seventh Congresses, inclusive.

William J. Stone (Kentucky), 1903–18, Fifty-eighth to Sixty-fourth Congresses, inclusive, and Sixty-fifth Congress until April 14, 1918; died on April 14, 1918.

William Warner (Wisconsin), 1905–11, Fifty-eighth to Sixty-first Congresses, inclusive.

James A. Reed (Ohio), 1911–29, Sixty-second to Seventieth Congresses, inclusive.

Xenophon P. Wilfley (Missouri), 1918, Sixty-fifth Congress (appointed to fill vacancy caused by death of William J. Stone; served from Apr. 30 to Nov. 5, 1918).

Selden P. Spencer (Pennsylvania), 1918–25, Sixty-fifth (from Nov. 6, 1918) to Sixty-ninth (to May 16, 1925) Congresses; died May 16, 1925.

George H. Williams (Missouri), 1925–26, Sixty-ninth Congress (appointed to fill the vacancy caused by death of Selden P. Spencer; served from May 25, 1925, to Dec. 5, 1926).

Harry B. Hawes (Kentucky), 1926–33, Sixty-ninth (from Dec. 6, 1926) to Seventy-second (to February 1933) Congresses; resigned February 1933.

Roscoe C. Patterson (Missouri), 1929–35, Seventy-first to Seventy-third Congresses, inclusive.

Bennett Champ Clark (Missouri), 1933 ———, Seventy-second (from Feb. 3, 1933, when appointed to fill vacancy caused by resignation of Harry B. Hawes; had been previously elected to Senate Nov. 8, 1932; served during Seventy-third Congress by election; term to expire in 1939).

Harry S. Truman (Missouri), 1935 ———, Seventy-fourth Congress (term to expire in 1941).

A WILDLIFE SITUATION IN THE UNITED STATES AND ITS REMEDIES

Mr. BERLIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a speech made before the American Game Conference by J. N. Darling, Chief of the Biological Survey.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BERLIN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address of J. N. Darling, Chief, Bureau of Biological Survey, United States Department of Agriculture, delivered at the Twenty-first American Game Conference, in New York City, on January 22, 1935, and on the same date briefed extemporaneously in a broadcast during the National Farm and Home Hour.

I wish it were possible to talk about many things at the same time. Our problem as sportsmen and conservationists is by no means limited to ducks. And while this session is dedicated to the discussion of the migratory waterfowl, the ducks are only one branch of the whole animal kingdom, which needs urgent and immediate attention. The same neglected precautions which have brought the migratory-game population to a crisis are also responsible for the gradual depletion of all our wildlife resources, some of them almost to the point of extinction and many of them to a very narrow margin of existence.

There is not now, and never has been, a national policy for the conservation of wildlife resources. There is not now, and never has been, a Government agency intrusted with the prerogatives of general wildlife conservation. There is not now, and never has been, a Federal plan for the maintenance and preservation of the tremendous economic and social values inherent in the fur, game, and fish species. Such a national policy is badly needed for all game as well as ducks.

The same thing happened to our wildlife resources that happened to our national-forest resources. It was happening at the same time when this continent was subjugated to the interests of commercial civilization. Both receded at an alarming pace before advancing settlement. The one great difference between forests and wildlife resources was that 30 years ago Theodore Roosevelt and Gifford Pinchot saw what was happening to forests and prescribed a national remedy. A systematic plan of conservation and restoration of forests was established, and a Government agency was provided with funds for its custodianship.

To this day no administration in the history of this Government has considered the conservation of wildlife resources from a national viewpoint. Such refuges as have been provided have been the result of spasmodic hysteria, local in character, and unstudied as to the measure of its efficiency. Our magnificent endowment of wildlife species—including fur bearers, game, and beneficial bird life—has never even remotely entered into our plan of national conservation.

Game has remained the orphan child, without asylum, and has subsisted on such crumbs as fell from the table of forestry, irrigation, reclamation, and national-park administration.

Bison, antelope, elk, mountain sheep, prairie chicken, wild turkey, marten, fisher, beaver, deer, and ruffed grouse have all had their narrow escapes and lived on what the neighbors sent in. At this moment the hereditary game ranges of some of our most valued species are but for our prayers about to be shut out forever from 80,000,000 acres of our public domain by dedication and withdrawal of this vast area to controlled public grazing, without any provision for game upon it.

So many of our game and wildlife conservation activities begin at the post-mortem stage. There is no authorized Government agency to which has been delegated the responsibility of custodianship. Game has no place to live in this broad land and call its own.

How much space and where should game have to satisfy the public needs cannot longer be left to chance. It is, in my judgment, the hour of decision.

Do you realize that in all the millions of Government expenditures during these last 3 years not one thin dime was appropriated specifically for wildlife restoration—that the only money actually available now has to be sucked through a straw from someone else's barrel? Forestry has had its hundreds of millions and has had for years. Erosion control, reclamation, C. C. C., C. W. A., and all the heavily endowed agencies have been taken care of. Saving soil, saving trees, saving water, cutting trails, and building roads have been taken care of, but game was not a part of the vast program for conservation.

Our eight and a half millions being spent now for duck-mating areas and refuges was secured only because we were able to show that by spending this money to do something for the ducks we could at the same time aid distressed agriculture and the unemployed.

Our endowment of wildlife resources is the bowlegged girl of the village. Everyone sympathizes with her, but never asks her to the picnic.

It is time for our sportsmen and game conservationists to quit quarreling among themselves and unite on something more fundamental than local issues and local benefits. We have more quarreling factions and faiths than the churches. There is no group of people in this country to whom the preservation of our game and other wildlife means so much as those represented in this gathering. It is time to think soberly in terms of preservation rather than of post mortems.

We need a Nation-wide plan to make refuges of the areas that belong to the wildlife, areas that will give the birds and animals a place to live, to rest, and to rear their young in safety. Every year the destruction of the natural environment of our game species causes more reduction in the population than any other one cause. We need an army of sportsmen to fight for the defense of the natural environment and for the rights of wildlife to be adequately represented in the conduct of our Government.

The Biological Survey has made a start on the job of restoring wildlife areas. We have five big-game refuges and a miscellaneous lot of waterfowl and bird refuges scattered hit and miss over the country, their location in the past being largely dictated by local rather than national viewpoints. A systematic study is now being made of other suitable areas that it is hoped may be made available by Executive orders, purchases, donations, or by other means. We have already selected 45 areas in the public domain that we want set aside primarily for the use of wildlife under the Taylor Act. Other areas are being selected as rapidly as we can get the required information together.

These areas are more valuable for production of game, furbearers, and other wildlife than for production of cattle and sheep or for other agricultural purposes. Our wildlife should have first right there, and sportsmen should get their shoulders to the wheel and work to this end. Strong, organized forces are at work day and night fighting for the rights and privileges of the stockmen. If we want our wildlife to have a fair break on these 80,000,000 acres that are to be included in grazing-administration plans, it must be done right now or it will be forever too late. The areas will be set up irrevocably and forever for livestock production unless effective action by sportsmen and conservationists is successful in securing them for wildlife.

We have a vast program under way to secure for waterfowl large areas that have been ruined in the supposed advancement of agriculture, and in futile reclamation and drainage attempts. These areas are being carefully selected and recommended for purchase under submarginal-land and drought-relief measures by the agencies handling these funds. Some are now under contract of purchase, some are under options, and others will be acquired by declaration of taking or by other means. This work is being pushed with all possible vigor, and the program needs your united support to make it win on a proper scale.

Now, as to the ducks. I want to divest myself of any suspicion that I think I know all about them. No one does. The amazing thing to me is that, with a $500,000,000 industry to maintain, no one should have started long ago to put the duck business on a factual basis. No one knows whether we kill 12,000,000 and hatch 11,000,000 a year or whether we kill 24,000,000 and hatch 10,000,000. That, obviously, is the first thing to determine in looking to the future of hunting of migratory waterfowl.

This year the Biological Survey has set its hand to that job as intensively as our constricted budget would allow.

Beginning with the spring migration last year, the ablest observers on the staff, plus such competent volunteers as were available, devoted all their time to determining the conditions and duck population in the nesting areas.

Intensive observations were made on all the flyways during the fall migration just passed.

Yesterday began a winter count. Men of practiced ability are at this moment stationed from Long Island to Yucatan to report simultaneously on the winter resting grounds of ducks and geese.

The spring flight will be closely watched and the 1935 nesting conditions again observed. On the tabulated results of these observations the Biological Survey will make its recommendations to the Secretary of Agriculture and the President for next year's migratory-waterfowl hunting regulations.

The first consideration will be the preservation of a safe margin of population among the ducks, I assure you.

There are many things to consider beside the thought of a peremptory closing of the season. I am not going to be rushed into any conclusion. I am going to do a square job. I intend to put this duck business on a bookkeeping basis, with stock on hand governing the extent of consumption to be permitted the public.

One of our big problems is enforcement. With the whole United States to patrol, the Biological Survey has had one-third as many men as New York has traffic cops on Broadway. With a 27-percent cut in the Biological Survey budget, we must increase our vigilance and set up the national bookkeeping on migratory waterfowl.

Even if all the members of the Biological Survey were four times as migratory as the ducks, we couldn't cover all the ground that should be covered; but we are doing our best. Do not presume, however, that with 59 law-enforcement officers in the whole United States we can enforce a closed season on migratory waterfowl without heavy losses to violators. So if you pass resolutions, see to it that these resolutions demand the appropriation of money for law enforcement.

Ninety percent of the reports are that the ducks are in a bad way. That fact seems well established. Premonitions of this crisis went unheeded in the middle twenties. In 1931 we had a 30-day season. In 1932 the protests of sportsmen resulted in a return to the 60-day season, which was repeated in 1933. The winter of 1933 was more destructive than anyone at the time realized. Starvation and freezing accounted for many more ducks than was at the time realized. That fact was made surprisingly apparent in the marked shortage among black ducks and the divers this year.

The destructive winter was followed by an unprecedented drought which sterilized the duck nesting and breeding areas as far north as Winnipeg.

The fall hunting season on ducks was so bad in many regions that consternation seized the sportsmen in many broad areas. Consternation is justified, but methods of treatment must be based on facts.

Emergency funds, which have been secured by sometimes disagreeable measures, are being spent in the hereditary nesting grounds on a program of restoration. Of the estimated 17,000,000 acres of former breeding grounds drained and diverted to unprofitable agriculture, we hope to put 600,000 acres back during the year. It is a most thrilling and practical program. But bear in mind that 600,000 acres will not be fully operative unless we have nesting ducks to occupy them, and there are still hazards in the way of accomplishing even the retirement of 600,000 acres.

I hope it is but the beginning and that it will so demonstrate the practicability of this method of attacking the duck shortage that Federal funds may be found to carry on the program from year to year until we have a dependable supply.

Now, the only controllable element affecting the duck population is the annual kill by the guns of sportsmen. Whatever your personal interests and local conditions, I hope we may be favored with your sympathy and your confidence that we are doing a hard job with all the honesty and sincerity of purpose which is in us.

### COULEE DAM, THE COLUMBIA RIVER, AND THE DEVELOPMENT OF THE GREAT NORTHWEST

Mr. KNUTE HILL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Coulee Dam, and also to include therein some remarks by Mr. E. F. Banker, director of conservation and reclamation of the State of Washington.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I have never objected to the remarks of any Member of this House or to the remarks of any high-standing Federal official, but to begin inserting in the RECORD remarks made by State officials will be never ending.

Every Member of the House has just received a letter from Senator FLETCHER'S Joint Committee on Printing, which has been sent to all Senators and Representatives, calling attention to the law which provides that not over two pages of extraneous matter may be inserted by any Member without getting an estimate from the Public Printer, and the joint committee called on the Public Printer to keep anything out of the RECORD that covers over two pages.

I do not want to stop the gentleman, but it does occur to me that the Members themselves should refrain from asking to place in the RECORD various documents from State officials. If we insert this from the commissioner of agriculture of the State of Washington, there are 48 commissioners of agriculture, there are 48 Governors, there are 47 lieutenant governors, there are 48 speakers of legislative assemblies, and there are various other State officials who write articles and make speeches; and, if all are eligible to go into the proceedings here, we would just clutter up this RECORD with a lot of extraneous matter. We have a House Committee on Printing, and I am not going to object if those in charge of the RECORD do not object, but I hope the gentleman will not make the request.

Mr. MICHENER. Will the gentleman tell the House what it costs the Government per page to print these things in the RECORD?

Mr. BLANTON. It costs a great deal. The law says that not over two pages of extraneous matter may be put in the RECORD by a Member without getting an estimate from the Public Printer. If we begin including these speeches, documents, and articles from various State officials, I think we had better increase the size of the CONGRESSIONAL RECORD four or five times its present size. We have a Printing Committee, and usually the gentleman from Pennsylvania is here to take note of these things. I do not know why he is not functioning this morning.

Mr. SNELL. Is it not the duty of the majority to protect the RECORD as well as of the minority?

Mr. BLANTON. If I were on the minority, I would protect everything.

Mr. SNELL. The gentleman has the responsibility just as much as we have.

Mr. BLANTON. I have fulfilled my responsibility by calling attention to the rules and asking that Members refrain from inserting speeches from State officials. I am not the censor of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. KNUTE HILL. Mr. Speaker, typical of its clear vision, broad national statesmanship, and energetic action, the present administration has begun the construction of a dam at Grand Coulee on the Columbia River in the State of Washington. It will be the first structure built by man which will exceed the bulk of the Great Pyramid. Coulee Dam will rank first, the Great Pyramid second, and Boulder Dam third. This is characteristic of our great Northwest. This is merely a beginning of a development which as it progresses will astound the world and bring untold blessings to the future millions who will eventually populate this favored section of our great country.

The Washington State government has cooperated with and will continue to cooperate with the Federal Government in this magnificent undertaking.

The following is a statement made by E. F. Banker, chairman of the Columbia Basin Commission of the State of Washington on the Columbia River development, and director of conservation and reclamation in that State. By the way, so far as is known, the State of Washington is the only one among the 48 to have such an official. This statement was placed in the hands of President Franklin D. Roosevelt on January 22, 1935:

Considered from any major angle, to complete Columbia River development is sound and justified. In a rounded scheme of national-resource development and protection, utilization of these northwestern power, water, land, and other natural resources is of compelling importance. For ages the water has poured into the sea, an economic waste of energy, although impounding it presents no unusual engineering problem. Tremendous potential electrical power has gone unused. Soil second to none in richness and depth remains idle. Yet here in an excellent climate might be established and maintained thousands of model rural homes.

It is such a picture as has been envisioned by this administration.

There arise practical questions.

Will this regional development be self-liquidating? Is there strong and wide-spread public sentiment in the Northwest for the undertaking? Is there need of such additional farm land and power? Will citizens in private and official life in general (Washington, Oregon, Montana, and Idaho), and the State of Washington in particular, in years to come continue helpful and sympathetic to this bold undertaking? Will it pay them to do so? Do they recognize it not only a highly practical direct-labor project, but a gigantic effort to preserve national resources? Is the flow of the Columbia River, judged by the Government record of the stream-gaging stations for 22 years, sufficient to warrant perpetual impounding of its water by the key dam at Grand Coulee? (Stream-gaging stations were established in the Columbia River at Grand Coulee and Wenatchee, Wash., in 1913, and a continuous record has been kept since that date.) Is distribution of this water over 1,200,000 acres physically and financially feasible? Will the soil hold out? What are the present railroad facilities? What is the range of possible crops? What does the Northwest offer the Nation toward the solution of economic and human problems? Is this project a public necessity? Is it a sensible relief-employment project? Are 30,000 to 35,000 farms and homes for 750,000 people available here?

These and similar questions come to the minds of those who must decide whether now is the time to proceed further in the development of a new empire contributing to the happiness and prosperity of the American people and the wealth and strength of the Nation, or whether to halt and leave this excursion into intriguing fields to future generations.

As to advisability, the findings of the careful analytical experts must be accepted as final. The best qualified specialists in engineering, hydroelectrics, electrochemistry, irrigation, agriculture, dairying, fruit raising, sugar-beet crops, mining, forestry, flood control, factories, and other more or less technical fields agree that the Columbia River empire-building job is easy of accomplishment and justified. The magnitude of the undertaking may awe at first, but the average person is convinced, once the details are studied and understood.

As to public sentiment, the people of the Northwest approve and will continue to approve the evident determination of the administration to devote the Columbia River and adjacent lands and resources to the benefits of man. The people have caught something of the spirit of President Roosevelt. Their eyes are focused on the Columbia River development. Active business, political, and labor groups west and east of the Cascade Mountains are backing the project with fervor. It is not a sectional matter. Party lines have disappeared. States lines are undiscernible. Washington, Oregon, Idaho, and Montana are united. These States will not bicker among themselves but unitedly will support the Federal Government. Local rivalries have disappeared. Communities will not too strongly press lesser wants. The average man knows that if the Northwest would shift into high gear and get on its way it first must claim and vitalize its greatest asset, now dormant.

Consider now the questions of the relative position of the Northwest's resources in their relation to the Nation, power consumption and repayment of investment for power and irrigation.

All observe with admiration the deep concern of the administration over the loss of vast acreage by erosion, winds, floods, drought, and misuse. Clear to the citizens is the administration's sympathy for those who have lost all, those whose present is mere existence, those for whom the future holds little or no promise. Even the least observing note that this sympathy has generated an active search for remedies, corrections, and, most important, action.

Sane persons everywhere not only approve the Federal policy of segregating or withdrawing lands proved unsuitable for present use, but they also eagerly uphold the administration in opening up lands that may be depended upon, year in and out, to render unto man a just return for his labors.

The administration, casting about for lands suitable for general farming, market gardens, fruit growing, dairying and stock raising, analyzes a great tract in the State of Washington, east of the Cascade Mountains. Such study on the part of the Chief Executive is a fortunate thing not merely for the section concerned but for the country at large.

This tract is twice the size of the State of Delaware and four times that of the District of Columbia. It is susceptible of irrigation at low cost. The soil is of great depth. The desert characteristics are "not due to soil and surface conditions, but lack of rain." The crops that may be grown embrace all grains and fruits. To enumerate the products would be to catalog all the staple agricultural crops of the Temperate Zone. Conditions for growing fruit in this section are particularly favorable, there being no place in the world better adapted for raising apples, pears, peaches, apricots, wine and table grapes—all fruits but those requiring tropical or semitropical conditions. The section is traversed by three trunk-line railroads. The land is gently rolling. Nearby are relatively small irrigated regions around Wenatchee, Ellensburg, and Yakima, where abound intensively cultivated and wonderfully successful farms, visual evidence of the potentialities of the larger Columbia Basin. Westward 175 miles, beyond the Cascade Mountains, is Seattle, a world port; 100 miles to the east, Spokane, a bustling, modern city.

The climate is moderate, extreme neither summer nor winter. There is abundant sunshine over a long growing season, and light snowfall. Hurricanes, tornadoes, cyclones, and blizzards are unknown. The land slopes toward the southwest. This tilt gives the land more of the afternoon sun than if it sloped to the north or lay horizontal, the increased heat being a big factor in crop growth.

Various delightful local characteristics make the territory attractive to those desiring to live on farms or in rural towns. Within 75 miles is one of the most beautiful mountain ranges in the United States—the Cascades—with gorgeous Mount Rainier at hand, both the range and glacier-spotted 14,000-foot peak affording ideal retreats for those who in leisure time seek elevation in the enjoyment of magnificent scenery and the indulgence of the pleasures of outdoor life. In an abandoned bed of the Columbia River you still see "Dry Falls", a waterless falls 40 times the size of Niagara. A million people, possibly many more, could find in such surroundings "the life more abundant." These vital considerations should have great weight in establishing a modern rural community, where substantial people would like to live.

The distribution and consumption of the power to be generated by the Columbia River will inevitably be coincident with the thorough development of the Northwest. This is no place for lengthy argument that cheap power is the answer to the question. Others have made that argument and proved the case. It may be said, however, that when the Columbia area is definitely functioning in the national agricultural scheme, the price of power reduced, and a new civilization established, there will be a spontaneous demand for a tremendous quantity of electricity, a quantity comparable to that required in any populous agricultural and growing industrial section. This consumption will increase as devices to lighten the labors of home and farm are cheapened in price and installment payments made possible over a longer period than now generally extended. Existing towns will grow larger and fine new ones spring up, increasing the power demand.

With the increase in population, not only in Washington but throughout the Northwest, there will follow extensive industrial expansion to meet the daily needs of the people. This means power consumption. This means a balanced agricultural and industrial growth—the ideal condition. Illumination of certain national highways by electricity must be considered.

To determine new power demand there are numerous competent Northwest agencies, private and public, now delving into the hitherto concealed mineral resources of the country. It is found that these are greater than has been supposed. Thus in metallurgical fields there is indicated wide use for power in considerable quantities. Experts are learning more about ores that are useful in warfare. Encouragement is being given private capital in its quest for gold and other precious metals. Study of possible adaption of some of our mineral deposits which indicate availability for conversion to so-called "lighter metals" and similar researches are being conducted by the Washington State College. The object is to create new industry for the Northwest and new markets for Grand Coulee power. Others are attempting to justify more extensive paper manufacture and the development of can-

neries. Over all kindred investigations is the aim to stimulate old markets and create new ones. Satisfactory progress is being made. If President Roosevelt's Science Advisory Board solves problems "related to long-distance transmission of power and the protection and utilization of natural resources", the rich Northwest becomes an important workroom in the Nation's laboratory. Ultimately California will draw on the Northwest for such electrical power as it will need but be unable to find nearer home. The four Northwestern States, Idaho, Montana, Oregon, and Washington, with an area larger than France and Germany combined, will contribute their natural resources for this industrial development.

As to the repayment of the investment, earnestly tilled soil of the richness of that of the Columbia Basin will pay for itself many times over in a relatively brief period. Over the ages nature has deposited here a volcanic ash running to a depth of 25 feet over great stretches and in many localities to a much greater depth, nowhere shallow in the area considered. It has remained untouched. It belongs to the Nation, in a sense, to pass along from generation to generation. This land must take the place of that soil which through neglect has been lost by erosion—washed into the sea.

The cost of bringing this under cultivation and providing power to lift the water from the reservoir into the canal system should be spread lightly over the years. The Federal Government should serve as banker. It is too big a job for private capital, even if it were a field for private capital. It is too much for the State to contemplate. It is up to the Nation.

Future generations should pay part of the cost of conserving the soil for their use. Not only the first settlers but later occupants, while in fact owners, must be custodians, introducing a requirement which unfortunately has been missing in our national agricultural life. Farm custodians should be held to some sort of soil accountability. This will further insure the investment.

There must be recognized the fact that the creation of new taxable wealth as a source of Federal revenue partly justifies the business venture. Besides, millions of dollars annually will be put into national commercial channels by way of normal expenditures of the people. The Yakima, Wenatchee, Ellensburg, and Alaska settlements have paid for themselves many times over and will continue to send a flow of money eastward for all time to come. It is fair that these aspects are considered in appraising the soundness of this contemplated Federal loan, if it so may be termed.

Once power is made cheap and rich lands available there will be no dearth of settlers of a high type. If the Federal Government will put this wonderfully fertile land to the care of thousands who have struggled, in many cases in vain, they will find American manhood on hand promptly to add the finishing touches in the transformation of the desert. In a well-balanced agricultural program this will not be at the expense of any other section of the United States because land that should be withdrawn, but which still is used with meager results, is a liability to any State.

Further, the people thereon are not enjoying the comforts and niceties of life that might be made available to them elsewhere under their own flag. To make these comforts available the Nation requires not only use of the right land but nonuse of land incapable of meeting advanced standards of living. The crudities and privations of much American farm life soon will be things of the past, let us hope. Better homes, a part of the national plan, must be the chief goal of the Columbia River development.

The conditions are ideal for establishment in the Columbia Basin of a great, model, rural community. In that empire the materials, while as nearly perfect as can be, are raw. So here is an opportunity to build from the ground up, applying from the very beginning the best knowledge that has been acquired in farmland adaptation and rural housing. Here may be avoided many of the difficulties naturally arising in making over an established order. There are no mistakes to correct, none of those inevitable wrenches incident to doing things in a different way. Here is the chance for leaders of vision to use knowledge and experience and create from what is now waste land a modern farm empire pattern, like which there is nothing in the whole world.

There is idle brawn and brain enough on the Pacific coast to people and reclaim this arid area, with Federal cooperation. But it should be thrown open to the people of the Nation. Distances are no longer great in the United States. Easterners who wended their ways westward 50 and 75 years ago endured many days, often weeks or months, of arduous travel. Modern transportation methods encourage men and women to transplant themselves more frequently now when there are inducements. Already the trek to the Northwest has started. The problem of finding places for these people grows serious.

Is not this movement to the Northwest in itself additional evidence that the proposed project has something more than a local value? In the light of other known conditions and lamentable recent experience, it is a reliable symptom of national pains that must be relieved. It is not a local boom project. It is a national necessity. As such it meets hard tests.

Once the President in his wisdom has given the order which will again advance the Columbia project, tens of thousands of willing hands will reach for the chance to help build the empire.

The people of the Northwest commend the President for his vision and prompt action in harnessing the Columbia River. Here is one of the many farsighted acts of his administration.

Trusting his judgment, the people now ask and respectfully urge that there be no delay in the issuance of an Executive order to proceed with the Columbia River high dam at Grand Coulee and the related irrigation of 1,200,000 acres extending southward therefrom. The foundation plans for the low dam should be changed to a foundation suitable for the high dam necessary for power and water for irrigation. Further, there should be allocated sufficient funds to warrant starting work on the irrigation phase of the project in the spring or early summer of 1935. Immediate change to a high-dam foundation will save money in the long run, but that is not the chief concern.

Since the low dam was authorized about a year ago the economic picture of the Nation has changed. A drought threw our tottering agricultural system entirely off balance. Other droughts may come. Are we to fold our hands and wait for them, suffering the consequences? Or shall we open up lands where droughts cannot occur? Every argument is in favor of the latter course. To proceed with Columbia Basin irrigation now would synchronize with the well-considered plan of limited agriculture control and restriction which the Federal Government has in the making. Lands dependent upon rainfall must take their chances on droughts. In the Columbia Basin moisture is guaranteed and, with other factors dependable, production certain. The headwaters of the Columbia River as nearly fit the adjective "eternal" as any waters known. They are to be relied upon in the Nation's long-range, well-ordered farming program. Here are found all the elements necessary for carrying out a large block of a better permanent America. Nature furnishes them. Is there elsewhere in the United States such a magnificent clean-cut opportunity for both rural electrification and extensive irrigation on a scale so pretentious?

Practically, building the canals and laterals for the irrigation system will furnish direct employment for thousands of men. Obviously a much larger number of women and children will be direct beneficiaries of the construction work itself. There is no other sound, self-liquidating Public Works project that will employ as many men promptly. The combined power and irrigation projects, with resultant activity in many lines of work, will solve Washington's unemployment problem. If started now the project will take thousands off the relief rolls.

The entire job can be completed in 7 or 8 years. This will be none too soon. If ready for occupancy today, this attractive land would be snapped up like ribbons at a bargain counter. Annually, about 400,000 young people come into the Nation's workaday world. They either wander about idle or force their elders out of their positions. The Columbia Basin, as a construction project, would take care of thousands of them now, hundreds of thousands 10 years hence when the new empire is a going concern.

The State of Washington offers its cooperation. It will facilitate in all ways at its command the successful conduct of the work. The views herein stated represent the thought of Washington and the Northwest generally.

The State of Washington through its executive, administrative, and legislative bodies will cooperate enthusiastically with the national administration. A united public sentiment assures fulfillment of this pledge. The State will cooperate in all ways possible in the conduct of construction. It will do its part in promotion of the sale of power, in settlement of the land, in the quest for new markets for power and the utilization of resources, in the amalgamation of power reserves and the coordination of the Grand Coulee and Bonneville systems, in the encouragement of wider use of electricity for heating and in the enactment of necessary legislative measures. There is pledged constant effort in obtaining such financial aid as the State justly may be expected to extend from time to time, and use on the Grand Coulee project of a substantial part of relief funds which it (the State) may receive from the Federal Government.

Any accurate gage of intelligent opinion in this section on the subject of Columbia River development shows that business men, editors, students, laborers—men and women in all walks who were at first apathetic—have joined with those long enthusiastic over this attempt to adapt nature to the needs and demands of life. The change in sentiment is but the process of education. The people of other parts of the Nation also, as they learn, are approving this component part of a national plan which, in the words of Secretary Harold F. Ickes, is the most worth-while effort at empire building the world has witnessed in ancient or modern times.

### TOWNSEND OLD-AGE PENSIONS PRACTICAL

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. HOEPPEL] is recognized for 30 minutes.

Mr. HOEPPEL. Mr. Speaker and Members, I wish to thank the Membership for permitting me to discuss today the humanitarian Townsend pension plan. I hope that I may be permitted to proceed without interruption until I conclude my remarks, after which I shall be pleased to yield to any Member for questions on the various economic changes which I propose.

I readily recognize that in discussing the Townsend old-age revolving pension plan many of my colleagues may consider my judgment premature or unbalanced. I base this surmise on the fact that individuals high in Government, and several Members of Congress, have already declared the

Townsend plan fantastic and idealistic, and that it is absolutely preposterous and absurd.

Answering such critics, who appear to be sincere in their statements, but whose judgment and understanding of this problem seem to me immature, may I request your attention to the fact that every important movement in history has been assailed by innumerable critics whose prejudices prevented them from readily accepting new ideas which did not conform to established custom and tradition.

Christianity fought for its very existence for 300 years before it was accorded recognition. The intrepid Columbus encountered more difficulties in promoting his plan of adventure than he did in accomplishing his objective. Gallileo was compelled publicly to renounce the currently accepted astronomical fact of the rotation of the earth about the sun, because tradition and teachings apparently demonstrated the impossibility of such a system. The first steamship was described as "Fulton's folly", just as the Townsend plan is described as fallacious by certain individuals who appear to be blind to the actual distressing realities which may soon overwhelm us unless corrected.

A few other instances of progress which met opposition are the steam engine, our public-school system, the ability of men to fly and to navigate under the surface of the sea. History is filled with such illustrations, and in nearly every instance the inventors or proponents of new ideas were forced to combat the orthodox thought of individuals whose minds were not attuned to liberal vision.

Under the plan which I propose, it will be possible to pay the enormous sum of $20,000,000,000 or more as pensions, without an increase in taxation; in fact, it is very probable that taxes may be reduced. The profit motive will be maintained, and with the exception of two or three industries, business will be entirely unhampered and left free to work out its own problems. Practically everything we have thus far proposed and experimented with in the new deal could be eliminated. It will be necessary, however, that we have a limited, controlled inflation, that the profits of all credit be absorbed by the Government, and in addition thereto, that two or three nonessential industries be declared national monopolies.

DISTRESSING CONDITIONS DEMAND CONGRESSIONAL ACTION

Congress is responsible for the present unfortunate plight of our people, and Congress alone can correct and remedy the injustices, under which we suffer, through the enactment of legislation of a permanent nature which will forever remove the specter of poverty enveloping our unfortunate worthy citizens today.

In order that Congress may recognize its responsibilities, let us consider briefly what exists today in our beloved America, where, under the Constitution, every man is entitled to the pursuit of happiness, the attainment of which, however, is impossible for many of our citizens under the existing economic order.

Picture, if you will, millions of our worthy aged citizens, bereft of their life's earnings through bank failures, deprived of their homes as a penalty for debts incurred in necessity, and steeped in the depths of misery, suffering, and beggary through absolutely no fault of their own. In addition to the millions of aged unfortunates, we have millions of unemployed who, in the opinion of Mr. Hopkins, the Federal Emergency Relief Administrator, will continue to be unemployed. This is, indeed, a pathetic forecast if it were true—but, happily, it need not be so.

We have millions of young boys and girls, graduating from our schools and universities who have absolutely no chance in life under our present economic set-up. They are doomed to a low standard of living, bordering on abject poverty, and, in too many instances, to lives of moral degradation. These millions of aged and young citizens have been patriotically patient; but, in my opinion, they are rapidly approaching a crisis, as it is self-evident to all that patience is not a virtue in every contingency, especially under such inequality of conditions as now confronts them.

Our worthy Chaplain, in his prayer at the opening of today's session, seemed to sense what I have discussed and propose to discuss in the interest of alleviating the distress of our unfortunate citizenry. He appealed to the Supreme Being to be "not unto them an absentee God." Past and present actions of the Congress appear to me to indicate that God is absent from our hearts and our deliberations and that we worship at the altar of Mammon in the legislation which we have been and are enacting in the interest of the overprivileged and to the detriment of the underprivileged groups. Unless we restore God to our hearts, honor Him in our deliberations, and put human rights above vested property rights, I see no relief for us except, possibly, after a long period of travail.

THE TWOFOLD PURPOSE OF THE TOWNSEND PLAN

There has been a great deal of superficial newspaper comment on the Townsend plan, but there is a surprising lack of understanding as to its underlying purpose. It is not designed merely to grant benefits to one class of individuals, the aged, but to give increased opportunities to youth as well, and to assure economic recovery to our entire Nation. Many people over 60 years of age are forced, through financial exigencies, to cling to employment which they would gladly relinquish to younger persons if they were able to do so and maintain themselves in dignity and comfort. The Townsend old-age revolving pension would not only make their retirement possible but compulsory, if they wish to receive the $200 monthly pension. And so the Townsend plan is heralded by millions of our young people as the plan which will give them a better chance in the field of competitive employment, a chance to live normal lives, to establish homes, and to enjoy the security of financial independence.

The revolving feature of the Townsend plan, providing that the entire sum of the pension shall be expended within 30 days of its receipt for "goods, commodities, or services within the jurisdiction of the United States", is our insurance against selfish hoarding of the pension and our assurance that its stimulative effect will be felt throughout all branches of industry and in every section of our entire country.

Under the plan as developed by Dr. Townsend, a sales tax on all transactions within the United States would provide the necessary funds. Unfortunately, the opposition has centered its attack on this provision in a veritable storm of protest. By focusing attention on the method of obtaining funds for the payment of the pension, it would appear that those opposed to the plan seek to divert attention from its twofold purpose—namely, security and financial independence to youth and aged and economic recovery for the Nation. Surely this is not an impossible objective; surely this is not an impractical dream.

If the procedure outlined by Dr. Townsend to raise the necessary funds to pay $200 per month to every worthy citizen over 60 years of age comes before the House, I shall most emphatically vote for it, for by doing so I shall be performing a humanitarian service to our aged citizens, an economic service to the unemployed and to those burdened with debt, and at the same time I shall be demonstrating my sincerity in regard to my campaign promises by expressing the wishes of the majority of my constituents.

RADICAL READJUSTMENT NECESSARY

Admitting, as I think we must, that it is impossible for us to emerge from our present unfortunate dilemma by following the old paths of accepted economics, I am convinced that the Townsend old-age revolving pensions are practical and could be put into effect in the interest of our aged citizens and our millions of unemployed without destroying or seriously impeding our present capitalistic system, and, most noteworthy, with little or no increase in taxation. The profit motive in business will be maintained under the plan which I shall present.

On the principle that Americans might travel unmolested on belligerent vessels during the World War, our Nation engaged in that conflict and suffered a loss of 150,000 fine American lives, a direct loss to date of $30,000,000,000, an indirect loss of $30,000,000,000 more to date, and obligations which will total at least another $40,000,000,000 or $50,000,-

000,000 before the pension lists of the World War are discharged.

Surely no one here will deny that our millions of aged citizens, our millions of unemployed and their worthy families, and our millions of young men and women who do not have an opportunity to live normal lives are entitled to at least equal consideration with those few whose right to sail the seas unmolested in belligerent vessels we defended with such costly fervor!

Under my proposal it is possible that the Townsend pensions of $200 per month may be paid with no increase in taxation. This is, indeed, in the minds of many, a fantastic statement, but the facts which I shall present will forcibly support my contention.

I recognize that the Townsend plan is a radical innovation, and it will require a radical readjustment to meet this situation. I do not propose to take one cent of wealth now possessed from any individual, but I do propose one or several national monopolies.

SOCIALIZATION OF BANKING ESSENTIAL

We today have a monopoly in the postal business. I propose that our Government abolish the private banking monopoly and itself operate the banks in the interest of the people. Our Nation must take over banking, the issuing of money, and the control of the flow of money through consumers' markets, and restrict the use of money to one function—that is, to serve as a medium of exchange only and not as a medium of exploitation as it is being used today by the private banking monopoly.

Ants and bees do not starve to death in the midst of plenty. Able-bodied insects do not tax themselves to supply doles to able-bodied idle workers. Where such idle workers exist, as in the case of drones, they are eventually effaced. Under the private banking monopoly we permit the drones to become wealthier and wealthier, sapping the lifeblood of the Nation through interest exactions.

The distinguished gentleman from Maryland [Mr. GOLDSBOROUGH] on January 7 delivered a speech to the Congress on what I would term "the socialization of banking for purely governmental credits." I am in thorough accord with his ideas, but I believe he does not go far enough. We should have socialization of banking to include not only governmental but all credits.

On the basis of our present national income we are paying practically 33 percent of every dollar as interest on our total public and private debts which approximate $225,000,000,000. On a fair average of 5½ percent we are thus paying to the financial interests over $12,000,000,000 annually as interest. If we socialize all banks and provide, under existing law or by constitutional amendment, that no private individual may charge interest on loans but that this right rests entirely with the Government—as it should—we would thus have a national income of more than $12,000,000,000 per annum from this source alone, which would in itself permit the payment of approximately 60 percent of the total amount required to pay the $200 per month, as stipulated in the Townsend plan.

DEBT STRUCTURE A PERMANENT BAR TO RECOVERY

Although it is a matter of official record that approximately 33 percent of all income today is required to pay interest on existing indebtedness, we continue to plunge the Nation farther into debt. Unless some radical and sensible means is taken to overcome this juggernaut of debt, we cannot avoid inflation, repudiation, confiscation, or communism.

The figures just quoted do not include an approximate 25 percent of our national income which is paid in taxes. We should remember that every time we issue tax-exempt securities, we are granting a special subsidy to what the President terms the "overprivileged class" and are adding to the tax burden of the underprivileged in equal proportion.

We know what occurs when a vessel is heavily encrusted with barnacles. Its progress is impeded. Our Nation is encrusted with barnacles of debt and, as a result, high interest and taxes impede our forward progress. While our Nation was developing its natural resources, indebtedness, and interest exactions did not vitally affect our welfare because of the continued increment and development of wealth. With no further frontiers or virgin land to conquer, our increased indebtedness, owing to the World War, has brought us to our present dilemma in which interest and taxes are eating the life sustenance of our Nation.

The burden of interest is crushing us and no individual who, because of inheritance or special privilege, has amassed wealth, should have the right to oppress his less fortunate fellows through interest exactions.

Mr. TRUAX. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I yield for a question.

Mr. TRUAX. The gentleman mentioned barnacles. I presume he was referring to human barnacles. For instance, would the gentleman consider J. P. Morgan as a barnacle, Mr. Mellon as a barnacle, or Mr. Rockefeller as a barnacle? Does the gentleman consider those malefactors of great wealth human barnacles and would he favor a tax on their swollen fortunes, rather than any sales tax proposed by the sponsors of the Townsend plan?

Mr. HOEPPEL. Answering the liberal-minded and progressive gentleman from Ohio, I will state that in my opinion, the practices of Mr. Morgan, Mr. Mellon, and their ilk, like barnacles on a vessel have retarded the progress of our Ship of State. Under the plan which I propose the international bankers would be deprived of their special privileges and would no longer be permitted to advance themselves through parasitical activities which hinder the social and economic advancement of the whole people.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I am sorry that on account of my limited time I must decline to yield.

Mr. BLANTON. The gentleman from California certainly will not deny his old friend one question?

Mr. HOEPPEL. Under these conditions, I will yield to my good friend from Texas, whom I recognize as a friend of the people but whose judgment, in this instance, I consider to be biased.

Mr. BLANTON. Suppose we were to go along with the gentleman and by unanimous consent were to pass this bill at once and send it to the Senate and the Senate were to take it up by unanimous consent and pass it immediately and it were sent to the White House and the President signed it, and it became the law of the land; does not my friend from California know that he would be handing these aged men and women a "gold brick", because inevitably it would bankrupt the Government, which would not be able to pay them 10 cents under present, existing circumstances?

Mr. HOEPPEL. If the gentleman has absorbed what I have said and will follow me, he will recognize, I believe, that the plan which I am advancing will bring us out of our existing circumstances to which we have been brought by our careless acquiescence in the development of an economic system which permits an overprivileged class while millions of our people are denied even the necessities of life.

Mr. BLANTON. Does not the gentleman know that the Government could not pay this $24,000,000,000 annually?

Mr. HOEPPEL. I reiterate that the plan I propose, if adopted, would not necessitate additional taxes to pay the Townsend pensions. I propose that we take the twelve to fifteen billions of dollars from the overprivileged bankers and the financial ring and use this amount for the payment of the Townsend old-age pensions.

TOWNSEND PENSIONS WOULD REDUCE CRIME COSTS

We are spending today approximately $13,000,000,000 annually on crime prevention and control. Authorities state that crime would be reduced at least 25 percent if the citizens were prosperous and employed. No one with reason would question this assertion. This would give us another $3,000,000,000 or more annually in savings with which to pay the Townsend pensions. In addition, the provision in the Townsend plan that pensions will not be paid to those with criminal records would also act as a deterrent to lawlessness, with a consequent saving in crime-control costs.

ABOLISH POORHOUSES! RELIEVE OVERBURDENED YOUTH!

While figures are not available, it is very probable that at least a half billion dollars per annum is required to maintain our aged individuals in institutions. Furthermore, millions of our aged citizens are being maintained at an unusual sacrifice by their children and other relatives. One may estimate that at least another half billion dollars is expended for this purpose. The Townsend pensions would relieve these citizens of this burden which they are today called upon to carry at a sacrifice and disadvantage to themselves.

PURCHASING POWER AT THE GRASS ROOTS OF POPULATION

If the $12,000,000,000 today paid as interest by the underprivileged to the overprivileged financiers were paid into the National Treasury and paid out as Townsend pensions, it would, in a sense, be returning this money to the source from which it was obtained. This $12,000,000,000 plus the $3,000,000,000 savings resulting from a reduction in our crime bill, plus the half billion dollars from taxes on bonds now tax exempt, plus the half billion dollars saved on institutional care, plus the half-billion-dollar savings to private persons maintaining aged indigents, would total approximately sixteen and a half billion dollars annually. Another quarter billion dollars or more is paid out as pensions to aged veterans. While it is true that much of this represents purchasing power today, nevertheless, the bulk of this huge amount is not utilized as purchasing power by the financial interests but is applied rotatively to purchase additional tax-exempt securities, including foreign issues. If the Government would take the profits in banking and pay such profits as old-age pensions, it would establish a purchasing power at the very grass roots of population, in contrast to the present system under which the profits of banking go back into the financial hopper to be ground out in the purchase of tax-exempt paper, here and abroad.

Our volume of spending is not of sufficient proportion to generate real purchasing power. What this Nation needs and must have is increased purchasing power, distributed throughout the length and breadth of our country, virtually into every hamlet. The Townsend plan proposes this very remedy through the large amount of money which will be placed in circulation through its operation. As soon as purchases commence, the shelves of the storekeeper will become vacant. Presently, the broker will have such heavy demands on his stock that his shelves will also become empty. Next the manufacturer will be called upon to replenish the stock of the broker. And so the stimulative effect of increased purchasing power will be felt throughout all industry and unemployment will cease. There will be no necessity for unemployment insurance of any kind as the Townsend plan will start the cycle of buying which, in turn, will react on the cycle of production; and within a reasonable time after the pension plan is initiated, we will have generated a purchasing power which will bring about real recovery.

Funds for the initial payment of the Townsend old-age pensions may be obtained through the issuance of Treasury notes backed by the credit of the United States. I mention the credit of the United States reservedly as I do not wish to disturb our present huge gold surplus, which I believe should be maintained in the Treasury for purposes of international exchange only.

TAX-EXEMPTION UNDEMOCRATIC

It should be borne in mind that, if we socialize our banks, as described, we will not be taking anything from any citizen whatsoever, except the monopoly and subsidy which the private financier now enjoys through the exaction of interest on loans. If we refund our present interest-bearing bonded indebtedness, now tax-exempt, the tax on this huge amount of wealth will add at least another half billion dollars for payment of the Townsend pensions.

NO RELIEF EXPENDITURES UNDER TOWNSEND PLAN

The payment of the Townsend pensions during the past 2 years would have obviated the expenditure of $9,000,000,000 during that period for relief, and the further expenditure of $4,000,000,000 this year for this purpose, which is another item to be considered in the adoption of the Townsend plan.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. BOILEAU. The gentleman is making a very fine presentation of his plan; but in view of the fact that the gentleman has an entirely different method of financing than the Townsend plan anticipates, it seems to me the gentleman is in error in calling this the "Townsend plan", because, as I understand it, the advocates of the Townsend plan insist that the money be raised in accordance with the provisions of that bill, and they want nothing else.

Mr. HOEPPEL. Answering the gentleman, I will say that to the millions who look to the Townsend plan for relief it means financial independence to our aged and our youth and economic recovery to the Nation. It is the embodiment of a broad, humanitarian principle. The mechanism of the plan is a necessary feature, of course; but so far as I am concerned, and so far as any individual who receives this pension is concerned, the equitable distribution of purchasing power among all the people, envisaged by Dr. Townsend, is our objective, and I believe any practical, effective means for obtaining the necessary funds will be acceptable.

SUDDEN, RAPID INFLATION DETRIMENTAL

It is self-evident to any monetary student that the injection of a large volume of money into immediate circulation will cause a rise in commodity values. This has been, and is yet, the principal objection that has been focused against the payment of pensions of $200 per month. Critics state that this large amount of money, thrown into the channels of trade monthly, would create a demand for goods which would cause the value of commodities to rise out of all proportion to the existing commodity level, with the result that the employed would find the cost of living far beyond their present incomes. In my opinion, this would be true. Therefore, it may be expedient that the Townsend pensions be authorized at $100 per month, with the stipulation, however, that the payments be progressively increased to $200 per month, so as not to violently disturb the commodity levels to the detriment of the individuals at present employed. Since wages always lag behind increases in commodity prices, I feel confident that it will be necessary, in order to prevent suffering and sacrifice on the part of the worker, that a modicum of pension payments be stipulated, predicated upon commodity price levels.

Mr. BOILEAU. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. BOILEAU. I do not desire to be critical of the gentleman's remarks, but the gentleman has suggested an entirely different method of financing from the one the Townsend plan provides, and now the gentleman is cutting the amount down from $200 to $100.

Mr. HOEPPEL. I am advocating $200 per month pension. I admit that I am suggesting as a substitute for the sales tax a taxless plan for raising the necessary revenues which should effectively answer the vociferous objection of those who would discard the plan because of the sales-tax provision,

Mr. BLANTON. He is cutting the pension half in two.

Mr. HOEPPEL. No; I am not cutting it half in two.

Mr. BOILEAU. The gentleman is advocating a different plan.

Mr. HOEPPEL. I am advocating $200 per month.

Mr. BOILEAU. It is not the Townsend plan that the gentleman is discussing.

Mr. HOEPPEL. Many of the thousands of people who write to me say, "Let us have the legislation now, initiate the program, but, if necessary, begin the payments 2 or 3 or 5 months hence." As a compromise to this suggestion, I am suggesting the immediate granting of $100, to be increased to $200 per month in accordance with the rise in wage and commodity-price levels.

Mr. BOILEAU. Is the gentleman in position to say authoritatively that the Townsend plan advocates are willing to accept his method of financing?

Mr. HOEPPEL. I reiterate, the millions who are looking to the Townsend plan for relief are insistent upon increased purchasing power. That is what the Townsend plan means to them. It is the objective of the plan, not the mechanism for providing funds, upon which they will accept no compromise, no amendment. That is the attitude of the thousands who have written me on this subject.

Mr. MOTT. Mr. Speaker, will the gentleman yield for a question?

Mr. HOEPPEL. I should like to suggest another means of obtaining funds. My time is getting short and I should like to discuss other features of my plan. However, if the gentleman will get me more time after I conclude, I will answer all questions, if I can.

Mr. MOTT. Will the gentleman yield on the matter of time?

Mr. HOEPPEL. Yes.

Mr. MOTT. I understood the gentleman was to talk for 30 minutes on the Townsend plan. I know the gentleman is probably better informed on the Townsend plan than almost any other Member of this House except the other gentleman from California, Mr. MCGROARTY, who introduced it. I think most of the Members who came over here today came with the idea that they were going to hear the gentleman discuss the Townsend plan. The gentleman has only 5 minutes more. I am interested, of course, in the speech he is making, but he is not speaking on the Townsend plan; and I want to inquire of the gentleman if I can get unanimous consent for him to proceed for 10 additional minutes, will he use those 10 minutes for a discussion of the Townsend plan, so that those of us who are interested in old-age-pension legislation may get some first-hand information about the particular plan of Dr. Townsend from a Member who, I know, knows a great deal about it.

Mr. HOEPPEL. Will the gentleman make that request?

Mr. MOTT. Mr. Speaker, I ask unanimous consent that the gentleman from California be given 10 additional minutes at the expiration of his time for the purpose of discussing the Townsend plan as set forth in H. R. 3977, the Townsend old-age revolving pension bill.

The SPEAKER. The gentleman from Oregon asks unanimous consent that the time of the gentleman from California be extended 10 minutes. The Chair will state that the gentleman from California has 4 minutes remaining.

Mr. BLANTON and Mr. YOUNG reserved the right to object.

Mr. BLANTON. Mr. Speaker, I reserve the right to object, because I object to the gentleman from Oregon [Mr. MOTT] taking the gentleman from California off his feet. The gentleman is discussing entirely extraneous matters here; and if you confine him to the Townsend plan, you will probably take him off the floor.

Mr. MOTT. Oh, no; that is not my intention. My intention is to give him the floor for 10 additional minutes for the specific purpose of having him discuss the Townsend plan.

The SPEAKER. Is there objection to the request of the gentleman from Oregon that the gentleman from California have 10 minutes more?

Mr. TRUAX. Reserving the right to object, I want to observe that the gentleman from California is discussing a vital topic, namely, the redistribution of wealth. I disagree with the gentleman from Texas that that will be taking him off his feet.

Mr. BLANTON. I reserve the right to object to state that the gentleman from Ohio [Mr. TRUAX] ought to be put in double harness with the gentleman from California so that they may jointly discuss both of the "hooey" plans for redistribution of wealth.

Mr. YOUNG. Reserving the right to object, the gentleman from California a moment ago in discussing the Townsend plan said he was interested in the youth of the country. I remember that a Washington newspaper the other day had a picture of a young man 23 who married an elderly lady of 64, and I was wondering about the gentleman's interest in the youth of the country. If the Townsend plan goes through, such marriages would not be news. The young men of the country would frequently marry the elderly ladies [laughter] and many girls would marry elderly gentlemen. [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from Oregon that the gentleman from California have 10 minutes more?

There was no objection.

Mr. HOEPPEL. Mr. Speaker, knowing the legislative mind of many of my colleagues, I felt certain that I would be ridiculed if I attempted to discuss the Townsend pension plan on the floor, but for the information of my good friend from Ohio and others who may scoff and ridicule the plan, I wish to say that he who laughs last, laughs best. The people who have it in their power to determine who shall sit here in this Hall are going to have the last laugh, and many of you now present will not be here in the future unless you see the light. As Representatives, we are sent here for one purpose, and that is to express the will of our constituency, and the will of the people in reference to the Townsend plan will be expressed, if not by us and in this Congress, then by others at a later date.

Now, getting back to the Townsend plan. The crux of the opposition is epitomized in one question: How are the funds to be obtained to pay the Townsend pensions? I am going to propose several other practical methods which might be utilized.

OTHER MEANS OF OBTAINING FUNDS

In Europe, the various nations have monopolies on certain products, such as salt, tobacco, and so forth. As a means of crime reduction, in the furtherance of law observance, and in the interest of increasing national revenues, I suggest that our Government monopolize the liquor business and the traffic in arms. Both of these industries are basically nonessential and contribute more to every selfish and criminal instinct in man than any other. It is safe to assume that if the Government took over the monopoly of these industries, an additional one or two billions of dollars per year would accrue to the National Government while, in equal ratio, the crooked politicians and operations of the whisky ring would be reduced.

While I do not consider it necessary, nevertheless, the Government could add to its revenues immeasurably if it would also monopolize the tobacco industry which might be considered, likewise, as nonessential.

To those who decry the socialization of banking and the nonessential industries, which I have just described, under the usual plea that the Government is not qualified to act in this regard, I would recall the recent private banking debacle, which robbed millions of Americans of their life's savings. In my opinion, it requires considerable temerity and flagrant disregard of obvious facts, to voice such a protest. Certainly our past experience does not warrant any great degree of confidence in the merit or efficiency of our private banking system!

Mr. MOTT. Will the gentleman yield? I asked unanimous consent that the gentleman have 10 more minutes in which to discuss the Townsend plan, and that was the understanding when the gentleman was granted the additional 10 minutes. I do not wish him to discuss crime reduction or governmental monopolies. I wish him to discuss the Townsend plan.

Mr. HOEPPEL. What does the gentleman mean by the Townsend plan?

Mr. MOTT. I mean H. R. 3977, the bill introduced on the 16th of January by the gentleman from California [Mr. MCGROARTY], and known as the "Townsend old-age revolving pension bill". I am anxious to hear the gentleman on that. Thousands of my own constituents are interested in that bill. The gentleman is an authority on it, and I want my constituents, as well as my colleagues, to have the benefit of his views and his argument. I hope the gentleman will confine himself to that bill for the remainder of his additional time.

Mr. HOEPPEL. I am informing the House how the additional revenues required to pay the Townsend old-age pensions can be secured. The principal criticism directed at

the Townsend plan is on its sales-tax feature, as no one dare controvert its recovery features, the positive relief it will afford to our aged citizens, and the increased opportunities to youth embraced in the plan.

Mr. SISSON. Mr. Speaker, will the gentleman yield for a question on the Townsend plan?

Mr. HOEPPEL. Yes.

Mr. SISSON. What is the estimated annual cost for the Townsend plan according to the gentleman's computation? I assume that he has made one.

Mr. HOEPPEL. I would estimate it as between $18,000,000,000 and $20,000,000,000. There are many old people who have incomes and many others who will not give up their positions and so will not be eligible for the pension. Only those who give up their present means of livelihood, their gainful occupations, will get the pension.

Mr. SISSON. What proportion would that take of the annual income, that is, the total earnings of all of the American people?

Mr. HOEPPEL. I am not speaking of income, I am speaking of revenue from the overprivileged class, which has been holding the American people in economic slavery. I am proposing to get the money from that class.

Mr. SISSON. Where does the gentleman propose to get the money, if not from income?

Mr. HOEPPEL. I propose that the necessary funds be obtained from the present interest-exacting and coupon-clipping class. I propose that the Government get the income from its own national credit instead of giving the bankers national credit and permitting the private financier himself to absorb the interest profits.

Mr. MOTT. Is that part of the Townsend plan, the McGroarty bill?

Mr. HOEPPEL. The principal and most vital feature of the McGroarty bill is that providing for the payment of $200 per month pensions. As there is concerted opposition to the sales-tax provision, I am showing how these funds can be obtained without an increase in taxation, by taking special privilege from the overprivileged.

Mr. MOTT. The gentleman was granted 10 minutes extra time to speak on the Townsend plan of financing a $200-per-month pension and not on his own or some other plan.

Mr. HOEPPEL. In my request for time to speak, I did not state that I would speak on the Townsend method of financing, but on the Townsend plan of pensions.

Mr. MOTT. Did not the gentleman understand the purpose for which he was given the additional 10 minutes? I ask the gentleman to use the 10 minutes to talk about the Townsend plan and I hope he will do it.

Mr. HOEPPEL. The gentleman from Oregon apparently wishes me to speak in reference to the sales tax. I will vote for a sales tax to pay the Townsend old-age pensions; but inasmuch as such violent opposition has developed in reference to this feature, I am suggesting means of obtaining the necessary revenues from the overprivileged and from entrenched and inherited wealth.

Mr. MOTT. I want the gentleman to speak for the Townsend plan. The sales tax, or transaction tax, is, of course, a part of that plan. It is the only tax proposed in the bill for financing the pension.

Mr. HOEPPEL. As I have stated, my objective is the enactment of the Townsend plan. I have not discussed the method of financing proposed by Dr. Townsend. As the opposition is using the sales-tax method as an entering wedge to defeat this humane pension, I am suggesting an alternative method of raising revenue, if necessary.

Mr. MOTT. Then the gentleman is speaking against the Townsend plan of financing the $200 per month pension?

Mr. HOEPPEL. I am not. How much time have I, Mr. Speaker?

The SPEAKER. The gentleman has 8½ minutes remaining.

Mr. HOEPPEL. I am going to touch upon another subject which is important and vital to our recovery.

Mr. SISSON. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. May I request that the gentleman kindly permit me to proceed in the presentation of my plan?

BASIC ADVANTAGES IN THE SOCIALIZATION OF BANKING

Following the orthodox thought, I suggested that in the socialization of banking, the Government continue to exact the same interest on national credit as is exacted now by the private banker on bank credit. It appears, however, that the best interests of the citizen would be served if national credit were extended to the citizen at cost, thus augmenting the purchasing power of the citizen rather than restricting his purchasing power by exacting interest payments. After all, what we must have is purchasing power which would be more directly applied if we did not exact from our citizens the present $12,000,000,000 to $15,000,000,000 of interest payments per annum. The issuance of credit to the citizen at a fraction of 1 percent, or at cost, and the absolute prohibition of any interest exactions on loans by private financiers would relieve the underprivileged from carrying the load of accumulated and inherited wealth of the overprivileged. Present public and private debts would be discharged through actual Treasury credits in notes or negotiable bonds without any interest payments attached thereto and with no tax-exempt provisions.

Under this procedure, every individual with surplus money would be confronted with the following situation: He could either take his money or credits and spend them for any purpose or he could deposit them in the Government bank for safe-keeping, without interest. Regardless of the wealth created and the amount which might be in the possession of any individual, such individual could only utilize this money for the purpose of engaging service or purchasing commodities. Of what utility would be the wealth of a Ford or a a Rockefeller if these huge fortunes could only be utilized in spending and if interest exactions, which feed on the needs of the people and threaten their very life sustenance, were outlawed? No fair-minded individual would object to the accumulation of wealth by honest means through individual effort and ingenuity but at the same time no fair-minded individual should be content to permit the recipient of such wealth to use it to enslave his fellow men.

Of course, it is obvious that if the Government exacts no interest on national credit, it will be necessary to obtain funds for the payment of the Townsend pensions from another source which, in this instance, may be through increased inheritance and income taxes and, if necessary, a limited sales tax, predicated upon an assured national income of $150,000,000,000 to $200,000,000,000 annually.

IRREDEEMABLE CURRENCY AND GOLD CREDITS

While the nations of the world worship at the altar of gold and silver, such type of currency is unnecessary domestically and, in a sense, internationally. However, not to depart too suddenly from an established system, I would suggest in the socialization of banking that there may be two kinds of currency: the "irredeemable", which is acceptable for all debts, public and private, and for the payment of taxes and all obligations, except, perchance, the payment of imposts; and gold and silver to be used only for purposes of international exchange. We should not be concerned or disturbed as to how much of this currency might be lent to foreign nations, nor how much might be spent abroad, inasmuch as such money would be of absolutely no value to any foreigner, except in the purchase of American products or services. If the foreigner were offered this type of money, with the full knowledge that it could not pass through international exchange and be redeemed by gold or silver, he would either be forced to decline this money or to utilize it to purchase American service or commodities. We know he would not decline to receive this type of currency. Consequently, for every dollar spent abroad, we could rest assured that the foreigner would purchase a dollar's worth of American products which, to even the most skeptical, would indicate that our foreign markets would be reestablished.

In the socialization of banking, gold and silver would be of absolutely no utility in domestic commerce and transac-

tions, as they are of no utility internationally, except through the value which foreign nations place upon them. Therefore, until an international agreement can be reached, our gold and silver stocks should be held in the Treasury for the sole purpose of making them the medium of exchange, wherever balances occur in our export or import trade. Our gold and silver should have an equal, if not a higher value than the value which the leading commercial nations put upon their own gold and silver stocks. In this way, we would have complete equality or stabilization in international trade, which is essential if we are to have world recovery.

Even though our imports should exceed our exports, nevertheless we could continue to maintain our present gold and silver stocks, since the United States produces approximately 25 percent of the gold of the world, and the Americas, including the United States, produce at least 75 percent of the silver. International trade would thus become, in a sense, more or less in the nature of barter, with periodical balances adjusted through gold and silver credits.

The adoption of this balance would prevent for all time the financial rape which was perpetrated on the American people by the international bankers preceding and following the World War, when gold credits approximating $40,000,000,000 were transferred by the international bankers of Wall Street to Europe and South America. It should be borne in mind that these credits are now all in default and virtually repudiated, thus becoming an absolute loss to the American people and reducing our national wealth. If the losses accruing from these huge loans were borne by the international Wall Street bankers alone, the average citizen could shed crocodile tears, but, unfortunately, the financial burden incident to the defaulting of our foreign debtors has been transferred through the international bankers to Mr. Average Citizen, who has lost billions in the failure of banks, foreclosure on homes, and shrinkage in property and other values.

FOREIGN INVESTMENTS SAP UNITED STATES WEALTH

Under the private-banking system, foreign business interests and foreign long-term investments take from the United States each year untold millions of American credit which the owners apply in building up the wealth of their own nations. Under the plan which I propose, these foreign individuals will not be in a position to sap the lifeblood of our financial system nor enrich their own nationals at the expense of the American citizen, as the credit which they will take abroad will be the irredeemable domestic paper currency which I explained a moment ago. This currency will be of no benefit to them unless they engage American service or purchase American commodities. This is indeed an easy application of the principle which I approve: "America for Americans, with justice to all nations and special privileges to none."

PROTECTION AGAINST CUTTHROAT FOREIGN COMPETITION

The adoption of the Townsend plan of old-age pensions of $200 per month and the consequent expansion of currency would increase all commodity prices in America and bring higher wage standards. Europe and the Orient would thus be in a position to undersell American-made products in our home markets and thus pervert to their own interests the advantages obtained through the socialization of banking and expansion of the currency. This situation, however, could be corrected by amending the provisions of the reciprocal-tariff legislation to authorize the President or the Tariff Commission to increase the tariff, from time to time, on foreign products which enter into competition with American manufactures, so that in every event the tariff, plus the cost of transportation and production or manufacture abroad, would be somewhat higher than the cost of production and distribution of the same commodity manufactured in our own country.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. WOLCOTT. How would the gentleman use silver to balance our international trade, when there are only three small countries on the silver standard at the present time?

Mr. HOEPPEL. The gentleman perhaps misunderstood me. I said "gold and silver." When we are dealing with a silver country in trade, we will take their silver in trade.

Mr. WOLCOTT. Will the gentleman yield further?

Mr. HOEPPEL. I yield.

Mr. WOLCOTT. When the trade balance was in favor of the United States on those foreign transactions, would the gentleman suggest that American citizens, in whose favor this trade balance appeared on the books, would be paid in this same currency?

Mr. HOEPPEL. American citizens with a trade balance against France, for instance, would be credited with irredeemable currency which I have described, thus maintaining at all times, in our import and export bank, our gold balance for future barter or trade transactions. Under existing law, they do not receive gold but our irredeemable paper currency.

Mr. WOLCOTT. Does the gentleman not think that France would have something to say about that herself?

Mr. HOEPPEL. Answering the gentleman, I would say that whenever we have a balance to our credit due from any foreign nation, it is not the business of such nation to indicate to our Government what we may or may not do with the indebtedness due us.

Mr. WOLCOTT. I understand the gentleman's plan is predicated upon the fact that we will enter into monetary agreements with foreign countries and that we will settle our trade balances on a bimetallic basis instead of on a gold basis, as at the present time?

Mr. HOEPPEL. It is not necessary to enter into trade agreements with any of those nations. They will accept our gold or silver in barter or exchange at the value which we place on it and we will accept their gold in the ratio which they themselves place on it. This condition exists today between the United States and France, where the gold value is not uniform.

Mr. WOLCOTT. There has not been any country in the world on a bimetallic basis for the last 70 years.

Mr. HOEPPEL. In the socialization of banking which I propose, the bimetallic standard is not necessary, but I merely mention it to satisfy the orthodox worshipers of the gold standard. We are transacting our domestic business today without the gold standard, and we can also transact our international business without either gold or silver.

Mr. MARSHALL. Will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. MARSHALL. I just wanted to ask the gentleman if he thinks that J. P. Morgan already has as much money as he should have?

Mr. HOEPPEL. As far as I am concerned, answering the gentleman's question, I do not care how much money J. P. Morgan has. It would be of no value to him under the plan which I propose unless he spends it for American goods or service. Unfortunately, today, through the issuance of tax-exempt bonds and interest exactions, we are giving Pierpont Morgan, Barney Baruch, and others the opportunity to enslave the borrower.

Mr. MARSHALL. I just wanted to know if the gentleman favored giving him $200 a month.

Mr. HOEPPEL. If he would get out of the banking and gambling business—that is, gambling with other people's investments—I would not object to his being given $200 per month.

Mr. MICHENER. Will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. MICHENER. As I understand the gentleman, he is opposed to the sales tax, as proposed in the McGroarty bill, for the purpose of financing the Townsend plan.

Mr. HOEPPEL. The gentleman misunderstood me. In my opening remarks I said I would support the Townsend plan as originally introduced, but if it were to be discarded because of the sales-tax provision, I suggested this.

Are there any other questions? I shall gladly answer any question to the best of my ability, along the lines of the economic changes which I have suggested.

Mr. DEEN. Will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. DEEN. I should like to ask the gentleman a question. The gentleman stated it would require about $20,000,000,000 annually to pay the Townsend old-age pensions. Is that correct?

Mr. HOEPPEL. Yes.

Mr. DEEN. Has the gentleman figured out how much assessment that would be on each person in the United States annually? Does the gentleman know it would require $166 per person on every person in the United States annually, or an average of $830 per family of five, to pay the Townsend old-age-pension plan?

Mr. HOEPPEL. I shall gladly answer the gentleman.

Mr. DEEN. I want to ask the gentleman one other question.

Mr. HOEPPEL. Answering the gentleman's question, I will state that in the field of mechanics, in the field of science, in the field of learning, in almost every field, we have progressed. We have built the most wonderful airships; in almost everything we are modern except in our finance and our monetary systems. The gentleman is basing his argument on the ancient and antiquated oxcart system of finance and private banking.

Mr. DEEN. One further question, if the gentleman will yield. Would the gentleman himself be willing to pay an assessment upon each member of his family of $166 every year? Will the gentleman answer "yes" or "no"?

Mr. HOEPPEL. It would not be necessary under the plan which I propose. The revenues for the payment of the Townsend plan would be obtained from the overprivileged, interest-exacting group.

Mr. MOTT. Would it be necessary under the Townsend plan?

Mr. BLANTON. Will the gentleman yield?

Mr. HOEPPEL. I yield.

Mr. BLANTON. Last year by taxing incomes, taxing inheritances, taxing liquor, taxing tobacco, an extra 2-cent tax on bank checks, extra postage, from every conceivable form of taxes, we were able to raise only $3,700,000,000 in total revenues. How would the gentleman propose to raise $20,000,000,000 extra? Just tell us how he would propose to raise that?

Mr. HOEPPEL. I believe I have already answered the gentleman's question. Twelve to fifteen billion dollars of the required amount would accrue to the National Treasury if the Government, in lieu of the private banker, extended credit, and if the Government exacted the same rate of interest as that now charged by the banking interests.

Mr. BLANTON. But who would pay it?

Mr. HOEPPEL. The same people would pay this twelve to fifteen billion dollars to the National Government, under a socialized banking system, as are today paying this amount to the private banker. In addition, limited, controlled inflation would add to our national income.

CONTROLLED INFLATION OUR SALVATION

Great Britain won the Napoleonic Wars through a controlled expansion of so-called "irredeemable" paper money. We can positively conquer our economic depression, solve our unemployment problem, and control the expansion of our irredeemable currency through the payments made to the aged and worthy citizens of our Nation through the medium of the Townsend old-age revolving pensions.

We should bear in mind that with the large expansion of credit and the slight expansion of actual money during the World War, we had an era of prosperity which permitted the humblest laborer to purchase luxuries. The price of wheat rose to $2.20 per bushel, wages were as high as $20 per day, there was virtually no unemployment, and not even the merest semblance of a bread line. Our national income increased to such proportions that the party in power advocated and actually reduced taxation. These facts clearly demonstrate that an expansion of credit and currency insures a high commodity-price level and at the same time increases the wages of the worker.

The payment of the Townsend old-age pensions would be a similar expansion of credit and currency in circulation and would increase our national income proportionately. With a present national income of approximately $41,000,000,000, the Federal income from all sources has been estimated at $3,711,650,688. Our national income, with the expansion of credit and currency through the Townsend plan, would be increased three- or fourfold and our Federal income would likewise be increased to approximately $15,000,000,000 per annum, thus giving another large source of income from which to pay the Townsend pensions.

In my opinion, income taxes would be unnecessary, although they could be applied whenever required in order to keep the Budget in balance. Inheritance taxes, however, should be radically increased.

The revolving, controlled, and limited inflation which would follow the enactment of the Townsend plan, in addition to other benefits I have described, would make it possible for all public and private debts, which today approximate $225,000,000,000, to be paid with the dollar of the same purchasing power as when the debts were incurred and would thus relieve the burden of the debtors in this proportion.

OLD-AGE PENSIONS A NATIONAL RESPONSIBILITY

Old-age pensions are, in my opinion, the sole responsibility of the National Government. The National Government alone has authority to take the youth of our land and send them to their death in war. By the eighteenth amendment the National Government virtually confiscated the property of the liquor interests, without indemnification.

What I have proposed in the socialization of banking is not confiscatory. It merely takes from the overprivileged few the right, through interest exactions, to pyramid their wealth on the backs of the less fortunate citizens. If, under the law, we have the right to stipulate what is a usurious rate of interest, we also have the right to stipulate that interest shall not be charged by any private citizen, but that this function is solely the prerogative of the Government.

In the presentation of these simple facts, I recognize that the departure suggested is indeed radical, but it is by no way inimical to the proper interests or rights of any individual, and is in accordance with the democratic principle that the common good of all should be our primary objective.

The religious leaders of America must interest themselves in the physical well-being of men in order to advance the spiritual issues in a more understanding and helpful manner. The hungry man, as well as the hungry animal with the God-given instinct of self-preservation, fears nothing—not even death itself. To interest a hungry man in matters of faith and the world beyond, while he is suffering the tortures of the damned through laws enacted in the interest of the overprivileged, is almost an impossibility.

The millions of sensible, outstanding citizens who have petitioned for the enactment of the Townsend plan and the additional millions who will rally to this principle, will be heard—if not in this session, then in the next.

The President, in his written pronouncements, has envisaged social security. We cannot afford to give a half loaf to our aged citizens by enacting inadequate old-age pensions.

While I do not suggest that the ideas I have advanced are perfect in themselves, or perhaps the only way out, nevertheless I do feel that I have suggested the vehicle by means of which economic recovery and humane and just consideration to our aged citizens may be secured. Can we consider ourselves humane and civilized if we permit the present suffering of our millions of aged citizens and the millions of our unemployed to continue, knowing as we do—without question—that the sole responsibility for their relief is that of the Congress of the United States and not that of the President or his appointed advisers?

The people elected us to represent them and we must express the will of the people or they will be justified in repudiating us. The Townsend old-age revolving pension

movement is an irresistible force. It is gaining momentum by leaps and bounds. I hope that my colleagues will investigate the facts which I have presented, and that when the petition to discharge the committee from further hearings on the Townsend plan is presented, as I propose to present it, they will join me in signing this petition in order to bring the Townsend pension bill to the floor of the Congress for action.

TOWNSEND PENSIONS WILL MODERNIZE OUR ECONOMIC SYSTEM

We pity the backward Eastern peoples who, with their teams of camels and oxen, slovenly cultivate the soil with a wooden plow. We have made enormous progress in the field of invention, discovery, physical science, and mechanics, but in our economic thinking, we still linger in the Stone Age and fight over bones!

We must modernize our economic system, loose the tenacious grip of antiquated thought and enervating tradition which binds us to the past, and, in the light of reason and common sense, face the issue courageously! In their championship of the Townsend plan, the people are but claiming their heritage of financial security and independence. The star of destiny leads on, and millions are turning toward the light that shall make them free! [Applause.]

The SPEAKER. The time of the gentleman from California [Mr. HOEPPEL] has again expired.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following communication, which was read by the Clerk:

The Honorable JOSEPH W. BYRNS,
*The Speaker House of Representatives.*

DEAR MR. SPEAKER: I hereby submit my resignation as a member of the Committee on Military Affairs of the House of Representatives and request that the same take effect immediately.

Yours very sincerely,

JAMES M. FITZPATRICK.

ELECTION TO COMMITTEE

Mr. DOUGHTON. Mr. Speaker, I offer a resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 85

*Resolved*, That James M. Fitzpatrick, of New York, be, and he is hereby elected a member of the standing committee of the House of Representatives on Appropriations.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I offer a further resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 86

*Resolved*, That the following Delegate and Resident Commissioner be, and they are hereby, elected members of the standing committees of the House of Representatives, to wit:

Merchant Marine, Radio, and Fisheries: Anthony J. Dimond, of Alaska.
Rivers and Harbors: Anthony J. Dimond, of Alaska.
Insular Affairs: Santiago Iglesias.
Agriculture: Santiago Iglesias.
Labor: Santiago Iglesias.

The resolution was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed with amendments, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 88. Joint resolution making additional appropriations for the Federal Communications Commission, the National Mediation Board, and the Securities and Exchange Commission for the fiscal year ending June 30, 1935.

The message also announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 118. Joint resolution to prohibit expenditure of any moneys for housing, feeding, or transporting conventions or meetings.

RECONSTRUCTION FINANCE CORPORATION

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes. Pending this motion, I ask unanimous consent that the substitute recommended by the House Committee on Banking and Currency be considered without the intervention of any point of order, and that the substitute may be considered under the 5-minute rule as an original bill.

The SPEAKER. The gentleman from Alabama asks unanimous consent that it shall be in order in the consideration of the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes, to consider without the intervention of any point of order the substitute committee amendment recommended by the Committee on Banking and Currency; and that such substitute, for the purpose of amendment, shall be considered under the 5-minute rule as an original bill.

Is there objection?

There was no objection.

Mr. HOLLISTER. With the permission of the Chair, before the motion is put, may I ask the gentleman from Alabama what arrangement he desires to make as to time for general debate?

Mr. STEAGALL. What arrangement as to time would be satisfactory to the gentleman from Ohio?

Mr. HOLLISTER. We on this side should like an hour. We shall not want any more, and we may not use all of that.

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that general debate be limited to 2 hours, to be equally divided, one-half to be controlled by the gentleman from Ohio [Mr. HOLLISTER] and the other half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Alabama that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes, with Mr. CALDWELL in the chair.

The Clerk read the title of the bill.

Mr. STEAGALL. Mr. Chairman, I move that further reading of the bill be dispensed with.

The motion was agreed to.

Mr. STEAGALL. Mr. Chairman, the original Reconstruction Finance Corporation Act granted the powers of the Corporation for a period of 1 year with authority conferred upon the President to extend those powers an additional year. At the end of 2 years of operation an act was passed extending the powers of the Corporation an additional year, to the 1st of February 1935. The time for the expiration of the powers of the Corporation is immediately at hand. The bill before us grants an extension of those powers for a period of 2 years, unless, as provided in the original bill, sooner terminated by order of the President of the United States.

Authority is granted for extending the final date of maturity of loans made by the Corporation to 1945, an additional 5 years. The bill provides a liberalization of the basis for loans to industry. Under the general provisions of the original bill the Corporation is required to take full and adequate security for loans. Under the provisions of the act of 1934, authorizing loans for industrial purposes, the Corporation was authorized to make loans upon adequate security. Under the provisions of the bill now before the House loans to industry would be authorized upon such security as in the judgment of the Board would reasonably assure repayment of loans. Provision is made for loans to institutions financing electrical appliances, both for rural and

urban uses. Another provision would liberalize aid to institutions loaning upon real-estate mortgages, which it is hoped will assist in reviving real-estate values and reviving construction activities.

Mr. KOPPLEMANN. Will the gentleman yield at this point for a question with regard to loans to industry?

Mr. STEAGALL. I yield.

Mr. KOPPLEMANN. Can the chairman of the Committee on Banking and Currency tell us what percentage of the money allocated to the Reconstruction Finance Corporation has been paid out and allocated?

Mr. STEAGALL. I cannot state in percentages the information the gentleman requests, but I may say that under the provisions of the act of 1934 the Corporation was authorized to use to a maximum amount of $300,000,000 funds for industrial loans. The amount of industrial loans that have been made is about $35,000,000.

Mr. KOPPLEMANN. In other words, slightly over 10 percent.

Mr. STEAGALL. Yes; a little over 10 percent would be correct.

I have not time at the moment to discuss the figures disclosing loans to industry by the Federal Reserve banks.

Mr. HANCOCK of North Carolina. Mr. Chairman, with the permission of the gentleman from Alabama, the amount of loans to January 1 was approximately $40,000,000.

Mr. STEAGALL. I was going to say that it was in the neighborhood of $40,000,000, or an amount slightly in excess of the loans extended by the Reconstruction Finance Corporation.

Mr. CELLER. Does that include both agencies?

Mr. STEAGALL. Just a moment, please. In this connection permit me to say that the provisions of the act of 1934 as applicable to Federal Reserve banks in the matter of securities to be required are more liberal than in the case of loans to be made to the Reconstruction Finance Corporation; and it is fair to say that the Treasury is obligated to supply the Federal Reserve banks an amount not in excess of $147,000,000 to be employed by the Federal Reserve banks in making loans to industry. The Federal Reserve banks were very desirous of legislation which would permit the banks to recapture the amount of $147,000,000 which they had subscribed to the capital stock of the Federal Deposit Insurance Corporation and the only way by which those funds could be taken back by the Federal Reserve banks was through the use of the fund in extending loans to industry as provided in the act of 1934.

Mr. CHRISTIANSON. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. CHRISTIANSON. The present law requires that loans to industry be adequately secured.

Mr. STEAGALL. That is quite correct.

Mr. CHRISTIANSON. The bill now before the House requires such security as will reasonably insure repayment of the loans. What distinction does the gentleman make between these two definitions? To what extent does the language of the pending bill broaden the discretion of the Reconstruction Finance Corporation?

Mr. STEAGALL. It is my personal view, I may say to the gentleman from Minnesota, and I take it my view represents that of the Members of the House, that the Reconstruction Finance Corporation, while designed to accomplish a measure of general relief for the Nation, was intended to operate as a legitimate loaning agency; and under the original law the Corporation was required to take full and adequate security for loans, which language would seem to carry with it the suggestion that the Corporation should pursue a sound, conservative, careful policy in lending Government funds. Later, as to industrial loans and to meet the exigencies of the emergency resulting in unemployment of labor and distress in industrial activities of the Nation, that language was so liberalized as merely to provide that such loans should be made upon adequate security. It was intended by the use of that language to liberalize the act somewhat as compared to the original provision.

The language of the present bill, instead of stating "full and adequate security" or treating the word "adequate" as meaning the same, provides that the Corporation may make such loans upon any security which in the judgment of the Board will reasonably assure repayment.

Does the gentleman think we should authorize this loaning agency of the Government to make loans without the requirement of security that would reasonably protect the Government in the matter of repayment?

Mr. CHRISTIANSON. May I say in answer to the question propounded by the gentleman that I recognize the difficulty the committee must have had in framing language which would definitely define its policy; nevertheless, I must say that I do not believe that by the use of this language the gentleman will succeed in causing the Reconstruction Finance Corporation to liberalize its policies. Our experience in the Northwest has convinced us that the Reconstruction Finance Corporation is even more hard-boiled than the bankers in passing on this class of loans.

Mr. STEAGALL. I do not think that conclusion is justified, and I do not think there is any doubt that under the language of this bill the Board would consider their authority as having been liberalized in the matter of security to be required. May I say further that the committee has the assurance of all of the officials of the Reconstruction Finance Corporation that the language employed in this act will be regarded by them in administering the law as a liberalization of their authority in taking security.

Mr. COX. The gentleman's committee has no intention of recommending anything to this House which if adopted would make the operations of the Reconstruction Finance Corporation a hazardous enterprise from the Government's standpoint?

Mr. STEAGALL. I will say to my friend, that there would be some hazard in any lending system that may be established now or that could have been established at the time or since the establishment of the Reconstruction Finance Corporation Act. But, I think I know what the gentleman has in mind. It is not our desire to have the Reconstruction Finance Corporation engage in extending favors to any without requiring at least such security as will reasonably assure repayment of the loans made.

Mr. COX. The committee does not anticipate that the Reconstruction Finance Corporation will make loans to a man who is running his business in a way that will cause inevitably a loss to the Government.

Mr. STEAGALL. I quite agree with the view as expressed by the gentleman from Georgia.

Mr. KOPPLEMANN. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. Then, are we of the Congress to take the statement of the distinguished chairman of our committee to mean that under the language change made in the bill loans will be liberalized as compared to the loans which have thus far been made under this bill?

Mr. STEAGALL. I have not the slightest hesitancy in answering the gentleman's question affirmatively. We have the assurance of officials of the Reconstruction Finance Corporation Board that they will so administer the act, and may I also say in response to suggestions that have been made that I think certainly this agency of the Government has been administered with due regard to the directions and limitations imposed by the Congress in granting the powers of the Corporation. At every conference at which these gentlemen have been heard they have not hesitated to make suggestions to the committee handling the legislation involving the activities of the Corporation, but they have always assured us that they regarded themselves as servants of the Congress and of the country; that it was their duty to carry out in good faith the enactments of the Congress and to observe to the best of their judgment the limitations imposed upon them by the laws under which they were acting.

I have no doubt the Corporation has made mistakes. I have no doubt that more mistakes will be made. I do not

know of any business institution, or any lending agency, private or public, in the United States that has not made mistakes in recent years and that may not be expected to make more mistakes. I want to commend here and now the administration of the Reconstruction Finance Corporation under the management now in control.

May I say another thing in this connection. The President has surrounded himself with many able, patriotic public servants. I accord my tribute to all of them, but he has such a towering personality that many, if not most of those who surround him, are invisible to the public eye; however, Jesse Jones, chairman of the Reconstruction Finance Corporation Board, is one man who fully measures up to the requirements of his office and he is visible to the people of the United States.

Mr. SWEENEY. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Ohio.

Mr. LUDLOW. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Indiana.

Mr. LUDLOW. May I ask the gentleman whether under his interpretation of this new act the Reconstruction Finance Corporation would have any latitude to take into consideration character and reputation in the matter of loans? Some of the best loans that were made in our section of the country in the old days were based on character. Was the applicant honest? Was he truthful? Was his reputation for faithful performance good? If the answers to these questions were favorable, the applicant got his loan, even if he was a little shy on collateral. Under the new language contained in this bill could the Reconstruction Finance Corporation take the character of the applicant into consideration?

Mr. STEAGALL. I fully sympathize with the view expressed by the gentleman from Indiana. If there is one man in this House who deplores the passing of the time when human character commanded value at the windows of banks and other business institutions in the United States, I am that man. May I also say to the gentleman that the language employed in this bill contemplates the very thing that he and I have in mind when it authorizes the Reconstruction Finance Corporation, instead of being governed solely by full and adequate security to protect a loan, to regard all factors in determining whether or not repayment of the loan is reasonably assured. That is the language which will permit consideration of the character of individuals responsible for the management of borrowing institutions.

Mr. LUDLOW. Is it not the gentleman's understanding from his observation in the administration of this matter that the Reconstruction Finance Corporation has been just as rigid in its requirements as the banks of the country?

Mr. STEAGALL. I do not think so, but the Corporation is in the nature of a bank and has been operating under a mandate of the Congress which you and I gave them to demand full and adequate security for loans. The remedy lies here in this House and at the other end of the Capitol if the administration of the Reconstruction Finance Corporation has not been satisfactory. I think that is a fair statement of the situation.

Mr. WHITTINGTON. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. What limitation is there in the legislation as to the maximum loan that may be made to any one industry and as to the aggregate of all the loans made to all industries?

Mr. STEAGALL. In the former act there was a limitation fixing the maximum loan at $500,000. It was found in administering the law that at least some institutions large enough to need greater loans than the amount fixed in the limits of the act were denied the opportunity to obtain loans and to bring about desirable reemployment of labor because of this restriction. The limitation is not carried in the present bill.

Mr. CELLER. Will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from New York.

Mr. CELLER. I take it that the amendment which was offered relative to the reasonable assurance of repayment of loans was put into the bill because the committee felt that the amount, namely $4,000,000, thus far loaned to private industry was insufficient, and in order to put the country on its feet again more loans should be made to private industry and this was in the nature of an encouragement?

Mr. STEAGALL. Of course, that is the purpose and the hope of the committee.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Texas.

Mr. PATMAN. Last year we appropriated at least $147,000,000 to be given to the Federal Reserve banks to make loans. What will become of that money that is not extended in the form of loans to industry? I understand they have only loaned about $40,000,000, and if I understand the matter correctly, if they lend this money and collect it back, it becomes theirs, and suppose they do not extend loans amounting to $147,000,000, what will become of the difference?

Mr. STEAGALL. Of course, it goes back to the Federal Reserve banks, and if my information is correct, and I have not recently consulted the officials of the Federal Reserve Board, but in consultation with the Secretary of the Treasury soon after the law was passed, I received the impression, and I think it has been confirmed by subsequent information, that sums advanced to the Federal Reserve banks for loans would be furnished only to supplement on a 50-50 basis loans made out of the funds provided in the act to be made by Federal Reserve banks.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from New York and then I must conclude, because I want to yield time to other members of the committee, and I shall not be able to discuss this bill in all its features.

Mr. FISH. I call the gentleman's attention to page 15, line 12, which reads:

> The amount of notes, bonds, debentures, and other obligations which the Reconstruction is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions of this section.

I want to know whether there is any limitation.

Mr. STEAGALL. There is no limitation as to loans that may be made for the specific purposes of that section.

Mr. FISH. Could they issue $10,000,000,000 or $45,000,000,000?

Mr. STEAGALL. The original Reconstruction Finance Corporation Act placed a limitation on the issue of obligations by the Corporation and, of course, they would be governed by that.

Mr. FISH. But is there any limitation under this section?

Mr. STEAGALL. This section does not carry any limitation, for the reason it was thought this work was of such transcendent importance, to try to relieve the real-estate market, to try to revive construction and the reemployment of labor, that we should leave the Reconstruction Finance Corporation unhampered in the matter of loans of this type.

But let me say to the gentleman from New York that there is an automatic limitation upon the powers of this corporation. There are only now available funds amounting to something like $375,000,000. Of course, there will be collections from time to time, and while these collections have been in substantial amounts heretofore, we are approaching the time when collections will be far less than they have been in the past and under the bill before the House these loans or purchases can only be made with the approval of the President and the Secretary of the Treasury, and the President is authorized to terminate these activities at any time he sees fit, and if we were to defeat this bill the President, under other legislation, would still have the power to do substantially all the things that are provided for in this measure.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. I yield to the gentleman from Texas and then I must conclude.

Mr. PATMAN. What is being done for the small, independent business institutions? I believe there is more to be done for the small, independent merchant and private industries than any other group or class in America today and I am wondering if there is a substantial step in the right direction in this bill to help the small, independent business man.

Mr. STEAGALL. I will say to the gentleman that we have provided for the use of every known kind of security by the banks of the country and we have made any and all kinds of securities eligible for loans and for rediscount at Federal Reserve banks. We have granted authority to the Reconstruction Finance Corporation to supply relief. We have gone about as far as we know how in authorizing such loans. The gentleman knows what business conditions are, the uncertainty as to values, and the destruction of values that has occurred during recent years in the United States. Of course, all intelligently conducted lending institutions must pay regard to the matter of repayment of loans. Those things rest in the realm of administration.

Mr. PATMAN. Does this bill contain a liberalization for the small business man in comparison with existing law?

Mr. STEAGALL. I do not know that this particular bill accomplishes anything more than existing law, except that we are liberalizing the provision regarding security for loans.

Mr. LUDLOW. May I ask the gentleman if his great committee contemplates in the future bringing out any further legislation replenishing or enlarging the amount that may be loaned to industries? I think that is very vital to the welfare of this country. My personal opinion is that some wise, well-considered, and liberal plan of extending credit to industry is the way to solid and permanent recovery. I should like to know whether we are to have adequate legislation to develop this vital plan to the full extent of its possibilities.

Mr. KOPPLEMANN. Mr. Chairman, I think it is unfair for the chairman to be interrupted. The gentleman from Texas [Mr. PATMAN] asked a question and I should like to hear the answer.

Mr. STEAGALL. I may say to the gentleman from Indiana that we cannot anticipate developments of the next 6 months, but I think that the Congress and the administration are fully and unreservedly committed to the use of the Reconstruction Finance Corporation for the support of business and the relief of the unhappy conditions that have existed in the United States during recent years and which still confront us. All will be done that can reasonably be done.

Mr. Chairman, I regret that I cannot more fully discuss the details of the bill. I must now conclude for the reason that I desire to be in position to yield time to other Members.

Mr. HOLLISTER. Mr. Chairman, I yield myself 15 minutes.

The chairman of the committee has handled in his usual efficient way the more controversial aspects of this bill. I should like to take a little time to run through the different sections of the bill so that Members who may not have a chance to study it may have it explained in a few words. Questions may then be put after I get through, if Members so wish.

The first section, of course, extends the life of the Corporation for 2 additional years. Section 2 provides that commitments shall not be outstanding indefinitely, that when the commitment is once made the disbursement shall be made within a year, except with respect to two particular classes of loans where it has been found that through no fault of the borrower disbursement within 1 year from the date of commitment is either impossible or inconvenient. It would manifestly be wrong for the Reconstruction Finance Corporation to make a commitment and have to hold it up indefinitely for several years because the borrower did not need the money at the time. Such funds would be desirable for other borrowers, but if tied up would not be available for the Reconstruction Finance Corporation to make other loans.

Section 3 is the provision which gives the right to make loans with 10 years maturity instead of 5 years maturity as at present.

It is thought by the Corporation that there are many worthy borrowers who would not be in a position to pay off a loan within 5 years.

Section 4 broadens the power of the Reconstruction Finance Corporation to assist railroads. At the present time the most the Corporation can do is to make loans. Under this provision they may acquire securities of railroads and may guarantee such securities to aid in financing, reorganizing, and consolidating of railroads.

This section also includes a provision not in the original act but which was inserted later by a special proviso. It permitted Reconstruction Finance Corporation assistance to the trustee of a railroad in process of reorganization under the Bankruptcy Act. In section 4 (b), page 13, you will notice that the proviso is stricken out as no longer necessary, since now included in the general provisions of section 4 (a).

Section 5 permits the Corporation to subscribe for or make loans on the stock of companies engaged in the mortgage business, or where nonassessable stock may not be issued, it permits the Corporation to acquire the capital notes and debentures of such institutions. The Corporation is desirous of this in order that it may help the general mortgage market. They feel that if they have the funds available to lend to mortgage institutions it might help the general mortgage situation throughout the country. There is, in addition, a provision that the Corporation may make loans to corporations, associations, or persons which are organized for the purpose of reorganizing real-estate properties. This is a special provision which is not found in the Senate bill, the wisdom of which, in my opinion, is somewhat doubtful, and certainly, if incorporated at all, I feel should include a limitation such as the gentleman from New York [Mr. FISH] attempted to point out a few minutes ago. Such a provision should not be included in the bill without some limitation as to the amount which could be expended for such purpose.

Mr. GOLDSBOROUGH. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. Yes.

Mr. GOLDSBOROUGH. Is it not a fact that the bill was unanimously reported by the committee?

Mr. HOLLISTER. The gentleman is certainly correct. I do not want the gentleman to misunderstand me. I am very much in favor of the bill. I think it is an excellent bill, but I think it is perfectly proper in discussing the matter, when there are a few minor provisions which do not seem to be perfect, to indicate my disapproval of them. I expect to support the bill. I have been in favor of the bill from the beginning.

Mr. GOLDSBOROUGH. I did not understand the nature of the questions of the gentleman from New York. They seemed to be inappropriate coming from a member of the committee.

Mr. HOLLISTER. I understood the gentleman was asking whether I thought the bill should be adopted without a limitation.

Mr. GOLDSBOROUGH. I do not see any reason why any member of the committee should ask questions about factual matters in the bill. It occurred to me members of the committee ought to know what is in the bill.

Mr. HOLLISTER. I am not endorsing the gentleman's questions. I am indicating that, in my opinion, a provision in any bill authorizing expenditure should never be adopted without limitation.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. HOLLISTER. Yes.

Mr. MAPES. In the news dispatches which went out when this legislation was introduced, there was a paragraph which called attention to the provisions in the bill relating to the authority given to the R. F. C. to buy the bonds of railroads.

I had a communication from an investment banker rather approving that provision. I looked over the discussion in the Senate when the bill was under consideration there with that in mind, and I now ask the gentleman from Ohio [Mr. HOLLISTER] just how far and to what extent it is expected the R. F. C. will purchase bonds of railroad companies after this legislation is enacted.

Mr. HOLLISTER. That is a question, of course, that would be impossible for me to answer. Discretion is placed in the Reconstruction Finance Corporation as it is with respect to any loans made. Members frequently have an idea that there is some way in which Congress, by passing legislation, may compel the Reconstruction Finance Corporation to take certain action in making loans. The most that Congress can do is to give authority to take action under general provisions of this kind.

Mr. MAPES. I got the impression from reading the debate in the Senate that it was expected that that provision would apply only to two or three railroad companies which are now in the process of reorganization.

Mr. HOLLISTER. If that is so, it was not mentioned in the House committee hearings.

Mr. MAPES. Did the gentleman have occasion to look over the debate in the Senate?

Mr. HOLLISTER. I did not.

Mr. MAPES. Is it the gentleman's understanding that the R. F. C., under the provision in the House bill, may go out and buy the bonds of the railroad companies in the open market, if it sees fit to do so?

Mr. HOLLISTER. In the open market?

Mr. MAPES. Yes.

Mr. HOLLISTER. I doubt very much whether they have such authority under this bill. I do not understand that it is so intended.

Mr. MAPES. I got the impression from reading the debate in the Senate that it was not so intended.

Mr. HOLLISTER. The provisions are:

May, to aid in the financing, reorganization, consolidation, maintenance, or construction thereof, purchase for itself, or for account of a railroad obligated thereon, the obligations of railroads engaged in interstate commerce—

And so forth.

I should doubt very much if that language could in any way be interpreted to permit the Reconstruction Finance Corporation to go into the open market and buy railroad securities.

Mr. MAPES. The last clause seems to be a little broader than that—

Or, when in the opinion of the Corporation, funds are not available on reasonable terms through private channels—

And so forth.

Mr. HOLLISTER. To make loans. That has nothing to do with the purchase of securities.

Mr. MAPES. Can the gentleman say in a word whether this section in the House bill is the same as the corresponding section in the Senate bill?

Mr. HOLLISTER. I cannot offhand. I yield to the gentleman from North Carolina.

Mr. HANCOCK of North Carolina. In order to keep the record straight in reference to the inquiry made by the gentleman from New York [Mr. FISH], the gentleman understands, and I know he will state to the House, that this increased power applies only to the amount that could be loaned under the particular section.

Mr. HOLLISTER. Absolutely.

Mr. HANCOCK of North Carolina. And not to the general power of the Corporation?

Mr. HOLLISTER. Only to this particular section. I simply raised the question whether there should be any section adopted which had no limitation whatsoever, because this increases the general borrowing power of the Reconstruction Finance Corporation over and above the six and three-fifths times its capital stock which it now may issue in notes or debentures, but it would still have to be subject to the approval of the Secretary of the Treasury.

Mr. CELLER. Will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. CELLER. I want to get the record clear. It may not be apropos to what the gentleman is now discussing, but I tried to get the answer from the chairman of the committee and could not do so. I want to be sure to get, as near as possible, the amount of money that has actually been disbursed to private industry.

Mr. HOLLISTER. Does the gentleman mean by the Reconstruction Finance Corporation or by Federal Reserve banks?

Mr. CELLER. The Reconstruction Finance Corporation.

Mr. HOLLISTER. The statement of the Reconstruction Finance Corporation through December 31, 1934, shows actual disbursements of $6,767,000.

Mr. CELLER. And what was authorized?

Mr. HOLLISTER. And commitments of $34,000,000. Of course, the commitments are similar to disbursements, because they are available to business. These amounts have been approved.

Mr. CELLER. Well, that is not necessarily so, because conditions may change; so that we can say today there is only a little over $6,000,000 actually disbursed to private industry?

Mr. HOLLISTER. Up to December 31, 1934.

Mr. DUFFEY of Ohio. Will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. DUFFEY of Ohio. I think the Members are heartily in favor of this bill, as was the Committee on Banking and Currency. There seems to be only two provisions that are causing confusion. The law of 1934 called for "full and adequate security." Now that is amended to read "reasonable and adequate security." In my interpretation, it must be "reasonable" if it is "adequate." I cannot see how the present rules and regulations, as adopted and enforced by the Reconstruction Finance Corporation, particularly in their application to small industry, are going to be thus liberalized. The rank and file of the people, who are intended to benefit by this legislation, ought to have some definite assurance that these rules and regulations will be liberalized.

Mr. HOLLISTER. I do not want to stop the gentleman, but my time is limited, and I will ask the gentleman to limit himself to a question.

Mr. DUFFEY of Ohio. I would like to know in what way we can liberalize these rules and regulations of the R. F. C. to help small industries?

Mr. HOLLISTER. I will answer the gentleman in this way: No one here wants to pass a law which compels the Reconstruction Finance Corporation to make bad loans.

Mr. DUFFEY of Ohio. No; it is not an eleemosynary institution. I appreciate that.

Mr. HOLLISTER. A great many Members who have discussed this subject, both with members of the committee and others, seem to think there is some way by which there can be wording placed in the act which will compel the Reconstruction Finance Corporation to make loans to industry.

Mr. DUFFEY of Ohio. Can that not be done by some form of definition of the word "reasonable"?

Mr. HOLLISTER. The most that can be done is to liberalize the wording so as to give full latitude to the Corporation. Then it is a question of judgment and discretion in that organization as to how far they shall go in following out the authorization which Congress has given them. I know of no other way by which Congress can do it.

Mr. DUFFEY of Ohio. One other question. On page 19, lines 1 to 4, what was the reason which actuated the committee in limiting the language to the sale of "electrical, plumbing, and air-conditioning appliances"?

Mr. HOLLISTER. It was stated by Mr. Jones that there was a general feeling that there could be developed very easily throughout the country buying power in the public generally—and the gentleman will notice it reads "both urban and rural"—to fix up their homes in better shape; a part of the housing campaign, by buying electrical appli-

ances, plumbing appliances, and air-conditioning appliances; and if the Reconstruction Finance Corporation was in a position to loan money to concerns which were financing purchases of this kind, then it would pump out a certain amount of money in that kind of business.

Mr. DUFFEY of Ohio. If it is true that the Reconstruction Finance Corporation is given the power of discretion on the question of "reasonable and adequate" security, why limit it by particular language when other industries might be benefited by giving the board the power of similar discretion?

Mr. HOLLISTER. What the gentleman probably does not realize is that this kind of an organization would not be able to borrow from the Reconstruction Finance Corporation under existing law, because these are financing institutions and probably do not come under the heading of "industrial or commercial business" as set out in the act. If it were not for that, of course, there would be no point in putting that language in.

Mr. BROWN of Michigan. Will the gentleman yield?

Mr. HOLLISTER. I yield.

Mr. BROWN of Michigan. I think there should be a statement placed in the RECORD made by the general counsel of the Reconstruction Finance Corporation.

Mr. HOLLISTER. Would the gentleman please take some of his own time to put that in? I have one or two other things that I would like to develop in the short time I have.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. HOLLISTER] has expired.

Mr. HOLLISTER. Mr. Chairman, I yield myself 2 additional minutes. I just want to finish, in the short time I have remaining, my description of the various sections, in order that there may be some explanation before the House.

Section 6 is merely to relieve against the strict interpretation which has been placed in the past on that part of the act where power was given to buy or to loan on the assets of closed banks, counsel having ruled that this did not give the right to buy or lend on a portion of the assets. Now the Reconstruction Finance Corporation may acquire or loan on a portion of the assets.

Section 7 extends the life of the Commodity Credit Corporation for 2 years.

Section 8 increases from $50,000,000 to $75,000,000 the amount of Reconstruction Finance Corporation money which can be used in the subscription of stock to insurance companies.

Section 9 extends the life of the Export-Import Bank for an additional 2 years and, in addition, gives it the right of discount. It also takes off the 10-percent limitation which the laws of the District of Columbia would otherwise impose on its power to loan to a single individual.

This bank may desire to lend on several large transactions, perhaps, and it was felt that the limitation of 10 percent of capital on loans to a single individual was not broad enough.

Section 10 has been discussed adequately, and I shall make no further comment on it now.

Section 11 permits the substitution of collateral back of loans.

Section 12 changes the present provisions relative to making loans to the mining industry. [Applause.]

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. BROWN].

Mr. BROWN of Michigan. Mr. Chairman, in answer to the question asked by the gentleman from Ohio [Mr. DUFFEY], I desire to read the interpretation put upon the new language in the bill by the General Counsel for the R. F. C., Mr. Reed. In his testimony before the committee Mr. Reed said in commenting on the language in the bill, which reads as follows:

> Such loans shall, in the opinion of the board, be so secured as to reasonably assure the repayment of the loans.
>
> We feel that it is much more liberal language than to say it shall be "adequately secured." We feel that it is much more liberal language that would permit us to lend more liberally on more liberal terms than if we said they should be "adequately secured", as the present law provides.

The General Counsel was, of course, referring to the new language contained in section 10 of the pending bill and was assuring the committee that the R. F. C., with this new language, respecting security would not construe it with the same strictness as the language contained in the original act, but would be more liberal in granting loans.

Mr. CELLER. I believe it would be very much in place to say that is the statement of Mr. Stanley Reed, a very distinguished lawyer, who has done a very fine piece of work.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. SISSON].

Mr. SISSON. Mr. Chairman, the Reconstruction Finance Corporation has proven itself to be one of the most useful agencies of the Federal Government in helping to bring about a permanent recovery. Under the present able management of that Corporation its efficiency in extending credit where such credit is needed to save financial, commercial, and industrial corporations in which the money of a large number of our citizens is invested and upon which great numbers of our people are dependent, directly or indirectly, for the continuance of business—and thereby the continuance of employment—has been greatly increased.

In pleasing contrast to the earlier days of the operations of the Reconstruction Finance Corporation, financial aid and credit has been, through this agency, extended to a greater number of small businesses and industries rather than to the larger banks alone, and also in pleasing contrast to the operations of the R. F. C. during the first year of its existence, 1932, its operations have, so far as can be at present determined, resulted in a profit to the Government, and thereby a saving to our taxpayers rather than a loss.

For many years we Democrats were accustomed to hear, during each political campaign, that the Democratic Party did not have men of sufficient business ability to manage and conduct the larger operations of the National Government and that for the efficient conduct of the business of the Government the people of this country must rely upon the Republican Party and should therefore continue that party in power. Now, I do not wish to taunt our colleagues on the other side of the House with any of the mistakes that were perpetrated under the last Republican administration. Our friends on the other side of the House, many of them have given us able assistance, for example, in the preparation of this bill containing important amendments to the Reconstruction Finance Corporation Act, and I am sure most of such mistakes were not the fault of the present membership of the House, but probably were due to the fact that they did not have the example now afforded by a Democratic majority in this body.

I am very pleased, however, to note that the operations of the R. F. C. under its present management not only show no loss, but bid fair to result in a profit to the Government which will largely offset, and perhaps entirely wipe out the enormous loss which the Government sustained through the operation of the R. F. C. during the last year of the Republican administration. I recall that in the campaign of 1932 one of the achievements of the Republican administration as told to us by Republican orators and representatives of the Republican Party in that campaign was the saving of a great bank out in Chicago. This bank, some of you may recall, was headed by a former Republican Vice President of the United States, and the loan in question was made shortly after that gentleman had terminated his connection with the board of the Reconstruction Finance Corporation. The attorneys for the Chicago agency of the R. F. C. have recently brought suit against the officers, directors, and stockholders of that bank upon that loan of upwards of $90,000,000 because of default in the payment of interest. However, we are all likely to make mistakes and I am speaking of this only that the people may know that the R. F. C. is now being just as efficiently managed as it

could have been under the most businesslike Republican administration, and also in the hope that when we make mistakes—as we are likely to do—our Republican friends may be a little more lenient with us.

Most of the provisions of this bill, setting forth the various amendments to the Reconstruction Finance Corporation Act, have been or will be sufficiently covered by the chairman and other members of the Banking and Currency Committee.

I wish briefly to call your attention to two or three which, from my point of view, are of special importance:

In the bill which this House passed during the second session of the Seventy-third Congress, authorizing the R. F. C. to make direct loans to industry and thereby making easier the granting of credit to industries, large and small, and to businesses, large and small, the House first fixed the limit upon the amount which was thereby authorized to be loaned to any one borrower of $100,000. The other body of the Congress contended for a limit of $1,000,000. There were many here who honestly believed that too much of the money would be used in helping big business alone unless the lower limit were fixed. They lost sight of the fact that the $300,000,000 available to the R. F. C. for this purpose was a revolving fund and that it would be difficult—if not impossible—for the R. F. C. to loan the money, after making the proper investigation, faster than it was paid back. I take some personal pride in the fact that at that time I contended that the R. F. C. should be authorized to loan up to at least $500,000 to one borrower, and so stated to the House in the debate upon that bill at that time. In the conference the conferees finally did agree upon $500,000. The able Chairman of the R. F. C. Board, in the hearings before the Banking and Currency Committee recently held, stated that there had been some instances where loans of a million dollars each could have been very profitably made, with the result that both those particular industries and other smaller industries would have been benefited and employment continued and increased; and that the R. F. C. Board was unnecessarily hampered in exercising its discretion in that respect. In the present bill our committee, profiting by the experience of the past few months of operation of this act, has taken off the limit and placed the matter entirely within the discretion of the R. F. C.

In answer to the question of the gentleman from New York [Mr. CELLER], I would call attention to the fact that, although out of a total fund of $300,000,000 but $7,000,000 has actually been loaned, $35,000,000 has been authorized, which is equivalent to being loaned, and is in line with the purpose of this section of the act. I think we should bear in mind the fact that this undoubtedly is operating in most sections of the country to loosen up credit in banks, and that the banks themselves have loaned more money for industrial purposes than they otherwise would, had it not been for this authorization extended to the Reconstruction Finance Corporation. I may say also that the Reconstruction Finance Corporation presents a very pleasing contrast to the Federal Reserve bank in this respect, because the Federal Reserve Bank of New York, in my own section, has lent very little money—I think less than $1,000,000—under the authorization it received in this part of the Reconstruction Finance Corporation Act.

Mr. FISH. Mr. Speaker, will the gentleman yield for information?

Mr. SISSON. I yield.

Mr. FISH. Does that include the entire State of New York or just the banks in the city of New York?

Mr. SISSON. I am speaking of the Federal Reserve Bank of the city of New York.

Mr. FISH. Have they made loans from any other source up-State?

Mr. SISSON. Yes; money has been loaned from several sources up-State.

Mr. FISH. But for the bank in the city of New York it is only $1,000,000?

Mr. SISSON. I am speaking of the Federal Reserve bank under this authorization. So we must give some attention to this section of the bill.

Mr. FISH. Only $1,000,000 up to the 31st of December 1934?

Mr. SISSON. Only $1,000,000.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. SISSON. I yield.

Mr. CELLER. Does not the gentleman believe that had the original bill contained an amendment requiring reasonable security, that much more than $6,000,000, $7,000,000, or $8,000,000 in loans would be outstanding?

Mr. SISSON. I can very honestly and positively answer the gentleman in the affirmative. We cured that in this bill, and I intended to speak on that as the second feature in the bill which I regarded very important.

Mr. CELLER. That is, the suggestion that the R. F. C. be more liberal in connection with its loans?

Mr. SISSON. Yes. That was the suggestion from the chairman of the board of the R. F. C. and its counsel.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, I had hoped we could progress through this bill devoid of all politics, and I regret very much that the gentleman from New York has seen fit to inject politics into this bill. Surely the members of the Banking and Currency Committee did not have politics in mind when they reported this bill, and the members on the Republican side of the committee did not have politics in mind when they offered suggestions which liberalized the terms of this bill in accordance with the wishes of the majority of the committee. I hold no brief whatsoever for the Chicago bank which borrowed $90,000,000 from the Reconstruction Finance Corporation. I do say, as I have said before in this House, that if the loan of $90,000,000 prevented a debacle in Chicago such as we had in Michigan, I think it was a pretty good investment on the part of the Government, even though they lose the whole $45,000,000 they are suing for. I assume the loan was made in accordance with the law, and that behind the loan there is "full and adequate security", together with the right of assessment against the stock of the corporation which will eventuate in the Reconstruction Finance Corporation collecting the full amount of the loan.

I may say in this connection that this act has been liberalized to overcome the results of the bank closings in Michigan, which resulted, in one of my counties where there were 21 banks, in only 2 of them remaining open and in operation. There was no more need of the Michigan bank closing in the first place than there is of one groceryman going out of business because the other one across the street goes into bankruptcy. However, this is incidental to what I wanted to say.

This bill broadens the powers of the Reconstruction Finance Corporation in two very important ways. In section 10, which amends section 5 (d) of the act, we do four things: First, we remove the limitation as to time. At the present time the Reconstruction Finance Corporation can make no loans to industries which were organized later than January 1, 1934. I may say in this connection that many new enterprises are coming into existence, and if the Reconstruction Finance Corporation can help capitalize these new industries, it may take up the welfare load of many of our localities. We felt that was a very desirable provision.

Second, we have removed the limitation as to amount. In the original act we placed a limitation of $500,000 on the amount that the Corporation could loan to any single enterprise. We have removed this limitation so that a loan may be made up to any amount within the discretion of the R. F. C. Board.

Third. There has been some discussion here with respect to the change in the security which the Reconstruction Finance Corporation may take. The present act does not say that a loan shall be fully and adequately secured; it merely says,

"It shall be adequately secured." The bill which we have before us provides in lieu of that provision that the Board shall have reasonable assurance that the loan will be repaid. Now, I assume if that does anything in addition to the present powers it allows the Reconstruction Finance Corporation to take into consideration more than it ever has before the character of the individual, the corporation, or the concern to which the loan is made. In banking we call them "character loans." A man of good character and who has a reputation for paying his bills and meeting his notes when they are due, may get a loan sometimes when a man with security cannot get it because of the question of character. I assume that this change will give the Reconstruction Finance Corporation the right to take into consideration the character of the concern to which it makes the loan in addition to the physical security which is provided.

Fourth. We have another provision in this act which is important to all of us outside of the scope of the Tennessee Valley Authority.

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. WOLCOTT. We provide that loans may be made for the sale of electrical, plumbing, or air-conditioning appliances, or equipment, both urban and rural. I can see in this provision an advantage to my section, and all of us outside of the scope of the Tennessee Valley Authority should be pleased to accept this provision, because it gives all of us, as I understand, some of the benefits which are now given under the Tennessee Valley Authority.

Mr. MAY. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. MAY. As a member of the committee I should like to get some information. I should like to know if the provisions relating to industrial loans have been liberalized to any extent in this bill as compared with what they were under the old bill?

Mr. WOLCOTT. Yes. I classified four advantages under this bill which did not exist under the other; namely, the limitation as to time has been removed; the limitation as to amount has been removed; certain limitations surrounding security have been removed, and we allow financing for the sale of electrical, plumbing, or air-conditioning appliances, both urban and rural.

Mr. FERGUSON. Will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Oklahoma.

Mr. FERGUSON. May I ask a question in connection with the matter just referred to. It is stated "through institutions hereafter established, financing principally the sale of electrical" and so forth. Could that not be just a rediscount agency for the sale of paper that is given to finance the purchase of electrical refrigerators, irons, or anything else?

Mr. WOLCOTT. That would be within the limitation established within the discretion of the board of the Reconstruction Finance Corporation.

[Here the gavel fell.]

Mr. GOLDSBOROUGH. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Chairman, I am not disposed to make a speech, but as a member of the committee and one of the members who has devoted considerable time during the past 2 weeks to this measure, I felt that perhaps I have some information which would be of help and interest to the Members of the House. I shall spend 2 or 3 minutes making a very brief statement, and then will be glad to devote the remainder of my time to answering such questions as any Member cares to ask.

The committee has reported this bill unanimously. We believe it is a good measure. We believe it is an improvement on the present acts. Members of both parties have worked shoulder to shoulder in order to bring out the best sound measure we could to meet the present situation.

I think if the Membership of the House will refer to the report filed in January by Chairman Jones of the Reconstruction Finance Corporation, they will there see disclosed the genius of constructive management and the accomplishment in a sound and effective way of the purposes of the act. I think that detailed report is a more eloquent tribute to the work that has been done by the Corporation than any statement which I, or any other Member, could make.

The members of the committee have so far adequately covered many sections of this bill, but for one reason or another there has been no mention whatever made of section 5 (c), which to my mind is, perhaps, the most important section in the bill, in that it attacks or undertakes to attack the serious mortgage situation in America.

It is hoped that, through the powers conferred under section 5 (c), the Corporation will be able to promote and revive a normal mortgage market for real-estate mortgages. We know that one of the biggest problems facing our country today in its effort to regain its equilibrium and bring about recovery is the question of real-estate mortgages. There are, perhaps, $30,000,000,000 of unliquidated mortgages today in the urban field alone, a large portion of which are in distress. Under this section the Corporation will have the power to purchase nonassessable stock in mortgage companies, trust companies, and savings-and-loan institutions. This is a departure from the present act in that you are authorizing the Corporation to subscribe to common stock in order to provide capital with which to finance these mortgages.

Under title III of the Federal Housing Act, a plan was outlined to permit the setting up of national mortgage associations. Seven months have elapsed and not a single one of those corporations has been set up. Even if they had been set up under the provisions of that act, those corporations would have had authority to buy and sell mortgages and not to lend on mortgages.

We think there is great need for this particular provision, and, in my judgment, it has more far-reaching, beneficial potentialities than any other section in the bill. Few people seem to realize the desperate situation aimed to be rectified by this provision.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield for a question?

Mr. HANCOCK of North Carolina. I am delighted to yield to the gentleman from New York.

Mr. SIROVICH. Does my distinguished colleague from North Carolina know of any agency that has been established by the Seventy-second or Seventy-third Congress or any agency in the civilized world that has done more to rehabilitate our country than the magnificent work of the Reconstruction Finance Corporation?

Mr. HANCOCK of North Carolina. That is certainly a true statement. In addition to this particular section, there is one other section which, I think, holds wonderful potentialities for good.

Mr. WADSWORTH. Will the gentleman yield before going on to another section?

Mr. HANCOCK of North Carolina. Yes.

Mr. WADSWORTH. The gentleman is speaking of section 5 (c). I admit that I have not had a chance to study the bill and, of course, not being a member of the committee, I am not familiar with all the phases of the measure, but I notice in line 24, of page 14, a provision to the effect that these loans may be made to corporations, associations, or persons organized for the reorganization of real-estate properties, only upon the recommendation of the Securities and Exchange Commission and approval of the plan of reorganization proposed by such Corporation.

Mr. HANCOCK of North Carolina. That is an additional power conferred upon the Corporation and has no reference whatever to the language preceding it.

Mr. WADSWORTH. I am not referring to the additional power, but I am asking the gentleman if he thinks it is necessary, and does the committee think it necessary, to bring the Securities and Exchange Commission into this picture at all.

Mr. HANCOCK of North Carolina. I will state frankly to the gentleman that some members of the committee doubted the wisdom of doing it.

Mr. WADSWORTH. And may I make this observation—and I think I am correct—the Securities and Exchange Commission is charged with the duty, under the law passed by the last Congress, to look into the eligibility for listing of the stocks and other securities of corporations now in existence or to be formed in the future and give its permission for the listing of them on the stock exchanges of the country. I assume that none of these corporations or associations or persons organized for the reorganization of real-estate properties, or scarcely any of them, will be corporations seeking to list their securities on stock exchanges.

Mr. HANCOCK of North Carolina. That is true.

Mr. WADSWORTH. And you are bringing the Securities and Exchange Commission into a field of investigation which I think it was not intended to fill, and I am afraid you will delay and add a lot of red tape.

Mr. HANCOCK of North Carolina. I am afraid I could not offer any intelligence to the statement just made by the gentleman, but I will say that this particular amendment was the result of the work which has been done by the committee of the House investigating the real-estate bond situation in America. It is in need of vigorous governmental attention and investigation, in my opinion.

It was thought by the committee that if the R. F. C. should first be required to receive the approval of the plan it would, in a measure, protect not only the bondholders but the equity owners, and that the funds so disbursed through the R. F. C. would not be absorbed alone in taxes, attorney and receiver expenses, and other court costs.

Mr. WADSWORTH. Of course, I can see the necessity of going into the matter in each case very, very thoroughly, but I am willing to trust the R. F. C. to do this, and not bring another agency of the Government into the field, which I am afraid will result in delay and more red tape.

Mr. HANCOCK of North Carolina. I will say to the gentleman that I am perfectly willing to leave the final authority with respect to making any loan to the officials of the R. F. C., though I confess that it has not been as liberal in its lending to small industries and businesses as I thought it ought to be. I think the amendment which I offered in the committee liberalizing section 58 will produce the results desired.

The other important section is the one referred to by my good friend the gentleman from Michigan [Mr. WOLCOTT], section 10, which broadens the lending scope and powers of the R. F. C. so as to permit loans to companies engaged in financing electrical appliances.

If I am able to see down the road a little bit, that section is put in there as a companion measure to the administration's great national rural electrification program. It will enable the Reconstruction Finance Corporation, in addition to the capital it is loaning to the Electric Home and Farm Authority, to make loans to other companies engaged in the sale of these appliances, with the idea and with the hope that the grip that a few companies in America have had in the sale of these appliances will be broken and that the people throughout the United States will be able to buy at a fair price those things that relieve the family of drudgery and toil and are conducive to a better life.

The ends accomplished as a result of the set-up of the Electric Home and Farm Authority has been wonderful, and it is the hope and belief of our committee that with the additional power the people throughout every section of America will get the benefit of not only cheaper power rates but the appliances absolutely essential to receive the energy. [Applause.] One without the other would mean nothing.

I want to digress a moment, if I may, because I think in considering the purpose of this new section it is appropriate to pay a tribute to a North Carolinian who has had as much to do with shaping the effective policy of the Federal Power Commission in determining an honest price for electricity as perhaps any other individual in this country, and whose splendid efforts and constructive ability will eventually result in making power an article of standard use in America. [Applause.] I refer to the Honorable Frank R. McNinth, a trusted adviser of President Roosevelt. [Applause.]

[Here the gavel fell.]

Mrs. JENCKES of Indiana. Mr. Chairman, I ask unanimous consent for 1 minute in order to make an announcement.

The CHAIRMAN. We are in general debate, and that is not in order at the present time.

Mr. HOLLISTER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Does the lady from Indiana wish to make an announcement?

Mrs. JENCKES of Indiana. I do.

Mr. FISH. I yield the lady 1 minute.

Mrs. JENCKES of Indiana. Mr. Chairman, I desire to take the floor at this time and make a vigorous protest against the autocratic and bureaucratic attitude which the Chairman of the Interstate Commerce Commission, Mr. Joseph B. Eastman, and the Secretary of the Interstate Commerce Commission, Mr. George B. McGinty, have taken in connection with the release of the Eastman report on transportation.

As transportation, both rail and water, is a subject of great importance to my district, I learned of the existence of this report which was to be made to the President and to the Congress. I made a formal request for an advance copy of this report, under the seal of congressional secrecy. Several of my colleagues also made such a request. I was advised that the report was not in existence, notwithstanding the fact that I know positively that it is in existence.

I was advised today that the newspapers have been given copies of this Eastman report of 412 pages. I have been refused an advance copy of this Eastman report by Mr. Eastman personally, notwithstanding the fact that I had already filed for an advance release of this publication.

I protest against this autocratic and bureaucratic manner of the Interstate Commerce Commission. The Members of Congress are the elected representatives of the people. If we are not to have the reports under the seal of confidence from the heads of bureaus or various departments of the Government, then we are hampered in the performance of obligations to the people.

I hereby demand an explanation from the Interstate Commerce Commission as to why Members of Congress have been refused advance copies of this report, while newspapers have been given the report. I approve of giving the newspapers these reports, but I also believe that Members of Congress, the elected representatives of the people, should also receive them, especially when they are directly interested and have made repeated requests for same.

This should be a subject of investigation, as to the extent that bureaucracy controls the affairs of the people.

Mr. FISH. Mr. Chairman, my good friend and colleague from New York, an able and distinguished Member of the House, saw fit to inject some political views into the discussion of this bill which was reported unanimously by the committee. I would remind the Democratic side that the Reconstruction Finance Corporation Act was recommended by President Hoover as the means to preserve the credit of the country, to stabilize our industry, and to encourage private industry so that it might provide jobs for American wage earners. I submit that the Reconstruction Finance Corporation by making loans to the banks, railroads, insurance companies, and financial institutions on security, has accomplished more than all the experiments, panaceas, and unsound measures of the "brain trust" combined to stabilize industry as far as it was possible in this depression.

This Republican recommendation to the Congress at that time, when the banks were failing, preserved the credit of the United States and saved the railroads, the insurance companies, the private banks, and industry generally from failure. It preserved the credit of the Nation, and all other credit, which would have been paralyzed. That was a Republican recommendation based on loans to industry on adequate security, and 51 percent of the loans have already been repaid.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. FISH. I cannot yield in the short time I have.

Mr. SISSON. Mr. Chairman, I yielded to the gentleman.

Mr. FISH. I yield to my colleague [Mr. SISSON]. I was paying the gentleman a high compliment and I hope the gentleman heard me.

Mr. SISSON. And I want to pay my colleague from New York a high compliment, if possible, in return and say that I should have said, if I did not say, that I regard the creation of the Reconstruction Finance Corporation as perhaps the greatest constructive act of the Hoover administration.

Mr. STEAGALL. Mr. Chairman, will the gentleman yield?

Mr. FISH. I have only a few minutes.

Mr. SIROVICH. Mr. Chairman, will the gentleman yield?

Mr. FISH. I should like to yield, but my time is limited. I yield to the chairman of my committee.

Mr. STEAGALL. In order to keep the record straight, there was not a word about loans to industry in the original Reconstruction Finance Corporation Act.

Mr. FISH. I shall take that up, and I am glad the gentleman raised that issue. Also, for the sake of the record, I want to point out that Mr. Jesse Jones, of Texas, was appointed to the R. F. C. Board by a Republican President. I also want to join in the tributes paid to Mr. Jones as a man of high character and ability. He has carried out the intent and purpose of the law and has efficiently administered the R. F. C., except possibly in one instance, and that is the instance raised by the chairman of the committee. The gentleman from Connecticut [Mr. KOPPLEMANN] and myself introduced on the same day an identical bill, after working on it for months, to provide loans for industry. We did everything in our power to bring about meetings of the Committee on Banking and Currency in order to enact legislation that would provide loans for private industry. I believe most Members of the House agree that the most desirable act at the present time is to encourage private industry and make loans available for private industry that can give reasonable assurance of paying the loans back, in order to turn the factory wheels and employ American labor. That is the biggest issue before the country. If I were to continue my political reflections and observations further, I would call attention to the fact that there are a million and a half more unemployed today than there were a year ago, and one of the reasons for that is that the Congress has done nothing to help private industry by making loans available or at least if the Congress has, the Reconstruction Finance Corporation has failed to carry out the wishes and purpose and intent of the Congress. We appropriated $300,000,000, which was allotted to the R. F. C., for the purpose of making loans to private industry on adequate security. These loans would be paid back, and the funds would be used again. What happened? I think it is a justifiable criticism of the R. F. C. to say that only $7,000,000 out of the $300,000,000 was actually loaned, and that only $37,000,000 was authorized to be loaned. The R. F. C. will possibly come back and claim that the provision about loans was too drastic. The R. F. C. knew the purpose and intent of Congress. It knew that we wanted these loans made and this capital to go into private industry, and the reasons back of it, and it failed to help in accomplishing that purpose. Therefore, the Banking and Currency Committee has to amend the law and change "adequate security" into "reasonable security" and liberalize it to that extent which we all favor. I do not see that the Congress has accomplished very much by the action it took last year. All that has been done is to loan $7,000,000 to private industry. If I had my way, I would say that $300,000,000 is not sufficient. I should like to see a billion dollars, if reasonable assurance of repayment could be made, loaned to private industry in order to help private industry to get on its feet and employ American wage earners.

The gentleman from Nevada [Mr. SCRUGHAM] has amended the bill to include the authorization for loans to gold and silver mining operations and development. I suggest an amendment to include tin. The Committee on Foreign Affairs has been, under authorization of Congress, investigating the tin situation for the last 6 months. There is a foreign tin monopoly, and we in this country are the greatest consumers of tin. It appears that there are certain tin deposits in North and South Carolina and Alabama and I am told in some of the Western States. The purpose of my proposed amendment to include tin with gold and silver, would make it possible to conduct a proper investigation and find the facts by an adequate development of the tin deposits in the United States. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, I think it is with a great deal of unanimity on the part of the whole House that we approve almost entirely what the Reconstruction Finance Corporation has done. However, we know that there is much for that organization further to do. We knew it last year, and we authorized $300,000,000 to be loaned to private industry. I understand $35,000,000 has been allocated, but only $7,000,000 loaned. I was responsible on the floor last year for having a very little word put into the bill we passed wherein the people could go either to the Federal Reserve "or" to the Reconstruction Finance Corporation.

Many of us would like to know how many of our people have been subjected to first going to their own bank, then to the Federal Reserve bank, and then finally to the Reconstruction Finance Corporation, only to be told when they finally arrived there that it must appear to be rather a poor loan. We tried our best to rescue our people from that sort of treatment.

In the hearings, I questioned regarding this matter and I learned that generally they were subjected to such procedure, although not always the case.

Now, we have done something in this bill that we hope will make it a little easier to obtain loans to industry. The two key words in section 5 (d) last year were that the loan should be adequately secured and the company should be solvent. The Reconstruction Finance Corporation has done very well, indeed, in interpreting the word "solvent" to mean solvent even after the money was loaned, but the term "adequate security" seems to have been the stumbling block. I ask you to read those words that we have carefully injected into this bill, and which the officials of the Reconstruction Finance Corporation say will help. We still use the word "security." They still must take security that will reasonably assure repayment.

Now, we all know that we have a bank in our own community which understands the problems of that community and is in sympathy with local conditions. There are 12 Federal Reserve districts and those Reserve banks look carefully after those districts. We should stand rather a better chance, do we not, of getting a loan from one of those local or district banks than if we have to come to some central authority here? This would usually be the case under ordinary conditions. What I fear and what so many other people fear today is that if we must go to a central bank located in Washington, where the rules and regulations are made, that the control of that institution may be prejudiced toward a certain locality or a certain industry. I pay high tribute to the Chairman of the Reconstruction Finance Corporation, although I did not know him personally until very recently. He may have been a little annoyed at my questioning in the committee, although I meant to be friendly. But there is no word in this law that would prevent the rules and regulations made by the head of that institution discriminating against a certain locality or a certain industry. I am speaking plainly, because we must speak plainly, and I am accustomed to, as you well know. The Reconstruction Finance Corporation is one instrumentality that can save the textile industry of the United States, in all probability. We wish to be sure that they are sympathetic, not only with the textile industry of the South but with the textile industry of New England. We are not really suspicious, but too many people in this House have said to me, "Is not the New England tex-

tile industry a declining industry; and can we really save that industry in that locality?"; thereby showing the thought which may exist in the minds of some people. When we can go to banks in our own community, we feel sure of relief if it can be granted. If we must come to Washington, we want to know that the R. F. C. officials are sympathetic with the entire country and entirely unprejudiced. May I say I believe they are unprejudiced, and I will try to continue to believe it.

However, under this language in this bill, they still must have security. Formerly they had to have adequate security, "adequate" supposedly meaning "equal thereto." They must take something from you equal in value to what they loan. As bankers, however, they scan the management who carry on the industry, and then might say, "If those are the kind of men who are going to run it, we will not loan any money." Just so long as that word "security" remains in this act they do not have even the authority of a Federal Reserve bank. A Federal Reserve bank can take a corporate note, and here we demand more, even though we want them to be more liberal. The R. F. C. must continue to demand security. They cannot, under this language, take a corporate note. They have allocated a billion dollars to buy cotton and tobacco and it bothers me to know that they have only used $322,000,000 and still obligated for so great an allocation. Their assets disclose they have only about $4,000,000 in cash on hand. They have a borrowing capacity of $800,000,000, and we took $500,000,000 the other day away from that. Here we want $300,000,000 for industry alone. Now, the probable amounts available ought to be fully explained during the debate. Will repayments come in fast enough to take care of their commitments and authorize them to do what we want them to do under this act? It would seem to be an emphatic "no." Their investment in capital issues, amounting to more than a billion dollars, in banks, will be slow in repayment; that the really quick assets or repayments have largely come in; that they have collected 51 percent of what they loaned. It looks to me as though there will be a great shortage of funds. I gathered this opinion from the officers of the Reconstruction Finance Corporation who came before our committee. They claimed they wanted to do only what Congress wanted them to do. They did not like to ask for more power; they did not like to ask for more money; but in their report they suggest that their borrowing power would not be enough if we took that $500,000,000 away as we did last week. Under the industrial paragraph in which we are interested more than any other, we still have the limitation of $300,000,000. If industry today should get what it wanted, if plants worth a million or two million dollars need to borrow $500,000, or more, how far will $300,000,000 go to lift the country out of its present condition?

I felt, Mr. Chairman, in the committee that perhaps I would appear too liberal. It is not pleasant to read a scorching editorial such as appeared in the Washington Post that our committee wanted the R. F. C. to embark upon a wasteful spending or lending program.

I have a list of the assets and liabilities of the R. F. C. Read it. What are they? Among them we have given to Harry Hopkins over $1,000,000,000. It is carried on their books as an asset. How has that money been spent? Much has been given away to hundreds of municipalities amply able to have taken care of their own relief. We expect the R. F. C. to be careful but reasonable and carry out the intent of the Congress.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Chairman, a great deal has been said with regard to the small amount of money the Reconstruction Finance Corporation has loaned to industry. The actual amount disbursed, we are told, is $6,000,000, and the amount allocated is about $34,000,000. I wonder how many of the Members who have been complaining about this have had an experience similar to the experience I had with regard to the R. F. C. branch in Los Angeles. Many applications for loans were brought to them. After they looked them over they made suggestions to the borrowers of such a helpful character as to enable them to get the money from their local banks. To that extent they relieved their financial necessity and got private money back into the regular channels of trade.

Another provision which interests me mightily is the provision liberalizing loans to the mining industry. This is Nation-wide in its scope. It applies equally to the West, East, and South. There are mining properties in the Carolinas, Virginia, Georgia, and all through the South. We in the West have the most of them, it is true; 12 of our Western States are interested. By thus liberalizing the Reconstruction Finance Corporation Act you will probably put to work in the western and southern areas anywhere from 12,000 to 25,000 men within the next year. To date $3,000,000 has been loaned on mining security, and this $3,000,000 has put to work over 2,500 men; and the money has been only partially paid out. As it is paid out and as these mining properties are developed, more men are going to work every day; so in adopting this provision you will provide for an industry that will actually put thousands of men to work at a very early date.

Mr. MAY. Mr. Chairman, will the gentleman yield at this point, section 14, pages 20 and 21, of the bill?

Mr. FORD of California. I yield.

Mr. MAY. I am somewhat interested in this section. It seems to be confined in its language to the mining of ores, having reference particularly to gold and silver.

Mr. FORD of California. Yes.

Mr. MAY. That would leave out of consideration entirely persons or corporations engaged in the mining of coal or the transportation and mining of gas and oil?

Mr. FORD of California. Yes; it does.

Mr. MAY. I think it ought to be enlarged and extended so as to include minerals and oils. I think an amendment to meet this objection should be inserted immediately after the word "smelting", appearing in line 24, on page 20.

Mr. FORD of California. Mr. Chairman, I cannot yield further.

Mr. Chairman, another factor in this measure that appeals to me very strongly is the taking off of the date we had in the old law, a provision to the effect that unless an organization had been going since 1934 it could not get a loan. The liberalizing of this feature is going to do a great deal in the industrial field; and particularly am I thinking of one industry which at the present time affects the South especially, the slash pine of the South. They have apparently found a process by which slash pine, of which there are immense stands and for which but little use has been found heretofore, can be used for the manufacture of paper and rayon. It is proposed to start these operations through a loan of this character if it can be obtained; and this, I presume, would, in addition to creating employment, add literally hundreds of millions of dollars to wealth of the United States and to that particular section.

It is constructive steps of this character that we have been able to achieve through the liberalization of the lending process of the Reconstruction Finance Corporation; and I personally have so much confidence in Chairman Jones and in his Board that I am willing to liberalize the act to any extent and give them almost any amount of latitude in the handling of industrial and other loans that tend to develop industry and put men to work in the United States, for I believe that is what they want to do, and I know it is what Congress wants to do.

Mr. WOLCOTT. Mr. Chairman, I yield 6 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, I am for the legislation included in this bill. Coming as I do from one of the largest industrial districts in the United States, I am naturally keenly interested in the provision for industrial loans. I hope the liberalization which the committee says is in the bill will prove to be a fact and it will be of some benefit to the industries of this country. My past experience has been the loans to industry have been a mirage which has lured many of the small business men of the country to

destruction. Elaborate and detailed reports are required of those who seek loans, which are expensive and take a long time to assemble. When they are completed, invariably the applicant is informed, if he succeeds in proving the merit of his request, that if other claims against the industry are subordinated to that of the Government he may have his loan. The Members of this House appreciate in only few instances can this be brought about, and this is one of the reasons why you find so few loans made and so few applications. I believe we are now discussing one of the most vital problems in connection with recovery. We may give the people relief, and, of course, it is necessary in order to tide over the period of depression, but there can be no recovery in this country until we stimulate industry and put people to work at real wages. I hope this will be materially aided in this present bill, and the long delays in considering applications will be overcome.

I want to point out one instance in my own district where a great contribution could be made to recovery, and I believe would eventually result in saving the country some money. A few weeks ago one of the greatest textile establishments in Massachusetts—in fact, in New England and the country—employing some 3,200 people closed its doors. It was an industry that had been for many years operated profitably, but in the last 3 or 4 years lost considerable money.

I believe if the Government would make a substantial loan to a concern of this character it would resume operations and provide employment for hundreds of people, and take them off the relief rolls. We would do more good for these people in putting them to work than in giving a relief contribution. When we lend money to industry there is a reasonable expectation the money will be returned. In my section of the country at least, you will find there is always considerable security back of the loan. It may be the collateral is slow moving just now, but it is nevertheless real, substantial collateral.

I recall another instance of a man who had a small enterprise. He bought a building, probably worth $25,000, and due to the depression secured it for $10,000. He had a $4,000 mortgage upon the place, and applied to the Government for a two- or three-thousand-dollar loan so the business might continue. The Reconstruction Finance Corporation said they would probably make the loan if the applicant could get the man who held the mortgage to subordinate his claim to the Government. Of course, that was impossible. You would not do it if you held the mortgage. The result is the concern was refused the money and the little enterprise, employing a number of people, is in peril.

We are spending billions of dollars for relief, and I repeat it is necessary to spend this money. I am unqualifiedly for all the necessary relief, but let us take a reasonable risk, a reasonable chance to make these various industries again prosperous, so that our relief bill can be reduced. In my opinion, we can make no greater contribution to recovery than to make it possible for men and women to get jobs in mills and factories at wages which will make it possible for the workers to buy the products of the southern and western farms. I believe it is good business sense to try and get the people to work in their normal occupations; and that even if we lost some of the loans, that would be a saving to the Treasury by reducing relief demands.

Mr. GRAY of Pennsylvania. Will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. Does the gentleman think that they have broadened the powers in reference to lending money?

Mr. MARTIN of Massachusetts. I am afraid not, but I hope they have, because we are never going to get out of this depression as long as the industrial enterprises of the country are permitted to languish. The quicker we make up our minds to that fact the quicker we will get back to prosperity.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

THE R. F. C.

Mr. PATMAN. Mr. Chairman, this is one of the best bills that the Banking and Currency Committee has brought out. If it is administered as well as we believe its provisions are, it will bring great relief. When the R. F. C. Act was originally enacted in 1932 it only applied to banks, railroads, and insurance companies. There was an effort made to help the country by pouring money in at the top. The little man was entirely ignored. In the last 2 years an effort has been made to convert the Reconstruction Finance Corporation into an institution that will help the people generally all over the Nation, and one of the best steps in this direction was the provision permitting direct loans to industry.

DIRECT LOANS TO INDUSTRY

Under the amendment permitting direct loans there was the requirement of "full and adequate security." For this reason many people who really had good, going business institutions could not qualify. I want to commend this committee for bringing in a bill that qualifies the provision which will enable other considerations than just Government bonds and just cold securities of different kinds to be acceptable. In this case any security will be acceptable where there is reasonable assurance that there will be repayment of the loan.

JANUARY 1, 1934, PROVISION ELIMINATED

Another provision of the bill I am interested in is the one permitting loans to be made to industries commencing operation after January 1, 1934. Under the existing law an industry could not get its application considered if it had commenced business after January 1, 1934. This takes off the limit.

TEN-YEAR LOANS INSTEAD OF FIVE

There is another provision which is very helpful and constructive, and that is the one which permits 10-year loans instead of 5-year loans. There is another one involving rural electrification, which is also important.

CONSOLIDATION OF R. F. C. AND FEDERAL RESERVE BANKS

Mr. Chairman, I am preparing, and I hope to introduce in the House in a few days, a bill which I know we cannot get adopted in a few weeks or a few months, but I think eventually we will get it or something similar adopted. This bill provides that the Government take over the Federal Reserve Banking System by paying the $140,000,000 invested by the banks in the System to those banks, the Government taking over the Federal Reserve System, and then, after the Government has taken over the entire System of 12 banks, the R. F. C. and Federal Reserve Banking System to be consolidated and coordinated so as to abolish the present Federal Reserve Board and substitute therefor the Board of the Reconstruction Finance Corporation. There will be no member banks. Loans will be permitted to all banks and to industry. The profits will go to the Government instead of to a few bankers. The Government's credit will be used in the interest of the people. It will break the grip of the Money Trust and be a long step in the right direction.

LOANS FOR ONE-EIGHTH OF 1 PERCENT INTEREST

In addition to this, I expect that a provision will be inserted to permit the Government's credit to be used for the benefit of cities, counties, and States for public improvements and educational purposes for an interest rate as low as one-eighth of 1 percent, which will be practically at cost. I see no reason why the Government should pay interest on its own obligations; neither do I see any reason why our Government should require cities, counties, and States to pay interest on obligations that are intended solely for public improvements and educational purposes. If this can be done without detriment to a sound monetary system—and it can—I believe the country will adopt it. If we succeed in making it plain that it can be done, I believe we have a chance of getting it adopted.

Again I want to commend the committee for this very fine piece of legislation and I hope it will pass unanimously. [Applause.]

Mr. HOLLISTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, what I had intended saying in regard to this bill has already been said several times, and for once I am pleased to know that the American Congress seems to be practically unanimous in its praise and general approval of the work that has been done by Mr. Jones and his organization in the R. F. C. I have been interested in this work from the very beginning, and I am especially interested at this time in that provision of the bill that is supposed to liberalize and broaden the powers of the Corporation with respect to loans to industry.

As I read the pending provision, it says "reasonable security." I do not see how you could go very much further, so far as enacting a law or expressing yourself is concerned, than to ask this Corporation to get "reasonable security." Nevertheless, we are faced with a condition here, and as I have listened to the various Members express themselves here today, I think the feeling of the Congress is that the R. F. C. should be very liberal in construing "reasonable security."

We all know that industry today cannot borrow money from the banks. I feel it would be a great deal better for this Government to lend $10,000 to a small industry in a community over here in Maryland, for instance, that would keep 10 or 15 or 20 or 25 men employed for a year, and keep them off the relief roll with reasonable expectation of getting part or all of it back, than to apply that same amount of money to some of these other experiments that are being carried on by the Government at the present time.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SNELL. Certainly.

Mr. McCORMACK. May I suggest that in voting for this bill, and for that particular provision, that the Reconstruction Finance Corporation will also have in mind the past record of the applicant in paying loans previously incurred by him in connection with what is reasonable security? In other words, the applicant's record with his bank or with any other business connection he may have had in the past in respect of obtaining loans and the payment thereof should be considered by the R. F. C.

Mr. SNELL. I am in entire accord with the statement of my friend from Massachusetts, and I wish to emphasize the fact that they must be liberal in making these loans.

The administration itself says that in the final analysis we must depend upon industry to take up the slack in unemployment. If this is the crux of the whole situation, we had better take longer chances in encouraging industry to go ahead and do this work and aid in the relief of the unemployed than to go to some of the other experiments we are trying at the present time. To me, this is very important, and I think there is an opportunity here to do some very good work, and I expect, under the expressed will of Congress, the R. F. C. will do it.

Personally, I should prefer to have $500,000,000 or $1,000,000,000 for private industry rather than $300,000,000, as carried in the bill, because this would be definite and would encourage the men who are doing business and who think there is a possibility of getting a loan. If you start up an industry in your community, it revives hope, and it is a great deal better to have 10 men continually employed at a reasonable wage than to have 50 men on the relief rolls.

I feel there is opportunity here to do some good work, and I hope the Reconstruction Finance Corporation will administer the law from the point of view of the Congress along this line. [Applause.]

Mr. HOLLISTER. Mr. Chairman, I yield the remainder of my time to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman and Members of the Committee, I think it is rather axiomatic that there are two sources of employment. The one is the pay roll of a political subdivision, and the other is private industry. If one is fortunate enough to be elected a Member of Congress or to secure a position as a mail carrier or a city clerk of some city or find some lucrative position with any other political subdivision, that is one source of employment. All the other, and the largest majority, is private employment.

It seems to me that the only hope of solving unemployment is to encourage the absorption of men into private industry.

That is the reason why there was so much interest in the bill passed by the Seventy-third Congress expanding the functions of the R. F. C., providing $300,000,000 for loans to industry, and $280,000,000 for the same purpose through the Federal Reserve banks.

We went back home with high hopes that it would revive industry in the entire country.

The various branches of this Reconstruction Finance Corporation began to entertain applications. I tried to steer three or four through the office in Chicago, and I fell down in each one. We asked for an investigation. The Treasury sent credit agents out to the seventh Reserve district, which has its center in the city of Chicago. That district comprises the entire States of Iowa, Illinois, Michigan, and Wisconsin, and is the largest Federal Reserve district in the United States. They sent 66 field agents into the district to make exhaustive investigations.

Here are some of the things in Dr. Viner's report, representing the findings of that committee. He says that there exists a genuine unsatisfied demand for credit on the part of solvent borrowers, many of whom could make economically sound use of working capital, but they do not get it either from the banks or from the Federal Reserve or the R. F. C.

Here is what the report says with respect to small business, in answer to the question of the gentleman from Texas [Mr. PATMAN]:

> That, so far as small business is concerned, the difficulty in getting bank credit has increased more as compared with a few years ago than is the difficulty in getting trade credit.

And finally the report says that, so far as both the Reserve banks and the R. F. C. are concerned, their activities, insofar as the administration of industrial loans goes, has had a negligible effect upon the general subject of credit.

Dr. Viner, of the Treasury Department, has given us that report. There is the summary of the findings of fact, and then there is a long list of recommendations as to what ought to be done. Having had some experience with some of these applications, I can readily sympathize with the gentleman from Wisconsin who apparently stated to an investigator that one of the reasons they had so much difficulty was because it cost an interminable sum to prepare the report, which is the same for both the Federal Reserve and the R. F. C.

One Wisconsin firm alleged it spent $10,000 in connection with its application. There is page after page of detailed information required, and whether it is furnished to the fiscal agent of the Federal Reserve or to the R. F. C. makes no difference. There is entirely too much detail. Take the firms to whom applications have been sent and most of them throw the applications into the wastebasket. Why? They said it was too formidable to fill out, and after having helped to fill out three of them, I can readily sympathize with those who filled out those applications. Therefore it seems to me that there are many other things that we can liberalize, not only the terminology of the bill that deals with adequacy or reasonability of security but we can go further and strip away some of the prolixity and red tape in the hope of actually getting this money out to industry. Everyone admits it has been a flat failure thus far—$300,000,000 provided, of which $37,000,000 are committed, and only six and one-half million dollars actually paid out; and, after all, it is the money on the line that counts and not the number of commitments or applications.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

> That until February 1, 1937, or such earlier date as the President may fix by proclamation, the Reconstruction Finance Corporation

is hereby authorized to continue to perform all functions which it is authorized to perform under law, and the liquidation and winding up of its affairs as provided for by section 13 of the Reconstruction Finance Corporation Act, as amended, are hereby postponed during the period that the functions of the Corporation are continued pursuant to this act.

Mr. WOODRUM. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOODRUM: Page 10, line 14, insert a new section, as follows:

"SEC. 2. Subsection (a) of paragraph 605b, title 15, United States Code, Supplement VI, otherwise known as the Reconstruction Finance Corporation Act and Emergency Relief and Construction Act of 1932, be and the same is hereby, amended as follows:

"6. To make loans to colleges, universities, and institutions of learning, with interest thereon at not more than 3 percent per annum, to aid in the financing of buildings, structures, and other self-liquidating projects."

Mr. WOODRUM. Mr. Chairman, I hope the Committee will accept this amendment. It will be observed that it is not mandatory on the Reconstruction Finance Corporation. It merely broadens their power and authority to make loans. I believe it is readily agreed by all of us that when you can erect a building or dig a ditch, you are thereby striking at the very fundamentals of putting people to work. There are 500 standard colleges in America as well as a great many more of preparatory educational institutions, non-State owned, that are solvent, that are badly in need of repairs and of additional buildings or expansion, and the insertion of this language in the bill merely makes it optional or gives the authority to the Reconstruction Finance Corporation to make loans to those insolvent institutions for self-liquidating projects. If we want to put people to work, I cannot see why that is not a sound and logical amendment to the bill, and I hope the Committee, on consideration, will not object to it.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. MEAD. Does the gentleman limit the amendment to educational institutions?

Mr. WOODRUM. That is the way I have drawn it.

Mr. MEAD. I understand that a great many hospitals, privately owned, are in the same situation.

Mr. WOODRUM. I have no objection to that addition to the amendment. Mr. Chairman, I ask unanimous consent to amend my amendment by inserting after the word "to make loans to", the word "hospitals."

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The CHAIRMAN. Without objection, the Clerk will report the amendment as amended.

There was no objection, and the Clerk read as follows:

Amendment by Mr. WOODRUM: Page 10, line 14, insert a new section:

"SEC. 2. Subsection (a) of paragraph 605b, title 15, United States Code, Supplement VI, otherwise known as the Reconstruction Finance Corporation Act and Emergency Relief and Construction Act of 1932, be, and the same is hereby, amended as follows:

"6. To make loans to hospitals, colleges, universities, and institutions of learning, with interest thereon of not more than 3 percent per annum, to aid in the financing of buildings, structures, and other self-liquidating projects."

Mr. WOODRUM. Legislation similar to this has been offered many times before, but usually it has provided authority to make loans for the refinancing of already existing indebtedness. I want to direct attention to the fact that this amendment calls for new construction, and thereby is a direct aid to the President's recovery program; and the Reconstruction Finance Corporation has authority to do it or not to do it. We do not compel them to do it, but they have the right to do it.

Mr. HANCOCK of North Carolina. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. HANCOCK of North Carolina. Since the gentleman discussed with me his amendment this morning, I wonder if he has given any thought to the fact that these institutions are eligible under the big work-relief bill which the gentleman ably aided in steering through this House the other day?

Mr. WOODRUM. They might be eligible under that, but the gentleman knows——

Mr. HANCOCK of North Carolina. If the gentleman will pardon me, I also think if he will examine closely section 5 (c) of the present bill, he will see that these institutions could be taken care of through a mortgage company, the common stock of which the Reconstruction Finance Corporation will have authority to subscribe.

Mr. WOODRUM. The Reconstruction Finance Corporation, I am afraid, would not so construe it. I will say that this makes it perfectly plain. It clarifies it and leaves no room for doubt about it. There cannot be any objection to putting it in.

Mr. STEAGALL. If the gentleman will yield, there cannot be the slightest doubt about the eligibility of loaning institutions obtaining funds from the Corporation, secured by and to cover loans made for the very purpose contemplated.

Mr. WOODRUM. They have never been able to get one up to the present time.

Mr. STEAGALL. I will say that the bill now before us liberalizes the Reconstruction Finance Corporation Act in that regard and gives them much larger loaning power.

Mr. WOODRUM. I will say to the distinguished chairman, whose judgment I rely upon usually in these matters, that I should like to see the House of Representatives put language in here to let the Reconstruction Finance Corporation know that it would like to see these loans made where they are sound, solvent, and self-liquidating. There certainly cannot be any harm in doing it.

Mr. SIROVICH. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SIROVICH. It does not mean only for new construction, but reconstruction as well?

Mr. WOODRUM. Certainly.

Mr. CHRISTIANSON. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. CHRISTIANSON. I am generally in accord with the gentleman's ideas, but is not the gentleman limiting unduly the character of structures that could be erected when he uses the word "self-liquidating", because obviously there are very few buildings that a college would erect that would be self-liquidating.

Mr. WOODRUM. It limits it to dormitories, athletic stadiums, and things of that nature.

Mr. CHRISTIANSON. Does the gentleman think the language should be so limited?

Mr. WOODRUM. I think perhaps there should be some limitation. I think they should be self-liquidating loans.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. WOODRUM] has expired.

Mr. GREEN. Mr. Chairman, I move to strike out the last word. I support the amendment offered by the gentleman from Virginia [Mr. WOODRUM]. We have had cases in my State in which, for instance, our University of Florida and the Florida State College for Women, I understand, have been trying for many months, in fact, a couple of years, to obtain loans to enlarge their buildings and their educational plant generally. It is obvious that any loan that is made by the Reconstruction Finance Corporation to a State or a subdivision thereof is a valid loan and will be repaid. I know of no better purpose for which Federal loans could be offered than to institutions of higher learning and to hospitals, as was mentioned by the gentleman from New York, Dr. SIROVICH. A number of our counties and States that are now not able to establish and maintain hospitals would be able, under this amendment, to establish such institutions. I know of a number of counties which are now trying to obtain funds to establish hospitals, as well as cities, which would like to enlarge their hospital facilities. To what more laudable purpose could Government funds be applied than to the relief of the sick of our Nation? After all, many of our local units are not now in a position to finance hospital construction and reconstruction. In my section of the coun-

try, at least, practically the only source of credit is the Federal Government. Loaning institutions are not able to offer adequate loans.

I should also like to have the attention of some member of the Banking Committee as to whether or not under the language of the bill loans can be made, upon the passage of this bill, to small industries, small printing and newspaper plants, small business establishments of various kinds? Can they obtain loans under the language of this bill?

Mr. GOLDSBOROUGH. Yes; they can.

Mr. GREEN. I am also deeply interested in whether or not municipalities can obtain loans for waterworks and sewage systems and enlarging electrical plants. I have in mind a town in my district, a small town which was required to vote at public election a bond issue, validate through the courts those bonds, and offer same to the Reconstruction Finance Corporation. And, in fact, I do not believe they ever did obtain the loan. There was more redtape, or an equal amount of redtape, than would be required by most prudent bond purchasers of our country. I want to know if this security requirement is liberalized in this bill and if the promissory note of a municipality may be accepted as security for a loan. Is there any member of the Banking and Currency Committee who can give me this information? I think that is very important. Will the R. F. C. be authorized to loan on the promissory note of a municipality for the enlargement or construction of a public utility, such as a municipally owned water plant, sewage plant, or electric-light plant, or will the municipality have to go through the regular bond issuing and validating processes, as has been required heretofore?

Mr. GOLDSBOROUGH. Under the language of the bill they can do it.

Mr. GREEN. Then I want to congratulate the Banking and Currency Committee for this liberalization, because when you augment the source of credit for the small-business institutions, for the small enterprises and subdivisions of the Government, then you are hitting at the very heart of recovery.

It is impossible for us to bring about recovery in this country by offering the facilities of recovery to the large institutions only. When you offer them to the small institutions, to the small municipality, to the small voting precincts and districts, whereby bonds are issued for various public improvements—when you carry this source of credit to the local units, then you are offering effective credit and your program will be successful. [Applause.]

[Here the gavel fell.]

Mr. HOLLISTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, it would seem that the Members of the House, at the outset of the debate on amendments which will now follow, shall know something about what the Reconstruction Finance Corporation is.

If I remember correctly, the gentleman from Virginia who proposed this amendment is the same gentleman who played a large part in carrying through the House the recent public-works bill which provides almost $5,000,000,000 to be spent ostensibly for public relief. We were told that that was a relief bill. I shall not at the present time go further into the discussion of that highly controversial question, but the point we want to remember is that the Reconstruction Finance Corporation is not a relief agency in the sense that it is supposed to be in a position to give funds out freely to any group or to any individual who may need the money. That is the purpose of a relief bill, I understand. When people are suffering, when people are starving, they should have some place to which to turn; but that is not the purpose for which the Reconstruction Finance Corporation was authorized. As I understand it, the Reconstruction Finance Corporation was authorized at a time when credit generally in the country had fallen down, and it was the outgrowth of an effort to help the financial institutions of the country and to bolster up the economic structure. It does seem to me that we should not get too far away from the original purpose, and we should not go too far in contributing to this, that, or the other demand or request, high-minded though they may be. We should keep the Reconstruction Finance Corporation for the purpose for which it was originally constituted.

Mr. COCHRAN. Mr. Chairman, I move to strike out the last two words for the purpose of asking the gentleman from Virginia a question. Does the gentleman's amendment provide only for new construction?

Mr. WOODRUM. It provides for the construction of hospitals, educational-institution buildings—self-liquidating projects.

Mr. COCHRAN. New projects?

Mr. WOODRUM. And for reconstruction. I believe it would be broad enough to include remodeling and reconstruction of existing facilities which are self-liquidating.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. McCORMACK. Is the word "reconstruction" in the amendment?

Mr. COCHRAN. The word "reconstruction" is not in the amendment.

Mr. McCORMACK. As I understand it, reconstruction is not provided for.

Mr. COCHRAN. Mr. Chairman, I cannot yield further.

At the proper place I intend to offer an amendment which is germane to the bill, an amendment which will authorize the Reconstruction Finance Corporation not to provide additional funds for the construction of more hospitals, institutions of learning, and churches; but to provide funds only for the purpose of saving the hospitals, the churches, and the institutions of learning in this country that need refinancing.

I offered such a bill in the last Congress, and I offered it again in this Congress. The bill is pending before the committee in charge of this bill.

Hospitals and churches in this country, Mr. Chairman, have their backs against the wall. Hospitals are taking in sick people whether they have the money or not. Hospitals are letting the people owe the hospital, hoping when they get well again and get the money they will pay the bill. I would rather loan money to a hospital or to a church than to a lot of railroads that are never going to pay it back. [Applause.] In my city there are a half dozen hospitals far superior to any hospital in the city of Washington. Some of the hospitals were constructed when costs were excessive and are in need of help. They need refinancing with a lower rate of interest. That is what the amendment will do. If this corporation may loan money that it is doubtful whether it will ever be returned to the Government, I say it should loan money to the hospitals and churches of this country in need, with adequate security, who will some day pay back the Government. I hope when the time comes, my amendment will receive the support of the House.

Mr. TRUAX. Will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Ohio.

Mr. TRUAX. Does the gentleman's amendment provide for the refinancing of churches that are in distress?

Mr. COCHRAN. It does, if they have proper security. It provides that the real estate owned by churches is adequate security for the loan.

Mr. HANCOCK of North Carolina. The gentleman understands that under the provisions of the bill as now drafted, the institutions to which he refers may be financed through a mortgage company. The amount of money that may be loaned for this purpose is unlimited in the present act. In addition to that, under section 5 (c) the Congress is now authorizing the Reconstruction Finance Corporation to subscribe to the nonassessable stock of trust companies, mortgage companies, and saving-and-loan associations, the principal business of which is financing real-estate mortgages. If this were not so, I would favor the amendment, I want these worthy institutions taken care of, but it should be done by the present method. The interest rate is the same.

Mr. COCHRAN. Mr. Chairman, I have had my experience with mortgage associations as well as building and loan asso-

ciations. They refinance absolutely nothing. Are they refinancing mortgaged homes at the present time?

Mr. HANCOCK of North Carolina. There are only a very few mortgage companies that are solvent today, and the purpose of this bill is to help them to solvency.

Mr. COCHRAN. We cannot get banks to lend money. Why wait until mortgage companies become solvent? No one knows when that will be. What I want is the right to refinance at a low rate of interest.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I rise in opposition to the amendment.

I should like to know if the chairman of the committee is going to allow this amendment to be passed on without opposition.

Mr. STEAGALL. I intend to oppose it.

Mr. GIFFORD. If I had known that was the case, I would not have taken the floor at this moment. But may I call attention to the fact that we could load this bill down with a great many amendments. When we voted $4,000,000,000 for the public-works program, which is a construction program, I am sure we provided unlimited latitude for non-Federal and semi-quasi-public works. If we put this amendment on, it implies that the Reconstruction Finance Corporation ought to do this work. This is a refinancing corporation. It is not a new construction corporation. The whole bill tends to refinancing and recovery. If you begin to add amendments, we shall find that some very embarrassing amendments will be offered, and I yield at this time to see if the chairman would oppose this amendment.

Mr. STEAGALL. Mr. Chairman, I hope the House will not adopt this amendment. I am sure every Member of the House is solicitous for the successful operation of all schools and hospitals throughout the country. We are willing to extend relief to these institutions just as far as we can through the Reconstruction Finance Corporation.

We have had called to our attention the provision of this bill which takes off the limit as to the amount of loans to be made available and which permits the Corporation not alone to lend such institutions, but to replenish the capital stock of institutions engaged in financing real-estate mortgages on real estate. It was thought when we had authorized the Reconstruction Finance Corporation to make loans and subscribe for capital stock of corporations doing this kind of business that we had gone as far as it was practical to go in relieving situations of this kind.

There is a limit to what the Reconstruction Finance Corporation can do, unless we are to open up the Treasury without limit and establish an enormous personnel organization in the effort to administer this act. Surely the House is willing to trust the use of the funds voted a few days ago for general-relief purposes and a building program for the purpose of reemployment without at this time opening up the Reconstruction Finance Corporation for loans to schools, hospitals, and churches. If we do that, we might as well pull the bridles off and remove all limitations.

Mr. Chairman, I move that all debate on this amendment be now closed.

A division was demanded.

The Committee divided; and there were—ayes 82, noes 2.

So the motion was agreed to.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Virginia [Mr. WOODRUM].

The question was taken; and on a division (demanded by Mr. WOODRUM) there were—ayes 40, noes 70.

So the amendment was rejected.

Mr. STEAGALL. Mr. Chairman, I offer an amendment, which I am sure will be acceptable to the Committee.

The Clerk read as follows:

Committee amendment offered by Mr. STEAGALL: On page 10, line 13, strike out the period, insert a colon, and add the following: "*Provided*, That no officer or employee of the Reconstruction Finance Corporation shall receive salary at a rate in excess of $10,000 per annum, except that in the case of any position, the salary of which at the date of the enactment of this act is at the rate of $12,500 per annum, such salary may continue at such rate."

Mr. STEAGALL. Mr. Chairman, this amendment is acceptable to the Committee and only clarifies what is generally understood to be existing law and which we thought was the law, but the matter has been called to our attention by the Appropriations Committee and the administration desired that it be made definite.

The amendment was agreed to.

Mr. LAMNECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not going to take much time, but I could not sit here and permit this bill to be passed without expressing my opinion. If I had my way, I would abolish the R. F. C. on February 1, 1935. [Applause.] I know this opinion will not prevail, but I know something about the operation of the R. F. C. It was designed by the bankers to lend money to the railroads, insurance companies, and banking institutions, and for no other purpose.

If you men and women sitting here expect that you are going to get any loans to private industry, I want to say to you now that you are not going to get them, and I should be willing to bet you are not going to get them. The bankers who are in charge of this institution are not going to lend money to private industry because they do not want to lend money to private industry. I am willing to stake my reputation as a prophet upon this statement.

They have offered a little bait in this amendment, whereby they are going to permit you fellows from the West to mine gold and silver, and they are going to lend you $10,000 to go out and do a little prospecting. I think that is about the silliest thing I have ever heard, and do you know why they are doing this? They were not so sure you were going to pass this bill and extend the life of the R. F. C. They thought by a little bait, telling you how they were going to let you mine gold and silver out West, you might support the proposition.

I simply want to call your attention to the fact that you are not going to accomplish what we want to do, which is to extend credit to industry. Why do they not tell you that the Department of Commerce has made a survey of the credit situation in this country and the recommendations say that the R. F. C. ought to be abolished and that we ought to establish another credit institution? Why do they not tell you this? No; they do not want you to know it. This institution ought to be abolished, and I simply wanted to call your attention to the facts and to express my own opinion.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield for an observation?

Mr. LAMNECK. I yield.

Mr. O'CONNOR. I agree with the gentleman to the extent that when the R. F. C. had control of housing loans they did nothing. I also believe the R. F. C. has no sympathy whatsoever with making loans to industry. I believe the people at the head of the R. F. C. have no intention of making loans to industry. It is not a question of the principle; it is a question of the people who are now administering the R. F. C.

Mr. LAMNECK. The gentleman is absolutely correct.

Let me give you a little personal experience. I went down there with the application of a firm. It had been presented for a long time. Their assets were $1,800,000. They had a statement that could have secured a loan in any bank in the universe if the banks had been lending money. They went there and said, "We want a loan", and Jones said, "Why do you not get the loan from your bank?" The answer was, "The banks will not lend any money." Then Mr. Jones said, "I will tell you what we will do. We will lend you $300,000 provided all the stockholders in the company sign a note and provided you assign your accounts receivable to us and provided you give us a mortgage on your plant and equipment for $600,000." I should hate to tell you what the president told him, but he told him plenty, and then said, "If I cannot get a loan under any other circumstances than that, you can keep your money."

Let me warn you that you are not going to get loans for industry under this bill, and do not forget it.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. DIRKSEN. You folks are in power; why do you not abolish the personnel of the R. F. C.? If you recognize the soundness of the principle of the institution, why do you not get new personnel to direct its operations?

Mr. TRUAX. Mr. Chairman, will the gentleman yield to me?

Mr. LAMNECK. I yield.

Mr. TRUAX. Does the gentleman from Ohio know that with all of their boasted lending they have lent to only 10,589 separate borrowers, aggregating over $5,000,000,000? This is service to only a few of the people and to a few of the special-privilege class of this country.

Mr. LAMNECK. I know that we provided in the bill $300,000,000 of capital, and I know they only loaned $6,000,000; and if that is lending to industry, then I do not know anything about the matter.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. I yield.

Mr. HANCOCK of North Carolina. The gentleman understands that the R. F. C. has aided more than 25,000,000 depositors of closed banks, does he not?

Mr. LAMNECK. That may be; I am not disputing that.

[Here the gavel fell.]

Mr. SIROVICH. Mr. Chairman, I move to strike out the last two words.

I want to tell the distinguished gentleman from Ohio that my experiences with the Reconstruction Finance Corporation have uniformly been the very reverse. The Reconstruction Finance Corporation members have been very amiable, gracious, courteous, and hospitable to me and have helped in every conceivable way those that have come before them from the congressional district that I represent. I desire at this time to pay the tribute of my homage and respect for their magnificent cooperation with the merchants and business men of the Fourteenth Congressional District that sought their cooperation and secured their deserving financial assistance.

The pro forma amendment was withdrawn.

Mr. CELLER. Mr. Chairman, I move to strike out the last three words.

I want to say that the Reconstruction Finance Corporation does not deserve the disparagement offered by the gentleman from Ohio. I agree with the gentleman from New York [Mr. SIROVICH]. My experience has been contrary to that of the gentleman from Ohio. I have had favorable consideration given applicants who applied to the R. F. C. for loans. I have received most courteous treatment from the R. F. C. and its officials. Numerous of the applications I was interested in were denied, notwithstanding.

You must remember that Congress put the Reconstruction Finance Corporation in a strait-jacket and did not give it the liberality in making loans that was really required. Now we have changed and instead of requiring adequate security in providing loans, loans can be made with a "reasonable assurance" for the repayment within the time specified. With that liberality it will be able to make more liberal loans and to that extent satisfy the caustic critics here this afternoon.

Mr. WHITE. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. WHITE. Is the gentleman in favor of making loans on inadequate security?

Mr. CELLER. I am not, but I believe with this amendment in this language "reasonable assurance" you will have a different story to tell, and I am quite sure your constituents entitled to loans will get their loans under this new language.

Mr. STEAGALL. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. STEAGALL. I just want to call attention to the fact that the Reconstruction Finance Corporation has authorized loans of $1,045,000,000 for the relief of depositors in closed banks. In the last 6 months they have loaned $252,000,000 and distributed $241,000,000 for relief of depositors in closed banks.

Mr. CELLER. I say that the Reconstruction Finance Corporation has done a fine job. I thank the gentleman for the information.

Mr. HANCOCK of North Carolina. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. HANCOCK of North Carolina. Does not the gentleman think it is fair in his splendid statement to let the House know that a billion dollars has been transferred for the relief of borrowers, and more than half a billion to aid the marketing of products like cotton, corn, and other articles?

Mr. CELLER. I agree with the gentleman. I say also that the Chairman of the R. F. C. has done a splendid work as Chairman, and so have the other members of that Corporation. They are entitled to great praise.

Mr. McCORMACK. Will the gentleman yield?

Mr. CELLER. I yield.

Mr. McCORMACK. I agree with the gentleman; and may I call attention to the fact that they must administer the law in accordance with the law which Congress provided—a full and adequate security? If they did not take full and adequate security, then they would be subject to investigation.

Mr. CELLER. And those gentlemen who are criticizing would be the first to complain if losses would result that they made loans without proper security.

Mr. DUFFEY of Ohio. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. DUFFEY of Ohio. Many instances have come to my attention where, in the enforcement of securities which are adequate, where there has been no fault, suit has been threatened to the injury of the debtor. Will these liberalized rules permit some liberality in that regard?

Mr. CELLER. I am quite sure they will, and if the gentleman goes to Mr. Stanley Reed, the General Counsel, or to Mr. James Alley, his able assistant, or to Mr. Jones or his colleague, I am sure that he will get the redress that he is entitled to. Mr. Reed as General Counsel is a splendid gentleman, a wise and sagacious lawyer, and a hard worker. He never lends a deaf ear to any reasonable plea.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. CONNERY. Has the gentleman had any instance of any industry in his own district, as I have had, going to the R. F. C. with decent and proper security and being stalled around for a couple of months and then had said to them, "We regret we cannot do it, because your bank will do it for you"?

Mr. CELLER. I have had no such experience as that.

Mr. CONNERY. I have. They have not done a thing for the textiles or for shoes or leather or anybody else that was looking for aid.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Mr. Chairman, I ask unanimous consent to proceed for 2 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CELLER. The New York agency offered to loan a concern in my district $50,000, a shoe-manufacturing concern, which very likely buys leather from the gentleman's constituents. The loan came down to Washington, and the R. F. C. said that the company was entitled, not to $50,000, but to $100,000, on one condition, that the New York banks would loan 40 percent of that amount, namely, that the New York banks would put up $40,000 of the $100,000 and the R. F. C. would take $60,000 and subordinate the $60,000 to the $40,000, and the banks refused to cooperate.

Mr. CONNERY. In other words, if they play with the right bank they would get it.

Mr. CELLER. But in this instance they did not get it, because the banks refused to go into the loan at all. But the

R. F. C. did not forsake the company. It finally reapproved the original loan for $50,000.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. CELLER. Yes.

Mr. O'CONNOR. I have been talking particularly about loans to industry. Although we pressed for 2 years to put through that provision and we passed the law last June, only a comparatively few dollars have been loaned. Does the gentleman know of any case of a loan to industry that went through in less than 6 months?

Mr. CELLER. Yes; I have one in my own district that went through in 2 months, and I say to the gentleman it is not fair to say that only $7,000,000 have been loaned. Forty million dollars has been authorized, and the money is there for the borrowers when they want it, although to date the companies may have only drawn 7 million or so on their credit of 40 million.

Mr. O'CONNOR. Forty million dollars out of what—the hundreds of millions of dollars that we authorized?

Mr. CELLER. I admit that if we had been more liberal in the wording of the original bill, or in the amendment last year, there would have been more money loaned, and I am sure that more money will be loaned under this amendment.

Mr. O'CONNOR. It is a question of administration.

Mr. CELLER. I disagree with the gentleman. The R. F. C. administers as best it can under the rules we lay down for it.

The CHAIRMAN. The time of the gentleman from New York has again expired.

The Clerk read as follows:

SEC. 2. (a) Except as provided in section 5d of the Reconstruction Finance Corporation Act, as amended by section 10 hereof, and in section 9 of "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934, no funds shall be disbursed on any commitment or agreement hereafter made by the Reconstruction Finance Corporation to make a loan or advance, subscribe for stock, or purchase capital notes or debentures, after the expiration of 1 year from the date of such commitment or agreement; but within the period of such 1-year limitation no provision of law terminating any of the functions of the Reconstruction Finance Corporation shall be construed to prohibit disbursement of funds on commitments or agreements to make loans or advances, subscribe for preferred stock, or purchase capital notes or debentures.

(b) Notwithstanding any other provision of law, disbursement may be made at any time prior to January 31, 1936, on any commitment or agreement heretofore made by the Corporation to make a loan or advance, subscribe for preferred stock, or purchase capital notes or debentures.

Mr. FISH. Mr. Chairman, I move to strike out the last word. I hope the chairman of the committee will give the fullest latitude to the discussion of this important question of loans to private industry. I believe every Member on both sides is interested personally in his own district and in the welfare of the whole country. That the R. F. C. has failed must be evident to everyone—failed lamentably to carry out the purpose and intent of Congress to make loans available to private industry, but we cannot shirk our own responsibility. We wrote into the law a provision that was too harsh, demanding adequate security. The trouble is, however, as my colleague from New York [Mr. O'CONNOR] says, that the personnel in the R. F. C. lean over backward. They look at these loans with a glassy eye or with two glassy eyes. Perhaps the gentleman from New York may be right, that they do not even want to make the loans. But we have the responsibility as well, because we wrote that provision into the law—adequate security, and these legalistic minds in the R. F. C. lean over backward to find out whether there is full and adequate security. Of course, when they insist on carrying out the limitation to the fullest extent, they made practically no loans. What we tried to do has been an utter failure. We are now trying to remedy that situation by amending the law to read "reasonable assurances of repayment." That was the idea all the time—to liberalize the law. I believe this will liberalize the law. I believe these legalistic experts who have not been doing anything will wake up to the fact and understand in plain language that we want $300,000,000 to go into private industry on a reasonable basis to promote employment. If any Member does not think that that is enough, if that provision is not liberalized enough, this is the time to act and liberalize it further. I, however, believe it is sufficient; but let us have ample time to discuss this issue now and not just railroad it through and then afterward blame the R. F. C. or somebody else for failure to make loans to industry.

It is up to Congress to amend the law or change the law so that it will mean exactly what you want it to mean.

Mr. COX. Will the gentleman yield?

Mr. FISH. I yield.

Mr. COX. The gentleman, I am sure, would not be willing to be more liberal in the loaning of his Government's money than in the loaning of his own money. Does he not think that the language in the original act properly safeguarded against loss?

Mr. FISH. I can only answer this way, that I believe in the amendment, "reasonable assurances of repayment." I think that is sufficient. I think that will carry out the desire of Congress. I can give no guaranty, but that is my opinion. It is certainly the desire and wish of the Congress, and the employees in the Reconstruction Finance Corporation ought to know it. But let us not confine our criticism to the Reconstruction Finance Corporation. We authorized the Federal Reserve banks to make the same kind of loans, identically the same kind of loans, and we provided $137,000,000 for that purpose. They were to take $137,000,000 in addition out of their reserves. They, too, have failed. They have only made loans up to $14,000,000. They have done exactly what the Reconstruction Finance Corporation did. They insisted on the fullest kind of collateral with the result that practically no loans are being made.

Mr. TRUAX. Will the gentleman yield?

Mr. FISH. I yield.

Mr. TRUAX. Now what about the adequacy of the security of General Dawes? What is the condition of that loan today? Can the gentleman tell me that?

Mr. FISH. That has already been discussed, and I think the gentleman also wants to have these loans made to private industry, and I do not want to have a red herring brought in here to change the issue. The issue is: "Are we going to legislate so that private industry will get these loans or not?" The gentleman is not helping the situation at all.

Mr. McFARLANE. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Texas.

Mr. McFARLANE. I am in sympathy with the gentleman's amendment. I will say for the benefit of the record that in my State——

The CHAIRMAN. The time of the gentleman from New York [Mr. FISH] has expired.

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 1 additional minute in order that I may ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McFARLANE. In the State of Texas we have received very little benefit from these direct loans to industry. In fact, the monthly statements of the Reconstruction Finance Corporation, which I have in my office, show that very few loans of this kind have been made in our section. To my knowledge, numerous applications have been made, and not one single cent has gone into my district. I am for stopping the whole thing.

Mr. FISH. Well, that is the reason, because the law said "adequate security." Now, we make it read "reasonable assurances of repayment." Let us serve notice upon the Reconstruction Finance Corporation and the Federal Reserve banks that we want action and not excuses.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment.

I am pleased that I am able to agree on one proposition with the gentleman from New York [Mr. FISH], namely, that the Federal Reserve is just as guilty as the Reconstruction Finance Corporation in refusing to aid industry. But the fault is not ours. If President Hoover had not vetoed

the bill which we originally passed, I feel that all these amendments that have been adopted in the last 2 years would have been unnecessary. The original bill that I introduced, and as it has been amended and as the bill passed, did provide for direct loans to industry, to individuals, to States, and to municipalities; but at that time, in the last hours of the Seventy-second Congress, President Hoover vetoed that bill, and we, hastily, in a desire to bring forth some legislation that would be helpful, were obliged to pass a bill eliminating the most beneficial provisions of that bill. We were obliged to accept provisions such as only for self-liquidating projects, and other limitations on the loans. I am satisfied—and I think the chairman of the committee and the Members will agree with me—that if the original bill had been signed by President Hoover, a great deal could have been accomplished; industries could have been aided and relieved, and it would not have been necessary for us, every few months, to come in with additional amendments granting additional power to the Reconstruction Finance Corporation. I believe that the organization has accomplished a great deal. I hope that it will accomplish much more.

I will shortly offer an amendment that will still further relieve the people of America who, above any other, need some relief from the Reconstruction Finance Corporation. I am, of course, thankful to the committee for adopting an amendment to this bill as originally drawn, which is in the right direction, but I am hopeful they will agree to accept the other amendment that I intend to offer, which I believe will strengthen the bill and will aid millions of our people and safeguard the action of the Reconstruction Finance Corporation.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. SABATH] has expired.

Mr. WOLCOTT. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, we might as well be fair with ourselves as well as with the Reconstruction Finance Corporation. If there is any limitation upon the activity of the Reconstruction Finance Corporation, it is in the act creating that organization. We passed that act. I believe they have done a remarkably good job, under the circumstances. When you take into consideration that the Federal Reserve banks at the present time have in excess of $1,800,000,000 in excess reserves for which there is no demand by private industry; when you take into consideration that the Reconstruction Finance Corporation, I am informed, have had applications aggregating only a little more than a hundred million of the $300,000,000 fund, I think they have done a pretty good job to loan even forty million of it. Fundamentally and basically, the reason why this credit is not being pumped out into industry is because there is no demand from industry for this credit. You remove the obstacles which are standing in the way of normal and natural business progress today and you will find business in here anxious to take advantage of these credit measures which we have passed within the past 3 years.

The reason there is not this demand for credit, the reason there is not a demand for industrial loans from the excess reserves in the Federal Reserve banks today, is because business lacks the confidence to branch out, to expand, to put men back to work; and that is why we on this side of the aisle advocate that you establish a sound and definite monetary policy, that you establish a sound and definite economic policy. Then you will see business borrow this money, expand, and put men to work. Then there would be no need for this Congress to authorize $4,800,000,000 work relief, or any other kind of relief. Business is just "rarin' to go", yet we are sitting on the lid; we will not let off that steam that business needs today to get back on its feet. While we are talking here about the Reconstruction Finance Corporation and its giving of this credit, let us take into consideration the fact that we have made no strong demands upon the President of the United States to put his feet on the ground and stay there long enough for business to know where he is going. [Applause.]

Mr. WHITE. Mr. Chairman, if the gentleman will yield, the gentleman says business is raring to go and there is no demand for credit. I ask the gentleman if availability of credit is not a great factor in the situation?

Mr. WOLCOTT. Velocity of credit has more to do with it than anything else.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

By unanimous consent, the pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 3. Notwithstanding any other provision of law limiting the maturity of obligations taken by it to shorter periods, the Reconstruction Finance Corporation may make loans or advances or renewals or extensions thereof to authorized borrowers or by other suitable agreement permit them to run so as to mature at such time or times as the Corporation may determine, not later than January 31, 1945: *Provided*, That in respect of loans or renewals or extensions of loans or purchase of obligations under section 5 of the Reconstruction Finance Corporation Act, as heretofore and herein amended (U. S. C., Supp. VII, title 15, ch. 14), to or of railroads, the Corporation may require as a condition of making any such loan or renewal or extension for a period longer than 5 years, or purchasing any such obligation maturing later than 5 years from the date of purchase by the Corporation, that such arrangements be made for the reduction or amortization of the indebtedness of the railroad, either in whole or in part, as may be approved by the Corporation after the prior approval of the Interstate Commerce Commission.

Mr. DEEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask for this time to thank the Committee on Banking and Currency for liberalizing section 5 (d) of the original Reconstruction Finance Corporation Act by striking out the time limitation which related to industries organized prior to January 1, 1934. This liberalization will make it possible for the establishment of a new industry in which the South is interested at this time.

I want also to thank the Committee on Banking and Currency for doing me the kindness of listening for a few minutes the other day while I presented the possibilities of a great industry for the South. I am very grateful to the chairman and to all the members of that committee, especially to my colleague the gentleman from Georgia [Mr. BROWN], who was very considerate of this matter and who has rendered a great service on the committee in behalf of this legislation.

For the information of my colleagues I have here samples of the newest product of an industry of the South; and I am sure that all of them, whether they live in the South or not, will be interested in these samples of the product of the slash pine, an abundance of which we have in the South. I hold in my hand here samples of paper pulp made from slash pine; and I hold in my hand also a sample of rayon made from that pulp. Both pulp and rayon were made in the laboratory of Dr. Charles H. Herty, of Savannah, Ga. Here are other samples of pulp Dr. Herty made from slash pine, from loblolly pine, and from spruce pine grown in Georgia; also various samples of newsprint which were made in the same laboratory.

I present to the Members of the House a copy of the Savannah Morning News, one of the leading daily newspapers of my State, printed November 20, 1933, on newsprint paper made from Georgia pine trees in the laboratory of Dr. Herty, of Savannah. I also hold in my hand various samples of paper made by Dr. Herty, samples of book paper on which the Saturday Evening Post or any other magazine or book could be printed, together with a sample of bond paper similar to Hammermill bond, or other bond paper; and I have here various other samples of paper which Dr. Herty made in his laboratory in Savannah.

What I am interested in, Mr. Chairman, and what the Georgia delegation and other Members of the House are interested in is the development of an industry which will

put men to work and which will bring about sound recovery. The South, particularly Georgia and neighboring States, has an abundance of pine trees from which we can manufacture paper pulp, and from this pulp, rayon. Within the next 12 months I believe the people of the South, or, as far as that is concerned, people all over the country, will be wearing clothes—the ladies at least—made from Georgia pine trees.

This new industry might be somewhat in opposition to our cotton production. We have, however, an oversupply of cotton; we are curtailing the production of cotton. We, therefore, are very much interested in the possibility of this new industry for the South.

Mr. Chairman, a paper mill will cost from $4,000,000 to $6,000,000. Our people cannot finance a paper mill; we have not the money. On January 16 I introduced an amendment to liberalize the Reconstruction Finance Corporation Act, making it possible to secure loans to assist private investors in establishing paper pulp mills. The distinguished gentleman from Alabama [Mr. STEAGALL], Chairman of the Committee on Banking and Currency, and his committee have reported out the bill with this provision of my amendment, liberalizing the act so that new industries, including paper mills, can be established in this country. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, the gentleman from Georgia gave me the information I have been trying to secure for the last few days. I received communications from certain paper-mill interests in Wisconsin, to the effect that an effort was being made to make funds available for the erection of new paper mills in some of the Southern States. I have been going through this bill and have prepared an amendment which I intend to offer to section 10 which would prohibit the lending of money to business institutions not now in existence, which would compete with those industries that are now having enough trouble trying to get along.

Mr. Chairman, we have passed the N. R. A. Act for the purpose of trying to give relief to industries who found it impossible to get along under the methods of competition which have been in existence for the last few years. If the N. R. A. is economically justified from the standpoint of protecting industry from unfair competition, it would be unfair competition, and unjustifiable for the United States Government to make funds available for southern interests to expand the paper-mill business in competition with our northern mills who are finding it difficult to get along.

May I say that during the last few years the South, in my opinion, has fared exceptionally well in this recovery program. I do not believe there is any other section of the country as well off as the cotton- and tobacco-growing sections of the South. They have had benefits under the Agricultural Adjustment Act which have been far greater than other sections of the country. I find no fault with that situation. I am perfectly willing to go along and try to protect southern interests, but I do not believe the United States Government should make funds available for you to go into competition with our industries.

Until such time as we are able to produce our paper and sell it at a profit, there does not seem to be justification for the South going into this business any further than they have in the past. May I also say that there have been certain interests in the Northern States and some interests in Canada that have in recent years poured millions of dollars into the paper industry of the South, and because of their cutthroat tactics they have utterly ruined the paper industry of the North. The paper industry is just now getting back on its feet, and there is no justification, in my opinion, for lending this money for the purpose of expanding the paper industry. When we come to section 10, I propose to offer an amendment prohibiting the lending of this money to any business institutions or to any industry not now in existence. I believe that it is an amendment that should appeal to the fair judgment of the Membership of this House.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 4. (a) Section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp VII, title 15, ch. 14), is further amended by striking out all of the third sentence of the third paragraph thereof through the first colon and inserting in lieu thereof the following: "Within the foregoing limitations of this section, the Corporation, notwithstanding any limitation of law as to maturity, with the approval of the Interstate Commerce Commission, including approval of the price to be paid, may, to aid in the financing, reorganization, consolidation, maintenance, or construction thereof, purchase for itself, or for account of a railroad obligated thereon, the obligations of railroads engaged in interstate commerce, including equipment trust certificates, or guarantee the payment of the principal of, and/or interest on, such obligations, including equipment trust certificates, or, when, in the opinion of the Corporation, funds are not available on reasonable terms through private channels, make loans, upon full and adequate security, to such railroads or to receivers or trustees thereof for the purposes aforesaid: *Provided*, That in the case of loans to or the purchase or guaranty of obligations, including equipment trust certificates, of railroads not in receivership or trusteeship, the Interstate Commerce Commission shall, in connection with its approval thereof, also certify that such railroad, on the basis of present and prospective earnings, may reasonably be expected to meet its fixed charges, without a reduction thereof through judicial reorganization, except that such certificate shall not be required in case of such loans made for the maintenance of, or purchase of equipment for, such railroads: *Provided further*, That for the purpose of determining the general funds of the Corporation available for further loans or commitments, such guaranties shall, to the extent of the principal amount of the obligations guaranteed, be interpreted as loans or commitments for loans:".

(b) Section 5 of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by striking out at the end of the third paragraph thereof the colon and the following: "*Provided further*, That the Corporation may make said loans to trustees of railroads which proceed to reorganize under section 77 of the Bankruptcy Act of March 3, 1933", and inserting in lieu thereof a period.

Mr. GREEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely wish to advise the Members that the pulp and paper industry is not an industry new to the South. It is well established in my State. There is one large mill in operation in the western part of my State, in district ably represented by my colleague [Mr. CALDWELL], who is now in the chair. This plant is making a superior product, shipping it not only to points in this country but to foreign countries. We are now making an effort to obtain trade agreement whereby certain foreign countries may take more of this kraft paper manufactured in the South. So this is not a new industry in the South. It is not a sectional industry at all, because we have for years had paper-pulp mills in my section and other sections of the South, and it would be a waste of natural resources if the pine trees of the South were not converted into this product. I cannot believe that any Member of the House would desire to see the profitable utilization of a natural product neglected or would like to see the natural resources, regardless of where they may be, not fully developed and the best possible results realized therefrom.

This industry is growing rapidly. We have made application for Federal assistance, and Federal assistance will be furnished from Public Works funds and/or R. F. C. funds. Private capital has already gone into this field. I understand in the last few days arrangements have been made by private capital to establish another paper-pulp mill in Florida. Private capital must be encouraged and protected.

Mr. DEEN. Will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Georgia.

Mr. DEEN. May I ask the gentleman a question for the benefit of the gentleman from Wisconsin, who seriously objected to my statement. Does the gentleman know that we import into the United States now, according to the figures obtained from the newsprint industry, 70 percent of all the newsprint consumed in the United States?

Mr. GREEN. Yes. It is brought from Norway and other foreign countries, including Russia, by the way. Are there

any of my colleagues who want to throttle an American industry in order that the Soviet Union may continue to send its products to America to take the place of those which we can produce?

Mr. BULWINKLE. Will the gentleman yield?

Mr. GREEN. I yield to the gentleman from North Carolina.

Mr. BULWINKLE. Did I understand the gentleman to tell the Committee and to give us assurance that this industry in Florida does not need assistance at the present time?

Mr. GREEN. Not at all.

Mr. BULWINKLE. That it had already received sufficient support?

Mr. GREEN. Private capital has already gone into the field. It is also true that the natural resources there are so great and the possibilities so great that it is a field where additional capital lent by the Government would be a safe loan and one which would be repaid with interest. It will give employment to now idle people and will utilize a raw product which is in the South in abundance.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I yield to the gentleman from Georgia.

Mr. COX. Considering the fact that the production of cotton is one of the oldest industries in the country and that the manufacture of paper is in direct competition therewith, does not the gentleman think that the gentleman from Wisconsin [Mr. BOILEAU] takes a rather narrow view of the matter when he insists that the paper mills of his State should be given a monopoly, supported by the Government, in the manufacture of paper?

Mr. GREEN. Precisely. I do not think the gentleman from Wisconsin really knew that the industry existed in the South or he would not have used the terms he did.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I am sorry, I have so little time. I am sure the genteman from Wisconsin [Mr. BOILEAU] had no intention for leaving the impression that this is a pioneer industry and we were trying to bring in a new industry to compete with his beloved State with Government money. I know he does not, because the domains of our great Nation are broad and there is room for the development of all of our industries for the benefit of the American people. [Applause.]

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. BOILEAU. Mr. Chairman, I rise in opposition to the pro forma amendment.

I wish to say to my distinguished friend from Florida that I am well aware of the fact that the paper-mill industry has been growing in recent years in the South. I wish also to say I am well aware of the fact that there has been a good deal of private financing in the paper industry. I am very certain that in the last few years there have been paper mills established in the South when there was no justification for more mills being established in this country, and that these new mills depressed the paper-mill industry of the entire country until just recently, and before the N. R. A. was put into effect many of the mills that had been in operation in all of the Northern States for many years were put into a position where they could not continue to operate at a profit. This was because of the fact that they were having cutthroat competition from the southern mills that were also operating at a loss.

Since the N. R. A. has come into existence the paper industry has been materially benefited.

I am not claiming, as the distinguished gentleman from Georgia [Mr. Cox] inferred, that we are entitled to a monopoly for Wisconsin or any other State.

Mr. COX. Will the gentleman yield?

Mr. BOILEAU. In just a moment. I want to reply first to the gentleman's statement.

No one State has a monopoly in this industry. New York, Michigan, Wisconsin, and several other States of the North have been engaged in the paper industry, as well as have many Southern States. My only opposition to this proposition is that I do not believe it is economically justified for the Government to lend money to put more mills in operation when there are mills now that are not working to capacity; when there are efficient mills that are not able to keep their crews working; when there is plenty of equipment and plenty of mills ready to take all the orders they can possibly get. I do not believe, in view of this situation, the Federal Government should lend itself to the ridiculous proposition of making money available for putting more mills in operation.

Mr. SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I must first yield to the gentleman from Georgia.

Mr. COX. Would the gentleman make the concession that after domestic demand had increased to the point of taking the entire output of the mills in existence, it would then be wise that a loan be made for the construction of paper mills in the South where the raw materials are present in great abundance.

Mr. BOILEAU. If there is economic demand or need for the construction of more mills and private capital cannot be found to construct such mills, then I say there is some justification for the Government to loan this money.

Mr. COX. Suppose there is the demand but there is lack of capital for the development of such mills in the South, would the gentleman then be in favor of Federal aid?

Mr. BOILEAU. I may say to the gentleman that there is no demand for more mills at the present time.

Mr. COX. I understand that, but if there were the demand——

Mr. BOILEAU. If there were demand for more mills and the funds were not available——

Mr. COX. Would the gentleman then insist upon the right to increase the capacity of his plants in order to satisfy the demand?

Mr. BOILEAU. I would not make any demand for my section that I would not be perfectly willing to accept with respect to yours, but I do say that the money of the Federal Government should not be used to compete in a presently depressed industry.

I now yield to my colleague from Wisconsin.

Mr. SCHNEIDER. Is it not true that in the South at the present time nearly all the paper mills are operating part time, and at Moss Point, Miss., a $5,000,000 plant has now been closed down for 3 years, as well as a number of other plants in the South including, for instance, plants in Texas. I think the Members from Texas can testify that in that State there is a large paper mill shut down because of lack of orders to operate, and there is no newsprint paper being made in the South at the present time.

Mr. BOILEAU. The gentleman is absolutely correct.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. CULKIN. Does the gentleman know there are a number of such plants in New York State where the investment was made prior to the R. F. C. that are not running at all?

Mr. BOILEAU. That is absolutely correct and I hope the gentleman will support my amendment to prevent these loans being made to institutions that are not now in existence.

Mr. CULKIN. And it is hardly fair for the South to ask the development of this industry at this time.

Mr. BOILEAU. I agree with the gentleman and thank him for his contribution.

Mr. SCHNEIDER. If the gentleman will permit, I may say, further, that there is no newsprint paper or any other paper, now or since the establishment of the Soviet Government, being shipped into the United States, although there is certain raw materials, such as wood, being shipped into this country, but not any paper.

Mr. BOILEAU. That is correct.

[Here the gavel fell.]

Mr. CONNERY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from Massachusetts.

Mr. CONNERY. Two years ago, when we tried to get a 30-hour-week law, I had a provision in that bill that provided that whenever the total-landed cost of any article coming to the United States was less than the cost of production of similar articles in the United States the shipment should be barred. If that provision were enacted into law, you would not have any trouble in Wisconsin or in Florida, because you would have plenty of demand. It is the admission into this country of foreign imports that is doing away with your business, both in Wisconsin and in Florida.

Mr. BOILEAU. I agree with the gentleman. The gentleman from Massachusetts and I entertain the same views with reference to foreign competition, but, unfortunately, the Democratic majority does not take that view.

[Here the gavel fell.]

The Clerk read as follows:

SEC. 5. The Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is further amended by inserting after section 5b thereof the following new section:

"SEC. 5c. To assist in the reestablishment of a normal mortgage market, the Reconstruction Finance Corporation may, upon the request of the Secretary of the Treasury, with the approval of the President, subscribe for or make loans upon the nonassessable stock of any class of any mortgage-loan company, trust company, savings-and-loan association, or other similar financial institution, now or hereafter incorporated under the laws of the United States, or of any State, or of the District of Columbia, the principal business of which institution is that of making loans upon mortgages, deeds of trust, or other instruments conveying, or constituting a lien upon, real estate or any interest therein. In any case in which, under the laws of its incorporation, such financial institution is not permitted to issue nonassessable stock, the Reconstruction Finance Corporation is authorized, for the purposes of this section, to purchase the legally issued capital notes or debentures of such financial institutions: *Provided further*, That the Reconstruction Finance Corporation, in addition to the foregoing powers, is authorized and empowered to make loans to corporations, associations, or persons organized for the reorganization of real-estate properties, upon the recommendation of the Securities and Exchange Commission and its approval of the plan of reorganization proposed by such corporations, associations, or persons in connection with which such loan is sought. Notwithstanding any other provision of law, the Reconstruction Finance Corporation may, with approval of the Secretary of the Treasury, and under such rules and regulations as he may prescribe (which regulations shall include at least 60 days' notice of any proposed sale to the issuer or maker), sell, at public or private sale, the whole or any part of the stock, capital notes, or debentures acquired by the Corporation pursuant to this section, and the preferred stock, capital notes, or debentures acquired pursuant to any other provision of law. The amount of notes, bonds, debentures, and other such obligations which the Reconstruction is authorized and empowered to issue and to have outstanding at any one time under existing law is hereby increased by an amount sufficient to carry out the provisions of this section."

Mr. SABATH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 14, line 20, after the colon, insert the following:

"*Provided*, That any assistance given to or for any financial institution by the Corporation shall be conditioned upon the agreement of the financial institution so aided that it will not use, directly or indirectly, the funds so obtained in the reorganization of any real-estate enterprise with outstanding debts of $50,000 or more, unless the plan of such reorganization and the fees and expenses to be paid in connection therewith shall be approved by the Securities and Exchange Commission, such approval to have regard not only to the fairness of the plan as among existing creditors and/or stockholders, but also to have regard to the initial investment of such creditors and/or stockholders."

Mr. SABATH. Mr. Chairman and gentlemen of the Committee, this to me is a very important amendment. I want to say to the Banking and Currency Committee that I am indeed grateful and appreciative for the courtesy they have extended to me and also for the time they have given me.

I have devoted 6 long months to investigating the bond situation, the so-called "protective bond committees" throughout the United States, and I have filed the report this morning.

What I am to accomplish by this amendment—and I know if the chairman of the committee and the splendid members of the committee had all of the facts before them they would have gladly adopted this amendment of mine. I assure you gentlemen I do not wish anything for myself, but I have the interest of 4,000,000 bondholders at heart.

What this amendment will provide for is this: In the last few years hundreds of thousands of bondholders were obliged to dispose of their bonds for 8, 12, and 15 cents on the dollar. There are many of the mortgage companies and institutions that we are going to aid in this bill that have purchased these bonds for that low price after they have sent out statements that brought about the reduction in the price of the bonds and caused the selling of them.

What my amendment seeks to do is this: That the reorganization, where the Government advances the money for the purpose of reorganization, the actual price paid for the bonds should be taken into consideration, and those people who acquired by questionable methods these bonds for 10, 12, and 15 cents on the dollar shall not receive in reorganization the same price as you and you who have paid, namely, 100 cents on the dollar for your bonds. Therefore I believe this amendment is of tremendous importance, and I hope that the Committee will accept it. Had the Committee all of the facts before it I feel that they would have adopted it before this.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. SABATH. Yes.

Mr. CONNERY. I have just read the gentleman's amendment, and I am in entire sympathy with the idea of protecting the bondholders. Why does the gentleman confine this simply to real estate?

Mr. SABATH. Because I have information on that point. As the Chairman of the Select Committee to Investigate Real Estate Bondholders' Reorganizations, appointed in the last Congress, I devoted, as I said, about 6 months of time to investigate these frauds perpetrated on 4,000,000 people in the United States. I am trying to protect them to the best of my ability. I do not know enough about the other securities, and that is the reason I do not offer an amendment on other matters. I am not as well informed upon them as I am on this question.

Mr. CONNERY. And as to organizations that have outstanding indebtedness of more than $50,000, the gentleman would not permit the Reconstruction Finance Corporation to loan to banks or permit banks to loan to them?

Mr. SABATH. No; all I desire is where the loan is above $50,000 that the Securities and Exchange Commission be given the same power and authority as is given in this bill to the Interstate Commerce Commission in passing upon railroad securities. It has been investigating some phases of bondholders' reorganizations and it is my opinion that its powers should be extended so that it may pass upon a loan application to determine whether it is equitable, fair, and just, and also that the amounts that should be allowed on reorganization are in accordance with the actual payments made for those bonds, which is justice and equity.

The Banking and Currency Committee approved an amendment which will permit direct loans and relief to the real-estate bondholders. It reads as follows:

*Provided further*, That the Reconstruction Finance Corporation, in addition to the foregoing powers, is authorized and empowered to make loans to corporations, associations, or persons organized for the reorganization of real-estate properties, upon the recommendation of the Securities and Exchange Commission and its approval of the plan of reorganization proposed by such corporations, associations, or persons in connection with which such loan is sought.

The proposed bill permits the Reconstruction Finance Corporation to purchase or acquire the capital stock or notes of mortgage companies who then would be enabled, with such Government financial aid, to make loans which would subject the borrower to unnecessary costs, fees, and expenditures that would be charged them by these mortgage companies.

The amendment will eliminate the necessity of going through this procedure and will in addition place the stamp

of approval upon such real-estate reorganizations by the Securities and Exchange Commission.

Since July 1933 the staff of the Securities and Exchange Commission has been engaged in the examination and analysis of reorganizations which were required to be filed under the Securities Act. Since the enactment of the Securities Act of 1934 the Commission has been devoting considerable time to the investigation of reorganizations and is thoroughly familiar with the ramifications and activities of bondholders' protective committees, voting trusts, and reorganization plans. The utilization of the staff and facilities of the Commission to either approve or disapprove such reorganizations, based upon the fairness and equity to all parties concerned in any reorganization, will tend not only to safeguard the interests of these parties, particularly the bondholders, but will assure the efficient and expedient supervision and administration of the provisions of this amendment.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DIRKSEN. Mr. Chairman, by the terms of House Resolution 412, adopted in the second session of the Seventy-third Congress, a special committee was authorized to investigate bondholders' protective committees. That committee found, after holding hearings in New York, Detroit, Milwaukee, and Chicago, that there had been issued in the lush, abundant days from 1920 to 1930, approximately ten billion or eleven billion dollars of real-estate securities on large apartment buildings, hotels, and commercial structures. The committee found also that about $8,000,000,000 of those bonds are now in default. So long as the rate of occupancy was high, so long as rentals were reasonably high, so long as conditions were sound, the houses of issue, and the trustees, managed to pay the interest and retire these serial bonds year after year. Then came the depression and they could not pay the interest, and the bonds went into default. It became necessary to reorganize these various properties, and in the process of reorganization there were set up hundreds of so-called "bondholders' protective committees", in all the large centers of the country. They even operate in chains. There is one committee in New York that is handling I believe over 214 pieces of property scattered in 21 States. There is a chain committee in Chicago that is operating in 18 States and handling over 400 pieces of property.

Here is what this special investigating committee found. They found that the receivers' fees, the trustees' fees, and fees for the management corporations, and fees for bondholders' protective committees were pyramided to such an extent that it would take the aggregate of all the rentals of a great many of these large and beautiful apartment buildings and business buildings for over 10 years, just to pay for the fees and for high-powered attorneys who have been trying to bilk the bondholders. We sought a remedy.

We thought that money could be advanced to these bondholders to help to re-create more purchasing power and make a decided contribution to the resumption of prosperity, but how to get the money to them was the question. From the R. F. C.? That was a problem. Look at the first of section 5 (c) in this bill, and you will see that the R. F. C. is empowered to subscribe to the nonassessable stock of any class of any mortgage-loan company, trust company, savings-and-loan association, and in any case in which under the laws of its incorporation such financial institution is not permitted to issue nonassessable stock, the Reconstruction Finance Corporation is authorized to purchase the legally issued capital notes or debentures of such financial institutions. Now, here is the difficulty you run into. The same people who are reorganizing these properties and grabbing all the fruits are the same fellows who will organize these mortgage institutions, so that the money advanced from the R. F. C. may go only so far to pay taxes and fees and not put a dime into the hands of the bondholders.

The language in the amendment of the gentleman from Illinois [Mr. SABATH], plus the terminology in the bill now, is designed only to give to the Federal Security Commission such recommendatory and supervisory power in the event that these reorganizations of real-estate properties are not definitely in the interest of the parties in interest; namely, the original holder of the paper, then to refuse its approval and thereby not hand out that money. That was the only purpose, and to implement this argument I am going to be very personal about it.

There is a gentleman associated with the R. F. C. who had promoted $3,000,000 worth of such property on which the bonds were in default. This property was finally reorganized, so that the properties were sold for $450,000, out of which they offered to the holder of every $1,000 bond only $148. Under the language in the first section of this bill, in 5 (c), it will be possible for the very people who have been reorganizing these properties, and who are getting all the fruits of these properties, to set up their own mortgage institutions, to gather fees and pay off the taxes and probably to hand back to the bondholder a piece of property that might not be encumbered, but not to give him a dime. That is the thing we object to. As an instance of these manipulations in New York City, for instance, there were three trustees who were going to get a fee of $100,000 each for 18 months' work and one law firm was going to get $425,000. Who pays the freight? It has to come out of the property, and so ultimately the bondholder pays it either in having his earnings deferred for more than 10 years or otherwise in reducing his original investment and vitiating his security.

So I say to the gentleman from New York, who raised the question a while ago, that while I appreciate the fact that it enlarges somewhat the provisions of the Securities Commission——

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has expired.

Mr. DIRKSEN. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DIRKSEN. I quite appreciate that we are projecting the Securities Commission into an enlarged field, yet I do not see how you can give any protection to the 4,000,000 distressed holders of real-estate paper in this country today without placing supervisory and recommendatory power in some agency other than the Reconstruction Finance Corporation, because, frankly, I have no faith in some of those who are going to administer this. I am afraid that through the instrumentality of some of these mortgage associations we are not going to get to the heart of the problem.

Mr. DUFFEY of Ohio. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. DUFFEY of Ohio. Why did not the chairman of the special committee, or the gentleman, who is a member of that committee, submit some remedial legislation, if they thought it was necessary, rather than to bring it in in connection with this bill?

Mr. DIRKSEN. Let me say that the special committee has in mind submitting new, substantive legislation, but we are confronted now with the reorganization of many properties, a great deal of which will slide away from the bondholders, unless there is some legislation right now. It is time for action and for cash.

Mr. DUFFEY of Ohio. Does the gentleman recognize that this bill must be perfected by the 31st of January?

Mr. DIRKSEN. Yes; and we also recognize that if we bring in a new bill it will be April or May or June before it could pass, and then when we set up the necessary agencies with which to administer its provisions, the gentleman will find that bondholders will have lost over $100,000,000 in that period. That is the reason for putting it in this bill. I am in favor of the amendment offered by the gentleman from Illinois [Mr. SABATH] because it sets up these additional safeguards.

Mr. CULKIN. Will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CULKIN. In view of the gentleman's statement that

certain members of the Reconstruction Finance Corporation group are not to be trusted——

Mr. DIRKSEN. Let us not throw any aspersions upon members of the R. F. C. I only want to say that recognizing human nature for what it is, we do not want to take that chance and let this matter be deferred or have the benefits of this legislation get hung up in some mortgage institution and never get to the bondholder.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DIRKSEN] has again expired.

Mr. STEAGALL. Mr. Chairman, the committee considered this amendment. I dare say the membership of the House is not sufficiently informed to vote on a provision so far-reaching and so extensive without a better understanding of it than is possible to be had at this time. The legislation really should go to the Committee on Interstate and Foreign Commerce and be passed upon on its own merits and dealt with in the regular way. The Committee on Banking and Currency did not think that we could properly undertake to include it in the legislation now before the House. I hope the House will not agree to the amendment. I ask that we have a vote on the amendment for the reason that we must finish this bill today. If we do not, it will be impossible to get it to conference and get it enacted into law before the 1st day of February, at which time the powers of the Reconstruction Finance Corporation will terminate under existing law.

Mr. DIRKSEN. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. DIRKSEN. Let me observe that the substance of this amendment is already incorporated in this bill, on page 14, beginning with line 20, but the additional language offered by the gentleman from Illinois [Mr. SABATH] only tends to clarify it and probably add a few additional safeguards.

Mr. STEAGALL. We went as far as we could when we provided for loans to organizations or institutions, upon the approval of the Exchange Commission, organized for the purpose of reorganizing real-estate loan agencies.

Mr. O'CONNOR. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. O'CONNOR. When the gentleman agreed to provide loans for real-estate reorganization, then he clearly can have no objection to this amendment, which is a companion amendment, to the effect that when these loans are made by the Reconstruction Finance Corporation these safeguards shall be thrown around them. If the gentleman from Alabama [Mr. STEAGALL] suggests that this amendment be in the form of a bill, brought out by the Committee on Interstate and Foreign Commerce, I cannot understand what possible connection there is. This amendment properly belongs in this bill and should be voted into the bill.

Mr. STEAGALL. But let me say if this additional amendment is put in the pending measure, it simply leads to confusion and intermingling of administration by two agencies of the Government, which we think would be unfortunate and impractical. I hope the amendment will be voted down.

Mr. CONNERY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am very much surprised to hear any worry at all about what might be added as amendments to this bill. The way we have been going lately, they take an omnibus bill and stick everything into it and send it to the Ways and Means Committee. So I do not think we need worry about what amendments should go on to a bill if they are good amendments. If it is a good amendment to protect the American people, to protect bondholders from unjust loss, it should be passed, as was rightly said by the gentleman from New York [Mr. O'CONNOR]. I do not like to see anything like this rushed. I would like to have this matter discussed a little. If it is going to protect people who have put their money into these bonds and is going to allow the Securities Commission to look over the situation and protect these people, it seems to me that these few words put in by the gentleman from Illinois [Mr. SABATH] ought to be passed on, and passed on favorably, to protect these bondholders. So I intend to vote for the Sabath amendment.

Mr. CULKIN. Will the gentleman yield?

Mr. CONNERY. I yield.

Mr. CULKIN. Does the gentleman know that the gentleman from Illinois [Mr. SABATH] and his committee have been over this entire field and this amendment is the result of their investigation?

Mr. CONNERY. Yes.

Mr. CULKIN. Does the gentleman know that the gentleman from New York [Mr. O'CONNOR] is a member of that committee?

Mr. CONNERY. I did not know that the distinguished Chairman of the Rules Committee [Mr. O'CONNOR] was a member of it.

Mr. CULKIN. He is a member of this special committee, which is headed by the gentleman from Illinois [Mr. SABATH]; so the gentleman from Illinois [Mr. SABATH] and the gentleman from New York [Mr. O'CONNOR] speak as technicians in this field.

Mr. CONNERY. And I am with them. I am not a technician, but I am glad to support that amendment.

Mr. HANCOCK of North Carolina. Mr. Chairman, if the gentleman will yield, does not the gentleman also understand that the committee has not submitted any report whatever to the House on the subject?

Mr. CONNERY. I understand that; and I understand also that the gentleman said they were going to bring in a special bill a little later. But, as the gentleman from Illinois [Mr. DIRKSEN] said, for the thing to drag along until June and people to lose hundreds of millions of dollars should not be allowed. I think this amendment ought to be adopted now.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois.

The amendment was agreed to.

Mr. SWEENEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWEENEY: Page 14, line 7, after the word "class" insert "of any national mortgage association organized under title III of the National Housing Act, and."

Mr. STEAGALL. Mr. Chairman, there will be no objection to the amendment, I think.

Mr. SWEENEY. I understand the committee has agreed to accept the amendment.

Mr. STEAGALL. It was only through oversight that this language was not included in the bill.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio.

The amendment was agreed to.

The Clerk read as follows:

SEC. 6a. Section 5e (a) of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VIII, title 15, ch. 14), is amended (1) by inserting in the first sentence thereof, after the words "the assets" and before the words "of any bank", the following: ", or any portion thereof"; and (2) by inserting in the second sentence thereof, after the words "such assets" and before the words "held for the benefit", the following: ", or any portion thereof."

(b) Section 5e of such act, as amended (U. S. C., Supp. VII, title 15, sec. 606a), is hereby amended by adding a new subsection:

"(d) The Corporation is authorized and empowered to make loans secured by the assets of any corporation the capital stock in which is wholly owned by any bank that is closed or in process of liquidation to aid in the reorganization or liquidation of such bank upon application of such wholly owned corporation or the receiver or liquidating agent thereof in the event such corporation is also in receivership or liquidation."

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent to strike from the bill all the language on page 16 from line 1 down to the period in line 11. This language was included in the bill by clerical error. It was not adopted by the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. McLEOD. Mr. Chairman, I object.

Mr. HANCOCK of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HANCOCK of North Carolina: Strike out all of the subsection beginning with line 1, page 16, and ending with the quotation mark at the end of line 11.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. COCHRAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COCHRAN: On page 15 after line 25, add a new section as follows:

"SEC. 7. The Corporation is authorized and empowered to make loans to any public or private hospital and/or to any corporation, trust, foundation, congregation, organization, or association organized (not for profit) under the laws of any State or Territory and operated for religious purposes, to aid in financing the operation and maintenance of institutions for religious instruction and worship. The interest on any such loan shall not be at a rate in excess of 4 percent per annum. Such loans may be made for a period of 5 years during which period no amortization or reduction of the principal shall be required, and real estate owned by any institution authorized to borrow under this section shall be deemed adequate security for a loan to such institution."

Mr. COCHRAN. Mr. Chairman, this amendment is easily understood. It provides that the Reconstruction Finance Corporation may make loans to hospitals, churches, and institutions of learning not organized for profit, the real estate they own being the security. I do not think there is a Member of this House who has not been appealed to by hospitals, churches, and institutions of learning to be recognized under this law. I cannot conceive any reason why they should not be.

My amendment does not provide for any new construction. It provides for refinancing the hospitals, churches, and institutions that come within the purview of the amendment.

Mr. Chairman, I know the situation that affects the hospitals of this country, and I know the situation that affects some churches. If we are not going to have faith in our religious institutions and permit them to borrow money from the Government, then I think we should stop this lending of money entirely. Can you conceive of better security than that which these good Christian people of all denominations can offer to the Reconstruction Finance Corporation in support of a loan that will help them refinance their financial obligations?

Every month the hospitals in my city aid people by the score, people who do not have a dime. They extend credit. If these people are ever able to pay, they will pay, but many of them never leave the hospital alive, and the hospital gets no money for the care the sick received.

Mr. Chairman, I think this amendment is sound. It has been before this committee for 2 years. Hearings were held by the subcommittee in the last Congress, a subcommittee presided over by Mr. Prall, of New York. People came here from all over the country and appeared before the subcommittee in support of this amendment. It was introduced rather late in the last session, however, and was never reached.

This is the proper place for the amendment. There is no use of me proceeding further, for I have explained it fully. You understand it; I repeat it simply gives the right to hospitals, churches, and institutions of learning not organized for profit to borrow if they can offer adequate security.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield.

Mr. SHORT. Mr. Chairman, I am very sympathetic with my colleague so far as his purpose is concerned; but the gentleman does not advocate having the church and state one institution, does he? Does not the gentleman think it would be wise to keep the church and state separate as they always have been in this country in the past?

Mr. COCHRAN. There is no such thought in my mind. This will not in any way bring about the condition the gentleman mentions. I think it would be wise to adopt the amendment and help congregations and associations not organized for profit. In other words, help the people of this country retain their place of worship and help them to maintain their hospitals, and get well by enabling them to refinance their outstanding obligations.

Mr. WADSWORTH. Does not the gentleman from Missouri realize that if the United States Government starts in financing religion in this country, we depart from our age-old policy of keeping the church and the state utterly separate?

Mr. COCHRAN. Is there anything in the amendment that brings the United States Government into control of religion. I want the church and the state separate as does the gentleman from New York. This simply provides for the lending of money to churches in distress.

Mr. WADSWORTH. It brings the church and the state into a relationship one with the other, which spells danger to both.

Mr. COCHRAN. I am unable to agree with the gentleman's view.

Mr. WADSWORTH. The church becomes the debtor and the Government becomes the creditor. There must always be a relationship existing between debtor and creditor, which if applied to religion and the Government, is a dangerous, dangerous thing. [Applause.]

[Here the gavel fell.]

Mr. COCHRAN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN. May I say to the gentleman from New York that I do not want this country in any manner, shape, or form, any more than he does, to interfere with the church; but if it is necessary to save the church because of financial difficulties, then I say, if we are going to save the railroads and the other corporations, I think it would be a mighty good idea to save the churches also.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman I move that all debate on this section and all amendments thereto do now close.

The motion was agreed to.

Mr. McLEOD. Mr. Chairman, I offer a perfecting amendment, which I send to the desk.

Mr. SWEENEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SWEENEY. Is the amendment offered by the gentleman from Missouri now before the House?

The CHAIRMAN. The amendment of the gentleman from Missouri is before the House, and the gentleman from Michigan has offered a perfecting amendment.

The Clerk will report the amendment of the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. MCLEOD: On page 15, after line 25, insert the following:

"Section 5e (a) of the Reconstruction Finance Corporation Act, as amended, is further amended by striking out in the first sentence thereof the word 'empowered' and inserting in lieu thereof the word 'directed'; (2) by striking out in the first sentence thereof the words 'make loans upon or'; (3) by striking out in the first sentence thereof the words 'on or after December 31, 1929, and'; (4) by striking out in the second sentence thereof the words 'or make loans on'; (5) by striking out in the fourth sentence thereof the words 'or loan on'; (6) by striking out in the fifth sentence thereof the words 'as security for loans.'"

Mr. SWEENEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SWEENEY. Is the amendment offered by the gentleman from Michigan [Mr. MCLEOD] an amendment to the amendment offered by the gentleman from Missouri [Mr. COCHRAN], or is it a separate amendment?

The CHAIRMAN. The amendment offered by the gentleman from Michigan is a perfecting amendment to section 6.

The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The amendment was rejected.

The Clerk reads as follows:

SEC. 8. Section 1 of the act entitled "An act to authorize the Reconstruction Finance Corporation to subscribe for preferred stock and purchase the capital notes of insurance companies, and for other purposes", approved June 10, 1933, as amended (U. S. C., Supp. VII, title 15, ch. 14, sec. 605e), is amended by striking from the last sentence thereof "$50,000,000" and inserting in lieu thereof "$75,000,000".

Mr. KOPPLEMANN. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KOPPLEMANN: Page 17, line 4, strike out all of section 8, lines 4 to 11, inclusive.

Mr. KOPPLEMANN. Mr. Chairman, a year ago during the great emergency that was upon certain weak insurance companies I supported a measure aiding insurance companies to the extent of $50,000,000. As I understand it, aid was given to the extent of $35,000,000. The insurance companies that were in difficulty and in trouble were taken care of. The crisis was met and passed. The other day when Mr. Reed appeared before our committee I asked him the reason for increasing the amount from $50,000,000 to $75,000,000 in this bill now under consideration. Our committee records show he was unable to answer the question. I then asked him to prepare an answer to the question and let me have it. He sent to the chairman of the committee a statement containing a great many figures showing that $35,000,000 had been lent to insurance companies, but there was nothing in answer to my query as to the reason for the continuance of these loans or the need for the increase from $50,000,000 to $75,000,000.

Now, Mr. Chairman, I know something about insurance companies. I know that the old-line companies were opposed to this aid to the smaller, weaker companies, but I took the position that because legislation was being passed to help those in distress these insurance companies should also receive aid; but I do not know of any reason why this aid should be increased now. The amendment which I have just offered simply leaves $50,000,000 to the Reconstruction Finance Corporation to continue their work, but cuts out the extra $25,000,000. In view of the fact that no statements have been made which would justify even a continuance of the $50,000,000 and no answer made as to the reason for the increase, I urge the adoption of my amendment.

Mr. HANCOCK of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. KOPPLEMANN. Certainly.

Mr. HANCOCK of North Carolina. In order to keep the record straight, is it not a fact that the general counsel of the Reconstruction Finance Corporation fulfilled his promise made to the gentleman and had the information before the committee and the chairman sought the gentleman, but could not find him?

Mr. KOPPLEMANN. I have that information.

Mr. HANCOCK of North Carolina. And every bit of the information has been delivered to the gentleman.

Mr. KOPPLEMANN. No; that is not correct. The information that was given to me was given through the chairman of the committee. I have that information, but the information only gives the figures as to the amounts that have been loaned up to now, $35,000,000. This is all the information that was contained in that answer.

Mr. HANCOCK of North Carolina. I may say to the gentleman that I have in my possession, which I will be delighted to turn over to him, information which fully substantiates the recommendation made by the general counsel that the Corporation would need additional funds for this purpose.

Mr. KOPPLEMANN. Will the gentleman take time in opposition to my amendment in order to give us that information?

Mr. HANCOCK of North Carolina. I shall be delighted to furnish the gentleman with a copy of it and let him use it himself.

Mr. KOPPLEMANN. I think the Members of the House ought to have it. I asked for it, but I have not had it. All I received were some figures as to money that was loaned since this bill was enacted at the last session of the Congress. If the gentleman has any further information, I should be glad to have it, and I am sure the Members of the House ought to have it.

Mr. HANCOCK of North Carolina. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Connecticut.

I dislike to take issue with my good friend the gentleman from Connecticut [Mr. KOPPLEMANN], one of the able members of our committee, but I happen to have been present at the meeting of the committee when the chairman sent a special messenger to the gentleman from Connecticut [Mr. KOPPLEMANN] in order to hand him the memorandum containing the data which had been prepared by the general counsel of the Reconstruction Finance Corporation.

In the act which we passed last year an appropriation of $50,000,000 was earmarked and set apart to be used in the purchase of preferred stock or loans on preferred or capital notes of these casualty companies. My understanding is that up to date $100,000 has been subscribed in preferred stock and $35,000,000 has been loaned on preferred stock or debentures to eight or ten different companies. The schedule showing full details of loans was presented to the committee and is available to anyone wishing to see it.

My understanding is that much good has been accomplished through these loans.

Personally, when this amendment was first offered on the floor of the House, some of the Members will probably recall that I opposed vigorously the idea of the Government matching capital with these insurance companies unless the insurance companies furnished new cash capital.

The House approved the amendment which I offered, inserting the word "cash." When the bill went to conference it came back without the word "cash." The conferees probably had good reasons for deciding that it ought to go out, as they do in respect to many matters placed in bills by the House.

The fact is these institutions are in the process of reorganization and rehabilitation. They are not only engaged in writing indemnity and contract insurance of all kinds but they are obligated for many million dollars in real-estate obligations. I understand if we continue the R. F. C. they can extend life to these institutions and bring about a great saving to the bondholders and equity holders of this mortgage property. My chief interest is in seeing that these funds of the taxpayers are used to aid the mortgagor in adjusting his obligations, a large percentage of which are usurious. This is certainly true in North Carolina.

Mr. SIROVICH. Will the gentleman yield?

Mr. HANCOCK of North Carolina. I yield.

Mr. SIROVICH. Since some aspersions might inadvertently have been cast by the previous speaker against the character of the general counsel of the Reconstruction Finance Corporation, Hon. Stanley Reed, will the gentleman concede with me that he is, in my humble opinion, one of the most brilliant and gifted attorneys in this or any other department?

Mr. HANCOCK of North Carolina. I will; and I will also add that I know that my friend from Connecticut [Mr. KOPPLEMANN] did not intend to cast any reflection or aspersion upon his ability or character.

Mr. KOPPLEMANN. Mr. Chairman, my friend the gentleman from North Carolina has given information exactly as I gave it to you before he started his remarks. I had that information, and that information was given to me and given to the committee and to the Congress and the country, but it does not substantiate in the least one reason for the increased financing of these insurance companies.

Mr. GOLDSBOROUGH. Will the gentleman yield?

Mr. KOPPLEMANN. I yield.

Mr. GOLDSBOROUGH. Does not the gentleman think that after the assistance that the Hartford companies have received that he ought not to make this criticism?

Mr. KOPPLEMANN. That is an insinuation not based on the facts. No Hartford insurance company has received any of this money from the Finance Corporation. That remark has nothing to do with the situation.

Mr. GOLDSBOROUGH. That may be so. I am not questioning what has been done.

Mr. HANCOCK of North Carolina. Thereby enabling an orderly liquidation of much distressed property throughout America.

Mr. KOPPLEMANN. Yes; but the gentleman will agree with me that that is beside the question.

Mr. HANCOCK of North Carolina. No; I agree that that is inside the question.

Mr. KOPPLEMANN. I am satisfied that we should continue the work that was started, that those companies which had received money should continue to receive it until they are well out of the woods, but $50,000,000 is more than is necessary. There is no reason for the increase, and my amendment simply calls for continuing the fifty-million basis instead of increasing it to $75,000,000.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. KOPPLEMANN. Yes.

Mr. CELLER. Does the gentleman know whether there are any applications pending in the office of the R. F. C. from insurance companies?

Mr. KOPPLEMANN. All those questions were asked, and I was not able to get an answer and I waited a sufficient time for them to give me an answer. The answer was not given.

Mr. HANCOCK of North Carolina. Will not the gentleman refresh his recollection and admit that the general counsel of the Reconstruction Finance Corporation told the committee that applications on hand and prospective applications would require a considerable amount?

Mr. KOPPLEMANN. The gentleman has a copy of the hearings, and I should like to see that. I cannot remember any such statement. That is why I asked him to prepare a statement, because he said he could not give us the information and we have not had it up to the present time. I am simply trying by this method to save the Nation from allocating $25,000,000 more, which amount is something which no one has any reason for voting for at this time.

Mr. CELLER. I assume that the gentleman has faith and confidence in the officials of the R. F. C.

Mr. KOPPLEMANN. I am not questioning that.

Mr. CELLER. And that he knows that those officials would not ask for these funds if they were not needed.

Mr. KOPPLEMANN. Let me say for the information of the gentleman that we were told in committee hearings that certain features of this bill were put in at the request of other departments, not the R. F. C., so we are not impugning the R. F. C., or anyone else. There are things in this bill not in there because the R. F. C. asked for them, or that any of the officials of the R. F. C. asked for. That is an unfair question to ask, and so, Mr. Chairman, I think it is good policy for this Congress to be careful in the appropriation of large sums of money, especially when apparently no one is asking for them.

Mr. WOLCOTT. May I suggest this merely raises the authorization which the R. F. C. can use for this purpose, and it in nowise increases the amount which the R. F. C. can use, and is not a charge against the Treasury of the United States. We are making no new appropriation. It merely increases the amount which the R. F. C. can use out of the funds available for this purpose.

Mr. KOPPLEMANN. All of that may be true, but the gentleman knows that if you allocate $75,000,000 the insurance companies will come in and try to get it.

Mr. STEAGALL. They did not get all of the other.

Mr. KOPPLEMANN. They got $35,000,000 out of the $50,000,000.

Mr. STEAGALL. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. KOPPLEMANN].

The amendment was rejected.

The Clerk read as follows:

SEC. 10. Section 5d of the Reconstruction Finance Corporation Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is amended (1) by striking out all of the first sentence thereof after the word "industry" and the remainder of the first paragraph, and inserting in lieu thereof the following:

", and to any institution, now or hereafter established, financing principally the sale of electrical, plumbing, or air-conditioning applicances or equipment, both urban and rural. Such loans shall, in the opinion of the board of directors of the Corporation, be so secured as to reasonably assure repayment of the loans, may be made directly, or in cooperation with banks or other lending institutions, or by the purchase of participations, shall mature not later than January 31, 1945, shall be made only when deemed to offer reasonable assurance of continued or increased employment of labor, shall be made only when, in the opinion of the board of directors of the Corporation the borrower is solvent, shall not exceed $300,000,000 in aggregate amount at any one time outstanding, and shall be subject to such terms, conditions, and restrictions as the board of directors of the Corporation may determine.";

And (2) by striking out from the second paragraph thereof the figures "1935" wherever they appear herein and inserting in lieu thereof the figures "1937."

Mr. DUFFEY of Ohio. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. DUFFEY of Ohio: Strike out on page 19 all of lines 1, 2, 3, and that part of line 4 to the period after the word "rural."

Mr. DUFFEY of Ohio. Mr. Chairman, I recognize that this is not the first time that the Membership of the House is called upon to stay late in the consideration of emergency legislation. It is not my disposition or intent to delay the matter longer than necessary. I cannot find anything in the lines on page 19 I seek to strike out that is either necessary or proper in the pending legislation. I find on page 12 in the report submitted by the Committee on Banking and Currency the original language of existing section 5 (d) of the Reconstruction Finance Corporation Act. That language as it exists is broad enough to take care of this particular purpose. I am at a loss to understand what is meant by the word "institution" as it appears in line 1, on page 19. I know that reasonable minds may differ in the interpretation of that word. I do not know any reason why a particular industry, whether it directly or indirectly benefits the people through public utilities, should be specially favored, or why these favors should not be extended to other institutions. If it is now covered by existing law, then the striking out of these words would not do any harm and might disabuse the minds of many people in our Nation who sometimes feel there has been some favoritism shown or that something has been done by the R. F. C. not entirely to the general benefit.

Mr. HILL of Alabama. Mr. Chairman, I rise in opposition to the amendment. The members of the committee will recall the passage by the last Congress of the Tennessee Valley Authority Act. When the bill creating the Tennessee Valley Authority was in the Committee on Military Affairs, I introduced and the committee adopted the following amendments:

This policy (the power policy of the Authority) is further declared to be that the projects herein provided for shall be considered primarily as for the benefit of the people of the section as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns which will permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity.

The T. V. A. carrying out this policy has greatly reduced the cost of power to farmers and to domestic consumers in the towns and cities in the valley of the Tennessee and has made possible the use of much more power by the people of the valley. For instance a farmer in the T. V. A. territory can buy 200 kilowatt-hours of electricity per month for $4.50. This is sufficient power to light his home, pump his water, and operate his refrigerator, radio, electric iron, electric churn, washing machine, and electric stove. The same power in the great agricultural State of Iowa would cost the farmer $14.50, while just across the river here in Virginia it would cost the farmer $12.50. A farmer today in the T. V. A. territory can purchase about 42 percent more power at about 66 percent less cost than he could in the old days from the private companies, and here let us note that the T. V. A.

yardstick in working for the T. V. A. rates has brought about a reduction in the rates of the private companies and has saved the consumers of the country millions of dollars.

Before the T. V. A. could distribute and sell its power, the consumers had to secure the necessary electrical equipment and appliances such as electric pumps, stoves, refrigerators, and the like. With the depression and the economic condition as they were, most of the people of the Tennessee Valley did not have the money with which to buy the necessary equipment and appliances, so the T. V. A. proceeded to organize as a subsidiary corporation the Electric Home and Farm Authority, and the R. F. C. made available $10,000,000 to this Authority to aid in financing the purchase of the necessary electrical equipment and appliances. Through the aid of the Electric Home and Farm Authority, the consumers have not only secured the necessary equipment and appliances but have also secured them at fair and reasonable prices.

We hear much today in protest of the Government's going into business. We are told that the Government should not sell and distribute power. The work-relief bill which we passed the other day will make available funds for loans to utility companies for the generation and distribution of power. This section in the bill, which the gentleman's amendment would strike from the bill, would provide funds for the purchase of the necessary electrical equipment and appliances. In other words, this section, together with the provisions of the work-relief bill, would give to private industry the opportunity to secure the necessary funds to go ahead and finance the sale and distribution of power along the lines of the T. V. A. Today nearly all the dams, power houses, generating facilities, high-tension lines, and distribution systems are owned and operated by private industry.

Under the program of President Roosevelt, we are going forward with plans for cheaper power, better homes, and rural electrification; and unless private industry is willing to come forward and do its part in the attainment of that program, the Government will go forward and attain the program itself. I repeat that this section in the bill gives to private industry its opportunity to come forward and at least do its part in the program.

Mr. MAY. Is not the sole purpose of this section to enable loans to be made to the Tennessee Home and Farm Authority?

Mr. HILL of Alabama. Not necessarily. It would open the door to the institutions that might be in the business of financing or selling electrical equipment and appliances.

Mr. DUFFEY of Ohio. Will the gentleman yield?

Mr. HILL of Alabama. I yield.

Mr. DUFFEY of Ohio. Would this include the automobile business?

Mr. HILL of Alabama. No; it would not include the automobile business. It only includes electrical equipment and appliances.

Mr. Chairman, my time has expired and I must close, but I wish to urge as strongly as I can the defeat of the amendment. We must and we shall have cheaper power, better homes, and rural electrification.

Mr. STEAGALL. Mr. Chairman, I do not care at this late hour to discuss the merits of this proposition, but I do wish to have a clear understanding as to the technical significance of the language which it has been proposed to strike from the bill. The existing law provides for loans to industrial and commercial institutions. The language of the bill before us, which it is proposed to strike out, authorizes loans to entirely different agencies, namely, financial institutions engaged in the specific business of financing the sale of the various electrical appliances and equipment outlined in the act. I wish it clearly understood that there can be no serious contention that the original act accomplishes the results that are designed and will be accomplished by the language of the act before us. I simply wish to make clear what we are attempting to do by the provision under consideration. I leave discussion of the merits to the gentlemen who wish to be heard, but I am in full accord with all that has been so well said regarding the purpose of the section.

Mr. RANKIN. Mr. Chairman, I rise in opposition to the amendment. If I am familiar with any phase of legislation that comes before this House, it is legislation of this kind.

Let me say to the gentleman from Ohio [Mr. DUFFEY] that I regard this as probably the most valuable provision of this bill. This is not for the benefit of the people in the Tennessee Valley altogether; it is not for the benefit of the people in the Tennessee Valley area. I do not live in the valley. I live in the valley area. But this is for the benefit of all the American people.

Now, we use, on an average, 50 kilowatt-hours per month in the United States, while the Canadian uses seven times that amount, or more than 350 kilowatt-hours per month. I mean in that area that is being served from Niagara Falls. Strange to say, we pay as much for our 50 kilowatt-hours as they pay for their 350. But I will go into that at another time.

One thing that has prevented our people from using electricity is the high price of appliances, and the impossibility of securing appliances at reasonable prices. The producers of electricity have held their rates so high that people could not afford to buy the equipment, because they could not pay the power rates.

The people sold equipment at high prices, prices so high that people could not afford to buy the electricity to run them, because they could not afford to pay for the equipment. They, therefore, strangled each other. The Electric Home and Farm Authority has more or less broken that strangle hold and it is enabling people to buy electric equipment, from radios to washing machines, from cooking stoves to water pumps, until the American people everywhere are clamoring for cheap power and lower-priced electrical equipment. This is not confined to the people who buy electricity from the Tennessee Valley Authority or to those who use electricity generated by the Tennessee Valley Authority. But people everywhere are demanding, and I hope they will continue to demand, that electricity be furnished at reasonable rates. The T. V. A. demands it before the purchase of these appliances will be financed through the Electric Home and Farm Authority.

We are entering an electric age. We want to put cheap electricity into the home of every American. That is what we are striving for. We want to put cheap electricity into every nook and corner of the United States. We have a sufficient amount of electric energy. Enough power is going to waste in our navigable streams today to supply every home in America; and if we can get the prices of electrical equipment down and also get these developments made and get this power to the people at reduced rates based upon the cost of production, transmission, and distribution, you will see the greatest progress made in America in the next few years that has ever been made in any country in all the history of mankind. [Applause.]

[Here the gavel fell.]

Mr. SWEENEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 2 additional minutes so I may ask him a question.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SWEENEY. Mr. Chairman, I admire the gentleman from Mississippi in his serious fight against public utilities and against the Power Trust; but I am a little concerned about the language in this bill. The phrase "electrical equipment" is a pretty broad term. If it be construed to mean merely small household appliances, washing machines, radios, and so forth, my objection would not be so serious; but suppose the construction were placed upon this term that it meant a turbo-electric generator, or a Diesel generator, or a Diesel engine, and some corporation sets itself up to sell and finance such heavy generating equipment, and along comes my city or some other subdivision of government and wants to expand its municipal light plant. We would have to pay an enormous price and high interest rates to the corporation, which, in turn, would get money from the R. F. C. at low interest rates.

Mr. RANKIN. My friend is unduly exercised on that point.

Mr. SWEENEY. I wish the gentleman would tell me about it.

Mr. RANKIN. The phrase "electrical equipment" is well understood by people engaged in the industry, both those who manufacture and those who sell it. It does not mean turbines and large machinery such as the gentleman mentioned.

Mr. SWEENEY. What would the gentleman call a turbo-generator, if not electrical equipment?

Mr. HILL of Alabama. When people want such machinery as that, they specify turbines, and so forth.

Mr. SWEENEY. But the phrase "electrical equipment" in the bill might include an engine.

Mr. RANKIN. Oh, no; it cannot.

Mr. DUFFEY of Ohio. Mr. Chairman, if the gentleman will permit, while he has the floor I wish he would interpret the meaning of the word "institution."

Mr. RANKIN. I will say to the gentleman from Ohio that I do not know that I am prepared to give a definition of the word "institution"; but I would say the term, as used here, means a corporation, partnership, or firm organized to engage in business.

I hope this amendment will be voted down.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 5 minutes.

The motion was agreed to.

Mr. CONNERY. Mr. Chairman, I rise at this time to get some information from both the gentleman from Mississippi and the gentleman from Alabama. I am entirely in sympathy with their idea of getting electricity into every home, but I do not want to help concerns, such as the New England Power Trust, to be able to borrow money from the R. F. C. when they are charging exorbitant rates, sometimes as much as 600-percent profit. I do not want to give them an opportunity to come to the R. F. C. and get more money to finance equipment they will sell to the people of Massachusetts and New England. What I want to know is whether under the provisions of this bill they can do that.

Mr. RANKIN. I thoroughly agree with the gentleman from Massachusetts. Because of belief in this principle, when the Electric Home and Farm Authority was created and put into operation it was provided that before those power companies could get the benefit of its aid they must bring their rates down.

Mr. CONNERY. I agree with the gentleman there.

Mr. SWEENEY. That is not provided in the pending bill, though.

Mr. CONNERY. I understand thoroughly how you are bringing rates down, and I hope when the President gets this wonderful program going all over the United States that the power rates will be materially reduced; and there is every evidence that the President's sincere effort to help the people of the United States in this regard will be productive of great good; but what about the equipment; what is to prevent them from soaking the people on this equipment?

Mr. RANKIN. As I say, that will be under regulation.

Mr. CONNERY. I want to get directly to those who, for instance, will sell washing machines, electric refrigerators, and electric irons to the people in Tennessee.

Mr. RANKIN. May I say to the gentleman that this kind of an arrangement was made. The directors of the Tennessee Valley Authority called in the large manufacturers of equipment and said to them, "We are going to assist you as much as possible, but you must bring the prices of your equipments down so that the people can afford to pay for them." An electric stove, for instance, that formerly cost $135, today sells for about $57.50. They are making more money because they are selling more of them.

Mr. CONNERY. Here is what I mean. In my home city of Lynn, the Lynn Gas & Electric Co. are the ones that sell refrigerators, irons, and everything else that goes into the home, and I do not want them to get anything from the United States Government. They put in a lot of time and expended considerable money trying to defeat me for reelection to Congress because I was against them.

Mr. RANKIN. I presume this will or should have some safeguards thrown around it that before they can secure these loans they must at least bring their equipments down to a reasonable basis, and before they can be supplied through any power company or their subsidiaries they must bring power rates down to a reasonable basis.

Mr. CONNERY. Does the gentleman think then that the language now in the bill will help the people of the United States get cheaper electricity and cheaper equipment and will enable them to have electricity in their homes?

Mr. RANKIN. Yes; I think it will.

Mr. CONNERY. Then I am for it.

[Here the gavel fell.]

Mr. BOILEAU. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: Mr. BOILEAU moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. BOILEAU. Mr. Chairman, I regret very much that the gentleman from Alabama would not permit me to offer my amendment in the ordinary way and have 5 minutes time as every Member is entitled to under the rules of the House. I consider this amendment very important, especially in view of the fact that in the debate this afternoon I stated I intended to offer the amendment. I do not believe it is going to facilitate the passage of the bill tonight any quicker.

I am offering the amendment in all seriousness. It is in conformity almost with the present law now in effect. Referring to the amendment I propose to offer and which will be offered, although I will not have an opportunity to address my remarks to the particular amendment, it will provide that the words "now established" be inserted on page 19, line 1, before the quotation marks. The law at the present time provides that the R. F. C. may make loans to industrial and commercial businesses that were established on January 1, 1934. My amendment allows just 1 more year, but provides that loans cannot be made to any industry excepting those industries that are now established. The obvious purpose of that is to prevent the R. F. C. from lending money to new industries.

Mr. BULWINKLE. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BULWINKLE. The gentleman from Wisconsin is not talking upon his motion to strike out the enacting clause.

The CHAIRMAN. The gentleman will proceed in order.

Mr. BOILEAU. Mr. Chairman, may I have a ruling to determine whether I was in order in proceeding the way I did proceed?

The CHAIRMAN. The gentleman may discuss the bill.

Mr. BOILEAU. Mr. Chairman, this bill, in my opinion, carries a very bad provision and should be amended as I suggested; that is, to prevent loans being made to business establishments not now in existence. I do not offer this merely as a gesture in favor of the paper industry I referred to sometime ago. Other business enterprises are in the same position.

We find that the Reconstruction Finance Corporation is trying to rehabilitate businesses that are now in existence, and I cannot see where there is any justification to encourage new business enterprises and to make loans to people who want to go into business to compete with people who are now in need of help. May I say furthermore to the Members from the Southern States, who have the paper industry in their States, that they have a great deal of responsibility on their shoulders. If you want to have other interests get money from the Federal Government to organize paper mills to compete with the paper mills now in existence in your State, that is your responsibility. This is not only a matter of interest to the State of Wiscon-

sin and to the State of New York but to other States as well, who may have the paper manufacturing and pulp industry in their States. I submit that not only the paper industry is interested in this matter but all business should be interested.

It is a question, in my opinion, of saving the presently organized business institutions, and I do not believe there is justification for changing the name of this act from the Reconstruction Finance Corporation Act to the New Construction Finance Corporation Act. I maintain that if the Federal Government is going to make funds available for the purpose of strengthening the present business structure to enable them to employ men, to enable them to keep their feet on the ground, and to enable them to stay in business, the money should not be diverted for the purpose of encouraging people to take the reverse position from that which the Government has taken and put other businesses in direct competition with business establishments now in existence.

I ask the Members from the South to note this particularly. You may have in the beginning taken this as a sectional fight between the North and the South, but that was the furthest from my purpose at that time. I made the remark earlier in the day that the paper industry of the North was entitled to some protection. I say that the paper industry of the South is also entitled to some protection, and we should not encourage at this particular time more competition in an industry that is now overcome and suffering.

[Here the gavel fell.]

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from Wisconsin [Mr. BOILEAU].

Mr. Chairman, I do not share the apprehensions of the gentleman from Wisconsin, who is my friend and who comes from an adjoining State; nor would I knowingly do anything to harm the gentleman or his State.

You will recall that the original act empowered the R. F. C. to lend only to those businesses that were in existence on or before the 1st day of January 1934. Some suggestion has been made to strike that date from the act and permit the R. F. C. to lend to businesses that may be organized after the 1st of January 1934, with the suggestion from the gentleman from Georgia [Mr. DEEN] that there is a possibility of the R. F. C. permitting some sundry millions of dollars to be used for the development of pulp and paper mills in Georgia.

While I live above the Mason and Dixon's line, I am entirely in favor of this provision whereby this pioneering may be done in the South, and I will tell you why. Last year we imported $170,000,000 worth of pulp from other countries, including Finland, Sweden, Norway, and principally, Canada. There is a reason for this. In these countries they have spruce that has a small resinous content, and consequently it can be fabricated into pulp and paper with a minimum of difficulty. They have carried on some experiments at Savannah, Ga., and they find that slash pine, which will yield about 2 cords to the acre per year, will make the finest kind of paper. It can even be developed into rayon at a very cheap price.

Now, here is a singular thing about the experiments that have been conducted. They can convert Georgia slash pine into paper at a conversion cost of $19 a ton, whereas it costs $28 in Canada and almost $43 in the United States at the present time. This is the reason why more than 70 percent of all our pulp is imported from foreign countries at this time.

Here is an opportunity to save this business for our country. I do not mind confessing that I am very decidedly a nationalist and I believe that in proportion as we can pioneer, we carry out the basic purposes of this act to provide loans to industry and give employment to our people.

If we can develop a new industry in the South, ultimately, to take care of much of the land that has been worn out and eroded and can no longer be given over to the cultivation of cotton, I see no reason why we should not do it now as a part of a 10- or 15-year planning process whereby we will ultimately save them from difficulty and from a very acute and serious problem.

Mr. BOILEAU. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. BOILEAU. Does not the gentleman think it is rather inconsistent for the Government to have these various measures restricting industry and at the same time lend money to engage in industry in competition with an industry that is now suffering?

Mr. DIRKSEN. I would say to the gentleman that he confuses administrative and political policy with what ought to be considered as an economic policy. This matter of developing new industries is very essentially economic. If any restrictions are imposed upon existing paper mills whereby they find it difficult at the present time to get along, I would say they are administrative restrictions that should be lifted, but do not go to the fundamentals of this proposal.

Mr. BOILEAU. May I call attention to the fact that there is nothing in the language of this amendment that refers to the paper industry. That is a matter, of course, of some concern to me, but it is also a matter of concern to me that we are lending money to industries to compete with industries now having a difficult time standing up and doing business.

Mr. DIRKSEN. Let me say that this is entirely permissive legislation. This does not direct or make it mandatory that the Reconstruction Finance Corporation should advance any money for this purpose. It merely provides that if it is good business, then it shall be done.

[Here the gavel fell.]

The CHAIRMAN. The question now is on the motion of the gentleman from Wisconsin [Mr. BOILEAU] to strike out the enacting clause.

The motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

Mr. BOILEAU. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BOILEAU: Page 19, line 1, after the quotation marks, insert "now established."

The amendment was rejected.

Mr. FERGUSON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 19, line 2, after the word "sale", insert "of farm equipment."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. BURDICK. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

At the end of section 10 insert a new paragraph, as follows:

"That the first paragraph of section 5d of the Reconstruction Finance Act, as amended (U. S. C., Supp. VII, title 15, ch. 14), is amended by adding after the first sentence thereof the following: 'or where the major portion of the investment in such industrial or commercial business (to develop the point of production) has been made prior to January 1, 1934.'"

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota.

The question was taken, and the amendment was rejected.

Mr. FISH. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

On page 19, line 16, after the word "exceed", strike out "$300,000,000" and insert "$500,000,000."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 11. In all cases where the Reconstruction Finance Corporation shall hold any bonds or other evidences of indebtedness of any borrower under section 201 (a) of the Emergency Relief and Construction Act of 1932, whether heretofore or hereafter

acquired, and such borrower shall be able and willing to substitute or cause to be substituted therefor any other bonds or other evidences of indebtedness, whether of the same or longer maturities or otherwise differing, which, in the judgment of said Reconstruction Finance Corporation, are more desirable than those so held, the said Reconstruction Finance Corporation is authorized to accept such bonds or other evidences of indebtedness in exchange and substitution for such bonds or other evidences of indebtedness so held by it, upon such terms and conditions as may be agreed upon with such borrower at the time of, or in contemplation of, such exchange and substitution.

Mr. CRAWFORD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 21, line 8, after the word "are" strike out the word "more" and insert the word "as."
After the word "desirable" strike out the word "than" and insert the word "as."

Mr. CRAWFORD. Mr. Chairman, this amendment is offered in all seriousness. I shall speak of this from a practical standpoint. I assume the desire of the committee and of the House is that, where a borrower has collateral up as security and desires to substitute some other collateral therefor, the Reconstruction Finance Corporation should have the privilege of accepting in lieu of that collateral, other collateral just as good. We should not require the Corporation to demand collateral of a greater value than that originally placed to secure the loan.

Mr. STEAGALL. Mr. Chairman, I do not think there will be any objection to the gentleman's amendment.

Mr. CRAWFORD. Very well. I would like, however, to call the attention of the House to this:

I had a practical experience with the Reconstruction Finance Corporation in which I asked for a loan of $500,000, which would liquidate itself within 12 or 14 months, and for which I offered collateral of $1,600,000. This loan would have placed some 4,000 people on the pay roll, which would have paid them a minimum wage of 32½ cents an hour. I sat on the doorstep of the Reconstruction Finance Corporation for some 8 or 9 days awaiting the acceptance of that application. The undertaking had to do with processing farm crops and was of a nature which required prompt action in order to give the farmers a chance to plant the crop before the time of planting expired or before the season was gone. The work had to be done then or not at all. The appraisals were made, and elaborate details were filed, and all requirements of the R. F. C. were complied with insofar as furnishing data was concerned, and when the loan was denied the Corporation did not extend the courtesy of stating why the loan was not granted. The only information I received was a very brief telegram stating "loan denied."

In behalf of private industry in this country, which desires fair treatment on the applications which it sends in, I hope something will be done in setting up administrative rules at the R. F. C. office so that when a legitimate loan is turned down the man who desires to borrow the money will have a reasonable statement from the R. F. C. as to why the loan is denied, because when loans are turned down as the one I referred to was turned down, and without any reason at all being given, it breaks down the confidence of the borrowing public in the Reconstruction Finance Corporation. It is not fair treatment because in banking circles it is very difficult to negotiate a loan after you have been denied it by some financial institution, and particularly when you cannot give an answer as to why the loan was denied by the previous firm who was approached in respect to borrowing the money.

I hope the members of the Reconstruction Finance Corporation, if they are listening, will bear that in mind.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. Yes.

Mr. FORD of California. Did the gentleman go to a bank before he went to the R. F. C.?

Mr. CRAWFORD. We had the matter up with the banks, but they felt they should not make loans without having what might be termed "liquid collateral", as this loan could not have been paid before 12 to 14 months or until the crops had been grown, processed, and placed on the market. The banks felt they should keep their money invested in more liquid collateral or investments, such as Government bonds, instead of lending it to private industry in this manner.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

The Clerk read as follows:

SEC. 14. The Reconstruction Finance Corporation is authorized and empowered to make loans upon sufficient security to recognized and established corporations, individuals, and partnerships engaged in the business of mining, milling, or smelting ores. The Reconstruction Finance Corporation is authorized and empowered also to make loans to corporations, individuals, and partnerships engaged in the development of a quartz ledge, or vein, or other ore body, or placer deposit, containing gold or silver, or gold and silver, when, in the opinion of the Reconstruction Finance Corporation, there is sufficient reason to believe that, through the use of such loan in the development of a lodge, ledge, or vein, or mineral deposit, or placer gravel deposit, there will be developed a sufficient quantity of ore, or placer deposits of a sufficient value to pay a profit upon mining operations: *Provided*, That not to exceed $10,000 shall be loaned to any corporation, individual, or partnership, for such development purposes: *Provided further*, That there shall not be allocated or made available for such development loans a sum in excess of $10,000,000.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent to make a correction of a clerical error in the bill. In line 10, on page 21, the figures "$10,000" should be "$20,000", and I ask that that be corrected.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

Mr. FISH. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FISH: Page 21, line 3, after the word "gold", strike out the word "or", insert a comma, and after the word "silver" add the words "or tin."

Mr. FISH. Mr. Chairman, I hesitate at this late hour to encroach upon the patience of the House, and I would not do it except that this is a very important amendment. The Committee on Foreign Affairs of the House has been investigating the tin situation for the last 6 months through a subcommittee authorized by the Congress. The fact is that we import $70,000,000 worth of tin each year. There is a world-wide tin monopoly which controls the price of tin. We are the largest consumers of tin in the world. We consume over 50 percent of all of the tin produced and consumed. It appears that there are many possible tin deposits throughout the United States, in most of the States of the Union, but particularly in Alabama, North and South Carolina, North and South Dakota, New Mexico, and California.

This amendment merely makes available $20,000 for development purposes. By making this $20,000 available we may discover sufficient tin to make it minable. We might thereby save 10 percent of $70,000,000 or more. There is no reason to believe that these tin deposits do not exist in the United States. I believe they do, in North and South Carolina and in Alabama, and in addition it is reported they are present in about 20 other States. I have not the time to mention all the States, but in view of the fact that the matter contained in this section was brought up in the Banking and Currency Committee—I don't know why as I was not there at the time—it seems to me that this is an opportune time to offer the amendment that I have, to include tin. I have spoken to the sponsor of the original amendment in the committee [Mr. SCRUGHAM] and he has agreed to accept my amendment.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. FISH. I yield.

Mr. FITZPATRICK. How much tin is produced in the United States?

Mr. FISH. That is just it, very little.

Mr. FITZPATRICK. Less than 1 percent.

Mr. FISH. Just about 1 percent.

Mr. FITZPATRICK. Less than 1 percent.

Mr. FISH. Very well. Less than 1 percent.

Mr. FITZPATRICK. And 37 percent of all tin used here is reclaimed tin.

Mr. FISH. Certainly. The point is that we import $70,000,000 worth of tin. The point is that the Congress of the United States authorized an investigation of the situation for the purpose of national defense and to develop, if possible, a tin industry in the United States. It is essential to develop and encourage domestic production of tin and not be at the mercy of foreign nations. We are in a dangerous position without any minable tin. We are absolutely powerless without it. We have no means of getting it except from Great Britain, Holland, Bolivia, or China unless we discover sufficient quantities in our own country, and for that reason we should accept this amendment. There is only $20,000 involved. There is no partisanship in this, and I hope the amendment will prevail and that it will provide sufficient sums to promote the development of tin in the United States.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FISH].

The question was taken; and on a division (demanded by Mr. HANCOCK of North Carolina) there were ayes 83 and noes 32.

So the amendment was agreed to.

Mr. WOLCOTT. Mr. Chairman, I offer an amendment which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. WOLCOTT: Page 21, line 3, after the word "silver", insert the words "and copper."

Mr. WOLCOTT. Mr. Chairman, the great State of Michigan is one of the largest copper-producing States in the world. At the present time, in what we in Michigan call the "Northern Peninsula of Michigan", the mining industry is at its lowest ebb in several generations of mining, due to the fact that large ore deposits have been found in South Africa and other parts of the world, which I am told, can be mined much more cheaply than our copper in Michigan and that in many other of the copper-producing States of the United States.

It is only natural that we should include copper in this bill, because I am told that silver is a byproduct of copper. It would be rather inconsistent to include silver without including copper. What I am trying to do for my State, and what many of you from other copper-producing States of the United States want to do for your States, is to take these miners from the welfare rolls and put them back into the mines with a living wage. If the Reconstruction Finance Corporation will but give some encouragement to the mining companies which are trying to hold these experienced men together to do their mining for them, we will take probably 80 percent of the men, women, and children in the Northern Peninsula of Michigan and other States of the Union from the welfare rolls and we will give them employment in gainful occupation.

Mr. SHORT. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SHORT. What the gentleman says applies particularly to the district which I have the honor to represent, which produces two-thirds of the lead and zinc produced in the United States, and where 27 percent of our present population is on relief.

Mr. WOLCOTT. I am glad to have the gentleman's comments.

Now, we want to do something to relieve unemployment. This is how we can do it in these particular districts of the United States.

I ask favorable consideration of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. WOLCOTT].

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were ayes 38 and noes 83.

So the amendment was rejected.

Mr. MAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAY: Page 20, line 24, after the word "smelting", insert the words "coal, minerals, and ore."

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Kentucky.

The question was taken; and on a division (demanded by Mr. MAY) there were—ayes 14, noes 72.

So the amendment was rejected.

Mr. CELLER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 21, line 15, insert a new section, entitled "Section 12–A", as follows:

"The Reconstruction Finance Corporation, in addition to the foregoing powers, is authorized and empowered to make loans to any institution the principal business of which is that of lending money to taxpayers at an interest rate not exceeding 4 percent per annum, plus a service charge of not in excess of 2 percent, for the payment of real-estate taxes, water rates, or special assessments on real estate against the security of tax liens or any interest therein held by the taxing authority."

Mr. STEAGALL. Mr. Chairman, the head of the Reconstruction Finance Corporation has said he did not especially object to this; that it could be administered. I am not going to offer any opposition.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: Page 20, line 24, after the word "ores" and the period, strike out the balance of the section.

Mr. TABER. Mr. Chairman, this section permits the R. F. C. to grubstake all kinds of prospectors for gold and silver. It seems to me an absolutely ridiculous thing, and I have offered this amendment to strike out that part of the section. I hope my amendment will be adopted.

Mr. WADSWORTH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WADSWORTH. Does not the gentleman see in this section the implied necessity of the Reconstruction Finance Corporation's embodying mining experts to accompany prospectors in order to make up their minds whether the lode, or ledge, or quartz is an ordinarily profitable prospect?

Mr. TABER. If they were going to exercise any prudence whatever, they would have to do that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 33, noes 83.

So the amendment was rejected.

Mr. RANKIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: Page 20, line 24, after the word "ores", insert "or mining and/or developing merchantable clays."

Mr. RANKIN. Mr. Chairman, the Tennessee Valley Authority through its investigation has discovered in northeastern Mississippi, and possibly in adjoining States, a tremendous store of ceramic clays, from which pottery, china, and so forth are made. Practically all this material used in this country today comes from foreign countries. I would say 90 percent of it comes from foreign countries. Not only do we have the raw material there but also we have the electric energy necessary to develop it. In order to develop ceramic clays an enormous amount of cheap electrical energy is required. This we have, as I say, in abundance; and already enterprises are looking to this development which will mean a great deal not only to that section of the country but to the country as a whole.

I sincerely trust this amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The amendment was rejected.

Mr. HOLLISTER. Mr. Chairman, I move to strike out the section.

Mr. Chairman, it seems to me that we have gotten into a rather ridiculous situation. I believe in protecting a bill as well as it is possible to protect it, but we have reached the point now when we are tacking on every kind of amendment we can think of; and the Members, without paying very much attention, are voting first "yes" and then "no" without any real consideration of what is in the different amendments. We tackled on tin, and yet we just refused to tack on copper. Now we are asked to tack on ceramic clays. We have an opportunity to tack on this, that, and the other thing.

We tacked on an amendment to lend taxpayers money with which to pay their taxes. Why not tack on an amendment lending money to a lot of other people who cannot pay their bills and allow 1, 2, 3, or 4 percent interest?

It seems to me that the Membership ought to stop and consider what is being done to this bill, and in order to get rid of what has been added to it we might just as well strike out the whole section without doing the bill the slightest harm. At the present time the Reconstruction Finance Corporation authorizes the lending of money for mining purposes. If we strike out the whole section, all we do is to leave things as they are and merely eliminate some of the amendments which have been attached today, which the committee had no chance to consider, and which the Reconstruction Finance Corporation officials had no chance to discuss with the committee and tell whether or not they were in favor.

Mr. THOM. Will the gentleman yield?

Mr. HOLLISTER. I yield to the gentleman from Ohio.

Mr. THOM. I notice in section 14, the first sentence, it is provided that loans shall be made on sufficient security. When you come to the second sentence providing loans for prospecting, there is no mention of security, and it says the loans should be made upon the judgment of the Reconstruction Finance Corporation as to the possibility of finding ore. I believe that both provisions ought to have a requirement for security, if they are to stand.

Mr. HOLLISTER. Mr. Chairman, I appeal to the Membership of the House merely in the interest of orderly legislation. Let us strike the whole section out and leave the question of loans for mining interests in status quo. I think this exhibition of offering amendment after amendment that the committee never has had a chance to consider and that the Reconstruction Finance Corporation has never been questioned on is an exhibition of futility, perhaps induced by the lateness of the hour and the fact that there are few Members here, and those Members are tired. I say again that I believe in the interest of passing the proper kind of bill and in the interest of protecting orderly legislation, we should strike out section 14 of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. HOLLISTER) there were—ayes 48, noes 81.

So the amendment was rejected.

The Clerk read as follows:

Sec. 13. Notwithstanding any other provision of law, the Reconstruction Finance Corporation is authorized and empowered to use as general funds all receipts arising from the sale or retirement of any of the stock, notes, bonds, or other securities acquired by it pursuant to any provision of law.

Mr. CONNERY. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CONNERY: Page 21, line 20, after the word "law" insert a new section to read as follows:

"SECTION 15. No part of any of the funds of the Reconstruction Finance Corporation shall be loaned to any railroad, insurance company, mortgage or loan association, bank, or any business institution, in which any member or employee of the Reconstruction Finance Corporation has any financial interest or connection of any kind, either directly or indirectly."

Mr. CONNERY. Mr. Chairman, I am not going to take the time of the House to explain the amendment. It speaks for itself and merely states that any individual who is an officer or an employee of the Reconstruction Finance Corporation cannot borrow money under the Reconstruction Finance Corporation law. The amendment speaks for itself.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. CONNERY].

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 34, noes 73.

So the amendment was rejected.

The CHAIRMAN. The question now recurs on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. STEAGALL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. CALDWELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (S. 1175) to extend the functions of the Reconstruction Finance Corporation for 2 years, and for other purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. STEAGALL. Mr. Speaker, I move the previous question on the bill and the amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. STEAGALL, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS—RECONSTRUCTION FINANCE CORPORATION

Mr. SMITH of Washington. Mr. Speaker, as I am attending the sessions of the Committee on Rivers and Harbors, which is holding hearings this week, I desire to briefly state for the RECORD my reasons for favoring this legislation.

I agree with the gentleman from Texas [Mr. PATMAN] that in the past 2 years, since 1932, we have succeeded in changing the character of the R. F. C., which was originally designed to aid only banks, railroads, and insurance corporations. In fact, it was claimed that R. F. C. stood for "Recovery for Charley", meaning for Charley Dawes, on account of the loan of $92,000,000 which he received for his big bank in Chicago during the last national administration. We have changed the functions and scope of the institution to make it one of real service to all the people.

The distinguished Chairman of the Committee on Banking and Currency, the gentleman from Alabama [Mr. STEAGALL], has called attention to the fact that the Reconstruction Finance Corporation has authorized loans of $1,045,000,000 for the relief of depositors in closed banks and that in the last 6 months it has loaned $252,000,000 and distributed $241,000,000 for relief of depositors. This is relief which I joined with the gentleman from Michigan [Mr. MCLEOD] in fighting for in the last Congress, and our efforts were partly successful to that extent, which has proved a blessing to many citizens in my district in southwest Washington.

LOANS TO PRIVATE INDUSTRY

However, in my opinion, the liberalized provision for direct loans to private industry is the most important in the bill. In the bill which we passed last year we authorized loans upon "adequate security", and as a result the Corporation has not been able to make very many loans, having loaned out only about $34,000,000 of the maximum authorization of $300,000,000. This situation which, in my opinion, is due to no fault of Hon. Jesse Jones and his associates has seriously impeded business recovery. This requirement has now been modified to authorize loans upon such security as in the judgment of the Board will "reasonably" assure repayment of loans. This will render it possible for the Reconstruction Finance Corporation to adopt a more liberal loaning policy

and thereby provide worthy industrial firms with the financial assistance necessary to carry on and expand their operations. This result is needed more than any other one thing in our country today. We can never have any permanent recovery in business in the United States on a basis of giving citizens "a few hours of weekly work cutting grass, raking leaves, or picking up papers in the public parks", to quote the words of President Franklin D. Roosevelt in his message of January 4, 1935.

We must provide normal employment at decent wages in the industries and factories in every community in order to restore consumer purchasing power throughout the Nation. In order to bring this about we must finance the pay rolls of many worthy industrial enterprises, which did not and cannot secure funds from the private banking institutions which have practically ceased to make loans to their customers. I have a number of industrial firms in my district which have been successfully managed in the past by experienced owners who thoroughly understand the business in which they are engaged, who stand ready and willing to give remunerative employment to many of their former employees but who are not able to do so for lack of funds. I sincerely hope that the amendment which we have made in the law today will make it possible for these employers of labor to obtain loans to carry on their operations. I hope that the liberalization in the law will give an impetus to industrial employment in every congressional district in the country, which will afford our only avenue of egress from this depression.

Mr. FARLEY. Mr. Speaker, this bill as we have amended it in the Committee on Banking and Currency should become the law. Nobody here questions that the work of the Reconstruction Finance Corporation should be extended for the 2 years provided in the bill. Nobody anywhere questions that this work should be continued—nobody, at least, who knows what the Corporation has done and knows how much more and how much better it will be enabled to do under the added provisions carried by this bill. My associates on the committee and many others outside the committee know that I have not been and am not now an unqualified endorser of all that the Reconstruction Finance Corporation has done; it may be I shall not care to be an underwriter of everything that hereafter the Corporation may do. But I have not been an unfriendly critic. It has been and it will remain my desire that all the possible good shall attend the Corporation's efforts.

It has been made clear that some of the things many of us have desired which were not done were made difficult and in instances impossible from the manner in which the Corporation was hedged about by the laws under which it operated. We have undertaken in amendments to this bill to remove some of these trammels. We have undertaken in these amendments to give the Finance Corporation authority that is broader in certain directions in which its movements have been restricted.

In section 5 (c) the committee has brought to you an amendment that to my mind will result in one of the most signal and wide-spread benefits the Corporation will ever have to its credit. We have attempted to open the way by which some millions of owners of real-estate mortgage bonds can recover a substantial portion of the billions in money they have invested in securities of that type. Unless the way be found to make possible that these investors shall be able before a great while to realize, their investments will come very near to total loss. Already, as we know, devious processes are active in dubious hands over the country to acquire these bonds at a small fraction of their true value. Even in the face of the tremendous collapse of the enterprises upon which these securities were based, 5 or even 10 cents on the dollar is at once an absurd and pitiful shaving of value from these securities in the only market they can have for the present. If this provision, in which we have made for a reestablishment, through the Reconstruction Finance Corporation, of a normal mortgage market, be availed of and given operation, we shall be able to save to some of these millions of investors some billions of their investments.

The plight of the greater number of the owners of these mortgage bonds is most unfortunate. They were not of the wealthy classes to whom an investment in these securities did not mean the staking of all they had on a single venture. They were people who for the most part had put their eggs in one basket when they purchased these bonds. There are thousands of these people in my own district. They are people whose means were limited and who were seeking good investment of the modest substance they possessed at the time.

In large numbers they were school teachers, mostly women no longer young, widows owning small estates, retired farmers of moderate resources, and others who in about the same degree were in like circumstances. The greater part of what they had went into these investments. The investments looked good at the time. By all reasonable, if not ultra-conservative, standards of that day the securities appeared to be sound and the investments safe. The collapse of values upon such a scale and to such a depth as actually happened was not foreseen. It could not have been foreseen by these investors, and it certainly was not apprehended by those who headed the enterprises upon which these investments were made.

Still underlying these investments is potential value. A large portion of the value thought to exist when the enterprises were advanced and when the investments were made is still there. Sooner or later it will be recovered by those who may happen to own the bonds at the time recovery is made. The country is not always to remain in its present condition. If we can do something to effect a reestablishment of the normal mortgage market, much will be done to restore the values underlying these investments. It will enable these distressed investors to recover a large part of the money they have put into the securities for which today, if they can sell at all, they are unable to obtain more than 5 or 10 cents on every dollar. If we assist to bring this about through the measures we are now considering, we shall raise from a condition of helplessness and distress a great army of people who will otherwise be kept for the remainder of their lives naked to the storms of adversity which now beat upon them.

This help we propose will not merely aid those who have been afflicted by losses and are unable to help themselves. It will have positive consequences in the general revival we are striving to bring about. Business will feel its impulse, and all will share in the good made possible by this act. I will have the candor to say to you, however, that first ones in my concern for the benefit that I believe will flow from this act are those who have been stripped by the collapse of the mortgage market and the disappearance of value from their investments. I know the class of people who for the most part have been the victims and are now the sufferers from these conditions. They had been the industrious, the hard-working, the prudent, the thrifty. In the day of their vigor and opportunity they had sought to take hostage against the sunset period of their lives and to lay by something for the inevitable time when they could no longer work and earn and store up. Throughout their capable days they were laboring and saving to secure themselves against forced dependency when the shadows of the closing scene would begin to fall across their paths. Into these investments went their modest substance. They thought it safe. They believed it promised well. None had misgivings. They wanted security for their little hoards. They believed they had found it. And who was there, in that confident time, who did not believe it? They deserve consideration, and we should grant it in the practical way we now submit to your judgment.

This is not a proposal to spend money that will never come back. It is based on exactly the same presumption running all through the R. F. C. loans that the money will be repaid, just as an immense volume of such loans already has been repaid. If we do this thing, we shall rekindle hope in the bosoms of millions who now despair. We shall

effect a vast and wide-spread distribution of means to a class of people who but for this thing will be distressed and in need of relief from some source to the end of their days. It is in behalf of these that I speak.

To one other point of this bill I desire to direct your attention. It is the amendment that is purposed to strengthen and enlarge the provision we made in our last session to give help to the smaller industries. That provision has seemed not to work with the effect we had in mind and intended it should have. The Finance Corporation has made heavy loans to various industries operating on the larger scale. Little has gone to industries operating in narrower fields and in more modest volume.

Let us bear in mind that it is not the gigantic industrial enterprises, hugely capitalized and employing people by the tens of thousands, that make up the backbone of employment in this country. The larger industries, I grant you, must keep going to furnish employment and supply trade with commodities and to meet general demand for necessaries. But "Big Steel" and General Electric and Bethlehem and other great employers, immense as they are, do not provide work for and pay wages to the larger mass of those employed in our manufacturing industry.

Same facts procured from the Bureau of the Census sharply illumine this point. The figures are for 1929, our peak year in industrial activity, output, and employment. It is the latest year for which figures are available, and it is shown that in 1929 there were 208,241 manufacturing and printing and publishing establishments, none among them employing more than 500 wage earners, in which altogether 5,501,763 people were employed. In the same year 206 establishments, each with more than 2,500 on its pay rolls, employed a total of 1,015,254 wage earners. In other words, those establishments which employed only 500 or less had at work five times as many wage earners as those employing 2,500 and on up into the tens of thousands who were provided with work and wages by Steel, Electric, General Motors, Ford, and other mammoth enterprises. The larger enterprises in many instances entered the era of depression with cash reserves and other details of good financial position which enabled them to weather the storm. The smaller industries, with few exceptions, had no such advantage. Some of them have gone by the board. Others are still struggling. Among these are many which will be saved if help can be given. And if they can be saved and kept going by means to tide them over until the revival of business gives them support, it will mean employment and independence for millions of industrious and willing men and women in industry. Without the diversity given to our general industry by these smaller manufacturing enterprises, our times would have been much harder and our recovery far more difficult.

As it has been amended by the committee and reported here, I trust this bill may be passed by this House. I trust it will please the Senate to accept this result of our labors, which have been painstaking, conscientious, and purposed to effect the widest possible good directly to many people and, in its broader consequences, to all the country.

Mr. REILLY. Mr. Speaker, the pending bill comes before the House with the unanimous report of the Banking and Currency Committee.

The Reconstruction Finance Corporation has now been in existence for 3 years. It constituted really the first important piece of emergency legislation written to aid in bringing about a revival of industry in this country. The law was first enacted in the last year of Mr. Hoover's administration, with the life of 1 year, and since that time its life has been extended on two different occasions for 1 year at a time.

There has been more or less criticism of the workings of the Reconstruction Finance Corporation since it became a law. Charges have been made that it was only designed to help banks and big business and that it was not an important factor in bringing about better economic and industrial conditions in any way.

The general view as to the efficacy of the Reconstruction Act as a means of helping to bring about better times has changed, and it is submitted that the best-informed opinion today is to the effect that the Reconstruction Finance Corporation has played an important part in our recovery program.

The Board of Directors of the Reconstruction Finance Corporation has handled billions of Government money through loans to various agencies in an effort to put up the strongest fight possible against the forces of the depression.

To be exact, since the establishment of the R. F. C. in February 1932, during Mr. Hoover's administration, to January 1, 1935, loans have been authorized to the amount of $8,964,712,929, of which sum $784,266,128 was withdrawn and $6,848,073,233 was disbursed or loaned.

It thus appears that there are about two billions in loans authorized that have not been disbursed. This sum is made up of loans canceled or those which have not all been called for. Of the loans authorized from the beginning of the existence of the Corporation to the present date, about $2,780,000,000 were made during the Hoover administration and $6,171,000,000 during Mr. Roosevelt's administration.

One reason for the increase in loans under the Roosevelt administration was the authority granted by the Seventy-fourth Congress to the Reconstruction Finance Corporation to aid in releasing depositors' money in closed banks by making loans on bank assets, and also the authority given to the Corporation to strengthen the capital structures of banks throughout the Nation by the purchase of preferred stock, capital notes, or debentures of these institutions.

The actual disbursements to closed banks amounted to $761,704,109, of which sum more than $300,000,000 has been repaid. The actual amount of money advanced for purchased stocks and capital notes to rehabilitate banking structures of this country amounts to about a billion dollars.

While it is true that the banks and railroads have been the biggest borrowers from the Reconstruction Finance Corporation, it is also true that thousands of other business institutions have received aid; in fact, something like 20,000 individual loans have been made by the Corporation.

Several hundred million dollars have been furnished by the Corporation for relief work under Executive orders, and it has about $800,000,000 on hand at the present time.

One gratifying feature of the report recently filed by Mr. Jesse Jones, Chairman of the Corporation, is the showing made on repayments of loans. Of the total sum loaned over $6,000,000,000—51 percent—has been repaid, and if we leave out of consideration the loans to banks, which are long-term loans, the total repayments made to date equal 61 percent of the sums loaned.

At the last session of Congress the original law was modified so as to permit loans to be made to industry, particularly to the smaller industries of the country. Both Federal Reserve banks and the Reconstruction Finance Corporation were authorized to make these loans. At that time a survey of the country had been made, and it was reported that something like $600,000,000 could be used advantageously by the smaller industries of the country, and some of the larger ones also, to keep men employed and to put more men on the pay rolls.

The authority given in the last session of Congress to the Reconstruction Finance Corporation and the Federal Reserve banks to make loans to industry has not worked out satisfactorily for some reason or other. Both institutions to date have loaned to industries only about $80,000,000.

It is stated that the failure of the Federal Reserve banks and the Reconstruction Finance Corporation to make more loans to industry is due entirely to the fact that the present law is too rigid in its requirement as to the securities necessary. The existing law declares that such loans shall be made on adequate security; that is, security which would make certain repayment of the loan. The purpose in writing this provision into the old law was to have these loaning institutions make loans to industry with the idea of keeping them running and employing men and women, and even if the Goverment did lose some of such loans, it might just as well

lose them through such a method, as otherwise the same money might go out of the Treasury for relief purposes.

In the pending bill this provision of the old law has been amended so as to provide that the security shall be such as in the judgment of the Board will reasonably assure repayment. It is the opinion of the Chairman of the Reconstruction Finance Corporation, Mr. Jones, that under the language just quoted, it will be possible for his Corporation to be more liberal in making loans to industry.

While the Corporation in the past has loaned considerable money to the railroads of this country, the Board is of the opinion that there will be but little ultimate loss to the Government, and this loss will result from the deplorable financial condition of a few of the 58 railroads which have been borrowers from the Reconstruction Finance Corporation.

Under the Reconstruction Finance Corporation Act, as amended in this bill, the Corporation will be privileged to extend further loans to railroads, which may help materially in the reorganization and consolidation of the roads. While the railroads have been loaned something like $400,000,000 to date, the security collateral that has been pledged for these loans is said to be worth in excess of $600,000,000.

The Reconstruction Finance Corporation is one of the recovery agencies which is no additional expense to the taxpayers of this country. The Corporation has its principal set-up in Washington, but it functions also through 32 other agencies scattered throughout the country. The operating expenses of the Corporation have been less than one-half of 1 percent on loans and investment authorized. During the period of its existence the Corporation has made clear above all operating expenses $65,000,000, which is certainly a very good showing.

It would seem that from the experience which the Corporation has had to date in using Government funds to aid what might be called practically the whole industrial and agricultural life of the country, that with the bill as now amended the Corporation will be able to function more beneficially, not so much in avoiding all losses of any small loans but rather in carrying out the fundamental purpose of the legislation, and that is to help business, railroads, banks, insurance companies, agriculture, and, in fact, all lines of business, to keep on functioning, so as to make it possible to put more of our unemployed to work.

GENERAL PERMISSION TO EXTEND REMARKS

Mr. STEAGALL. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days within which to extend their own remarks on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

THE WORLD COURT

Mr. SHORT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the World Court.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Speaker, no Representative in the Congress of the United States wants to assume the role of a Senator, and certainly I do not desire to trespass upon territory reserved for legislators at the other end of the Capitol. However, it becomes the duty of every American citizen, both in and out of Congress, to lift his voice when the sovereignty of his country is threatened and its security is imperiled.

At this particular hour our Nation's safety is at stake. The future of our glorious Republic hangs in the balance. Today the welfare of our posterity will be determined. Either America will remain America, steering clear of the pitfalls of intrigue and the political machinations of European powers, refusing to adhere to the World Court, or else America will ignore the lessons of history, reject the traditions of our fathers, join the League of Nations through its Court, to become the easy prey of the combined jealousies of selfish European nations.

For many years I have consistently, continuously, conscientiously, and strenuously fought America's entrance into the World Court. I studied in Germany and England after the war. I have since traveled through the different countries of Europe—most of them for the third or fourth time. I think I know the feeling in those countries toward the United States of America. After spending our blood and treasure unselfishly on foreign soil to help our allies win the war we were indiscreet enough to advance them $11,000,000,000 in loans. These loans, with the single exception of the one to little Finland, have been flagrantly repudiated by our debtor nations. The only appreciation we have received from those we assisted has been the finger of scorn and the tongue of contempt. For our charity we have been paid in vituperation, and the only recompense for our generosity has been the insulting epithet of "Uncle Shylock."

Now, when the American people are in the throes of the most prolonged and devastating depression in our history, while we are still suffering hysteria, it is proposed by the same idealistic, imaginary, impractical, "brain-trust" professors, who continue confusion at home, to add chaos to our woes by pushing us, against our will, into the League of Nations via the World Court. God help us today to ignore them and their teachings and return to the advice of Washington, Adams, Jefferson, Madison, and the other founders of this free Government—the first ever established among men.

In the past the Democrats have charged the Republicans with being narrow nationalists, dumb isolationists, provincial cranks, unsympathetic to the suffering of humanity, and unwilling to play our part in world affairs. If putting America first, though always considering the rights of others, if wanting to live in peace and amity with all nations, but ever cautious and careful to protect our own liberties and to defend our American institutions against dangers from without and weaknesses from within, if demanding only what is just—and no more—and at the same time being generous and helpful to others—if this be narrow nationalism and isolation, then all Republicans are guilty of the charge, and proud of it.

Modern inventions have made the world smaller, and new methods of rapid transportation have brought countries closer together. Today nations are largely interdependent. The economic health and political stability of one depends largely upon the economic health and political stability of another. There is an exchange of ideas as well as of goods. Because of our great wealth and power we must necessarily take interest in world affairs. No nation of any importance can or desires to live unto itself alone. But America does not want to become entangled in Old World politics or European alliances. Our fathers came to this new land of freedom to get away from such things. America will help Europe and any nation all she can, but she will do it by example, suggestions, and cooperation rather than by dictation, compulsion, and active participation. Though we are not isolated, the indisputable fact is that 3,000 miles of deep blue water are between America and Europe; and, personally, I find it very comforting to muse upon that fact. The inherited prejudices, the bitter jealousies, the entrenched interests, the historic hatreds existing between nations of the Old World are not our problems. Europe, and not America, must solve them. We have no business sticking our nose in where it does not belong unless we are particularly desirous of getting it smashed. Because of our remoteness and disinterestedness, Europe will listen to us more than if we became involved in her quarrels.

Though this international tribunal is referred to as the "World Court," it is, in reality, the League's Court; and by entering it, we enter the League of Nations through the back door. It is amazing that after the American people so overwhelmingly voted against our entrance into the League of Nations in 1920, the President would at this particular time, when we are faced with so many baffling and complex domestic problems, ask the Senate to sanction our becoming a member of this offspring of the League of Nations. It only goes to corroborate the fact that this administration still prefers to try experiments rather than follow experience. However, it is gratifying that there are so many patriotic and well-informed Democrats in the United States Senate

who will never surrender the sovereignty or impair the safety of America by joining this Court, but will continue to uphold the Constitution and follow the advice of the Father of our Country, in his Farewell Address:

Against the insidious wiles of foreign influence, I conjure you to believe me, fellow citizens, the jealousy of a free people ought to be constantly awake, since history and experience prove that foreign influence is one of the most baneful foes of republican government. * * * The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little political connection as possible. * * * Europe has a set of primary interests which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our interests. * * * Why quit our own stand to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice? (Sept. 17, 1796.)

EMERGENCY FEED FOR LIVESTOCK IN THE NORTHWEST

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the relief situation.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURDICK. Mr. Speaker, since reporting to this House the conditions in the Northwest, with respect to the feed situation—see speech under date of January 21—no material change has been made in the feed situation in North Dakota. The two impediments that prevent farmers from securing feed from the Government still are present and are blocking all efforts to get this mountain of feed—belonging to the Government—to the starving livestock.

I desire once more, Mr. Speaker, to call this important matter to the attention of this House. The two reasons why livestock is perishing in North Dakota now, and have been for 30 days, are:

The emergency crop and feed loan section, with L. J. Paulson, regional manager, office Minneapolis, Minn., and in charge of feed in North Dakota, demands that before any feed is furnished that the mortgagees must be consulted and nondisturbance agreements obtained from them. The purpose evidently is to prevent the mortgagees from foreclosing on the stock in the spring after the Government had fed the stock through the winter. In other words, the Government will not trust these mortgagees to do the right thing. The Government is about right on this conclusion, but let me call your attention to the fact that these nondisturbance agreements are not and never were necessary in North Dakota, where we have a moratorium that makes all foreclosures unlawful. They could not foreclose if they wanted to. The mortgagees are prevented in North Dakota from disturbing the livestock, hence these agreements in that State are unnecessary. In addition to that the Government has an equitable lien on any livestock fed, superior to any mortgage lien, which any equity court in the State would uphold. The Government is, therefore, perfectly safe in advancing the feed.

What is the result of the method now followed? If a mortgagee for any reason, pure meanness or otherwise, refuses to sign a nondisturbance agreement, the feed cannot be obtained; and the result is that the livestock dies in the very sight of great stacks of Government hay. I desire to submit a few actual cases of this kind.

One Arthur Scofield, Devils Lake, N. Dak., needed feed for his stock. He owed the Northern Investment Co., Devils Lake, a mortgage; and this company refused to sign a nondisturbance agreement unless Scofield would deliver to them some of the cattle to apply on his debt to them. When the agreement could not be obtained, L. J. Paulson wrote Scofield as follows:

We are obliged to inform you that your feed application, dated September 26, 1934, has been disapproved by the examiner in this office, and we are therefore returning your papers.

That ended the relief, and the cattle are starving. Scofield now says to me, on January 24, 1935:

If I can't get feed they (cattle) will be soon dropping off. I have a fine milch cow that don't give enough to feed her calf. With no stock hardly in the country, it seems to me a small bunch of milch cows would be worth saving. This is all our living, and it seems hard to force us to live on relief, which we will now have to do. Perhaps because I must drive 4 miles to work when it is 30 below zero and can't do it is the reason why I can't get feed.

ARTHUR SCOFIELD.

A letter from Mr. Nick Kohm, of Werner, N. Dak., states:

Now, Mr. BURDICK, is there any way we can get help? If there is a way, please be so kind and do it right away. All we have for our stock is thistles; and if we get nothing else, we are sure to lose all our stock.

In this case the reason why Mr. Kohm cannot get feed is that the First National Bank of Killdeer, a mortgagee, will not release unless Kohm will deliver over to the bank certain machinery upon which they have a mortgage. And the letter of the First National Bank on file here states:

I have also been informed that if you will make out an affidavit that the tractor, thresher, and manure spreader is not entirely necessary for you to farm that you will get your feed.

This is signed by the vice president of the First National Bank of Killdeer.

Mr. Kohm writes that this machinery is necessary if he is to continue in the farming business. He says in regard to the tractor that—

My horses are now nothing but skin and bones and I have no feed, and I will have nothing to put the land in with except the tractor. I asked the Minneapolis Moline Plow Co. to sign a nondisturbance agreement, but they will not do it, so we are sitting out here at 35° below zero without having enough feed for the stock, but the Government has enough feed out here but we can't get it. Now, please, Mr. BURDICK, if there is any way to help us, please do it right away.

The seed and feed loan division operating out of Minneapolis have demanded of S. S. Blocher, of York, N. Dak., that he give a mortgage on the 1935 crops for seed obtained in prior years. This Mr. Blocher refused to do, upon which the field agent of the Government said:

If you do not sign this mortgage, you might be refused further feed loans.

And Mr. Blocher writes to me to find out what to do. His livestock will starve, and he wants to know if he must surrender and comply with the demand of seed and feed loan division at Minneapolis. While the Farm Credit Administration has taken the stand here at Washington that it is not necessary to mortgage the 1935 crop for prior seed advances, yet the division office at Minneapolis, managed by L. J. Paulson, is still sandbagging the farmers into giving mortgages for prior advances, and this last one is a new scheme to coerce and browbeat the farmers into giving this mortgage for fear that feed for their starving livestock will be taken away. There has been so much trouble on this source from the Minneapolis office that the removal of L. J. Paulson as director of the feed and seed loan division seems to be the only way to end this trouble. I have been slow to form a conclusion as to who is responsible for this determined effort to sew up the 1935 crops with all prior advances, but the evidence is overwhelmingly here now, in my possession, that it is not the Farm Credit Administration at Washington, but that it is the responsibility of Mr. L. J. Paulson and no one else, and for that reason I publicly ask for his removal from the position.

The attitude of the Farm Credit Administration on sums to be advanced for feed over $25, and the Federal Emergency Relief Administration on sums up to $25, in demanding a nondisturbance agreement to be signed by the mortgagee—when they will not sign—is responsible for the starvation of cattle in the very sight of mountains of Government hay. Why cannot this Congress either interpret the old act or pass a new act giving these administrations directions which will prevent the starvation of stock? Why cannot this Congress consider House Joint Resolution 86, introduced by me on January 14, 1935, and now before the Committee on Rules? Why will this Congress refuse the prayers of our Chaplain, who so brilliantly each day calls attention to the words of the Master: "Love thy neighbor as thyself; do unto others as ye would they should do unto you"?

I have exhausted every means at my command to draw the attention of the Nation to starving livestock in the North-

west and the impediment in the administration which causes it.

When I complain to either the Federal Emergency Relief Administration or to the Farm Credit Administration, my complaint, with supporting affidavits, are forwarded back to the Federal relief administrator in North Dakota or to the feed and seed division in Minneapolis. On the average it takes 3 weeks for these complaints to make the rounds, and finally I am again advised that releases or nondisturbance agreements must be obtained from the mortgagees before the farmers can secure feed. In the meantime the livestock dies.

The mortgagees care nothing for humanity and the words of Christ; they want and take and are taking advantage of the farmer. By coercion, duress, and undue influence are attempting and actually are either forcing the farmer to give up his necessary farming equipment or force the starvation of the livestock. This Congress should speak up immediately and permit the feed to go out to the livestock and force these mortgagees to release their strangle hold on the farmers, and thus save the remaining livestock industry of the Nation.

Remember, too, that if the livestock or the farmer is permitted to perish because of the inactivity of this Congress, then the Government will be faced with the much greater obligation of supporting by charity the impoverished farmers where their only means of support has been taken away.

Shakespeare said:

> You take my house when you do take the props
> That doth sustain my house; you take my life
> When you do take the means whereby I live.

The Government has already gone to the expense of assembling hay, straw, oats, and corn in every center of the States affected in sufficient quantities to feed the remaining livestock. The farmers have consented to the stock-reduction program of the Department of Agriculture; but for the reasons already stated, the feed remains unused. My warning is that in the bright spring, if rains do come—as they surely will—millions of tons of feed will rot in the depots, while the familiar sight of feeding cattle on the summer grass of the Great Plains area will not be witnessed, and the bleached bones of livestock scattered across the prairies will be the mute testimony of the inhuman conduct of mortgagees permitted by a monumental blunder of the Government.

All I can do now is to hope that this Congress will act without further delay.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to—

Mr. BINDERUP, for today, on account of illness.

Mr. CROSBY, for the balance of the week, on account of illness.

ANNOUNCEMENT OF APPOINTMENTS

The SPEAKER. The Chair announces the following appointments, which the Clerk will read.

The Clerk read as follows:

Pursuant to the provisions of title 34, United States Code, section 1081, the Chair appoints as members of the Board of Visitors to the Naval Academy the following Members of the House:

Mr. BULWINKLE, Mr. COLE of Maryland, Mr. TOLAN, Mr. REED of New York, and Mr. GUYER.

Pursuant to the provisions of the act of June 10, 1872 (17 Stat. L. 360), the Chair appoints as members of the board of directors of the Columbia Hospital for Women, the following Members of the House:

Mrs. NORTON and Mrs. KAHN.

Pursuant to the provisions of House Resolution 44, the Chair appoints as members of the Special Committee on Wild Life Conservation to fill existing vacancies thereon the following Members of the House:

Mr. PARSONS, Mr. HILDEBRANDT, Mr. RICHARDS, Mr. ANDRESEN, and Mr. ALLEN.

CALENDAR WEDNESDAY

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that business in order on tomorrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6:43 o'clock p. m.) the House adjourned until tomorrow, Wednesday, January 30, 1935, at 12 o'clock noon.

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## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

170. A letter from the Administrator of the Federal Housing Administration, transmitting the first annual report of the Administration for the period commencing with the approval of the act on June 27, 1934, and ending December 31, 1934 (H. Doc. 88); to the Committee on Banking and Currency and ordered to be printed with illustrations.

171. A letter from the Secretary of Commerce, transmitting draft of a proposed bill for the relief of A. Cyril Crilley, assistant trade commissioner, and a special disbursing officer of the Bureau of Foreign and Domestic Commerce, in the matter of a certain expenditure; to the Committee on Claims.

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## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. SABATH: Select Committee to Investigate Real Estate Bondholders Reorganizations. House Report 35. A preliminary report pursuant to House Resolution 412 (73d Cong.). Referred to the Committee of the Whole House on the state of the Union.

Mr. BLAND: Committee on Merchant Marine, Radio, and Fisheries. H. R. 4018. A bill to provide for the investigation, control, and eradication of marine organisms injurious to shellfish in the Atlantic and Gulf States; without amendment (Rept. No. 36). Referred to the Committee of the Whole House on the state of the Union.

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## PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CITRON: A bill (H. R. 4979) to insure domestic tranquillity, to provide for the common defense, and to promote the general welfare of the United States by improving the navigability, controlling the flood waters, and eliminating the pollution of the Connecticut River and its tributaries; by providing for the development and improvement of forest reserves, recreational grounds, parks, and highways, and the preservation of wildlife; by promoting agriculture and industry, and by producing electrical energy for interstate transmission, and also by providing healthy water supplies; and for the relief of unemployment among the people in the Connecticut River Valley and neighborhood; and further, for the creation of a corporation to carry out the aforesaid; to the Committee on Flood Control.

By Mr. COLMER: A bill (H. R. 4980) to incorporate the Eagles of America; to the Committee on the Judiciary.

By Mr. O'MALLEY: A bill (H. R. 4981) authorizing the Postmaster General of the United States to issue a series of special postage stamps in commemoration of the one hundred and fiftieth anniversary of the termination of Commodore John Barry's service in the Revolutionary Navy; to the Committee on the Post Office and Post Roads.

By Mr. SIROVICH: A bill (H. R. 4982) to amend the Ship Mortgage Act of 1920, otherwise known as "section 30" of the Merchant Marine Act, 1920, approved June 5, 1920, to allow the benefits of said act to be enjoyed by owners of vessels of the United States, as defined in said act, of less than 200 gross tons; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. COLMER: A bill (H. R. 4983) to authorize a transfer of forest-reservation lands in Forrest and Perry Counties, Miss., to the State of Mississippi or to the War Department, and for other purposes; to the Committee on Agriculture.

By Mr. FENERTY: A bill (H. R. 4984) to extend to contractors with the District of Columbia whose costs of performance were increased as a result of compliance with the National Industrial Recovery Act the same relief as is provided in the case of contractors with the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. McLEOD: A bill (H. R. 4985) permitting single signature in patent applications and validating joint patent for sole invention; to the Committee on Patents.

By Mr. SIROVICH: A bill (H. R. 4986) to limit the life of a patent to a term commencing with the date of the application; to the Committee on Patents.

By Mr. BYRNS: A bill (H. R. 4987) to amend title II, section 203 (a) (2), chapter 67, Public Acts of Seventy-third Congress; to the Committee on Ways and Means.

By Mr. GASQUE: A bill (H. R. 4988) for the erection of a public building at Kingstree, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4989) for erection of monument to Gen. Marquis de Lafayette; to the Committee on the Library.

By Mr. GUYER: A bill (H. R. 4990) authorizing loans by the Reconstruction Finance Corporation to publicly and privately controlled colleges, universities, and other institutions of higher learning, and for other purposes; to the Committee on Banking and Currency.

By Mr. LEA of California: A bill (H. R. 4991) authorizing superannuation disability pay for alien employees of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. LEMKE: A bill (H. R. 4992) for the cancelation of construction and water charges outstanding against the landowners in the Yellowstone Irrigation Project No. 2; to the Committee on Irrigation and Reclamation.

By Mr. McDUFFIE: A bill (H. R. 4993) authorizing the Secretary of the Interior to furnish transportation to persons in the service of the United States in the Virgin Islands, and for other purposes; to the Committee on Insular Affairs.

By Mr. DIMOND: A bill (H. R. 4994) providing for the elimination in the Territory of Alaska of the conversion of herring into oil, meal, or fertilizer, and for other purposes; to the Committee on Merchant Marine, Radio, and Fisheries.

By Mr. MAPES: A bill (H. R. 4995) to amend the Clayton Act to prohibit unjust or unfair price discriminations; to the Committee on the Judiciary.

By Mr. MAY: Resolution (H. Res. 88) providing for the appointment of a committee of five Members of the House of Representatives to investigate conditions in the coal industry in Harlan County, Ky.; to the Committee on Rules.

By Mr. BOLAND: Resolution (H. Res. 89) to pay to Daisy C. Bruce, widow of David Bruce, 6 months' compensation and not to exceed $250 funeral expense; to the Committee on Accounts.

By Mr. McFARLANE: Resolution (H. Res. 90) to investigate the distribution of patronage under appointments of the Civil Service Commission; to the Committee on Rules.

By Mr. CONNERY: Joint resolution (H. J. Res. 141) to prohibit the use of supplies and equipment furnished by the United States to the National Guard while on service in connection with any labor dispute without express approval of the Secretary of War; to the Committee on Military Affairs.

By Mr. THOMASON: Joint resolution (H. J. Res. 142) providing for the remission of duties on certain cattle which have crossed the boundary line into foreign countries; to the Committee on Ways and Means.

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MEMORIAL

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

Memorial of the Legislature of the State of Oklahoma, memorializing Congress to establish a national memorial park on the site of the Battle of Washita, near Cheyenne, in Roger Mills County; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRUNNER: A bill (H. R. 4996) to provide for the issuance of a license to practice the healing art in the District of Columbia to Dr. Chester C. Groff; to the Committee on the District of Columbia.

By Mr. BYRNS: A bill (H. R. 4997) for the relief of the George R. Jones Co., a corporation organized under the laws of the State of New Hampshire; to the Committee on Claims.

By Mr. COOPER of Ohio: A bill (H. R. 4998) for the relief of John C. Cuthbertson; to the Committee on Military Affairs.

By Mr. EICHER: A bill (H. R. 4999) for the relief of Marie Linsenmeyer; to the Committee on Claims.

By Mr. FENERTY: A bill (H. R. 5000) for the relief of Alexander H. Vivian; to the Committee on Military Affairs.

Also, a bill (H. R. 5001) for the relief of Benjamin Franklin; to the Committee on Naval Affairs.

By Mr. FOCHT: A bill (H. R. 5002) granting an increase of pension to Margaret E. Laidig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5003) granting an increase of pension to Mary Rinard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5004) granting an increase of pension to Mary E. Dile; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5005) granting a pension to Jacob Franklin Dale; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5006) granting an increase of pension to Emma E. Clouser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5007) granting a pension to Minnie G. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5008) granting a pension to W. Grant Mellott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5009) granting a pension to William Cloyd Fisher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5010) granting a pension to Mary C. VanZandt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5011) granting a pension to Lucretia E. Barton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5012) granting a pension to Lucy A. Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5013) granting a pension to Elizabeth S. Houtz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5014) granting a pension to Sylvia I. Whiteman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5015) granting a pension to Allen E. Heck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5016) granting a pension to William M. Atkinson; to the committee on Invalid Pensions.

Also, a bill (H. R. 5017) granting a pension to Sadie E. Goshorn; to the Committee on Invalid Pensions.

Also, a bill, (H. R. 5018) granting an increase of pension to Mary E. Mearkle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5019) granting an increase of pension to Katie Kelso; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5020) granting a pension to Harvey Messerman; to the Committee on Invalid Pensions.

By Mr. GASQUE: A bill (H. R. 5021) granting a pension to Lillian T. Skinner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5022) granting a pension to Jerusha C. Howell; to the Committee on Pensions.

Also, a bill (H. R. 5023) granting a pension to Josephine Hammond; to the Committee on Pensions.

Also, a bill (H. R. 5024) granting a pension to Edgar R. Joyner; to the Committee on Pensions.

Also, a bill (H. R. 5025) granting a pension to Willie D. Miles; to the Committee on Pensions.

By Mr. GUYER: A bill (H. R. 5026) for the relief of Henry W. Rust; to the Committee on Military Affairs.

Also, a bill (H. R. 5027) granting a pension to Annie Jones; to the Committee on Pensions.

By Mr. HARLAN: A bill (H. R. 5028) for the relief of Walter C. Arnold; to the Committee on Naval Affairs.

By Mr. JENKINS of Ohio: A bill (H. R. 5029) granting a pension to Clara B. Wilson; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 5030) granting an increase of pension to Alice F. Wright; to the Committee on Pensions.

Also, a bill (H. R. 5031) granting an increase of pension to Marie Schneider; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 5032) to correct and complete the military record of Carl Lindow, known also as "Carl Lindo"; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 5033) for the relief of the Reliable Importing Co.; to the Committee on Claims.

By Mr. LEMKE: A bill (H. R. 5034) granting a pension to Hans Simonsen; to the Committee on Pensions.

By Mr. McMILLAN: A bill (H. R. 5035) for the relief of the Carteret Street Methodist Episcopal Church South, Beaufort, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 5036) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.; to the Committee on Interstate and Foreign Commerce.

By Mr. MAPES: A bill (H. R. 5037) granting a pension to Elva Amy; to the Committee on Invalid Pensions.

By Mr. MARSHALL: A bill (H. R. 5038) for the relief of John B. H. Waring; to the Committee on Military Affairs.

By Mr. MORAN: A bill (H. R. 5039) to authorize the Secretary of Commerce to convey to Charles E. Robinson, of Isle au Haut, in the county of Knox and State of Maine, the Isle au Haut Lighthouse Reservation, Maine; to the Committee on Interstate and Foreign Commerce.

By Mr. MOTT: A bill (H. R. 5040) to authorize preliminary examination and survey of De Poe Bay, Oreg.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5041) authorizing and directing the Secretary of the Treasury to reimburse Lela C. Brady and Ira P. Brady for the losses sustained by them by reason of the negligence of an employee of the Civilian Conservation Corps; to the Committee on Claims.

Mr. ROBSION of Kentucky: A bill (H. R. 5042) granting a pension to Leonard D. Wood; to the Committee on Pensions.

Also, a bill (H. R. 5043) granting an increase of pension to James W. Taylor; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 5044) granting a pension to Cecelia H. Shrock; to the Committee on Pensions.

By Mr. SHORT: A bill (H. R. 5045) granting a pension to Angeline Hart; to the Committee on Invalid Pensions.

By Mr. STUBBS: A bill (H. R. 5046) for the relief of William Gattel; to the Committee on Military Affairs.

By Mr. THOMAS: A bill (H. R. 5047) for the relief of Robert A. Dunham; to the Committee on Claims.

By Mr. TINKHAM: A bill (H. R. 5048) for the relief of Michael F. Clark; to the Committee on Military Affairs.

By Mr. WARREN: Resolution (H. Res. 87) to pay a gratuity to Daisy M. Bruce; to the Committee on Accounts.

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## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

528. By Mr. BRUNNER: Resolution of the Woodside Civic Association, Woodside, Long Island, N. Y., in the interest of 8,000 home owners who have made applications for Home Owners' Loan Corporation loans, urging Congress to put forth and enact such legislation which will take care of as many of those distressed cases as are worthy of consideration; to the Committee on Banking and Currency.

529. By Mr. BUCKLER of Minnesota: Petition of Andie Peterson, adjutant, and members of the Irvin Blix Post, No. 16, of the American Legion, department of Minnesota, mostly all citizens of Bagley and vicinity in Minnesota, urging the immediate cash payment of the soldiers' adjusted-service certificates; to the Committee on Ways and Means.

530. Also, petition of George Big Bear and 260 other members of the Chippewa Band of Indians, all residents of the White Earth Reservation of Minnesota, praying for legislation to give each enrolled member of the tribe a payment of $50 from their tribal funds; to the Committee on Indian Affairs.

531. By Mr. CHAPMAN: Petition of Jane Vires, Newton Angel, Clayborn Johnson, Minerva Campbell, and 16 other citizens of Lone, Lee County, Ky., urging the enactment of old-age pension as embodied in House bill 2856; to the Committee on Ways and Means.

532. Also, petition of Mrs. Joe Monroe, Mrs. Margaret Hillard, and Mrs. Martha Carrier, Harrodsburg, Mercer County, Ky., urging the enactment of old-age pension as embodied in House bill 2856; to the Committee on Ways and Means.

533. Also, petition of Charlie Stanley, Chill Chadwick, Catherine Skiles, May Ball, and 15 other citizens of Henry County, Ky., urging the enactment of old-age pension as embodied in House bill 2658; to the Committee on Ways and Means.

534. By Mr. CULLEN: Petition of the National Guard Association of the State of New York, petitioning Congress to eliminate from that portion of the Army appropriation bill affecting National Guard activities for the fiscal year 1935–36 any provision or proviso which in any way might or could affect the right to Federal pay and allowances or Federal recognition of any member of the National Guard of the State of New York qualified to serve therein pursuant to the provisions of the National Defense Act and the military law of the State of New York; to the Committee on Military Affairs.

535. By Mr. CUMMINGS: Memorial of the General Assembly of the State of Colorado, favoring the immediate cash payment to veterans of the World War of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

536. By Mr. FORD of California: Resolution of the Greater Hoover Boulevard Improvement Association, Los Angeles, Calif., petitioning the city council, Board of Supervisors of Los Angeles County, the State of California, and the Federal Government to allocate necessary funds, maps, plans, and specifications to widen Hoover Boulevard from Thirty-second Street to the northerly extremity without assessment to the district; to the Committee on Roads.

537. Also, Joint Resolution No. 4 of the California Assembly, memorializing the President and Congress to enact old-age-pension legislation; also Joint Resolution No. 9, California Assembly, memorializing the President and Congress to enact legislation to provide for a working week of not more than 5 days of 6 hours each, without any corresponding reduction in the present compensation or salary; to the Committee on Labor.

538. By Mr. GUYER: Petition of citizens of the Second Congressional District of Kansas, asking support for national old-age pensions as provided by House bill 2856; to the Committee on Ways and Means.

539. Also, petition of citizens of the Second District of Kansas, urging enactment of House bill 2856; to the Committee on Ways and Means.

540. By Mr. KENNEY: Resolution of the New Jersey State Horticultural Society, favoring all moves to reduce restrictions of all kinds on our export trade; to the Committee on Interstate and Foreign Commerce.

541. By Mr. KIMBALL: Petition of citizens of the Third District of Michigan, favoring legislation for the Townsend plan of old-age pensions; also a Federal transaction sales tax calculated to produce revenue to meet requirements of such pensions; to the Committee on Pensions.

542. By Mr. KERR: Petition of the General Assembly of the State of North Carolina, requesting Congress to pass an act authorizing the immediate payment to veterans of the World War the face value of their adjusted-service certificates; to the Committee on Ways and Means.

543. By Mr. KVALE: Resolutions adopted by the Minnesota Labor Association, at their first annual convention held at Montevideo, Minn., urging enactment of legislation to bring about social, agricultural, and veteran relief; to the Committee on Ways and Means.

544. By Mr. LUNDEEN: Petition of the Oakwood Precinct Old Age Townsend Pension Club of Columbia Heights, Minneapolis, Minn., urging the enactment of the Townsend old-age pension bill; to the Committee on Ways and Means.

545. Also, petition of teachers and school employees of Minneapolis, Minn., urging Federal aid for schools to the amount of at least $25 per pupil; to the Committee on Appropriations.

546. By Mr. MEAD: Petition of the National Guard Association of New York State, asking Congress to eliminate from that portion of the Army appropriation bill affecting National Guard activities for the fiscal year 1935–36 any provision which in any way might affect the right to Federal pay or Federal recognition of any member of the National Guard of the State of New York; to the Committee on Appropriations.

547. By Mr. MERRITT of New York: Resolution passed by Second Division Post, No. 860, American Legion, New York, endorsing House bill 3896, introduced by Hon. FRED M. VINSON of Kentucky, in behalf of payment of adjusted-service certificates; to the Committee on Ways and Means.

548. Also, resolutions adopted by Hornell Division No. 83, Buffalo Division No. 84, Rochester Division No. 149, and Port Jervis Division No. 82, of the Order of Benefit Association of Railway Employees, appealing to Congress to support to the fullest extent enactment of legislation to modify the fourth section of the Interstate Commerce Act to regulate commerce so as to permit the railroads to compete with unregulated forms of transportation as recommended by the Federal Coordinator and covered in the Pettengill bill (H. R. 8100) introduced at the last session of Congress; to the Committee on Interstate and Foreign Commerce.

549. By Mr. MILLARD (by request): Resolution of the Rahman-De Bella Post of the American Legion, urging the immediate payment of the bonus; to the Committee on Ways and Means.

550. Also, resolution adopted by the Joyce Kilmer Council, No. 1177, Knights of Columbus, Suffern, N. Y., protesting certain alleged acts of the national revolutionary party in Mexico; to the Committee on Foreign Affairs.

551. By Mr. PARKS: Petition regarding old-age pension; to the Committee on Pensions.

552. Also, petition of numerous citizens of Arkansas, protesting enactment of any laws taxing gasoline or lubricating oils or the renewing of any such taxes; to the Committee on Ways and Means.

553. By Mr. PFEIFER: Petition of the National Guard Association of the State of New York, at their convention at Albany, January 19, 1935, concerning appropriation in the Army appropriation bill affecting National Guard activities for the fiscal year 1935–36; to the Committee on Appropriations.

554. Also, petition of Knights of Columbus, Lexington Council No. 293, New York City, protesting against the persecution of religious people in Mexico; to the Committee on Foreign Affairs.

555. By Mr. ROGERS of Oklahoma: Petitions from 853 citizens and residents of Okfuskee, Alfalfa, McIntosh, Pushmataha, Le Flore, and Logan Counties, Okla., urging the enactment of House bill 2856 embracing a Federal system of old-age pensions; to the Committee on Ways and Means.

556. By Mr. SANDERS of Texas: Petitions of numerous citizens of Rusk, Van Zandt, Panola, Wood, Smith, and Gregg Counties, Tex., urging passage of old-age pension as embodied in House bill 2856, by Hon. WILL ROGERS of Oklahoma; to the Committee on Ways and Means.

557. By Mr. SUTPHIN: Petition of the Title Abstracters' Association of New Jersey, favoring the continuance of white collar service projects under the Federal Emergency Relief; to the Committee on Appropriations.

558. Also, petition of the New Jersey Horticultural Society, heartily favoring moves to reduce restrictions of all kinds on export trade and praying for the support of Congress with a view to such an end; to the Committee on Interstate and Foreign Commerce.

559. By Mr. TARVER: Petitions of Mrs. Mollie Ayers and 19 other citizens of Haralson County, Mrs. W. H. Tudor and 9 other citizens of Chattooga County, James W. Riley and 15 other citizens of Walker County, George Bennett and 19 other citizens of Bartow County, Mrs. D. E. Daniel and 19 other citizens of Floyd County, D. E. Daniel and 18 other citizens of Floyd County, and J. H. Caldwell and 22 citizens of Floyd County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

560. Also, petitions of R. L. Hyde and 20 other citizens of Floyd County, J. J. Wallace and 29 other citizens of Floyd County, S. B. White and 10 other citizens of Cobb County, S. P. Cobb and 20 other citizens of Polk County, L. C. Warnock and 43 other citizens of Walker County, Ga., favoring old-age pensions; to the Committee on Ways and Means.

561. By Mr. TRUAX: Petition of Independent Order, Sons of Italy, Grand Lodge of Ohio, Cleveland, Ohio, by their secretary, G. R. Venditti, urging that Congress enact a Federal system of genuine unemployment insurance as contained in the workers act (H. R. 2827); to the Committee on Labor.

562. Also, petition of United Brick and Clay Workers, Local No. 473, by their secretary, David Reiger, Dover, Ohio, requesting the Honorable ROBERT F. WAGNER, of the State of New York, to again introduce his labor-disputes bill in its original form at the convening session of Congress; to the Committee on Labor.

563. Also, petition of United Rubber Workers Federal Labor Union, composed of approximately 7,600 employees of the B. F. Goodrich Tire & Rubber Co., Akron, Ohio, by their president, S. H. Dalrymple, requesting the immediate and full payment of the veterans' adjusted-compensation certificates; to the Committee on Ways and Means.